AN ACT making revisory changes relating to the renaming of the Bureau of the Budget and the Department of Commerce and Community Affairs.

Be it enacted by the People of the State of Illinois, represented in the General Assembly:

Section 1. Nature of this Act.

(a) Public Act 93-25 renamed the Bureau of the Budget as the Governor's Office of Management and Budget. It also renamed the Department of Commerce and Community Affairs as the Department of Commerce and Economic Opportunity. This revisory Act updates references throughout the Illinois Compiled Statutes to bring them into conformity with these name changes.

(b) This revisory Act makes no substantive change in the law. It was prepared by the Legislative Reference Bureau in accordance with subsection (h) of Section 5.04 of the Legislative Reference Bureau Act (25 ILCS 135/5.04) and is exempt from the single subject rule under Article IV, Section 8(d) of the Illinois Constitution.

Section 5. The Regulatory Sunset Act is amended by changing Sections 5 and 6 as follows:

(5 ILCS 80/5) (from Ch. 127, par. 1905)

Sec. 5. Study and report. The Governor's Office of Management and Budget ~~Bureau of the Budget~~ shall study the performance of each regulatory agency and program scheduled for termination under this Act and report annually to the Governor the results of such study, including in the report recommendations with respect to those agencies and programs the Governor's Office of Management and Budget ~~Bureau of the Budget~~ determines should be terminated or continued by the State. The Governor shall review the report of the Governor's Office of Management and Budget ~~Bureau of the Budget~~ and in each

even-numbered year make recommendations to the General Assembly on the termination or continuation of regulatory agencies and programs.

(Source: P.A. 92-85, eff. 7-12-01; revised 8-23-03.)

(5 ILCS 80/6) (from Ch. 127, par. 1906)

Sec. 6. Factors to be studied. In conducting the study required under Section 5, the Governor's Office of Management and Budget ~~Bureau of the Budget~~ shall consider, but is not limited to consideration of, the following factors in determining whether an agency or program should be recommended for termination or continuation:

(1) The extent to which the agency or program has permitted qualified applicants to serve the public;

(2) The extent to which the trade, business, profession, occupation or industry being regulated is being administered in a nondiscriminatory manner both in terms of employment and the rendering of services;

(3) The extent to which the regulatory agency or program has operated in the public interest, and the extent to which its operation has been impeded or enhanced by existing statutes, procedures, and practices of any other department of State government, and any other circumstances, including budgetary, resource, and personnel matters;

(4) The extent to which the agency running the program has recommended statutory changes to the General Assembly that would benefit the public as opposed to the persons it regulates;

(5) The extent to which the agency or program has required the persons it regulates to report to it concerning the impact of rules and decisions of the agency or the impact of the program on the public regarding improved service, economy of service, and availability of service;

(6) The extent to which persons regulated by the agency

or under the program have been required to assess problems in their industry that affect the public;

(7) The extent to which the agency or program has encouraged participation by the public in making its rules and decisions as opposed to participation solely by the persons it regulates and the extent to which such rules and decisions are consistent with statutory authority;

(8) The efficiency with which formal public complaints filed with the regulatory agency or under the program concerning persons subject to regulation have been processed to completion, by the executive director of the regulatory agencies or programs, by the Attorney General and by any other applicable department of State government; and

(9) The extent to which changes are necessary in the enabling laws of the agency or program to adequately comply with the factors listed in this Section.

(Source: P.A. 90-580, eff. 5-21-98; revised 8-23-03.)

Section 10. The Illinois Administrative Procedure Act is amended by changing Section 5-30 as follows:

(5 ILCS 100/5-30) (from Ch. 127, par. 1005-30)

Sec. 5-30. Regulatory flexibility. When an agency proposes a new rule or an amendment to an existing rule that may have an impact on small businesses, not for profit corporations, or small municipalities, the agency shall do each of the following:

(a) The agency shall consider each of the following methods for reducing the impact of the rulemaking on small businesses, not for profit corporations, or small municipalities. The agency shall reduce the impact by utilizing one or more of the following methods if it finds that the methods are legal and feasible in meeting the statutory objectives that are the basis of the proposed rulemaking.

(1) Establish less stringent compliance or reporting

requirements in the rule for small businesses, not for profit corporations, or small municipalities.

(2) Establish less stringent schedules or deadlines in the rule for compliance or reporting requirements for small businesses, not for profit corporations, or small municipalities.

(3) Consolidate or simplify the rule's compliance or reporting requirements for small businesses, not for profit corporations, or small municipalities.

(4) Establish performance standards to replace design or operational standards in the rule for small businesses, not for profit corporations, or small municipalities.

(5) Exempt small businesses, not for profit corporations, or small municipalities from any or all requirements of the rule.

(b) Before or during the notice period required under subsection (b) of Section 5-40, the agency shall provide an opportunity for small businesses, not for profit corporations, or small municipalities to participate in the rulemaking process. The agency shall utilize one or more of the following techniques. These techniques are in addition to other rulemaking requirements imposed by this Act or by any other Act.

(1) The inclusion in any advance notice of possible rulemaking of a statement that the rule may have an impact on small businesses, not for profit corporations, or small municipalities.

(2) The publication of a notice of rulemaking in publications likely to be obtained by small businesses, not for profit corporations, or small municipalities.

(3) The direct notification of interested small businesses, not for profit corporations, or small municipalities.

(4) The conduct of public hearings concerning the impact of the rule on small businesses, not for profit corporations, or small municipalities.

(5) The use of special hearing or comment procedures to reduce the cost or complexity of participation in the rulemaking by small businesses, not for profit corporations, or small municipalities.

(c) Before the notice period required under subsection (b) of Section 5-40, the Secretary of State shall provide to the Business Assistance Office of the Department of Commerce and Economic Opportunity ~~Community Affairs~~ a copy of any proposed rules or amendments accepted for publication. The Business Assistance Office shall prepare an impact analysis of the rule describing the rule's effect on small businesses whenever the Office believes, in its discretion, that an analysis is warranted or whenever requested to do so by 25 interested persons, an association representing at least 100 interested persons, the Governor, a unit of local government, or the Joint Committee on Administrative Rules. The impact analysis shall be completed within the notice period as described in subsection (b) of Section 5-40. Upon completion of the analysis the Business Assistance Office shall submit this analysis to the Joint Committee on Administrative Rules, any interested person who requested the analysis, and the agency proposing the rule. The impact analysis shall contain the following:

(1) A summary of the projected reporting, recordkeeping, and other compliance requirements of the proposed rule.

(2) A description of the types and an estimate of the number of small businesses to which the proposed rule will apply.

(3) An estimate of the economic impact that the regulation will have on the various types of small businesses affected by the rulemaking.

(4) A description or listing of alternatives to the proposed rule that would minimize the economic impact of the rule. The alternatives must be consistent with the stated objectives of the applicable statutes and regulations.

(Source: P.A. 87-823; 88-667, eff. 9-16-94; revised 12-6-03.)

Section 15. The State Employees Group Insurance Act of 1971 is amended by changing Section 11 as follows:

(5 ILCS 375/11) (from Ch. 127, par. 531)

Sec. 11. The amount of contribution in any fiscal year from funds other than the General Revenue Fund or the Road Fund shall be at the same contribution rate as the General Revenue Fund or the Road Fund. Contributions and payments for life insurance shall be deposited in the Group Insurance Premium Fund. Contributions and payments for health coverages and other benefits shall be deposited in the Health Insurance Reserve Fund. Federal funds which are available for cooperative extension purposes shall also be charged for the contributions which are made for retired employees formerly employed in the Cooperative Extension Service. In the case of departments or any division thereof receiving a fraction of its requirements for administration from the Federal Government, the contributions hereunder shall be such fraction of the amount determined under the provisions hereof and the remainder shall be contributed by the State.

Every department which has members paid from funds other than the General Revenue Fund shall cooperate with the Department of Central Management Services and the Governor's Office of Management and Budget ~~Bureau of the Budget~~ in order to assure that the specified proportion of the State's cost for group life insurance, the program of health benefits and other employee benefits is paid by such funds; except that contributions under this Act need not be paid from any other fund where both the Director of Central Management Services and the Director of the Governor's Office of Management and Budget ~~Bureau of the Budget~~ have designated in writing that the necessary contributions are included in the General Revenue Fund contribution amount.

Universities having employees who are totally compensated

out of the following funds:

(1) Income Funds;

(2) Local auxiliary funds; and

(3) the Agricultural Premium Fund

shall not be required to submit such contribution for such employees.

For each person covered under this Act whose eligibility for such coverage is based upon the person's status as the recipient of a benefit under the Illinois Pension Code, which benefit is based in whole or in part upon service with the Toll Highway Authority, the Authority shall annually contribute a pro rata share of the State's cost for the benefits of that person.

(Source: P.A. 89-499, eff. 6-28-96; revised 8-23-03.)

Section 20. The State Employment Records Act is amended by changing Section 15 as follows:

(5 ILCS 410/15)

Sec. 15. Reported information.

(a) State agencies shall, if necessary, consult with the Office of the Comptroller and the Governor's Office of Management and Budget ~~Bureau of the Budget~~ to confirm the accuracy of information required by this Act. State agencies shall collect and maintain information and publish reports including but not limited to the following information arranged in the indicated categories:

(i) the total number of persons employed by the agency who are part of the State work force, as defined by this Act, and the number and statistical percentage of women, minorities, and physically disabled persons employed within the agency work force;

(ii) the total number of persons employed within the agency work force receiving levels of State remuneration within incremental levels of $10,000, and the number and statistical percentage of minorities, women, and

physically disabled persons in the agency work force receiving levels of State remuneration within incremented levels of $10,000;

(iii) the number of open positions of employment or advancement in the agency work force, reported on a fiscal year basis;

(iv) the number and percentage of open positions of employment or advancement in the agency work force filled by minorities, women, and physically disabled persons, reported on a fiscal year basis;

(v) the total number of persons employed within the agency work force as professionals, and the number and percentage of minorities, women, and physically disabled persons employed within the agency work force as professional employees; and

(vi) the total number of persons employed within the agency work force as contractual service employees, and the number and percentage of minorities, women, and physically disabled persons employed within the agency work force as contractual services employees.

(b) The numbers and percentages of minorities required to be reported by this Section shall be identified by categories as Hispanic, African American, Asian American, and Native American. Data concerning women shall be reported on a minority and nonminority basis. The numbers and percentages of physically disabled persons required to be reported under this Section shall be identified by categories as male and female.

(c) To accomplish consistent and uniform classification and collection of information from each State agency, and to ensure full compliance and that all required information is provided, the Index Department of the Office of the Secretary of State, in consultation with the Department of Human Rights, the Department of Central Management Services, and the Office of the Comptroller, shall develop appropriate forms to be used by all State agencies subject to the reporting requirements of this Act.

All State agencies shall make the reports required by this Act using the forms developed under this subsection. The reports must be certified and signed by an official of the agency who is responsible for the information provided.
(Source: P.A. 87-1211; 88-126; revised 8-23-03.)

Section 25. The State Budget Law of the Civil Administrative Code of Illinois is amended by changing Section 50-15 as follows:

(15 ILCS 20/50-15) (was 15 ILCS 20/38.2)

Sec. 50-15. Department accountability reports.

(a) Beginning in the fiscal year which begins July 1, 1992, each department of State government as listed in Section 5-15 of the Departments of State Government Law (20 ILCS 5/5-15) shall submit an annual accountability report to the Bureau of the Budget (now Governor's Office of Management and Budget) at times designated by the Director of the Bureau of the Budget now Governor's Office of Management and Budget). Each accountability report shall be designed to assist the Bureau (now Office) ~~of the Budget~~ in its duties under Sections 2.2 and 2.3 of the Governor's Office of Management and Budget ~~Bureau of the Budget~~ Act and shall measure the department's performance based on criteria, goals, and objectives established by the department with the oversight and assistance of the Bureau (now Office) ~~of the Budget~~. Each department shall also submit interim progress reports at times designated by the Director of the Bureau (now Office) ~~of the Budget~~.

(b) (Blank).

(c) The Director of the Bureau (now Office) ~~of the Budget~~ shall select not more than 3 departments for a pilot program implementing the procedures of subsection (a) for budget requests for the fiscal years beginning July 1, 1990 and July 1, 1991, and each of the departments elected shall submit accountability reports for those fiscal years.

By April 1, 1991, the Bureau (now Office) ~~of the Budget~~

shall recommend in writing to the Governor any changes in the budget review process established pursuant to this Section suggested by its evaluation of the pilot program. The Governor shall submit changes to the budget review process that the Governor plans to adopt, based on the report, to the President and Minority Leader of the Senate and the Speaker and Minority Leader of the House of Representatives.

(Source: P.A. 91-239, eff. 1-1-00; 92-850, eff. 8-26-02; revised 8-23-03.)

Section 30. The Illinois Literacy Act is amended by changing Section 20 as follows:

(15 ILCS 322/20)

Sec. 20. Illinois Literacy Council.

(a) The Council shall facilitate the improvement of literacy levels of Illinois citizens by providing a forum from which representatives from throughout the State can promote literacy, share expertise, and recommend policy.

(b) The Council shall be appointed by and be responsible to the Governor. The Secretary of State shall serve as chairman. The Council shall advise the Governor and other agencies on strategies that address the literacy needs of the State, especially with respect to the needs of workplace literacy, family literacy, program evaluation, public awareness, and public and private partnerships.

(c) The Council will determine its own procedures and the number, time, place, and conduct of its meetings. It shall meet at least 4 times a year. The Council may be assisted in its activities by the Literacy Office. Council members shall not receive compensation for their services.

(d) The Council's membership shall consist of representatives of public education, public and private sector employment, labor organizations, community literacy organizations, libraries, volunteer organizations, the Office of the Secretary of State, the Department of Commerce and

Economic Opportunity ~~Community Affairs~~, the Illinois Community College Board, the Department of Employment Security, the Department of Human Services, the State Board of Education, the Department of Corrections, and the Prairie State 2000 Authority.

(e) The Council members representing State agencies shall act as an interagency coordinating committee to improve the system for delivery of literacy services, provide pertinent information and agency comments to Council members, and implement the recommendations forwarded by the Council and approved by the Governor.

(f) The Secretary of State, in consultation with the Council, shall expend moneys to perform Council functions as authorized by this Act from the Literacy Advancement Fund, a special fund hereby created in the State Treasury. All moneys received from an income tax checkoff for the Literacy Advancement Fund as provided in Section 507I of the Illinois Income Tax Act shall be deposited into the Fund.
(Source: P.A. 89-507, eff. 7-1-97; revised 12-6-03.)

Section 35. The State Comptroller Act is amended by changing Sections 9.02, 19, 21, and 22.2 as follows:

(15 ILCS 405/9.02) (from Ch. 15, par. 209.02)

Sec. 9.02. No warrant for the expenditure, disbursement, contract, administration, transfer or use of federal funds by any recipient State agency subject to the reporting requirement of Section 5.1 of the Governor's Office of Management and Budget Act ~~"An Act to create a Bureau of the Budget and to define its powers and duties and to make an appropriation", approved April 16, 1969, as now or hereafter amended,~~ shall be drawn by the Comptroller until the Comptroller receives certification from the recipient agency that such federal funds have been reported to the Bureau as required by that Section.
(Source: P.A. 82-173; revised 8-23-03.)

(15 ILCS 405/19) (from Ch. 15, par. 219)

Sec. 19. Financial records - monthly reports - forms. The comptroller shall maintain complete, accurate and current financial records relating to State funds and to other public funds and assets available to, encumbered or expended by each State agency, including trust funds or other moneys not subject to appropriation, setting out all revenues, charges against all funds, fund and appropriation balances, interfund transfers, warrants outstanding and assets and encumbrances, in a manner consistent with the uniform State accounting system prescribed by the comptroller. Such records shall be public records open to public inspection.

The Governor, Treasurer, Director of the Governor's Office of Management and Budget ~~Bureau of the Budget~~, Director of Central Management Services, Auditor General, Speaker and Minority Leader of the House of Representatives, and President and Minority Leader of the Senate shall have access to all records and reports received by the comptroller from State agencies and to all data and accounts maintained by the comptroller except as otherwise specifically provided by law. All other State executive officers and heads of State agencies shall have access to reports and accounts relating to their agency or office.

The Comptroller shall make a report to the Speaker and Minority Leader of the House of Representatives, the President and Minority Leader of the Senate, and the Chairman and Minority Spokesman of each of the appropriations committees of the House of Representatives and the Senate giving notice within 10 days of the establishment of each fund or account consisting of funds not subject to appropriation by the General Assembly.

Each month the comptroller shall prepare a report summarizing by State agency and appropriation the above information in such form as will most clearly and accurately set out the current fiscal condition of the State.

In addition, each month the comptroller shall prepare a

report by detail object account in such form as will most clearly present the status of such accounts.

The comptroller shall prescribe forms for the periodic reporting of financial accounts, transactions and other matters by State agencies, compatible with the reports required of the comptroller under this Section.

(Source: P.A. 82-789; revised 8-23-03.)

(15 ILCS 405/21) (from Ch. 15, par. 221)

Sec. 21. Rules and Regulations - Imprest accounts. The Comptroller shall promulgate rules and regulations to implement the exercise of his powers and performance of his duties under this Act and to guide and assist State agencies in complying with this Act. Any rule or regulation specifically requiring the approval of the State Treasurer under this Act for adoption by the comptroller shall require the approval of the State Treasurer for modification or repeal.

The Comptroller may provide in his rules and regulations for periodic transfers, with the approval of the State Treasurer, for use in accordance with the imprest system, subject to the rules and regulations of the Comptroller as respects vouchers, controls and reports, as follows:

(a) To the University of Illinois, Southern Illinois University, Chicago State University, Eastern Illinois University, Governors State University, Illinois State University, Northeastern Illinois University, Northern Illinois University, Western Illinois University, and State Community College of East St. Louis under the jurisdiction of the Illinois Community College Board, not to exceed $200,000 for each campus.

(b) To the Department of Agriculture and the Department of Commerce and Economic Opportunity ~~Community Affairs~~ for the operation of overseas offices, not to exceed $200,000 for each Department for each overseas office.

(c) To the Department of Agriculture for the purpose of making change for activities at each State Fair, not to

exceed $200,000, to be returned within 5 days of the termination of such activity.

(d) To the Department of Agriculture to pay (i) State Fair premiums and awards and State Fair entertainment contracts at each State Fair, and (ii) ticket refunds for cancelled events. The amount transferred from any fund shall not exceed the appropriation for each specific purpose. This authorization shall terminate each year within 60 days of the close of each State Fair. The Department shall be responsible for withholding State income tax, where necessary, as required by Section 709 of the Illinois Income Tax Act.

(e) To the State Treasurer to pay for securities' safekeeping charges assessed by the Board of Governors of the Federal Reserve System as a consequence of the Treasurer's use of the government securities' book-entry system. This account shall not exceed $25,000.

(f) To the Illinois Mathematics and Science Academy, not to exceed $15,000.

(Source: P.A. 91-753, eff. 7-1-00; revised 12-6-03.)

(15 ILCS 405/22.2) (from Ch. 15, par. 222.2)

Sec. 22.2. Employees Suggestion Award Board. Upon request from the Employees Suggestion Award Board, the Comptroller and the Director of the Governor's Office of Management and Budget ~~Bureau of the Budget~~ may hold in reserve the amounts equal to the savings from the appropriate appropriation line item for the State agency involved. The term "reserve" for the purposes of this Section means that such funds shall not be expended nor obligated for the fiscal year designated by the Board.

(Source: P.A. 84-943; revised 8-23-03.)

Section 40. The Local Government Accounting Systems Act is amended by changing Section 2 as follows:

(15 ILCS 425/2) (from Ch. 15, par. 602)

Sec. 2. The State Comptroller shall publish manuals and operating procedures which may be used by units of local government in complying with accounting, auditing and reporting requirements. These manuals and procedures shall be designed to account for the various kinds and sizes of units of local government.

The manuals and operating procedures shall be reviewed by an advisory committee selected by the State Comptroller composed of persons from the Department of Commerce and Economic Opportunity ~~Community Affairs~~, other interested State agencies, units of local government, associations of units of local government and other interested or concerned groups.

The State Comptroller shall provide or cooperate in educational and training programs to assist local governments in complying with accounting, auditing and reporting requirements.

(Source: P.A. 84-259; revised 12-6-03.)

Section 45. The Civil Administrative Code of Illinois is amended by changing Sections 5-330 and 5-530 as follows:

(20 ILCS 5/5-330) (was 20 ILCS 5/9.18)

Sec. 5-330. In the Department of Commerce and Economic Opportunity ~~Community Affairs~~. The Director of Commerce and Economic Opportunity ~~Community Affairs~~ shall receive an annual salary as set by the Governor from time to time or as set by the Compensation Review Board, whichever is greater.

The Assistant Director of Commerce and Economic Opportunity ~~Community Affairs~~ shall receive an annual salary as set by the Governor from time to time or as set by the Compensation Review Board, whichever is greater.

(Source: P.A. 91-25, eff. 6-9-99; 91-239, eff. 1-1-00; 92-16, eff. 6-28-01; revised 12-6-03.)

(20 ILCS 5/5-530) (was 20 ILCS 5/6.01a)

Sec. 5-530. In the Department of Agriculture and in

cooperation with the Department of Commerce and Economic Opportunity ~~Community Affairs~~. An Agricultural Export Advisory Committee composed of the following: 2 members of the House of Representatives, to be appointed by the Speaker of the House of Representatives; 2 members of the Senate, to be appointed by the President of the Senate; the Director of Agriculture, who shall serve as Secretary of the Committee; and not more than 15 members to be appointed by the Governor. The members of the committee shall receive no compensation but shall be reimbursed for expenses necessarily incurred in the performance of their duties under this Act.

(Source: P.A. 91-239, eff. 1-1-00; revised 12-6-03.)

Section 50. The Illinois Welfare and Rehabilitation Services Planning Act is amended by changing Section 3 as follows:

(20 ILCS 10/3) (from Ch. 127, par. 953)

Sec. 3. On or before the first Friday in April of each odd-numbered year, each agency listed in subsection (a) of Section 4 shall prepare and cause to be submitted to the General Assembly a comprehensive plan providing for the best possible use of available resources for the development of the State's human resources and the provision of social services by the agency. In preparing that plan, each agency shall emphasize coordination and cooperation with other agencies listed in subsection (a) of Section 4 regarding the pursuit of objectives it has in common with the other agencies. Each plan shall contain the information required by Section 6 and shall be prepared and submitted in conformity with Sections 7 through 9 of this Act. The Governor's Office of Management and Budget ~~Bureau of the Budget~~, or any other agency designated by that Office ~~Bureau~~, may require that the agency plans required by this Act shall, before submission to the General Assembly, be submitted to it, or such other agency designated by it. The Office ~~Bureau~~ or the designated agency may review and

coordinate the plans and submit them on behalf of the agencies concerned to the General Assembly.
(Source: P.A. 88-487; revised 8-23-03.)

Section 55. The Illinois Act on the Aging is amended by changing Section 8.01 as follows:

(20 ILCS 105/8.01) (from Ch. 23, par. 6108.01)

Sec. 8.01. Coordinating Committee; members. The Coordinating Committee of State Agencies Serving Older Persons shall consist of the Director of the Department on Aging or his or her designee as Chairman, the State Superintendent of Education or his or her designee, the Secretary of Human Services or his or her designee, the Secretary of Transportation or his or her designee, and the Directors, or the designee or designees of any or all of the Directors, of the following Departments or agencies: Labor; Veterans' Affairs; Public Health; Public Aid; Children and Family Services; Commerce and Economic Opportunity ~~Community Affairs~~; Insurance; Revenue; Illinois Housing Development Authority; and Comprehensive State Health Planning.
(Source: P.A. 90-609, eff. 6-30-98; 91-61, eff. 6-30-99; revised 12-6-03.)

Section 60. The Department of Agriculture Law of the Civil Administrative Code of Illinois is amended by changing Section 205-40 as follows:

(20 ILCS 205/205-40) (was 20 ILCS 205/40.31)

Sec. 205-40. Export consulting service and standards. The Department, in cooperation with the Department of Commerce and Economic Opportunity ~~Community Affairs~~ and the Agricultural Export Advisory Committee, shall (1) provide a consulting service to those who desire to export farm products, commodities, and supplies and guide them in their efforts to improve trade relations; (2) cooperate with agencies and

instrumentalities of the federal government to develop export grade standards for farm products, commodities, and supplies produced in Illinois and adopt reasonable rules and regulations to ensure that exports of those products, commodities, and supplies comply with those standards; (3) upon request and after inspection of any such farm product, commodity, or supplies, certify compliance or noncompliance with those standards; (4) provide an informational program to existing and potential foreign importers of farm products, commodities, and supplies; (5) qualify for U. S. Department of Agriculture matching funds for overseas promotion of farm products, commodities, and supplies according to the federal requirements regarding State expenditures that are eligible for matching funds; and (6) provide a consulting service to persons who desire to export processed or value-added agricultural products and assist those persons in ascertaining legal and regulatory restrictions and market preferences that affect the sale of value-added agricultural products in foreign markets.

(Source: P.A. 91-239, eff. 1-1-00; revised 12-6-03.)

Section 65. The Biotechnology Sector Development Act is amended by changing Section 10 as follows:

(20 ILCS 230/10)

Sec. 10. Sector program. The Department of Agriculture, in cooperation with the Department of Commerce and Economic Opportunity ~~Community Affairs~~, shall establish a targeted sector program in the area of biotechnology. In fulfillment of this purpose, the Department of Agriculture is authorized to:

(a) Analyze on an ongoing basis the state of the biotechnology sector in Illinois, including, but not limited to, its strengths and weaknesses, its opportunities and risks, its emerging products, processes, and market niches, the commercialization of its related technology, its capital availability, its education and training needs, and its

infrastructure development.

(b) Work in conjunction with the Biotechnology Advisory Council created under this Act.

(c) Develop a resource guide for use in promoting the biotechnology sector in Illinois.

(d) Explore the feasibility of conducting seminars to provide both entrepreneurs and investors with information about the biotechnology sector in Illinois.

(e) Operate, internally or on a contractual basis, an equipment resource referral service to identify available surplus equipment that could be used by biotechnology entrepreneurs.

(Source: P.A. 88-584, eff. 8-12-94; revised 12-6-03.)

Section 70. The Department of Central Management Services Law of the Civil Administrative Code of Illinois is amended by changing Sections 405-130, 405-295, 405-300, and 405-500 as follows:

(20 ILCS 405/405-130) (was 20 ILCS 405/67.28)

Sec. 405-130. State employees and retirees suggestion award program.

(a) The Department shall assist in the implementation of a State Employees and Retirees Suggestion Award Program, to be administered by the Board created in subsection (b). The program shall encourage and reward improvements in the operation of State government that result in substantial monetary savings. Any State employee, including management personnel as defined by the Department, any annuitant under Article 14 of the Illinois Pension Code and any annuitant under Article 15 of that Code who receives a retirement or disability retirement annuity, but not including elected officials and departmental directors, may submit a cost-saving suggestion to the Board, which shall direct the suggestion to the appropriate department or agency without disclosing the identity of the suggester. A suggester may make a suggestion or include

documentation on matters a department or agency considers confidential, except where prohibited by federal or State law; and no disciplinary or other negative action may be taken against the suggester unless there is a violation of federal or State law.

Suggestions, including documentation, upon receipt, shall be given confidential treatment and shall not be subject to subpoena or be made public until the agency affected by it has had the opportunity to request continued confidentiality. The agency, if it requests continued confidentiality, shall attest that disclosure would violate federal or State law or rules and regulations pursuant to federal or State law or is a matter covered under Section 7 of the Freedom of Information Act. The Board shall make its decision on continued confidentiality and, if it so classifies the suggestion, shall notify the suggester and agency. A suggestion classified "continued confidential" shall nevertheless be evaluated and considered for award. A suggestion that the Board finds or the suggester states or implies constitutes a disclosure of information that the suggester reasonably believes evidences (1) a violation of any law, rule, or regulation or (2) mismanagement, a gross waste of funds, an abuse of authority, or a substantial and specific danger to public health or safety may be referred to the appropriate investigatory or law enforcement agency for consideration for investigation and action. The identity of the suggester may not be disclosed without the consent of the suggester during any investigation of the information and any related matters. Such a suggestion shall also be evaluated and an award made when appropriate. That portion of Board meetings that involves the consideration of suggestions classified "continued confidential" or being considered for that classification shall be closed meetings.

The Board may at its discretion make awards for those suggestions certified by agency or department heads as resulting in savings to the State of Illinois. Management personnel shall be recognized for their suggestions as the

Board considers appropriate but shall not receive any monetary award. Annuitants and employees, other than employees who are management personnel, shall receive awards in accordance with the schedule below. Each award to employees other than management personnel and awards to annuitants shall be paid in one lump sum by the Board created in subsection (b). A monetary award may be increased by appropriation of the General Assembly.

The amount of each award to employees other than management personnel and the award to annuitants shall be determined as follows:

$1.00 to $5,000 savings	an amount not to exceed $500.00 or a certificate of merit, or both, as determined by the Board
more than $5,000 up to $20,000 savings.....	$500 award
more than $20,000 up to $100,000 savings.....	$1,000 award
more than $100,000 up to $200,000 savings	$2,000 award
more than $200,000 up to $300,000 savings	$3,000 award
more than $300,000 up to $400,000 savings	$4,000 award
more than $400,000	$5,000 award

(b) There is created a State Employees and Retirees Suggestion Award Board to administer the program described in subsection (a). The Board shall consist of 8 members appointed 2 each by the President of the Senate, the Minority Leader of the Senate, the Speaker of the House of Representatives, and the Minority Leader of the House of Representatives and, as ex-officio, non-voting members, the directors of the Governor's Office of Management and Budget ~~Bureau of the Budget~~ and the Department. Each appointing authority shall designate one initial appointee to serve one year and one initial appointee to serve 2 years; subsequent terms shall be 2 years.

Any vacancies shall be filled for the unexpired term by the original appointing authority and any member may be reappointed. Board members shall serve without compensation but may be reimbursed for expenses incurred in the performance of their duties. The Board shall annually elect a chairman from among its number, shall meet monthly or more frequently at the call of the chairman, and shall establish necessary procedures, guidelines, and criteria for the administration of the program. The Board shall annually report to the General Assembly by January 1 on the operation of the program, including the nature and cost-savings of implemented suggestions, and any recommendations for legislative changes it deems appropriate. The General Assembly shall make an annual appropriation to the Board for payment of awards and the expenses of the Board, such as, but not limited to: travel of the members, preparation of publicity material, printing of forms and other matter, and contractual expenses.

(Source: P.A. 91-239, eff. 1-1-00; revised 8-23-03.)

(20 ILCS 405/405-295) (was 20 ILCS 405/67.30)

Sec. 405-295. Decreased energy consumption. The Department may enter into contracts for equipment or services designed to decrease energy consumption in State programs and State owned or controlled buildings or equipment. Prior to entering into any such contract for a State owned building, the Department shall consult with the Executive Director of the Capital Development Board. The Department may consult with the Department of Commerce and Economic Opportunity ~~Community Affairs~~ regarding any aspect of energy consumption projects.

(Source: P.A. 91-239, eff. 1-1-00; revised 12-6-03.)

(20 ILCS 405/405-300) (was 20 ILCS 405/67.02)

Sec. 405-300. Lease or purchase of facilities; training programs.

(a) To lease or purchase office and storage space, buildings, land, and other facilities for all State agencies,

authorities, boards, commissions, departments, institutions, and bodies politic and all other administrative units or outgrowths of the executive branch of State government except the Constitutional officers, the State Board of Education and the State colleges and universities and their governing bodies. However, before leasing or purchasing any office or storage space, buildings, land or other facilities in any municipality the Department shall survey the existing State-owned and State-leased property to make a determination of need.

The leases shall be for a term not to exceed 5 years, except that the leases may contain a renewal clause subject to acceptance by the State after that date or an option to purchase. The purchases shall be made through contracts that (i) may provide for the title to the property to transfer immediately to the State or a trustee or nominee for the benefit of the State, (ii) shall provide for the consideration to be paid in installments to be made at stated intervals during a certain term not to exceed 30 years from the date of the contract, and (iii) may provide for the payment of interest on the unpaid balance at a rate that does not exceed a rate determined by adding 3 percentage points to the annual yield on United States Treasury obligations of comparable maturity as most recently published in the Wall Street Journal at the time such contract is signed. The leases and purchase contracts shall be and shall recite that they are subject to termination and cancellation in any year for which the General Assembly fails to make an appropriation to pay the rent or purchase installments payable under the terms of the lease or purchase contract. Additionally, the purchase contract shall specify that title to the office and storage space, buildings, land, and other facilities being acquired under the contract shall revert to the Seller in the event of the failure of the General Assembly to appropriate suitable funds. However, this limitation on the term of the leases does not apply to leases to and with the Illinois Building Authority, as provided for in the Building Authority Act. Leases to and with that Authority

may be entered into for a term not to exceed 30 years and shall be and shall recite that they are subject to termination and cancellation in any year for which the General Assembly fails to make an appropriation to pay the rent payable under the terms of the lease. These limitations do not apply if the lease or purchase contract contains a provision limiting the liability for the payment of the rentals or installments thereof solely to funds received from the Federal government.

(b) To lease from an airport authority office, aircraft hangar, and service buildings constructed upon a public airport under the Airport Authorities Act for the use and occupancy of the State Department of Transportation. The lease may be entered into for a term not to exceed 30 years.

(c) To establish training programs for teaching State leasing procedures and practices to new employees of the Department and to keep all employees of the Department informed about current leasing practices and developments in the real estate industry.

(d) To enter into an agreement with a municipality or county to construct, remodel, or convert a structure for the purposes of its serving as a correctional institution or facility pursuant to paragraph (c) of Section 3-2-2 of the Unified Code of Corrections.

(e) To enter into an agreement with a private individual, trust, partnership, or corporation or a municipality or other unit of local government, when authorized to do so by the Department of Corrections, whereby that individual, trust, partnership, or corporation or municipality or other unit of local government will construct, remodel, or convert a structure for the purposes of its serving as a correctional institution or facility and then lease the structure to the Department for the use of the Department of Corrections. A lease entered into pursuant to the authority granted in this subsection shall be for a term not to exceed 30 years but may grant to the State the option to purchase the structure outright.

The leases shall be and shall recite that they are subject to termination and cancellation in any year for which the General Assembly fails to make an appropriation to pay the rent payable under the terms of the lease.

(f) On and after September 17, 1983, the powers granted to the Department under this Section shall be exercised exclusively by the Department, and no other State agency may concurrently exercise any such power unless specifically authorized otherwise by a later enacted law. This subsection is not intended to impair any contract existing as of September 17, 1983.

However, no lease for more than 10,000 square feet of space shall be executed unless the Director, in consultation with the Executive Director of the Capital Development Board, has certified that leasing is in the best interest of the State, considering programmatic requirements, availability of vacant State-owned space, the cost-benefits of purchasing or constructing new space, and other criteria as he or she shall determine. The Director shall not permit multiple leases for less than 10,000 square feet to be executed in order to evade this provision.

(g) To develop and implement, in cooperation with the Interagency Energy Conservation Committee, a system for evaluating energy consumption in facilities leased by the Department, and to develop energy consumption standards for use in evaluating prospective lease sites.

(h) (1) After June 1, 1998 (the effective date of Public Act 90-520), the Department shall not enter into an agreement for the installment purchase or lease purchase of buildings, land, or facilities unless:

(A) the using agency certifies to the Department that the agency reasonably expects that the building, land, or facilities being considered for purchase will meet a permanent space need;

(B) the building or facilities will be substantially occupied by State agencies after

purchase (or after acceptance in the case of a build to suit);

(C) the building or facilities shall be in new or like new condition and have a remaining economic life exceeding the term of the contract;

(D) no structural or other major building component or system has a remaining economic life of less than 10 years;

(E) the building, land, or facilities:

(i) is free of any identifiable environmental hazard or

(ii) is subject to a management plan, provided by the seller and acceptable to the State, to address the known environmental hazard;

(F) the building, land, or facilities satisfy applicable handicap accessibility and applicable building codes; and

(G) the State's cost to lease purchase or installment purchase the building, land, or facilities is less than the cost to lease space of comparable quality, size, and location over the lease purchase or installment purchase term.

(2) The Department shall establish the methodology for comparing lease costs to the costs of installment or lease purchases. The cost comparison shall take into account all relevant cost factors, including, but not limited to, debt service, operating and maintenance costs, insurance and risk costs, real estate taxes, reserves for replacement and repairs, security costs, and utilities. The methodology shall also provide:

(A) that the comparison will be made using level payment plans; and

(B) that a purchase price must not exceed the fair market value of the buildings, land, or facilities and that the purchase price must be substantiated by an appraisal or by a competitive selection process.

(3) If the Department intends to enter into an installment purchase or lease purchase agreement for buildings, land, or facilities under circumstances that do not satisfy the conditions specified by this Section, it must issue a notice to the Secretary of the Senate and the Clerk of the House. The notice shall contain (i) specific details of the State's proposed purchase, including the amounts, purposes, and financing terms; (ii) a specific description of how the proposed purchase varies from the procedures set forth in this Section; and (iii) a specific justification, signed by the Director, stating why it is in the State's best interests to proceed with the purchase. The Department may not proceed with such an installment purchase or lease purchase agreement if, within 60 calendar days after delivery of the notice, the General Assembly, by joint resolution, disapproves the transaction. Delivery may take place on a day and at an hour when the Senate and House are not in session so long as the offices of Secretary and Clerk are open to receive the notice. In determining the 60-day period within which the General Assembly must act, the day on which delivery is made to the Senate and House shall not be counted. If delivery of the notice to the 2 houses occurs on different days, the 60-day period shall begin on the day following the later delivery.

(4) On or before February 15 of each year, the Department shall submit an annual report to the Director of the Governor's Office of Management and Budget ~~Bureau of the Budget~~ and the General Assembly regarding installment purchases or lease purchases of buildings, land, or facilities that were entered into during the preceding calendar year. The report shall include a summary statement of the aggregate amount of the State's obligations under those purchases; specific details pertaining to each purchase, including the amounts, purposes, and financing terms and payment schedule for each purchase; and any other matter that the Department deems advisable.

The requirement for reporting to the General Assembly shall be satisfied by filing copies of the report with the Auditor General, the Speaker, the Minority Leader, and the Clerk of the House of Representatives and the President, the Minority Leader, and the Secretary of the Senate, the Chairs of the Appropriations Committees, and the Legislative Research Unit, as required by Section 3.1 of the General Assembly Organization Act, and filing additional copies with the State Government Report Distribution Center for the General Assembly as is required under paragraph (t) of Section 7 of the State Library Act.

(Source: P.A. 90-520, eff. 6-1-98; 91-239, eff. 1-1-00; revised 8-23-03.)

(20 ILCS 405/405-500)

Sec. 405-500. Matters relating to the Office of the Lieutenant Governor.

(a) It is the purpose of this Section to provide for the administration of the affairs of the Office of the Lieutenant Governor during a period when the Office of Lieutenant Governor is vacant.

It is the intent of the General Assembly that all powers and duties of the Lieutenant Governor assumed and exercised by the Director of Central Management Services, the Department of Central Management Services, or another Director, State employee, or State agency designated by the Governor under the provisions of Public Act 90-609 be reassumed by the Lieutenant Governor on January 11, 1999.

(b) Until January 11, 1999, while the office of Lieutenant Governor is vacant, the Director of Central Management Services shall assume and exercise the powers and duties given to the Lieutenant Governor under the Illinois Commission on Community Service Act, Section 46.53 of the Civil Administrative Code of Illinois (renumbered; now Section 605-75 of the Department of Commerce and Economic Opportunity ~~Community Affairs~~ Law, 20 ILCS 605/605-75) (relating to the Keep Illinois Beautiful

program), Section 12-1 of the State Finance Act, the Gifts and Grants to Government Act, and the Illinois Distance Learning Foundation Act.

The Director of Central Management Services shall not assume or exercise the powers and duties given to the Lieutenant Governor under the Rural Bond Bank Act.

(c) Until January 11, 1999, while the office of Lieutenant Governor is vacant, the Department of Central Management Services shall assume and exercise the powers and duties given to the Office of the Lieutenant Governor under Section 2-3.112 of the School Code, the Illinois River Watershed Restoration Act, the Illinois Wildlife Prairie Park Act, Section 12-1 of the State Finance Act, and the Illinois Distance Learning Foundation Act.

(c-5) Notwithstanding subsection (c): (i) the Governor shall appoint an interim member, who shall be interim chairperson, of the Illinois River Coordinating Council while the office of the Lieutenant Governor is vacant until January 11, 1999 and (ii) the Governor shall appoint an interim member, who shall be interim chairperson, of the Illinois Wildlife Prairie Park Commission while the office of the Lieutenant Governor is vacant until January 11, 1999.

(d) Until January 11, 1999, while the office of Lieutenant Governor is vacant, the Department of Central Management Services may assume and exercise the powers and duties that have been delegated to the Lieutenant Governor by the Governor.

(e) Until January 11, 1999, while the office of Lieutenant Governor is vacant, appropriations to the Office of the Lieutenant Governor may be obligated and expended by the Department of Central Management Services, with the authorization of the Director of Central Management Services, for the purposes specified in those appropriations. These obligations and expenditures shall continue to be accounted for as obligations and expenditures of the Office of the Lieutenant Governor.

(f) Until January 11, 1999, while the office of Lieutenant

Governor is vacant, all employees of the Office of the Lieutenant Governor who are needed to carry out the responsibilities of the Office are temporarily reassigned to the Department of Central Management Services. This reassignment shall not be deemed to constitute new employment or to change the terms or conditions of employment or the qualifications required of the employees, except that the reassigned employees shall be subject to supervision by the Department during the temporary reassignment period.

(g) Until January 11, 1999, while the office of Lieutenant Governor is vacant, the Department of Central Management Services shall temporarily assume and exercise the powers and duties of the Office of the Lieutenant Governor under contracts to which the Office of the Lieutenant Governor is a party. The assumption of rights and duties under this subsection shall not be deemed to change the terms or conditions of the contract.

The Department of Central Management Services may amend, extend, or terminate any such contract in accordance with its terms; may agree to terminate a contract at the request of the other party; and may, with the approval of the Governor, enter into new contracts on behalf of the Office of the Lieutenant Governor.

(h) The Governor may designate a State employee or director other than the Director of Central Management Services or a State agency other than the Department of Central Management Services to assume and exercise any particular power or duty that would otherwise be assumed and exercised by the Director of Central Management Services or the Department of Central Management Services under subsection (b), (c), or (d) of this Section.

Except as provided below, if the Governor designates a State employee or director other than the Director of Central Management Services or a State agency other than the Department of Central Management Services, that person or agency shall be responsible for those duties set forth in subsections (e), (f), and (g) that directly relate to the designation of duties under

subsections (b), (c), and (d).

If the Governor's designation relates to duties of the Commission on Community Service or the Distance Learning Foundation, the Director of Central Management Services and the Department of Central Management Services may, if so directed by the Governor, continue to be responsible for those duties set forth in subsections (e), (f), and (g) relating to that designation.

(i) Business transacted under the authority of this Section by entities other than the Office of the Lieutenant Governor shall be transacted on behalf of and in the name of the Office of the Lieutenant Governor. Property of the Office of the Lieutenant Governor shall remain the property of that Office and may continue to be used by persons performing the functions of that Office during the vacancy period, except as otherwise directed by the Governor.

(Source: P.A. 90-609, eff. 6-30-98; 91-239, eff. 1-1-00; revised 1-17-04.)

Section 75. The Personnel Code is amended by changing Section 8a as follows:

(20 ILCS 415/8a) (from Ch. 127, par. 63b108a)

Sec. 8a. Jurisdiction A - Classification and pay. For positions in the State service subject to the jurisdiction of the Department of Central Management Services with respect to the classification and pay:

(1) For the preparation, maintenance, and revision by the Director, subject to approval by the Commission, of a position classification plan for all positions subject to this Act, based upon similarity of duties performed, responsibilities assigned, and conditions of employment so that the same schedule of pay may be equitably applied to all positions in the same class. However, the pay of an employee whose position is reduced in rank or grade by reallocation because of a loss of duties or responsibilities after his appointment to such

position shall not be required to be lowered for a period of one year after the reallocation of his position. Conditions of employment shall not be used as a factor in the classification of any position heretofore paid under the provisions of Section 1.22 of "An Act to standardize position titles and salary rates", approved June 30, 1943, as amended. Unless the Commission disapproves such classification plan within 60 days, or any revision thereof within 30 days, the Director shall allocate every such position to one of the classes in the plan. Any employee affected by the allocation of a position to a class shall, after filing with the Director of Central Management Services a written request for reconsideration thereof in such manner and form as the Director may prescribe, be given a reasonable opportunity to be heard by the Director. If the employee does not accept the allocation of the position, he shall then have the right of appeal to the Civil Service Commission.

(2) For a pay plan to be prepared by the Director for all employees subject to this Act after consultation with operating agency heads and the Director of the Governor's Office of Management and Budget ~~Bureau of the Budget~~. Such pay plan may include provisions for uniformity of starting pay, an increment plan, area differentials, a delay not to exceed one year prior to the reduction of the pay of employees whose positions are reduced in rank or grade by reallocation because of a loss of duties or responsibilities after their appointments to such positions, prevailing rates of wages in those classifications in which employers are now paying or may hereafter pay such rates of wage and other provisions. Such pay plan shall become effective only after it has been approved by the Governor. Amendments to the pay plan shall be made in the same manner. Such pay plan shall provide that each employee shall be paid at one of the rates set forth in the pay plan for the class of position in which he is employed, subject to delay in the reduction of pay of employees whose positions are reduced in rank or grade by allocation as above set forth in this Section.

Such pay plan shall provide for a fair and reasonable compensation for services rendered.

This section is inapplicable to the position of Assistant Director of Public Aid in the Department of Public Aid. The salary for this position shall be as established in "The Civil Administrative Code of Illinois", approved March 7, 1917, as amended.

(Source: P.A. 82-789; revised 8-23-03.)

Section 80. The Children and Family Services Act is amended by changing Section 34.10 as follows:

(20 ILCS 505/34.10) (from Ch. 23, par. 5034.10)

Sec. 34.10. Home child care demonstration project; conversion and renovation grants; Department of Human Services.

(a) The legislature finds that the demand for quality child care far outweighs the number of safe, quality spaces for our children. The purpose of this Section is to increase the number of child care providers by:

(1) developing a demonstration project to train individuals to become home child care providers who are able to establish and operate their own child care facility; and

(2) providing grants to convert and renovate existing facilities.

(b) The Department of Human Services may from appropriations from the Child Care Development Block Grant establish a demonstration project to train individuals to become home child care providers who are able to establish and operate their own home-based child care facilities. The Department of Human Services is authorized to use funds for this purpose from the child care and development funds deposited into the Special Purposes Trust Fund as described in Section 12-10 of the Illinois Public Aid Code and, until October 1, 1998, the Child Care and Development Fund created by

the 87th General Assembly. As an economic development program, the project's focus is to foster individual self-sufficiency through an entrepreneurial approach by the creation of new jobs and opening of new small home-based child care businesses. The demonstration project shall involve coordination among State and county governments and the private sector, including but not limited to: the community college system, the Departments of Labor and Commerce and Economic Opportunity ~~Community Affairs~~, the State Board of Education, large and small private businesses, nonprofit programs, unions, and child care providers in the State.

The Department shall submit:

(1) a progress report on the demonstration project to the legislature by one year after the effective date of this amendatory Act of 1991; and

(2) a final evaluation report on the demonstration project, including findings and recommendations, to the legislature by one year after the due date of the progress report.

(c) The Department of Human Services may from appropriations from the Child Care Development Block Grant provide grants to family child care providers and center based programs to convert and renovate existing facilities, to the extent permitted by federal law, so additional family child care homes and child care centers can be located in such facilities.

(1) Applications for grants shall be made to the Department and shall contain information as the Department shall require by rule. Every applicant shall provide assurance to the Department that:

(A) the facility to be renovated or improved shall be used as family child care home or child care center for a continuous period of at least 5 years;

(B) any family child care home or child care center program located in a renovated or improved facility shall be licensed by the Department;

(C) the program shall comply with applicable federal and State laws prohibiting discrimination against any person on the basis of race, color, national origin, religion, creed, or sex;

(D) the grant shall not be used for purposes of entertainment or perquisites;

(E) the applicant shall comply with any other requirement the Department may prescribe to ensure adherence to applicable federal, State, and county laws;

(F) all renovations and improvements undertaken with funds received under this Section shall comply with all applicable State and county statutes and ordinances including applicable building codes and structural requirements of the Department; and

(G) the applicant shall indemnify and save harmless the State and its officers, agents, and employees from and against any and all claims arising out of or resulting from the renovation and improvements made with funds provided by this Section, and, upon request of the Department, the applicant shall procure sufficient insurance to provide that indemnification.

(2) To receive a grant under this Section to convert an existing facility into a family child care home or child care center facility, the applicant shall:

(A) agree to make available to the Department of Human Services all records it may have relating to the operation of any family child care home and child care center facility, and to allow State agencies to monitor its compliance with the purpose of this Section;

(B) agree that, if the facility is to be altered or improved, or is to be used by other groups, moneys appropriated by this Section shall be used for renovating or improving the facility only to the proportionate extent that the floor space will be used

by the child care program; and

(C) establish, to the satisfaction of the Department that sufficient funds are available for the effective use of the facility for the purpose for which it is being renovated or improved.

(3) In selecting applicants for funding, the Department shall make every effort to ensure that family child care home or child care center facilities are equitably distributed throughout the State according to demographic need. The Department shall give priority consideration to rural/Downstate areas of the State that are currently experiencing a shortage of child care services.

(4) In considering applications for grants to renovate or improve an existing facility used for the operations of a family child care home or child care center, the Department shall give preference to applications to renovate facilities most in need of repair to address safety and habitability concerns. No grant shall be disbursed unless an agreement is entered into between the applicant and the State, by and through the Department. The agreement shall include the assurances and conditions required by this Section and any other terms which the Department may require.

(Source: P.A. 89-507, eff. 7-1-97; 90-587, eff. 7-1-98; revised 12-6-03.)

Section 85. The Department of Commerce and Economic Opportunity Law of the Civil Administrative Code of Illinois is amended by changing Sections 605-105, 605-112, 605-360, 605-415, 605-855, and 605-865 as follows:

(20 ILCS 605/605-105) (was 20 ILCS 605/46.35)

Sec. 605-105. Transfer from Department of Local Government Affairs.

(a) To assume all rights, powers, duties, and

responsibilities of the former Department of Local Government Affairs not pertaining to its property taxation related functions. Personnel, books, records, property and funds pertaining to those non-taxation related functions are transferred to the Department, but any rights of employees or the State under the "Personnel Code" or any other contract or plan shall be unaffected by this transfer.

(b) After August 31, 1984 (the effective date of Public Act 83-1302), the power, formerly vested in the Department of Local Government Affairs and transferred to the Department of Commerce and Community Affairs (now Department of Commerce and Economic Opportunity), to administer the distribution of funds from the State treasury to reimburse counties where State penal institutions are located for the payment of assistant State's Attorneys' salaries under Section 7 of "An act concerning fees and salaries, and to classify the several counties of this state with reference thereto", approved March 29, 1872, as amended (repealed; now Section 4-2001 of the Counties Code, 55 ILCS 5/4-2001), shall be vested in the Department of Corrections pursuant to Section 3-2-2 of the Unified Code of Corrections.

(Source: P.A. 91-239, eff. 1-1-00; revised 12-6-03.)

(20 ILCS 605/605-112) (was 20 ILCS 605/46.34b)

Sec. 605-112. Transfer relating to the State Data Center. To assume from the Executive Office of the Governor, Bureau of the Budget (now Governor's Office of Management and Budget), on July 1, 1999, all personnel, books, records, papers, documents, property both real and personal, and pending business in any way pertaining to the State Data Center, established pursuant to a Memorandum of Understanding entered into with the Census Bureau pursuant to 15 U.S.C. Section 1525. All personnel transferred pursuant to this Section shall receive certified status under the Personnel Code.

(Source: P.A. 91-25, eff. 6-9-99; 92-16, eff. 6-28-01; revised 8-23-03.)

(20 ILCS 605/605-360) (was 20 ILCS 605/46.19a in part)

Sec. 605-360. Technology Innovation and Commercialization Grants-In-Aid Council. There is created within the Department a Technology Innovation and Commercialization Grants-in-Aid Council, which shall consist of 2 representatives of the Department of Commerce and Economic Opportunity ~~Community Affairs~~, appointed by the Department; one representative of the Illinois Board of Higher Education, appointed by the Board; one representative of science or engineering, appointed by the Governor; two representatives of business, appointed by the Governor; one representative of small business, appointed by the Governor; one representative of the Department of Agriculture, appointed by the Director of Agriculture; and one representative of agribusiness, appointed by the Director of Agriculture. The Director of Commerce and Economic Opportunity ~~Community Affairs~~ shall appoint one of the Department's representatives to serve as chairman of the Council. The Council members shall receive no compensation for their services but shall be reimbursed for their expenses actually incurred by them in the performance of their duties under this Section. The Department shall provide staff services to the Council. The Council shall provide for review and evaluation of all applications received by the Department under Section 605-355 and make recommendations on those projects to be funded. The Council shall also assist the Department in monitoring the projects and in evaluating the impact of the program on technological innovation and business development within the State.

(Source: P.A. 90-454, eff. 8-16-97; 91-239, eff. 1-1-00; revised 12-6-03.)

(20 ILCS 605/605-415)

Sec. 605-415. Job Training and Economic Development Grant Program.

(a) Legislative findings. The General Assembly finds that:

(1) Despite the large number of unemployed job seekers, many employers are having difficulty matching the skills they require with the skills of workers; a similar problem exists in industries where overall employment may not be expanding but there is an acute need for skilled workers in particular occupations.

(2) The State of Illinois should foster local economic development by linking the job training of unemployed disadvantaged citizens with the workforce needs of local business and industry.

(3) Employers often need assistance in developing training resources that will provide work opportunities for disadvantaged populations.

(b) Definitions. As used in this Section:

"Community based provider" means a not-for-profit organization, with local boards of directors, that directly provides job training services.

"Disadvantaged persons" has the same meaning as in Titles II-A and II-C of the federal Job Training Partnership Act.

"Training partners" means a community-based provider and one or more employers who have established training and placement linkages.

(c) From funds appropriated for that purpose, the Department of Commerce and Economic Opportunity ~~Community Affairs~~ shall administer a Job Training and Economic Development Grant Program. The Director shall make grants to community-based providers. The grants shall be made to support the following:

(1) Partnerships between community-based providers and employers for the customized training of existing low-skilled, low-wage employees and newly hired disadvantaged persons.

(2) Partnerships between community-based providers and employers to develop and operate training programs that link the work force needs of local industry with the job training of disadvantaged persons.

(d) For projects created under paragraph (1) of subsection (c):

(1) The Department shall give a priority to projects that include an in-kind match by an employer in partnership with a community-based provider and projects that use instructional materials and training instructors directly used in the specific industry sector of the partnership employer.

(2) The partnership employer must be an active participant in the curriculum development and train primarily disadvantaged populations.

(e) For projects created under paragraph (2) of subsection (c):

(1) Community based organizations shall assess the employment barriers and needs of local residents and work in partnership with local economic development organizations to identify the priority workforce needs of the local industry.

(2) Training partners (that is, community-based organizations and employers) shall work together to design programs with maximum benefits to local disadvantaged persons and local employers.

(3) Employers must be involved in identifying specific skill-training needs, planning curriculum, assisting in training activities, providing job opportunities, and coordinating job retention for people hired after training through this program and follow-up support.

(4) The community-based organizations shall serve disadvantaged persons, including welfare recipients.

(f) The Department shall adopt rules for the grant program and shall create a competitive application procedure for those grants to be awarded beginning in fiscal year 1998. Grants shall be based on a performance based contracting system. Each grant shall be based on the cost of providing the training services and the goals negotiated and made a part of the contract between the Department and the training partners. The

goals shall include the number of people to be trained, the number who stay in the program, the number who complete the program, the number who enter employment, their wages, and the number who retain employment. The level of success in achieving employment, wage, and retention goals shall be a primary consideration for determining contract renewals and subsequent funding levels. In setting the goals, due consideration shall be given to the education, work experience, and job readiness of the trainees; their barriers to employment; and the local job market. Periodic payments under the contracts shall be based on the degree to which the relevant negotiated goals have been met during the payment period.

(Source: P.A. 91-34, eff. 7-1-99; 91-239, eff. 1-1-00; 92-16, eff. 6-28-01; revised 12-6-03.)

(20 ILCS 605/605-855) (was 20 ILCS 605/46.32a in part)

Sec. 605-855. Grants to local coalitions and labor-management-community committees.

(a) The Director, with the advice of the Labor-Management-Community Cooperation Committee, shall have the authority to provide grants to employee coalitions or other coalitions that enhance or promote work and family programs and address specific community concerns, and to provide matching grants, grants, and other resources to establish or assist area labor-management-community committees and other projects that serve to enhance labor-management-community relations. The Department shall have the authority, with the advice of the Labor-Management-Community Cooperation Committee, to award grants or matching grants in the areas provided in subsections (b) through (g).

(b) Matching grants to existing local labor-management-community committees. To be eligible for matching grants pursuant to this subsection, local labor-management-community committees shall meet all of the following criteria:

(1) Be a formal, not-for-profit organization

structured for continuing service with voluntary membership.

(2) Be composed of labor, management, and community representatives.

(3) Service a distinct and identifiable geographic region.

(4) Be staffed by a professional chief executive officer.

(5) Have been established with the Department for at least 2 years.

(6) Operate in compliance with rules set forth by the Department with the advice of the Labor-Management-Community Cooperation Committee.

(7) Ensure that their efforts and activities are coordinated with relevant agencies, including but not limited to the following:

Department of Commerce and Economic Opportunity ~~Community Affairs~~

Illinois Department of Labor

Economic development agencies

Planning agencies

Colleges, universities, and community colleges

U.S. Department of Labor

Statewide Job Training Partnership Act entities or entities under any successor federal workforce training and development legislation.

Further, the purpose of the local labor-management-community committees will include, but not be limited to, the following:

(i) Enhancing the positive labor-management-community relationship within the State, region, community, and/or work place.

(ii) Assisting in the retention, expansion, and attraction of businesses and jobs within the State through special training programs, gathering and disseminating information, and providing assistance in local economic

development efforts as appropriate.

(iii) Creating and maintaining a regular nonadversarial forum for ongoing dialogue between labor, management, and community representatives to discuss and resolve issues of mutual concern outside the realm of the traditional collective bargaining process.

(iv) Acting as an intermediary for initiating local programs between unions and employers that would generally improve economic conditions in a region.

(v) Encouraging, assisting, and facilitating the development of work-site and industry labor-management-community committees in the region.

Any local labor-management-community committee meeting these criteria may apply to the Department for annual matching grants, provided that the local committee contributes at least 25% in matching funds, of which no more than 50% shall be "in-kind" services. Funds received by a local committee pursuant to this subsection shall be used for the ordinary operating expenses of the local committee.

(c) Matching grants to local labor-management-community committees that do not meet all of the eligibility criteria set forth in subsection (b). However, to be eligible to apply for a grant under this subsection (c), the local labor-management-community committee, at a minimum, shall meet all of the following criteria:

(1) Be composed of labor, management, and community representatives.

(2) Service a distinct and identifiable geographic region.

(3) Operate in compliance with the rules set forth by the Department with the advice of the Labor-Management-Community Cooperation Committee.

(4) Ensure that its efforts and activities are directed toward enhancing the labor-management-community relationship within the State, region, community, and/or work place.

Any local labor-management-community committee meeting these criteria may apply to the Department for an annual matching grant, provided that the local committee contributes at least 25% in matching funds of which no more than 50% shall be "in-kind" services. Funds received by a local committee pursuant to this subsection (c) shall be used for the ordinary and operating expenses of the local committee. Eligible committees shall be limited to 3 years of funding under this subsection. With respect to those committees participating in this program prior to enactment of this amendatory Act of 1988 that fail to qualify under paragraph (1) of this subsection (c), previous years' funding shall be counted in determining whether those committees have reached their funding limit under this subsection (c).

(d) Grants to develop and conduct specialized education and training programs of direct benefit to representatives of labor, management, labor-management-community committees and/or their staff. The type of education and training programs to be developed and offered will be determined and prioritized annually by the Department, with the advice of the Labor-Management-Community Cooperation Committee. The Department will develop and issue an annual request for proposals detailing the program specifications.

(e) Grants for research and development projects related to labor-management-community or employment-related family issues. The Department, with the advice of the Labor-Management-Community Cooperation Committee, will develop and prioritize annually the type and scope of the research and development projects deemed necessary.

(f) Grants of up to a maximum of $5,000 to support the planning of regional work, family, and community planning conferences that will be based on specific community concerns.

(g) Grants to initiate or support recently created employer-led coalitions to establish pilot projects that promote the understanding of the work and family issues and support local workforce dependent care services.

(h) The Department is authorized to establish applications and application procedures and promulgate any rules deemed necessary in the administration of the grants.

(Source: P.A. 91-239, eff. 1-1-00; 91-357, eff. 7-29-99; 91-476, eff. 8-11-99; 92-16, eff. 6-28-01; revised 12-6-03.)

(20 ILCS 605/605-865)

Sec. 605-865. Family-friendly workplace initiative. The Department of Commerce and Economic Opportunity ~~Community Affairs~~, with the advice of members of the business community, may establish a family-friendly workplace initiative. The Department may develop a program to annually collect information regarding the State's private eligible employers with 50 or fewer employees and private eligible employers with 51 or more employees in the State providing the most family-friendly benefits to their employees. The same program may be established for public employers. The criteria for determining eligible employers includes, but is not limited to, the following:

(1) consideration of the dependent care scholarship or discounts given by the employer;

(2) flexible work hours and schedules;

(3) time off for caring for sick or injured dependents;

(4) the provision of onsite or nearby dependent care;

(5) dependent care referral services; and

(6) in-kind contributions to community dependent care programs.

Those employers chosen by the Department may be recognized with annual "family-friendly workplace" awards and a Statewide information and advertising campaign publicizing the employers' awards, their contributions to family-friendly child care, and the methods they used to improve the dependent care experiences of their employees' families.

(Source: P.A. 93-478, eff. 8-8-03; revised 12-6-03.)

Section 90. The Business Assistance and Regulatory Reform

Act is amended by changing Section 10 as follows:

(20 ILCS 608/10)

Sec. 10. Executive Office. There is created an Office of Business Permits and Regulatory Assistance (hereinafter referred to as "office") within the Department of Commerce and Community Affairs <u>(now Department of Commerce and Community Opportunity)</u> which shall consolidate existing programs throughout State government, provide assistance to businesses with fewer than 500 employees in meeting State requirements for doing business and perform other functions specified in this Act. By March 1, 1994, the office shall complete and file with the Governor and the General Assembly a plan for the implementation of this Act. Thereafter, the office shall carry out the provisions of this Act, subject to funding through appropriation.

(Source: P.A. 88-404; revised 12-6-03.)

Section 95. The Center for Business Ownership Succession and Employee Ownership Act is amended by changing Section 2 as follows:

(20 ILCS 609/2)

Sec. 2. Center for Business Ownership Succession and Employee Ownership.

(a) There is created within the Department of Commerce and Community Affairs <u>(now Department of Commerce and Economic Opportunity)</u> the Center for Business Ownership Succession and Employee Ownership.

The purpose of the Center is to foster greater awareness of the most effective techniques that facilitate business ownership succession and employee ownership with an emphasis on the retention and creation of job opportunities.

(b) The Center shall have the authority to do the following:

(1) Develop and disseminate materials to promote

effective business ownership succession and employee ownership strategies.

(2) Provide counseling to individual companies and referral services to provide professional advisors expert in the field of business ownership succession and employee ownership.

(3) Plan, organize, sponsor, or conduct conferences and workshops on business ownership succession and employee ownership issues.

(4) Network and contract with local economic development agencies, business organizations, and professional advisors to accomplish the goals of the Center.

(5) Raise money from private sources to support the work of the Center.

(c) (Blank).

(Source: P.A. 91-583, eff. 1-1-00; revised 12-6-03.)

Section 100. The Corporate Headquarters Relocation Act is amended by changing Section 10 as follows:

(20 ILCS 611/10)

Sec. 10. Definitions. As used in this Act:

"Corporate headquarters" means the building or buildings that the principal executive officers of an eligible business have designated as their principal offices and that has at least 250 employees who are principally located in that building or those buildings. The principal executive officers may include, by way of example and not of limitation, the chief executive officer, the chief operating officer, and other senior officer-level employees of the eligible business. "Corporate headquarters" may also include ancillary transportation facilities owned or leased by the eligible business whether or not physically adjacent to the principal office building or buildings used by the principal executive officers. The ancillary transportation facilities may include,

but are not limited to, airplane hangars, helipads or heliports, fixed base operations, maintenance facilities, and other aviation-related facilities. All employees of the eligible business may count toward the satisfaction of the numeric requirement of this definition, including but not limited to support staff and other personnel who work in or from the office building or buildings or transportation facilities.

"Department" means the Department of Commerce and Economic Opportunity ~~Community Affairs~~.

"Director" means the Director of Commerce and Economic Opportunity ~~Community Affairs~~.

"Eligible business" means a business that: (i) is engaged in interstate or intrastate commerce; (ii) maintains its corporate headquarters in a state other than Illinois as of the effective date of this Act; (iii) had annual worldwide revenues of at least $25,000,000,000 for the year immediately preceding its application to the Department for the benefits authorized by this Act; and (iv) is prepared to commit contractually to relocating its corporate headquarters to the State of Illinois in consideration of the benefits authorized by this Act.

"Fund" means the Corporate Headquarters Relocation Assistance Fund.

"Qualifying project" means the relocation of the corporate headquarters of an eligible business from a location outside of Illinois to a location within Illinois, whether to an existing structure or otherwise. When the relocation involves an initial interim facility within Illinois and a subsequent further relocation within 5 years after the effective date of this Act to a permanent facility also within Illinois, all those activities collectively constitute a "qualifying project" under this Act.

"Relocation costs" means the expenses incurred by an eligible business for a qualifying project, including, but not limited to, the following: moving costs and related expenses; purchase of new or replacement equipment; outside professional

fees and commissions; premiums for property and casualty insurance coverage; capital investment costs; financing costs; property assembly and development costs, including, but not limited to, the purchase, lease, and construction of equipment, buildings, and land, infrastructure improvements and site development costs, leasehold improvements costs, rehabilitation costs, and costs of studies, surveys, development of plans, and professional services costs such as architectural, engineering, legal, financial, planning, or other related services; "relocation costs", however, does not include moving costs associated with the relocation of the personal residences of the employees of the eligible business and does not include any costs that do not directly result from the relocation of the business to a location within Illinois. In determining whether costs directly result from the relocation of the business, the Department shall consider whether the costs would likely have been incurred by the business if it had not relocated from its original location.
(Source: P.A. 92-207, eff. 8-1-01; revised 12-6-03.)

Section 105. The Displaced Homemakers Assistance Act is amended by changing Sections 3 and 8 as follows:

(20 ILCS 615/3) (from Ch. 23, par. 3453)

Sec. 3. As used in this Act, unless the context clearly indicates otherwise:

(a) "Displaced homemaker" means a person who (1) has worked in the home for a substantial number of years providing unpaid household services for family members; (2) is not gainfully employed; (3) has difficulty in securing employment; and (4) was dependent on the income of another family member but is no longer supported by such income, or was dependent on federal assistance but is no longer eligible for such assistance.

(b) "Director" means the Director of Commerce and Economic Opportunity ~~Community Affairs~~ or its successor agency.
(Source: P.A. 81-1509; revised 12-6-03.)

(20 ILCS 615/8) (from Ch. 23, par. 3458)

Sec. 8. Transfer of powers and duties to the Department of Labor. On July 1, 1992, all powers and duties of the Department of Commerce and Community Affairs (now Department of Commerce and Economic Opportunity) under this Act shall be transferred to the Department of Labor, and references in other Sections of this Act to the Department of Commerce and Community Affairs (now Department of Commerce and Economic Opportunity) shall be deemed to refer to the Department of Labor. All rules, standards and procedures adopted by the Department of Commerce and Community Affairs (now Department of Commerce and Economic Opportunity) shall continue in effect as the rules, standards and procedures of the Department of Labor, until they are modified or abolished by that Department.

(Source: P.A. 87-878; revised 12-6-03.)

Section 110. The Economic Development Area Tax Increment Allocation Act is amended by changing Section 3 as follows:

(20 ILCS 620/3) (from Ch. 67 1/2, par. 1003)

Sec. 3. Definitions. In this Act, words or terms shall have the following meanings unless the context or usage clearly indicates that another meaning is intended.

(a) "Department" means the Department of Commerce and Economic Opportunity ~~Community Affairs~~.

(b) "Economic development plan" means the written plan of a municipality which sets forth an economic development program for an economic development project area. Each economic development plan shall include but not be limited to (1) estimated economic development project costs, (2) the sources of funds to pay such costs, (3) the nature and term of any obligations to be issued by the municipality to pay such costs, (4) the most recent equalized assessed valuation of the economic development project area, (5) an estimate of the equalized assessed valuation of the economic development

project area after completion of an economic development project, (6) the estimated date of completion of any economic development project proposed to be undertaken, (7) a general description of any proposed developer, user, or tenant of any property to be located or improved within the economic development project area, (8) a description of the type, structure and general character of the facilities to be developed or improved in the economic development project area, (9) a description of the general land uses to apply in the economic development project area, (10) a description of the type, class and number of employees to be employed in the operation of the facilities to be developed or improved in the economic development project area, and (11) a commitment by the municipality to fair employment practices and an affirmative action plan with respect to any economic development program to be undertaken by the municipality.

(c) "Economic development project" means any development project in furtherance of the objectives of this Act.

(d) "Economic development project area" means any improved or vacant area which (1) is located within or partially within or partially without the territorial limits of a municipality, provided that no area without the territorial limits of a municipality shall be included in an economic development project area without the express consent of the Department, acting as agent for the State, (2) is contiguous, (3) is not less in the aggregate than three hundred twenty acres, (4) is suitable for siting by any commercial, manufacturing, industrial, research or transportation enterprise of facilities to include but not be limited to commercial businesses, offices, factories, mills, processing plants, assembly plants, packing plants, fabricating plants, industrial or commercial distribution centers, warehouses, repair overhaul or service facilities, freight terminals, research facilities, test facilities or transportation facilities, whether or not such area has been used at any time for such facilities and whether or not the area has been used

or is suitable for other uses, including commercial agricultural purposes, and (5) which has been approved and certified by the Department pursuant to this Act.

(e) "Economic development project costs" mean and include the sum total of all reasonable or necessary costs incurred by a municipality incidental to an economic development project, including, without limitation, the following:

(1) Costs of studies, surveys, development of plans and specifications, implementation and administration of an economic development plan, personnel and professional service costs for architectural, engineering, legal, marketing, financial, planning, police, fire, public works or other services, provided that no charges for professional services may be based on a percentage of incremental tax revenues;

(2) Property assembly costs within an economic development project area, including but not limited to acquisition of land and other real or personal property or rights or interests therein, and specifically including payments to developers or other nongovernmental persons as reimbursement for property assembly costs incurred by such developer or other nongovernmental person;

(3) Site preparation costs, including but not limited to clearance of any area within an economic development project area by demolition or removal of any existing buildings, structures, fixtures, utilities and improvements and clearing and grading; and including installation, repair, construction, reconstruction, or relocation of public streets, public utilities, and other public site improvements within or without an economic development project area which are essential to the preparation of the economic development project area for use in accordance with an economic development plan; and specifically including payments to developers or other nongovernmental persons as reimbursement for site preparation costs incurred by such developer or nongovernmental person;

(4) Costs of renovation, rehabilitation, reconstruction, relocation, repair or remodeling of any existing buildings,

improvements, and fixtures within an economic development project area, and specifically including payments to developers or other nongovernmental persons as reimbursement for such costs incurred by such developer or nongovernmental person;

(5) Costs of construction within an economic development project area of public improvements, including but not limited to, buildings, structures, works, utilities or fixtures;

(6) Financing costs, including but not limited to all necessary and incidental expenses related to the issuance of obligations, payment of any interest on any obligations issued hereunder which accrues during the estimated period of construction of any economic development project for which such obligations are issued and for not exceeding 36 months thereafter, and any reasonable reserves related to the issuance of such obligations;

(7) All or a portion of a taxing district's capital costs resulting from an economic development project necessarily incurred or estimated to be incurred by a taxing district in the furtherance of the objectives of an economic development project, to the extent that the municipality by written agreement accepts and approves such costs;

(8) Relocation costs to the extent that a municipality determines that relocation costs shall be paid or is required to make payment of relocation costs by federal or State law;

(9) The estimated tax revenues from real property in an economic development project area acquired by a municipality which, according to the economic development plan, is to be used for a private use and which any taxing district would have received had the municipality not adopted tax increment allocation financing for an economic development project area and which would result from such taxing district's levies made after the time of the adoption by the municipality of tax increment allocation financing to the time the current equalized assessed value of real property in the economic development project area exceeds the total initial equalized

value of real property in said area;

(10) Costs of job training, advanced vocational or career education, including but not limited to courses in occupational, semi-technical or technical fields leading directly to employment, incurred by one or more taxing districts, provided that such costs are related to the establishment and maintenance of additional job training, advanced vocational education or career education programs for persons employed or to be employed by employers located in an economic development project area, and further provided that when such costs are incurred by a taxing district or taxing districts other than the municipality they shall be set forth in a written agreement by or among the municipality and the taxing district or taxing districts, which agreement describes the program to be undertaken, including but not limited to the number of employees to be trained, a description of the training and services to be provided, the number and type of positions available or to be available, itemized costs of the program and sources of funds to pay the same, and the term of the agreement. Such costs include, specifically, the payment by community college districts of costs pursuant to Sections 3-37, 3-38, 3-40 and 3-40.1 of the Public Community College Act and by school districts of costs pursuant to Sections 10-22.20a and 10-23.3a of The School Code;

(11) Private financing costs incurred by developers or other nongovernmental persons in connection with an economic development project, and specifically including payments to developers or other nongovernmental persons as reimbursement for such costs incurred by such developer or other nongovernmental person, provided that:

(A) private financing costs shall be paid or reimbursed by a municipality only pursuant to the prior official action of the municipality evidencing an intent to pay or reimburse such private financing costs;

(B) except as provided in subparagraph (D), the aggregate amount of such costs paid or reimbursed by a municipality in

any one year shall not exceed 30% of such costs paid or incurred by the developer or other nongovernmental person in that year;

(C) private financing costs shall be paid or reimbursed by a municipality solely from the special tax allocation fund established pursuant to this Act and shall not be paid or reimbursed from the proceeds of any obligations issued by a municipality;

(D) if there are not sufficient funds available in the special tax allocation fund in any year to make such payment or reimbursement in full, any amount of such interest cost remaining to be paid or reimbursed by a municipality shall accrue and be payable when funds are available in the special tax allocation fund to make such payment; and

(E) in connection with its approval and certification of an economic development project pursuant to Section 5 of this Act, the Department shall review any agreement authorizing the payment or reimbursement by a municipality of private financing costs in its consideration of the impact on the revenues of the municipality and the affected taxing districts of the use of tax increment allocation financing.

(f) "Municipality" means a city, village or incorporated town.

(g) "Obligations" means any instrument evidencing the obligation of a municipality to pay money, including without limitation, bonds, notes, installment or financing contracts, certificates, tax anticipation warrants or notes, vouchers, and any other evidence of indebtedness.

(h) "Taxing districts" means counties, townships, municipalities, and school, road, park, sanitary, mosquito abatement, forest preserve, public health, fire protection, river conservancy, tuberculosis sanitarium and any other municipal corporations or districts with the power to levy taxes.

(Source: P.A. 86-38; revised 12-6-03.)

Section 115. The Illinois Economic Opportunity Act is amended by changing Section 2 as follows:

(20 ILCS 625/2) (from Ch. 127, par. 2602)

Sec. 2. (a) The Director of Commerce and Economic Opportunity ~~the Department of Commerce & Community Affairs~~ is authorized to administer the federal community services block program, low-income home energy assistance program, weatherization assistance program, emergency community services homeless grant program, and other federal programs that require or give preference to community action agencies for local administration in accordance with federal laws and regulations as amended. The Director shall provide financial assistance to community action agencies from community service block grant funds and other federal funds requiring or giving preference to community action agencies for local administration for the programs described in Section 4.

(b) Funds appropriated for use by community action agencies in community action programs shall be allocated annually to existing community action agencies or newly formed community action agencies by the Department of Commerce and Economic Opportunity ~~Community Affairs~~. Allocations will be made consistent with duly enacted departmental rules.

(Source: P.A. 87-926; revised 12-6-03.)

Section 120. The Illinois Emergency Employment Development Act is amended by changing Sections 2, 3, 5, and 7 as follows:

(20 ILCS 630/2) (from Ch. 48, par. 2402)

Sec. 2. For the purposes of this Act, the following words have the meanings ascribed to them in this Section.

(a) "Coordinator" means the Illinois Emergency Employment Development Coordinator appointed under Section 3.

(b) "Eligible business" means a for-profit business.

(c) "Eligible employer" means an eligible nonprofit agency, or an eligible business.

(d) "Eligible job applicant" means a person who:

A. (1) has been a resident of this State for at least one year; and (2) is unemployed; and (3) is not receiving and is not qualified to receive unemployment compensation or workers' compensation; and (4) is determined by the employment administrator to be likely to be available for employment by an eligible employer for the duration of the job; or

B. Is otherwise eligible for services under the Job Training Partnership Act (29 USCA 1501 et seq.).

In addition, a farmer who resides in a county qualified under Federal Disaster Relief and who can demonstrate severe financial need may be considered unemployed under this subsection.

(e) "Eligible nonprofit agency" means an organization exempt from taxation under the Internal Revenue Code of 1954, Section 501(c)(3).

(f) "Employment administrator" means the Manager of the Department of Commerce and Economic Opportunity ~~Community Affairs~~ Job Training Programs Division or his or her designee.

(g) "Household" means a group of persons living at the same residence consisting of, at a maximum, spouses and the minor children of each.

(h) "Program" means the Illinois Emergency Employment Development Program created by this Act consisting of temporary work relief projects in nonprofit agencies and new job creation in the private sector.

(i) "Service Delivery Area" means that unit or units of local government designated by the Governor pursuant to Title I, Part A, Section 102 of the Job Training Partnership Act (29 USCA et seq.).

(j) "Excess unemployed" means the number of unemployed in excess of 6.5% of the service delivery area population.

(k) "Private industry council" means governing body of each service delivery area created pursuant to Title I, Section 102 of the Job Training Partnership Act (29 USC 1501 et seq.).

(Source: P.A. 84-1399; revised 12-6-03.)

(20 ILCS 630/3) (from Ch. 48, par. 2403)

Sec. 3. (a) The governor shall appoint an Illinois Emergency Employment Development Coordinator to administer the provisions of this Act. The coordinator shall be within the Department of Commerce and Economic Opportunity ~~Community Affairs~~, but shall be responsible directly to the governor. The coordinator shall have the powers necessary to carry out the purpose of the program.

(b) The coordinator shall:

(1) Coordinate the Program with other State agencies;

(2) Coordinate administration of the program with the general assistance program;

(3) Set policy regarding disbursement of program funds; and

(4) Perform general program marketing and monitoring functions.

(c) The coordinator shall administer the program within the Department of Commerce and Economic Opportunity ~~Community Affairs~~. The Director of Commerce and Economic Opportunity ~~Community Affairs~~ shall provide administrative support services to the coordinator for the purposes of the program.

(d) The coordinator shall report to the Governor, the Illinois Job Training Coordinating Council and the General Assembly on a quarterly basis concerning (1) the number of persons employed under the program; (2) the number and type of employers under the program; (3) the amount of money spent in each service delivery area for wages for each type of employment and each type of other expenses; (4) the number of persons who have completed participation in the program and their current employment, educational or training status; and (5) any information requested by the General Assembly or governor or deemed pertinent by the coordinator. Each report shall include cumulative information, as well as information for each quarter.

(e) Rules. The Director of Commerce and Economic Opportunity ~~Community Affairs~~, with the advice of the

coordinator, shall adopt rules for the administration and enforcement of this Act.

(Source: P.A. 84-1399; revised 12-6-03.)

(20 ILCS 630/5) (from Ch. 48, par. 2405)

Sec. 5. (a) Allocation of funds among eligible job applicants within a service delivery area shall be determined by the Private Industry Council for each such service delivery area. The Private Industry Council shall give priority to

(1) applicants living in households with no other income source; and

(2) applicants who would otherwise be eligible to receive general assistance.

(b) Allocation of funds among eligible employers within each service delivery area shall be determined by the Private Industry Council for each such area according to the priorities which the Director of Commerce and Economic Opportunity ~~Community Affairs~~, upon recommendation of the coordinator, shall by rule establish. The Private Industry Council shall give priority to funding private sector jobs to the extent that businesses apply for funds.

(Source: P.A. 84-1399; revised 12-6-03.)

(20 ILCS 630/7) (from Ch. 48, par. 2407)

Sec. 7. (a) The Department of Commerce and Economic Opportunity ~~Community Affairs~~ shall publicize the program and shall provide staff assistance as requested by employment administrators in the screening of businesses and the collection of data.

(b) The Director of Children and Family Services shall provide to each employment administrator lists of currently licensed local day care facilities, updated quarterly, to be available to all persons employed under the program.

(c) The Secretary of Human Services shall take all steps necessary to inform each applicant for public aid of the availability of the program.

(Source: P.A. 89-507, eff. 7-1-97; revised 12-6-03.)

Section 125. The Illinois Enterprise Zone Act is amended by changing Sections 3 and 12-2 as follows:

(20 ILCS 655/3) (from Ch. 67 1/2, par. 603)

Sec. 3. Definition. As used in this Act, the following words shall have the meanings ascribed to them, unless the context otherwise requires:

(a) "Department" means the Department of Commerce and Economic Opportunity ~~Community Affairs~~.

(b) "Enterprise Zone" means an area of the State certified by the Department as an Enterprise Zone pursuant to this Act.

(c) "Depressed Area" means an area in which pervasive poverty, unemployment and economic distress exist.

(d) "Designated Zone Organization" means an association or entity: (1) the members of which are substantially all residents of the Enterprise Zone; (2) the board of directors of which is elected by the members of the organization; (3) which satisfies the criteria set forth in Section 501(c) (3) or 501(c) (4) of the Internal Revenue Code; and (4) which exists primarily for the purpose of performing within such area or zone for the benefit of the residents and businesses thereof any of the functions set forth in Section 8 of this Act.

(e) "Agency" means each officer, board, commission and agency created by the Constitution, in the executive branch of State government, other than the State Board of Elections; each officer, department, board, commission, agency, institution, authority, university, body politic and corporate of the State; and each administrative unit or corporate outgrowth of the State government which is created by or pursuant to statute, other than units of local government and their officers, school districts and boards of election commissioners; each administrative unit or corporate outgrowth of the above and as may be created by executive order of the Governor. No entity shall be considered an "agency" for the purposes of this Act

unless authorized by law to make rules or regulations.

(f) "Rule" means each agency statement of general applicability that implements, applies, interprets or prescribes law or policy, but does not include (i) statements concerning only the internal management of an agency and not affecting private rights or procedures available to persons or entities outside the agency, (ii) intra-agency memoranda, or (iii) the prescription of standardized forms.

(Source: P.A. 85-162; revised 12-6-03.)

(20 ILCS 655/12-2) (from Ch. 67 1/2, par. 619)

Sec. 12-2. Definitions. Unless the context clearly requires otherwise:

(a) "Financial institution" means a trust company, a bank, a savings bank, a credit union, an investment bank, a broker, an investment trust, a pension fund, a building and loan association, a savings and loan association, an insurance company or any venture capital company which is authorized to do business in the State.

(b) "Participating lender" means any trust company, bank, savings bank, credit union, investment bank, broker, investment trust, pension fund, building and loan association, savings and loan association, insurance company or venture capital company approved by the Department which assumes a portion of the financing for a business project.

(c) "Department" means the Illinois Department of Commerce and Economic Opportunity ~~Community Affairs~~.

(d) "Business" means a for-profit, legal entity located in an Illinois Enterprise Zone including, but not limited to, any sole proprietorship, partnership, corporation, joint venture, association or cooperative.

(e) "Loan" means an agreement or contract to provide a loan or other financial aid to a business.

(f) "Project" means any specific economic development activity of a commercial, industrial, manufacturing, agricultural, scientific, service or other business in an

Enterprise Zone, the result of which yields an increase in jobs and may include the purchase or lease of machinery and equipment, the lease or purchase of real property or funds for infrastructure necessitated by site preparation, building construction or related purposes but does not include refinancing current debt.

(g) "Fund" means the Enterprise Zone Loan Fund created in Section 12-6.

(Source: P.A. 84-165; revised 12-6-03.)

Section 130. The Family Farm Assistance Act is amended by changing Section 15 as follows:

(20 ILCS 660/15) (from Ch. 5, par. 2715)

Sec. 15. Definitions. In this Act:

"Department" means the Illinois Department of Commerce and Economic Opportunity ~~Community Affairs~~.

"Director" means the Director of Commerce and Economic Opportunity ~~Community Affairs~~.

"Eligible farmer" means a person who is a resident of Illinois and has had more than $40,000 in gross sales of agricultural products during any one of the preceding 5 calendar years, and at that time owned or leased 60 acres or more of land used as a "farm" as that term is defined in Section 1-60 of the Property Tax Code.

"Farm family" means the eligible person, his or her legal spouse, and the eligible person's dependent children under the age of 19.

"Farm Worker" means an individual (including migrant and seasonal farm workers) who has worked on a farm on a full-time basis for at least one year and has been laid off due to reduced farm income.

"Program" means the Farm Family Assistance Program established under this Act.

(Source: P.A. 87-170; 88-670, eff. 12-2-94; revised 12-6-03.)

Section 135. The Local Planning Technical Assistance Act is amended by changing Section 10 as follows:

(20 ILCS 662/10)

Sec. 10. Definitions. In this Act:

"Comprehensive plan" means a regional plan adopted under Section 5-14001 of the Counties Code, an official comprehensive plan adopted under Section 11-12-6 of the Illinois Municipal Code, or a local land resource management plan adopted under Section 4 of the Local Land Resource Management Planning Act.

"Department" means the Department of Commerce and Economic Opportunity ~~Community Affairs~~.

"Land development regulation" means any development or land use ordinance or regulation of a county or municipality including zoning and subdivision ordinances.

"Local government" or "unit of local government" means any city, village, incorporated town, or county.

"Subsidiary plan" means any portion of a comprehensive plan that guides development, land use, or infrastructure for a county or municipality or a portion of a county or municipality.

(Source: P.A. 92-768, eff. 8-6-02; revised 12-6-03.)

Section 140. The Illinois Promotion Act is amended by changing Sections 3 and 4b as follows:

(20 ILCS 665/3) (from Ch. 127, par. 200-23)

Sec. 3. Definitions. The following words and terms, whenever used or referred to in this Act, shall have the following meanings, except where the context may otherwise require:

(a) "Department" means the Department of Commerce and Economic Opportunity ~~Community Affairs~~ of the State of Illinois.

(b) "Local promotion group" means any non-profit corporation, organization, association, agency or committee

thereof formed for the primary purpose of publicizing, promoting, advertising or otherwise encouraging the development of tourism in any municipality, county, or region of Illinois.

(c) "Promotional activities" means preparing, planning and conducting campaigns of information, advertising and publicity through such media as newspapers, radio, television, magazines, trade journals, moving and still photography, posters, outdoor signboards and personal contact within and without the State of Illinois; dissemination of information, advertising, publicity, photographs and other literature and material designed to carry out the purpose of this Act; and participation in and attendance at meetings and conventions concerned primarily with tourism, including travel to and from such meetings.

(d) "Municipality" means "municipality" as defined in Section 1-1-2 of the Illinois Municipal Code, as heretofore and hereafter amended.

(e) "Tourism" means travel 50 miles or more one-way or an overnight trip outside of a person's normal routine.

(Source: P.A. 92-38, eff. 6-28-01; revised 12-6-03.)

(20 ILCS 665/4b)

Sec. 4b. Coordinating Committee. There is created a Coordinating Committee of State agencies involved with tourism in the State of Illinois. The Committee shall consist of the Director of Commerce and Economic Opportunity ~~Community Affairs~~ as chairman, the Lieutenant Governor, the Secretary of Transportation or his or her designee, and the head executive officer or his or her designee of the following: the Lincoln Presidential Library; the Department of Natural Resources; the Department of Agriculture; the Illinois Arts Council; the Illinois Community College Board; the Board of Higher Education; and the Grape and Wine Resources Council. The Committee shall also include 4 members of the Illinois General Assembly, one of whom shall be named by the Speaker of the

House of Representatives, one of whom shall be named by the Minority Leader of the House of Representatives, one of whom who shall be named by the President of the Senate, and one of whom shall be named by the Minority Leader of the Senate. The Committee shall meet at least quarterly and at other times as called by the chair. The Committee shall coordinate the promotion and development of tourism activities throughout State government.

(Source: P.A. 91-473, eff. 1-1-00; 92-600, eff. 7-1-02; revised 12-6-03.)

Section 145. The Particle Accelerator Land Acquisition Act is amended by changing Sections 1 and 3 as follows:

(20 ILCS 685/1) (from Ch. 127, par. 47.21)

Sec. 1. The Department of Commerce and Economic Opportunity ~~Community Affairs~~ is authorized, with the consent in writing of the Governor, to acquire and accept by gift, grant, purchase, or in the manner provided for the exercise of the right of eminent domain under Article VII of the Code of Civil Procedure, as heretofore or hereafter amended, the fee simple title or such lesser interest as may be desired to any and all lands, buildings and grounds, including lands, buildings and grounds already devoted to public use, required for construction, maintenance and operation of a high energy BEV Particle Accelerator by the United States Atomic Energy Commission, and for such other supporting land and facilities as may be required or useful for such construction, and to take whatever action may be necessary or desirable in connection with such acquisition or in connection with preparing the property acquired for transfer as provided in Section 3.

(Source: P.A. 82-783; revised 12-6-03.)

(20 ILCS 685/3) (from Ch. 127, par. 47.23)

Sec. 3. The Department of Commerce and Economic Opportunity ~~Community Affairs~~ is authorized to lease, sell, give, donate,

convey or otherwise transfer the property acquired under this Act to the United States Atomic Energy Commission.

No conveyance of real property or instrument transferring property by the Department of Commerce and Economic Opportunity ~~Community Affairs~~ to the United States Atomic Energy Commission, shall be executed by the Department without the prior written approval of the Governor.

(Source: P.A. 81-1509; revised 12-6-03.)

Section 150. The Renewable Energy, Energy Efficiency, and Coal Resources Development Law of 1997 is amended by changing Sections 6-3 and 6-6 as follows:

(20 ILCS 687/6-3)

(Section scheduled to be repealed on December 16, 2007)

Sec. 6-3. Renewable energy resources program.

(a) The Department of Commerce and Economic Opportunity ~~Community Affairs~~, to be called the "Department" hereinafter in this Law, shall administer the Renewable Energy Resources Program to provide grants, loans, and other incentives to foster investment in and the development and use of renewable energy resources.

(b) The Department shall establish eligibility criteria for grants, loans, and other incentives to foster investment in and the development and use of renewable energy resources. These criteria shall be reviewed annually and adjusted as necessary. The criteria should promote the goal of fostering investment in and the development and use, in Illinois, of renewable energy resources.

(c) The Department shall accept applications for grants, loans, and other incentives to foster investment in and the development and use of renewable energy resources.

(d) To the extent that funds are available and appropriated, the Department shall provide grants, loans, and other incentives to applicants that meet the criteria specified by the Department.

(e) The Department shall conduct an annual study on the use and availability of renewable energy resources in Illinois. Each year, the Department shall submit a report on the study to the General Assembly. This report shall include suggestions for legislation which will encourage the development and use of renewable energy resources.

(f) As used in this Law, "renewable energy resources" includes energy from wind, solar thermal energy, photovoltaic cells and panels, dedicated crops grown for energy production and organic waste biomass, hydropower that does not involve new construction or significant expansion of hydropower dams, and other such alternative sources of environmentally preferable energy. "Renewable energy resources" does not include, however, energy from the incineration, burning or heating of waste wood, tires, garbage, general household, institutional and commercial waste, industrial lunchroom or office waste, landscape waste, or construction or demolition debris.

(g) There is created the Energy Efficiency Investment Fund as a special fund in the State Treasury, to be administered by the Department to support the development of technologies for wind, biomass, and solar power in Illinois. The Department may accept private and public funds, including federal funds, for deposit into the Fund.

(Source: P.A. 92-12, eff. 7-1-01; revised 12-6-03.)

(20 ILCS 687/6-6)

(Section scheduled to be repealed on December 16, 2007)

Sec. 6-6. Energy efficiency program.

(a) For the year beginning January 1, 1998, and thereafter as provided in this Section, each electric utility as defined in Section 3-105 of the Public Utilities Act and each alternative retail electric supplier as defined in Section 16-102 of the Public Utilities Act supplying electric power and energy to retail customers located in the State of Illinois shall contribute annually a pro rata share of a total amount of $3,000,000 based upon the number of kilowatt-hours sold by each

such entity in the 12 months preceding the year of contribution. On or before May 1 of each year, the Illinois Commerce Commission shall determine and notify the Department of Commerce and Economic Opportunity ~~Community Affairs~~ of the pro rata share owed by each electric utility and each alternative retail electric supplier based upon information supplied annually to the Illinois Commerce Commission. On or before June 1 of each year, the Department of Commerce and Economic Opportunity ~~Community Affairs~~ shall send written notification to each electric utility and each alternative retail electric supplier of the amount of pro rata share they owe. These contributions shall be remitted to the Department of Revenue on or before June 30 of each year the contribution is due on a return prescribed and furnished by the Department of Revenue showing such information as the Department of Revenue may reasonably require. The funds received pursuant to this Section shall be subject to the appropriation of funds by the General Assembly. The Department of Revenue shall place the funds remitted under this Section in a trust fund, that is hereby created in the State Treasury, called the Energy Efficiency Trust Fund. If an electric utility or alternative retail electric supplier does not remit its pro rata share to the Department of Revenue, the Department of Revenue must inform the Illinois Commerce Commission of such failure. The Illinois Commerce Commission may then revoke the certification of that electric utility or alternative retail electric supplier. The Illinois Commerce Commission may not renew the certification of any electric utility or alternative retail electric supplier that is delinquent in paying its pro rata share.

(b) The Department of Commerce and Economic Opportunity ~~Community Affairs~~ shall disburse the moneys in the Energy Efficiency Trust Fund to benefit residential electric customers through projects which the Department of Commerce and Economic Opportunity ~~Community Affairs~~ has determined will promote energy efficiency in the State of Illinois. The

Department of Commerce and Economic Opportunity ~~Community Affairs~~ shall establish a list of projects eligible for grants from the Energy Efficiency Trust Fund including, but not limited to, supporting energy efficiency efforts for low-income households, replacing energy inefficient windows with more efficient windows, replacing energy inefficient appliances with more efficient appliances, replacing energy inefficient lighting with more efficient lighting, insulating dwellings and buildings, using market incentives to encourage energy efficiency, and such other projects which will increase energy efficiency in homes and rental properties.

(c) The Department of Commerce and Economic Opportunity ~~Community Affairs~~ shall establish criteria and an application process for this grant program.

(d) The Department of Commerce and Economic Opportunity ~~Community Affairs~~ shall conduct a study of other possible energy efficiency improvements and evaluate methods for promoting energy efficiency and conservation, especially for the benefit of low-income customers.

(e) The Department of Commerce and Economic Opportunity ~~Community Affairs~~ shall submit an annual report to the General Assembly evaluating the effectiveness of the projects and programs provided in this Section, and recommending further legislation which will encourage additional development and implementation of energy efficiency projects and programs in Illinois and other actions that help to meet the goals of this Section.

(Source: P.A. 92-707, eff. 7-19-02; revised 12-6-03.)

Section 155. The Illinois Resource Development and Energy Security Act is amended by changing Section 10 as follows:

(20 ILCS 688/10)

Sec. 10. Definitions. As used in this Act:

"Department" means the Illinois Department of Commerce and Economic Opportunity ~~Community Affairs~~.

(Source: P.A. 92-12, eff. 7-1-01; revised 12-6-03.)

Section 160. The Illinois Renewable Fuels Development Program Act is amended by changing Section 10 as follows:

(20 ILCS 689/10)

Sec. 10. Definitions. As used in this Act:

"Biodiesel" means a renewable diesel fuel derived from biomass that is intended for use in diesel engines.

"Biodiesel blend" means a blend of biodiesel with petroleum-based diesel fuel in which the resultant product contains no less than 1% and no more than 99% biodiesel.

"Biomass" means non-fossil organic materials that have an intrinsic chemical energy content. "Biomass" includes, but is not limited to, soybean oil, other vegetable oils, and ethanol.

"Department" means the Department of Commerce and Economic Opportunity ~~Community Affairs~~.

"Diesel fuel" means any product intended for use or offered for sale as a fuel for engines in which the fuel is injected into the combustion chamber and ignited by pressure without electric spark.

"Director" means the Director of Commerce and Economic Opportunity ~~Community Affairs~~.

"Ethanol" means a product produced from agricultural commodities or by-products used as a fuel or to be blended with other fuels for use in motor vehicles.

"Fuel" means fuel as defined in Section 1.19 of the Motor Fuel Tax Law.

"Gasohol" means motor fuel that is no more than 90% gasoline and at least 10% denatured ethanol that contains no more than 1.25% water by weight.

"Gasoline" means all products commonly or commercially known or sold as gasoline (including casing head and absorption or natural gasoline).

"Illinois agricultural product" means any agricultural commodity grown in Illinois that is used by a production

facility to produce renewable fuel in Illinois, including, but not limited to, corn, barley, and soy beans.

"Labor Organization" means any organization defined as a "labor organization" under Section 2 of the National Labor Relations Act (29 U.S.C. 152).

"Majority blended ethanol fuel" means motor fuel that contains no less than 70% and no more than 90% denatured ethanol and no less than 10% and no more than 30% gasoline.

"Motor vehicles" means motor vehicles as defined in the Illinois Vehicle Code and watercraft propelled by an internal combustion engine.

"Owner" means any individual, sole proprietorship, limited partnership, co-partnership, joint venture, corporation, cooperative, or other legal entity, including its agents, that operates or will operate a plant located within the State of Illinois.

"Plant" means a production facility that produces a renewable fuel. "Plant" includes land, any building or other improvement on or to land, and any personal properties deemed necessary or suitable for use, whether or not now in existence, in the processing of fuel from agricultural commodities or by-products.

"Renewable fuel" means ethanol, gasohol, majority blended ethanol fuel, biodiesel blend fuel, and biodiesel.
(Source: P.A. 93-15, eff. 6-11-03; 93-618, eff. 12-11-03; revised 12-6-03.)

Section 165. The Rural Diversification Act is amended by changing Section 3 as follows:

(20 ILCS 690/3) (from Ch. 5, par. 2253)

Sec. 3. Definitions. The following words and phrases shall have the meaning ascribed to each of them in this Section unless the context clearly indicates otherwise:

(a) "Office" means the Office of Rural Community Development within the Illinois Department of Commerce and

Economic Opportunity ~~Community Affairs~~.

(b) "Rural business" means a business, including a cooperative, proprietorship, partnership, corporation or other entity, that is located in a municipality of 20,000 population or less, or in an unincorporated area of a county with a population of less than 350,000, but not in a municipality which is contiguous to a municipality or municipalities with a population greater than 20,000. The business must also be engaged in manufacturing, mining, agriculture, wholesale, transportation, tourism, or utilities or in research and development or services to these basic industrial sectors.

(c) "Agribusiness", for purpose of this Act, means a rural business that is defined as an agribusiness pursuant to the Illinois Finance Authority Act.

(d) "Rural diversification project" means financing to a rural business for a specific activity undertaken to promote: (i) the improvement and expansion of business and industry in rural areas; (ii) creation of entrepreneurial and self-employment businesses; (iii) industry or region wide research directed to profit oriented uses of rural resources, and (iv) value added agricultural supply, production processing or reprocessing facilities or operations and shall include but not be limited to agricultural diversification projects.

(e) "Financing" means direct loans at market or below market rate interest, grants, technical assistance contracts, or other means whereby monetary assistance is provided to or on behalf of rural business or agribusinesses for purposes of rural diversification.

(f) "Agricultural diversification project" means financing awarded to a rural business for a specific activity undertaken to promote diversification of the farm economy of this State through (i) profit oriented nonproduction uses of Illinois land resources, (ii) growth and development of new crops or livestock not customarily grown or produced in this State, or (iii) developments which emphasize a vertical integration of

grain or livestock produced or raised in this State into a finished product for consumption or use. "New crops or livestock not customarily grown or produced in this State" does not include corn, soybeans, wheat, swine, or beef or dairy cattle. "Vertical integration of grain or livestock produced or raised in this State" includes any new or existing grain or livestock grown or produced in this State.

(Source: P.A. 93-205, eff. 1-1-04; revised 12-6-03.)

Section 170. The Small Business Advisory Act is amended by changing Section 5 as follows:

(20 ILCS 692/5)

Sec. 5. Definitions. In this Act:

"Agency" means the same as in Section 1-20 of the Illinois Administrative Procedure Act.

"Joint Committee" means the Joint Committee on Administrative Rules.

"Small business" means any for profit entity, independently owned and operated, that grosses less than $4,000,000 per year or that has 50 or fewer full-time employees. For the purposes of this Act, a "small business" has its principal office in Illinois.

"Department" means the Department of Commerce and Economic Opportunity ~~Community Affairs~~.

(Source: P.A. 93-318, eff. 1-1-04; revised 12-6-03.)

Section 180. The Technology Advancement and Development Act is amended by changing Section 1003 as follows:

(20 ILCS 700/1003) (from Ch. 127, par. 3701-3)

Sec. 1003. Definitions. The following words and phrases, for the purposes of this Act, shall have the meanings respectively ascribed to them, except when the context otherwise requires, or except as otherwise provided in this Act:

"Advanced technology project" means any area of basic or applied research or development which is designed to foster greater knowledge or understanding, or which is designed for the purposes of improving, designing, developing, prototyping, producing or commercializing new products, techniques, processes or technical devices in present or emerging fields of health care and biomedical research, information and communication systems, computing and computer services, electronics, manufacturing, robotics and materials research, transportation and aerospace, agriculture and biotechnology, and finance and services.

"Business expense" includes working capital financing, the purchase or lease of machinery and equipment, or the lease or purchase of real property, including construction, renovation, or leasehold improvements, but does not include refinancing current debt.

"Business project" means any specific economic development activity of a commercial, industrial, manufacturing, agricultural, scientific, financial, service or other not-for-profit nature, which is expected to yield an increase in jobs or to result in the retention of jobs or an improvement in production efficiency.

"Department" means the Illinois Department of Commerce and Economic Opportunity ~~Community Affairs~~.

"Director" means the Director of ~~the Illinois Department of~~ Commerce and Economic Opportunity ~~Community Affairs~~.

"Financial assistance" means a loan, investment, grant or the purchase of qualified securities or other means whereby financial aid is made to or on behalf of a business project or advanced technology project.

"Intermediary organization" means any participating organization including not-for-profit entities, for-profit entities, State development authorities, institutions of higher education, other public or private corporations, which may include the Illinois Coalition, or other entities necessary or desirable to further the purpose of this Act engaged by the

Department through any contract, agreement, memoranda of understanding, or other cooperative arrangement to deliver programs authorized under this Act.

"Investment loan" means any loan structured so that the applicant repays the principal and interest and provides a qualified security investment to serve both as additional loan security and as an additional source of repayment.

"Loan" means acceptance of any note, bond, debenture, or evidence of indebtedness, whether unsecured or secured by a mortgage, pledge, deed of trust, or other lien on any property, or any certificate of, receipt for, participation in, or an option to any of the foregoing. A loan shall bear such interest rate, with such terms of repayment, secured by such collateral, with other terms and conditions, as the Department shall deem necessary or appropriate.

"Participating lender or investor" means any trust company, bank, savings bank, credit union, merchant bank, investment bank, broker, investment trust, pension fund, building and loan association, savings and loan association, insurance company, venture capital company or other institution, community or State development corporation, development authority authorized to do business by an Act of this State, or other public or private financing intermediary approved by the Department whose purposes include financing, promoting, or encouraging economic development financing.

"Qualified security investments" means any stock, convertible security, treasury stock, limited partnership interest, certificate of interest or participation in any profit sharing agreement, preorganization certificate or subscription, transferable share, investment contract, certificate of interest or participation in a patent or application or, in general, any interest or instrument commonly known as a "security" or any certificate for, receipt for, guarantee of, or option, warrant or right to subscribe to or purchase any of the foregoing, but not including any instrument which contains voting rights or which can be converted to

contain voting rights in the possession of the Department.
(Source: P.A. 91-476, eff. 8-11-99; revised 12-6-03.)

Section 185. The High Technology School-to-Work Act is amended by changing Section 10 as follows:

(20 ILCS 701/10)

Sec. 10. Definitions. In this Act:

"Department" means the Department of Commerce and Economic Opportunity ~~Community Affairs~~.

"Director" means the Director of Commerce and Economic Opportunity ~~Community Affairs~~.

"High technology occupations" mean scientific, technical, and engineering occupations including, but not limited to, the following occupational groups and detailed occupations: engineers; life and physical scientists; mathematical specialists; engineering and science technicians; computer specialists; and engineering, scientific, and computer managers.

"Local partnership" means a cooperative agreement between one or more employers, including employer associations, and one or more secondary or postsecondary schools established to operate a high technology school-to-work project. The partnerships must be employer-led and designed to respond to the high technology skill requirements of participating employers.
(Source: P.A. 92-250, eff. 8-3-01; revised 12-6-03.)

Section 190. The Women's Business Ownership Act is amended by changing Section 5 as follows:

(20 ILCS 705/5)

(Section scheduled to be repealed on September 1, 2008)

Sec. 5. Women's Business Ownership Council. There is created within the Department of Commerce and Community Affairs (now Department of Commerce and Economic Opportunity) the

Women's Business Ownership Council. The Council shall consist of 9 members, with 5 persons appointed by the Governor, one of whom shall be the Director of ~~the Department of~~ Commerce and Economic Opportunity ~~Community Affairs~~ or his or her designee, one person appointed by the President of the Senate, one person appointed by the Minority Leader of the Senate, one person appointed by the Speaker of the House of Representatives, and one person appointed by the Minority Leader of the House of Representatives.

Appointed members shall be uniquely qualified by education, professional knowledge, or experience to serve on the Council and shall reflect the ethnic, cultural, and geographic diversity of the State. Of the 9 members, at least 5 shall be women business owners. For purposes of this Act, a woman business owner shall be defined as a woman who is either:

(a) the principal of a company or business concern, 51% of which is owned, operated, and controlled by women; or

(b) a senior officer or director of a company or business concern who also has either:

(1) material responsibility for the daily operations and management of the overall company or business concern; or

(2) material responsibility for the policy making of the company or business concern.

Of the initial appointments, members shall be randomly assigned to staggered terms; 3 members shall be appointed for a term of 3 years, 3 members shall be appointed for a term of 2 years, and 3 members shall be appointed for a term of 1 year. Upon the expiration of each member's term, a successor shall be appointed for a term of 3 years. In the case of a vacancy in the office of any member, a successor shall be appointed for the remainder of the unexpired term by the person designated as responsible for making the appointment. No member shall serve more than 3 consecutive terms. Members shall serve without compensation but shall be reimbursed for expenses incurred in connection with the performance of their duties as members.

One of the members shall be designated as Chairperson by the Governor. In the event the Governor does not appoint the Chairperson within 60 days after the effective date of this Act, the Council shall convene and elect a Chairperson by a simple majority vote. Upon a vacancy in the position of Chairperson, the Governor shall have 30 days from the date of the resignation to appoint a new Chairperson. In the event the Governor does not appoint a new Chairperson within 30 days, the Council shall convene and elect a new Chairperson by a simple majority vote.

The first meeting of the Council shall be held within 90 days after the effective date of this Act. The Council shall meet quarterly and may hold other meetings on the call of the Chairperson. Five members shall constitute a quorum. The Council may adopt rules it deems necessary to govern its own procedures. The Department of Commerce and Economic Opportunity ~~Community Affairs~~ shall cooperate with the Council to fulfill the purposes of this Act and shall provide the Council with necessary staff and administrative support. The Council may apply for grants from the public and private sector and is authorized to accept grants, gifts, and donations, which shall be deposited into the Women's Business Ownership Fund.
(Source: P.A. 88-597, eff. 8-28-94; revised 10-29-04.)

Section 195. The Illinois Commission on Volunteerism and Community Service Act is amended by changing Section 7 as follows:

(20 ILCS 710/7)

Sec. 7. On the effective date of this amendatory Act of the 91st General Assembly, the authority, powers, and duties in this Act of the Department of Commerce and Community Affairs (now Department of Commerce and Economic Opportunity) are transferred to the Department of Human Services.
(Source: P.A. 91-798, eff. 7-9-00; revised 12-6-03.)

Section 200. The Corporate Accountability for Tax Expenditures Act is amended by changing Section 5 as follows:

(20 ILCS 715/5)

Sec. 5. Definitions. As used in this Act:

"Base years" means the first 2 complete calendar years following the effective date of a recipient receiving development assistance.

"Date of assistance" means the commencement date of the assistance agreement, which date triggers the period during which the recipient is obligated to create or retain jobs and continue operations at the specific project site.

"Default" means that a recipient has not achieved its job creation, job retention, or wage or benefit goals, as applicable, during the prescribed period therefor.

"Department" means, unless otherwise noted, the Department of Commerce and Economic Opportunity ~~Community Affairs~~ or any successor agency.

"Development assistance" means (1) tax credits and tax exemptions (other than given under tax increment financing) given as an incentive to a recipient business organization pursuant to an initial certification or an initial designation made by the Department under the Economic Development for a Growing Economy Tax Credit Act and the Illinois Enterprise Zone Act, including the High Impact Business program, (2) grants or loans given to a recipient as an incentive to a business organization pursuant to the Large Business Development Program, the Business Development Public Infrastructure Program, or the Industrial Training Program, (3) the State Treasurer's Economic Program Loans, (4) the Illinois Department of Transportation Economic Development Program, and (5) all successor and subsequent programs and tax credits designed to promote large business relocations and expansions. "Development assistance" does not include tax increment financing, assistance provided under the Illinois Enterprise Zone Act pursuant to local ordinance, participation loans, or

financial transactions through statutorily authorized financial intermediaries in support of small business loans and investments or given in connection with the development of affordable housing.

"Development assistance agreement" means any agreement executed by the State granting body and the recipient setting forth the terms and conditions of development assistance to be provided to the recipient consistent with the final application for development assistance, including but not limited to the date of assistance, submitted to and approved by the State granting body.

"Full-time, permanent job" means either: (1) the definition therefor in the legislation authorizing the programs described in the definition of development assistance in the Act or (2) if there is no such definition, then as defined in administrative rules implementing such legislation, provided the administrative rules were in place prior to the effective date of this Act. On and after the effective date of this Act, if there is no definition of "full-time, permanent job" in either the legislation authorizing a program that constitutes economic development assistance under this Act or in any administrative rule implementing such legislation that was in place prior to the effective date of this Act, then "full-time, permanent job" means a job in which the new employee works for the recipient at a rate of at least 35 hours per week.

"New employee" means either: (1) the definition therefor in the legislation authorizing the programs described in the definition of development assistance in the Act or (2) if there is no such definition, then as defined in administrative rules implementing such legislation, provided the administrative rules were in place prior to the effective date of this Act. On and after the effective date of this Act, if there is no definition of "new employee" in either the legislation authorizing a program that constitutes economic development assistance under this Act nor in any administrative rule

implementing such legislation that was in place prior to the effective date of this Act, then "new employee" means a full-time, permanent employee who represents a net increase in the number of the recipient's employees statewide. "New employee" includes an employee who previously filled a new employee position with the recipient who was rehired or called back from a layoff that occurs during or following the base years.

The term "New Employee" does not include any of the following:

(1) An employee of the recipient who performs a job that was previously performed by another employee in this State, if that job existed in this State for at least 6 months before hiring the employee.

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

"Part-time job" means either: (1) the definition therefor in the legislation authorizing the programs described in the definition of development assistance in the Act or (2) if there is no such definition, then as defined in administrative rules implementing such legislation, provided the administrative rules were in place prior to the effective date of this Act. On and after the effective date of this Act, if there is no definition of "part-time job" in either the legislation authorizing a program that constitutes economic development assistance under this Act or in any administrative rule implementing such legislation that was in place prior to the effective date of this Act, then "part-time job" means a job in which the new employee works for the recipient at a rate of less than 35 hours per week.

"Recipient" means any business that receives economic development assistance. A business is any corporation, limited liability company, partnership, joint venture, association,

sole proprietorship, or other legally recognized entity.

"Retained employee" means either: (1) the definition therefor in the legislation authorizing the programs described in the definition of development assistance in the Act or (2) if there is no such definition, then as defined in administrative rules implementing such legislation, provided the administrative rules were in place prior to the effective date of this Act. On and after the effective date of this Act, if there is no definition of "retained employee" in either the legislation authorizing a program that constitutes economic development assistance under this Act or in any administrative rule implementing such legislation that was in place prior to the effective date of this Act, then "retained employee" means any employee defined as having a full-time or full-time equivalent job preserved at a specific facility or site, the continuance of which is threatened by a specific and demonstrable threat, which shall be specified in the application for development assistance.

"Specific project site" means that distinct operational unit to which any development assistance is applied.

"State granting body" means the Department, any State department or State agency that provides development assistance that has reporting requirements under this Act, and any successor agencies to any of the preceding.

"Temporary job" means either: (1) the definition therefor in the legislation authorizing the programs described in the definition of development assistance in the Act or (2) if there is no such definition, then as defined in administrative rules implementing such legislation, provided the administrative rules were in place prior to the effective date of this Act. On and after the effective date of this Act, if there is no definition of "temporary job" in either the legislation authorizing a program that constitutes economic development assistance under this Act or in any administrative rule implementing such legislation that was in place prior to the effective date of this Act, then "temporary job" means a job in

which the new employee is hired for a specific duration of time or season.

"Value of assistance" means the face value of any form of development assistance.

(Source: P.A. 93-552, eff. 8-20-03; revised 12-6-03.)

Section 205. The Department of Natural Resources Act is amended by changing Sections 1-5, 80-20, 80-25, 80-30, and 80-35 as follows:

(20 ILCS 801/1-5)

Sec. 1-5. Purpose. It is the purpose of this Act to change the name of the Department of Conservation to the Department of Natural Resources and to transfer to it various rights, powers, duties, and functions of the Department of Energy and Natural Resources, the Department of Mines and Minerals, the Abandoned Mined Lands Reclamation Council, and the Division of Water Resources of the Department of Transportation. This Act also transfers certain recycling, energy, and oil overcharge functions of the Department of Energy and Natural Resources to the Department of Commerce and Community Affairs <u>(now Department of Commerce and Economic Opportunity)</u> and certain functions of the Department of Conservation related to the Lincoln Monument to the Historic Preservation Agency. This Act consolidates and centralizes the programs and services now offered to citizens by these governmental bodies, resulting in more effective operation of these programs and services.

(Source: P.A. 89-50, eff. 7-1-95; 89-445, eff. 2-7-96; revised 12-6-03.)

(20 ILCS 801/80-20)

Sec. 80-20. Transfer of powers.

(a) Except as otherwise provided in this Act, all of the rights, powers, and duties vested by law in the Department of Conservation or in any office, division, or bureau thereof are retained by the Department of Natural Resources.

All of the rights, powers, and duties vested by law in the Department of Conservation, or in any office, division, or bureau thereof, pertaining to the Lincoln Monument are transferred to the Historic Preservation Agency.

(b) Except as otherwise provided in this Act, all of the rights, powers, and duties vested by law in the Department of Energy and Natural Resources or in any office, division, or bureau thereof are transferred to the Department of Natural Resources.

All of the rights, powers, and duties vested by law in the Department of Energy and Natural Resources, or in any office, division, or bureau thereof, pertaining to recycling programs and solid waste management, energy conservation and alternative energy programs, coal development and marketing programs, and Exxon overcharge matters are transferred to the Department of Commerce and Community Affairs <u>(now Department of Commerce and Economic Opportunity)</u>.

(c) All of the rights, powers, and duties vested by law in the Department of Mines and Minerals or in any office, division, or bureau thereof are transferred to the Department of Natural Resources.

(d) All of the rights, powers, and duties vested by law in the Abandoned Mined Lands Reclamation Council or in any office, division, or bureau thereof are transferred to the Department of Natural Resources.

(e) All of the rights, powers, and duties vested by law in the Division of Water Resources of the Department of Transportation or in any office, division, or bureau thereof are transferred to the Department of Natural Resources.

(Source: P.A. 89-50, eff. 7-1-95; 89-445, eff. 2-7-96; revised 12-6-03.)

(20 ILCS 801/80-25)

Sec. 80-25. Transfer of personnel.

(a) Personnel employed by the Department of Conservation to perform functions that are retained within the Department of

Natural Resources shall continue their service within the renamed Department.

(b) Personnel employed by the Department of Energy and Natural Resources, the Department of Mines and Minerals, the Abandoned Mined Lands Reclamation Council, or the Division of Water Resources of the Department of Transportation to perform functions that are transferred by this Act to the Department of Natural Resources are transferred to the Department of Natural Resources.

(c) Personnel employed by the Department of Energy and Natural Resources to perform functions that are transferred by this Act to the Department of Commerce and Community Affairs (now Department of Commerce and Economic Opportunity) are transferred to the Department of Commerce and Community Affairs (now Department of Commerce and Economic Opportunity).

(d) Personnel employed by the abolished departments to perform functions that are not clearly classifiable within the areas referred to in this Section or who are employed to perform complex functions that are transferred in part to different departments under this Act shall be assigned and transferred to appropriate departments by the Director of Natural Resources, in consultation with the Director of Central Management Services.

(e) The rights of State employees, the State, and its agencies under the Personnel Code and applicable collective bargaining agreements and retirement plans are not affected by this Act.

(Source: P.A. 89-50, eff. 7-1-95; 89-445, eff. 2-7-96; revised 12-6-03.)

(20 ILCS 801/80-30) (from 20 ILCS 801/35)

Sec. 80-30. Transfer of property.

(a) All books, records, documents, property (real and personal), unexpended appropriations, and pending business pertaining to the rights, powers, and duties transferred by this Act from the Department of Energy and Natural Resources,

the Department of Mines and Minerals, the Abandoned Mined Lands Reclamation Council, and the Division of Water Resources of the Department of Transportation to the Department of Natural Resources shall be delivered and transferred to the Department of Natural Resources.

All books, records, documents, property (real and personal), unexpended appropriations, and pending business pertaining to the rights, powers, and duties retained from the Department of Conservation by the Department of Natural Resources shall be retained by the Department of Natural Resources.

(b) All books, records, documents, property (real and personal), unexpended appropriations, and pending business pertaining to the rights, powers, and duties transferred by this Act from the Department of Energy and Natural Resources to the Department of Commerce and Community Affairs (now Department of Commerce and Economic Opportunity) shall be delivered and transferred to the Department of Commerce and Community Affairs (now Department of Commerce and Economic Opportunity).

(c) All books, records, documents, property (real and personal), unexpended appropriations, and pending business pertaining to the rights, powers, and duties transferred by this Act from the Department of Conservation to the Historic Preservation Agency shall be delivered and transferred to the Historic Preservation Agency.

(Source: P.A. 89-50, eff. 7-1-95; 89-445, eff. 2-7-96; 90-14, eff. 7-1-97; revised 12-6-03.)

(20 ILCS 801/80-35)

Sec. 80-35. Savings provisions.

(a) The rights, powers, and duties transferred to or retained in the Department of Natural Resources, the Department of Commerce and Community Affairs (now Department of Commerce and Economic Opportunity), and the Historic Preservation Agency by this Act shall be vested in and shall be exercised by

them subject to the provisions of this Act.

(b) An act done by a successor department or agency, or an officer or employee thereof, in the exercise of the rights, powers, and duties transferred by this Act shall have the same legal effect as if done by the former department or division or the officers or employees thereof.

(c) The transfer of rights, powers, and duties to the Department of Natural Resources, the Department of Commerce and Community Affairs (now Department of Commerce and Economic Opportunity), and the Historic Preservation Agency under this Act does not invalidate any previous action taken by or in respect to any of their predecessor departments or divisions or their officers or employees. References to these predecessor departments or divisions or their officers or employees in any document, contract, agreement, or law shall, in appropriate contexts, be deemed to refer to the successor department, agency, officer, or employee.

(d) The transfer of powers and duties to the Department of Natural Resources, the Department of Commerce and Community Affairs (now Department of Commerce and Economic Opportunity), and the Historic Preservation Agency under this Act does not affect any person's rights, obligations, or duties, including any civil or criminal penalties applicable thereto, arising out of those transferred powers and duties.

(e) Whenever reports or notices are now required to be made or given or documents furnished or served by any person to or upon the departments or divisions, officers and employees transferred by this Act, they shall be made, given, furnished, or served in the same manner to or upon the successor department or agency, officer or employee.

(f) This Act does not affect any act done, ratified, or cancelled, any right occurring or established, or any action or proceeding had or commenced in an administrative, civil, or criminal cause before this Act takes effect. Any such action or proceeding still pending may be prosecuted and continued by the Department of Natural Resources, the Department of Commerce and

Community Affairs (now Department of Commerce and Economic Opportunity), or the Historic Preservation Agency, as the case may be.

(g) This Act does not affect the legality of any rules that are in force on the effective date of this Act that have been duly adopted by any of the agencies reorganized under this Act. Those rules shall continue in effect until amended or repealed, except that references to a predecessor department shall, in appropriate contexts, be deemed to refer to the successor department or agency under this Act.

As soon as practicable after the effective date of this Act, the Department of Natural Resources, the Department of Commerce and Community Affairs (now Department of Commerce and Economic Opportunity), and the Historic Preservation Agency shall each propose and adopt under the Illinois Administrative Procedure Act any rules that may be necessary to consolidate and clarify the rules of their predecessor departments relating to matters transferred to them under this Act.

(Source: P.A. 89-50, eff. 7-1-95; 89-445, eff. 2-7-96; revised 12-6-03.)

Section 210. The Department of Natural Resources (Conservation) Law of the Civil Administrative Code of Illinois is amended by changing Section 805-435 as follows:

(20 ILCS 805/805-435) (was 20 ILCS 805/63b2.5)

Sec. 805-435. Office of Conservation Resource Marketing. The Department shall maintain an Office of Conservation Resource Marketing. The Office shall conduct a program for marketing and promoting the use of conservation resources in Illinois with emphasis on recreation and tourism facilities. The Office shall coordinate its tourism promotion efforts with local community events and shall include a field staff which shall work with the Department of Commerce and Economic Opportunity ~~Community Affairs~~ and local officials to coordinate State and local activities for the purpose of

expanding tourism and local economies. The Office shall develop, review, and coordinate brochures and information pamphlets for promoting the use of conservation resources. The Office shall conduct marketing research to identify organizations and target populations that can be encouraged to use Illinois recreation facilities for group events and the many tourist sites.

The Director shall submit an annual report to the Governor and the General Assembly summarizing the Office's activities and including its recommendations for improving the Department's tourism promotion and marketing programs for conservation resources.

(Source: P.A. 91-239, eff. 1-1-00; revised 12-6-03.)

Section 215. The Interagency Wetland Policy Act of 1989 is amended by changing Section 2-1 as follows:

(20 ILCS 830/2-1) (from Ch. 96 1/2, par. 9702-1)

Sec. 2-1. Interagency Wetlands Committee. An Interagency Wetlands Committee, chaired by the Director of Natural Resources or his or her representative, is established. The Directors of the following agencies, or their respective representatives, shall serve as members of the Committee:

Capital Development Board,

Department of Agriculture,

Department of Commerce and Economic Opportunity ~~Community Affairs~~,

Environmental Protection Agency,

Department of Transportation, and

Historic Preservation Agency.

The Interagency Wetlands Committee shall also include 2 additional persons with relevant expertise designated by the Director of Natural Resources.

The Interagency Wetlands Committee shall advise the Director in the administration of this Act. This will include:

(a) Developing rules and regulations for the

implementation and administration of this Act.

(b) Establishing guidelines for developing individual Agency Action Plans.

(c) Developing and adopting technical procedures for the consistent identification, delineation and evaluation of existing wetlands and quantification of their functional values and the evaluation of wetland restoration or creation projects.

(d) Developing a research program for wetland function, restoration and creation.

(e) Preparing reports, including:

(1) A biennial report to the Governor and the General Assembly on the impact of State supported activities on wetlands.

(2) A comprehensive report on the status of the State's wetland resources, including recommendations for additional programs, by January 15, 1991.

(f) Development of educational materials to promote the protection of wetlands.

(Source: P.A. 92-651, eff. 7-11-02; revised 12-6-03.)

Section 220. The Outdoor Recreation Resources Act is amended by changing Sections 2 and 2a as follows:

(20 ILCS 860/2) (from Ch. 105, par. 532)

Sec. 2. The Department of Natural Resources is authorized to have prepared, with the Department of Commerce and Economic Opportunity ~~Community Affairs~~, and to maintain and keep up-to-date a comprehensive plan for the development of the outdoor recreation resources of the State.

(Source: P.A. 89-445, eff. 2-7-96; revised 12-6-03.)

(20 ILCS 860/2a) (from Ch. 105, par. 532a)

Sec. 2a. The Historic Preservation Agency is authorized to have prepared with the Department of Commerce and Economic Opportunity ~~Community Affairs~~ and to maintain, and keep

up-to-date a comprehensive plan for the preservation of the historically significant properties and interests of the State.

(Source: P.A. 84-25; revised 12-6-03.)

Section 225. The Energy Conservation and Coal Development Act is amended by changing Sections 1 and 8 as follows:

(20 ILCS 1105/1) (from Ch. 96 1/2, par. 7401)

Sec. 1. Definitions; transfer of duties.

(a) For the purposes of this Act, unless the context otherwise requires:

"Department" means the Department of Commerce and Economic Opportunity ~~Community Affairs~~.

"Director" means the Director of Commerce and Economic Opportunity ~~Community Affairs~~.

(b) As provided in Section 80-20 of the Department of Natural Resources Act, the Department of Commerce and Community Affairs (now Department of Commerce and Economic Opportunity) shall assume the rights, powers, and duties of the former Department of Energy and Natural Resources under this Act, except as those rights, powers, and duties are otherwise allocated or transferred by law.

(Source: P.A. 89-445, eff. 2-7-96; revised 12-6-03.)

(20 ILCS 1105/8) (from Ch. 96 1/2, par. 7408)

Sec. 8. Illinois Coal Development Board.

(a) There shall be established as an advisory board to the Department, the Illinois Coal Development Board, hereinafter in this Section called the Board. The Board shall be composed of the following voting members: the Director of the Department, who shall be Chairman thereof; the Deputy Director of the Bureau of Business Development within the Department of Commerce and Economic Opportunity ~~Community Affairs~~; the Director of Natural Resources or that Director's designee; the Director of the Office of Mines and Minerals within the

Department of Natural Resources; 4 members of the General Assembly (one each appointed by the President of the Senate, the Senate Minority Leader, the Speaker of the House, and the House Minority Leader); and 8 persons appointed by the Governor, with the advice and consent of the Senate, including representatives of Illinois industries that are involved in the extraction, utilization or transportation of Illinois coal, persons representing financial or banking interests in the State, and persons experienced in international business and economic development. These members shall be chosen from persons of recognized ability and experience in their designated field. The members appointed by the Governor shall serve for terms of 4 years, unless otherwise provided in this subsection. The initial terms of the original appointees shall expire on July 1, 1985, except that the Governor shall designate 3 of the original appointees to serve initial terms that shall expire on July 1, 1983. The initial term of the member appointed by the Governor to fill the office created after July 1, 1985 shall expire on July 1, 1989. The initial terms of the members appointed by the Governor to fill the offices created by this amendatory Act of 1993 shall expire on July 1, 1995, and July 1, 1997, as determined by the Governor. A member appointed by a Legislative Leader shall serve for the duration of the General Assembly for which he or she is appointed, so long as the member remains a member of that General Assembly.

The Board shall meet at least annually or at the call of the Chairman. At any time the majority of the Board may petition the Chairman for a meeting of the Board. Nine members of the Board shall constitute a quorum. Members of the Board shall be reimbursed for actual and necessary expenses incurred while performing their duties as members of the Board from funds appropriated to the Department for such purpose.

(b) The Board shall provide advice and make recommendations on the following Department powers and duties:

(1) To develop an annual agenda which may include but

is not limited to research and methodologies conducted for the purpose of increasing the utilization of Illinois' coal and other fossil fuel resources, with emphasis on high sulfur coal, in the following areas: coal extraction, preparation and characterization; coal technologies (combustion, gasification, liquefaction, and related processes); marketing; public awareness and education, as those terms are used in the Illinois Coal Technology Development Assistance Act; transportation; procurement of sites and issuance of permits; and environmental impacts.

(2) To support and coordinate Illinois coal research, and to approve projects consistent with the annual agenda and budget for coal research and the purposes of this Act and to approve the annual budget and operating plan for administration of the Board.

(3) To promote the coordination of available research information on the production, preparation, distribution and uses of Illinois coal. The Board shall advise the existing research institutions within the State on areas where research may be necessary.

(4) To cooperate to the fullest extent possible with State and federal agencies and departments, independent organizations, and other interested groups, public and private, for the purposes of promoting Illinois coal resources.

(5) To submit an annual report to the Governor and the General Assembly outlining the progress and accomplishments made in the year, providing an accounting of funds received and disbursed, reviewing the status of research contracts, and furnishing other relevant information.

(6) To focus on existing coal research efforts in carrying out its mission; to make use of existing research facilities in Illinois or other institutions carrying out research on Illinois coal; as far as practicable, to make maximum use of the research facilities available at the

Illinois State Geological Survey, the Coal Extraction and Utilization Research Center, the Illinois Coal Development Park and universities and colleges located within the State of Illinois; and to create a consortium or center which conducts, coordinates and supports coal research activities in the State of Illinois. Programmatic activities of such a consortium or center shall be subject to approval by the Department and shall be consistent with the purposes of this Act. The Department may authorize expenditure of funds in support of the administrative and programmatic operations of such a center or consortium consistent with its statutory authority. Administrative actions undertaken by or for such a center or consortium shall be subject to the approval of the Department.

(7) To make a reasonable attempt, before initiating any research under this Act, to avoid duplication of effort and expense by coordinating the research efforts among various agencies, departments, universities or organizations, as the case may be.

(8) To adopt, amend and repeal rules, regulations and bylaws governing the Board's organization and conduct of business.

(9) To authorize the expenditure of monies from the Coal Technology Development Assistance Fund, the Public Utility Fund and other funds in the State Treasury appropriated to the Department, consistent with the purposes of this Act.

(10) To seek, accept, and expend gifts or grants in any form, from any public agency or from any other source. Such gifts and grants may be held in trust by the Department and expended at the direction of the Department and in the exercise of the Department's powers and performance of the Department's duties.

(11) To publish, from time to time, the results of Illinois coal research projects funded through the Department.

(12) To authorize loans from appropriations from the Build Illinois Bond Purposes Fund, the Build Illinois Bond Fund and the Illinois Industrial Coal Utilization Fund.

(13) To authorize expenditures of monies for coal development projects under the authority of Section 13 of the General Obligation Bond Act.

(c) The Board shall also provide advice and make recommendations on the following Department powers and duties:

(1) To create and maintain thorough, current and accurate records on all markets for and actual uses of coal mined in Illinois, and to make such records available to the public upon request.

(2) To identify all current and anticipated future technical, economic, institutional, market, environmental, regulatory and other impediments to the utilization of Illinois coal.

(3) To monitor and evaluate all proposals and plans of public utilities related to compliance with the requirements of Title IV of the federal Clean Air Act Amendments of 1990, or with any other law which might affect the use of Illinois coal, for the purposes of (i) determining the effects of such proposals or plans on the use of Illinois coal, and (ii) identifying alternative plans or actions which would maintain or increase the use of Illinois coal.

(4) To develop strategies and to propose policies to promote environmentally responsible uses of Illinois coal for meeting electric power supply requirements and for other purposes.

(5) (Blank).

(Source: P.A. 89-445, eff. 2-7-96; 90-348, eff. 1-1-98; 90-454, eff. 8-16-97; revised 12-6-03.)

Section 230. The Illinois Coal and Energy Development Bond Act is amended by changing Sections 3, 3.1, 6, 8, 10, and 11 as follows:

(20 ILCS 1110/3) (from Ch. 96 1/2, par. 4103)

Sec. 3. The Department of Commerce and Economic Opportunity ~~Community Affairs~~ shall have the following powers and duties:

(a) To solicit, accept and expend gifts, grants or any form of assistance, from any source, including but not limited to, the federal government or any agency thereof;

(b) To enter into contracts, including, but not limited to, service contracts, with business, industrial, university, governmental or other qualified individuals or organizations to promote development of coal and other energy resources. Such contracts may be for, but are not limited to, the following purposes: (1) the commercial application of existing technology for development of coal resources, (2) to initiate or complete development of new technology for development of coal resources, and (3) for planning, design, acquisition, development, construction, improvement and financing a site or sites and facilities for establishing plants, projects or demonstrations for development of coal resources and research, development and demonstration of alternative forms of energy; and

(c) In the exercise of other powers granted it under this Act, to acquire property, real, personal or mixed, including any rights therein, by exercise of the power of condemnation in accordance with the procedures provided for the exercise of eminent domain under Article VII of the Code of Civil Procedure, as amended, provided, however, the power of condemnation shall be exercised solely for the purposes of siting and/or rights of way and/or easements appurtenant to coal utilization and/or coal conversion projects. The Department shall not exercise its powers of condemnation until it has used reasonable good faith efforts to acquire such property before filing a petition for condemnation and may thereafter use such powers when it determines that such condemnation of property rights is necessary to avoid unreasonable delay or economic hardship to the progress of

activities carried out in the exercise of powers granted under this Act. After June 30, 1985, the Department shall not exercise its power of condemnation for a project which does not receive State or U.S. Government funding. Before use of the power of condemnation for projects not receiving State or U.S. Government funding, the Department shall hold a public hearing to receive comments on the exercise of the power of condemnation. The Department shall use the information received at hearing in making its final decision on the exercise of the power of condemnation. The hearing shall be held in a location reasonably accessible to the public interested in the decision. The Department shall promulgate guidelines for the conduct of the hearing.

(Source: P.A. 89-445, eff. 2-7-96; revised 12-6-03.)

(20 ILCS 1110/3.1) (from Ch. 96 1/2, par. 4103.1)

Sec. 3.1. The Department of Commerce and Economic Opportunity ~~Community Affairs~~ is authorized to enter into agreements with a county or counties and expend funds authorized by this Act for purposes set forth in the County Coal Processing Act.

(Source: P.A. 89-445, eff. 2-7-96; revised 12-6-03.)

(20 ILCS 1110/6) (from Ch. 96 1/2, par. 4106)

Sec. 6. The Department of Commerce and Economic Opportunity ~~Community Affairs~~ is authorized to use $120,000,000 for the purposes specified in this Act. These funds shall be expended only for a grant to the owner of a generating station located in Illinois and having at least three coal-fired generating units with accredited summer capacity greater than 500 megawatts each at such generating station as specifically authorized by this paragraph. Notwithstanding any of the other provisions of this Act, in considering the approval of projects to be funded under this Act, the Department of Commerce and Economic Opportunity ~~Community Affairs~~ shall give special consideration to projects which are designed to remove sulfur

and other pollutants in the preparation and utilization of coal, and in the use and operation of electric utility generating plants and industrial facilities which utilize Illinois coal as their primary source of fuel. The Department of Commerce and Community Affairs (now Department of Commerce and Economic Opportunity) is directed to enter into a contract with the owner of a generating station located in Illinois and having at least three coal-fired generating units with accredited summer capability greater than 500 megawatts each at such generating station for a grant of $35,000,000 to be made by the State of Illinois to such owner to be used to pay costs of designing, acquiring, constructing, installing and testing facilities to reduce sulfur dioxide emissions at one such generating unit to allow that unit to meet the requirements of the Federal Clean Air Act Amendments of 1990 (P.L. 101-549) while continuing to use coal mined in Illinois as its source of fuel.

(Source: P.A. 91-583, eff. 1-1-00; revised 12-6-03.)

(20 ILCS 1110/8) (from Ch. 96 1/2, par. 4108)

Sec. 8. Sale of bonds. The bonds shall be issued and sold from time to time in such amounts as directed by the Governor, upon recommendation by the Director of the Governor's Office of Management and Budget ~~Bureau of the Budget~~. The bonds shall be serial bonds in the denomination of $5,000 or some multiple thereof, shall be payable within 30 years from their date, shall bear interest payable annually or semiannually from their date at the rate of not more than 15% per annum, or such higher maximum rate as may be authorized by "An Act to authorize public corporations to issue bonds, other evidences of indebtedness and tax anticipation warrants subject to interest rate limitations set forth therein", approved May 26, 1970, as amended, shall be dated, and shall be in such form as the Director of the Governor's Office of Management and Budget ~~Bureau of the Budget~~ shall fix and determine in the order authorizing the issuance and sale of the bonds, which order

shall be approved by the Governor prior to the giving of notice of the sale of any of the bonds. These bonds shall be payable as to both principal and interest at such place or places, within or without the State of Illinois, and may be made registrable as to either principal or as to both principal and interest, as shall be fixed and determined by the Director of the Governor's Office of Management and Budget ~~Bureau of the Budget~~ in the order authorizing the issuance and sale of such bonds. The bonds may be callable as fixed and determined by the Director of the Governor's Office of Management and Budget ~~Bureau of the Budget~~ in the order authorizing the issuance and sale of the bonds; provided, however, that the State shall not pay a premium of more than 3% of the principal of any bonds so called.

(Source: P.A. 91-357, eff. 7-29-99; revised 8-23-03.)

(20 ILCS 1110/10) (from Ch. 96 1/2, par. 4110)

Sec. 10. Bond Proceeds.

The Bonds shall be sold from time to time by the Director of the Governor's Office of Management and Budget ~~Bureau of the Budget~~ to the highest and best bidders, for not less than their par value, upon sealed bids, at not exceeding the maximum interest rate fixed in the order authorizing the issuance of the Bonds. The right to reject any and all bids may be reserved. The Secretary of State shall, from time to time, as the Bonds are to be sold, advertise in at least two daily newspapers, one of which is published in the City of Springfield and one in the City of Chicago, for proposals to purchase the Bonds. Each of such advertisements for proposals shall be published once at least 10 days prior to the date of the opening of the bids. The executed Bonds shall, upon payment therefor, be delivered to the purchaser, and the proceeds of the Bonds shall be paid into the State Treasury. The proceeds of the Bonds shall be deposited in a separate fund known as the "Coal Development Fund", which separate fund is hereby created.

(Source: P.A. 78-1122; revised 8-23-03.)

(20 ILCS 1110/11) (from Ch. 96 1/2, par. 4111)

Sec. 11. Expenditure of funds. At all times, the proceeds from the sale of Bonds are subject to appropriation by the General Assembly and may be expended in such amounts and at such times as the Department of Commerce and Economic Opportunity ~~Community Affairs~~, with the approval of the Illinois Energy Resources Commission, may deem necessary or desirable for the specific purposes contemplated by this Act.
(Source: P.A. 89-445, eff. 2-7-96; revised 12-6-03.)

Section 235. The Energy Conservation Act is amended by changing Section 4 as follows:

(20 ILCS 1115/4) (from Ch. 96 1/2, par. 7604)

Sec. 4. Technical Assistance Programs.

(a) The Department of Commerce and Economic Opportunity ~~Community Affairs~~ shall provide technical assistance in the development of thermal efficiency standards and lighting efficiency standards to units of local government, upon request by such unit.

(b) The Department shall provide technical assistance in the development of a program for energy efficiency in procurement to units of local government, upon request by such unit.

(c) The Technical Assistance Programs provided in this Section shall be supported by funds provided to the State pursuant to the federal "Energy Policy and Conservation Act of 1975" or other federal acts that provide funds for energy conservation efforts through the use of building codes.
(Source: P.A. 89-445, eff. 2-7-96; revised 12-6-03.)

Section 240. The Illinois Geographic Information Council Act is amended by changing Section 5-5 as follows:

(20 ILCS 1128/5-5)

Sec. 5-5. Council. The Illinois Geographic Information Council, hereinafter called the "Council", is created within the Department of Natural Resources.

The Council shall consist of 17 voting members, as follows: the Illinois Secretary of State, the Illinois Secretary of Transportation, the Directors of the Illinois Departments of Agriculture, Central Management Services, Commerce and Economic Opportunity ~~Community Affairs~~, Nuclear Safety, Public Health, Natural Resources, and Revenue, the Directors of the Illinois Emergency Management Agency and the Illinois Environmental Protection Agency, the President of the University of Illinois, the Chairman of the Illinois Commerce Commission, plus 4 members of the General Assembly, one each appointed by the Speaker and Minority Leader of the House and the President and Minority Leader of the Senate. An ex officio voting member may designate another person to carry out his or her duties on the Council.

In addition to the above members, the Governor may appoint up to 10 additional voting members, representing local, regional, and federal agencies, professional organizations, academic institutions, public utilities, and the private sector.

Members appointed by the Governor shall serve at the pleasure of the Governor.

(Source: P.A. 88-669, eff. 11-29-94; 89-143, eff. 7-14-95; 89-445, eff. 2-7-96; revised 12-6-03.)

Section 245. The Department of Human Services Act is amended by changing Sections 1-25 and 80-5 as follows:

(20 ILCS 1305/1-25)

Sec. 1-25. Unified electronic management and intake information and reporting system.

(a) The Department of Human Services shall implement and use a unified electronic management and intake information and reporting system. The Department may own and operate the system

itself or use equipment, services, or facilities provided by private or other governmental entities under contract or agreement. The system shall be implemented as expeditiously as may be practical and, as originally implemented, shall comply as closely as possible with the plan approved by the Task Force on Human Services Consolidation under this Section.

(b) The Director of the Bureau of the Budget (now Governor's Office of Management and Budget), in consultation with the Task Force on Human Services Consolidation and the directors of the departments reorganized under this Act, shall prepare and submit to the Task Force by January 1, 1997 a plan for the development and implementation of the unified electronic management and intake information and reporting system.

The Task Force shall review the plan and, by February 1, 1997, shall either approve the plan in accordance with subsection (c) or return it to the Director of the Bureau of the Budget (now Governor's Office of Management and Budget) with the Task Force's recommendations for change. If the plan is returned for change, the Director of the Bureau of the Budget (now Governor's Office of Management and Budget) shall revise the plan and, by March 1, 1997, shall submit the revised plan to the Task Force for review and approval. If the Task Force does not approve the revised plan as submitted by the Director of the Bureau of the Budget (now Governor's Office of Management and Budget), it may continue to work with the Director on a further revision of the plan or it may adopt and approve a plan of its own.

(c) To approve a plan under this Section, the Task Force shall file with the Secretary of State a certified copy of the plan and a certified copy of a resolution approving the plan, adopted with the affirmative vote of at least 4 of the voting members of the Task Force.

(d) Until the Task Force on Human Services Consolidation approves a plan for the development and implementation of the unified electronic management and intake information and

reporting system, no additional powers or duties (other than those provided in House Bill 2632 of the 89th General Assembly or this amendatory Act of 1996) shall be statutorily transferred from any agency to the Department.

(Source: P.A. 89-506, eff. 7-3-96; revised 8-23-03.)

(20 ILCS 1305/80-5)

Sec. 80-5. Task Force on Human Services Consolidation.

(a) There is hereby established a Task Force on Human Services Consolidation.

(b) The Task Force shall consist of 7 voting members, as follows: one person appointed by the Governor, who shall serve as chair of the Task Force; 2 members appointed by the President of the Senate, one of whom shall be designated a vice chair at the time of appointment; one member appointed by the Senate Minority Leader; 2 members appointed by the Speaker of the House of Representatives, one of whom shall be designated a vice chair at the time of appointment; and one member appointed by the House Minority Leader.

Members appointed by the legislative leaders shall be appointed for the duration of the Task Force; in the event of a vacancy, the appointment to fill the vacancy shall be made by the legislative leader of the same house and party as the leader who made the original appointment. The Governor may at any time terminate the service of the person appointed by the Governor and reappoint a different person to serve as chair of the Task Force.

The following persons (or their designees) shall serve, ex officio, as nonvoting members of the Task Force: the Director of Public Health, the Director of Public Aid, the Director of Children and Family Services, the Director of the Governor's Office of Management and Budget ~~Bureau of the Budget~~, and, until their offices are abolished, the Director of Mental Health and Developmental Disabilities, the Director of Rehabilitation Services, and the Director of Alcoholism and Substance Abuse. The Governor may appoint up to 3 additional

persons to serve as nonvoting members of the Task Force; such persons shall be officers or employees of a constitutional office or of a department or agency of the executive branch.

The Task Force may begin to conduct business upon the appointment of a majority of the voting members. If the chair has not been appointed but both vice chairs have been appointed, the 2 vice chairs shall preside jointly. If the chair has not been appointed and only one vice chair has been appointed, that vice chair shall preside.

Members shall serve without compensation but may be reimbursed for their expenses.

(c) The Task Force shall gather information and make recommendations relating to the planning, organization, and implementation of human services consolidation. The Task Force shall work to assure that the human services delivery system meets and adheres to the goals of quality, efficiency, accountability, and financial responsibility; to make recommendations in keeping with those goals concerning the design, operation, and organizational structure of the new Department of Human Services; and to recommend any necessary implementing legislation.

The Task Force shall monitor the implementation of human service program reorganization and shall study its effect on the delivery of services to the citizens of Illinois. The Task Force shall make recommendations to the Governor and the General Assembly regarding future consolidation of human service programs and functions.

(d) The Task Force shall:

(1) review and make recommendations on the organizational structure of the new Department of Human Services;

(2) review and approve plans for a unified electronic management and intake information and reporting system as provided in Section 1-25, and monitor and guide the implementation of the system;

(3) review and make recommendations on the

consolidation or elimination of fragmented or duplicative programs;

(4) monitor and make recommendations on how best to maximize future federal funding for the new Department of Human Services, specifically including consideration of any federal Medicaid, welfare, or block grant reform;

(5) review and make recommendations on geographic regionalization;

(6) review and make recommendations on development of common intake and client confidentiality processes;

(7) review and make recommendations to foster effective community-based privatization;

(8) obtain a management audit of the Department of Children and Family Services, to be completed and submitted to the Task Force no later than July 1, 1997; and

(9) review any other appropriate matter and make recommendations to assure a high quality, efficient, accountable, and financially responsible system for the delivery of human services to the people of Illinois.

(e) The Task Force may hire any necessary staff or consultants, enter into contracts, and make any expenditures necessary for carrying out its duties, all out of moneys appropriated for that purpose. Staff support services may be provided to the Task Force by the Office of the Governor, the agencies of State government directly involved in the reorganization of the delivery of human services, and appropriate legislative staff.

(f) The Task Force may establish an advisory committee to ensure maximum public participation in the Task Force's planning, organization, and implementation review process. If established, the advisory committee shall (1) advise and assist the Task Force in its duties, (2) help the Task Force to identify issues of public concern, and (3) meet at least quarterly.

(g) The Task Force shall submit preliminary reports of its findings and recommendations to the Governor and the General

Assembly by February 1, 1997 and February 1, 1998 and a final report by January 1, 1999. It may submit other reports as it deems appropriate.

(h) The Task Force is abolished on February 1, 1999.

(Source: P.A. 89-506, eff. 7-3-96; revised 8-23-03.)

Section 250. The Illinois Guaranteed Job Opportunity Act is amended by changing Section 10 as follows:

(20 ILCS 1510/10)

Sec. 10. Definitions. As used in this Act:

"Department" means the Department of Commerce and Economic Opportunity ~~Community Affairs~~.

"Eligible area" means a county, township, municipality, or ward or precinct of a municipality.

"Participant" means an individual who is determined to be eligible under Section 25.

"Project" means the definable task or group of tasks which:

(1) will be carried out by a public agency, a private nonprofit organization, a private contractor, or a cooperative,

(2) (blank),

(3) will result in a specific product or accomplishment, and

(4) would not otherwise be conducted with existing funds.

"Director" means the Director of Commerce and Economic Opportunity ~~Community Affairs~~.

(Source: P.A. 93-46, eff. 7-1-03; revised 12-6-03.)

Section 260. The Department of State Police Law of the Civil Administrative Code of Illinois is amended by changing Section 2605-45 as follows:

(20 ILCS 2605/2605-45) (was 20 ILCS 2605/55a-5)

Sec. 2605-45. Division of Administration. The Division of

Administration shall exercise the following functions:

(1) Exercise the rights, powers, and duties vested in the Department by the Governor's Office of Management and Budget ~~Bureau of the Budget~~ Act.

(2) Pursue research and the publication of studies pertaining to local law enforcement activities.

(3) Exercise the rights, powers, and duties vested in the Department by the Personnel Code.

(4) Operate an electronic data processing and computer center for the storage and retrieval of data pertaining to criminal activity.

(5) Exercise the rights, powers, and duties vested in the former Division of State Troopers by Section 17 of the State Police Act.

(6) Exercise the rights, powers, and duties vested in the Department by "An Act relating to internal auditing in State government", approved August 11, 1967 (repealed; now the Fiscal Control and Internal Auditing Act, 30 ILCS 10/).

(6.5) Exercise the rights, powers, and duties vested in the Department by the Firearm Owners Identification Card Act.

(7) Exercise other duties that may be assigned by the Director to fulfill the responsibilities and achieve the purposes of the Department.

(Source: P.A. 91-239, eff. 1-1-00; 91-760, eff. 1-1-01; revised 8-23-03.)

Section 265. The Department of Transportation Law of the Civil Administrative Code of Illinois is amended by changing Sections 2705-255, 2705-285, 2705-405, and 2705-435 as follows:

(20 ILCS 2705/2705-255) (was 20 ILCS 2705/49.14)

Sec. 2705-255. Appropriations from Build Illinois Bond Fund and Build Illinois Purposes Fund. Any expenditure of funds by the Department for interchanges, for access roads to and

from any State or local highway in Illinois, or for other transportation capital improvements related to an economic development project pursuant to appropriations to the Department from the Build Illinois Bond Fund and the Build Illinois Purposes Fund shall be used for funding improvements related to existing or planned scientific, research, manufacturing, or industrial development or expansion in Illinois. In addition, the Department may use those funds to encourage and maximize public and private participation in those improvements. The Department shall consult with the Department of Commerce and Economic Opportunity ~~Community Affairs~~ prior to expending any funds for those purposes pursuant to appropriations from the Build Illinois Bond Fund and the Build Illinois Purposes Fund.

(Source: P.A. 91-239, eff. 1-1-00; revised 12-6-03.)

(20 ILCS 2705/2705-285) (was 20 ILCS 2705/49.06b)

Sec. 2705-285. Ports and waterways. The Department has the power to undertake port and waterway development planning and studies of port and waterway development problems and to provide technical assistance to port districts and units of local government in connection with port and waterway development activities. The Department may provide financial assistance for the ordinary and contingent expenses of port districts upon the terms and conditions that the Department finds necessary to aid in the development of those districts.

The Department shall coordinate all its activities under this Section with the Department of Commerce and Economic Opportunity ~~Community Affairs~~.

(Source: P.A. 91-239, eff. 1-1-00; revised 12-6-03.)

(20 ILCS 2705/2705-405) (was 20 ILCS 2705/49.25b)

Sec. 2705-405. Preparation of State Rail Plan. In preparation of the State Rail Plan under Section 2705-400, the Department shall consult with recognized railroad labor organizations, the Department of Commerce and Economic

Opportunity ~~Community Affairs~~, railroad management, affected units of local government, affected State agencies, and affected shipping interests.

(Source: P.A. 91-239, eff. 1-1-00; revised 12-6-03.)

(20 ILCS 2705/2705-435) (was 20 ILCS 2705/49.25g-1)

Sec. 2705-435. Loans, grants, or contracts to rehabilitate, improve, or construct rail facilities; State Rail Freight Loan Repayment Fund. In addition to the powers under Section 105-430, the Department shall have the power to enter into agreements to loan or grant State funds to any railroad, unit of local government, rail user, or owner or lessee of a railroad right of way to rehabilitate, improve, or construct rail facilities.

For each project proposed for funding under this Section the Department shall, to the extent possible, give preference to cost effective projects that facilitate continuation of existing rail freight service. In the exercise of its powers under this Section, the Department shall coordinate its program with the industrial retention and attraction programs of the Department of Commerce and Economic Opportunity ~~Community Affairs~~. No funds provided under this Section shall be expended for the acquisition of a right of way or rolling stock or for operating subsidies. The costs of a project funded under this Section shall be apportioned in accordance with the agreement of the parties for the project. Projects are eligible for a loan or grant under this Section only when the Department determines that the transportation, economic, and public benefits associated with a project are greater than the capital costs of that project incurred by all parties to the agreement and that the project would not have occurred without its participation. In addition, a project to be eligible for assistance under this Section must be included in a State plan for rail transportation and local rail service prepared by the Department. The Department may also expend State funds for professional engineering services to conduct feasibility

studies of projects proposed for funding under this Section, to estimate the costs and material requirements for those projects, to provide for the design of those projects, including plans and specifications, and to conduct investigations to ensure compliance with the project agreements.

The Department, acting through the Department of Central Management Services, shall also have the power to let contracts for the purchase of railroad materials and supplies. The Department shall also have the power to let contracts for the rehabilitation, improvement, or construction of rail facilities. Any such contract shall be let, after due public advertisement, to the lowest responsible bidder or bidders, upon terms and conditions to be fixed by the Department. With regard to rehabilitation, improvement, or construction contracts, the Department shall also require the successful bidder or bidders to furnish good and sufficient bonds to ensure proper and prompt completion of the work in accordance with the provisions of the contracts.

In the case of an agreement under which State funds are loaned under this Section, the agreement shall provide the terms and conditions of repayment. The agreement shall provide for the security that the Department shall determine to protect the State's interest. The funds may be loaned with or without interest. Loaned funds that are repaid to the Department shall be deposited in a special fund in the State treasury to be known as the State Rail Freight Loan Repayment Fund. In the case of repaid funds deposited in the State Rail Freight Loan Repayment Fund, the Department shall, subject to appropriation, have the reuse of those funds and the interest accrued thereon, which shall also be deposited by the State Treasurer in the Fund, as the State share in other eligible projects under this Section. However, no expenditures from the State Rail Freight Loan Repayment Fund for those projects shall at any time exceed the total sum of funds repaid and deposited in the State Rail Freight Loan Repayment Fund and interest

earned by investment by the State Treasurer which the State Treasurer shall have deposited in that Fund.

For the purposes of promoting efficient rail freight service, the Department may also provide technical assistance to railroads, units of local government or rail users, or owners or lessees of railroad rights-of-way.

The Department shall take whatever actions are necessary or appropriate to protect the State's interest in the event of bankruptcy, default, foreclosure, or noncompliance with the terms and conditions of financial assistance or participation provided hereunder, including the power to sell, dispose, lease, or rent, upon terms and conditions determined by the Secretary to be appropriate, real or personal property that the Department may receive as a result thereof.

The Department is authorized to make reasonable rules and regulations consistent with law necessary to carry out the provisions of this Section.

(Source: P.A. 91-239, eff. 1-1-00; revised 12-6-03.)

Section 270. The Illinois Capital Budget Act is amended by changing Sections 1 and 4 as follows:

(20 ILCS 3010/1) (from Ch. 127, par. 3101)

Sec. 1. The Governor's Office of Management and Budget ~~Bureau of the Budget~~ shall coordinate the preparation of annually updated 5 year capital improvement programs and yearly capital budgets based on those programs, in cooperation with all State agencies requesting a capital appropriation.

(Source: P.A. 84-838; revised 8-23-03.)

(20 ILCS 3010/4) (from Ch. 127, par. 3104)

Sec. 4. (a) The Governor's Office of Management and Budget ~~Bureau of the Budget~~ shall be responsible for integrating the long range program plans of State agencies which request capital appropriations into capital plans. The Capital Development Board shall be responsible for developing needs

based physical plant plans and technical review and survey of facilities. The Governor's Office of Management and Budget ~~Bureau of the Budget~~ shall also be responsible for providing funding and expenditure projections.

(b) The Capital Development Board shall be responsible for development and maintenance of a facility inventory of each State agency which requests a capital appropriation.

(c) Recommendations for capital funding shall be included in the annual budget based on the capital improvement project.

(d) The capital improvement program shall be submitted to the General Assembly by the Governor as part of the annual State budget.

(Source: P.A. 84-838; revised 8-23-03.)

Section 275. The Capital Development Board Act is amended by changing Section 10.09-5 as follows:

(20 ILCS 3105/10.09-5)

Sec. 10.09-5. Standards for an energy code. To adopt rules, by January 1, 2004, implementing a statewide energy code for the construction or repair of State facilities described in Section 4.01. The energy code adopted by the Board shall incorporate standards promulgated by the American Society of Heating, Refrigerating and Air-conditioning Engineers, Inc., (ASHRAE). In proposing rules, the Board shall consult with the Department of Commerce and Economic Opportunity ~~Community Affairs~~.

(Source: P.A. 93-190, eff. 7-14-03; revised 12-6-03.)

Section 280. The Historic Preservation Agency Act is amended by changing Section 20 as follows:

(20 ILCS 3405/20)

Sec. 20. Freedom Trail Commission.

(a) Creation. The Freedom Trail Commission is created within the Agency. The budgeting, procurement, and related

functions of the commission and administrative responsibilities for the staff of the commission shall be performed under the direction and supervision of the Agency.

(b) Membership. The commission shall consist of 16 members, appointed as soon as possible after the effective date of this amendatory Act of the 93rd General Assembly. The members shall be appointed as follows:

(1) one member appointed by the President of the Senate;

(2) one member appointed by the Senate Minority Leader;

(3) one member appointed by the Speaker of the House;

(4) one member appointed by the House Minority Leader;

(5) 9 members appointed by the Governor as follows:

(i) 3 members from the academic community who are knowledgeable concerning African-American history; (ii) one public member who is actively involved in civil rights issues; (iii) one public member who is knowledgeable in the field of historic preservation; (iv) one public member who represents local communities in which the underground railroad had a significant presence; and (v) 3 members at large, one of whom shall be a representative of the DuSable Museum and one of whom shall be a representative of the Chicago Historical Society;

(6) the Director of Commerce and Economic Opportunity ~~Community Affairs~~, ex officio, or a designee of the Director;

(7) the State Librarian, ex officio, or a designee of the State Library; and

(8) the Director of the Historic Preservation Agency, ex officio, or a designee of that Agency.

Appointed members shall serve at the pleasure of the appointing authority.

(c) Election of chairperson; meetings. At its first meeting, the commission shall elect from among its members a chairperson and other officers it considers necessary or

appropriate. After its first meeting, the commission shall meet at least quarterly, or more frequently at the call of the chairperson or if requested by 7 or more members.

(d) Quorum. A majority of the members of the commission constitute a quorum for the transaction of business at a meeting of the commission. A majority of the members present and serving is required for official action of the commission.

(e) Public meeting. The business that the commission may perform shall be conducted at a public meeting of the commission held in compliance with the Open Meetings Act.

(f) Freedom of information. A writing prepared, owned, used, in the possession of, or retained by the commission in the performance of an official function is subject to the Freedom of Information Act.

(g) Compensation. Members of the commission shall serve without compensation. However, members of the commission may be reimbursed for their actual and necessary expenses incurred in the performance of their official duties as members of the commission.

(h) Duties. The commission shall do the following:

(1) Prepare a master plan to promote and preserve the history of the freedom trail and underground railroad in the State.

(2) Work in conjunction with State and federal authorities to sponsor commemorations, linkages, seminars, and public forums on the freedom trail and underground railroad in the State and in neighboring states.

(3) Assist in and promote the making of applications for inclusion in the national and State registers of historic places for significant historic places related to the freedom trail and the underground railroad in the State.

(4) Assist in developing and develop partnerships to seek public and private funds to carry out activities to protect, preserve, and promote the legacy of the freedom trail and the underground railroad in the State.

(5) Work with the Illinois State Board of Education to evaluate, conduct research concerning, and develop a curriculum for use in Illinois public schools regarding the underground railroad, with emphasis on the activities of the underground railroad within the State.

(i) Report. The commission shall report its activities and findings to the General Assembly by February 1, 2004.

(Source: P.A. 93-487, eff. 8-8-03; revised 12-6-03.)

Section 285. The Small Business Surety Bond Guaranty Act is amended by changing Section 5 as follows:

(20 ILCS 3520/5)

Sec. 5. Definitions.

"Contract term" means the term of the private sector, government, or utility contract, including a maintenance or warranty period of up to 2 years from the date on which final payment under the contract is due.

"Department" means the Illinois Department of Commerce and Economic Opportunity ~~Community Affairs~~.

"Fund" means the Small Business Surety Bond Guaranty Fund.

"Principal" means (i) in the case of a bid bond, a person bidding for the award of a contract, or (ii) the person primarily liable to complete a contract for the obligee, or to make payments to other persons in respect of the contract, and for whose performance of his obligation the surety is bound under the terms of a payment or performance bond. A principal may be a prime contractor or a subcontractor.

"Program" means the Small Business Surety Bond Guaranty Program created by this Act.

(Source: P.A. 88-407; 88-665, eff. 9-16-94; revised 12-6-03.)

Section 290. The Illinois Investment and Development Authority Act is amended by changing Section 15 as follows:

(20 ILCS 3820/15)

Sec. 15. Creation of Illinois Investment and Development Authority; members.

(a) There is created a political subdivision, body politic and corporate, to be known as the Illinois Investment and Development Authority. The exercise by the Authority of the powers conferred by law shall be an essential public function. The governing powers of the Authority shall be vested in a body consisting of 11 members, including, as ex officio members, the Commissioner of Banks and Real Estate and the Director of Commerce and Economic Opportunity ~~Community Affairs~~ or their designees. The other 9 members of the Authority shall be appointed by the Governor, with the advice and consent of the Senate, and shall be designated "public members". The public members shall include representatives from banks and other private financial services industries, community development finance experts, small business development experts, and other community leaders. Not more than 6 members of the Authority may be of the same political party. The Chairperson of the Authority shall be designated by the Governor from among its public members.

(b) Six members of the Authority shall constitute a quorum. However, when a quorum of members of the Authority is physically present at the meeting site, other Authority members may participate in and act at any meeting through the use of a conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other. Participation in such meeting shall constitute attendance and presence in person at the meeting of the person or persons so participating. All official acts of the Authority shall require the approval of at least 5 members.

(c) Of the members initially appointed by the Governor pursuant to this Act, 3 shall serve until the third Monday in January, 2004, 3 shall serve until the third Monday in January, 2005, and 3 shall serve until the third Monday in January, 2006 and all shall serve until their successors are appointed and qualified. All successors shall hold office for a term of 3

years commencing on the third Monday in January of the year in which their term commences, except in case of an appointment to fill a vacancy. Each member appointed under this Section who is confirmed by the Senate shall hold office during the specified term and until his or her successor is appointed and qualified. In case of vacancy in the office when the Senate is not in session, the Governor may make a temporary appointment until the next meeting of the Senate, when the Governor shall nominate such person to fill the office, and any person so nominated who is confirmed by the Senate, shall hold his or her office during the remainder of the term and until his or her successor is appointed and qualified.

(d) Members of the Authority shall not be entitled to compensation for their services as members, but shall be entitled to reimbursement for all necessary expenses incurred in connection with the performance of their duties as members.

(e) The Governor may remove any public member of the Authority in case of incompetency, neglect of duty, or malfeasance in office, after service on the member of a copy of the written charges against him or her and an opportunity to be publicly heard in person or by counsel in his or her own defense upon not less than 10 days notice.

(Source: P.A. 92-864, eff. 6-1-03; revised 12-6-03.)

Section 295. The Illinois Building Commission Act is amended by changing Section 35 as follows:

(20 ILCS 3918/35)

Sec. 35. Administration and enforcement of State building requirements. The Commission shall also suggest a long-term plan to improve administration and enforcement of State building requirements statewide. The plan shall include (i) recommendations for ways the Department of Commerce and Economic Opportunity ~~Community Affairs~~ could create a consolidated clearinghouse on all information concerning existing State building requirements, (ii) recommendations for

a consistent format for State building requirements, (iii) recommendations for a system or procedure for updating existing State building requirements that shall include a procedure for input from the public, (iv) recommendations for a system or procedure for the review, approval, and appeal of building plans, and (v) recommendations for a system or procedure to enforce the State building requirements. The Commission shall submit its suggestions for creating the consolidated clearinghouse to the Department of Commerce and Economic Opportunity ~~Community Affairs~~ as soon as practical after the effective date of this Act.

(Source: P.A. 90-269, eff. 1-1-98; revised 12-6-03.)

Section 300. The Government Buildings Energy Cost Reduction Act of 1991 is amended by changing Sections 10 and 15 as follows:

(20 ILCS 3953/10) (from Ch. 96 1/2, par. 9810)

Sec. 10. Definitions. "Energy conservation project" and "project designed to reduce energy consumption and costs" mean any improvement, repair, alteration or betterment of any building or facility or any equipment, fixture or furnishing to be added to or used in any building or facility that the Director of Commerce and Economic Opportunity ~~Community Affairs~~ has determined will be a cost effective energy related project that will lower energy or utility costs in connection with the operation or maintenance of such building or facility, and will achieve energy cost savings sufficient to cover bond debt service and other project costs within 7 years from the date of project installation.

(Source: P.A. 89-445, eff. 2-7-96; revised 12-6-03.)

(20 ILCS 3953/15) (from Ch. 96 1/2, par. 9815)

Sec. 15. Creation. There is created within State government the Interagency Energy Conservation Committee, hereinafter referred to as the Committee. The Committee shall be composed

of the Secretary of Human Services and the Directors of the Department of Commerce and Economic Opportunity ~~Community Affairs~~, the Department of Central Management Services, the Department of Corrections, the Illinois Board of Higher Education, and the Capital Development Board, or their designees. The Director of ~~the Department of~~ Commerce and Economic Opportunity ~~Community Affairs~~ shall serve as Committee chairman, and the Committee's necessary staff and resources shall be drawn from the Department of Commerce and Economic Opportunity ~~Community Affairs~~.

(Source: P.A. 89-445, eff. 2-7-96; 89-507, eff. 7-1-97; revised 12-6-03.)

Section 305. The Illinois Economic Development Board Act is amended by changing Sections 2, 3, and 4.5 as follows:

(20 ILCS 3965/2) (from Ch. 127, par. 3952)

Sec. 2. The Illinois Economic Development Board, referred to in this Act as the board, is hereby created within the Department of Commerce and Economic Opportunity ~~Community Affairs~~. The board is charged with the responsibility of assisting the Department with creating a long-term economic development strategy for the State, designed to spur economic growth, enhance opportunities for core Illinois industries, encourage new job creation and investment, that is consistent with the preservation of the State's quality of life and environment.

(Source: P.A. 86-1430; revised 12-6-03.)

(20 ILCS 3965/3) (from Ch. 127, par. 3953)

Sec. 3. The board shall be composed of citizens from both the private and public sectors who are actively engaged in organizations and businesses that support economic expansion, industry enhancement and job creation. The board shall be composed of the following persons:

(a) the Governor or his or her designee;

(b) four members of the General Assembly, one each appointed by the President of the Senate, the Speaker of the House of Representatives, and the minority leaders of the Senate and House of Representatives;

(c) 20 members appointed by the Governor including representatives of small business, minority owned companies, women owned companies, manufacturing, economic development professionals, and citizens at large.

(d) (blank);

(e) (blank);

(f) (blank);

(g) (blank);

(h) (blank);

(i) (blank);

(j) (blank);

(k) (blank);

(l) (blank);

(m) (blank).

The Director of ~~the Department of~~ Commerce and Economic Opportunity ~~Community Affairs~~ shall serve as an ex officio member of the board.

The Governor shall appoint the members of the board specified in subsections (c) through (m) of this Section, subject to the advice and consent of the Senate, within 30 days after the effective date of this Act. The first meeting of the board shall occur within 60 days after the effective date of this Act.

The Governor shall appoint a chairperson and a vice chairperson of the board. Members shall serve 2-year terms. The position of a legislative member shall become vacant if the member ceases to be a member of the General Assembly. A vacancy in a board position shall be filled by the original appointing authority.

The board shall include representation from each of the State's geographic areas.

The board shall meet quarterly or at the call of the chair

and shall create subcommittees as needed to deal with specific issues and concerns. Members shall serve without compensation but may be reimbursed for expenses.

(Source: P.A. 91-476, eff. 8-11-99; revised 12-6-03.)

(20 ILCS 3965/4.5)

Sec. 4.5. Additional duties. In addition to those duties granted under Section 4, the Illinois Economic Development Board shall:

(1) Establish a Business Investment Location Development Committee for the purpose of making recommendations for designated economic development projects. At the request of the Board, the Director of Commerce and Economic Opportunity ~~Community Affairs~~ or his or her designee; the Director of the Governor's Office of Management and Budget ~~Bureau of the Budget~~, or his or her designee; the Director of Revenue, or his or her designee; the Director of Employment Security, or his or her designee; and an elected official of the affected locality, such as the chair of the county board or the mayor, may serve as members of the Committee to assist with its analysis and deliberations.

(2) Establish a Business Regulatory Review Committee to generate private sector analysis, input, and guidance on methods of regulatory assistance and review. At the determination of the Board, individual small business owners and operators; national, State, and regional organizations representative of small firms; and representatives of existing State or regional councils of business may be designated as members of this Business Regulatory Review Committee.

(Source: P.A. 91-476, eff. 8-11-99; revised 8-23-03.)

Section 310. The Illinois Business Regulatory Review Act is amended by changing Sections 15-30 and 15-35 as follows:

(20 ILCS 3966/15-30)

Sec. 15-30. Advisory responsibilities of the Business Regulatory Review Committee. At the direction and request of the Board, the Committee shall provide the following advisory assistance:

(1) To advise the Office of the Governor regarding agency rulemaking and to offer recommendations that improve the State rulemaking process, which may include alternative standards that might be set for enforcement by regulatory agencies.

(2) To advise the General Assembly about whether the State should adopt small business regulatory enforcement fairness legislation modeled after the equivalent federal legislation and regarding how Illinois laws compare with those of other states and how Illinois might implement reforms adopting the better or best practices of these other states.

(3) To advise the Department of Commerce and Economic Opportunity ~~Community Affairs~~ with the operations of the First Stop, small business regulatory review, and similar department programs.

(4) To advise relevant State agencies on the formulation of federally required State rules.

(Source: P.A. 91-476, eff. 8-11-99; revised 12-6-03.)

(20 ILCS 3966/15-35)

Sec. 15-35. Support for Committee. The Committee shall be provided staff support services by the Department of Commerce and Economic Opportunity ~~Community Affairs~~, the Office of the Governor, and various regulatory agencies. Members of the Committee shall serve without compensation, but may be reimbursed for expenses.

(Source: P.A. 91-476, eff. 8-11-99; revised 12-6-03.)

Section 315. The Illinois River Watershed Restoration Act is amended by changing Section 15 as follows:

(20 ILCS 3967/15)

Sec. 15. Illinois River Coordinating Council.

(a) There is established the Illinois River Coordinating Council, consisting of 13 voting members to be appointed by the Governor. One member shall be the Lieutenant Governor who shall serve as a voting member and as chairperson of the Council. The Agency members of the Council shall include the Director, or his or her designee, of each of the following agencies: the Department of Agriculture, the Department of Commerce and Economic Opportunity ~~Community Affairs~~, the Illinois Environmental Protection Agency, the Department of Natural Resources, and the Department of Transportation. In addition, the Council shall include one member representing Soil and Water Conservation Districts located within the Watershed of the Illinois River and its tributaries and 6 members representing local communities, not-for-profit organizations working to protect the Illinois River Watershed, business, agriculture, recreation, conservation, and the environment. The Governor may, at his or her discretion, appoint individuals representing federal agencies to serve as ex officio, non-voting members.

(b) Members of the Council shall serve 2-year terms, except that of the initial appointments, 5 members shall be appointed to serve 3-year terms and 4 members to serve one-year terms.

(c) The Council shall meet at least quarterly.

(d) The Office of the Lieutenant Governor shall be responsible for the operations of the Council. The Office may reimburse members of the Council for ordinary and contingent expenses incurred in the performance of Council duties.

(e) This Section is subject to the provisions of Section 405-500 of the Department of Central Management Services Law (20 ILCS 405/405-500).

(Source: P.A. 90-120, eff. 7-16-97; 90-609, eff. 6-30-98; 91-239, eff. 1-1-00; revised 12-6-03.)

Section 320. The Interagency Coordinating Committee on Transportation Act is amended by changing Section 15 as follows:

(20 ILCS 3968/15)

Sec. 15. Committee. The Illinois Coordinating Committee on Transportation is created and shall consist of the following members:

(1) The Governor or his or her designee.

(2) The Secretary of Transportation or his or her designee.

(3) The Secretary of Human Services or his or her designee.

(4) The Director of Aging or his or her designee.

(5) The Director of Public Aid or his or her designee.

(6) The Director of Commerce and Economic Opportunity ~~Community Affairs~~ or his or her designee.

(7) A representative of the Illinois Rural Transit Assistance Center.

(8) A person who is a member of a recognized statewide organization representing older residents of Illinois.

(9) A representative of centers for independent living.

(10) A representative of the Illinois Public Transportation Association.

(11) A representative of an existing transportation system that coordinates and provides transit services in a multi-county area for the Department of Transportation, Department of Human Services, Department of Commerce and Economic Opportunity ~~Community Affairs~~, or Department on Aging.

(12) A representative of a statewide organization of rehabilitation facilities or other providers of services for persons with one or more disabilities.

(13) A representative of a community-based organization.

(14) A representative of the Department of Public Health.

(15) A representative of the Rural Partners.

(16) The Director of Employment Security or his or her designee.

(17) A representative of a statewide business association.

(18) A representative of the Illinois Council on Developmental Disabilities.

The Governor shall appoint the members of the Committee other than those named in paragraphs (1) through (6) and paragraph (16) of this Section. The Governor or his or her designee shall serve as chairperson of the Committee and shall convene the meetings of the Committee. The Secretary of Transportation and a representative of a community-based organization involved in transportation or their designees, shall serve as co-vice-chairpersons and shall be responsible for staff support for the committee.

(Source: P.A. 93-185, eff. 7-11-03; revised 12-6-03.)

Section 325. The Interagency Coordinating Council Act is amended by changing Section 2 as follows:

(20 ILCS 3970/2) (from Ch. 127, par. 3832)

Sec. 2. Interagency Coordinating Council. There is hereby created an Interagency Coordinating Council which shall be composed of the Directors, or their designees, of the Illinois Department of Children and Family Services, Illinois Department of Commerce and Economic Opportunity ~~Community Affairs~~, Illinois Department of Corrections, Illinois Department of Employment Security, and Illinois Department of Public Aid; the Secretary of Human Services or his or her designee; the Executive Director, or a designee, of the Illinois Community College Board, the Board of Higher Education, and the Illinois Planning Council on Developmental Disabilities; the State Superintendent of Education, or a designee; and a designee representing the University of Illinois - Division of Specialized Care for Children. The Secretary of Human Services (or the member who is the designee for the Secretary of Human Services) and the State Superintendent of Education (or the member who is the designee for the State Superintendent of Education) shall be co-chairs

of the Council. The co-chairs shall be responsible for ensuring that the functions described in Section 3 of this Act are carried out.

(Source: P.A. 92-452, eff. 8-21-01; revised 12-6-03.)

Section 330. The Illinois Manufacturing Technology Alliance Act is amended by changing Sections 4 and 15 as follows:

(20 ILCS 3990/4) (from Ch. 48, par. 2604)

Sec. 4. Board of Directors.

(a) The Illinois Manufacturing Technology Alliance shall be governed and operated by a Board of Directors consisting of 11 members: 5 public members who shall be representative of industries to be served by the Alliance; 2 public members who shall be researchers in manufacturing technologies; and 4 ex officio members who shall be the Director of ~~the Department of~~ Commerce and Economic Opportunity ~~Community Affairs~~, the Chief Executive Officer of the Prairie State 2000 Authority, the Executive Director of the Board of Higher Education and the Executive Director of the Illinois Community College Board. An ex officio member may designate a representative to serve as a substitute when such member is unable to attend a meeting of the Board.

(b) The Governor, by and with the advice and consent of the Senate, shall appoint the 5 public members who are representative of industries to be served by the Alliance and the 2 public members who are researchers in manufacturing technologies. To the extent possible, 4 members of the 5 public members who are representatives of industries to be served by the Alliance shall be members of trade associations that are Alliance Partners.

A vacancy in the position of Board member shall occur upon resignation, death, conviction of a felony, or removal from office of a Director. The Governor may remove any public member from office on a formal finding of incompetence, neglect of

duty or malfeasance in office. Within 30 days after the office of any appointed member becomes vacant for any reason, the Governor shall fill the vacancy for the unexpired term in the same manner as that in which appointments are made. If the Senate is not in session when the first appointments are made or when the Governor fills a vacancy, the Governor shall make temporary appointments until the next meeting of the Senate, when he shall nominate persons to be confirmed by the Senate.

(c) No more than 4 public members shall be of the same political party.

(d) Of those public members initially appointed to the Board, 4 Directors, no more than 2 of the same political party, shall be appointed to serve until July 1, 1993, and 3 Directors, not more than 2 of the same political party, shall be appointed to serve until July 1, 1991. Thereafter, each public member shall be appointed for a 4 year term, or until his successor is appointed and qualified. The terms of the public members initially appointed shall commence upon the appointment of all 7 public members.

(e) No public member may serve as a Director for an aggregate of more than 10 years.

(Source: P.A. 86-1015; revised 12-6-03.)

(20 ILCS 3990/15) (from Ch. 48, par. 2615)

Sec. 15. Relationship with other Agencies. The Alliance shall cooperate with the Department of Commerce and Economic Opportunity ~~Community Affairs~~, the Board of Higher Education, the Illinois Community College Board, the Prairie State 2000 Authority and any other agency or authority of the State on any project or program that improves the competitiveness of small and medium size Illinois manufacturers. The policies and programs of the Alliance shall be consistent with economic development policies of this State.

(Source: P.A. 86-1015; revised 12-6-03.)

Section 335. The Illinois Council on Developmental

Disabilities Law is amended by changing Sections 2004 and 2004.5 as follows:

(20 ILCS 4010/2004) (from Ch. 91 1/2, par. 1954)

Sec. 2004. Council membership.

(a) The council shall be composed of 38 voting members, 27 of whom shall be appointed by the Governor from residents of the State so as to ensure that the membership reasonably represents consumers of services to persons with developmental disabilities.

(b) Eleven voting members shall be the Directors of Public Aid, Public Health, Aging, Children and Family Services, the Guardianship and Advocacy Commission, the State protection and advocacy agency, the State Board of Education, the Division of Specialized Care for Children of the University of Illinois, and the State University Affiliated Program, or their designees, plus the Secretary of Human Services (or his or her designee) and one additional representative of the Department of Human Services designated by the Secretary.

(c) Nineteen voting members shall be persons with developmental disabilities, parents or guardians of such persons, or immediate relatives or guardians of persons with mentally impairing developmental disabilities. None of these members shall be employees of a State agency which receives funds or provides services under the federal Developmental Disabilities Assistance and Bill of Rights Act Amendments of 1987, managing employees of any other entity which services funds or provides services under the federal Developmental Disabilities Assistance and Bill of Rights Act Amendments of 1987, or persons with an ownership or control interest in such an entity. Of these members:

(1) At least 6 shall be persons with developmental disabilities and at least 6 shall be immediate relatives or guardians of persons with mentally impairing developmental disabilities; and

(2) One member shall be an immediate relative or

guardian of an institutionalized or previously institutionalized person with a developmental disability.

(d) Eight voting members shall be representatives of local agencies, nongovernmental agencies and groups concerned with services to persons with developmental disabilities.

(e) The Governor shall consider nominations made by advocacy and community-based organizations.

(f) Of the initial members appointed by the Governor, 8 shall be appointed for terms of one year, 9 shall be appointed for terms of 2 years, and 9 shall be appointed for terms of 3 years. Thereafter, all members shall be appointed for terms of 3 years. No member shall serve more than 2 successive terms.

(g) Individual terms of office shall be chosen by lot at the initial meeting of the council.

(h) Vacancies in the membership shall be filled in the same manner as initial appointments. Appointments to fill vacancies occurring before the expiration of a term shall be for the remainder of the unexpired term.

(i) Members shall not receive compensation for their services, but shall be reimbursed for their actual expenses plus up to $50 a day for any loss of wages incurred in the performance of their duties.

(j) Total membership consists of the number of voting members, as defined in this Section, excluding any vacant positions. A quorum shall consist of a simple majority of total membership and shall be sufficient to constitute the transaction of business of the council unless stipulated otherwise in the bylaws of the council.

(k) The council shall meet at least quarterly.

(l) The Director of the Governor's Office of Management and Budget ~~Bureau of the Budget~~, or his or her designee, shall serve as a nonvoting member of the council.

(Source: P.A. 89-507, eff. 7-1-97; revised 8-23-03.)

(20 ILCS 4010/2004.5)

Sec. 2004.5. Council membership. The General Assembly

intends that the reduction in the membership of the Council shall occur through attrition between the effective date of this amendatory Act of the 91st General Assembly and January 1, 2001. In the event that the terms of 10 voting members have not expired by January 1, 2001, members of the Council serving on that date shall continue to serve until their terms expire.

(a) The membership of the Council must reasonably represent the diversity of this State. Not less than 60% of the Council's membership must be individuals with developmental disabilities, parents or guardians of children with developmental disabilities, or immediate relatives or guardians of adults with developmental disabilities who cannot advocate for themselves.

The Council must also include representatives of State agencies that administer moneys under federal laws that relate to individuals with developmental disabilities; the State University Center for Excellence in Developmental Disabilities Education, Research, and Service; the State protection and advocacy system; and representatives of local and non-governmental agencies and private non-profit groups concerned with services for individuals with developmental disabilities. The members described in this paragraph must have sufficient authority to engage in policy-making, planning, and implementation on behalf of the department, agency, or program that they represent. Those members may not take part in any discussion of grants or contracts for which their departments, agencies, or programs are grantees, contractors, or applicants and must comply with any other relevant conflict of interest provisions in the Council's policies or bylaws.

(b) Seventeen voting members, appointed by the Governor, must be persons with developmental disabilities, parents or guardians of persons with developmental disabilities, or immediate relatives or guardians of persons with mentally-impairing developmental disabilities. None of these members may be employees of a State agency that receives funds or provides services under the federal Developmental

Disabilities Assistance and Bill of Rights Act of 1996 (42 U.S.C. 6000 et seq.), as now or hereafter amended, managing employees of any other entity that receives moneys or provides services under the federal Developmental Disabilities Assistance and Bill of Rights Act of 1996 (42 U.S.C. 6000 et seq.), as now or hereafter amended, or persons with an ownership interest in or a controlling interest in such an entity. Of the members appointed under this subsection (b):

(1) at least 6 must be persons with developmental disabilities;

(2) at least 6 must be parents, immediate relatives, or guardians of children and adults with developmental disabilities, including individuals with mentally-impairing developmental disabilities who cannot advocate for themselves; and

(3) 5 members must be a combination of persons described in paragraphs (1) and (2); at least one of whom must be (i) an immediate relative or guardian of an individual with a developmental disability who resides or who previously resided in an institution or (ii) an individual with a developmental disability who resides or who previously resided in an institution.

(c) Two voting members, appointed by the Governor, must be representatives of local and non-governmental agencies and private non-profit groups concerned with services for individuals with developmental disabilities.

(d) Nine voting members shall be the Director of Public Aid, or his or her designee; the Director of Aging, or his or her designee; the Director of Children and Family Services, or his or her designee; a representative of the State Board of Education; a representative of the State protection and advocacy system; a representative of the State University Center for Excellence in Developmental Disabilities Education, Research, and Service; representatives of the Office of Developmental Disabilities and the Office of Community Health and Prevention of the Department of Human Services (as the

State's lead agency for Title V of the Social Security Act, 42 U.S.C. 701 et seq.) designated by the Secretary of Human Services; and a representative of the State entity that administers federal moneys under the federal Rehabilitation Act.

(e) The Director of the Governor's Office of Management and Budget ~~Bureau of the Budget~~, or his or her designee, shall be a non-voting member of the Council.

(f) The Governor must provide for the timely rotation of members.

Appointments to the Council shall be for terms of 3 years. Appointments to fill vacancies occurring before the expiration of a term shall be for the remainder of the term. Members shall serve until their successors are appointed.

The Council, at the discretion of the Governor, may coordinate and provide recommendations for new members to the Governor based upon their review of the Council's composition and on input received from other organizations and individuals representing persons with developmental disabilities, including the non-State agency members of the Council. The Council must, at least once each year, advise the Governor on the Council's membership requirements and vacancies, including rotation requirements.

No member may serve for more than 2 successive terms.

(g) Members may not receive compensation for their services, but shall be reimbursed for their reasonable expenses plus up to $50 per day for any loss of wages incurred in the performance of their duties.

(h) The total membership of the Council consists of the number of voting members, as defined in this Section, excluding any vacant positions. A quorum is a simple majority of the total membership and is sufficient to constitute the transaction of the business of the Council unless otherwise stipulated in the bylaws of the Council.

(i) The Council must meet at least quarterly.

(Source: P.A. 91-798, eff. 7-9-00; revised 8-23-03.)

Section 340. The Prairie State 2000 Authority Act is amended by changing Sections 7 and 12 as follows:

(20 ILCS 4020/7) (from Ch. 48, par. 1507)

Sec. 7. (a) The Prairie State 2000 Authority shall be governed and operated by a Board of Directors consisting of the State Treasurer, the Director of ~~the Department of~~ Commerce and Economic Opportunity ~~Community Affairs~~ and the Director of ~~the Department of~~ Employment Security, or their respective designees, as ex officio members, and 4 public members who shall be appointed by the Governor with the advice and consent of the Senate and who shall be of high moral character and expert in educational or vocational training matters, employee benefits, or finance. Each public member shall be appointed for an initial term as provided in paragraph (b) of this Section. Thereafter, each public member shall hold office for a term of 4 years and until his successor has been appointed and assumes office. The Board shall elect a public member to be Chairman. A vacancy shall occur upon resignation, death, conviction of a felony, or removal from office of a Director. The Governor may remove any public member from office on a formal finding of incompetence, neglect of duty or malfeasance in office. Within 30 days after the office of any appointed member becomes vacant for any reason, the Governor shall fill the vacancy for the unexpired term in the same manner as that in which appointments are made. If the Senate is not in session when the first appointments are made or when the Governor fills a vacancy, the Governor shall make temporary appointments until the next meeting of the Senate, when he shall nominate persons to be confirmed by the Senate. No more than 2 public members shall be members of the same political party. Every public member's term shall commence on July 1, except for the terms of the public members initially appointed, whose terms shall commence upon the appointment of all 4 public members.

(b) The initial terms of public members shall be as

follows:

(i) Two Directors not members of the same political party shall be appointed to serve until July 1, 1987;

(ii) Two Directors not members of the same political party shall be appointed to serve until July 1, 1985.

No public member may serve as a Director for an aggregate of more than 8 years. A Director appointed under this paragraph (b) shall serve until his successor shall have been appointed and assumes office.

(Source: P.A. 84-1090; revised 12-6-03.)

(20 ILCS 4020/12) (from Ch. 48, par. 1512)

Sec. 12. General Powers and Duties of the Board. Except as otherwise limited by this Act, the Board shall have all powers necessary to meet its responsibilities and to carry out its purposes, including but not limited to the following powers:

(a) To sue and be sued.

(b) To establish and maintain petty cash funds as provided in Section 13.3 of "An Act in relation to State finance", approved June 10, 1919, as amended.

(c) To make, amend and repeal bylaws, rules, regulations and resolutions consistent with this Act.

(d) To make and execute all contracts and instruments necessary or convenient to the exercise of its powers.

(e) To exclusively control and manage the Authority and all monies donated, paid or appropriated for the relief or benefit of unemployed or inappropriately skilled workers.

(f) To order and direct the issuance of benefit vouchers provided for by this Act, signed by the Chairman and the Chief Executive Officer, to persons entitled thereto in amounts to which such persons are entitled under Section 14. The Board may designate any of its members, or any officer or employee of the Authority, to affix the signature of the Chairman and another to affix the signature of the Chief Executive Officer to the benefit vouchers.

(g) Upon determining that appropriate and sufficient

educational or vocational training services are being provided by a participating educational or vocational training institution to the bearer of a voucher, to cause prompt payment of the amount stated on the face of the voucher to such participating educational or vocational training institution, on the condition that such amount shall not exceed the benefit levels to which the bearer is entitled.

(h) To undertake such studies with respect to job training which will assist the Authority in carrying out the purposes of this Act. The Board shall prepare a report on the feasibility of individual training accounts.

(i) To annually review the Prairie State 2000 Authority Program and the provisions of this Act and to make recommendations to the Governor and the General Assembly regarding changes to this Act or some other Act to make improvements in the Program.

(j) To have an audit of the accounts of the Authority made annually by persons competent to perform such work and to provide a copy of such audit to the Auditor General who shall review such audit and make such other investigations and audits as he deems necessary, on the condition that the Auditor General shall each biennium conduct an audit independent of the audit conducted by the persons retained by the Board. The Board and the Auditor General shall report the findings revealed by their audits to the Governor, the President of the Senate, the Speaker of the House of Representatives and the Minority Leaders of each house of the General Assembly.

(k) To prepare and submit a budget and request for appropriations for the necessary and contingent operating expenses of the Authority.

(l) To encourage participation in the Program by means of advertising, incentives, and other marketing devices with special attention to geographic areas with levels of unemployment or underemployment which are substantially above the statewide level of unemployment.

(m) To adopt, alter and use a corporate seal.

(n) To accept appropriations, grants and funds from the federal and State governments and any agency thereof and expend those monies in accordance with, and in furtherance of the purposes of, this Act.

(o) To enter into intergovernmental agreements with other governmental entities, including the Department of Employment Security and the Department of Commerce and Economic Opportunity ~~Community Affairs~~, in order to implement and execute the powers and duties set forth in this Section and all other Sections of this Act.

(Source: P.A. 84-1090; revised 12-6-03.)

Section 345. The Fiscal Note Act is amended by changing Section 2 as follows:

(25 ILCS 50/2) (from Ch. 63, par. 42.32)

Sec. 2. The sponsor of each bill, referred to in Section 1, shall present a copy of the bill, with his request for a fiscal note, to the board, commission, department, agency, or other entity of the State which is to receive or expend the appropriation proposed or which is responsible for collection of the revenue proposed to be increased or decreased, or to be levied or provided for. The sponsor of a bill that amends the Mental Health and Developmental Disabilities Code or the Developmental Disability and Mental Disability Services Act shall present a copy of the bill, with his or her request for a fiscal note, to the Department of Human Services. The fiscal note shall be prepared by such board, commission, department, agency, or other entity and furnished to the sponsor of the bill within 5 calendar days thereafter; except that whenever, because of the complexity of the measure, additional time is required for preparation of the fiscal note, the board, commission, department, agency, or other entity may so inform the sponsor of the bill and he may approve an extension of the time within which the note is to be furnished, not to extend, however, beyond June 15, following the date of the request.

Whenever any measure for which a fiscal note is required affects more than one State board, commission, department, agency, or other entity, the board, commission, department, agency, or other entity most affected by its provisions according to the sponsor shall be responsible for preparation of the fiscal note. Whenever any measure for which a fiscal note is required does not affect a specific board, commission, department, agency or other such entity, or does not amend the Mental Health and Developmental Disabilities Code or the Developmental Disability and Mental Disability Services Act, the sponsor of the measure shall be responsible for preparation of the fiscal note.

In the case of bills having a potential fiscal impact on units of local government, the fiscal note shall be prepared by the Department of Commerce and Economic Opportunity ~~Community Affairs~~. In the case of bills having a potential fiscal impact on school districts, the fiscal note shall be prepared by the State Superintendent of Education. In the case of bills having a potential fiscal impact on community college districts, the fiscal note shall be prepared by the Illinois Community College Board.

(Source: P.A. 92-567, eff. 1-1-03; revised 12-6-03.)

Section 350. The Home Rule Note Act is amended by changing Sections 10 and 40 as follows:

(25 ILCS 75/10) (from Ch. 63, par. 42.91-10)

Sec. 10. Preparation of the note. Upon the request of the sponsor of a bill described in Section 5, the Director of Commerce and Economic Opportunity ~~Community Affairs~~ or some person within the Department designated by the Director shall prepare a written note setting forth the information required by Section 5. The note shall be designated a home rule note and shall be furnished to the sponsor within 10 calendar days after the request, except that whenever, because of the complexity of the bill, additional time is required for the preparation of

the note, the Department may so notify the sponsor and request an extension of time not to exceed 5 additional days within which to furnish the note. An extension may not, however, be beyond June 15 following the date of the request.
(Source: P.A. 87-229; revised 12-6-03.)

(25 ILCS 75/40) (from Ch. 63, par. 42.91-40)

Sec. 40. Confidentiality. The subject matter of bills submitted to the Director shall be kept in strict confidence by the Department of Commerce and Economic Opportunity ~~Community Affairs~~, and no information relating to the bill or its home rule impact shall be divulged by any official or employee of the Department, except to the bill's sponsor or the sponsor's designee, before the bill's introduction in the General Assembly.
(Source: P.A. 87-229; revised 12-6-03.)

Section 360. The State Finance Act is amended by changing Sections 6b-3, 6z-39, 6z-54, 8.14, 8.22, 8.23, 9.03, and 9.04 as follows:

(30 ILCS 105/6b-3) (from Ch. 127, par. 142b3)

Sec. 6b-3. There shall be paid into the State Housing Fund the moneys recovered from Land Clearance Commissions and Housing Authorities under the provisions of (1) Section 32 of the "Housing Authorities Act", approved March 19, 1934, as amended; (2) Section 9a of "An Act to facilitate the development and construction of housing, to provide governmental assistance therefor, and to repeal an Act herein named," approved July 2, 1947, as amended; and (3) Section 25a of the "Blighted Areas Redevelopment Act of 1947", approved July 2, 1947, as amended.

The moneys in the State Housing Fund shall be used for grants in aid of housing, development, redevelopment projects, and any other programs compatible with the duties and obligations of the Department of Commerce and Economic

Opportunity ~~Community Affairs~~ and local housing authorities or land clearance commissions and such funds may be allocated to those authorities and/or programs in accordance with the judgment of the Department of Commerce and Economic Opportunity ~~Community Affairs~~ except that no moneys may be retained in the fund beyond a period 36 months following their deposit. In any instance where moneys are accumulated in the State Housing Fund and not distributed in accordance with determination made by the Department of Commerce and Economic Opportunity ~~Community Affairs~~ within 36 months then such moneys shall be returned to the General Revenue Fund.

(Source: P.A. 81-1509; revised 12-6-03.)

(30 ILCS 105/6z-39)

Sec. 6z-39. Federal Financing Cost Reimbursement Fund. The Governor's Office of Management and Budget ~~Bureau of the Budget~~ shall be the State coordinator and representative with the United States Department of the Treasury for purposes of implementing the federal Cash Management Improvement Act of 1990.

The Governor's Office of Management and Budget ~~Bureau of the Budget~~ shall: negotiate Treasury-State agreements; develop and file annual reports; establish the net State liability; determine State agency shares of the net State liability; direct State agencies to pay or transfer moneys into the Federal Financing Cost Reimbursement Fund; and initiate payments of the net State liability to the U.S. Treasury out of the Federal Financing Cost Reimbursement Fund. Agencies shall make payments or transfers to the Federal Financing Cost Reimbursement Fund as directed by the Governor's Office of Management and Budget ~~Bureau of the Budget~~ and shall otherwise cooperate with the Governor's Office of Management and Budget ~~Bureau of the Budget~~ to implement the federal Cash Management Improvement Act of 1990.

(Source: P.A. 89-21, eff. 7-1-95; revised 8-23-03.)

(30 ILCS 105/6z-54)

Sec. 6z-54. The Energy Infrastructure Fund.

(a) The Energy Infrastructure Fund is created as a special fund in the State treasury.

(b) Money in the Energy Infrastructure Fund shall, if and when the State of Illinois issues any bonded indebtedness for financial assistance to new electric generating facilities, as provided in Section 605-332 of the Department of Commerce and Economic Opportunity ~~Community Affairs~~ Law of the Civil Administrative Code of Illinois, be set aside and used for the purpose of paying and discharging annually the principal and interest on that bonded indebtedness then due and payable, and for no other purpose.

In addition to other transfers to the General Obligation Bond Retirement and Interest Fund made pursuant to Section 15 of the General Obligation Bond Act, upon each delivery of bonds issued for financial assistance to new electric generating facilities under Section 605-332 of the Department of Commerce and Economic Opportunity ~~Community Affairs~~ Law of the Civil Administrative Code of Illinois, the State Comptroller shall compute and certify to the State Treasurer the total amount of principal and interest, and premium, if any, on such bonds during the then current and each succeeding fiscal year. On or before the last day of each month, the State Treasurer and the State Comptroller shall transfer from the Energy Infrastructure Fund to the General Obligation Bond Retirement and Interest Fund an amount sufficient to pay the aggregate of the principal of, interest on, and premium, if any, on the bonds payable on their next payment date, divided by the number of monthly transfers occurring between the last previous payment date (or the delivery date if no payment date has yet occurred) and the next succeeding payment date.

(c) To the extent that moneys in the Energy Infrastructure Fund, in the opinion of the Governor and the Director of the Governor's Office of Management and Budget ~~Bureau of the Budget~~, are in excess of 125% of the maximum debt service in

any fiscal year, such surplus shall, subject to appropriation, be used by the Department of Commerce and Economic Opportunity ~~Community Affairs~~ for financial assistance under other coal development programs administered by the Department, in accordance with the rules of the Department or for other State purposes subject to appropriation.

(Source: P.A. 92-12, eff. 7-1-01; 92-651, eff. 7-11-02; revised 8-23-03.)

(30 ILCS 105/8.14) (from Ch. 127, par. 144.14)

Sec. 8.14. Appropriations from the Public Utility Fund shall be made only to the Illinois Commerce Commission for ordinary and contingent expenses of the Commission in the administration of the Public Utilities Act, in the administration of the Electric Supplier Act, and in the administration of the Illinois Gas Pipeline Safety Act; to the Department of Natural Resources for the purpose of conducting studies concerning environmental pollution problems caused or contributed to by public utilities and the means for eliminating or abating those problems, in accordance with the functions of the Department as specified in the Environmental Protection Act; and to the Department of Commerce and Economic Opportunity ~~Community Affairs~~ for administration of energy programs, including those specified in the Comprehensive Solar Energy Act of 1977 and the Illinois Coal and Energy Development Bond Act. No money shall be transferred from the Public Utility Fund to any other fund.

(Source: P.A. 89-445, eff. 2-7-96; revised 12-6-03.)

(30 ILCS 105/8.22) (from Ch. 127, par. 144.22)

Sec. 8.22. Appropriations for the ordinary and contingent expenses of the Department of Commerce and Economic Opportunity ~~Community Affairs~~ may be made from the Intra-Agency Services Fund, provided that the State Comptroller and the State Treasurer shall, within a reasonable time after July 1 of each year, upon the direction of the Governor, transfer from the

Intra-Agency Services Fund to the General Revenue Fund such amounts as the Governor has determined to be in excess of the amount required to meet the obligations of the Intra-Agency Services Fund.

(Source: P.A. 82-790; revised 12-6-03.)

(30 ILCS 105/8.23) (from Ch. 127, par. 144.23)

Sec. 8.23. Until October 30, 1983, all moneys held in the following Federal trust funds as of the effective date of this amendatory Act of 1982, for expenditures by the Department of Commerce and Community Affairs <u>(now Department of Commerce and Economic Opportunity)</u> for general administration, shall be transferred to the Intra-Agency Services Trust Fund by the State Comptroller and the State Treasurer at the direction of the Department and with the approval of the Governor:

(1) The Urban Planning Assistance Fund.

(2) The Economic Opportunity Fund.

(3) The Federal Labor Projects Fund.

(4) The Federal Industrial Services Fund.

(5) The Federal Energy Administration Fund.

(6) The Economic Development Services Fund.

(7) The Human Services Support Fund.

(8) The Local Government Affairs Federal Trust Fund.

(9) The Federal Moderate Rehabilitation Housing Fund.

(Source: P.A. 82-790; revised 12-6-03.)

(30 ILCS 105/9.03) (from Ch. 127, par. 145d)

Sec. 9.03. The certification on every State payroll voucher shall be as follows:

"I certify that the employees named, their respective indicated positions and service times, and appropriation to be charged, as shown on the accompanying payroll sheets are true, complete, correct and according to the provisions of law; that such employees are involved in decision making or have direct line responsibility to a person who has decision making authority concerning the objectives, functions, goals and

policies of the organizational unit for which the appropriation was made; that the results of the work performed by these employees and that substantially all of their working time is directly related to the objectives, functions, goals, and policies of the organizational unit for which the appropriation is made; that all working time was expended in the service of the State; and that the employees named are entitled to payment in the amounts indicated. If applicable, the reporting requirements of Section 5.1 of the Governor's Office of Management and Budget Act ~~'an Act to create the Bureau of the Budget and to define its powers and duties and to make an appropriation', approved April 16, 1969, as amended,~~ have been met.

_____ _____

(Date) (Signature)"

For departments under the Civil Administrative Code, the foregoing certification shall be executed by the Chief Executive Officer of the department from whose appropriation the payment will be made or his designee, in addition to any other certifications or approvals which may be required by law.

The foregoing certification shall not be required for expenditures from amounts appropriated to the Comptroller for payment of the salaries of State officers.

(Source: P.A. 82-790; revised 8-23-03.)

(30 ILCS 105/9.04) (from Ch. 127, par. 145e)

Sec. 9.04. The certification on behalf of the State agency on every State voucher for goods and services other than a payroll or travel voucher shall be as follows:

"I certify that the goods or services specified on this voucher were for the use of this agency and that the expenditure for such goods or services was authorized and lawfully incurred; that such goods or services meet all the required standards set forth in the purchase agreement or contract to which this voucher relates; and that the amount shown on this voucher is correct and is approved for payment.

If applicable, the reporting requirements of Section 5.1 of the Governor's Office of Management and Budget Act ~~'An Act to create the Bureau of the Budget and to define its powers and duties and to make an appropriation', approved April 16, 1969, as amended,~~ have been met.

....

(Date) (Signature)"

For departments under the Civil Administrative Code, the foregoing certification shall be executed by the Chief Executive Officer of the department from whose appropriation the payment will be made or his designee, in addition to any other certifications or approvals which may be required by law.
(Source: P.A. 82-790; revised 8-23-03.)

Section 365. The Federal Commodity Disbursement Act is amended by changing Section 1 as follows:

(30 ILCS 255/1) (from Ch. 127, par. 176b)

Sec. 1. The Governor may receive and disburse funds and commodities made available by the federal government, or any agency thereof. In any case where such funds or commodities are made available to the State but no designation has been made by the federal government, or agency thereof, of the officer, department or agency of this State who or which shall be the receiving agency, the Governor may make such designation, and thereupon such officer, department or agency shall be authorized to receive and expend such funds and commodities for the purpose or purposes for which they are made available providing such officer, department or agency complies with the applicable requirements of Section 5.1 of the Governor's Office of Management and Budget Act ~~"An Act to create a Bureau of the Budget and to define its powers and duties and to make an appropriation", approved April 16, 1969, as now or hereafter amended~~.
(Source: P.A. 80-1029; revised 8-23-03.)

Section 370. The General Obligation Bond Act is amended by changing Sections 7, 12, 13, 14, and 15 as follows:

(30 ILCS 330/7) (from Ch. 127, par. 657)

Sec. 7. Coal and Energy Development. The amount of $663,200,000 is authorized to be used by the Department of Commerce and Economic Opportunity (formerly Department of Commerce and Community Affairs) for coal and energy development purposes, pursuant to Sections 2, 3 and 3.1 of the Illinois Coal and Energy Development Bond Act, for the purposes specified in Section 8.1 of the Energy Conservation and Coal Development Act, and for the purposes specified in Section 605-332 of the Department of Commerce and Economic Opportunity Law ~~Community Affairs~~ of the Civil Administrative Code of Illinois. Of this amount:

(a) $115,000,000 is for the specific purposes of acquisition, development, construction, reconstruction, improvement, financing, architectural and technical planning and installation of capital facilities consisting of buildings, structures, durable equipment, and land for the purpose of capital development of coal resources within the State and for the purposes specified in Section 8.1 of the Energy Conservation and Coal Development Act;

(b) $35,000,000 is for the purposes specified in Section 8.1 of the Energy Conservation and Coal Development Act and making a grant to the owner of a generating station located in Illinois and having at least three coal-fired generating units with accredited summer capability greater than 500 megawatts each at such generating station as provided in Section 6 of that Bond Act;

(c) $13,200,000 is for research, development and demonstration of forms of energy other than that derived from coal, either on or off State property; and

(d) $500,000,000 is for the purpose of providing financial assistance to new electric generating facilities as provided in Section 605-332 of the Department of Commerce and Economic

Opportunity ~~Community Affairs~~ Law of the Civil Administrative Code of Illinois.

(Source: P.A. 92-13, eff. 6-22-01; revised 12-1-04.)

(30 ILCS 330/12) (from Ch. 127, par. 662)

Sec. 12. Allocation of Proceeds from Sale of Bonds.

(a) Proceeds from the sale of Bonds, authorized by Section 3 of this Act, shall be deposited in the separate fund known as the Capital Development Fund.

(b) Proceeds from the sale of Bonds, authorized by paragraph (a) of Section 4 of this Act, shall be deposited in the separate fund known as the Transportation Bond, Series A Fund.

(c) Proceeds from the sale of Bonds, authorized by paragraphs (b) and (c) of Section 4 of this Act, shall be deposited in the separate fund known as the Transportation Bond, Series B Fund.

(d) Proceeds from the sale of Bonds, authorized by Section 5 of this Act, shall be deposited in the separate fund known as the School Construction Fund.

(e) Proceeds from the sale of Bonds, authorized by Section 6 of this Act, shall be deposited in the separate fund known as the Anti-Pollution Fund.

(f) Proceeds from the sale of Bonds, authorized by Section 7 of this Act, shall be deposited in the separate fund known as the Coal Development Fund.

(f-2) Proceeds from the sale of Bonds, authorized by Section 7.2 of this Act, shall be deposited as set forth in Section 7.2.

(f-5) Proceeds from the sale of Bonds, authorized by Section 7.5 of this Act, shall be deposited as set forth in Section 7.5.

(g) Proceeds from the sale of Bonds, authorized by Section 8 of this Act, shall be deposited in the Capital Development Fund.

(h) Subsequent to the issuance of any Bonds for the

purposes described in Sections 2 through 8 of this Act, the Governor and the Director of the Governor's Office of Management and Budget ~~Bureau of the Budget~~ may provide for the reallocation of unspent proceeds of such Bonds to any other purposes authorized under said Sections of this Act, subject to the limitations on aggregate principal amounts contained therein. Upon any such reallocation, such unspent proceeds shall be transferred to the appropriate funds as determined by reference to paragraphs (a) through (g) of this Section.
(Source: P.A. 92-596, eff. 6-28-02; 93-2, eff. 4-7-03; revised 8-23-03.)

(30 ILCS 330/13) (from Ch. 127, par. 663)

Sec. 13. Appropriation of Proceeds from Sale of Bonds.

(a) At all times, the proceeds from the sale of Bonds issued pursuant to this Act are subject to appropriation by the General Assembly and, except as provided in Section 7.2, may be obligated or expended only with the written approval of the Governor, in such amounts, at such times, and for such purposes as the respective State agencies, as defined in Section 1-7 of the Illinois State Auditing Act, as amended, deem necessary or desirable for the specific purposes contemplated in Sections 2 through 8 of this Act.

(b) Proceeds from the sale of Bonds for the purpose of development of coal and alternative forms of energy shall be expended in such amounts and at such times as the Department of Commerce and Economic Opportunity ~~Community Affairs~~, with the advice and recommendation of the Illinois Coal Development Board for coal development projects, may deem necessary and desirable for the specific purpose contemplated by Section 7 of this Act. In considering the approval of projects to be funded, the Department of Commerce and Economic Opportunity ~~Community Affairs~~ shall give special consideration to projects designed to remove sulfur and other pollutants in the preparation and utilization of coal, and in the use and operation of electric utility generating plants and industrial facilities which

utilize Illinois coal as their primary source of fuel.

(c) Any monies received by any officer or employee of the state representing a reimbursement of expenditures previously paid from general obligation bond proceeds shall be deposited into the General Obligation Bond Retirement and Interest Fund authorized in Section 14 of this Act.

(Source: P.A. 93-2, eff. 4-7-03; revised 12-1-04.)

(30 ILCS 330/14) (from Ch. 127, par. 664)

Sec. 14. Repayment.

(a) To provide for the manner of repayment of Bonds, the Governor shall include an appropriation in each annual State Budget of monies in such amount as shall be necessary and sufficient, for the period covered by such budget, to pay the interest, as it shall accrue, on all Bonds issued under this Act, to pay and discharge the principal of such Bonds as shall, by their terms, fall due during such period, and to pay a premium, if any, on Bonds to be redeemed prior to the maturity date. Amounts included in such appropriations for the payment of interest on variable rate bonds shall be the maximum amounts of interest that may be payable for the period covered by the budget, after taking into account any credits permitted in the related indenture or other instrument against the amount of such interest required to be appropriated for such period. Amounts included in such appropriations for the payment of interest shall include the amounts certified by the Director of the Governor's Office of Management and Budget ~~Bureau of the Budget~~ under subsection (b) of Section 9 of this Act.

(b) A separate fund in the State Treasury called the "General Obligation Bond Retirement and Interest Fund" is hereby created.

(c) The General Assembly shall annually make appropriations to pay the principal of, interest on, and premium, if any, on Bonds sold under this Act from the General Obligation Bond Retirement and Interest Fund. Amounts included in such appropriations for the payment of interest on variable

rate bonds shall be the maximum amounts of interest that may be payable during the fiscal year, after taking into account any credits permitted in the related indenture or other instrument against the amount of such interest required to be appropriated for such period. Amounts included in such appropriations for the payment of interest shall include the amounts certified by the Director of the Governor's Office of Management and Budget ~~Bureau of the Budget~~ under subsection (b) of Section 9 of this Act.

If for any reason there are insufficient funds in either the General Revenue Fund or the Road Fund to make transfers to the General Obligation Bond Retirement and Interest Fund as required by Section 15 of this Act, or if for any reason the General Assembly fails to make appropriations sufficient to pay the principal of, interest on, and premium, if any, on the Bonds, as the same by their terms shall become due, this Act shall constitute an irrevocable and continuing appropriation of all amounts necessary for that purpose, and the irrevocable and continuing authority for and direction to the State Treasurer and the Comptroller to make the necessary transfers, as directed by the Governor, out of and disbursements from the revenues and funds of the State.

(d) If, because of insufficient funds in either the General Revenue Fund or the Road Fund, monies have been transferred to the General Obligation Bond Retirement and Interest Fund, as required by subsection (c) of this Section, this Act shall constitute the irrevocable and continuing authority for and direction to the State Treasurer and Comptroller to reimburse these funds of the State from the General Revenue Fund or the Road Fund, as appropriate, by transferring, at such times and in such amounts, as directed by the Governor, an amount to these funds equal to that transferred from them.

(Source: P.A. 93-9, eff. 6-3-03; revised 8-23-03.)

(30 ILCS 330/15) (from Ch. 127, par. 665)

Sec. 15. Computation of Principal and Interest; transfers.

(a) Upon each delivery of Bonds authorized to be issued under this Act, the Comptroller shall compute and certify to the Treasurer the total amount of principal of, interest on, and premium, if any, on Bonds issued that will be payable in order to retire such Bonds and the amount of principal of, interest on and premium, if any, on such Bonds that will be payable on each payment date according to the tenor of such Bonds during the then current and each succeeding fiscal year. With respect to the interest payable on variable rate bonds, such certifications shall be calculated at the maximum rate of interest that may be payable during the fiscal year, after taking into account any credits permitted in the related indenture or other instrument against the amount of such interest required to be appropriated for such period pursuant to subsection (c) of Section 14 of this Act. With respect to the interest payable, such certifications shall include the amounts certified by the Director of the Governor's Office of Management and Budget ~~Bureau of the Budget~~ under subsection (b) of Section 9 of this Act.

On or before the last day of each month the State Treasurer and Comptroller shall transfer from (1) the Road Fund with respect to Bonds issued under paragraph (a) of Section 4 of this Act or Bonds issued for the purpose of refunding such bonds, and from (2) the General Revenue Fund, with respect to all other Bonds issued under this Act, to the General Obligation Bond Retirement and Interest Fund an amount sufficient to pay the aggregate of the principal of, interest on, and premium, if any, on Bonds payable, by their terms on the next payment date divided by the number of full calendar months between the date of such Bonds and the first such payment date, and thereafter, divided by the number of months between each succeeding payment date after the first. Such computations and transfers shall be made for each series of Bonds issued and delivered. Interest payable on variable rate bonds shall be calculated at the maximum rate of interest that may be payable for the relevant period, after taking into

account any credits permitted in the related indenture or other instrument against the amount of such interest required to be appropriated for such period pursuant to subsection (c) of Section 14 of this Act. Computations of interest shall include the amounts certified by the Director of the Governor's Office of Management and Budget ~~Bureau of the Budget~~ under subsection (b) of Section 9 of this Act. Interest for which moneys have already been deposited into the capitalized interest account within the General Obligation Bond Retirement and Interest Fund shall not be included in the calculation of the amounts to be transferred under this subsection.

The transfer of monies herein and above directed is not required if monies in the General Obligation Bond Retirement and Interest Fund are more than the amount otherwise to be transferred as herein above provided, and if the Governor or his authorized representative notifies the State Treasurer and Comptroller of such fact in writing.

(b) After the effective date of this Act, the balance of, and monies directed to be included in the Capital Development Bond Retirement and Interest Fund, Anti-Pollution Bond Retirement and Interest Fund, Transportation Bond, Series A Retirement and Interest Fund, Transportation Bond, Series B Retirement and Interest Fund, and Coal Development Bond Retirement and Interest Fund shall be transferred to and deposited in the General Obligation Bond Retirement and Interest Fund. This Fund shall be used to make debt service payments on the State's general obligation Bonds heretofore issued which are now outstanding and payable from the Funds herein listed as well as on Bonds issued under this Act.

(c) The unused portion of federal funds received for a capital facilities project, as authorized by Section 3 of this Act, for which monies from the Capital Development Fund have been expended shall be deposited upon completion of the project in the General Obligation Bond Retirement and Interest Fund. Any federal funds received as reimbursement for the completed construction of a capital facilities project, as authorized by

Section 3 of this Act, for which monies from the Capital Development Fund have been expended shall be deposited in the General Obligation Bond Retirement and Interest Fund.
(Source: P.A. 93-2, eff. 4-7-03; 93-9, eff. 6-3-03; revised 8-23-03.)

Section 385. The Metropolitan Civic Center Support Act is amended by changing Sections 2, 5, and 7 as follows:

(30 ILCS 355/2) (from Ch. 85, par. 1392)

Sec. 2. When used in this Act:

"Authority" means the River Forest Metropolitan Exposition, Auditorium and Office Building Authority, the Village Board of Trustees of the Village of Rosemont for the sole purposes of rehabilitating, developing and making improvements to the O'Hare Exposition Center, or any Metropolitan Exposition Auditorium and Office Building Authority, Metropolitan Exposition and Auditorium Authority or Civic Center Authority created prior to the effective date of this amendatory Act of 1983 or hereafter created pursuant to the statutes of the State of Illinois, except those created pursuant to the Metropolitan Pier and Exposition Authority Act.

"Bonds" means any limited obligation revenue bonds issued by the Department before July 1, 1989 and by the Bureau (now Office) on or after July 1, 1989 pursuant to Section 7 of this Act.

"Bond Fund" means the Illinois Civic Center Bond Fund, as provided in this Act.

"Bond Retirement Fund" means the Illinois Civic Center Bond Retirement and Interest Fund, as provided in this Act.

"Bond Sale Order" means any order authorizing the issuance and sale of Bonds, which order shall be approved by the Director of the Governor's Office of Management and Budget ~~Bureau of the Budget~~.

"Budget Director" means the Director of the Governor's Office of Management and Budget ~~Bureau of the Budget~~.

"Bureau" means the Bureau of the Budget, (now Governor's Office of Management and Budget).

"Department" means the Department of Commerce and Economic Opportunity ~~Community Affairs~~.

"Director" means the Director of Commerce and Economic Opportunity ~~Community Affairs~~.

"Local Bonds" means any bonds subject to State Financial Support under subparagraph (i) of paragraph (b) of subsection (3) of Section 4 of this Act.

"MEAOB Fund" means the Metropolitan Exposition, Auditorium and Office Building Fund, as provided in this Act.

"Office" means the Governor's Office of Management and Budget.

"State Financial Support" means either the payment of debt service on bonds issued by an Authority or a unit of local government or the grant to an Authority of the proceeds of Bonds issued by the Department before July 1, 1989 and by the Bureau (now Office) on or after July 1, 1989, all in accordance with subsection (3) of Section 4 of this Act.
(Source: P.A. 86-44; 87-895; revised 8-23-03.)

(30 ILCS 355/5) (from Ch. 85, par. 1395)

Sec. 5. To the extent that moneys in the MEAOB Fund, in the opinion of the Governor and the Director of the Governor's Office of Management and Budget ~~Bureau of the Budget~~, are in excess of 125% of the maximum debt service in any fiscal year, the Governor shall notify the Comptroller and the State Treasurer of that fact, who upon receipt of such notification shall transfer the excess moneys from the MEAOB Fund to the General Revenue Fund.
(Source: P.A. 84-245; 84-1106; revised 8-23-03.)

(30 ILCS 355/7) (from Ch. 85, par. 1397)

Sec. 7. The Department before July 1, 1989 and the Bureau (now Office) on and after July 1, 1989 are authorized to issue and sell Bonds in the total amount outstanding at any given

time of $200,000,000, herein called "Bonds". Bonds may be issued for advance refunding of any or all bonds issued prior to July 1, 1985 by an Authority or a unit of local government subject to repayment from State financial support pursuant to subparagraph (i) of paragraph (b) of subsection (3) of Section 4 of this Act and for the purpose of providing State financial support to Authorities pursuant to subparagraph (ii) of paragraph (b) of subsection (3) of Section 4 of this Act. Notwithstanding the foregoing, Bonds shall be issued in a total amount outstanding at any given time not to exceed $10,000,000, which amount is included within and is not in addition to the $200,000,000 bond authorization under this Section, for the purpose of making construction and improvement grants by the Secretary of State, as State Librarian, to public libraries and library systems, and the Secretary of State, as State Librarian, is authorized to make those grants from moneys appropriated for those purposes. In addition to the $200,000,000 of Bonds authorized above, bonds may be issued by the Bureau (now Office) on and after July 1, 1989 to refund or advance refund previously issued Bonds if the Budget Director determines that the refunding or advance refunding of Bonds results in debt service savings to the State measured on a present value basis.

(Source: P.A. 86-44; 86-1414; revised 8-23-03.)

Section 390. The School Construction Bond Act is amended by changing Sections 4 and 6 as follows:

(30 ILCS 390/4) (from Ch. 122, par. 1204)

Sec. 4. The Bonds shall be issued and sold from time to time in such amounts as directed by the Governor, upon recommendation by the Director of the Governor's Office of Management and Budget ~~Bureau of the Budget~~. The Bonds shall be serial bonds and shall be in such form, in the denomination of $5,000 or some multiple thereof, payable within 30 years from their date, bearing interest payable annually or semi-annually

from their date at the rate of not more than 7% per annum, and be dated as shall be fixed and determined by the Director of the Governor's Office of Management and Budget ~~Bureau of the Budget~~ in the order authorizing the issuance and sale of the Bonds, which order shall be approved by the Governor prior to the giving of notice of the sale of any of the Bonds. Said Bonds shall be payable as to both principal and interest at such place or places, within or without the State of Illinois, and may be made registrable as to either principal or as to both principal and interest, as shall be fixed and determined by the Director of the Governor's Office of Management and Budget ~~Bureau of the Budget~~ in the order authorizing the issuance and sale of such Bonds. The Bonds may be callable as fixed and determined by the Director of the Governor's Office of Management and Budget ~~Bureau of the Budget~~ in the order authorizing the issuance and sale of the Bonds; provided however, that the State shall not pay a premium of more than 3% of the principal of any Bonds so called.

(Source: P.A. 78-220; revised 8-23-03.)

(30 ILCS 390/6) (from Ch. 122, par. 1206)

Sec. 6. The Bonds shall be sold from time to time by the Director of the Governor's Office of Management and Budget ~~Bureau of the Budget~~ to the highest and best bidders, for not less than their par value, upon sealed bids, at not exceeding the maximum interest rate fixed in the order authorizing the issuance of the Bonds, provided, that at no one time shall Bonds in excess of the amount of $150,000,000 be offered for sale. The right to reject any and all bids may be reserved. The Secretary of State shall, from time to time, as the Bonds are to be sold, advertise in at least two daily newspapers, one of which is published in the City of Springfield and one in the City of Chicago, for proposals to purchase the Bonds. Each of such advertisements for proposals shall be published once at least 10 days prior to the date of the opening of the bids. The executed Bonds shall, upon payment therefore, be delivered to

the purchaser, and the proceeds of the Bonds shall be paid into the State Treasury. The proceeds of the Bonds shall be deposited in a separate fund known as the "School Construction Fund", which separate fund is hereby created.
(Source: P.A. 78-220; revised 8-23-03.)

Section 393. The Transportation Bond Act is amended by changing Section 5 as follows:

(30 ILCS 415/5) (from Ch. 127, par. 705)

Sec. 5. Prior to January 1, 1972, the proceeds from the sale of the Bonds shall be used by and under the direction of the Department of Aeronautics, the Department of Commerce and Community Affairs (now Department of Commerce and Economic Opportunity) and the Department of Public Works and Buildings, and thereafter such department or agency as shall be designated by law, subject to appropriation by the General Assembly, in such amounts and at such times as the respective department deems necessary or desirable for the purposes provided by Section 2 of this Act.
(Source: P.A. 81-1509; revised 12-6-03.)

Section 395. The Capital Development Bond Act of 1972 is amended by changing Sections 4 and 6 as follows:

(30 ILCS 420/4) (from Ch. 127, par. 754)

Sec. 4. The Bonds shall be issued and sold from time to time in such amounts as directed by the Governor, upon recommendation by the Director of the Governor's Office of Management and Budget ~~Bureau of the Budget~~. The Bonds shall be serial bonds and shall be in such form, in the denomination of $5,000 or some multiple thereof, payable within thirty (30) years from their date, bearing interest payable annually or semiannually from their date at the rate of not more than seven per cent (7%) per annum, and be dated as shall be fixed and determined by the Director of the Governor's Office of

Management and Budget ~~Bureau of the Budget~~ in the order authorizing the issuance and sale of the Bonds, which order shall be approved by the Governor prior to the giving of notice of the sale of any of the Bonds. Said Bonds shall be payable as to both principal and interest at such place or places, within or without the State of Illinois, and may be made registrable as to either principal or as to both principal and interest, as shall be fixed and determined by the Director of the Governor's Office of Management and Budget ~~Bureau of the Budget~~ in the order authorizing the issuance and sale of such Bonds. The Bonds may be callable as fixed and determined by the Director of the Governor's Office of Management and Budget ~~Bureau of the Budget~~ in the order authorizing the issuance and sale of the Bonds; provided however, that the State shall not pay a premium of more than 3% of the principal of any Bonds so called.
(Source: P.A. 77-1916; revised 8-23-03.)

(30 ILCS 420/6) (from Ch. 127, par. 756)

Sec. 6. The Bonds shall be sold from time to time by the Director of the Governor's Office of Management and Budget ~~Bureau of the Budget~~ to the highest and best bidders, for not less than their par value, upon sealed bids, at not exceeding the maximum interest rate fixed in the order authorizing the issuance of the Bonds, provided, that at no one time shall Bonds in excess of the amount of $150,000,000 be offered for sale. The right to reject any and all bids may be reserved. The Secretary of State shall, from time to time, as the Bonds are to be sold, advertise in at least two daily newspapers, one of which is published in the City of Springfield and one in the City of Chicago, for proposals to purchase the Bonds. Each of such advertisements for proposals shall be published once at least 10 days prior to the date of the opening of the bids. The executed Bonds shall, upon payment therefor, be delivered to the purchaser, and the proceeds of the Bonds shall be paid into the State Treasury. The proceeds of the Bonds shall be deposited in a separate fund known as the "Capital Development

Fund", which separate fund is hereby created.

(Source: P.A. 77-1916; revised 8-23-03.)

Section 400. The Build Illinois Bond Act is amended by changing Section 13 as follows:

(30 ILCS 425/13) (from Ch. 127, par. 2813)

Sec. 13. Computation of Principal and Interest; Transfer from Build Illinois Bond Account; Payment from Build Illinois Bond Retirement and Interest Fund. Upon each delivery of Bonds authorized to be issued under this Act, the trustee under the Master Indenture shall compute and certify to the Director of the Governor's Office of Management and Budget ~~Bureau of the Budget~~, the Comptroller and the Treasurer (a) the total amount of the principal of and the interest and the premium, if any, on the Bonds then being issued and on Bonds previously issued and outstanding that will be payable in order to retire such Bonds at their stated maturities or mandatory sinking fund payment dates and (b) the amount of principal of and interest and premium, if any, on such Bonds that will be payable on each principal, interest and mandatory sinking fund payment date according to the tenor of such Bonds during the then current and each succeeding fiscal year. Such certifications shall include with respect to interest payable on Variable Rate Bonds the maximum amount of interest which may be payable for the relevant period after taking into account any credits permitted in the related indenture against the amount of such interest required to be appropriated for such period pursuant to subsection (c) of Section 11 of this Act.

On or before June 20, 1993 and on or before each June 20 thereafter so long as Bonds remain outstanding, the trustee under the Master Indenture shall deliver to the Director of the Governor's Office of Management and Budget (formerly Bureau of the Budget), the Comptroller and the Treasurer a certificate setting forth the "Certified Annual Debt Service Requirement" (hereinafter defined) for the next succeeding fiscal year. If

Bonds are issued subsequent to the delivery of any such certificate, upon the issuance of such Bonds the trustee under the Master Indenture shall deliver a supplemental certificate setting forth the revisions, if any, in the Certified Annual Debt Service Requirement resulting from the issuance of such Bonds. The "Certified Annual Debt Service Requirement" for any fiscal year shall be an amount equal to (a) the aggregate amount of principal, interest and premium, if any, payable on outstanding Bonds during such fiscal year plus (b) the amount required to be deposited into any reserve fund securing such Bonds or for the purpose of retiring or defeasing such Bonds plus (c) the amount of any deficiencies in required transfers of amounts described in clauses (a) and (b) for any prior fiscal year, minus (d) the amount, if any, of such interest to be paid from Bond proceeds on deposit under any indenture; provided, however, that interest payable on Variable Rate Bonds shall be calculated at the maximum rate of interest which may be payable during such fiscal year after taking into account any credits permitted in the related indenture against the amount of such interest required to be appropriated for such period pursuant to subsection (c) of Section 11 of this Act.

In each month during fiscal years 1986 through 1993, the State Treasurer and Comptroller shall transfer, on the last day of such month, from the Build Illinois Bond Account to the Build Illinois Bond Retirement and Interest Fund and shall make payment from the Build Illinois Bond Retirement and Interest Fund to the trustee under the Master Indenture of an amount equal to 1/12 of 150% of the amount set forth below for each such fiscal year, plus any cumulative deficiency in such transfers and payments for prior months; provided that such transfers shall commence in October, 1985 and such amounts for fiscal year 1986 shall equal 1/9 of 150% of the amount set forth below for such fiscal year:

Fiscal Year	Amount
1986	$15,000,000
1987	$25,000,000

1988	$40,000,000
1989	$54,000,000
1990	$85,400,000
1991	$133,600,000
1992	$164,400,000
1993	$188,900,000

provided that payments of such amounts from the Build Illinois Bond Retirement and Interest Fund to the trustee under the Master Indenture shall commence on the last day of the month in which Bonds are initially issued under this Act; and, further provided, that the first such payment to said trustee shall equal the entire amount then on deposit in the Build Illinois Bond Retirement and Interest Fund; and, further provided, that the aggregate amount of transfers and payments for any such fiscal year shall not exceed the amount set forth above for such fiscal year.

In each month in which Bonds are outstanding during fiscal year 1994 and each fiscal year thereafter, the State Treasurer and Comptroller shall transfer, on the last day of such month, from the Build Illinois Bond Account to the Build Illinois Bond Retirement and Interest Fund and shall make payment from the Build Illinois Bond Retirement and Interest Fund to the trustee under the Master Indenture of an amount equal to the greater of (a) 1/12th of 150% of the Certified Annual Debt Service Requirement or (b) the Tax Act Amount (as defined in Section 3 of the "Retailers' Occupation Tax Act", as amended) deposited in the Build Illinois Bond Account during such month, plus any cumulative deficiency in such transfers and payments for prior months; provided that such transfers and payments for any such fiscal year shall not exceed the greater of (a) the Certified Annual Debt Service Requirement or (b) the Tax Act Amount.
(Source: P.A. 91-53, eff. 6-30-99; revised 8-23-03.)

Section 405. The Retirement Savings Act is amended by changing Sections 4, 5, and 7 as follows:

(30 ILCS 430/4) (from Ch. 127, par. 3754)

Sec. 4. In order to provide investors with investment alternatives suitable for retirement purposes, and in furtherance of the public policy of this Act, bonds authorized by the provisions of the General Obligation Bond Act, as now or hereafter amended, in a total aggregate principal amount not to exceed $300,000,000, may be issued and sold from time to time, and as often as practicable, as Retirement Savings Bonds in such amounts as directed by the Governor, upon recommendation by the Director of the Governor's Office of Management and Budget ~~Bureau of the Budget~~. Bonds to be issued and sold as Retirement Savings Bonds shall be designated by the Governor and the Director of the Governor's Office of Management and Budget ~~Bureau of the Budget~~ as "General Obligation Retirement Savings Bonds" in the proceedings authorizing the issuance of such Bonds, and shall be subject to all of the terms and provisions of the General Obligation Bond Act, as now or hereafter amended, except that Retirement Savings Bonds may bear interest payable at such time or times and may be sold at such prices and in such manner as may be determined by the Governor and the Director of the Governor's Office of Management and Budget ~~Bureau of the Budget~~. If Retirement Savings Bonds are sold at public sale, the public sale procedures shall be as set forth in Section 11 of the General Obligation Bond Act, as now or hereafter amended. Retirement Savings Bonds may be sold at negotiated sale if the Director of the Governor's Office of Management and Budget ~~Bureau of the Budget~~ determines that a negotiated sale will result in either a more efficient and economic sale of such Bonds or greater access to such Bonds by investors who are residents of the State of Illinois. If any Retirement Savings Bonds are sold at a negotiated sale, the underwriter or underwriters to which such Bonds are sold shall (a) have an established retail presence in the State of Illinois or (b) in the judgment of the Director of the Governor's Office of Management and Budget ~~Bureau of the Budget~~, have sufficient capability to make a

broad distribution of such Bonds to investors resident in the State of Illinois. In determining the aggregate original principal amount of Retirement Savings Bonds that has been issued pursuant to this Act, the aggregate original principal amount of such Bonds issued and sold shall be taken into account. Any bond issued under this Act may be payable in one payment on a fixed date, or as determined appropriate by the Governor and Director of the Governor's Office of Management and Budget ~~Bureau of the Budget~~.

(Source: P.A. 86-892; revised 8-23-03.)

(30 ILCS 430/5) (from Ch. 127, par. 3755)

Sec. 5. Security of Retirement Savings Bonds. Any Retirement Savings Bonds issued under the General Obligation Bond Act, as now or hereafter amended, in accordance with this Act shall be direct, general obligations of the State of Illinois and subject to repayment as provided in the General Obligation Bond Act, as now or hereafter amended; however in the proceedings of the Governor and the Director of the Governor's Office of Management and Budget ~~Bureau of the Budget~~ authorizing the issuance of Retirement Savings Bonds, such officials may covenant on behalf of the State with or for the benefit of the holders of such Bonds as to all matters deemed advisable by such officials, including the terms and conditions for creating and maintaining sinking funds, reserve funds and such other special funds as may be created in such proceedings, separate and apart from all other funds and accounts of the State, and such officials may make such other covenants as may be deemed necessary or desirable to assure the prompt payment of the principal of and interest on such Bonds. The transfers to and appropriations from the General Obligation Bond Retirement and Interest Fund required by the General Obligation Bond Act, as now or hereafter amended, shall be made to and from any fund or funds created pursuant to this Section for the payment of the principal of and interest on any Retirement Savings Bonds.

(Source: P.A. 86-892; revised 8-23-03.)

(30 ILCS 430/7) (from Ch. 127, par. 3757)

Sec. 7. In order to carry out the purposes of this Act, the Governor and Director of the Governor's Office of Management and Budget ~~Bureau of the Budget~~ may include within the proceedings authorizing the issuance of such Bonds, provisions or features deemed complementary to the purposes herein and to make such Bonds attractive to investors saving for retirement purposes. Such features, in the opinion of the Director of the Governor's Office of Management and Budget ~~Bureau of the Budget~~, shall not adversely impact the State's cost of funds.

Since this type of retirement savings bond may not be appropriate for all persons, any advertisements regarding the sale of such Bonds, including bond prospectuses shall include statements to the effect that (a) these bonds may not be suitable for all investors and, (b) prior to purchase, it is recommended that all investors consult with a qualified advisor regarding the suitability of the bonds as investments for retirement purposes.

(Source: P.A. 86-892; revised 8-23-03.)

Section 410. The Human Services Provider Bond Reserve Payment Act is amended by changing Section 25 as follows:

(30 ILCS 435/25)

Sec. 25. Report. By November 1 of each year, every State agency shall report to the Governor's Office of Management and Budget ~~Bureau of the Budget~~ and the Auditor General any direct payment to a bond paying agent made by the agency under this Act during the previous fiscal year.

(Source: P.A. 88-117; revised 8-23-03.)

Section 415. The Business Enterprise for Minorities, Females, and Persons with Disabilities Act is amended by changing Section 5 as follows:

(30 ILCS 575/5) (from Ch. 127, par. 132.605)

(Section scheduled to be repealed on September 6, 2008)

Sec. 5. Business Enterprise Council.

(1) To help implement, monitor and enforce the goals of this Act, there is created the Business Enterprise Council for Minorities, Females, and Persons with Disabilities, hereinafter referred to as the Council, composed of the Secretary of Human Services and the Directors of the Department of Human Rights, the Department of Commerce and Economic Opportunity ~~Community Affairs~~, the Department of Central Management Services, the Department of Transportation and the Capital Development Board, or their duly appointed representatives. Ten individuals representing businesses that are minority or female owned or owned by persons with disabilities, 2 individuals representing the business community, and a representative of public universities shall be appointed by the Governor. These members shall serve 2 year terms and shall be eligible for reappointment. Any vacancy occurring on the Council shall also be filled by the Governor. Any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term. Members of the Council shall serve without compensation but shall be reimbursed for any ordinary and necessary expenses incurred in the performance of their duties.

The Director of the Department of Central Management Services shall serve as the Council chairperson and shall select, subject to approval of the council, a Secretary responsible for the operation of the program who shall serve as the Division Manager of the Business Enterprise for Minorities, Females, and Persons with Disabilities Division of the Department of Central Management Services.

The Director of each State agency and the chief executive officer of each State university shall appoint a liaison to the Council. The liaison shall be responsible for submitting to the

Council any reports and documents necessary under this Act.

(2) The Council's authority and responsibility shall be to:

(a) Devise a certification procedure to assure that businesses taking advantage of this Act are legitimately classified as businesses owned by minorities, females, or persons with disabilities.

(b) Maintain a list of all businesses legitimately classified as businesses owned by minorities, females, or persons with disabilities to provide to State agencies and State universities.

(c) Review rules and regulations for the implementation of the program for businesses owned by minorities, females, and persons with disabilities.

(d) Review compliance plans submitted by each State agency and State university pursuant to this Act.

(e) Make annual reports as provided in Section 8f to the Governor and the General Assembly on the status of the program.

(f) Serve as a central clearinghouse for information on State contracts, including the maintenance of a list of all pending State contracts upon which businesses owned by minorities, females, and persons with disabilities may bid. At the Council's discretion, maintenance of the list may include 24-hour electronic access to the list along with the bid and application information.

(g) Establish a toll free telephone number to facilitate information requests concerning the certification process and pending contracts.

(3) No premium bond rate of a surety company for a bond required of a business owned by a minority, female, or person with a disability bidding for a State contract shall be higher than the lowest rate charged by that surety company for a similar bond in the same classification of work that would be written for a business not owned by a minority, female, or person with a disability.

(4) Any Council member who has direct financial or personal

interest in any measure pending before the Council shall disclose this fact to the Council and refrain from participating in the determination upon such measure.

(5) The Secretary shall have the following duties and responsibilities:

(a) To be responsible for the day-to-day operation of the Council.

(b) To serve as a coordinator for all of the State's programs for businesses owned by minorities, females, and persons with disabilities and as the information and referral center for all State initiatives for businesses owned by minorities, females, and persons with disabilities.

(c) To establish an enforcement procedure whereby the Council may recommend to the appropriate State legal officer that the State exercise its legal remedies which shall include (1) termination of the contract involved, (2) prohibition of participation by the respondent in public contracts for a period not to exceed one year, (3) imposition of a penalty not to exceed any profit acquired as a result of violation, or (4) any combination thereof. Such procedures shall require prior approval by Council.

(d) To devise appropriate policies, regulations and procedures for including participation by businesses owned by minorities, females, and persons with disabilities as prime contractors including, but not limited to, (i) encouraging the inclusions of qualified businesses owned by minorities, females, and persons with disabilities on solicitation lists, (ii) investigating the potential of blanket bonding programs for small construction jobs, (iii) investigating and making recommendations concerning the use of the sheltered market process.

(e) To devise procedures for the waiver of the participation goals in appropriate circumstances.

(f) To accept donations and, with the approval of the Council or the Director of Central Management Services,

grants related to the purposes of this Act; to conduct seminars related to the purpose of this Act and to charge reasonable registration fees; and to sell directories, vendor lists and other such information to interested parties, except that forms necessary to become eligible for the program shall be provided free of charge to a business or individual applying for the program.

(Source: P.A. 88-377; 88-597, eff. 8-28-94; 89-507, eff. 7-1-97; revised 11-3-04.)

Section 420. The Rural Economic Development Act is amended by changing Sections 2-2, 2-3, and 2-4 as follows:

(30 ILCS 710/2-2) (from Ch. 5, par. 2202-2)

Sec. 2-2. The Department of Commerce and Economic Opportunity ~~Community Affairs~~ shall administer programs providing financial assistance in the form of interest subsidies or other forms as allowed by federal law or regulation, court order, or federal administrative order, to individuals and small businesses in rural areas served by rural electric cooperatives for weatherization and energy conservation purposes.

For purposes of this Act, weatherization shall include, but not be limited to, insulation, caulking, or weather stripping, adding storm doors or storm windows, repairing or replacing broken windows or doors, cleaning and minor repairs of heating systems, and installation of set-back thermostats.

The Department of Commerce and Economic Opportunity ~~Community Affairs~~ shall administer the interest subsidy program directed to assist individual consumers. The financial assistance for individuals shall not exceed $2,000 and may be extended to individuals whose household gross income does not exceed 150 percent of the area median income as defined by the U.S. Department of Housing and Urban Development.

Each Department administering a program under this Section shall develop the application procedures and terms of the

assistance. Each Department shall make use of existing administrative procedures where such procedures are applicable.

(Source: P.A. 89-445, eff. 2-7-96; revised 12-6-03.)

(30 ILCS 710/2-3) (from Ch. 5, par. 2202-3)

Sec. 2-3. The Department of Commerce and Economic Opportunity ~~Community Affairs~~ shall administer a program demonstrating various alternative energy or energy conservation technologies appropriate for the rural areas of the State. Alternative energy shall include, but not be limited to, solar heating and cooling systems, photovoltaic systems, bioconversion, geothermal recycling and reuse of waste heat or energy, utilization of methane gas derived from industrial and agricultural by-products and other technologies identified by the Department.

(Source: P.A. 89-445, eff. 2-7-96; revised 12-6-03.)

(30 ILCS 710/2-4) (from Ch. 5, par. 2202-4)

Sec. 2-4. The Department of Commerce and Economic Opportunity ~~Community Affairs~~ shall provide educational materials, information and technical assistance to support energy conservation education programs designed to assist Illinois' rural population in dealing with economic problems due to high energy costs.

(Source: P.A. 89-445, eff. 2-7-96; revised 12-6-03.)

Section 425. The Industrial Development Assistance Law is amended by changing Sections 2 and 3 as follows:

(30 ILCS 720/2) (from Ch. 85, par. 892)

Sec. 2. Declaration of policy. The General Assembly finds and declares as follows:

(A) That the health, safety, morals and general welfare of the people of this State are directly dependent upon the continual encouragement, development, growth and expansion of

business, industry and commerce within the State.

(B) That unemployment, the spread of indigency, the heavy burden of public assistance and unemployment compensation can best be avoided by the promotion, attraction, stimulation, development and expansion of business, industry and commerce in the State.

Therefore, it is declared to be the policy of this State to promote the health, safety, morals and general welfare of its inhabitants through its Department of Commerce and Economic Opportunity ~~Community Affairs~~ by means of grants to be made to industrial development agencies which are or may be engaged in planning and promoting programs designed to stimulate the establishment of new or enlarged industrial, commercial and manufacturing enterprises within the counties served by such agencies.

(Source: P.A. 81-1509; revised 12-6-03.)

(30 ILCS 720/3) (from Ch. 85, par. 893)

Sec. 3. Definitions. "Department" means the Department of Commerce and Economic Opportunity ~~Community Affairs~~.

"Governing bodies" means, as to any county, municipality or township, the body empowered to enact ordinances or to adopt resolutions for the governance of such county, municipality or township.

"Industrial development agency" means any nonprofit corporation, organization, association or agency which shall be designated by proper resolution of the governing body of any county, concurred in by resolution of the governing bodies of municipalities or townships within said county having in the aggregate over 50% of the population of said county, as determined by the last preceding decennial United States Census, as the agency authorized to make application to and receive grants from the Department of Commerce and Economic Opportunity ~~Community Affairs~~ for the purposes specified in this Act. Any two or more counties may, by the procedures provided in this Act, designate a single industrial development

agency to represent such counties for the purposes of this Act. (Source: P.A. 81-1509; revised 12-6-03.)

Section 430. The Comprehensive Solar Energy Act of 1977 is amended by changing Section 1.2 as follows:

(30 ILCS 725/1.2) (from Ch. 96 1/2, par. 7303)

Sec. 1.2. Definitions. As used in this Act:

(a) "Solar Energy" means radiant energy received from the sun at wave lengths suitable for heat transfer, photosynthetic use, or photovoltaic use.

(b) "Solar collector" means

(1) An assembly, structure, or design, including passive elements, used for gathering, concentrating, or absorbing direct or indirect solar energy, specially designed for holding a substantial amount of useful thermal energy and to transfer that energy to a gas, solid, or liquid or to use that energy directly; or

(2) A mechanism that absorbs solar energy and converts it into electricity; or

(3) A mechanism or process used for gathering solar energy through wind or thermal gradients; or

(4) A component used to transfer thermal energy to a gas, solid, or liquid, or to convert it into electricity.

(c) "Solar storage mechanism" means equipment or elements (such as piping and transfer mechanisms, containers, heat exchangers, or controls thereof, and gases, solids, liquids, or combinations thereof) that are utilized for storing solar energy, gathered by a solar collector, for subsequent use.

(d) "Solar energy system" means

(1) (a) A complete assembly, structure, or design of a solar collector, or a solar storage mechanism, which uses solar energy for generating electricity or for heating or cooling gases, solids, liquids, or other materials;

(b) The design, materials, or elements of a system and its maintenance, operation, and labor components, and the

necessary components, if any, of supplemental conventional energy systems designed or constructed to interface with a solar energy system; and

(c) Any legal, financial, or institutional orders, certificates, or mechanisms, including easements, leases, and agreements, required to ensure continued access to solar energy, its source, or its use in a solar energy system, and including monitoring and educational elements of a demonstration project.

(2) "Solar energy system" does not include

(a) Distribution equipment that is equally usable in a conventional energy system except for such components of such equipment as are necessary for meeting the requirements of efficient solar energy utilization; and

(b) Components of a solar energy system that serve structural, insulating, protective, shading, aesthetic, or other non-solar energy utilization purposes, as defined in the regulations of the Department; and

(c) Any facilities of a public utility used to transmit or distribute gas or electricity.

(e) "Solar Skyspace" means

(1) The maximum three dimensional space extending from a solar energy collector to all positions of the sun necessary for efficient use of the collector.

(2) Where a solar energy system is used for heating purposes only, "solar skyspace" means the maximum three dimensional space extending from a solar energy collector to all positions of the sun between 9 a.m. and 3 p.m. Local Apparent Time from September 22 through March 22 of each year.

(3) Where a solar energy system is used for cooling purposes only, "solar skyspace" means the maximum three dimensional space extending from a solar energy collector to all positions of the sun between 8 a.m. and 4 p.m. Local

Apparent Time from March 23 through September 21.

(f) "Solar skyspace easement" means

(1) a right, whether or not stated in the form of a restriction, easement, covenant, or condition, in any deed, will, or other instrument executed by or on behalf of any owner of land or solar skyspace or in any order of taking, appropriate to protect the solar skyspace of a solar collector at a particularly described location to forbid or limit any or all of the following where detrimental to access to solar energy.

(a) structures on or above ground;

(b) vegetation on or above the ground; or

(c) other activity;

(2) and which shall specifically describe a solar skyspace in three dimensional terms in which the activity, structures, or vegetation are forbidden or limited or in which such an easement shall set performance criteria for adequate collection of solar energy at a particular location.

(g) "Conventional Energy System" shall mean an energy system utilizing fossil fuel, nuclear or hydroelectric energy and the components of such system, including transmission lines, burners, furnaces, tanks, boilers, related controls, distribution systems, room or area units and other components.

(h) "Supplemental Conventional Energy System" shall mean a conventional energy system utilized for providing energy in conjunction with a solar energy system that provides not less than ten percent of the energy for the particular end use. "Supplemental Conventional Energy System" does not include any facilities of a public utility used to produce, transmit, distribute or store gas or electricity.

(i) "Joint Solar Energy System" shall mean a solar energy system that supplies energy for structures or processes on more than one lot or in more than one condominium unit or leasehold, but not to the general public and involving at least two owners or users.

(j) "Unit of Local Government" shall mean county, municipality, township, special districts, including school districts, and units designated as units of local government by law, which exercise limited governmental powers.

(k) "Department" means the Illinois Department of Commerce and Economic Opportunity ~~Community Affairs~~ or its successor agency.

(l) "Public Energy Supplier" shall mean

(1) A public utility as defined in an Act concerning Public Utilities, approved June 29, 1921, as amended; or

(2) A public utility that is owned or operated by any political subdivision or municipal corporation of this State, or owned by such political subdivision or municipal corporation and operated by any of its lessees or operating agents; or

(3) An electric cooperative as defined in Section 10.19 of An Act concerning Public Utilities, approved June 29, 1921, as amended.

(m) "Energy Use Sites" shall mean sites where energy is or may be used or consumed for generating electricity or for heating or cooling gases, solids, liquids, or other materials and where solar energy may be used cost effectively, as defined in the regulations of the Department, consistent with the purposes of this Act.

(Source: P.A. 89-445, eff. 2-7-96; revised 12-6-03.)

Section 435. The Illinois Coal Technology Development Assistance Act is amended by changing Section 2 as follows:

(30 ILCS 730/2) (from Ch. 96 1/2, par. 8202)

Sec. 2. As used in this Act:

(a) "coal" or "coal resources" means Illinois coal or coal products extracted from the ground or reclaimed from the waste material produced by coal extraction operations;

(b) "coal demonstration and commercialization" means projects for the construction and operation of facilities to

prove the scientific and engineering validity or the commercial application of a coal extraction, preparation, combustion, gasification, liquefaction or other synthetic process, environmental control, or transportation method;

(c) "coal research" means scientific investigations conducted for the purpose of increasing the utilization of coal resources and includes investigations in the areas of extraction, preparation, characterization, combustion, gasification, liquefaction and other synthetic processes, environmental control, marketing, transportation, procurement of sites, and environmental impacts;

(d) "Fund" means the Coal Technology Development Assistance Fund;

(e) "Board" means the Illinois Coal Development Board or its successor;

(f) "Department" means the Department of Commerce and Economic Opportunity ~~Community Affairs~~;

(g) "public awareness and education" means programs of education, curriculum development, public service announcements, informational advertising and informing the news media on issues related to the use of Illinois coal, the coal industry and related developments. Public awareness and education shall be directed toward school age residents of the State, the citizens of the State and other interested parties.
(Source: P.A. 89-445, eff. 2-7-96; revised 12-6-03.)

Section 440. The Build Illinois Act is amended by changing Sections 8-2, 9-2, 9-4.1, 9-5.1, 9-11, 10-2, and 11-2 as follows:

(30 ILCS 750/8-2) (from Ch. 127, par. 2708-2)

Sec. 8-2. Definitions. As used in this Article:

(a) "Department" means the Illinois Department of Commerce and Economic Opportunity ~~Community Affairs~~.

(b) "Local government" means any unit of local government as defined in Article VII, Section 1 of the 1970 Illinois

Constitution.

(c) "Business retention, development or expansion project" means the expansion of an existing, for-profit commercial, industrial, manufacturing, scientific, agricultural or service business within Illinois, or the establishment of a new such business on a site within Illinois, so long as the business to be established is not relocating from another site within the State, unless the relocation of such a business will result in a substantial increase in employment or retention of an existing such business.

(d) "Public infrastructure" means local roads and streets, access roads, bridges, and sidewalks; waste disposal systems; water and sewer line extensions and water distribution and purification facilities, and sewage treatment facilities; rail or air or water port improvements; gas and electric utility facilities; transit capital facilities; development and improvement of publicly owned industrial and commercial sites, or other public capital improvements which are an essential precondition to a business retention, development or expansion project for the purposes of the Business Development Public Infrastructure Loan and Grant Program. "Public Infrastructure" also means capital acquisitions, construction, and improvements to other local facilities and sites, and associated permanent furnishings and equipment that are a necessary precondition to local health, safety and economic development for purposes of the Affordable Financing of Public Infrastructure Loan and Grant Program.

(e) "Local public entity" means any entity as defined by Section 1-206 of the Local Governmental and Governmental Employees Tort Immunity Act.

(f) "Medical facility" and "public health clinic" mean any entity as defined by subsections (a) and (c), respectively, of Section 6-101 of the Local Governmental and Governmental Employees Tort Immunity Act.

(Source: P.A. 88-453; revised 12-6-03.)

(30 ILCS 750/9-2) (from Ch. 127, par. 2709-2)

Sec. 9-2. Definitions. The following terms, whenever used or referred to in this Article, shall have the following meanings ascribed to them, except where the context clearly requires otherwise:

(a) "Financial intermediary" means a community development corporation, a state development credit corporation, a development authority authorized to do business by an act of this State, or other public or private financing institution approved by the Department whose purpose includes financing, promoting, or encouraging economic development.

(b) "Participating lender" means any trust company, bank, savings bank, credit union, merchant bank, investment bank, broker, investment trust, pension fund, building and loan association, savings and loan association, insurance company, venture capital company or other institution approved by the Department which assumes a portion of the financing for a business project.

(c) "Department" means the Illinois Department of Commerce and Economic Opportunity ~~Community Affairs~~.

(d) "Small business" means any for-profit business in Illinois including, but not limited to, any sole proprietorship, partnership, corporation, joint venture, association or cooperative, which has, including its affiliates, less than 500 full time employees, or is determined by the Department to be not dominant in its field.

Business concerns are affiliates of one another when either directly or indirectly (i) one concern controls or has the power to control the other, or (ii) a third party or parties controls or has the power to control both. Control can be exercised through common ownership, common management and contractual relationships.

(e) "Qualified security" means any note, stock, convertible security, treasury stock, bond, debenture, evidence of indebtedness, limited partnership interest, certificate of interest or participation in any profit-sharing

agreement, preorganization certificate or subscription, transferable share, investment contract, certificate of deposit for a security, certificate of interest or participation in a patent or application therefor, or in royalty or other payments under such a patent or application, or, in general, any interest or instrument commonly known as a "security" or any certificate for, receipt for, guarantee of, or option, warrant or right to subscribe to or purchase any of the foregoing, but not including any instrument which contains voting rights or can be converted to contain voting rights in the possession of the Department.

(f) "Loan agreement" means an agreement or contract to provide a loan or accept a mortgage or to purchase qualified securities or other means whereby financial aid is made available to a start-up, expanding, or mature, moderate risk small business.

(g) "Loan" means a loan or acceptance of a mortgage or the purchase of qualified securities or other means whereby financial aid is made to a start-up, expanding, or mature, moderate risk small business.

(h) "Equity investment agreement" means an agreement or contract to provide a loan or accept a mortgage or to purchase qualified securities or other means whereby financial aid is made available to or on behalf of a young, high risk, technology based small business.

(i) "Equity investment" means a loan or acceptance of a mortgage or the purchase of qualified securities or other means whereby financial aid is made to or on behalf of a young, high risk, technology based small business.

(j) "Project" means any specific economic development activity of a commercial, industrial, manufacturing, agricultural, scientific, service or other business, the result of which is expected to yield an increase in or retention of jobs or the modernization or improvement of competitiveness of firms and may include working capital financing, the purchase or lease of machinery and equipment, or

the lease or purchase of real property but does not include refinancing current debt.

(k) "Technical assistance agreement" means an agreement or contract or other means whereby financial aid is made available to not-for-profit organizations for the purposes outlined in Section 9-6 of this Article.

(l) "Financial intermediary agreement" means an agreement or contract to provide a loan, investment, or other financial aid to a financial intermediary for the purposes outlined in Section 9-4.4 of this Article.

(m) "Equity intermediary agreement" means an agreement or contract to provide a loan, investment, or other financial aid to a financial intermediary for the purposes outlined in Section 9-5.3 of this Article.

(n) "Other investor" means a venture capital organization or association; an investment partnership, trust or bank; an individual, accounting partnership or corporation that invests funds, or any other entity which provides debt or equity financing for a business project.

(Source: P.A. 88-422; revised 12-6-03.)

(30 ILCS 750/9-4.1) (from Ch. 127, par. 2709-4.1)

Sec. 9-4.1. Applications for loans. All applications for loans to small businesses shall be submitted to the Department on forms and subject to filing fees prescribed by the Department. The Department shall conduct such investigation and obtain such information concerning the application as it considers necessary and diligent. Complete applications received by the Department shall be forwarded to a credit review committee consisting of persons experienced in business financing, and the Director of the Governor's Office of Management and Budget ~~Bureau of the Budget~~ or his designee, for a review and report concerning the advisability of approving the proposed loan. The review and report shall include facts about the company's history, job opportunities, stability of employment, past and present condition and structure, actual

and pro-forma income statements, present and future market prospects and management qualifications, and any other facts deemed material to the financing request. The report shall include a reasoned opinion as to whether providing the financing would tend to fulfill the purposes of the Article. The report shall be advisory in nature only. The credit review committee shall be of such composition, act for such time, and have such powers as shall be specified by the Department.

After consideration of such report and after such other action as is deemed appropriate, the Department shall approve or deny the application. If the Department approves the application, its approval shall specify the amount of funds to be provided by the Department loan agreement provisions. The business applicant shall be promptly notified of such action by the Department.

(Source: P.A. 88-422; revised 8-23-03.)

(30 ILCS 750/9-5.1) (from Ch. 127, par. 2709-5.1)

Sec. 9-5.1. Applications for Illinois Equity Investments.

(a) All applications for the Illinois Equity Investments to or on behalf of small businesses shall be submitted to the Department on forms and subject to filing fees prescribed by the Department. For business project applications, the Department shall conduct such investigation and obtain such information concerning the application as it deems necessary and diligent. Complete applications received by the Department shall be forwarded to an outside credit review committee consisting of persons experienced in new venture equity financing and the Director of the Governor's Office of Management and Budget ~~Bureau of the Budget~~, or his or her designee, for small business for a review and report concerning the advisability of approving the proposed investment. The review and report shall include facts about the company's history, job opportunities, stability of employment, past and present condition and structure, actual and pro-forma income statements, present and future market prospects and management

qualifications, and any other facts deemed material to the financing request. The report shall be advisory in nature only and shall include a reasoned opinion as to whether providing the financing would tend to fulfill this purpose of the Act. Except for the Director of the Governor's Office of Management and Budget ~~Bureau of the Budget~~ or his or her designee, the Department may utilize the services of existing outside organizations as the credit review committee.

(b) For equity intermediary agreements, applications may include, but shall not be limited to, history and mission of the applicant; needs to be served, which shall be consistent with the purpose of this subsection; products, services, and results expected from the effort; staffing, management, and operational procedures; and budget request and capitalization of the effort. The Department shall review the intermediary applications to determine the viability of the applicant, the consistency of the proposed project with the purposes of this Article, the economic benefits expected to be derived therefrom, the prospects for continuation of the project after Departmental assistance has been provided, and other issues that may be considered necessary.

(c) The Department shall, on the basis of the application, the report of the credit review committee, and any other appropriate information, prepare a report concerning the credit-worthiness of the proposed borrower or intermediary, the financial commitment of the participating lender or other investor, the manner in which the proposed small business or intermediary project will advance the economy of the State, and the soundness of the proposed equity investment or intermediary agreement.

After consideration of such report and after such other action as it deems appropriate, the Department shall approve or deny the application. If the Department approves the application, its approval shall specify the amount of funds to be provided and the Department equity investment agreement provisions. The small business or intermediary applicant shall

be promptly notified of such action by the Department.

(Source: P.A. 88-422; revised 8-23-03.)

(30 ILCS 750/9-11)

Sec. 9-11. Port Development Revolving Loan Program.

(1) There is created in the State Treasury the Port Development Revolving Loan Fund, referred to in this Section as the Fund. Moneys in the Fund may be appropriated for the purposes of the Port Development Revolving Loan Program created by this Section to be administered by the Department of Commerce and Economic Opportunity ~~Community Affairs~~ in order to facilitate and enhance the utilization of Illinois' navigable waterways or the development of inland intermodal freight facilities or both. The Department may adopt rules for the administration of the Program.

The General Assembly may make appropriations for the purposes of the Program. Repayment of loans made to individual port districts shall be paid back into the Fund to establish an ongoing revolving loan fund to facilitate continuing port development activities in the State.

(2) Loan funds from the Program shall be made available to Illinois port districts on a competitive basis. In order to obtain assistance under the Program, a port district must submit a comprehensive application to the Department for consideration.

Projects eligible for funding under the Program must be intermodal facilities and within the scope of powers and responsibilities as granted in each port district's enabling legislation. Loan funds shall not be used for working capital or administrative purposes by the port district.

(3) The maximum amount which may be loaned from the Program to fund any one project is $3,000,000. Program funds may be used for up to 50% of an individual project financing. The balance of financing for an individual project must be secured by the respective district.

The maximum loan term shall be for 20 years with an

interest rate of 5% per annum. Principal and interest payments shall be made on a semi-annual basis.

(4) In order to receive a loan from the Program, a port district must:

(a) demonstrate that the proposed project shall generate sufficient revenue to support amortization of the loan and be willing to pledge revenues from the project to loan repayment or

(b) demonstrate that the port district can financially support debt service payments through general revenue sources of the port district and pledge the full faith and credit of the port district to loan repayment.

In order to achieve the requirement of paragraph (a) of this subsection (4), the port district may use guarantees provided under facility operating agreements or guaranteed facility use agreements from private concerns to demonstrate loan repayment ability.

Certain infrastructure facilities developed under the Program may be general use public facilities where there is not a definitive and guaranteed revenue stream to support the project, nevertheless the facilities are important to facilitate overall long term port development objectives. In such cases, the full faith and credit of the port district may be used as loan collateral.

(5) A loan agreement shall be executed between the port district and the State stipulating all of the terms and conditions of the loan. The Department shall release funds on a reimbursement basis for eligible costs of the project as incurred. The port district shall certify to the Department that expenses incurred during construction are in accordance with plans and specifications as approved by the Department. Funds may be drawn once per month during construction of the project.

(6) The loan agreement shall contain customary and usual loan default provisions in the event the port district fails to make the required payments. The loan agreement shall stipulate

the State's recourse in curing any default.

In the event a port district becomes delinquent in payments to the State, that port district shall not be eligible for any future loans until the delinquency is remedied.

(7) Individual port district project applications shall include the following:

(a) Statement of purpose. A description of the project shall be submitted along with the project's anticipated overall effect on meeting port district objectives.

(b) Project impact. The anticipated net effects of the project shall be enumerated. These impacts may include the economic impact to the State, employment impact, intermodal freight impacts, and environmental impacts.

(c) Cost estimates and preliminary project layout. The overall project development cost estimate and general site and or facility drawings.

(d) Proposed loan amount. A statement as to the amount proposed from the Program and the port district's intentions as to the source of other financing for the project.

(e) Business Proforma. A detailed business proforma must be supplied which estimates facility/project revenues as well as operating costs and debt service.

(f) Loan collateral and guarantees. The port district's intentions as to how it intends to collateralize the loan amount, including third party guarantees, pledging of project and facility revenue, or pledging general revenues of the district.

(8) The Department shall annually invite Illinois port districts to submit projects for consideration under the Program. The Department shall perform a cost/benefit analysis of each project to determine if a project meets minimum requirements for eligibility. Those applications which meet minimum criteria shall then be ranked by the overall net positive impact on the State.

(a) Minimum criteria shall include:

(i) positive cost/benefit ratio;

(ii) demonstrated economic feasibility of the project; and

(iii) the ability of the port district to repay the loan.

(b) Ranking criteria may include:

(i) a cost/benefit ratio of project in relation to other projects;

(ii) product tonnage to be handled;

(iii) product value to be handled;

(iv) soundness of business proposition;

(v) positive intermodal impacts of Illinois transportation system;

(vi) meets overall State transportation objectives;

(vii) economic impact to the State; or

(viii) environmental benefits of the project.

Projects shall be selected according to their ranking up to the limit of available funds. Selected projects shall be invited to submit detailed plans, specifications, operating agreements, environmental clearances, evidence of property title, and other documentation as necessitated by the project. When the Department determines all necessary requirements are met and the remainder of the project financing is available, a loan agreement shall be executed and project development may commence.

(Source: P.A. 90-785, eff. 1-1-99; revised 12-6-03.)

(30 ILCS 750/10-2) (from Ch. 127, par. 2710-2)

Sec. 10-2. Definitions. Unless the context clearly requires otherwise:

(a) "Financial institution" means a trust company, a bank, a savings bank, a credit union, an investment bank, a broker, an investment trust, a pension fund, a building and loan association, a savings and loan association, an insurance company or any venture capital company which is authorized to

do business in the State.

(b) "Participating lender" means any trust company, bank, savings bank, credit union, investment bank, broker, investment trust, pension fund, building and loan association, savings and loan association, insurance company or venture capital company approved by the Department which assumes a portion of the financing for a business project.

(c) "Department" means the Illinois Department of Commerce and Economic Opportunity ~~Community Affairs~~.

(d) "Business" means a for-profit, legal entity in Illinois including, but not limited to, any sole proprietorship, partnership, corporation, joint venture, association or cooperative.

(e) "Loan" means an agreement or contract to provide a loan or other financial aid to a business.

(f) "Project" means any specific economic development activity of a commercial, industrial, manufacturing, agricultural, scientific, service or other business, the result of which yields an increase in jobs and may include the purchase or lease of machinery and equipment, the lease or purchase of real property or funds for infrastructure necessitated by site preparation, building construction or related purposes but does not include refinancing current debt.

(g) "Fund" means the Large Business Attraction Fund created in Section 10-4.

(Source: P.A. 84-109; revised 12-6-03.)

(30 ILCS 750/11-2) (from Ch. 127, par. 2711-2)

Sec. 11-2. Definitions. As used in this Article:

(a) "Small business incubator" or "Incubator" means a property described in Sections 11-7 and 11-8.

(b) "Community Advisory Board" or "Board" means a board created pursuant to Section 11-4.

(c) "Department" means the Illinois Department of Commerce and Economic Opportunity ~~Community Affairs~~.

(d) "Educational institution" means a local school

district, a private junior college or university, or a State supported community college or university within the State.

(e) "Local governmental unit" means a county, township, city, village or incorporated town within this State.

(f) "Non-profit organization" means local chambers of commerce, business and economic development corporations and associations, and such other similar organizations so designated by the Department.

(g) "Sponsor" means an educational institution, local governmental unit or non-profit organization which receives Department funds under this Article.

(h) "Costs of establishment" means the actual costs of acquisition, whether by lease, purchase or other devices, and of construction and renovation of the incubator.

(i) "Costs of administration" means the costs of wages or salary for the incubator manager and related clerical and administrative costs.

(Source: P.A. 84-109; revised 12-6-03.)

Section 445. The Gang Control Grant Act is amended by changing Sections 1, 2, and 4 as follows:

(30 ILCS 755/1) (from Ch. 127, par. 3301)

Sec. 1. The purpose of this Act is to provide for grants to community groups in order to improve the quality of life in low and moderate income neighborhoods and to authorize the Department of Commerce and Economic Opportunity ~~Community Affairs~~ to administer such grants to such community groups.

(Source: P.A. 84-1400; revised 12-6-03.)

(30 ILCS 755/2) (from Ch. 127, par. 3302)

Sec. 2. Definition. As used in this Act, the terms specified in this Section have the meanings ascribed to them in this Section.

(a) "Community-based organization" means an organization certified by the Department as an eligible receiver of grants.

(b) "Business entity" means a corporation, partnership or sole proprietorship engaged in producing goods or selling services or goods for a profit.

(c) "Department" means Department of Commerce and Economic Opportunity ~~Community Affairs~~.

(d) "Neighborhood" means the area identified by a community-based organization as its geographically defined area containing the following characteristics:

(1) a sense of belonging or identity that ties the residents to a given area;

(2) social, cultural, political or economic activities around which residents of the area organize themselves;

(3) the existence of cohesive organizations formed by residents; and

(4) a history of acting or being treated as a distinct cohesive unit.

The term neighborhood may include small municipalities of less than 10,000 population or rural areas which have these characteristics.

(Source: P.A. 84-1400; revised 12-6-03.)

(30 ILCS 755/4) (from Ch. 127, par. 3304)

Sec. 4. (a) No grants may be authorized unless the project for which the grant is made has been approved by the Department.

(b) Any community-based organization seeking to have a project approved for a grant must submit an application to the Department describing its potential contributors and the nature and benefit of the project, such as the number of youth to be served by the project, performance standards or benchmarks, and monetary benefits of the project such as additional non-State funds leveraged or new State or local taxes generated.

The application must also address how the following criteria will be met:

(1) The project must contribute to the self help efforts of

the residents of the area involved.

(2) The project must involve the residents of the area in planning and implementing the project.

(3) The project must lack sufficient resources.

(4) The community-based organization must be fiscally responsible for the project.

(c) The project must provide alternatives to participation in gangs by juveniles in one of the following ways:

(1) by creating permanent jobs;

(2) by stimulating neighborhood business activity;

(3) by providing job training services;

(4) by providing youth recreation and athletic activities; or

(5) by strengthening any community-based organizations whose objectives are similar to those listed in items 1 through 4 above.

(d) If the community-based organization demonstrates its ability to meet the criteria in subsection (b), and will provide juvenile gang alternatives in 1 of the ways listed in subsection (c), the Department shall approve the organization's proposed projects and specify the amount of grant it is eligible to receive for such project. Comments from State elected officials representing the districts in which the project is proposed to be located shall be solicited by the Department in making the decision.

(e) Within 45 days of the receipt of an application, the Department shall give notice to the applicant as to whether the application has been approved or disapproved. If the Department disapproves the application, it shall specify the reasons for this decision and allow 60 days for the applicant to make amendments. The Department shall provide assistance upon request to applicants.

(f) On an annual basis, the community-based organization shall furnish a statement to the Department of Commerce and Economic Opportunity ~~Community Affairs~~ on the programmatic and financial status of any approved project and an audited

financial statement of the project.

(Source: P.A. 85-633; revised 12-6-03.)

Section 450. The Eliminate the Digital Divide Law is amended by changing Section 5-5 as follows:

(30 ILCS 780/5-5)

Sec. 5-5. Definitions; descriptions. As used in this Article:

"Community-based organization" means a private not-for-profit organization that is located in an Illinois community and that provides services to citizens within that community and the surrounding area.

"Community technology centers" provide computer access and educational services using information technology. Community technology centers are diverse in the populations they serve and programs they offer, but similar in that they provide technology access to individuals, communities, and populations that typically would not otherwise have places to use computer and telecommunications technologies.

"Department" means the Department of Commerce and Economic Opportunity ~~Community Affairs~~.

"National school lunch program" means a program administered by the U.S. Department of Agriculture and state agencies that provides free or reduced price lunches to economically disadvantaged children. A child whose family income is between 130% and 185% of applicable family size income levels contained in the nonfarm poverty guidelines prescribed by the Office of Management and Budget is eligible for a reduced price lunch. A child whose family income is 130% or less of applicable family size income levels contained in the nonfarm income poverty guidelines prescribed by the Office of Management and Budget is eligible for a free lunch.

"Telecommunications services" provided by telecommunications carriers include all commercially available telecommunications services in addition to all reasonable

charges that are incurred by taking such services, such as state and federal taxes.

"Other special services" provided by telecommunications carriers include Internet access and installation and maintenance of internal connections in addition to all reasonable charges that are incurred by taking such services, such as state and federal taxes.

(Source: P.A. 91-704, eff. 7-1-00; revised 12-6-03.)

Section 455. The State Mandates Act is amended by changing Section 8 as follows:

(30 ILCS 805/8) (from Ch. 85, par. 2208)

Sec. 8. Exclusions, reimbursement application, review, appeals, and adjudication.

(a) Exclusions: Any of the following circumstances inherent to, or associated with, a mandate shall exclude the State from reimbursement liability under this Act. If the mandate (1) accommodates a request from local governments or organizations thereof; (2) imposes additional duties of a nature which can be carried out by existing staff and procedures at no appreciable net cost increase; (3) creates additional costs but also provides offsetting savings resulting in no aggregate increase in net costs; (4) imposes a cost that is wholly or largely recovered from Federal, State or other external financial aid; (5) imposes additional annual net costs of less than $1,000 for each of the several local governments affected or less than $50,000, in the aggregate, for all local governments affected.

The failure of the General Assembly to make necessary appropriations shall relieve the local government of the obligation to implement any service mandates, tax exemption mandates, and personnel mandates, as specified in Section 6, subsections (b), (c), (d) and (e), unless the exclusion provided for in this Section are explicitly stated in the Act establishing the mandate. In the event that funding is not

provided for a State-mandated program by the General Assembly, the local government may implement or continue the program upon approval of its governing body. If the local government approves the program and funding is subsequently provided, the State shall reimburse the local governments only for costs incurred subsequent to the funding.

(b) Reimbursement Estimation and Appropriation Procedure.

(1) When a bill is introduced in the General Assembly, the Legislative Reference Bureau, hereafter referred to as the Bureau, shall determine whether such bill may require reimbursement to local governments pursuant to this Act. The Bureau shall make such determination known in the Legislative Synopsis and Digest.

In making the determination required by this subsection (b) the Bureau shall disregard any provision in a bill which would make inoperative the reimbursement requirements of Section 6 above, including an express exclusion of the applicability of this Act, and shall make the determination irrespective of any such provision.

(2) Any bill or amended bill which creates or expands a State mandate shall be subject to the provisions of "An Act requiring fiscal notes in relation to certain bills", approved June 4, 1965, as amended. The fiscal notes for such bills or amended bills shall include estimates of the costs to local government and the costs of any reimbursement required under this Act. In the case of bills having a potential fiscal impact on units of local government, the fiscal note shall be prepared by the Department. In the case of bills having a potential fiscal impact on school districts, the fiscal note shall be prepared by the State Superintendent of Education. In the case of bills having a potential fiscal impact on community college districts, the fiscal note shall be prepared by the Illinois Community College Board. Such fiscal note shall accompany the bill that requires State reimbursement and shall be prepared prior to any final action on such a bill

by the assigned committee. However, if a fiscal note is not filed by the appropriate agency within 30 days of introduction of a bill, the bill can be heard in committee and advanced to the order of second reading. The bill shall then remain on second reading until a fiscal note is filed. A bill discharged from committee shall also remain on second reading until a fiscal note is provided by the appropriate agency.

(3) The estimate required by paragraph (2) above, shall include the amount estimated to be required during the first fiscal year of a bill's operation in order to reimburse local governments pursuant to Section 6, for costs mandated by such bill. In the event that the effective date of such a bill is not the first day of the fiscal year the estimate shall also include the amount estimated to be required for reimbursement for the next following full fiscal year.

(4) For the initial fiscal year, reimbursement funds shall be provided as follows: (i) any statute mandating such costs shall have a companion appropriation bill, and (ii) any executive order mandating such costs shall be accompanied by a bill to appropriate the funds therefor, or, alternatively an appropriation for such funds shall be included in the executive budget for the next following fiscal year.

In subsequent fiscal years appropriations for such costs shall be included in the Governor's budget or supplemental appropriation bills.

(c) Reimbursement Application and Disbursement Procedure.

(1) For the initial fiscal year during which reimbursement is authorized, each local government, or more than one local government wishing to join in filing a single claim, believing itself to be entitled to reimbursement under this Act shall submit to the Department, State Superintendent of Education or Illinois Community College Board within 60 days of the effective

date of the mandate a claim for reimbursement accompanied by its estimate of the increased costs required by the mandate for the balance of the fiscal year. The Department, State Superintendent of Education or Illinois Community College Board shall review such claim and estimate, shall apportion the claim into 3 equal installments and shall direct the Comptroller to pay the installments at equal intervals throughout the remainder of the fiscal year from the funds appropriated for such purposes, provided that the Department, State Superintendent of Education or Illinois Community College Board may (i) audit the records of any local government to verify the actual amount of the mandated cost, and (ii) reduce any claim determined to be excessive or unreasonable.

(2) For the subsequent fiscal years, local governments shall submit claims as specified above on or before October 1 of each year. The Department, State Superintendent of Education or Illinois Community College Board shall apportion the claims into 3 equal installments and shall direct the Comptroller to pay the first installment upon approval of the claims, with subsequent installments to follow on January 1 and March 1, such claims to be paid from funds appropriated therefor, provided that the Department, State Superintendent of Education or Illinois Community College Board (i) may audit the records of any local governments to verify the actual amount of the mandated cost, (ii) may reduce any claim, determined to be excessive or unreasonable, and (iii) shall adjust the payment to correct for any underpayments or overpayments which occurred in the previous fiscal year.

(3) Any funds received by a local government pursuant to this Act may be used for any public purpose.

If the funds appropriated for reimbursement of the costs of local government resulting from the creation or expansion of a State mandate are less than the total of the approved claims, the amount appropriated shall be prorated

among the local governments having approved claims.

(d) Appeals and Adjudication.

(1) Local governments may appeal determinations made by State agencies acting pursuant to subsection (c) above. The appeal must be submitted to the State Mandates Board of Review created by Section 9.1 of this Act within 60 days following the date of receipt of the determination being appealed. The appeal must include evidence as to the extent to which the mandate has been carried out in an effective manner and executed without recourse to standards of staffing or expenditure higher than specified in the mandatory statute, if such standards are specified in the statute. The State Mandates Board of Review, after reviewing the evidence submitted to it, may increase or reduce the amount of a reimbursement claim. The decision of the State Mandates Board of Review shall be final subject to judicial review. However, if sufficient funds have not been appropriated, the Department shall notify the General Assembly of such cost, and appropriations for such costs shall be included in a supplemental appropriation bill.

(2) A local government may also appeal directly to the State Mandates Board of Review in those situations in which the Department of Commerce and Economic Opportunity ~~Community Affairs~~ does not act upon the local government's application for reimbursement or request for mandate determination submitted under this Act. The appeal must include evidence that the application for reimbursement or request for mandate determination was properly filed and should have been reviewed by the Department.

An appeal may be made to the Board if the Department does not respond to a local government's application for reimbursement or request for mandate determination within 120 days after filing the application or request. In no case, however, may an appeal be brought more than one year after the application or request is filed with the Department.

(Source: P.A. 89-304, eff. 8-11-95; 89-626, eff. 8-9-96; revised 12-6-03.)

Section 460. The Illinois Income Tax Act is amended by changing Section 211 as follows:

(35 ILCS 5/211)

Sec. 211. Economic Development for a Growing Economy Tax Credit. For tax years beginning on or after January 1, 1999, a Taxpayer who has entered into an Agreement under the Economic Development for a Growing Economy Tax Credit Act is entitled to a credit against the taxes imposed under subsections (a) and (b) of Section 201 of this Act in an amount to be determined in the Agreement. If the Taxpayer is a partnership or Subchapter S corporation, the credit shall be allowed to the partners or shareholders in accordance with the determination of income and distributive share of income under Sections 702 and 704 and subchapter S of the Internal Revenue Code. The Department, in cooperation with the Department of Commerce and Economic Opportunity ~~Community Affairs~~, shall prescribe rules to enforce and administer the provisions of this Section. This Section is exempt from the provisions of Section 250 of this Act.

The credit shall be subject to the conditions set forth in the Agreement and the following limitations:

(1) The tax credit shall not exceed the Incremental Income Tax (as defined in Section 5-5 of the Economic Development for a Growing Economy Tax Credit Act) with respect to the project.

(2) The amount of the credit allowed during the tax year plus the sum of all amounts allowed in prior years shall not exceed 100% of the aggregate amount expended by the Taxpayer during all prior tax years on approved costs defined by Agreement.

(3) The amount of the credit shall be determined on an annual basis. Except as applied in a carryover year

pursuant to Section 211(4) of this Act, the credit may not be applied against any State income tax liability in more than 10 taxable years; provided, however, that (i) an eligible business certified by the Department of Commerce and Economic Opportunity ~~Community Affairs~~ under the Corporate Headquarters Relocation Act may not apply the credit against any of its State income tax liability in more than 15 taxable years and (ii) credits allowed to that eligible business are subject to the conditions and requirements set forth in Sections 5-35 and 5-45 of the Economic Development for a Growing Economy Tax Credit Act.

(4) The credit may not exceed the amount of taxes imposed pursuant to subsections (a) and (b) of Section 201 of this Act. Any credit that is unused in the year the credit is computed may be carried forward and applied to the tax liability of the 5 taxable years following the excess credit year. The credit shall be applied to the earliest year for which there is a tax liability. If there are credits from more than one tax year that are available to offset a liability, the earlier credit shall be applied first.

(5) No credit shall be allowed with respect to any Agreement for any taxable year ending after the Noncompliance Date. Upon receiving notification by the Department of Commerce and Economic Opportunity ~~Community Affairs~~ of the noncompliance of a Taxpayer with an Agreement, the Department shall notify the Taxpayer that no credit is allowed with respect to that Agreement for any taxable year ending after the Noncompliance Date, as stated in such notification. If any credit has been allowed with respect to an Agreement for a taxable year ending after the Noncompliance Date for that Agreement, any refund paid to the Taxpayer for that taxable year shall, to the extent of that credit allowed, be an erroneous refund within the meaning of Section 912 of this Act.

(6) For purposes of this Section, the terms

"Agreement", "Incremental Income Tax", and "Noncompliance Date" have the same meaning as when used in the Economic Development for a Growing Economy Tax Credit Act.

(Source: P.A. 91-476, eff. 8-11-99; 92-207, eff. 8-1-01; revised 12-6-03.)

Section 465. The Economic Development for a Growing Economy Tax Credit Act is amended by changing Sections 5-5, 5-25, and 5-45 as follows:

(35 ILCS 10/5-5)

Sec. 5-5. Definitions. As used in this Act:

"Agreement" means the Agreement between a Taxpayer and the Department under the provisions of Section 5-50 of this Act.

"Applicant" means a Taxpayer that is operating a business located or that the Taxpayer plans to locate within the State of Illinois and that is engaged in interstate or intrastate commerce for the purpose of manufacturing, processing, assembling, warehousing, or distributing products, conducting research and development, providing tourism services, or providing services in interstate commerce, office industries, or agricultural processing, but excluding retail, retail food, health, or professional services. "Applicant" does not include a Taxpayer who closes or substantially reduces an operation at one location in the State and relocates substantially the same operation to another location in the State. This does not prohibit a Taxpayer from expanding its operations at another location in the State, provided that existing operations of a similar nature located within the State are not closed or substantially reduced. This also does not prohibit a Taxpayer from moving its operations from one location in the State to another location in the State for the purpose of expanding the operation provided that the Department determines that expansion cannot reasonably be accommodated within the municipality in which the business is located, or in the case of a business located in an incorporated area of the county,

within the county in which the business is located, after conferring with the chief elected official of the municipality or county and taking into consideration any evidence offered by the municipality or county regarding the ability to accommodate expansion within the municipality or county.

"Committee" means the Illinois Business Investment Committee created under Section 5-25 of this Act within the Illinois Economic Development Board.

"Credit" means the amount agreed to between the Department and Applicant under this Act, but not to exceed the Incremental Income Tax attributable to the Applicant's project.

"Department" means the Department of Commerce and Economic Opportunity ~~Community Affairs~~.

"Director" means the Director of Commerce and Economic Opportunity ~~Community Affairs~~.

"Full-time Employee" means an individual who is employed for consideration for at least 35 hours each week or who renders any other standard of service generally accepted by industry custom or practice as full-time employment.

"Incremental Income Tax" means the total amount withheld during the taxable year from the compensation of New Employees under Article 7 of the Illinois Income Tax Act arising from employment at a project that is the subject of an Agreement.

"New Employee" means:

(a) A Full-time Employee first employed by a Taxpayer in the project that is the subject of an Agreement and who is hired after the Taxpayer enters into the tax credit Agreement.

(b) The term "New Employee" does not include:

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

(2) an employee of the Taxpayer who was previously employed in Illinois by a Related Member of the Taxpayer and whose employment was shifted to the

Taxpayer after the Taxpayer entered into the tax credit Agreement; or

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

(c) Notwithstanding paragraph (1) of subsection (b), an employee may be considered a New Employee under the Agreement if the employee performs a job that was previously performed by an employee who was:

(1) treated under the Agreement as a New Employee; and

(2) promoted by the Taxpayer to another job.

(d) Notwithstanding subsection (a), the Department may award Credit to an Applicant with respect to an employee hired prior to the date of the Agreement if:

(1) the Applicant is in receipt of a letter from the Department stating an intent to enter into a credit Agreement;

(2) the letter described in paragraph (1) is issued by the Department not later than 15 days after the effective date of this Act; and

(3) the employee was hired after the date the letter described in paragraph (1) was issued.

"Noncompliance Date" means, in the case of a Taxpayer that is not complying with the requirements of the Agreement or the provisions of this Act, the day following the last date upon which the Taxpayer was in compliance with the requirements of the Agreement and the provisions of this Act, as determined by the Director, pursuant to Section 5-65.

"Pass Through Entity" means an entity that is exempt from the tax under subsection (b) or (c) of Section 205 of the Illinois Income Tax Act.

"Related Member" means a person that, with respect to the Taxpayer during any portion of the taxable year, is any one of

the following:

(1) An individual stockholder, if the stockholder and the members of the stockholder's family (as defined in Section 318 of the Internal Revenue Code) own directly, indirectly, beneficially, or constructively, in the aggregate, at least 50% of the value of the Taxpayer's outstanding stock.

(2) A partnership, estate, or trust and any partner or beneficiary, if the partnership, estate, or trust, and its partners or beneficiaries own directly, indirectly, beneficially, or constructively, in the aggregate, at least 50% of the profits, capital, stock, or value of the Taxpayer.

(3) A corporation, and any party related to the corporation in a manner that would require an attribution of stock from the corporation to the party or from the party to the corporation under the attribution rules of Section 318 of the Internal Revenue Code, if the Taxpayer owns directly, indirectly, beneficially, or constructively at least 50% of the value of the corporation's outstanding stock.

(4) A corporation and any party related to that corporation in a manner that would require an attribution of stock from the corporation to the party or from the party to the corporation under the attribution rules of Section 318 of the Internal Revenue Code, if the corporation and all such related parties own in the aggregate at least 50% of the profits, capital, stock, or value of the Taxpayer.

(5) A person to or from whom there is attribution of stock ownership in accordance with Section 1563(e) of the Internal Revenue Code, except, for purposes of determining whether a person is a Related Member under this paragraph, 20% shall be substituted for 5% wherever 5% appears in Section 1563(e) of the Internal Revenue Code.

"Taxpayer" means an individual, corporation, partnership,

or other entity that has any Illinois Income Tax liability.
(Source: P.A. 91-476, eff. 8-11-99; 92-651, eff. 7-11-02; revised 12-6-03.)

(35 ILCS 10/5-25)

Sec. 5-25. Review of Application.

(a) In addition to those duties granted under the Illinois Economic Development Board Act, the Illinois Economic Development Board shall form a Business Investment Committee for the purpose of making recommendations for applications. At the request of the Board, the Director of Commerce and Economic Opportunity ~~Community Affairs~~ or his or her designee, the Director of the Governor's Office of Management and Budget ~~Bureau of the Budget~~ or his or her designee, the Director of Revenue or his or her designee, the Director of Employment Security or his or her designee, and an elected official of the affected locality, such as the chair of the county board or the mayor, may serve as members of the Committee to assist with its analysis and deliberations.

(b) At the Department's request, the Committee shall convene, make inquiries, and conduct studies in the manner and by the methods as it deems desirable, review information with respect to Applicants, and make recommendations for projects to benefit the State. In making its recommendation that an Applicant's application for Credit should or should not be accepted, which shall occur within a reasonable time frame as determined by the nature of the application, the Committee shall determine that all the following conditions exist:

(1) The Applicant's project intends, as required by subsection (b) of Section 5-20 to make the required investment in the State and intends to hire the required number of New Employees in Illinois as a result of that project.

(2) The Applicant's project is economically sound and will benefit the people of the State of Illinois by increasing opportunities for employment and strengthen the

economy of Illinois.

(3) That, if not for the Credit, the project would not occur in Illinois, which may be demonstrated by any means including, but not limited to, evidence the Applicant has multi-state location options and could reasonably and efficiently locate outside of the State, or demonstration that at least one other state is being considered for the project, or evidence the receipt of the Credit is a major factor in the Applicant's decision and that without the Credit, the Applicant likely would not create new jobs in Illinois, or demonstration that receiving the Credit is essential to the Applicant's decision to create or retain new jobs in the State.

(4) A cost differential is identified, using best available data, in the projected costs for the Applicant's project compared to the costs in the competing state, including the impact of the competing state's incentive programs. The competing state's incentive programs shall include state, local, private, and federal funds available.

(5) The political subdivisions affected by the project have committed local incentives with respect to the project, considering local ability to assist.

(6) Awarding the Credit will result in an overall positive fiscal impact to the State, as certified by the Committee using the best available data.

(7) The Credit is not prohibited by Section 5-35 of this Act.

(Source: P.A. 91-476, eff. 8-11-99; revised 8-23-03.)

(35 ILCS 10/5-45)

Sec. 5-45. Amount and duration of the credit.

(a) The Department shall determine the amount and duration of the credit awarded under this Act. The duration of the credit may not exceed 10 taxable years. The credit may be stated as a percentage of the Incremental Income Tax

attributable to the applicant's project and may include a fixed dollar limitation.

(b) Notwithstanding subsection (a), and except as the credit may be applied in a carryover year pursuant to Section 211(4) of the Illinois Income Tax Act, the credit may be applied against the State income tax liability in more than 10 taxable years but not in more than 15 taxable years for an eligible business that (i) qualifies under this Act and the Corporate Headquarters Relocation Act and has in fact undertaken a qualifying project within the time frame specified by the Department of Commerce and Economic Opportunity ~~Community Affairs~~ under that Act, and (ii) applies against its State income tax liability, during the entire 15-year period, no more than 60% of the maximum credit per year that would otherwise be available under this Act.

(Source: P.A. 91-476, eff. 8-11-99; 92-207, eff. 8-1-01; revised 12-6-03.)

Section 475. The Use Tax Act is amended by changing Section 9 as follows:

(35 ILCS 105/9) (from Ch. 120, par. 439.9)

Sec. 9. Except as to motor vehicles, watercraft, aircraft, and trailers that are required to be registered with an agency of this State, each retailer required or authorized to collect the tax imposed by this Act shall pay to the Department the amount of such tax (except as otherwise provided) at the time when he is required to file his return for the period during which such tax was collected, less a discount of 2.1% prior to January 1, 1990, and 1.75% on and after January 1, 1990, or $5 per calendar year, whichever is greater, which is allowed to reimburse the retailer for expenses incurred in collecting the tax, keeping records, preparing and filing returns, remitting the tax and supplying data to the Department on request. In the case of retailers who report and pay the tax on a transaction by transaction basis, as provided in this Section, such

discount shall be taken with each such tax remittance instead of when such retailer files his periodic return. A retailer need not remit that part of any tax collected by him to the extent that he is required to remit and does remit the tax imposed by the Retailers' Occupation Tax Act, with respect to the sale of the same property.

Where such tangible personal property is sold under a conditional sales contract, or under any other form of sale wherein the payment of the principal sum, or a part thereof, is extended beyond the close of the period for which the return is filed, the retailer, in collecting the tax (except as to motor vehicles, watercraft, aircraft, and trailers that are required to be registered with an agency of this State), may collect for each tax return period, only the tax applicable to that part of the selling price actually received during such tax return period.

Except as provided in this Section, on or before the twentieth day of each calendar month, such retailer shall file a return for the preceding calendar month. Such return shall be filed on forms prescribed by the Department and shall furnish such information as the Department may reasonably require.

The Department may require returns to be filed on a quarterly basis. If so required, a return for each calendar quarter shall be filed on or before the twentieth day of the calendar month following the end of such calendar quarter. The taxpayer shall also file a return with the Department for each of the first two months of each calendar quarter, on or before the twentieth day of the following calendar month, stating:

1. The name of the seller;

2. The address of the principal place of business from which he engages in the business of selling tangible personal property at retail in this State;

3. The total amount of taxable receipts received by him during the preceding calendar month from sales of tangible personal property by him during such preceding calendar month, including receipts from charge and time sales, but

less all deductions allowed by law;

4. The amount of credit provided in Section 2d of this Act;

5. The amount of tax due;

5-5. The signature of the taxpayer; and

6. Such other reasonable information as the Department may require.

If a taxpayer fails to sign a return within 30 days after the proper notice and demand for signature by the Department, the return shall be considered valid and any amount shown to be due on the return shall be deemed assessed.

Beginning October 1, 1993, a taxpayer who has an average monthly tax liability of $150,000 or more shall make all payments required by rules of the Department by electronic funds transfer. Beginning October 1, 1994, a taxpayer who has an average monthly tax liability of $100,000 or more shall make all payments required by rules of the Department by electronic funds transfer. Beginning October 1, 1995, a taxpayer who has an average monthly tax liability of $50,000 or more shall make all payments required by rules of the Department by electronic funds transfer. Beginning October 1, 2000, a taxpayer who has an annual tax liability of $200,000 or more shall make all payments required by rules of the Department by electronic funds transfer. The term "annual tax liability" shall be the sum of the taxpayer's liabilities under this Act, and under all other State and local occupation and use tax laws administered by the Department, for the immediately preceding calendar year. The term "average monthly tax liability" means the sum of the taxpayer's liabilities under this Act, and under all other State and local occupation and use tax laws administered by the Department, for the immediately preceding calendar year divided by 12. Beginning on October 1, 2002, a taxpayer who has a tax liability in the amount set forth in subsection (b) of Section 2505-210 of the Department of Revenue Law shall make all payments required by rules of the Department by electronic funds transfer.

Before August 1 of each year beginning in 1993, the Department shall notify all taxpayers required to make payments by electronic funds transfer. All taxpayers required to make payments by electronic funds transfer shall make those payments for a minimum of one year beginning on October 1.

Any taxpayer not required to make payments by electronic funds transfer may make payments by electronic funds transfer with the permission of the Department.

All taxpayers required to make payment by electronic funds transfer and any taxpayers authorized to voluntarily make payments by electronic funds transfer shall make those payments in the manner authorized by the Department.

The Department shall adopt such rules as are necessary to effectuate a program of electronic funds transfer and the requirements of this Section.

Before October 1, 2000, if the taxpayer's average monthly tax liability to the Department under this Act, the Retailers' Occupation Tax Act, the Service Occupation Tax Act, the Service Use Tax Act was $10,000 or more during the preceding 4 complete calendar quarters, he shall file a return with the Department each month by the 20th day of the month next following the month during which such tax liability is incurred and shall make payments to the Department on or before the 7th, 15th, 22nd and last day of the month during which such liability is incurred. On and after October 1, 2000, if the taxpayer's average monthly tax liability to the Department under this Act, the Retailers' Occupation Tax Act, the Service Occupation Tax Act, and the Service Use Tax Act was $20,000 or more during the preceding 4 complete calendar quarters, he shall file a return with the Department each month by the 20th day of the month next following the month during which such tax liability is incurred and shall make payment to the Department on or before the 7th, 15th, 22nd and last day of the month during which such liability is incurred. If the month during which such tax liability is incurred began prior to January 1, 1985, each payment shall be in an amount equal to 1/4 of the taxpayer's

actual liability for the month or an amount set by the Department not to exceed 1/4 of the average monthly liability of the taxpayer to the Department for the preceding 4 complete calendar quarters (excluding the month of highest liability and the month of lowest liability in such 4 quarter period). If the month during which such tax liability is incurred begins on or after January 1, 1985, and prior to January 1, 1987, each payment shall be in an amount equal to 22.5% of the taxpayer's actual liability for the month or 27.5% of the taxpayer's liability for the same calendar month of the preceding year. If the month during which such tax liability is incurred begins on or after January 1, 1987, and prior to January 1, 1988, each payment shall be in an amount equal to 22.5% of the taxpayer's actual liability for the month or 26.25% of the taxpayer's liability for the same calendar month of the preceding year. If the month during which such tax liability is incurred begins on or after January 1, 1988, and prior to January 1, 1989, or begins on or after January 1, 1996, each payment shall be in an amount equal to 22.5% of the taxpayer's actual liability for the month or 25% of the taxpayer's liability for the same calendar month of the preceding year. If the month during which such tax liability is incurred begins on or after January 1, 1989, and prior to January 1, 1996, each payment shall be in an amount equal to 22.5% of the taxpayer's actual liability for the month or 25% of the taxpayer's liability for the same calendar month of the preceding year or 100% of the taxpayer's actual liability for the quarter monthly reporting period. The amount of such quarter monthly payments shall be credited against the final tax liability of the taxpayer's return for that month. Before October 1, 2000, once applicable, the requirement of the making of quarter monthly payments to the Department shall continue until such taxpayer's average monthly liability to the Department during the preceding 4 complete calendar quarters (excluding the month of highest liability and the month of lowest liability) is less than $9,000, or until such taxpayer's average monthly liability to

the Department as computed for each calendar quarter of the 4 preceding complete calendar quarter period is less than $10,000. However, if a taxpayer can show the Department that a substantial change in the taxpayer's business has occurred which causes the taxpayer to anticipate that his average monthly tax liability for the reasonably foreseeable future will fall below the $10,000 threshold stated above, then such taxpayer may petition the Department for change in such taxpayer's reporting status. On and after October 1, 2000, once applicable, the requirement of the making of quarter monthly payments to the Department shall continue until such taxpayer's average monthly liability to the Department during the preceding 4 complete calendar quarters (excluding the month of highest liability and the month of lowest liability) is less than $19,000 or until such taxpayer's average monthly liability to the Department as computed for each calendar quarter of the 4 preceding complete calendar quarter period is less than $20,000. However, if a taxpayer can show the Department that a substantial change in the taxpayer's business has occurred which causes the taxpayer to anticipate that his average monthly tax liability for the reasonably foreseeable future will fall below the $20,000 threshold stated above, then such taxpayer may petition the Department for a change in such taxpayer's reporting status. The Department shall change such taxpayer's reporting status unless it finds that such change is seasonal in nature and not likely to be long term. If any such quarter monthly payment is not paid at the time or in the amount required by this Section, then the taxpayer shall be liable for penalties and interest on the difference between the minimum amount due and the amount of such quarter monthly payment actually and timely paid, except insofar as the taxpayer has previously made payments for that month to the Department in excess of the minimum payments previously due as provided in this Section. The Department shall make reasonable rules and regulations to govern the quarter monthly payment amount and quarter monthly payment dates for taxpayers who file

on other than a calendar monthly basis.

If any such payment provided for in this Section exceeds the taxpayer's liabilities under this Act, the Retailers' Occupation Tax Act, the Service Occupation Tax Act and the Service Use Tax Act, as shown by an original monthly return, the Department shall issue to the taxpayer a credit memorandum no later than 30 days after the date of payment, which memorandum may be submitted by the taxpayer to the Department in payment of tax liability subsequently to be remitted by the taxpayer to the Department or be assigned by the taxpayer to a similar taxpayer under this Act, the Retailers' Occupation Tax Act, the Service Occupation Tax Act or the Service Use Tax Act, in accordance with reasonable rules and regulations to be prescribed by the Department, except that if such excess payment is shown on an original monthly return and is made after December 31, 1986, no credit memorandum shall be issued, unless requested by the taxpayer. If no such request is made, the taxpayer may credit such excess payment against tax liability subsequently to be remitted by the taxpayer to the Department under this Act, the Retailers' Occupation Tax Act, the Service Occupation Tax Act or the Service Use Tax Act, in accordance with reasonable rules and regulations prescribed by the Department. If the Department subsequently determines that all or any part of the credit taken was not actually due to the taxpayer, the taxpayer's 2.1% or 1.75% vendor's discount shall be reduced by 2.1% or 1.75% of the difference between the credit taken and that actually due, and the taxpayer shall be liable for penalties and interest on such difference.

If the retailer is otherwise required to file a monthly return and if the retailer's average monthly tax liability to the Department does not exceed $200, the Department may authorize his returns to be filed on a quarter annual basis, with the return for January, February, and March of a given year being due by April 20 of such year; with the return for April, May and June of a given year being due by July 20 of such year; with the return for July, August and September of a given

year being due by October 20 of such year, and with the return for October, November and December of a given year being due by January 20 of the following year.

If the retailer is otherwise required to file a monthly or quarterly return and if the retailer's average monthly tax liability to the Department does not exceed $50, the Department may authorize his returns to be filed on an annual basis, with the return for a given year being due by January 20 of the following year.

Such quarter annual and annual returns, as to form and substance, shall be subject to the same requirements as monthly returns.

Notwithstanding any other provision in this Act concerning the time within which a retailer may file his return, in the case of any retailer who ceases to engage in a kind of business which makes him responsible for filing returns under this Act, such retailer shall file a final return under this Act with the Department not more than one month after discontinuing such business.

In addition, with respect to motor vehicles, watercraft, aircraft, and trailers that are required to be registered with an agency of this State, every retailer selling this kind of tangible personal property shall file, with the Department, upon a form to be prescribed and supplied by the Department, a separate return for each such item of tangible personal property which the retailer sells, except that if, in the same transaction, (i) a retailer of aircraft, watercraft, motor vehicles or trailers transfers more than one aircraft, watercraft, motor vehicle or trailer to another aircraft, watercraft, motor vehicle or trailer retailer for the purpose of resale or (ii) a retailer of aircraft, watercraft, motor vehicles, or trailers transfers more than one aircraft, watercraft, motor vehicle, or trailer to a purchaser for use as a qualifying rolling stock as provided in Section 3-55 of this Act, then that seller may report the transfer of all the aircraft, watercraft, motor vehicles or trailers involved in

that transaction to the Department on the same uniform invoice-transaction reporting return form. For purposes of this Section, "watercraft" means a Class 2, Class 3, or Class 4 watercraft as defined in Section 3-2 of the Boat Registration and Safety Act, a personal watercraft, or any boat equipped with an inboard motor.

The transaction reporting return in the case of motor vehicles or trailers that are required to be registered with an agency of this State, shall be the same document as the Uniform Invoice referred to in Section 5-402 of the Illinois Vehicle Code and must show the name and address of the seller; the name and address of the purchaser; the amount of the selling price including the amount allowed by the retailer for traded-in property, if any; the amount allowed by the retailer for the traded-in tangible personal property, if any, to the extent to which Section 2 of this Act allows an exemption for the value of traded-in property; the balance payable after deducting such trade-in allowance from the total selling price; the amount of tax due from the retailer with respect to such transaction; the amount of tax collected from the purchaser by the retailer on such transaction (or satisfactory evidence that such tax is not due in that particular instance, if that is claimed to be the fact); the place and date of the sale; a sufficient identification of the property sold; such other information as is required in Section 5-402 of the Illinois Vehicle Code, and such other information as the Department may reasonably require.

The transaction reporting return in the case of watercraft and aircraft must show the name and address of the seller; the name and address of the purchaser; the amount of the selling price including the amount allowed by the retailer for traded-in property, if any; the amount allowed by the retailer for the traded-in tangible personal property, if any, to the extent to which Section 2 of this Act allows an exemption for the value of traded-in property; the balance payable after deducting such trade-in allowance from the total selling price;

the amount of tax due from the retailer with respect to such transaction; the amount of tax collected from the purchaser by the retailer on such transaction (or satisfactory evidence that such tax is not due in that particular instance, if that is claimed to be the fact); the place and date of the sale, a sufficient identification of the property sold, and such other information as the Department may reasonably require.

Such transaction reporting return shall be filed not later than 20 days after the date of delivery of the item that is being sold, but may be filed by the retailer at any time sooner than that if he chooses to do so. The transaction reporting return and tax remittance or proof of exemption from the tax that is imposed by this Act may be transmitted to the Department by way of the State agency with which, or State officer with whom, the tangible personal property must be titled or registered (if titling or registration is required) if the Department and such agency or State officer determine that this procedure will expedite the processing of applications for title or registration.

With each such transaction reporting return, the retailer shall remit the proper amount of tax due (or shall submit satisfactory evidence that the sale is not taxable if that is the case), to the Department or its agents, whereupon the Department shall issue, in the purchaser's name, a tax receipt (or a certificate of exemption if the Department is satisfied that the particular sale is tax exempt) which such purchaser may submit to the agency with which, or State officer with whom, he must title or register the tangible personal property that is involved (if titling or registration is required) in support of such purchaser's application for an Illinois certificate or other evidence of title or registration to such tangible personal property.

No retailer's failure or refusal to remit tax under this Act precludes a user, who has paid the proper tax to the retailer, from obtaining his certificate of title or other evidence of title or registration (if titling or registration

is required) upon satisfying the Department that such user has paid the proper tax (if tax is due) to the retailer. The Department shall adopt appropriate rules to carry out the mandate of this paragraph.

If the user who would otherwise pay tax to the retailer wants the transaction reporting return filed and the payment of tax or proof of exemption made to the Department before the retailer is willing to take these actions and such user has not paid the tax to the retailer, such user may certify to the fact of such delay by the retailer, and may (upon the Department being satisfied of the truth of such certification) transmit the information required by the transaction reporting return and the remittance for tax or proof of exemption directly to the Department and obtain his tax receipt or exemption determination, in which event the transaction reporting return and tax remittance (if a tax payment was required) shall be credited by the Department to the proper retailer's account with the Department, but without the 2.1% or 1.75% discount provided for in this Section being allowed. When the user pays the tax directly to the Department, he shall pay the tax in the same amount and in the same form in which it would be remitted if the tax had been remitted to the Department by the retailer.

Where a retailer collects the tax with respect to the selling price of tangible personal property which he sells and the purchaser thereafter returns such tangible personal property and the retailer refunds the selling price thereof to the purchaser, such retailer shall also refund, to the purchaser, the tax so collected from the purchaser. When filing his return for the period in which he refunds such tax to the purchaser, the retailer may deduct the amount of the tax so refunded by him to the purchaser from any other use tax which such retailer may be required to pay or remit to the Department, as shown by such return, if the amount of the tax to be deducted was previously remitted to the Department by such retailer. If the retailer has not previously remitted the amount of such tax to the Department, he is entitled to no

deduction under this Act upon refunding such tax to the purchaser.

Any retailer filing a return under this Section shall also include (for the purpose of paying tax thereon) the total tax covered by such return upon the selling price of tangible personal property purchased by him at retail from a retailer, but as to which the tax imposed by this Act was not collected from the retailer filing such return, and such retailer shall remit the amount of such tax to the Department when filing such return.

If experience indicates such action to be practicable, the Department may prescribe and furnish a combination or joint return which will enable retailers, who are required to file returns hereunder and also under the Retailers' Occupation Tax Act, to furnish all the return information required by both Acts on the one form.

Where the retailer has more than one business registered with the Department under separate registration under this Act, such retailer may not file each return that is due as a single return covering all such registered businesses, but shall file separate returns for each such registered business.

Beginning January 1, 1990, each month the Department shall pay into the State and Local Sales Tax Reform Fund, a special fund in the State Treasury which is hereby created, the net revenue realized for the preceding month from the 1% tax on sales of food for human consumption which is to be consumed off the premises where it is sold (other than alcoholic beverages, soft drinks and food which has been prepared for immediate consumption) and prescription and nonprescription medicines, drugs, medical appliances and insulin, urine testing materials, syringes and needles used by diabetics.

Beginning January 1, 1990, each month the Department shall pay into the County and Mass Transit District Fund 4% of the net revenue realized for the preceding month from the 6.25% general rate on the selling price of tangible personal property which is purchased outside Illinois at retail from a retailer

and which is titled or registered by an agency of this State's government.

Beginning January 1, 1990, each month the Department shall pay into the State and Local Sales Tax Reform Fund, a special fund in the State Treasury, 20% of the net revenue realized for the preceding month from the 6.25% general rate on the selling price of tangible personal property, other than tangible personal property which is purchased outside Illinois at retail from a retailer and which is titled or registered by an agency of this State's government.

Beginning August 1, 2000, each month the Department shall pay into the State and Local Sales Tax Reform Fund 100% of the net revenue realized for the preceding month from the 1.25% rate on the selling price of motor fuel and gasohol.

Beginning January 1, 1990, each month the Department shall pay into the Local Government Tax Fund 16% of the net revenue realized for the preceding month from the 6.25% general rate on the selling price of tangible personal property which is purchased outside Illinois at retail from a retailer and which is titled or registered by an agency of this State's government.

Of the remainder of the moneys received by the Department pursuant to this Act, (a) 1.75% thereof shall be paid into the Build Illinois Fund and (b) prior to July 1, 1989, 2.2% and on and after July 1, 1989, 3.8% thereof shall be paid into the Build Illinois Fund; provided, however, that if in any fiscal year the sum of (1) the aggregate of 2.2% or 3.8%, as the case may be, of the moneys received by the Department and required to be paid into the Build Illinois Fund pursuant to Section 3 of the Retailers' Occupation Tax Act, Section 9 of the Use Tax Act, Section 9 of the Service Use Tax Act, and Section 9 of the Service Occupation Tax Act, such Acts being hereinafter called the "Tax Acts" and such aggregate of 2.2% or 3.8%, as the case may be, of moneys being hereinafter called the "Tax Act Amount", and (2) the amount transferred to the Build Illinois Fund from the State and Local Sales Tax Reform Fund shall be

less than the Annual Specified Amount (as defined in Section 3 of the Retailers' Occupation Tax Act), an amount equal to the difference shall be immediately paid into the Build Illinois Fund from other moneys received by the Department pursuant to the Tax Acts; and further provided, that if on the last business day of any month the sum of (1) the Tax Act Amount required to be deposited into the Build Illinois Bond Account in the Build Illinois Fund during such month and (2) the amount transferred during such month to the Build Illinois Fund from the State and Local Sales Tax Reform Fund shall have been less than 1/12 of the Annual Specified Amount, an amount equal to the difference shall be immediately paid into the Build Illinois Fund from other moneys received by the Department pursuant to the Tax Acts; and, further provided, that in no event shall the payments required under the preceding proviso result in aggregate payments into the Build Illinois Fund pursuant to this clause (b) for any fiscal year in excess of the greater of (i) the Tax Act Amount or (ii) the Annual Specified Amount for such fiscal year; and, further provided, that the amounts payable into the Build Illinois Fund under this clause (b) shall be payable only until such time as the aggregate amount on deposit under each trust indenture securing Bonds issued and outstanding pursuant to the Build Illinois Bond Act is sufficient, taking into account any future investment income, to fully provide, in accordance with such indenture, for the defeasance of or the payment of the principal of, premium, if any, and interest on the Bonds secured by such indenture and on any Bonds expected to be issued thereafter and all fees and costs payable with respect thereto, all as certified by the Director of the Bureau of the Budget <u>(now Governor's Office of Management and Budget)</u>. If on the last business day of any month in which Bonds are outstanding pursuant to the Build Illinois Bond Act, the aggregate of the moneys deposited in the Build Illinois Bond Account in the Build Illinois Fund in such month shall be less than the amount required to be transferred in such month from

the Build Illinois Bond Account to the Build Illinois Bond Retirement and Interest Fund pursuant to Section 13 of the Build Illinois Bond Act, an amount equal to such deficiency shall be immediately paid from other moneys received by the Department pursuant to the Tax Acts to the Build Illinois Fund; provided, however, that any amounts paid to the Build Illinois Fund in any fiscal year pursuant to this sentence shall be deemed to constitute payments pursuant to clause (b) of the preceding sentence and shall reduce the amount otherwise payable for such fiscal year pursuant to clause (b) of the preceding sentence. The moneys received by the Department pursuant to this Act and required to be deposited into the Build Illinois Fund are subject to the pledge, claim and charge set forth in Section 12 of the Build Illinois Bond Act.

Subject to payment of amounts into the Build Illinois Fund as provided in the preceding paragraph or in any amendment thereto hereafter enacted, the following specified monthly installment of the amount requested in the certificate of the Chairman of the Metropolitan Pier and Exposition Authority provided under Section 8.25f of the State Finance Act, but not in excess of the sums designated as "Total Deposit", shall be deposited in the aggregate from collections under Section 9 of the Use Tax Act, Section 9 of the Service Use Tax Act, Section 9 of the Service Occupation Tax Act, and Section 3 of the Retailers' Occupation Tax Act into the McCormick Place Expansion Project Fund in the specified fiscal years.

Fiscal Year	Total Deposit
1993	$0
1994	53,000,000
1995	58,000,000
1996	61,000,000
1997	64,000,000
1998	68,000,000
1999	71,000,000
2000	75,000,000

2001	80,000,000
2002	93,000,000
2003	99,000,000
2004	103,000,000
2005	108,000,000
2006	113,000,000
2007	119,000,000
2008	126,000,000
2009	132,000,000
2010	139,000,000
2011	146,000,000
2012	153,000,000
2013	161,000,000
2014	170,000,000
2015	179,000,000
2016	189,000,000
2017	199,000,000
2018	210,000,000
2019	221,000,000
2020	233,000,000
2021	246,000,000
2022	260,000,000
2023 and each fiscal year thereafter that bonds are outstanding under Section 13.2 of the Metropolitan Pier and Exposition Authority Act, but not after fiscal year 2042.	275,000,000

Beginning July 20, 1993 and in each month of each fiscal year thereafter, one-eighth of the amount requested in the certificate of the Chairman of the Metropolitan Pier and Exposition Authority for that fiscal year, less the amount deposited into the McCormick Place Expansion Project Fund by the State Treasurer in the respective month under subsection

(g) of Section 13 of the Metropolitan Pier and Exposition Authority Act, plus cumulative deficiencies in the deposits required under this Section for previous months and years, shall be deposited into the McCormick Place Expansion Project Fund, until the full amount requested for the fiscal year, but not in excess of the amount specified above as "Total Deposit", has been deposited.

Subject to payment of amounts into the Build Illinois Fund and the McCormick Place Expansion Project Fund pursuant to the preceding paragraphs or in any amendments thereto hereafter enacted, beginning July 1, 1993, the Department shall each month pay into the Illinois Tax Increment Fund 0.27% of 80% of the net revenue realized for the preceding month from the 6.25% general rate on the selling price of tangible personal property.

Subject to payment of amounts into the Build Illinois Fund and the McCormick Place Expansion Project Fund pursuant to the preceding paragraphs or in any amendments thereto hereafter enacted, beginning with the receipt of the first report of taxes paid by an eligible business and continuing for a 25-year period, the Department shall each month pay into the Energy Infrastructure Fund 80% of the net revenue realized from the 6.25% general rate on the selling price of Illinois-mined coal that was sold to an eligible business. For purposes of this paragraph, the term "eligible business" means a new electric generating facility certified pursuant to Section 605-332 of the Department of Commerce and Economic Opportunity ~~Community Affairs~~ Law of the Civil Administrative Code of Illinois.

Of the remainder of the moneys received by the Department pursuant to this Act, 75% thereof shall be paid into the State Treasury and 25% shall be reserved in a special account and used only for the transfer to the Common School Fund as part of the monthly transfer from the General Revenue Fund in accordance with Section 8a of the State Finance Act.

As soon as possible after the first day of each month, upon certification of the Department of Revenue, the Comptroller

shall order transferred and the Treasurer shall transfer from the General Revenue Fund to the Motor Fuel Tax Fund an amount equal to 1.7% of 80% of the net revenue realized under this Act for the second preceding month. Beginning April 1, 2000, this transfer is no longer required and shall not be made.

Net revenue realized for a month shall be the revenue collected by the State pursuant to this Act, less the amount paid out during that month as refunds to taxpayers for overpayment of liability.

For greater simplicity of administration, manufacturers, importers and wholesalers whose products are sold at retail in Illinois by numerous retailers, and who wish to do so, may assume the responsibility for accounting and paying to the Department all tax accruing under this Act with respect to such sales, if the retailers who are affected do not make written objection to the Department to this arrangement.
(Source: P.A. 91-37, eff. 7-1-99; 91-51, eff. 6-30-99; 91-101, eff. 7-12-99; 91-541, eff. 8-13-99; 91-872, eff. 7-1-00; 91-901, eff. 1-1-01; 92-12, eff. 7-1-01; 92-16, eff. 6-28-01; 92-208, eff. 8-2-01; 92-492, eff. 1-1-02; 92-600, eff. 6-28-02; 92-651, eff. 7-11-02; revised 10-15-03.)

Section 480. The Service Use Tax Act is amended by changing Section 9 as follows:

(35 ILCS 110/9) (from Ch. 120, par. 439.39)

Sec. 9. Each serviceman required or authorized to collect the tax herein imposed shall pay to the Department the amount of such tax (except as otherwise provided) at the time when he is required to file his return for the period during which such tax was collected, less a discount of 2.1% prior to January 1, 1990 and 1.75% on and after January 1, 1990, or $5 per calendar year, whichever is greater, which is allowed to reimburse the serviceman for expenses incurred in collecting the tax, keeping records, preparing and filing returns, remitting the tax and supplying data to the Department on request. A serviceman need

not remit that part of any tax collected by him to the extent that he is required to pay and does pay the tax imposed by the Service Occupation Tax Act with respect to his sale of service involving the incidental transfer by him of the same property.

Except as provided hereinafter in this Section, on or before the twentieth day of each calendar month, such serviceman shall file a return for the preceding calendar month in accordance with reasonable Rules and Regulations to be promulgated by the Department. Such return shall be filed on a form prescribed by the Department and shall contain such information as the Department may reasonably require.

The Department may require returns to be filed on a quarterly basis. If so required, a return for each calendar quarter shall be filed on or before the twentieth day of the calendar month following the end of such calendar quarter. The taxpayer shall also file a return with the Department for each of the first two months of each calendar quarter, on or before the twentieth day of the following calendar month, stating:

1. The name of the seller;

2. The address of the principal place of business from which he engages in business as a serviceman in this State;

3. The total amount of taxable receipts received by him during the preceding calendar month, including receipts from charge and time sales, but less all deductions allowed by law;

4. The amount of credit provided in Section 2d of this Act;

5. The amount of tax due;

5-5. The signature of the taxpayer; and

6. Such other reasonable information as the Department may require.

If a taxpayer fails to sign a return within 30 days after the proper notice and demand for signature by the Department, the return shall be considered valid and any amount shown to be due on the return shall be deemed assessed.

Beginning October 1, 1993, a taxpayer who has an average

monthly tax liability of $150,000 or more shall make all payments required by rules of the Department by electronic funds transfer. Beginning October 1, 1994, a taxpayer who has an average monthly tax liability of $100,000 or more shall make all payments required by rules of the Department by electronic funds transfer. Beginning October 1, 1995, a taxpayer who has an average monthly tax liability of $50,000 or more shall make all payments required by rules of the Department by electronic funds transfer. Beginning October 1, 2000, a taxpayer who has an annual tax liability of $200,000 or more shall make all payments required by rules of the Department by electronic funds transfer. The term "annual tax liability" shall be the sum of the taxpayer's liabilities under this Act, and under all other State and local occupation and use tax laws administered by the Department, for the immediately preceding calendar year. The term "average monthly tax liability" means the sum of the taxpayer's liabilities under this Act, and under all other State and local occupation and use tax laws administered by the Department, for the immediately preceding calendar year divided by 12. Beginning on October 1, 2002, a taxpayer who has a tax liability in the amount set forth in subsection (b) of Section 2505-210 of the Department of Revenue Law shall make all payments required by rules of the Department by electronic funds transfer.

Before August 1 of each year beginning in 1993, the Department shall notify all taxpayers required to make payments by electronic funds transfer. All taxpayers required to make payments by electronic funds transfer shall make those payments for a minimum of one year beginning on October 1.

Any taxpayer not required to make payments by electronic funds transfer may make payments by electronic funds transfer with the permission of the Department.

All taxpayers required to make payment by electronic funds transfer and any taxpayers authorized to voluntarily make payments by electronic funds transfer shall make those payments in the manner authorized by the Department.

The Department shall adopt such rules as are necessary to effectuate a program of electronic funds transfer and the requirements of this Section.

If the serviceman is otherwise required to file a monthly return and if the serviceman's average monthly tax liability to the Department does not exceed $200, the Department may authorize his returns to be filed on a quarter annual basis, with the return for January, February and March of a given year being due by April 20 of such year; with the return for April, May and June of a given year being due by July 20 of such year; with the return for July, August and September of a given year being due by October 20 of such year, and with the return for October, November and December of a given year being due by January 20 of the following year.

If the serviceman is otherwise required to file a monthly or quarterly return and if the serviceman's average monthly tax liability to the Department does not exceed $50, the Department may authorize his returns to be filed on an annual basis, with the return for a given year being due by January 20 of the following year.

Such quarter annual and annual returns, as to form and substance, shall be subject to the same requirements as monthly returns.

Notwithstanding any other provision in this Act concerning the time within which a serviceman may file his return, in the case of any serviceman who ceases to engage in a kind of business which makes him responsible for filing returns under this Act, such serviceman shall file a final return under this Act with the Department not more than 1 month after discontinuing such business.

Where a serviceman collects the tax with respect to the selling price of property which he sells and the purchaser thereafter returns such property and the serviceman refunds the selling price thereof to the purchaser, such serviceman shall also refund, to the purchaser, the tax so collected from the purchaser. When filing his return for the period in which he

refunds such tax to the purchaser, the serviceman may deduct the amount of the tax so refunded by him to the purchaser from any other Service Use Tax, Service Occupation Tax, retailers' occupation tax or use tax which such serviceman may be required to pay or remit to the Department, as shown by such return, provided that the amount of the tax to be deducted shall previously have been remitted to the Department by such serviceman. If the serviceman shall not previously have remitted the amount of such tax to the Department, he shall be entitled to no deduction hereunder upon refunding such tax to the purchaser.

Any serviceman filing a return hereunder shall also include the total tax upon the selling price of tangible personal property purchased for use by him as an incident to a sale of service, and such serviceman shall remit the amount of such tax to the Department when filing such return.

If experience indicates such action to be practicable, the Department may prescribe and furnish a combination or joint return which will enable servicemen, who are required to file returns hereunder and also under the Service Occupation Tax Act, to furnish all the return information required by both Acts on the one form.

Where the serviceman has more than one business registered with the Department under separate registration hereunder, such serviceman shall not file each return that is due as a single return covering all such registered businesses, but shall file separate returns for each such registered business.

Beginning January 1, 1990, each month the Department shall pay into the State and Local Tax Reform Fund, a special fund in the State Treasury, the net revenue realized for the preceding month from the 1% tax on sales of food for human consumption which is to be consumed off the premises where it is sold (other than alcoholic beverages, soft drinks and food which has been prepared for immediate consumption) and prescription and nonprescription medicines, drugs, medical appliances and insulin, urine testing materials, syringes and needles used by

diabetics.

Beginning January 1, 1990, each month the Department shall pay into the State and Local Sales Tax Reform Fund 20% of the net revenue realized for the preceding month from the 6.25% general rate on transfers of tangible personal property, other than tangible personal property which is purchased outside Illinois at retail from a retailer and which is titled or registered by an agency of this State's government.

Beginning August 1, 2000, each month the Department shall pay into the State and Local Sales Tax Reform Fund 100% of the net revenue realized for the preceding month from the 1.25% rate on the selling price of motor fuel and gasohol.

Of the remainder of the moneys received by the Department pursuant to this Act, (a) 1.75% thereof shall be paid into the Build Illinois Fund and (b) prior to July 1, 1989, 2.2% and on and after July 1, 1989, 3.8% thereof shall be paid into the Build Illinois Fund; provided, however, that if in any fiscal year the sum of (1) the aggregate of 2.2% or 3.8%, as the case may be, of the moneys received by the Department and required to be paid into the Build Illinois Fund pursuant to Section 3 of the Retailers' Occupation Tax Act, Section 9 of the Use Tax Act, Section 9 of the Service Use Tax Act, and Section 9 of the Service Occupation Tax Act, such Acts being hereinafter called the "Tax Acts" and such aggregate of 2.2% or 3.8%, as the case may be, of moneys being hereinafter called the "Tax Act Amount", and (2) the amount transferred to the Build Illinois Fund from the State and Local Sales Tax Reform Fund shall be less than the Annual Specified Amount (as defined in Section 3 of the Retailers' Occupation Tax Act), an amount equal to the difference shall be immediately paid into the Build Illinois Fund from other moneys received by the Department pursuant to the Tax Acts; and further provided, that if on the last business day of any month the sum of (1) the Tax Act Amount required to be deposited into the Build Illinois Bond Account in the Build Illinois Fund during such month and (2) the amount transferred during such month to the Build Illinois Fund from

the State and Local Sales Tax Reform Fund shall have been less than 1/12 of the Annual Specified Amount, an amount equal to the difference shall be immediately paid into the Build Illinois Fund from other moneys received by the Department pursuant to the Tax Acts; and, further provided, that in no event shall the payments required under the preceding proviso result in aggregate payments into the Build Illinois Fund pursuant to this clause (b) for any fiscal year in excess of the greater of (i) the Tax Act Amount or (ii) the Annual Specified Amount for such fiscal year; and, further provided, that the amounts payable into the Build Illinois Fund under this clause (b) shall be payable only until such time as the aggregate amount on deposit under each trust indenture securing Bonds issued and outstanding pursuant to the Build Illinois Bond Act is sufficient, taking into account any future investment income, to fully provide, in accordance with such indenture, for the defeasance of or the payment of the principal of, premium, if any, and interest on the Bonds secured by such indenture and on any Bonds expected to be issued thereafter and all fees and costs payable with respect thereto, all as certified by the Director of the Bureau of the Budget (now Governor's Office of Management and Budget). If on the last business day of any month in which Bonds are outstanding pursuant to the Build Illinois Bond Act, the aggregate of the moneys deposited in the Build Illinois Bond Account in the Build Illinois Fund in such month shall be less than the amount required to be transferred in such month from the Build Illinois Bond Account to the Build Illinois Bond Retirement and Interest Fund pursuant to Section 13 of the Build Illinois Bond Act, an amount equal to such deficiency shall be immediately paid from other moneys received by the Department pursuant to the Tax Acts to the Build Illinois Fund; provided, however, that any amounts paid to the Build Illinois Fund in any fiscal year pursuant to this sentence shall be deemed to constitute payments pursuant to clause (b) of the preceding sentence and shall reduce the amount otherwise

payable for such fiscal year pursuant to clause (b) of the preceding sentence. The moneys received by the Department pursuant to this Act and required to be deposited into the Build Illinois Fund are subject to the pledge, claim and charge set forth in Section 12 of the Build Illinois Bond Act.

Subject to payment of amounts into the Build Illinois Fund as provided in the preceding paragraph or in any amendment thereto hereafter enacted, the following specified monthly installment of the amount requested in the certificate of the Chairman of the Metropolitan Pier and Exposition Authority provided under Section 8.25f of the State Finance Act, but not in excess of the sums designated as "Total Deposit", shall be deposited in the aggregate from collections under Section 9 of the Use Tax Act, Section 9 of the Service Use Tax Act, Section 9 of the Service Occupation Tax Act, and Section 3 of the Retailers' Occupation Tax Act into the McCormick Place Expansion Project Fund in the specified fiscal years.

Fiscal Year	Total Deposit
1993	$0
1994	53,000,000
1995	58,000,000
1996	61,000,000
1997	64,000,000
1998	68,000,000
1999	71,000,000
2000	75,000,000
2001	80,000,000
2002	93,000,000
2003	99,000,000
2004	103,000,000
2005	108,000,000
2006	113,000,000
2007	119,000,000
2008	126,000,000
2009	132,000,000

2010	139,000,000
2011	146,000,000
2012	153,000,000
2013	161,000,000
2014	170,000,000
2015	179,000,000
2016	189,000,000
2017	199,000,000
2018	210,000,000
2019	221,000,000
2020	233,000,000
2021	246,000,000
2022	260,000,000
2023 and each fiscal year thereafter that bonds are outstanding under Section 13.2 of the Metropolitan Pier and Exposition Authority Act, but not after fiscal year 2042.	275,000,000

Beginning July 20, 1993 and in each month of each fiscal year thereafter, one-eighth of the amount requested in the certificate of the Chairman of the Metropolitan Pier and Exposition Authority for that fiscal year, less the amount deposited into the McCormick Place Expansion Project Fund by the State Treasurer in the respective month under subsection (g) of Section 13 of the Metropolitan Pier and Exposition Authority Act, plus cumulative deficiencies in the deposits required under this Section for previous months and years, shall be deposited into the McCormick Place Expansion Project Fund, until the full amount requested for the fiscal year, but not in excess of the amount specified above as "Total Deposit", has been deposited.

Subject to payment of amounts into the Build Illinois Fund and the McCormick Place Expansion Project Fund pursuant to the

preceding paragraphs or in any amendments thereto hereafter enacted, beginning July 1, 1993, the Department shall each month pay into the Illinois Tax Increment Fund 0.27% of 80% of the net revenue realized for the preceding month from the 6.25% general rate on the selling price of tangible personal property.

Subject to payment of amounts into the Build Illinois Fund and the McCormick Place Expansion Project Fund pursuant to the preceding paragraphs or in any amendments thereto hereafter enacted, beginning with the receipt of the first report of taxes paid by an eligible business and continuing for a 25-year period, the Department shall each month pay into the Energy Infrastructure Fund 80% of the net revenue realized from the 6.25% general rate on the selling price of Illinois-mined coal that was sold to an eligible business. For purposes of this paragraph, the term "eligible business" means a new electric generating facility certified pursuant to Section 605-332 of the Department of Commerce and Economic Opportunity ~~Community Affairs~~ Law of the Civil Administrative Code of Illinois.

All remaining moneys received by the Department pursuant to this Act shall be paid into the General Revenue Fund of the State Treasury.

As soon as possible after the first day of each month, upon certification of the Department of Revenue, the Comptroller shall order transferred and the Treasurer shall transfer from the General Revenue Fund to the Motor Fuel Tax Fund an amount equal to 1.7% of 80% of the net revenue realized under this Act for the second preceding month. Beginning April 1, 2000, this transfer is no longer required and shall not be made.

Net revenue realized for a month shall be the revenue collected by the State pursuant to this Act, less the amount paid out during that month as refunds to taxpayers for overpayment of liability.

(Source: P.A. 92-12, eff. 7-1-01; 92-208, eff. 8-2-01; 92-492, eff. 1-1-02; 92-600, eff. 6-28-02; 92-651, eff. 7-11-02; revised 10-15-03.)

Section 490. The Retailers' Occupation Tax Act is amended by changing Sections 1d, 1f, 1i, 1j.1, 1k, 1o, and 5l as follows:

(35 ILCS 120/1d) (from Ch. 120, par. 440d)

Sec. 1d. Subject to the provisions of Section 1f, all tangible personal property to be used or consumed within an enterprise zone established pursuant to the "Illinois Enterprise Zone Act", as amended, or subject to the provisions of Section 5.5 of the Illinois Enterprise Zone Act, all tangible personal property to be used or consumed by any High Impact Business, in the process of the manufacturing or assembly of tangible personal property for wholesale or retail sale or lease or in the process of graphic arts production if used or consumed at a facility which is a Department of Commerce and Economic Opportunity ~~Community Affairs~~ certified business and located in a county of more than 4,000 persons and less than 45,000 persons is exempt from the tax imposed by this Act. This exemption includes repair and replacement parts for machinery and equipment used primarily in the process of manufacturing or assembling tangible personal property or in the process of graphic arts production if used or consumed at a facility which is a Department of Commerce and Economic Opportunity ~~Community Affairs~~ certified business and located in a county of more than 4,000 persons and less than 45,000 persons for wholesale or retail sale, or lease, and equipment, manufacturing or graphic arts fuels, material and supplies for the maintenance, repair or operation of such manufacturing or assembling or graphic arts machinery or equipment.
(Source: P.A. 85-1182; 86-1456; revised 12-6-03.)

(35 ILCS 120/1f) (from Ch. 120, par. 440f)

Sec. 1f. Except for High Impact Businesses, the exemption stated in Sections 1d and 1e of this Act shall only apply to business enterprises which:

(1) either (i) make investments which cause the creation of a minimum of 200 full-time equivalent jobs in Illinois or (ii) make investments which cause the retention of a minimum of 2000 full-time jobs in Illinois or (iii) make investments of a minimum of $40,000,000 and retain at least 90% of the jobs in place on the date on which the exemption is granted and for the duration of the exemption; and

(2) are located in an Enterprise Zone established pursuant to the Illinois Enterprise Zone Act; and

(3) are certified by the Department of Commerce and Economic Opportunity ~~Community Affairs~~ as complying with the requirements specified in clauses (1), (2) and (3).

Any business enterprise seeking to avail itself of the exemptions stated in Sections 1d or 1e, or both, shall make application to the Department of Commerce and Economic Opportunity ~~Community Affairs~~ in such form and providing such information as may be prescribed by the Department of Commerce and Economic Opportunity ~~Community Affairs~~. However, no business enterprise shall be required, as a condition for certification under clause (4) of this Section, to attest that its decision to invest under clause (1) of this Section and to locate under clause (2) of this Section is predicated upon the availability of the exemptions authorized by Sections 1d or 1e.

The Department of Commerce and Economic Opportunity ~~Community Affairs~~ shall determine whether the business enterprise meets the criteria prescribed in this Section. If the Department of Commerce and Economic Opportunity ~~Community Affairs~~ determines that such business enterprise meets the criteria, it shall issue a certificate of eligibility for exemption to the business enterprise in such form as is prescribed by the Department of Revenue. The Department of Commerce and Economic Opportunity ~~Community Affairs~~ shall act upon such certification requests within 60 days after receipt of the application, and shall file with the Department of Revenue a copy of each certificate of eligibility for

exemption.

The Department of Commerce and Economic Opportunity ~~Community Affairs~~ shall have the power to promulgate rules and regulations to carry out the provisions of this Section including the power to define the amounts and types of eligible investments not specified in this Section which business enterprises must make in order to receive the exemptions stated in Sections 1d and 1e of this Act; and to require that any business enterprise that is granted a tax exemption repay the exempted tax if the business enterprise fails to comply with the terms and conditions of the certification.

Such certificate of eligibility for exemption shall be presented by the business enterprise to its supplier when making the initial purchase of tangible personal property for which an exemption is granted by Section 1d or Section 1e, or both, together with a certification by the business enterprise that such tangible personal property is exempt from taxation under Section 1d or Section 1e and by indicating the exempt status of each subsequent purchase on the face of the purchase order.

The Department of Commerce and Economic Opportunity ~~Community Affairs~~ shall determine the period during which such exemption from the taxes imposed under this Act is in effect which shall not exceed 20 years.

(Source: P.A. 86-44; 86-1456; revised 12-6-03.)

(35 ILCS 120/1i) (from Ch. 120, par. 440i)

Sec. 1i. High Impact Service Facility means a facility used primarily for the sorting, handling and redistribution of mail, freight, cargo, or other parcels received from agents or employees of the handler or shipper for processing at a common location and redistribution to other employees or agents for delivery to an ultimate destination on an item-by-item basis, and which: (1) will make an investment in a business enterprise project of $100,000,000 dollars or more; (2) will cause the creation of at least 750 to 1,000 jobs or more in an enterprise

zone established pursuant to the Illinois Enterprise Zone Act; and (3) is certified by the Department of Commerce and Economic Opportunity ~~Community Affairs~~ as contractually obligated to meet the requirements specified in divisions (1) and (2) of this paragraph within the time period as specified by the certification. Any business enterprise project applying for the exemption stated in this Section shall make application to the Department of Commerce and Economic Opportunity ~~Community Affairs~~ in such form and providing such information as may be prescribed by the Department of Commerce and Economic Opportunity ~~Community Affairs~~.

The Department of Commerce and Economic Opportunity ~~Community Affairs~~ shall determine whether the business enterprise project meets the criteria prescribed in this Section. If the Department of Commerce and Economic Opportunity ~~Community Affairs~~ determines that such business enterprise project meets the criteria, it shall issue a certificate of eligibility for exemption to the business enterprise in such form as is prescribed by the Department of Revenue. The Department of Commerce and Economic Opportunity ~~Community Affairs~~ shall act upon such certification requests within 60 days after receipt of the application, and shall file with the Department of Revenue a copy of each certificate of eligibility for exemption.

The Department of Commerce and Economic Opportunity ~~Community Affairs~~ shall have the power to promulgate rules and regulations to carry out the provisions of this Section and to require that any business enterprise that is granted a tax exemption repay the exempted tax if the business enterprise fails to comply with the terms and conditions of the certification.

The certificate of eligibility for exemption shall be presented by the business enterprise to its supplier when making the initial purchase of machinery and equipment for which an exemption is granted by Section 1j of this Act, together with a certification by the business enterprise that

such machinery and equipment is exempt from taxation under Section 1j of this Act and by indicating the exempt status of each subsequent purchase on the face of the purchase order.

The certification of eligibility for exemption shall be presented by the business enterprise to its supplier when making the purchase of jet fuel and petroleum products for which an exemption is granted by Section 1j.1 of this Act, together with a certification by the business enterprise that such jet fuel and petroleum product, are exempt from taxation under Section 1j.1 of this Act, and by indicating the exempt status of each subsequent purchase on the face of the purchase order.

The Department of Commerce and Economic Opportunity ~~Community Affairs~~ shall determine the period during which such exemption from the taxes imposed under this Act will remain in effect.

(Source: P.A. 90-42, eff. 1-1-98; revised 12-6-03.)

(35 ILCS 120/1j.1)

Sec. 1j.1. Exemption; jet fuel used in the operation of high impact service facilities. Subject to the provisions of Section 1i of this Act, jet fuel and petroleum products sold to and used in the conduct of its business of sorting, handling and redistribution of mail, freight, cargo or other parcels in the operation of a high impact service facility, as defined in Section 1i of this Act, located within an enterprise zone established pursuant to the Illinois Enterprise Zone Act shall be exempt from the tax imposed by this Act, provided that the business enterprise has waived its right to a tax exemption of the charges imposed under Section 9-222.1 of the Public Utilities Act. The Department of Commerce and Economic Opportunity ~~Community Affairs~~ shall promulgate rules necessary to further define jet fuel and petroleum products sold to, used, and eligible for exemption in a high impact service facility. The minimum period for which an exemption from taxes is granted by this Section is 10 years, regardless of the

duration of the enterprise zone in which the project is located.

(Source: P.A. 90-42, eff. 1-1-98; revised 12-6-03.)

(35 ILCS 120/1k) (from Ch. 120, par. 440k)

Sec. 1k. Aircraft maintenance facility means a facility operated by an interstate carrier for hire that is used primarily for the maintenance, rebuilding or repair of aircraft, aircraft parts and auxiliary equipment owned or leased by that carrier and used by that carrier as rolling stock moving in interstate commerce, and which: (1) will make an investment by the interstate carrier for hire of $400,000,000 or more in an enterprise zone; (2) will cause the creation of at least 5,000 full-time jobs in that enterprise zone; (3) is located in a county with population not less than 150,000 and not more than 200,000 and that contains 3 enterprise zones as of December 31, 1990; (4) enters into a legally binding agreement with the Department of Commerce and Economic Opportunity ~~Community Affairs~~ to comply with clauses (1) and (2) of this paragraph within a time period specified in the rules and regulations promulgated pursuant to this Section; and (5) is certified by the Department of Commerce and Economic Opportunity ~~Community Affairs~~ to be in compliance with clauses (1), (2), (3) and (4) of this Section. Any aircraft maintenance facility applying for the exemption stated in this Section shall make application to the Department of Commerce and Economic Opportunity ~~Community Affairs~~ in such form and providing such information as may be prescribed by the Department of Commerce and Economic Opportunity ~~Community Affairs~~.

The Department of Commerce and Economic Opportunity ~~Community Affairs~~ shall determine whether the facility meets the criteria prescribed in this Section. If the Department of Commerce and Economic Opportunity ~~Community Affairs~~ determines that the facility meets the criteria, it shall issue a certificate of eligibility for exemption in the form prescribed

by the Department of Revenue to the business enterprise operating the facility. The Department of Commerce and Economic Opportunity ~~Community Affairs~~ shall act upon certification request within 60 days after receipt of application, and shall file with the Department of Revenue a copy of each certificate of eligibility for exemption.

The Department of Commerce and Economic Opportunity ~~Community Affairs~~ shall promulgate rules and regulations to carry out the provisions of this Section, and to require that any business enterprise that is granted a tax exemption pay the exempted tax to the Department of Revenue if the business enterprise fails to comply with the terms and conditions of the certification, and pay all penalties and interest on that exempted tax as determined by the Department of Revenue.

The certificate of eligibility for exemption shall be presented by the business enterprise to its supplier when making the initial purchase of machinery and equipment for which an exemption is granted by Section 1m or Section 1n of this Act, or both, together with a certification by the business enterprise that the machinery and equipment is exempt from taxation under Section 1m or 1n of this Act. The exempt status, if any, of each subsequent purchase shall be indicated on the face of the purchase order.

(Source: P.A. 86-1490; revised 12-6-03.)

(35 ILCS 120/1o)

Sec. 1o. Aircraft support center exemption.

(a) For the purposes of this Act, "aircraft support center" means a support center operated by a carrier for hire that is used primarily for the maintenance, rebuilding, or repair of aircraft, aircraft parts, and auxiliary equipment, and which carrier:

(1) will make an investment of $30,000,000 or more at a federal Air Force Base located in this State;

(2) will cause the creation of at least 750 full-time jobs at a joint use military and civilian airport at that

federal Air Force Base;

(3) enters into a legally binding agreement with the Department of Commerce and Economic Opportunity ~~Community Affairs~~ to comply with paragraphs (1) and (2) within a time period specified in the rules and regulations promulgated by the Department of Commerce and Economic Opportunity ~~Community Affairs~~ pursuant to this subsection; and

(4) is certified by the Department of Commerce and Economic Opportunity ~~Community Affairs~~ to be in compliance with paragraphs (1), (2), and (3).

Any aircraft support center applying for an exemption stated in this Section shall make application to the Department of Commerce and Economic Opportunity ~~Community Affairs~~ in such form and providing such information as may be prescribed by that Department. The Department of Commerce and Economic Opportunity ~~Community Affairs~~ shall determine whether the aircraft support center meets the criteria prescribed in this subsection. If the Department of Commerce and Economic Opportunity ~~Community Affairs~~ determines that the aircraft support center meets the criteria, it shall issue a certificate of eligibility for exemption in the form prescribed by the Department of Revenue to the carrier operating the aircraft support center. The Department of Commerce and Economic Opportunity ~~Community Affairs~~ shall act upon certification request within 60 days after receipt of application and shall file with the Department of Revenue a copy of each certificate of eligibility for exemption.

The Department of Commerce and Economic Opportunity ~~Community Affairs~~ shall promulgate rules and regulations to carry out the provisions of this subsection and to require that any business operating an aircraft support center that is granted a tax exemption pay the exempted tax to the Department of Revenue if the business fails to comply with the terms and conditions of the certification and pay all penalties and interest on that exempted tax as determined by the Department of Revenue.

The certificate of eligibility for exemption shall be presented by the carrier operating an aircraft support center to its supplier when making the initial purchase of items for which an exemption is granted by this Section together with a certification by the business that the items are exempt from taxation under this Act. The exempt status, if any, of each subsequent purchase shall be indicated on the face of the purchase order.

(b) Subject to the provisions of this subsection, jet fuel and petroleum products used or consumed by any aircraft support center directly in the process of maintaining, rebuilding, or repairing aircraft is exempt from the tax imposed by this Act. The Department of Revenue shall promulgate any rules necessary to further define the items eligible for exemption.

(c) This Section is exempt from the provisions of Section 2-70.

(Source: P.A. 90-792, eff. 1-1-99; revised 12-6-03.)

(35 ILCS 120/5l) (from Ch. 120, par. 444l)

Sec. 5l. Beginning January 1, 1995, each retailer who makes a sale of building materials that will be incorporated into a High Impact Business location as designated by the Department of Commerce and Economic Opportunity ~~Community Affairs~~ under Section 5.5 of the Illinois Enterprise Zone Act may deduct receipts from such sales when calculating only the 6.25% State rate of tax imposed by this Act. Beginning on the effective date of this amendatory Act of 1995, a retailer may also deduct receipts from such sales when calculating any applicable local taxes. However, until the effective date of this amendatory Act of 1995, a retailer may file claims for credit or refund to recover the amount of any applicable local tax paid on such sales. No retailer who is eligible for the deduction or credit under Section 5k of this Act for making a sale of building materials to be incorporated into real estate in an enterprise zone by rehabilitation, remodeling or new construction shall be eligible for the deduction or credit authorized under this

Section.

(Source: P.A. 89-89, eff. 6-30-95; revised 12-6-03.)

Section 495. The Gas Use Tax Law is amended by changing Section 5-10 as follows:

(35 ILCS 173/5-10)

Sec. 5-10. Imposition of tax. Beginning October 1, 2003, a tax is imposed upon the privilege of using in this State gas obtained in a purchase of out-of-state gas at the rate of 2.4 cents per therm or 5% of the purchase price for the billing period, whichever is the lower rate. Such tax rate shall be referred to as the "self-assessing purchaser tax rate". Beginning with bills issued by delivering suppliers on and after October 1, 2003, purchasers may elect an alternative tax rate of 2.4 cents per therm to be paid under the provisions of Section 5-15 of this Law to a delivering supplier maintaining a place of business in this State. Such tax rate shall be referred to as the "alternate tax rate". The tax imposed under this Section shall not apply to gas used by business enterprises certified under Section 9-222.1 of the Public Utilities Act, as amended, to the extent of such exemption and during the period of time specified by the Department of Commerce and Economic Opportunity ~~Community Affairs~~.

(Source: P.A. 93-31, eff. 10-1-03; revised 12-6-03.)

Section 500. The Property Tax Code is amended by changing Sections 10-5, 18-165, 29-10, and 29-15 as follows:

(35 ILCS 200/10-5)

Sec. 10-5. Solar energy systems; definitions. It is the policy of this State that the use of solar energy systems should be encouraged because they conserve nonrenewable resources, reduce pollution and promote the health and well-being of the people of this State, and should be valued in relation to these benefits.

(a) "Solar energy" means radiant energy received from the sun at wave lengths suitable for heat transfer, photosynthetic use, or photovoltaic use.

(b) "Solar collector" means

(1) An assembly, structure, or design, including passive elements, used for gathering, concentrating, or absorbing direct and indirect solar energy, specially designed for holding a substantial amount of useful thermal energy and to transfer that energy to a gas, solid, or liquid or to use that energy directly; or

(2) A mechanism that absorbs solar energy and converts it into electricity; or

(3) A mechanism or process used for gathering solar energy through wind or thermal gradients; or

(4) A component used to transfer thermal energy to a gas, solid, or liquid, or to convert it into electricity.

(c) "Solar storage mechanism" means equipment or elements (such as piping and transfer mechanisms, containers, heat exchangers, or controls thereof, and gases, solids, liquids, or combinations thereof) that are utilized for storing solar energy, gathered by a solar collector, for subsequent use.

(d) "Solar energy system" means

(1)(A) A complete assembly, structure, or design of solar collector, or a solar storage mechanism, which uses solar energy for generating electricity or for heating or cooling gases, solids, liquids, or other materials;

(B) The design, materials, or elements of a system and its maintenance, operation, and labor components, and the necessary components, if any, of supplemental conventional energy systems designed or constructed to interface with a solar energy system; and

(C) Any legal, financial, or institutional orders, certificates, or mechanisms, including easements, leases, and agreements, required to ensure continued access to solar energy, its source, or its use in a solar energy system, and including monitoring and educational elements

of a demonstration project.

(2) "Solar energy system" does not include

(A) Distribution equipment that is equally usable in a conventional energy system except for those components of the equipment that are necessary for meeting the requirements of efficient solar energy utilization; and

(B) Components of a solar energy system that serve structural, insulating, protective, shading, aesthetic, or other non-solar energy utilization purposes, as defined in the regulations of the Department of Commerce and Economic Opportunity ~~Community Affairs~~.

(3) The solar energy system shall conform to the standards for those systems established by regulation of the Department of Commerce and Economic Opportunity ~~Community Affairs~~.

(Source: P.A. 88-455; 89-445, eff. 2-7-96; revised 12-6-03.)

(35 ILCS 200/18-165)

Sec. 18-165. Abatement of taxes.

(a) Any taxing district, upon a majority vote of its governing authority, may, after the determination of the assessed valuation of its property, order the clerk of that county to abate any portion of its taxes on the following types of property:

(1) Commercial and industrial.

(A) The property of any commercial or industrial firm, including but not limited to the property of (i) any firm that is used for collecting, separating, storing, or processing recyclable materials, locating within the taxing district during the immediately preceding year from another state, territory, or country, or having been newly created within this State during the immediately preceding year, or expanding an existing facility, or (ii) any firm that is used for

the generation and transmission of electricity locating within the taxing district during the immediately preceding year or expanding its presence within the taxing district during the immediately preceding year by construction of a new electric generating facility that uses natural gas as its fuel, or any firm that is used for production operations at a new, expanded, or reopened coal mine within the taxing district, that has been certified as a High Impact Business by the Illinois Department of Commerce and Economic Opportunity ~~Community Affairs~~. The property of any firm used for the generation and transmission of electricity shall include all property of the firm used for transmission facilities as defined in Section 5.5 of the Illinois Enterprise Zone Act. The abatement shall not exceed a period of 10 years and the aggregate amount of abated taxes for all taxing districts combined shall not exceed $4,000,000.

(A-5) Any property in the taxing district of a new electric generating facility, as defined in Section 605-332 of the Department of Commerce and Economic Opportunity ~~Community Affairs~~ Law of the Civil Administrative Code of Illinois. The abatement shall not exceed a period of 10 years. The abatement shall be subject to the following limitations:

(i) if the equalized assessed valuation of the new electric generating facility is equal to or greater than $25,000,000 but less than $50,000,000, then the abatement may not exceed (i) over the entire term of the abatement, 5% of the taxing district's aggregate taxes from the new electric generating facility and (ii) in any one year of abatement, 20% of the taxing district's taxes from the new electric generating facility;

(ii) if the equalized assessed valuation of the new electric generating facility is equal to or

greater than $50,000,000 but less than $75,000,000, then the abatement may not exceed (i) over the entire term of the abatement, 10% of the taxing district's aggregate taxes from the new electric generating facility and (ii) in any one year of abatement, 35% of the taxing district's taxes from the new electric generating facility;

(iii) if the equalized assessed valuation of the new electric generating facility is equal to or greater than $75,000,000 but less than $100,000,000, then the abatement may not exceed (i) over the entire term of the abatement, 20% of the taxing district's aggregate taxes from the new electric generating facility and (ii) in any one year of abatement, 50% of the taxing district's taxes from the new electric generating facility;

(iv) if the equalized assessed valuation of the new electric generating facility is equal to or greater than $100,000,000 but less than $125,000,000, then the abatement may not exceed (i) over the entire term of the abatement, 30% of the taxing district's aggregate taxes from the new electric generating facility and (ii) in any one year of abatement, 60% of the taxing district's taxes from the new electric generating facility;

(v) if the equalized assessed valuation of the new electric generating facility is equal to or greater than $125,000,000 but less than $150,000,000, then the abatement may not exceed (i) over the entire term of the abatement, 40% of the taxing district's aggregate taxes from the new electric generating facility and (ii) in any one year of abatement, 60% of the taxing district's taxes from the new electric generating facility;

(vi) if the equalized assessed valuation of the new electric generating facility is equal to or

greater than $150,000,000, then the abatement may not exceed (i) over the entire term of the abatement, 50% of the taxing district's aggregate taxes from the new electric generating facility and (ii) in any one year of abatement, 60% of the taxing district's taxes from the new electric generating facility.

The abatement is not effective unless the owner of the new electric generating facility agrees to repay to the taxing district all amounts previously abated, together with interest computed at the rate and in the manner provided for delinquent taxes, in the event that the owner of the new electric generating facility closes the new electric generating facility before the expiration of the entire term of the abatement.

The authorization of taxing districts to abate taxes under this subdivision (a)(1)(A-5) expires on January 1, 2010.

(B) The property of any commercial or industrial development of at least 500 acres having been created within the taxing district. The abatement shall not exceed a period of 20 years and the aggregate amount of abated taxes for all taxing districts combined shall not exceed $12,000,000.

(C) The property of any commercial or industrial firm currently located in the taxing district that expands a facility or its number of employees. The abatement shall not exceed a period of 10 years and the aggregate amount of abated taxes for all taxing districts combined shall not exceed $4,000,000. The abatement period may be renewed at the option of the taxing districts.

(2) Horse racing. Any property in the taxing district which is used for the racing of horses and upon which capital improvements consisting of expansion, improvement or replacement of existing facilities have been made since

July 1, 1987. The combined abatements for such property from all taxing districts in any county shall not exceed $5,000,000 annually and shall not exceed a period of 10 years.

(3) Auto racing. Any property designed exclusively for the racing of motor vehicles. Such abatement shall not exceed a period of 10 years.

(4) Academic or research institute. The property of any academic or research institute in the taxing district that (i) is an exempt organization under paragraph (3) of Section 501(c) of the Internal Revenue Code, (ii) operates for the benefit of the public by actually and exclusively performing scientific research and making the results of the research available to the interested public on a non-discriminatory basis, and (iii) employs more than 100 employees. An abatement granted under this paragraph shall be for at least 15 years and the aggregate amount of abated taxes for all taxing districts combined shall not exceed $5,000,000.

(5) Housing for older persons. Any property in the taxing district that is devoted exclusively to affordable housing for older households. For purposes of this paragraph, "older households" means those households (i) living in housing provided under any State or federal program that the Department of Human Rights determines is specifically designed and operated to assist elderly persons and is solely occupied by persons 55 years of age or older and (ii) whose annual income does not exceed 80% of the area gross median income, adjusted for family size, as such gross income and median income are determined from time to time by the United States Department of Housing and Urban Development. The abatement shall not exceed a period of 15 years, and the aggregate amount of abated taxes for all taxing districts shall not exceed $3,000,000.

(6) Historical society. For assessment years 1998 through 2008, the property of an historical society

qualifying as an exempt organization under Section 501(c)(3) of the federal Internal Revenue Code.

(7) Recreational facilities. Any property in the taxing district (i) that is used for a municipal airport, (ii) that is subject to a leasehold assessment under Section 9-195 of this Code and (iii) which is sublet from a park district that is leasing the property from a municipality, but only if the property is used exclusively for recreational facilities or for parking lots used exclusively for those facilities. The abatement shall not exceed a period of 10 years.

(8) Relocated corporate headquarters. If approval occurs within 5 years after the effective date of this amendatory Act of the 92nd General Assembly, any property or a portion of any property in a taxing district that is used by an eligible business for a corporate headquarters as defined in the Corporate Headquarters Relocation Act. Instead of an abatement under this paragraph (8), a taxing district may enter into an agreement with an eligible business to make annual payments to that eligible business in an amount not to exceed the property taxes paid directly or indirectly by that eligible business to the taxing district and any other taxing districts for premises occupied pursuant to a written lease and may make those payments without the need for an annual appropriation. No school district, however, may enter into an agreement with, or abate taxes for, an eligible business unless the municipality in which the corporate headquarters is located agrees to provide funding to the school district in an amount equal to the amount abated or paid by the school district as provided in this paragraph (8). Any abatement ordered or agreement entered into under this paragraph (8) may be effective for the entire term specified by the taxing district, except the term of the abatement or annual payments may not exceed 20 years.

(b) Upon a majority vote of its governing authority, any

municipality may, after the determination of the assessed valuation of its property, order the county clerk to abate any portion of its taxes on any property that is located within the corporate limits of the municipality in accordance with Section 8-3-18 of the Illinois Municipal Code.

(Source: P.A. 92-12, eff. 7-1-01; 92-207, eff. 8-1-01; 92-247, eff. 8-3-01; 92-651, eff. 7-11-02; 93-270, eff. 7-22-03; revised 12-6-03.)

(35 ILCS 200/29-10)

Sec. 29-10. State must be party to proceedings. No amount may be claimed from the State by or on behalf of any unit of local government for any local improvement made by special assessment or special tax that benefits, or is alleged to benefit, abutting property owned by the State unless the State has been made a party to all proceedings, has been given all notices, and has been afforded the same opportunities for hearing and for objecting to the assessment in the same manner and under the same conditions as provided in the law applicable to the making of the local improvement by special assessment or special tax by that unit of local government.

For the purposes of this Article, any notices required under applicable law must be sent by registered or certified mail to the Director of the Department or the other State officer having jurisdiction over the State property affected, to the Director of ~~the Department of~~ Commerce and Economic Opportunity ~~Community Affairs~~, and to the Attorney General.

(Source: P.A. 86-933; 88-455; revised 12-6-03.)

(35 ILCS 200/29-15)

Sec. 29-15. Payment of assessment. When the Attorney General has certified to the Director of Commerce and Economic Opportunity ~~Community Affairs~~ that the amount, in the nature of a special assessment by which specified abutting State property has been benefited by a specified local improvement, has been determined in compliance with this Article, the Director shall,

to the extent that appropriations are available for that purpose, voucher the amount of that assessment, or $25,000, whichever is less, for payment to the appropriate unit of local government. When the amount appropriated in any fiscal year for those purposes is insufficient to pay a special assessment totalling $25,000 or less in full, the balance of that special assessment shall be vouchered for payment from the appropriation for those purposes for the next succeeding fiscal year.

If the amount of the assessment exceeds $25,000, the Director of the Department or the other State officer having jurisdiction over the property affected shall include in the Department's budget for the next succeeding fiscal year a request for the appropriation of the amount by which the assessment exceeds $25,000, plus interest, if any, which shall be vouchered for payment from that appropriation.

(Source: P.A. 86-933; 88-455; revised 12-6-03.)

Section 505. The Gas Revenue Tax Act is amended by changing Section 1 as follows:

(35 ILCS 615/1) (from Ch. 120, par. 467.16)

Sec. 1. For the purposes of this Act: "Gross receipts" means the consideration received for gas distributed, supplied, furnished or sold to persons for use or consumption and not for resale, and for all services (including the transportation or storage of gas for an end-user) rendered in connection therewith, and shall include cash, services and property of every kind or nature, and shall be determined without any deduction on account of the cost of the service, product or commodity supplied, the cost of materials used, labor or service costs, or any other expense whatsoever. However, "gross receipts" shall not include receipts from:

(i) any minimum or other charge for gas or gas service where the customer has taken no therms of gas;

(ii) any charge for a dishonored check;

(iii) any finance or credit charge, penalty or charge for delayed payment, or discount for prompt payment;

(iv) any charge for reconnection of service or for replacement or relocation of facilities;

(v) any advance or contribution in aid of construction;

(vi) repair, inspection or servicing of equipment located on customer premises;

(vii) leasing or rental of equipment, the leasing or rental of which is not necessary to distributing, furnishing, supplying, selling, transporting or storing gas;

(viii) any sale to a customer if the taxpayer is prohibited by federal or State constitution, treaty, convention, statute or court decision from recovering the related tax liability from such customer;

(ix) any charges added to customers' bills pursuant to the provisions of Section 9-221 or Section 9-222 of the Public Utilities Act, as amended, or any charges added to customers' bills by taxpayers who are not subject to rate regulation by the Illinois Commerce Commission for the purpose of recovering any of the tax liabilities or other amounts specified in such provisions of such Act; and

(x) prior to October 1, 2003, any charge for gas or gas services to a customer who acquired contractual rights for the direct purchase of gas or gas services originating from an out-of-state supplier or source on or before March 1, 1995, except for those charges solely related to the local distribution of gas by a public utility. This exemption includes any charge for gas or gas service, except for those charges solely related to the local distribution of gas by a public utility, to a customer who maintained an account with a public utility (as defined in Section 3-105 of the Public Utilities Act) for the transportation of customer-owned gas on or before March 1, 1995. The provisions of this amendatory Act of 1997 are intended to clarify, rather than change, existing law as to the meaning

and scope of this exemption. This exemption (x) expires on September 30, 2003.

In case credit is extended, the amount thereof shall be included only as and when payments are received.

"Gross receipts" shall not include consideration received from business enterprises certified under Section 9-222.1 of the Public Utilities Act, as amended, to the extent of such exemption and during the period of time specified by the Department of Commerce and Economic Opportunity ~~Community Affairs~~.

"Department" means the Department of Revenue of the State of Illinois.

"Director" means the Director of Revenue for the Department of Revenue of the State of Illinois.

"Taxpayer" means a person engaged in the business of distributing, supplying, furnishing or selling gas for use or consumption and not for resale.

"Person" means any natural individual, firm, trust, estate, partnership, association, joint stock company, joint adventure, corporation, limited liability company, or a receiver, trustee, guardian or other representative appointed by order of any court, or any city, town, county or other political subdivision of this State.

"Invested capital" means that amount equal to (i) the average of the balances at the beginning and end of each taxable period of the taxpayer's total stockholder's equity and total long-term debt, less investments in and advances to all corporations, as set forth on the balance sheets included in the taxpayer's annual report to the Illinois Commerce Commission for the taxable period; (ii) multiplied by a fraction determined under Sections 301 and 304(a) of the "Illinois Income Tax Act" and reported on the Illinois income tax return for the taxable period ending in or with the taxable period in question. However, notwithstanding the income tax return reporting requirement stated above, beginning July 1, 1979, no taxpayer's denominators used to compute the sales,

property or payroll factors under subsection (a) of Section 304 of the Illinois Income Tax Act shall include payroll, property or sales of any corporate entity other than the taxpayer for the purposes of determining an allocation for the invested capital tax. This amendatory Act of 1982, Public Act 82-1024, is not intended to and does not make any change in the meaning of any provision of this Act, it having been the intent of the General Assembly in initially enacting the definition of "invested capital" to provide for apportionment of the invested capital of each company, based solely upon the sales, property and payroll of that company.

"Taxable period" means each period which ends after the effective date of this Act and which is covered by an annual report filed by the taxpayer with the Illinois Commerce Commission.

(Source: P.A. 93-31, eff. 10-1-03; revised 12-6-03.)

Section 510. The Public Utilities Revenue Act is amended by changing Section 1 as follows:

(35 ILCS 620/1) (from Ch. 120, par. 468)

Sec. 1. For the purposes of this Law:

"Consumer Price Index" means the Consumer Price Index For All Urban Consumers for all items published by the United States Department of Labor; provided that if this index no longer exists, the Department of Revenue shall prescribe the use of a comparable, substitute index.

"Gross receipts" means the consideration received for electricity distributed, supplied, furnished or sold to persons for use or consumption and not for resale, and for all services (including the transmission of electricity for an end-user) rendered in connection therewith, and includes cash, services and property of every kind or nature, and shall be determined without any deduction on account of the cost of the service, product or commodity supplied, the cost of materials used, labor or service costs, or any other expense whatsoever.

However, "gross receipts" shall not include receipts from:

(i) any minimum or other charge for electricity or electric service where the customer has taken no kilowatt-hours of electricity;

(ii) any charge for a dishonored check;

(iii) any finance or credit charge, penalty or charge for delayed payment, or discount for prompt payment;

(iv) any charge for reconnection of service or for replacement or relocation of facilities;

(v) any advance or contribution in aid of construction;

(vi) repair, inspection or servicing of equipment located on customer premises;

(vii) leasing or rental of equipment, the leasing or rental of which is not necessary to distributing, furnishing, supplying, selling or transporting electricity;

(viii) any sale to a customer if the taxpayer is prohibited by federal or State constitution, treaty, convention, statute or court decision from recovering the related tax liability from such customer; and

(ix) any charges added to customers' bills pursuant to the provisions of Section 9-221 or Section 9-222 of the Public Utilities Act, as amended, or any charges added to customers' bills by taxpayers who are not subject to rate regulation by the Illinois Commerce Commission for the purpose of recovering any of the tax liabilities or other amount specified in such provisions of such Act. In case credit is extended, the amount thereof shall be included only as and when payments are received.

"Gross receipts" shall not include consideration received from business enterprises certified under Section 9-222.1 of the Public Utilities Act, as amended, to the extent of such exemption and during the period of time specified by the Department of Commerce and Economic Opportunity ~~Community Affairs~~.

"Department" means the Department of Revenue of the State

of Illinois.

"Director" means the Director of Revenue for the Department of Revenue of the State of Illinois.

"Distributing electricity" means delivering electric energy to an end user over facilities owned, leased, or controlled by the taxpayer.

"Taxpayer" for purposes of the tax on the distribution of electricity imposed by this Act means an electric cooperative, an electric utility, or an alternative retail electric supplier (other than a person that is an alternative retail electric supplier solely pursuant to subsection (e) of Section 16-115 of the Public Utilities Act), as those terms are defined in the Public Utilities Act, engaged in the business of distributing electricity in this State for use or consumption and not for resale.

"Taxpayer" for purposes of the Public Utilities Revenue Tax means a person engaged in the business of distributing, supplying, furnishing or selling electricity for use or consumption and not for resale.

"Person" means any natural individual, firm, trust, estate, partnership, association, joint stock company, joint adventure, corporation, limited liability company, or a receiver, trustee, guardian or other representative appointed by order of any court, or any city, town, county or other political subdivision of this State.

"Invested capital" in the case of an electric cooperative subject to the tax imposed by Section 2a.1 means an amount equal to the product determined by multiplying, (i) the average of the balances at the beginning and end of the taxable period of the taxpayer's total equity (including memberships, patronage capital, operating margins, non-operating margins, other margins and other equities), as set forth on the balance sheets included in the taxpayer's annual report to the United States Department of Agriculture Rural Utilities Services (established pursuant to the federal Rural Electrification Act of 1936, as amended), by (ii) the fraction determined under

Sections 301 and 304(a) of the Illinois Income Tax Act, as amended, for the taxable period.

"Taxable period" means each calendar year which ends after the effective date of this Act. In the case of an electric cooperative subject to the tax imposed by Section 2a.1, "taxable period" means each calendar year ending after the effective date of this Act and covered by an annual report filed by the taxpayer with the United States Department of Agriculture Rural Utilities Services.

(Source: P.A. 90-561, eff. 1-1-98; revised 12-6-03.)

Section 515. The Telecommunications Excise Tax Act is amended by changing Section 2 as follows:

(35 ILCS 630/2) (from Ch. 120, par. 2002)

Sec. 2. As used in this Article, unless the context clearly requires otherwise:

(a) "Gross charge" means the amount paid for the act or privilege of originating or receiving telecommunications in this State and for all services and equipment provided in connection therewith by a retailer, valued in money whether paid in money or otherwise, including cash, credits, services and property of every kind or nature, and shall be determined without any deduction on account of the cost of such telecommunications, the cost of materials used, labor or service costs or any other expense whatsoever. In case credit is extended, the amount thereof shall be included only as and when paid. "Gross charges" for private line service shall include charges imposed at each channel termination point within this State, charges for the channel mileage between each channel termination point within this State, and charges for that portion of the interstate inter-office channel provided within Illinois. Charges for that portion of the interstate inter-office channel provided in Illinois shall be determined by the retailer as follows: (i) for interstate inter-office channels having 2 channel termination points, only one of which

is in Illinois, 50% of the total charge imposed; or (ii) for interstate inter-office channels having more than 2 channel termination points, one or more of which are in Illinois, an amount equal to the total charge multiplied by a fraction, the numerator of which is the number of channel termination points within Illinois and the denominator of which is the total number of channel termination points. Prior to January 1, 2004, any method consistent with this paragraph or other method that reasonably apportions the total charges for interstate inter-office channels among the states in which channel terminations points are located shall be accepted as a reasonable method to determine the charges for that portion of the interstate inter-office channel provided within Illinois for that period. However, "gross charges" shall not include any of the following:

(1) Any amounts added to a purchaser's bill because of a charge made pursuant to (i) the tax imposed by this Article; (ii) charges added to customers' bills pursuant to the provisions of Sections 9-221 or 9-222 of the Public Utilities Act, as amended, or any similar charges added to customers' bills by retailers who are not subject to rate regulation by the Illinois Commerce Commission for the purpose of recovering any of the tax liabilities or other amounts specified in such provisions of such Act; (iii) the tax imposed by Section 4251 of the Internal Revenue Code; (iv) 911 surcharges; or (v) the tax imposed by the Simplified Municipal Telecommunications Tax Act.

(2) Charges for a sent collect telecommunication received outside of the State.

(3) Charges for leased time on equipment or charges for the storage of data or information for subsequent retrieval or the processing of data or information intended to change its form or content. Such equipment includes, but is not limited to, the use of calculators, computers, data processing equipment, tabulating equipment or accounting equipment and also includes the usage of computers under a

time-sharing agreement.

(4) Charges for customer equipment, including such equipment that is leased or rented by the customer from any source, wherein such charges are disaggregated and separately identified from other charges.

(5) Charges to business enterprises certified under Section 9-222.1 of the Public Utilities Act, as amended, to the extent of such exemption and during the period of time specified by the Department of Commerce and Economic Opportunity ~~Community Affairs~~.

(6) Charges for telecommunications and all services and equipment provided in connection therewith between a parent corporation and its wholly owned subsidiaries or between wholly owned subsidiaries when the tax imposed under this Article has already been paid to a retailer and only to the extent that the charges between the parent corporation and wholly owned subsidiaries or between wholly owned subsidiaries represent expense allocation between the corporations and not the generation of profit for the corporation rendering such service.

(7) Bad debts. Bad debt means any portion of a debt that is related to a sale at retail for which gross charges are not otherwise deductible or excludable that has become worthless or uncollectable, as determined under applicable federal income tax standards. If the portion of the debt deemed to be bad is subsequently paid, the retailer shall report and pay the tax on that portion during the reporting period in which the payment is made.

(8) Charges paid by inserting coins in coin-operated telecommunication devices.

(9) Amounts paid by telecommunications retailers under the Telecommunications Municipal Infrastructure Maintenance Fee Act.

(10) Charges for nontaxable services or telecommunications if (i) those charges are aggregated with other charges for telecommunications that are

taxable, (ii) those charges are not separately stated on the customer bill or invoice, and (iii) the retailer can reasonably identify the nontaxable charges on the retailer's books and records kept in the regular course of business. If the nontaxable charges cannot reasonably be identified, the gross charge from the sale of both taxable and nontaxable services or telecommunications billed on a combined basis shall be attributed to the taxable services or telecommunications. The burden of proving nontaxable charges shall be on the retailer of the telecommunications.

(b) "Amount paid" means the amount charged to the taxpayer's service address in this State regardless of where such amount is billed or paid.

(c) "Telecommunications", in addition to the meaning ordinarily and popularly ascribed to it, includes, without limitation, messages or information transmitted through use of local, toll and wide area telephone service; private line services; channel services; telegraph services; teletypewriter; computer exchange services; cellular mobile telecommunications service; specialized mobile radio; stationary two way radio; paging service; or any other form of mobile and portable one-way or two-way communications; or any other transmission of messages or information by electronic or similar means, between or among points by wire, cable, fiber-optics, laser, microwave, radio, satellite or similar facilities. As used in this Act, "private line" means a dedicated non-traffic sensitive service for a single customer, that entitles the customer to exclusive or priority use of a communications channel or group of channels, from one or more specified locations to one or more other specified locations. The definition of "telecommunications" shall not include value added services in which computer processing applications are used to act on the form, content, code and protocol of the information for purposes other than transmission. "Telecommunications" shall not include purchases of telecommunications by a telecommunications service provider

for use as a component part of the service provided by him to the ultimate retail consumer who originates or terminates the taxable end-to-end communications. Carrier access charges, right of access charges, charges for use of inter-company facilities, and all telecommunications resold in the subsequent provision of, used as a component of, or integrated into end-to-end telecommunications service shall be non-taxable as sales for resale.

(d) "Interstate telecommunications" means all telecommunications that either originate or terminate outside this State.

(e) "Intrastate telecommunications" means all telecommunications that originate and terminate within this State.

(f) "Department" means the Department of Revenue of the State of Illinois.

(g) "Director" means the Director of Revenue for the Department of Revenue of the State of Illinois.

(h) "Taxpayer" means a person who individually or through his agents, employees or permittees engages in the act or privilege of originating or receiving telecommunications in this State and who incurs a tax liability under this Article.

(i) "Person" means any natural individual, firm, trust, estate, partnership, association, joint stock company, joint venture, corporation, limited liability company, or a receiver, trustee, guardian or other representative appointed by order of any court, the Federal and State governments, including State universities created by statute or any city, town, county or other political subdivision of this State.

(j) "Purchase at retail" means the acquisition, consumption or use of telecommunication through a sale at retail.

(k) "Sale at retail" means the transmitting, supplying or furnishing of telecommunications and all services and equipment provided in connection therewith for a consideration to persons other than the Federal and State governments, and

State universities created by statute and other than between a parent corporation and its wholly owned subsidiaries or between wholly owned subsidiaries for their use or consumption and not for resale.

(l) "Retailer" means and includes every person engaged in the business of making sales at retail as defined in this Article. The Department may, in its discretion, upon application, authorize the collection of the tax hereby imposed by any retailer not maintaining a place of business within this State, who, to the satisfaction of the Department, furnishes adequate security to insure collection and payment of the tax. Such retailer shall be issued, without charge, a permit to collect such tax. When so authorized, it shall be the duty of such retailer to collect the tax upon all of the gross charges for telecommunications in this State in the same manner and subject to the same requirements as a retailer maintaining a place of business within this State. The permit may be revoked by the Department at its discretion.

(m) "Retailer maintaining a place of business in this State", or any like term, means and includes any retailer having or maintaining within this State, directly or by a subsidiary, an office, distribution facilities, transmission facilities, sales office, warehouse or other place of business, or any agent or other representative operating within this State under the authority of the retailer or its subsidiary, irrespective of whether such place of business or agent or other representative is located here permanently or temporarily, or whether such retailer or subsidiary is licensed to do business in this State.

(n) "Service address" means the location of telecommunications equipment from which the telecommunications services are originated or at which telecommunications services are received by a taxpayer. In the event this may not be a defined location, as in the case of mobile phones, paging systems, maritime systems, service address means the customer's place of primary use as defined in the Mobile

Telecommunications Sourcing Conformity Act. For air-to-ground systems and the like, service address shall mean the location of a taxpayer's primary use of the telecommunications equipment as defined by telephone number, authorization code, or location in Illinois where bills are sent.

(o) "Prepaid telephone calling arrangements" mean the right to exclusively purchase telephone or telecommunications services that must be paid for in advance and enable the origination of one or more intrastate, interstate, or international telephone calls or other telecommunications using an access number, an authorization code, or both, whether manually or electronically dialed, for which payment to a retailer must be made in advance, provided that, unless recharged, no further service is provided once that prepaid amount of service has been consumed. Prepaid telephone calling arrangements include the recharge of a prepaid calling arrangement. For purposes of this subsection, "recharge" means the purchase of additional prepaid telephone or telecommunications services whether or not the purchaser acquires a different access number or authorization code. "Prepaid telephone calling arrangement" does not include an arrangement whereby a customer purchases a payment card and pursuant to which the service provider reflects the amount of such purchase as a credit on an invoice issued to that customer under an existing subscription plan.

(Source: P.A. 92-474, eff. 8-1-02; 92-526, eff. 1-1-03; 92-878, eff. 1-1-04; 93-286, 1-1-04; revised 12-6-03.)

Section 520. The Telecommunications Infrastructure Maintenance Fee Act is amended by changing Section 10 as follows:

(35 ILCS 635/10)

Sec. 10. Definitions.

(a) "Gross charges" means the amount paid to a telecommunications retailer for the act or privilege of

originating or receiving telecommunications in this State and for all services rendered in connection therewith, valued in money whether paid in money or otherwise, including cash, credits, services, and property of every kind or nature, and shall be determined without any deduction on account of the cost of such telecommunications, the cost of the materials used, labor or service costs, or any other expense whatsoever. In case credit is extended, the amount thereof shall be included only as and when paid. "Gross charges" for private line service shall include charges imposed at each channel termination point within this State, charges for the channel mileage between each channel termination point within this State, and charges for that portion of the interstate inter-office channel provided within Illinois. Charges for that portion of the interstate inter-office channel provided in Illinois shall be determined by the retailer as follows: (i) for interstate inter-office channels having 2 channel termination points, only one of which is in Illinois, 50% of the total charge imposed; or (ii) for interstate inter-office channels having more than 2 channel termination points, one or more of which are in Illinois, an amount equal to the total charge multiplied by a fraction, the numerator of which is the number of channel termination points within Illinois and the denominator of which is the total number of channel termination points. Prior to January 1, 2004, any method consistent with this paragraph or other method that reasonably apportions the total charges for interstate inter-office channels among the states in which channel terminations points are located shall be accepted as a reasonable method to determine the charges for that portion of the interstate inter-office channel provided within Illinois for that period. However, "gross charges" shall not include any of the following:

(1) Any amounts added to a purchaser's bill because of a charge made under: (i) the fee imposed by this Section, (ii) additional charges added to a purchaser's bill under Section 9-221 or 9-222 of the Public Utilities Act, (iii)

the tax imposed by the Telecommunications Excise Tax Act, (iv) 911 surcharges, (v) the tax imposed by Section 4251 of the Internal Revenue Code, or (vi) the tax imposed by the Simplified Municipal Telecommunications Tax Act.

(2) Charges for a sent collect telecommunication received outside of this State.

(3) Charges for leased time on equipment or charges for the storage of data or information or subsequent retrieval or the processing of data or information intended to change its form or content. Such equipment includes, but is not limited to, the use of calculators, computers, data processing equipment, tabulating equipment, or accounting equipment and also includes the usage of computers under a time-sharing agreement.

(4) Charges for customer equipment, including such equipment that is leased or rented by the customer from any source, wherein such charges are disaggregated and separately identified from other charges.

(5) Charges to business enterprises certified under Section 9-222.1 of the Public Utilities Act to the extent of such exemption and during the period of time specified by the Department of Commerce and Economic Opportunity ~~Community Affairs~~.

(6) Charges for telecommunications and all services and equipment provided in connection therewith between a parent corporation and its wholly owned subsidiaries or between wholly owned subsidiaries, and only to the extent that the charges between the parent corporation and wholly owned subsidiaries or between wholly owned subsidiaries represent expense allocation between the corporations and not the generation of profit other than a regulatory required profit for the corporation rendering such services.

(7) Bad debts ("bad debt" means any portion of a debt that is related to a sale at retail for which gross charges are not otherwise deductible or excludable that has become

worthless or uncollectible, as determined under applicable federal income tax standards; if the portion of the debt deemed to be bad is subsequently paid, the retailer shall report and pay the tax on that portion during the reporting period in which the payment is made).

(8) Charges paid by inserting coins in coin-operated telecommunication devices.

(9) Charges for nontaxable services or telecommunications if (i) those charges are aggregated with other charges for telecommunications that are taxable, (ii) those charges are not separately stated on the customer bill or invoice, and (iii) the retailer can reasonably identify the nontaxable charges on the retailer's books and records kept in the regular course of business. If the nontaxable charges cannot reasonably be identified, the gross charge from the sale of both taxable and nontaxable services or telecommunications billed on a combined basis shall be attributed to the taxable services or telecommunications. The burden of proving nontaxable charges shall be on the retailer of the telecommunications.

(a-5) "Department" means the Illinois Department of Revenue.

(b) "Telecommunications" includes, but is not limited to, messages or information transmitted through use of local, toll, and wide area telephone service, channel services, telegraph services, teletypewriter service, computer exchange services, private line services, specialized mobile radio services, or any other transmission of messages or information by electronic or similar means, between or among points by wire, cable, fiber optics, laser, microwave, radio, satellite, or similar facilities. Unless the context clearly requires otherwise, "telecommunications" shall also include wireless telecommunications as hereinafter defined. "Telecommunications" shall not include value added services in which computer processing applications are used to act on the form, content, code, and protocol of the information for

purposes other than transmission. "Telecommunications" shall not include purchase of telecommunications by a telecommunications service provider for use as a component part of the service provided by him or her to the ultimate retail consumer who originates or terminates the end-to-end communications. Retailer access charges, right of access charges, charges for use of intercompany facilities, and all telecommunications resold in the subsequent provision and used as a component of, or integrated into, end-to-end telecommunications service shall not be included in gross charges as sales for resale. "Telecommunications" shall not include the provision of cable services through a cable system as defined in the Cable Communications Act of 1984 (47 U.S.C. Sections 521 and following) as now or hereafter amended or through an open video system as defined in the Rules of the Federal Communications Commission (47 C.D.F. 76.1550 and following) as now or hereafter amended. Beginning January 1, 2001, prepaid telephone calling arrangements shall not be considered "telecommunications" subject to the tax imposed under this Act. For purposes of this Section, "prepaid telephone calling arrangements" means that term as defined in Section 2-27 of the Retailers' Occupation Tax Act.

(c) "Wireless telecommunications" includes cellular mobile telephone services, personal wireless services as defined in Section 704(C) of the Telecommunications Act of 1996 (Public Law No. 104-104) as now or hereafter amended, including all commercial mobile radio services, and paging services.

(d) "Telecommunications retailer" or "retailer" or "carrier" means and includes every person engaged in the business of making sales of telecommunications at retail as defined in this Section. The Department may, in its discretion, upon applications, authorize the collection of the fee hereby imposed by any retailer not maintaining a place of business within this State, who, to the satisfaction of the Department, furnishes adequate security to insure collection and payment of the fee. When so authorized, it shall be the duty of such

retailer to pay the fee upon all of the gross charges for telecommunications in the same manner and subject to the same requirements as a retailer maintaining a place of business within this State.

(e) "Retailer maintaining a place of business in this State", or any like term, means and includes any retailer having or maintaining within this State, directly or by a subsidiary, an office, distribution facilities, transmission facilities, sales office, warehouse, or other place of business, or any agent or other representative operating within this State under the authority of the retailer or its subsidiary, irrespective of whether such place of business or agent or other representative is located here permanently or temporarily, or whether such retailer or subsidiary is licensed to do business in this State.

(f) "Sale of telecommunications at retail" means the transmitting, supplying, or furnishing of telecommunications and all services rendered in connection therewith for a consideration, other than between a parent corporation and its wholly owned subsidiaries or between wholly owned subsidiaries, when the gross charge made by one such corporation to another such corporation is not greater than the gross charge paid to the retailer for their use or consumption and not for sale.

(g) "Service address" means the location of telecommunications equipment from which telecommunications services are originated or at which telecommunications services are received. If this is not a defined location, as in the case of wireless telecommunications, paging systems, maritime systems, service address means the customer's place of primary use as defined in the Mobile Telecommunications Sourcing Conformity Act. For air-to-ground systems, and the like, "service address" shall mean the location of the customer's primary use of the telecommunications equipment as defined by the location in Illinois where bills are sent.

(Source: P.A. 92-474, eff. 8-1-02; 92-526, eff. 1-1-03; 92-878,

eff. 1-1-04; 93-286, eff. 1-1-04; revised 12-6-03.)

Section 525. The Simplified Municipal Telecommunications Tax Act is amended by changing Section 5-7 as follows:

(35 ILCS 636/5-7)

Sec. 5-7. Definitions. For purposes of the taxes authorized by this Act:

"Amount paid" means the amount charged to the taxpayer's service address in such municipality regardless of where such amount is billed or paid.

"Department" means the Illinois Department of Revenue.

"Gross charge" means the amount paid for the act or privilege of originating or receiving telecommunications in such municipality and for all services and equipment provided in connection therewith by a retailer, valued in money whether paid in money or otherwise, including cash, credits, services and property of every kind or nature, and shall be determined without any deduction on account of the cost of such telecommunications, the cost of the materials used, labor or service costs or any other expense whatsoever. In case credit is extended, the amount thereof shall be included only as and when paid. "Gross charges" for private line service shall include charges imposed at each channel termination point within a municipality that has imposed a tax under this Section and charges for the portion of the inter-office channels provided within that municipality. Charges for that portion of the inter-office channel connecting 2 or more channel termination points, one or more of which is located within the jurisdictional boundary of such municipality, shall be determined by the retailer by multiplying an amount equal to the total charge for the inter-office channel by a fraction, the numerator of which is the number of channel termination points that are located within the jurisdictional boundary of the municipality and the denominator of which is the total number of channel termination points connected by the

inter-office channel. Prior to January 1, 2004, any method consistent with this paragraph or other method that reasonably apportions the total charges for inter-office channels among the municipalities in which channel termination points are located shall be accepted as a reasonable method to determine the taxable portion of an inter-office channel provided within a municipality for that period. However, "gross charge" shall not include any of the following:

(1) Any amounts added to a purchaser's bill because of a charge made pursuant to: (i) the tax imposed by this Act, (ii) the tax imposed by the Telecommunications Excise Tax Act, (iii) the tax imposed by Section 4251 of the Internal Revenue Code, (iv) 911 surcharges, or (v) charges added to customers' bills pursuant to the provisions of Section 9-221 or 9-222 of the Public Utilities Act, as amended, or any similar charges added to customers' bills by retailers who are not subject to rate regulation by the Illinois Commerce Commission for the purpose of recovering any of the tax liabilities or other amounts specified in those provisions of the Public Utilities Act.

(2) Charges for a sent collect telecommunication received outside of such municipality.

(3) Charges for leased time on equipment or charges for the storage of data or information for subsequent retrieval or the processing of data or information intended to change its form or content. Such equipment includes, but is not limited to, the use of calculators, computers, data processing equipment, tabulating equipment or accounting equipment and also includes the usage of computers under a time-sharing agreement.

(4) Charges for customer equipment, including such equipment that is leased or rented by the customer from any source, wherein such charges are disaggregated and separately identified from other charges.

(5) Charges to business enterprises certified as exempt under Section 9-222.1 of the Public Utilities Act to

the extent of such exemption and during the period of time specified by the Department of Commerce and Economic Opportunity ~~Community Affairs~~.

(6) Charges for telecommunications and all services and equipment provided in connection therewith between a parent corporation and its wholly owned subsidiaries or between wholly owned subsidiaries when the tax imposed under this Act has already been paid to a retailer and only to the extent that the charges between the parent corporation and wholly owned subsidiaries or between wholly owned subsidiaries represent expense allocation between the corporations and not the generation of profit for the corporation rendering such service.

(7) Bad debts ("bad debt" means any portion of a debt that is related to a sale at retail for which gross charges are not otherwise deductible or excludable that has become worthless or uncollectible, as determined under applicable federal income tax standards; if the portion of the debt deemed to be bad is subsequently paid, the retailer shall report and pay the tax on that portion during the reporting period in which the payment is made).

(8) Charges paid by inserting coins in coin-operated telecommunication devices.

(9) Amounts paid by telecommunications retailers under the Telecommunications Infrastructure Maintenance Fee Act.

(10) Charges for nontaxable services or telecommunications if (i) those charges are aggregated with other charges for telecommunications that are taxable, (ii) those charges are not separately stated on the customer bill or invoice, and (iii) the retailer can reasonably identify the nontaxable charges on the retailer's books and records kept in the regular course of business. If the nontaxable charges cannot reasonably be identified, the gross charge from the sale of both taxable and nontaxable services or telecommunications billed on a combined basis shall be attributed to the taxable services

or telecommunications. The burden of proving nontaxable charges shall be on the retailer of the telecommunications.

"Interstate telecommunications" means all telecommunications that either originate or terminate outside this State.

"Intrastate telecommunications" means all telecommunications that originate and terminate within this State.

"Person" means any natural individual, firm, trust, estate, partnership, association, joint stock company, joint venture, corporation, limited liability company, or a receiver, trustee, guardian, or other representative appointed by order of any court, the Federal and State governments, including State universities created by statute, or any city, town, county, or other political subdivision of this State.

"Purchase at retail" means the acquisition, consumption or use of telecommunications through a sale at retail.

"Retailer" means and includes every person engaged in the business of making sales at retail as defined in this Section. The Department may, in its discretion, upon application, authorize the collection of the tax hereby imposed by any retailer not maintaining a place of business within this State, who, to the satisfaction of the Department, furnishes adequate security to insure collection and payment of the tax. Such retailer shall be issued, without charge, a permit to collect such tax. When so authorized, it shall be the duty of such retailer to collect the tax upon all of the gross charges for telecommunications in this State in the same manner and subject to the same requirements as a retailer maintaining a place of business within this State. The permit may be revoked by the Department at its discretion.

"Retailer maintaining a place of business in this State", or any like term, means and includes any retailer having or maintaining within this State, directly or by a subsidiary, an office, distribution facilities, transmission facilities, sales office, warehouse or other place of business, or any

agent or other representative operating within this State under the authority of the retailer or its subsidiary, irrespective of whether such place of business or agent or other representative is located here permanently or temporarily, or whether such retailer or subsidiary is licensed to do business in this State.

"Sale at retail" means the transmitting, supplying or furnishing of telecommunications and all services and equipment provided in connection therewith for a consideration, to persons other than the Federal and State governments, and State universities created by statute and other than between a parent corporation and its wholly owned subsidiaries or between wholly owned subsidiaries for their use or consumption and not for resale.

"Service address" means the location of telecommunications equipment from which telecommunications services are originated or at which telecommunications services are received by a taxpayer. In the event this may not be a defined location, as in the case of mobile phones, paging systems, and maritime systems, service address means the customer's place of primary use as defined in the Mobile Telecommunications Sourcing Conformity Act. For air-to-ground systems and the like, "service address" shall mean the location of a taxpayer's primary use of the telecommunications equipment as defined by telephone number, authorization code, or location in Illinois where bills are sent.

"Taxpayer" means a person who individually or through his or her agents, employees, or permittees engages in the act or privilege of originating or receiving telecommunications in a municipality and who incurs a tax liability as authorized by this Act.

"Telecommunications", in addition to the meaning ordinarily and popularly ascribed to it, includes, without limitation, messages or information transmitted through use of local, toll, and wide area telephone service, private line services, channel services, telegraph services,

teletypewriter, computer exchange services, cellular mobile telecommunications service, specialized mobile radio, stationary two-way radio, paging service, or any other form of mobile and portable one-way or two-way communications, or any other transmission of messages or information by electronic or similar means, between or among points by wire, cable, fiber optics, laser, microwave, radio, satellite, or similar facilities. As used in this Act, "private line" means a dedicated non-traffic sensitive service for a single customer, that entitles the customer to exclusive or priority use of a communications channel or group of channels, from one or more specified locations to one or more other specified locations. The definition of "telecommunications" shall not include value added services in which computer processing applications are used to act on the form, content, code, and protocol of the information for purposes other than transmission. "Telecommunications" shall not include purchases of telecommunications by a telecommunications service provider for use as a component part of the service provided by such provider to the ultimate retail consumer who originates or terminates the taxable end-to-end communications. Carrier access charges, right of access charges, charges for use of inter-company facilities, and all telecommunications resold in the subsequent provision of, used as a component of, or integrated into, end-to-end telecommunications service shall be non-taxable as sales for resale. Prepaid telephone calling arrangements shall not be considered "telecommunications" subject to the tax imposed under this Act. For purposes of this Section, "prepaid telephone calling arrangements" means that term as defined in Section 2-27 of the Retailers' Occupation Tax Act.

(Source: P.A. 92-526, eff. 7-1-02; 92-878, eff. 1-1-04; 93-286, eff. 1-1-04; revised 12-6-03.)

Section 530. The Electricity Excise Tax Law is amended by changing Sections 2-3 and 2-4 as follows:

(35 ILCS 640/2-3)

Sec. 2-3. Definitions. As used in this Law, unless the context clearly requires otherwise:

(a) "Department" means the Department of Revenue of the State of Illinois.

(b) "Director" means the Director of the Department of Revenue of the State of Illinois.

(c) "Person" means any natural individual, firm, trust, estate, partnership, association, joint stock company, joint venture, corporation, limited liability company, or a receiver, trustee, guardian, or other representative appointed by order of any court, or any city, town, village, county, or other political subdivision of this State.

(d) "Purchase price" means the consideration paid for the distribution, supply, furnishing, sale, transmission or delivery of electricity to a person for non-residential use or consumption (and for both residential and non-residential use or consumption in the case of electricity purchased from a municipal system or electric cooperative described in subsection (b) of Section 2-4) and not for resale, and for all services directly related to the production, transmission or distribution of electricity distributed, supplied, furnished, sold, transmitted or delivered for non-residential use or consumption, and includes transition charges imposed in accordance with Article XVI of the Public Utilities Act and instrument funding charges imposed in accordance with Article XVIII of the Public Utilities Act, as well as cash, services and property of every kind or nature, and shall be determined without any deduction on account of the cost of the service, product or commodity supplied, the cost of materials used, labor or service costs, or any other expense whatsoever. However, "purchase price" shall not include consideration paid for:

(i) any charge for a dishonored check;

(ii) any finance or credit charge, penalty or charge

for delayed payment, or discount for prompt payment;

(iii) any charge for reconnection of service or for replacement or relocation of facilities;

(iv) any advance or contribution in aid of construction;

(v) repair, inspection or servicing of equipment located on customer premises;

(vi) leasing or rental of equipment, the leasing or rental of which is not necessary to furnishing, supplying or selling electricity;

(vii) any purchase by a purchaser if the supplier is prohibited by federal or State constitution, treaty, convention, statute or court decision from recovering the related tax liability from such purchaser; and

(viii) any amounts added to purchasers' bills because of charges made pursuant to the tax imposed by this Law.

In case credit is extended, the amount thereof shall be included only as and when payments are made.

"Purchase price" shall not include consideration received from business enterprises certified under Section 9-222.1 or 9-222.1A of the Public Utilities Act, as amended, to the extent of such exemption and during the period of time specified by the Department of Commerce and Economic Opportunity ~~Community Affairs~~.

(e) "Purchaser" means any person who acquires electricity for use or consumption and not for resale, for a valuable consideration.

(f) "Non-residential electric use" means any use or consumption of electricity which is not residential electric use.

(g) "Residential electric use" means electricity used or consumed at a dwelling of 2 or fewer units, or electricity for household purposes used or consumed at a building with multiple dwelling units where the electricity is registered by a separate meter for each dwelling unit.

(h) "Self-assessing purchaser" means a purchaser for

non-residential electric use who elects to register with and to pay tax directly to the Department in accordance with Sections 2-10 and 2-11 of this Law.

(i) "Delivering supplier" means any person engaged in the business of delivering electricity to persons for use or consumption and not for resale, but not an entity engaged in the practice of resale and redistribution of electricity within a building prior to January 2, 1957, and who, in any case where more than one person participates in the delivery of electricity to a specific purchaser, is the last of the suppliers engaged in delivering the electricity prior to its receipt by the purchaser.

(j) "Delivering supplier maintaining a place of business in this State", or any like term, means any delivering supplier having or maintaining within this State, directly or by a subsidiary, an office, generation facility, transmission facility, distribution facility, sales office or other place of business, or any employee, agent or other representative operating within this State under the authority of such delivering supplier or such delivering supplier's subsidiary, irrespective of whether such place of business or agent or other representative is located in this State permanently or temporarily, or whether such delivering supplier or such delivering supplier's subsidiary is licensed to do business in this State.

(k) "Use" means the exercise by any person of any right or power over electricity incident to the ownership of that electricity, except that it does not include the generation, production, transmission, distribution, delivery or sale of electricity in the regular course of business or the use of electricity for such purposes.

(Source: P.A. 91-914, eff. 7-7-00; 92-310, eff. 8-9-01; revised 12-6-03.)

(35 ILCS 640/2-4)

Sec. 2-4. Tax imposed.

(a) Except as provided in subsection (b), a tax is imposed on the privilege of using in this State electricity purchased for use or consumption and not for resale, other than by municipal corporations owning and operating a local transportation system for public service, at the following rates per kilowatt-hour delivered to the purchaser:

(i) For the first 2000 kilowatt-hours used or consumed in a month: 0.330 cents per kilowatt-hour;

(ii) For the next 48,000 kilowatt-hours used or consumed in a month: 0.319 cents per kilowatt-hour;

(iii) For the next 50,000 kilowatt-hours used or consumed in a month: 0.303 cents per kilowatt-hour;

(iv) For the next 400,000 kilowatt-hours used or consumed in a month: 0.297 cents per kilowatt-hour;

(v) For the next 500,000 kilowatt-hours used or consumed in a month: 0.286 cents per kilowatt-hour;

(vi) For the next 2,000,000 kilowatt-hours used or consumed in a month: 0.270 cents per kilowatt-hour;

(vii) For the next 2,000,000 kilowatt-hours used or consumed in a month: 0.254 cents per kilowatt-hour;

(viii) For the next 5,000,000 kilowatt-hours used or consumed in a month: 0.233 cents per kilowatt-hour;

(ix) For the next 10,000,000 kilowatt-hours used or consumed in a month: 0.207 cents per kilowatt-hour;

(x) For all electricity in excess of 20,000,000 kilowatt-hours used or consumed in a month: 0.202 cents per kilowatt-hour.

Provided, that in lieu of the foregoing rates, the tax is imposed on a self-assessing purchaser at the rate of 5.1% of the self-assessing purchaser's purchase price for all electricity distributed, supplied, furnished, sold, transmitted and delivered to the self-assessing purchaser in a month.

(b) A tax is imposed on the privilege of using in this State electricity purchased from a municipal system or electric cooperative, as defined in Article XVII of the Public Utilities

Act, which has not made an election as permitted by either Section 17-200 or Section 17-300 of such Act, at the lesser of 0.32 cents per kilowatt hour of all electricity distributed, supplied, furnished, sold, transmitted, and delivered by such municipal system or electric cooperative to the purchaser or 5% of each such purchaser's purchase price for all electricity distributed, supplied, furnished, sold, transmitted, and delivered by such municipal system or electric cooperative to the purchaser, whichever is the lower rate as applied to each purchaser in each billing period.

(c) The tax imposed by this Section 2-4 is not imposed with respect to any use of electricity by business enterprises certified under Section 9-222.1 or 9-222.1A of the Public Utilities Act, as amended, to the extent of such exemption and during the time specified by the Department of Commerce and Economic Opportunity ~~Community Affairs~~; or with respect to any transaction in interstate commerce, or otherwise, to the extent to which such transaction may not, under the Constitution and statutes of the United States, be made the subject of taxation by this State.

(Source: P.A. 90-561, eff. 8-1-98; 91-914, eff. 7-7-00; revised 12-6-03.)

Section 535. The Illinois Pension Code is amended by changing Sections 14-108.4 and 14-134 as follows:

(40 ILCS 5/14-108.4) (from Ch. 108 1/2, par. 14-108.4)

Sec. 14-108.4. State police early retirement incentives.

(a) To be eligible for the benefits provided in this Section, a person must:

(1) be a member of this System who, on any day during October, 1992, is in active payroll status in a position of employment with the Department of State Police for which eligible creditable service is being earned under Section 14-110;

(2) have not previously retired under this Article;

(3) file a written application requesting the benefits provided in this Section with the Director of State Police and the Board on or before January 20, 1993;

(4) establish eligibility to receive a retirement annuity under Section 14-110 by January 31, 1993 (for which purpose any age enhancement or creditable service received under this Section may be used) and elect to receive the retirement annuity beginning not earlier than January 1, 1993 and not later than February 1, 1993, except that with the written permission of the Director of State Police, the effective date of the retirement annuity may be postponed to no later than July 1, 1993.

(b) An eligible person may establish up to 5 years of creditable service under this Article, in increments of one month, by making the contributions specified in subsection (c). In addition, for each month of creditable service established under this Section, a person's age at retirement shall be deemed to be one month older than it actually is.

The creditable service established under this Section shall be deemed eligible creditable service as defined in Section 14-110, and may be used for all purposes under this Article and the Retirement Systems Reciprocal Act, except for the computation of final average compensation under Section 14-103.12, or the determination of compensation under this or any other Article of this Code.

The age enhancement established under this Section may be used for all purposes under this Article (including calculation of a proportionate annuity payable by this System under the Retirement Systems Reciprocal Act), except for purposes of the level income option in Section 14-112, the reversionary annuity under Section 14-113, and the required distributions under Section 14-121.1. However, age enhancement established under this Section shall not be used in determining benefits payable under other Articles of this Code under the Retirement Systems Reciprocal Act.

(c) For all creditable service established under this

Section, a person must pay to the System an employee contribution to be determined by the System, based on the member's final rate of compensation and one-half of the total retirement contribution rate in effect for the member under subdivision (a)(3) of Section 14-133 on the date of withdrawal.

If the member receives a lump sum payment for accumulated vacation, sick leave and personal leave upon withdrawal from service, and the net amount of that lump sum payment is at least as great as the amount of the contribution required under this Section, the entire contribution (or so much of it as does not exceed the contribution limitations of Section 415 of the Internal Revenue Code of 1986) must be paid by the employee before the retirement annuity may become payable. If there is no such lump sum payment, or if it is less than the contribution required under this Section, the member may either pay the entire contribution before the retirement annuity becomes payable, or may instead make an initial payment before the retirement annuity becomes payable, equal to the net amount of the lump sum payment for accumulated vacation, sick leave and personal leave (or so much of it as does not exceed the contribution limitations of Section 415 of the Internal Revenue Code of 1986), and have the remaining amount due deducted from the retirement annuity in 24 equal monthly installments beginning in the month in which the retirement annuity takes effect.

However, if the net amount of the lump sum payment for accumulated vacation, sick leave and personal leave equals or exceeds the contribution required under this Section, but the required contribution exceeds an applicable contribution limitation contained in Section 415 of the Internal Revenue Code of 1986, then the amount of the contribution in excess of the Section 415 limitation shall instead be paid by the annuitant in January of 1994. If this additional amount is not paid as required, the retirement annuity shall be suspended until the required contribution is received.

(d) Notwithstanding Section 14-111, an annuitant who has

received any age enhancement or creditable service under this Section and who reenters service under this Article other than as a temporary employee shall thereby forfeit such age enhancement and creditable service, and become entitled to a refund of the contributions made pursuant to this Section.

(e) The Board shall determine the unfunded accrued liability created by the granting of early retirement benefits to State policemen under this Section, and shall certify the amount of that liability to the Department of State Police, the State Comptroller, the State Treasurer, and the Bureau of the Budget (now Governor's Office of Management and Budget) by June 1, 1993, or as soon thereafter as is practical. In addition to any other payments to the System required under this Code, the Department of State Police shall pay to the System the amount of that unfunded accrued liability, out of funds appropriated to the Department for that purpose, over a period of 7 years at the rate of 14.3% of the certified amount per year, plus interest on the unpaid balance at the actuarial rate as calculated and certified annually by the Board. Beginning in State fiscal year 1996, the liability created under this subsection (e) shall be included in the calculation of the required State contribution under Section 14-131 and no additional payments need be made under this subsection.
(Source: P.A. 87-1265; 88-593, eff. 8-22-94; revised 8-23-03.)

(40 ILCS 5/14-134) (from Ch. 108 1/2, par. 14-134)

Sec. 14-134. Board created. The retirement system created by this Article shall be a trust, separate and distinct from all other entities. The responsibility for the operation of the system and for making effective this Article is vested in a board of trustees.

The board shall consist of 7 trustees, as follows:

(a) the Director of the Governor's Office of Management and Budget ~~Bureau of the Budget~~; (b) the Comptroller; (c) one trustee, not a State employee, who shall be Chairman, to be appointed by the Governor for a 5 year term; (d) two members of

the system, one of whom shall be an annuitant age 60 or over, having at least 8 years of creditable service, to be appointed by the Governor for terms of 5 years; (e) one member of the system having at least 8 years of creditable service, to be elected from the contributing membership of the system by the contributing members as provided in Section 14-134.1; (f) one annuitant of the system who has been an annuitant for at least one full year, to be elected from and by the annuitants of the system, as provided in Section 14-134.1. The Director of the Governor's Office of Management and Budget ~~Bureau of the Budget~~ and the Comptroller shall be ex-officio members and shall serve as trustees during their respective terms of office, except that each of them may designate another officer or employee from the same agency to serve in his or her place. However, no ex-officio member may designate a different proxy within one year after designating a proxy unless the person last so designated has become ineligible to serve in that capacity. Except for the elected trustees, any vacancy in the office of trustee shall be filled in the same manner as the office was filled previously.

A trustee shall serve until a successor qualifies, except that a trustee who is a member of the system shall be disqualified as a trustee immediately upon terminating service with the State.

Each trustee is entitled to one vote on the board, and 4 trustees shall constitute a quorum for the transaction of business. The affirmative votes of a majority of the trustees present, but at least 3 trustees, shall be necessary for action by the board at any meeting. The board's action of July 22, 1986, by which it amended the bylaws of the system to increase the number of affirmative votes required for board action from 3 to 4 (in response to Public Act 84-1028, which increased the number of trustees from 5 to 7), and the board's rejection, between that date and the effective date of this amendatory Act of 1993, of proposed actions not receiving at least 4 affirmative votes, are hereby validated.

The trustees shall serve without compensation, but shall be reimbursed from the funds of the system for all necessary expenses incurred through service on the board.

Each trustee shall take an oath of office that he or she will diligently and honestly administer the affairs of the system, and will not knowingly violate or willfully permit the violation of any of the provisions of law applicable to the system. The oath shall be subscribed to by the trustee making it, certified by the officer before whom it is taken, and filed with the Secretary of State. A trustee shall qualify for membership on the board when the oath has been approved by the board.

(Source: P.A. 87-1265; revised 8-23-03.)

Section 540. The Regional Planning Commission Act is amended by changing Section 1 as follows:

(50 ILCS 15/1) (from Ch. 85, par. 1021)

Sec. 1. Governing bodies of counties, cities, or other local governmental units, when authorized by the Department of Commerce and Economic Opportunity ~~Community Affairs~~, may cooperate with the governing bodies of the counties and cities or other governing bodies of any adjoining state or states in the creation of a joint planning commission where such cooperation has been authorized by law by the adjoining state or states. Such a joint planning commission may be designated to be a regional or metropolitan planning commission and shall have powers, duties and functions as authorized by "An Act to provide for regional planning and for the creation, organization and powers of regional planning commissions", approved June 25, 1929, as heretofore or hereafter amended, and, as agreed among the governing bodies. Such a planning commission shall be a legal entity for all purposes.

(Source: P.A. 81-1509; revised 12-6-03.)

Section 545. The Local Government Financial Planning and

Supervision Act is amended by changing Sections 5 and 12 as follows:

(50 ILCS 320/5) (from Ch. 85, par. 7205)

Sec. 5. Establishment of commission.

(a) This subsection (a) applies through December 31, 1992.

(1) Upon receipt of a petition for establishment of a financial planning and supervision commission, the Governor may direct the establishment of such a commission if the Governor determines that a fiscal emergency exists.

(2) Prior to making such determination, the Governor shall give reasonable notice and opportunity for a hearing to all creditors of the petitioning unit of local government who are subject to the stay provisions of Section 7 of this Act. The determination shall be entered not less than 60 days after the filing of the petition. A determination of fiscal emergency by the Governor shall be a final administrative decision subject to the provisions of the Administrative Review Law. The court on such review may grant exceptions to the stay provisions of Section 7 of this Act as adequate protection of creditors' interests or equity may require. The commission shall convene within 30 days of the entry by the Governor of his or her determination of the fiscal emergency.

(3) (A) The Commission shall consist of 7 Directors.

(B) One Director shall be appointed by the chief executive officer of the unit of local government.

(C) One Director shall be appointed by the majority vote of the governing body of the unit of local government.

(D) Five Directors shall be appointed by the Governor, with the advice and consent of the Senate. The Governor shall select one of the Directors to serve as Chairperson during the term of his or her appointment. Of the initial Directors so appointed, 3 shall be appointed to serve for terms expiring 3 years

from the date of their appointment, and 2 shall be appointed to serve for terms expiring 2 years from the date of their appointment. Thereafter, each Director appointed by the Governor shall be appointed to hold office for a term of 3 years and until his or her successor has been appointed as provided in Section 8-12-7 of the Illinois Municipal Code. Directors shall be eligible for reappointment. Any vacancy which shall arise shall be filled by appointment by the Governor, with the advice and consent of the Senate, for the unexpired term and until a successor Director has been appointed as provided in Section 8-12-7 of the Illinois Municipal Code. A vacancy shall occur upon resignation, death, conviction of a felony, or removal from office of a Director. A Director may be removed for incompetency, malfeasance, or neglect of duty at the instance of the Governor. If the Senate is not in session or is in recess when appointments subject to its confirmation are made, the Governor shall make temporary appointments which shall be subject to subsequent Senate approval.

(b) This subsection (b) applies on and after January 1, 1993.

(1) Upon receipt of a petition for establishment of a financial planning and supervision commission, the Governor may direct the establishment of such a commission if the Governor determines that a fiscal emergency exists.

(2) Prior to making such determination, the Governor shall give reasonable notice and opportunity for a hearing to all creditors of the petitioning unit of local government. The determination shall be entered not less than 60 days after the filing of the petition. A determination of fiscal emergency by the Governor shall be a final administrative decision subject to the provisions of the Administrative Review Law. The court on such review may grant exceptions to the stay provisions of Section 7 of

this Act as adequate protection of creditors' interests or equity may require. The commission shall convene within 30 days of the entry by the Governor of his or her determination of the fiscal emergency.

(3) A commission shall consist of 11 members:

(A) Eight members as follows: the Governor, the State Comptroller, the Director of Revenue, the Director of the Governor's Office of Management and Budget ~~Bureau of the Budget~~, the State Treasurer, the Executive Director of the Illinois Finance Authority, the Director of the Department of Commerce and Economic Opportunity ~~Community Affairs~~ and the presiding officer of the governing body of the unit of local government, or their respective designees. A designee, when present, shall be counted in determining whether a quorum is present at any meeting of the commission and may vote and participate in all proceedings and actions of the commission. The designations shall be in writing, executed by the member making the designation, and filed with the secretary of the commission. The designations may be changed from time to time in like manner, but due regard shall be given to the need for continuity. The Governor shall appoint a chairman of the commission from among the 8 members described in this subparagraph (A).

(B) Three members nominated and appointed as follows: the governing body and chief governing officer of the unit of local government shall submit in writing to the chairman of the commission the nomination of 5 persons agreed to by them and meeting the qualifications set forth in this Act. Nominations shall accompany the petition for establishment of the financial planning and supervision commission. If the chairman is not satisfied that at least 3 of the nominees are well qualified, he shall notify the governing body of the unit of local government to

submit in writing, within 5 days, additional nominees, not exceeding 3. The chairman shall appoint 3 members from all the nominees so submitted or a lesser number that he considers well qualified. Each of the 3 appointed members shall serve for a term of one year, subject to removal by the chairman for misfeasance, nonfeasance or malfeasance in office. Upon the expiration of the term of an appointed member, or in the event of the death, resignation, incapacity or removal, or other ineligibility to serve of an appointed member, the chairman shall appoint a successor pursuant to the process of original appointment.

Each of the 3 appointed members shall be an individual:

(i) Who has knowledge and experience in financial matters, financial management, or business organization or operations, including experience in the private sector in management of business or financial enterprise, or in management consulting, public accounting, or other professional activity; and

(ii) Who has not at any time during the 2 years preceding the date of appointment held any elected public office.

The governing body and chief governing officer of the unit of local government, to the extent possible, shall nominate members whose residency, office, or principal place of professional or business activity is situated within the unit of local government.

An appointed member of the commission shall not become a candidate for elected public office while serving as a member of the commission.

(4) Immediately after his appointment of the initial 3 appointed members of the commission, the chairman shall call the first meeting of the commission and shall cause

written notice of the time, date and place of the first meeting to be given to each member of the commission at least 48 hours in advance of the meeting.

(5) The commission members shall select one of their number to serve as treasurer of the commission.

(Source: P.A. 93-205, eff. 1-1-04; revised 8-23-03.)

(50 ILCS 320/12) (from Ch. 85, par. 7212)

Sec. 12. Expenses incurred by commission. Any expense or obligation incurred by the financial planning and supervision commission under this Act shall be payable solely from appropriations made for that purpose by the General Assembly.

The commission is authorized to maintain monies appropriated for its use in a local account for such purposes to be held outside the State Treasury. Disbursements from this account shall require the approval and signatures of the chairman of the commission and the treasurer of the commission. The commission shall be authorized to request the State Comptroller and State Treasurer to issue State warrants against appropriations made for its use, in anticipation of commission expenses, for deposit into the local account.

The compensation and expenses of a financial advisor retained by the commission shall be paid from monies appropriated to the Department of Commerce and Economic Opportunity ~~Community Affairs~~ for that purpose. Those appropriations shall only be committed, obligated, and expended by the Department of Commerce and Economic Opportunity ~~Community Affairs~~ as the result of an order signed by the chairman of the commission identifying the selected "financial advisor" pursuant to subsection (c) of Section 6 of this Act and stating the maximum compensation awarded to the financial advisor under the contract. A copy of the order shall be filed with the State Comptroller prior to any disbursement of funds.

(Source: P.A. 86-1211; revised 12-6-03.)

Section 550. The Illinois Municipal Budget Law is amended

by changing Section 2 as follows:

(50 ILCS 330/2) (from Ch. 85, par. 802)

Sec. 2. The following terms, unless the context otherwise indicates, have the following meaning:

(1) "Municipality" means and includes all municipal corporations and political subdivisions of this State, or any such unit or body hereafter created by authority of law, except the following: (a) The State of Illinois; (b) counties; (c) cities, villages and incorporated towns; (d) sanitary districts created under "An Act to create sanitary districts and to remove obstructions in the Des Plaines and Illinois Rivers", approved May 29, 1889, as amended; (e) forest preserve districts having a population of 500,000 or more, created under "An Act to provide for the creation and management of forest preserve districts and repealing certain Acts therein named", approved June 27, 1913, as amended; (f) school districts; (g) the Chicago Park District created under "An Act in relation to the creation, maintenance, operation and improvement of the Chicago Park District", approved, June 10, 1933, as amended; (h) park districts created under "The Park District Code", approved July 8, 1947, as amended; (i) the Regional Transportation Authority created under the "Regional Transportation Authority Act", enacted by the 78th General Assembly; and (j) the Illinois Sports Facilities Authority.

(2) "Governing body" means the corporate authorities, body, or other officer of the municipality authorized by law to raise revenue, appropriate funds, or levy taxes for the operation and maintenance thereof.

(3) "Department" means the Department of Commerce and Economic Opportunity ~~Community Affairs~~.

(Source: P.A. 85-1034; revised 12-6-03.)

Section 555. The Emergency Telephone System Act is amended by changing Section 13 as follows:

(50 ILCS 750/13) (from Ch. 134, par. 43)

Sec. 13. On or before February 16, 1979, and again on or before February 16, 1981, the Commission shall report to the General Assembly the progress in the implementation of systems required by this Act. Such reports shall contain his recommendations for additional legislation.

In December of 1979 and in December of 1980 the Commission, with the advice and assistance of the Attorney General, shall submit recommendations to the Bureau of the Budget <u>(now Governor's Office of Management and Budget)</u> and to the Governor specifying amounts necessary to further implement the organization of telephone systems specified in this Act during the succeeding fiscal year. The report specified in this paragraph shall contain, in addition, an estimate of the fiscal impact to local public agencies which will be caused by implementation of this Act.

By March 1 in 1979 and every even-numbered year thereafter, each telephone company shall file a report with the Commission and the General Assembly specifying, in such detail as the Commission has by rule or regulation required, the extent to which it has implemented a planned emergency telephone system and its projected further implementation of such a system.

The requirement for reporting to the General Assembly shall be satisfied by filing copies of the report with the Speaker, the Minority Leader and the Clerk of the House of Representatives and the President, the Minority Leader and the Secretary of the Senate and the Legislative Research Unit, as required by Section 3.1 of "An Act to revise the law in relation to the General Assembly", approved February 25, 1874, as amended, and filing such additional copies with the State Government Report Distribution Center for the General Assembly as is required under paragraph (t) of Section 7 of the State Library Act.

(Source: P.A. 84-1438; revised 8-23-03.)

Section 560. The Local Land Resource Management Planning

Act is amended by changing Sections 3 and 8 as follows:

(50 ILCS 805/3) (from Ch. 85, par. 5803)

Sec. 3. Definitions. As used in this Act, the following words and phrases have the following meanings:

A. "Department" means the Department of Commerce and Economic Opportunity ~~Community Affairs~~.

B. "Local Land Resource Management Plan" means a map of existing and generalized proposed land use and a policy statement in the form of words, numbers, illustrations, or other symbols of communication adopted by the municipal and county governing bodies. The Local Land Resource Management Plan may interrelate functional, visual and natural systems and activities relating to the use of land. It shall include but not be limited to sewer and water systems, energy distribution systems, recreational facilities, public safety facilities and their relationship to natural resources, air, water and land quality management or conservation programs within its jurisdiction. Such a plan shall be deemed to be "joint or compatible" when so declared by joint resolution of the affected municipality and county, or when separate plans have been referred to the affected municipality or county for review and suggestions, and such suggestions have been duly considered by the adopting jurisdiction and a reasonable basis for provisions of a plan that are contrary to the suggestions is stated in a resolution of the adopting jurisdiction.

C. "Land" means the earth, water and air, above, below or on the surface, and including any improvements or structures customarily regarded as land.

D. "Municipality" means any city, village or incorporated town.

E. "Unit of local government" means any county, municipality, township or special district which exercises limited governmental functions or provides services in respect to limited governmental subjects.

(Source: P.A. 84-865; revised 12-6-03.)

(50 ILCS 805/8) (from Ch. 85, par. 5808)

Sec. 8. Planning Grants. (a) The Department of Commerce and Economic Opportunity ~~Community Affairs~~ may make annual grants to counties and municipalities to develop, update, administer and implement Local Land Resource Management Plans, as defined in this Act.

(b) A recipient local government may receive an initial grant to develop a plan after filing a resolution of intent to develop a plan. The plan shall be completed within 18 months of the receipt of the grant.

(c) The amount of the initial grant and the annual grant to be received by the recipient shall be based on the most recent updated U. S. Census at a rate of one dollar per person, but shall not be less than $20,000 and shall not exceed $100,000 per fiscal year.

(d) The Department of Commerce and Economic Opportunity ~~Community Affairs~~ may promulgate such rules and regulations establishing procedures for determining entitlement and eligible uses of such grants as it deems necessary for the purposes of this Act.

(Source: P.A. 84-865; revised 12-6-03.)

Section 565. The County Economic Development Project Area Property Tax Allocation Act is amended by changing Section 3 as follows:

(55 ILCS 85/3) (from Ch. 34, par. 7003)

Sec. 3. Definitions. In this Act, words or terms shall have the following meanings unless the context usage clearly indicates that another meaning is intended.

(a) "Department" means the Department of Commerce and Economic Opportunity ~~Community Affairs~~.

(b) "Economic development plan" means the written plan of a county which sets forth an economic development program for an economic development project area. Each economic development

plan shall include but not be limited to (1) estimated economic development project costs, (2) the sources of funds to pay such costs, (3) the nature and term of any obligations to be issued by the county to pay such costs, (4) the most recent equalized assessed valuation of the economic development project area, (5) an estimate of the equalized assessed valuation of the economic development project area after completion of the economic development plan, (6) the estimated date of completion of any economic development project proposed to be undertaken, (7) a general description of any proposed developer, user, or tenant of any property to be located or improved within the economic development project area, (8) a description of the type, structure and general character of the facilities to be developed or improved in the economic development project area, (9) a description of the general land uses to apply in the economic development project area, (10) a description of the type, class and number of employees to be employed in the operation of the facilities to be developed or improved in the economic development project area and (11) a commitment by the county to fair employment practices and an affirmative action plan with respect to any economic development program to be undertaken by the county.

(c) "Economic development project" means any development project in furtherance of the objectives of this Act.

(d) "Economic development project area" means any improved or vacant area which is located within the corporate limits of a county and which (1) is within the unincorporated area of such county, or, with the consent of any affected municipality, is located partially within the unincorporated area of such county and partially within one or more municipalities, (2) is contiguous, (3) is not less in the aggregate than 100 acres, (4) is suitable for siting by any commercial, manufacturing, industrial, research or transportation enterprise of facilities to include but not be limited to commercial businesses, offices, factories, mills, processing plants, assembly plants, packing plants, fabricating plants,

industrial or commercial distribution centers, warehouses, repair overhaul or service facilities, freight terminals, research facilities, test facilities or transportation facilities, whether or not such area has been used at any time for such facilities and whether or not the area has been used or is suitable for such facilities and whether or not the area has been used or is suitable for other uses, including commercial agricultural purposes, and (5) which has been certified by the Department pursuant to this Act.

(e) "Economic development project costs" means and includes the sum total of all reasonable or necessary costs incurred by a county incidental to an economic development project, including, without limitation, the following:

(1) Costs of studies, surveys, development of plans and specifications, implementation and administration of an economic development plan, personnel and professional service costs for architectural, engineering, legal, marketing, financial, planning, sheriff, fire, public works or other services, provided that no charges for professional services may be based on a percentage of incremental tax revenue;

(2) Property assembly costs within an economic development project area, including but not limited to acquisition of land and other real or personal property or rights or interests therein, and specifically including payments to developers or other non-governmental persons as reimbursement for property assembly costs incurred by such developer or other non-governmental person;

(3) Site preparation costs, including but not limited to clearance of any area within an economic development project area by demolition or removal of any existing buildings, structures, fixtures, utilities and improvements and clearing and grading; and including installation, repair, construction, reconstruction, or relocation of public streets, public utilities, and other public site improvements within or without an economic

development project area which are essential to the preparation of the economic development project area for use in accordance with an economic development plan; and specifically including payments to developers or other non-governmental persons as reimbursement for site preparation costs incurred by such developer or non-governmental person;

(4) Costs of renovation, rehabilitation, reconstruction, relocation, repair or remodeling of any existing buildings, improvements, and fixtures within an economic development project area, and specifically including payments to developers or other non-governmental persons as reimbursement for such costs incurred by such developer or non-governmental person;

(5) Costs of construction within an economic development project area of public improvements, including but not limited to, buildings, structures, works, improvements, utilities or fixtures;

(6) Financing costs, including but not limited to all necessary and incidental expenses related to the issuance of obligations, payment of any interest on any obligations issued hereunder which accrues during the estimated period of construction of any economic development project for which such obligations are issued and for not exceeding 36 months thereafter, and any reasonable reserves related to the issuance of such obligations;

(7) All or a portion of a taxing district's capital costs resulting from an economic development project necessarily incurred or estimated to be incurred by a taxing district in the furtherance of the objectives of an economic development project, to the extent that the county by written agreement accepts, approves and agrees to incur or to reimburse such costs;

(8) Relocation costs to the extent that a county determines that relocation costs shall be paid or is required to make payment of relocation costs by federal or

State law;

(9) The estimated tax revenues from real property in an economic development project area acquired by a county which, according to the economic development plan, is to be used for a private use and which any taxing district would have received had the county not adopted property tax allocation financing for an economic development project area and which would result from such taxing district's levies made after the time of the adoption by the county of property tax allocation financing to the time the current equalized assessed value of real property in the economic development project area exceeds the total initial equalized value of real property in that area;

(10) Costs of rebating ad valorem taxes paid by any developer or other nongovernmental person in whose name the general taxes were paid for the last preceding year on any lot, block, tract or parcel of land in the economic development project area, provided that:

(i) such economic development project area is located in an enterprise zone created pursuant to the Illinois Enterprise Zone Act;

(ii) such ad valorem taxes shall be rebated only in such amounts and for such tax year or years as the county and any one or more affected taxing districts shall have agreed by prior written agreement;

(iii) any amount of rebate of taxes shall not exceed the portion, if any, of taxes levied by the county or such taxing district or districts which is attributable to the increase in the current equalized assessed valuation of each taxable lot, block, tract or parcel of real property in the economic development project area over and above the initial equalized assessed value of each property existing at the time property tax allocation financing was adopted for said economic development project area; and

(iv) costs of rebating ad valorem taxes shall be

paid by a county solely from the special tax allocation fund established pursuant to this Act and shall be paid from the proceeds of any obligations issued by a county.

(11) Costs of job training, advanced vocational education or career education programs, including but not limited to courses in occupational, semi-technical or technical fields leading directly to employment, incurred by one or more taxing districts, provided that such costs are related to the establishment and maintenance of additional job training, advanced vocational education or career education programs for persons employed or to be employed by employers located in an economic development project area, and further provided, that when such costs are incurred by a taxing district or taxing districts other than the county, they shall be set forth in a written agreement by or among the county and the taxing district or taxing districts, which agreement describes the program to be undertaken, including, but not limited to, the number of employees to be trained, a description of the training and services to be provided, the number and type of positions available or to be available, itemized costs of the program and sources of funds to pay the same, and the term of the agreement. Such costs include, specifically, the payment by community college districts of costs pursuant to Section 3-37, 3-38, 3-40 and 3-40.1 of the Public Community College Act and by school districts of costs pursuant to Sections 10-22.20 and 10-23.3a of the School Code;

(12) Private financing costs incurred by developers or other non-governmental persons in connection with an economic development project, and specifically including payments to developers or other non-governmental persons as reimbursement for such costs incurred by such developer or other non-governmental persons provided that:

(A) private financing costs shall be paid or reimbursed by a county only pursuant to the prior

official action of the county evidencing an intent to pay such private financing costs;

(B) except as provided in subparagraph (D) of this Section, the aggregate amount of such costs paid or reimbursed by a county in any one year shall not exceed 30% of such costs paid or incurred by such developer or other non-governmental person in that year;

(C) private financing costs shall be paid or reimbursed by a county solely from the special tax allocation fund established pursuant to this Act and shall not be paid or reimbursed from the proceeds of any obligations issued by a county;

(D) if there are not sufficient funds available in the special tax allocation fund in any year to make such payment or reimbursement in full, any amount of such private financing costs remaining to be paid or reimbursed by a county shall accrue and be payable when funds are available in the special tax allocation fund to make such payment; and

(E) in connection with its approval and certification of an economic development project pursuant to Section 5 of this Act, the Department shall review any agreement authorizing the payment or reimbursement by a county of private financing costs in its consideration of the impact on the revenues of the county and the affected taxing districts of the use of property tax allocation financing.

(f) "Obligations" means any instrument evidencing the obligation of a county to pay money, including without limitation, bonds, notes, installment or financing contracts, certificates, tax anticipation warrants or notes, vouchers, and any other evidence of indebtedness.

(g) "Taxing districts" means municipalities, townships, counties, and school, road, park, sanitary, mosquito abatement, forest preserve, public health, fire protection, river conservancy, tuberculosis sanitarium and any other

county corporations or districts with the power to levy taxes on real property.

(Source: P.A. 90-655, eff. 7-30-98; revised 12-6-03.)

Section 570. The Illinois Municipal Code is amended by changing Sections 8-11-2, 11-31.1-14, 11-48.3-29, 11-74.4-6, 11-74.4-8a, and 11-74.6-10 as follows:

(65 ILCS 5/8-11-2) (from Ch. 24, par. 8-11-2)

Sec. 8-11-2. The corporate authorities of any municipality may tax any or all of the following occupations or privileges:

1. (Blank).

2. Persons engaged in the business of distributing, supplying, furnishing, or selling gas for use or consumption within the corporate limits of a municipality of 500,000 or fewer population, and not for resale, at a rate not to exceed 5% of the gross receipts therefrom.

2a. Persons engaged in the business of distributing, supplying, furnishing, or selling gas for use or consumption within the corporate limits of a municipality of over 500,000 population, and not for resale, at a rate not to exceed 8% of the gross receipts therefrom. If imposed, this tax shall be paid in monthly payments.

3. The privilege of using or consuming electricity acquired in a purchase at retail and used or consumed within the corporate limits of the municipality at rates not to exceed the following maximum rates, calculated on a monthly basis for each purchaser:

(i) For the first 2,000 kilowatt-hours used or consumed in a month; 0.61 cents per kilowatt-hour;

(ii) For the next 48,000 kilowatt-hours used or consumed in a month; 0.40 cents per kilowatt-hour;

(iii) For the next 50,000 kilowatt-hours used or consumed in a month; 0.36 cents per kilowatt-hour;

(iv) For the next 400,000 kilowatt-hours used or consumed in a month; 0.35 cents per kilowatt-hour;

(v) For the next 500,000 kilowatt-hours used or consumed in a month; 0.34 cents per kilowatt-hour;

(vi) For the next 2,000,000 kilowatt-hours used or consumed in a month; 0.32 cents per kilowatt-hour;

(vii) For the next 2,000,000 kilowatt-hours used or consumed in a month; 0.315 cents per kilowatt-hour;

(viii) For the next 5,000,000 kilowatt-hours used or consumed in a month; 0.31 cents per kilowatt-hour;

(ix) For the next 10,000,000 kilowatt-hours used or consumed in a month; 0.305 cents per kilowatt-hour; and

(x) For all electricity used or consumed in excess of 20,000,000 kilowatt-hours in a month, 0.30 cents per kilowatt-hour.

If a municipality imposes a tax at rates lower than either the maximum rates specified in this Section or the alternative maximum rates promulgated by the Illinois Commerce Commission, as provided below, the tax rates shall be imposed upon the kilowatt hour categories set forth above with the same proportional relationship as that which exists among such maximum rates. Notwithstanding the foregoing, until December 31, 2008, no municipality shall establish rates that are in excess of rates reasonably calculated to produce revenues that equal the maximum total revenues such municipality could have received under the tax authorized by this subparagraph in the last full calendar year prior to the effective date of Section 65 of this amendatory Act of 1997; provided that this shall not be a limitation on the amount of tax revenues actually collected by such municipality.

Upon the request of the corporate authorities of a municipality, the Illinois Commerce Commission shall, within 90 days after receipt of such request, promulgate alternative rates for each of these kilowatt-hour categories that will reflect, as closely as reasonably practical for that municipality, the distribution of the tax among classes of purchasers as if the tax were based on

a uniform percentage of the purchase price of electricity. A municipality that has adopted an ordinance imposing a tax pursuant to subparagraph 3 as it existed prior to the effective date of Section 65 of this amendatory Act of 1997 may, rather than imposing the tax permitted by this amendatory Act of 1997, continue to impose the tax pursuant to that ordinance with respect to gross receipts received from residential customers through July 31, 1999, and with respect to gross receipts from any non-residential customer until the first bill issued to such customer for delivery services in accordance with Section 16-104 of the Public Utilities Act but in no case later than the last bill issued to such customer before December 31, 2000. No ordinance imposing the tax permitted by this amendatory Act of 1997 shall be applicable to any non-residential customer until the first bill issued to such customer for delivery services in accordance with Section 16-104 of the Public Utilities Act but in no case later than the last bill issued to such non-residential customer before December 31, 2000.

4. Persons engaged in the business of distributing, supplying, furnishing, or selling water for use or consumption within the corporate limits of the municipality, and not for resale, at a rate not to exceed 5% of the gross receipts therefrom.

None of the taxes authorized by this Section may be imposed with respect to any transaction in interstate commerce or otherwise to the extent to which the business or privilege may not, under the constitution and statutes of the United States, be made the subject of taxation by this State or any political sub-division thereof; nor shall any persons engaged in the business of distributing, supplying, furnishing, selling or transmitting gas, water, or electricity, or using or consuming electricity acquired in a purchase at retail, be subject to taxation under the provisions of this Section for those transactions that are or may become subject to taxation under

the provisions of the "Municipal Retailers' Occupation Tax Act" authorized by Section 8-11-1; nor shall any tax authorized by this Section be imposed upon any person engaged in a business or on any privilege unless the tax is imposed in like manner and at the same rate upon all persons engaged in businesses of the same class in the municipality, whether privately or municipally owned or operated, or exercising the same privilege within the municipality.

Any of the taxes enumerated in this Section may be in addition to the payment of money, or value of products or services furnished to the municipality by the taxpayer as compensation for the use of its streets, alleys, or other public places, or installation and maintenance therein, thereon or thereunder of poles, wires, pipes or other equipment used in the operation of the taxpayer's business.

(a) If the corporate authorities of any home rule municipality have adopted an ordinance that imposed a tax on public utility customers, between July 1, 1971, and October 1, 1981, on the good faith belief that they were exercising authority pursuant to Section 6 of Article VII of the 1970 Illinois Constitution, that action of the corporate authorities shall be declared legal and valid, notwithstanding a later decision of a judicial tribunal declaring the ordinance invalid. No municipality shall be required to rebate, refund, or issue credits for any taxes described in this paragraph, and those taxes shall be deemed to have been levied and collected in accordance with the Constitution and laws of this State.

(b) In any case in which (i) prior to October 19, 1979, the corporate authorities of any municipality have adopted an ordinance imposing a tax authorized by this Section (or by the predecessor provision of the "Revised Cities and Villages Act") and have explicitly or in practice interpreted gross receipts to include either charges added to customers' bills pursuant to the provision of paragraph (a) of Section 36 of the Public Utilities Act or charges added to customers' bills by taxpayers who are not subject to rate regulation by the Illinois Commerce

Commission for the purpose of recovering any of the tax liabilities or other amounts specified in such paragraph (a) of Section 36 of that Act, and (ii) on or after October 19, 1979, a judicial tribunal has construed gross receipts to exclude all or part of those charges, then neither those municipality nor any taxpayer who paid the tax shall be required to rebate, refund, or issue credits for any tax imposed or charge collected from customers pursuant to the municipality's interpretation prior to October 19, 1979. This paragraph reflects a legislative finding that it would be contrary to the public interest to require a municipality or its taxpayers to refund taxes or charges attributable to the municipality's more inclusive interpretation of gross receipts prior to October 19, 1979, and is not intended to prescribe or limit judicial construction of this Section. The legislative finding set forth in this subsection does not apply to taxes imposed after the effective date of this amendatory Act of 1995.

(c) The tax authorized by subparagraph 3 shall be collected from the purchaser by the person maintaining a place of business in this State who delivers the electricity to the purchaser. This tax shall constitute a debt of the purchaser to the person who delivers the electricity to the purchaser and if unpaid, is recoverable in the same manner as the original charge for delivering the electricity. Any tax required to be collected pursuant to an ordinance authorized by subparagraph 3 and any such tax collected by a person delivering electricity shall constitute a debt owed to the municipality by such person delivering the electricity, provided, that the person delivering electricity shall be allowed credit for such tax related to deliveries of electricity the charges for which are written off as uncollectible, and provided further, that if such charges are thereafter collected, the delivering supplier shall be obligated to remit such tax. For purposes of this subsection (c), any partial payment not specifically identified by the purchaser shall be deemed to be for the delivery of electricity. Persons delivering electricity shall

collect the tax from the purchaser by adding such tax to the gross charge for delivering the electricity, in the manner prescribed by the municipality. Persons delivering electricity shall also be authorized to add to such gross charge an amount equal to 3% of the tax to reimburse the person delivering electricity for the expenses incurred in keeping records, billing customers, preparing and filing returns, remitting the tax and supplying data to the municipality upon request. If the person delivering electricity fails to collect the tax from the purchaser, then the purchaser shall be required to pay the tax directly to the municipality in the manner prescribed by the municipality. Persons delivering electricity who file returns pursuant to this paragraph (c) shall, at the time of filing such return, pay the municipality the amount of the tax collected pursuant to subparagraph 3.

(d) For the purpose of the taxes enumerated in this Section:

"Gross receipts" means the consideration received for distributing, supplying, furnishing or selling gas for use or consumption and not for resale, and the consideration received for distributing, supplying, furnishing or selling water for use or consumption and not for resale, and for all services rendered in connection therewith valued in money, whether received in money or otherwise, including cash, credit, services and property of every kind and material and for all services rendered therewith, and shall be determined without any deduction on account of the cost of the service, product or commodity supplied, the cost of materials used, labor or service cost, or any other expenses whatsoever. "Gross receipts" shall not include that portion of the consideration received for distributing, supplying, furnishing, or selling gas or water to business enterprises described in paragraph (e) of this Section to the extent and during the period in which the exemption authorized by paragraph (e) is in effect or for school districts or units of local government described in paragraph (f) during the period in which the exemption

authorized in paragraph (f) is in effect.

For utility bills issued on or after May 1, 1996, but before May 1, 1997, and for receipts from those utility bills, "gross receipts" does not include one-third of (i) amounts added to customers' bills under Section 9-222 of the Public Utilities Act, or (ii) amounts added to customers' bills by taxpayers who are not subject to rate regulation by the Illinois Commerce Commission for the purpose of recovering any of the tax liabilities described in Section 9-222 of the Public Utilities Act. For utility bills issued on or after May 1, 1997, but before May 1, 1998, and for receipts from those utility bills, "gross receipts" does not include two-thirds of (i) amounts added to customers' bills under Section 9-222 of the Public Utilities Act, or (ii) amount added to customers' bills by taxpayers who are not subject to rate regulation by the Illinois Commerce Commission for the purpose of recovering any of the tax liabilities described in Section 9-222 of the Public Utilities Act. For utility bills issued on or after May 1, 1998, and for receipts from those utility bills, "gross receipts" does not include (i) amounts added to customers' bills under Section 9-222 of the Public Utilities Act, or (ii) amounts added to customers' bills by taxpayers who are not subject to rate regulation by the Illinois Commerce Commission for the purpose of recovering any of the tax liabilities described in Section 9-222 of the Public Utilities Act.

For purposes of this Section "gross receipts" shall not include amounts added to customers' bills under Section 9-221 of the Public Utilities Act. This paragraph is not intended to nor does it make any change in the meaning of "gross receipts" for the purposes of this Section, but is intended to remove possible ambiguities, thereby confirming the existing meaning of "gross receipts" prior to the effective date of this amendatory Act of 1995.

"Person" as used in this Section means any natural individual, firm, trust, estate, partnership, association, joint stock company, joint adventure, corporation, limited

liability company, municipal corporation, the State or any of its political subdivisions, any State university created by statute, or a receiver, trustee, guardian or other representative appointed by order of any court.

"Person maintaining a place of business in this State" shall mean any person having or maintaining within this State, directly or by a subsidiary or other affiliate, an office, generation facility, distribution facility, transmission facility, sales office or other place of business, or any employee, agent, or other representative operating within this State under the authority of the person or its subsidiary or other affiliate, irrespective of whether such place of business or agent or other representative is located in this State permanently or temporarily, or whether such person, subsidiary or other affiliate is licensed or qualified to do business in this State.

"Public utility" shall have the meaning ascribed to it in Section 3-105 of the Public Utilities Act and shall include alternative retail electric suppliers as defined in Section 16-102 of that Act.

"Purchase at retail" shall mean any acquisition of electricity by a purchaser for purposes of use or consumption, and not for resale, but shall not include the use of electricity by a public utility directly in the generation, production, transmission, delivery or sale of electricity.

"Purchaser" shall mean any person who uses or consumes, within the corporate limits of the municipality, electricity acquired in a purchase at retail.

(e) Any municipality that imposes taxes upon public utilities or upon the privilege of using or consuming electricity pursuant to this Section whose territory includes any part of an enterprise zone or federally designated Foreign Trade Zone or Sub-Zone may, by a majority vote of its corporate authorities, exempt from those taxes for a period not exceeding 20 years any specified percentage of gross receipts of public utilities received from, or electricity used or consumed by,

business enterprises that:

(1) either (i) make investments that cause the creation of a minimum of 200 full-time equivalent jobs in Illinois, (ii) make investments of at least $175,000,000 that cause the creation of a minimum of 150 full-time equivalent jobs in Illinois, or (iii) make investments that cause the retention of a minimum of 1,000 full-time jobs in Illinois; and

(2) are either (i) located in an Enterprise Zone established pursuant to the Illinois Enterprise Zone Act or (ii) Department of Commerce and Economic Opportunity ~~Community Affairs~~ designated High Impact Businesses located in a federally designated Foreign Trade Zone or Sub-Zone; and

(3) are certified by the Department of Commerce and Economic Opportunity ~~Community Affairs~~ as complying with the requirements specified in clauses (1) and (2) of this paragraph (e).

Upon adoption of the ordinance authorizing the exemption, the municipal clerk shall transmit a copy of that ordinance to the Department of Commerce and Economic Opportunity ~~Community Affairs~~. The Department of Commerce and Economic Opportunity ~~Community Affairs~~ shall determine whether the business enterprises located in the municipality meet the criteria prescribed in this paragraph. If the Department of Commerce and Economic Opportunity ~~Community Affairs~~ determines that the business enterprises meet the criteria, it shall grant certification. The Department of Commerce and Economic Opportunity ~~Community Affairs~~ shall act upon certification requests within 30 days after receipt of the ordinance.

Upon certification of the business enterprise by the Department of Commerce and Economic Opportunity ~~Community Affairs~~, the Department of Commerce and Economic Opportunity ~~Community Affairs~~ shall notify the Department of Revenue of the certification. The Department of Revenue shall notify the public utilities of the exemption status of the gross receipts

received from, and the electricity used or consumed by, the certified business enterprises. Such exemption status shall be effective within 3 months after certification.

(f) A municipality that imposes taxes upon public utilities or upon the privilege of using or consuming electricity under this Section and whose territory includes part of another unit of local government or a school district may by ordinance exempt the other unit of local government or school district from those taxes.

(g) The amendment of this Section by Public Act 84-127 shall take precedence over any other amendment of this Section by any other amendatory Act passed by the 84th General Assembly before the effective date of Public Act 84-127.

(h) In any case in which, before July 1, 1992, a person engaged in the business of transmitting messages through the use of mobile equipment, such as cellular phones and paging systems, has determined the municipality within which the gross receipts from the business originated by reference to the location of its transmitting or switching equipment, then (i) neither the municipality to which tax was paid on that basis nor the taxpayer that paid tax on that basis shall be required to rebate, refund, or issue credits for any such tax or charge collected from customers to reimburse the taxpayer for the tax and (ii) no municipality to which tax would have been paid with respect to those gross receipts if the provisions of this amendatory Act of 1991 had been in effect before July 1, 1992, shall have any claim against the taxpayer for any amount of the tax.

(Source: P.A. 91-870, eff. 6-22-00; 92-474, eff. 8-1-02; 92-526, eff. 1-1-03; revised 12-6-03.)

(65 ILCS 5/11-31.1-14) (from Ch. 24, par. 11-31.1-14)

Sec. 11-31.1-14. Application for grants. Any municipality adopting this Division may make application to the Department of Commerce and Economic Opportunity ~~Community Affairs~~ for grants to help defray the cost of establishing and maintaining

a code hearing department as provided in this Division. The application for grants shall be in the manner and form prescribed by the Department of Commerce and Economic Opportunity ~~Community Affairs~~.

(Source: P.A. 81-1509; revised 12-6-03.)

(65 ILCS 5/11-48.3-29) (from Ch. 24, par. 11-48.3-29)

Sec. 11-48.3-29. The Authority shall receive financial support from the Department of Commerce and Economic Opportunity ~~Community Affairs~~ in the amounts that may be appropriated for such purpose.

(Source: P.A. 86-279; revised 12-6-03.)

(65 ILCS 5/11-74.4-6) (from Ch. 24, par. 11-74.4-6)

Sec. 11-74.4-6. (a) Except as provided herein, notice of the public hearing shall be given by publication and mailing. Notice by publication shall be given by publication at least twice, the first publication to be not more than 30 nor less than 10 days prior to the hearing in a newspaper of general circulation within the taxing districts having property in the proposed redevelopment project area. Notice by mailing shall be given by depositing such notice in the United States mails by certified mail addressed to the person or persons in whose name the general taxes for the last preceding year were paid on each lot, block, tract, or parcel of land lying within the project redevelopment area. Said notice shall be mailed not less than 10 days prior to the date set for the public hearing. In the event taxes for the last preceding year were not paid, the notice shall also be sent to the persons last listed on the tax rolls within the preceding 3 years as the owners of such property. For redevelopment project areas with redevelopment plans or proposed redevelopment plans that would require removal of 10 or more inhabited residential units or that contain 75 or more inhabited residential units, the municipality shall make a good faith effort to notify by mail all residents of the redevelopment project area. At a minimum,

the municipality shall mail a notice to each residential address located within the redevelopment project area. The municipality shall endeavor to ensure that all such notices are effectively communicated and shall include (in addition to notice in English) notice in the predominant language other than English when appropriate.

(b) The notices issued pursuant to this Section shall include the following:

(1) The time and place of public hearing;

(2) The boundaries of the proposed redevelopment project area by legal description and by street location where possible;

(3) A notification that all interested persons will be given an opportunity to be heard at the public hearing;

(4) A description of the redevelopment plan or redevelopment project for the proposed redevelopment project area if a plan or project is the subject matter of the hearing.

(5) Such other matters as the municipality may deem appropriate.

(c) Not less than 45 days prior to the date set for hearing, the municipality shall give notice by mail as provided in subsection (a) to all taxing districts of which taxable property is included in the redevelopment project area, project or plan and to the Department of Commerce and Economic Opportunity ~~Community Affairs~~, and in addition to the other requirements under subsection (b) the notice shall include an invitation to the Department of Commerce and Economic Opportunity ~~Community Affairs~~ and each taxing district to submit comments to the municipality concerning the subject matter of the hearing prior to the date of hearing.

(d) In the event that any municipality has by ordinance adopted tax increment financing prior to 1987, and has complied with the notice requirements of this Section, except that the notice has not included the requirements of subsection (b), paragraphs (2), (3) and (4), and within 90 days of the

effective date of this amendatory Act of 1991, that municipality passes an ordinance which contains findings that: (1) all taxing districts prior to the time of the hearing required by Section 11-74.4-5 were furnished with copies of a map incorporated into the redevelopment plan and project substantially showing the legal boundaries of the redevelopment project area; (2) the redevelopment plan and project, or a draft thereof, contained a map substantially showing the legal boundaries of the redevelopment project area and was available to the public at the time of the hearing; and (3) since the adoption of any form of tax increment financing authorized by this Act, and prior to June 1, 1991, no objection or challenge has been made in writing to the municipality in respect to the notices required by this Section, then the municipality shall be deemed to have met the notice requirements of this Act and all actions of the municipality taken in connection with such notices as were given are hereby validated and hereby declared to be legally sufficient for all purposes of this Act.

(e) If a municipality desires to propose a redevelopment plan for a redevelopment project area that would result in the displacement of residents from 10 or more inhabited residential units or for a redevelopment project area that contains 75 or more inhabited residential units, the municipality shall hold a public meeting before the mailing of the notices of public hearing as provided in subsection (c) of this Section. The meeting shall be for the purpose of enabling the municipality to advise the public, taxing districts having real property in the redevelopment project area, taxpayers who own property in the proposed redevelopment project area, and residents in the area as to the municipality's possible intent to prepare a redevelopment plan and designate a redevelopment project area and to receive public comment. The time and place for the meeting shall be set by the head of the municipality's Department of Planning or other department official designated by the mayor or city or village manager without the necessity

of a resolution or ordinance of the municipality and may be held by a member of the staff of the Department of Planning of the municipality or by any other person, body, or commission designated by the corporate authorities. The meeting shall be held at least 14 business days before the mailing of the notice of public hearing provided for in subsection (c) of this Section.

Notice of the public meeting shall be given by mail. Notice by mail shall be not less than 15 days before the date of the meeting and shall be sent by certified mail to all taxing districts having real property in the proposed redevelopment project area and to all entities requesting that information that have registered with a person and department designated by the municipality in accordance with registration guidelines established by the municipality pursuant to Section 11-74.4-4.2. The municipality shall make a good faith effort to notify all residents and the last known persons who paid property taxes on real estate in a redevelopment project area. This requirement shall be deemed to be satisfied if the municipality mails, by regular mail, a notice to each residential address and the person or persons in whose name property taxes were paid on real property for the last preceding year located within the redevelopment project area. Notice shall be in languages other than English when appropriate. The notices issued under this subsection shall include the following:

(1) The time and place of the meeting.

(2) The boundaries of the area to be studied for possible designation as a redevelopment project area by street and location.

(3) The purpose or purposes of establishing a redevelopment project area.

(4) A brief description of tax increment financing.

(5) The name, telephone number, and address of the person who can be contacted for additional information about the proposed redevelopment project area and who

should receive all comments and suggestions regarding the development of the area to be studied.

(6) Notification that all interested persons will be given an opportunity to be heard at the public meeting.

(7) Such other matters as the municipality deems appropriate.

At the public meeting, any interested person or representative of an affected taxing district may be heard orally and may file, with the person conducting the meeting, statements that pertain to the subject matter of the meeting.
(Source: P.A. 91-478, eff. 11-1-99; revised 12-6-03.)

(65 ILCS 5/11-74.4-8a) (from Ch. 24, par. 11-74.4-8a)

Sec. 11-74.4-8a. (1) Until June 1, 1988, a municipality which has adopted tax increment allocation financing prior to January 1, 1987, may by ordinance (1) authorize the Department of Revenue, subject to appropriation, to annually certify and cause to be paid from the Illinois Tax Increment Fund to such municipality for deposit in the municipality's special tax allocation fund an amount equal to the Net State Sales Tax Increment and (2) authorize the Department of Revenue to annually notify the municipality of the amount of the Municipal Sales Tax Increment which shall be deposited by the municipality in the municipality's special tax allocation fund. Provided that for purposes of this Section no amendments adding additional area to the redevelopment project area which has been certified as the State Sales Tax Boundary shall be taken into account if such amendments are adopted by the municipality after January 1, 1987. If an amendment is adopted which decreases the area of a State Sales Tax Boundary, the municipality shall update the list required by subsection (3)(a) of this Section. The Retailers' Occupation Tax liability, Use Tax liability, Service Occupation Tax liability and Service Use Tax liability for retailers and servicemen located within the disconnected area shall be excluded from the base from which tax increments are calculated and the revenue

from any such retailer or serviceman shall not be included in calculating incremental revenue payable to the municipality. A municipality adopting an ordinance under this subsection (1) of this Section for a redevelopment project area which is certified as a State Sales Tax Boundary shall not be entitled to payments of State taxes authorized under subsection (2) of this Section for the same redevelopment project area. Nothing herein shall be construed to prevent a municipality from receiving payment of State taxes authorized under subsection (2) of this Section for a separate redevelopment project area that does not overlap in any way with the State Sales Tax Boundary receiving payments of State taxes pursuant to subsection (1) of this Section.

A certified copy of such ordinance shall be submitted by the municipality to the Department of Commerce and Economic Opportunity ~~Community Affairs~~ and the Department of Revenue not later than 30 days after the effective date of the ordinance. Upon submission of the ordinances, and the information required pursuant to subsection 3 of this Section, the Department of Revenue shall promptly determine the amount of such taxes paid under the Retailers' Occupation Tax Act, Use Tax Act, Service Use Tax Act, the Service Occupation Tax Act, the Municipal Retailers' Occupation Tax Act and the Municipal Service Occupation Tax Act by retailers and servicemen on transactions at places located in the redevelopment project area during the base year, and shall certify all the foregoing "initial sales tax amounts" to the municipality within 60 days of submission of the list required of subsection (3)(a) of this Section.

If a retailer or serviceman with a place of business located within a redevelopment project area also has one or more other places of business within the municipality but outside the redevelopment project area, the retailer or serviceman shall, upon request of the Department of Revenue, certify to the Department of Revenue the amount of taxes paid pursuant to the Retailers' Occupation Tax Act, the Municipal Retailers' Occupation Tax Act, the Service Occupation Tax Act

and the Municipal Service Occupation Tax Act at each place of business which is located within the redevelopment project area in the manner and for the periods of time requested by the Department of Revenue.

When the municipality determines that a portion of an increase in the aggregate amount of taxes paid by retailers and servicemen under the Retailers' Occupation Tax Act, Use Tax Act, Service Use Tax Act, or the Service Occupation Tax Act is the result of a retailer or serviceman initiating retail or service operations in the redevelopment project area by such retailer or serviceman with a resulting termination of retail or service operations by such retailer or serviceman at another location in Illinois in the standard metropolitan statistical area of such municipality, the Department of Revenue shall be notified that the retailers occupation tax liability, use tax liability, service occupation tax liability, or service use tax liability from such retailer's or serviceman's terminated operation shall be included in the base Initial Sales Tax Amounts from which the State Sales Tax Increment is calculated for purposes of State payments to the affected municipality; provided, however, for purposes of this paragraph "termination" shall mean a closing of a retail or service operation which is directly related to the opening of the same retail or service operation in a redevelopment project area which is included within a State Sales Tax Boundary, but it shall not include retail or service operations closed for reasons beyond the control of the retailer or serviceman, as determined by the Department.

If the municipality makes the determination referred to in the prior paragraph and notifies the Department and if the relocation is from a location within the municipality, the Department, at the request of the municipality, shall adjust the certified aggregate amount of taxes that constitute the Municipal Sales Tax Increment paid by retailers and servicemen on transactions at places of business located within the State Sales Tax Boundary during the base year using the same

procedures as are employed to make the adjustment referred to in the prior paragraph. The adjusted Municipal Sales Tax Increment calculated by the Department shall be sufficient to satisfy the requirements of subsection (1) of this Section.

When a municipality which has adopted tax increment allocation financing in 1986 determines that a portion of the aggregate amount of taxes paid by retailers and servicemen under the Retailers Occupation Tax Act, Use Tax Act, Service Use Tax Act, or Service Occupation Tax Act, the Municipal Retailers' Occupation Tax Act and the Municipal Service Occupation Tax Act, includes revenue of a retailer or serviceman which terminated retailer or service operations in 1986, prior to the adoption of tax increment allocation financing, the Department of Revenue shall be notified by such municipality that the retailers' occupation tax liability, use tax liability, service occupation tax liability or service use tax liability, from such retailer's or serviceman's terminated operations shall be excluded from the Initial Sales Tax Amounts for such taxes. The revenue from any such retailer or serviceman which is excluded from the base year under this paragraph, shall not be included in calculating incremental revenues if such retailer or serviceman reestablishes such business in the redevelopment project area.

For State fiscal year 1992, the Department of Revenue shall budget, and the Illinois General Assembly shall appropriate from the Illinois Tax Increment Fund in the State treasury, an amount not to exceed $18,000,000 to pay to each eligible municipality the Net State Sales Tax Increment to which such municipality is entitled.

Beginning on January 1, 1993, each municipality's proportional share of the Illinois Tax Increment Fund shall be determined by adding the annual Net State Sales Tax Increment and the annual Net Utility Tax Increment to determine the Annual Total Increment. The ratio of the Annual Total Increment of each municipality to the Annual Total Increment for all municipalities, as most recently calculated by the Department,

shall determine the proportional shares of the Illinois Tax Increment Fund to be distributed to each municipality.

Beginning in October, 1993, and each January, April, July and October thereafter, the Department of Revenue shall certify to the Treasurer and the Comptroller the amounts payable quarter annually during the fiscal year to each municipality under this Section. The Comptroller shall promptly then draw warrants, ordering the State Treasurer to pay such amounts from the Illinois Tax Increment Fund in the State treasury.

The Department of Revenue shall utilize the same periods established for determining State Sales Tax Increment to determine the Municipal Sales Tax Increment for the area within a State Sales Tax Boundary and certify such amounts to such municipal treasurer who shall transfer such amounts to the special tax allocation fund.

The provisions of this subsection (1) do not apply to additional municipal retailers' occupation or service occupation taxes imposed by municipalities using their home rule powers or imposed pursuant to Sections 8-11-1.3, 8-11-1.4 and 8-11-1.5 of this Act. A municipality shall not receive from the State any share of the Illinois Tax Increment Fund unless such municipality deposits all its Municipal Sales Tax Increment and the local incremental real property tax revenues, as provided herein, into the appropriate special tax allocation fund. If, however, a municipality has extended the estimated dates of completion of the redevelopment project and retirement of obligations to finance redevelopment project costs by municipal ordinance to December 31, 2013 under subsection (n) of Section 11-74.4-3, then that municipality shall continue to receive from the State a share of the Illinois Tax Increment Fund so long as the municipality deposits, from any funds available, excluding funds in the special tax allocation fund, an amount equal to the municipal share of the real property tax increment revenues into the special tax allocation fund during the extension period. The amount to be deposited by the municipality in each of the tax years affected by the extension

to December 31, 2013 shall be equal to the municipal share of the property tax increment deposited into the special tax allocation fund by the municipality for the most recent year that the property tax increment was distributed. A municipality located within an economic development project area created under the County Economic Development Project Area Property Tax Allocation Act which has abated any portion of its property taxes which otherwise would have been deposited in its special tax allocation fund shall not receive from the State the Net Sales Tax Increment.

(2) A municipality which has adopted tax increment allocation financing with regard to an industrial park or industrial park conservation area, prior to January 1, 1988, may by ordinance authorize the Department of Revenue to annually certify and pay from the Illinois Tax Increment Fund to such municipality for deposit in the municipality's special tax allocation fund an amount equal to the Net State Utility Tax Increment. Provided that for purposes of this Section no amendments adding additional area to the redevelopment project area shall be taken into account if such amendments are adopted by the municipality after January 1, 1988. Municipalities adopting an ordinance under this subsection (2) of this Section for a redevelopment project area shall not be entitled to payment of State taxes authorized under subsection (1) of this Section for the same redevelopment project area which is within a State Sales Tax Boundary. Nothing herein shall be construed to prevent a municipality from receiving payment of State taxes authorized under subsection (1) of this Section for a separate redevelopment project area within a State Sales Tax Boundary that does not overlap in any way with the redevelopment project area receiving payments of State taxes pursuant to subsection (2) of this Section.

A certified copy of such ordinance shall be submitted to the Department of Commerce and Economic Opportunity ~~Community Affairs~~ and the Department of Revenue not later than 30 days after the effective date of the ordinance.

When a municipality determines that a portion of an increase in the aggregate amount of taxes paid by industrial or commercial facilities under the Public Utilities Act, is the result of an industrial or commercial facility initiating operations in the redevelopment project area with a resulting termination of such operations by such industrial or commercial facility at another location in Illinois, the Department of Revenue shall be notified by such municipality that such industrial or commercial facility's liability under the Public Utility Tax Act shall be included in the base from which tax increments are calculated for purposes of State payments to the affected municipality.

After receipt of the calculations by the public utility as required by subsection (4) of this Section, the Department of Revenue shall annually budget and the Illinois General Assembly shall annually appropriate from the General Revenue Fund through State Fiscal Year 1989, and thereafter from the Illinois Tax Increment Fund, an amount sufficient to pay to each eligible municipality the amount of incremental revenue attributable to State electric and gas taxes as reflected by the charges imposed on persons in the project area to which such municipality is entitled by comparing the preceding calendar year with the base year as determined by this Section. Beginning on January 1, 1993, each municipality's proportional share of the Illinois Tax Increment Fund shall be determined by adding the annual Net State Utility Tax Increment and the annual Net Utility Tax Increment to determine the Annual Total Increment. The ratio of the Annual Total Increment of each municipality to the Annual Total Increment for all municipalities, as most recently calculated by the Department, shall determine the proportional shares of the Illinois Tax Increment Fund to be distributed to each municipality.

A municipality shall not receive any share of the Illinois Tax Increment Fund from the State unless such municipality imposes the maximum municipal charges authorized pursuant to Section 9-221 of the Public Utilities Act and deposits all

municipal utility tax incremental revenues as certified by the public utilities, and all local real estate tax increments into such municipality's special tax allocation fund.

(3) Within 30 days after the adoption of the ordinance required by either subsection (1) or subsection (2) of this Section, the municipality shall transmit to the Department of Commerce and Economic Opportunity ~~Community Affairs~~ and the Department of Revenue the following:

(a) if applicable, a certified copy of the ordinance required by subsection (1) accompanied by a complete list of street names and the range of street numbers of each street located within the redevelopment project area for which payments are to be made under this Section in both the base year and in the year preceding the payment year; and the addresses of persons registered with the Department of Revenue; and, the name under which each such retailer or serviceman conducts business at that address, if different from the corporate name; and the Illinois Business Tax Number of each such person (The municipality shall update this list in the event of a revision of the redevelopment project area, or the opening or closing or name change of any street or part thereof in the redevelopment project area, or if the Department of Revenue informs the municipality of an addition or deletion pursuant to the monthly updates given by the Department.);

(b) if applicable, a certified copy of the ordinance required by subsection (2) accompanied by a complete list of street names and range of street numbers of each street located within the redevelopment project area, the utility customers in the project area, and the utilities serving the redevelopment project areas;

(c) certified copies of the ordinances approving the redevelopment plan and designating the redevelopment project area;

(d) a copy of the redevelopment plan as approved by the municipality;

(e) an opinion of legal counsel that the municipality had complied with the requirements of this Act; and

(f) a certification by the chief executive officer of the municipality that with regard to a redevelopment project area: (1) the municipality has committed all of the municipal tax increment created pursuant to this Act for deposit in the special tax allocation fund, (2) the redevelopment projects described in the redevelopment plan would not be completed without the use of State incremental revenues pursuant to this Act, (3) the municipality will pursue the implementation of the redevelopment plan in an expeditious manner, (4) the incremental revenues created pursuant to this Section will be exclusively utilized for the development of the redevelopment project area, and (5) the increased revenue created pursuant to this Section shall be used exclusively to pay redevelopment project costs as defined in this Act.

(4) The Department of Revenue upon receipt of the information set forth in paragraph (b) of subsection (3) shall immediately forward such information to each public utility furnishing natural gas or electricity to buildings within the redevelopment project area. Upon receipt of such information, each public utility shall promptly:

(a) provide to the Department of Revenue and the municipality separate lists of the names and addresses of persons within the redevelopment project area receiving natural gas or electricity from such public utility. Such list shall be updated as necessary by the public utility. Each month thereafter the public utility shall furnish the Department of Revenue and the municipality with an itemized listing of charges imposed pursuant to Sections 9-221 and 9-222 of the Public Utilities Act on persons within the redevelopment project area.

(b) determine the amount of charges imposed pursuant to Sections 9-221 and 9-222 of the Public Utilities Act on persons in the redevelopment project area during the base

year, both as a result of municipal taxes on electricity and gas and as a result of State taxes on electricity and gas and certify such amounts both to the municipality and the Department of Revenue; and

(c) determine the amount of charges imposed pursuant to Sections 9-221 and 9-222 of the Public Utilities Act on persons in the redevelopment project area on a monthly basis during the base year, both as a result of State and municipal taxes on electricity and gas and certify such separate amounts both to the municipality and the Department of Revenue.

After the determinations are made in paragraphs (b) and (c), the public utility shall monthly during the existence of the redevelopment project area notify the Department of Revenue and the municipality of any increase in charges over the base year determinations made pursuant to paragraphs (b) and (c).

(5) The payments authorized under this Section shall be deposited by the municipal treasurer in the special tax allocation fund of the municipality, which for accounting purposes shall identify the sources of each payment as: municipal receipts from the State retailers occupation, service occupation, use and service use taxes; and municipal public utility taxes charged to customers under the Public Utilities Act and State public utility taxes charged to customers under the Public Utilities Act.

(6) Before the effective date of this amendatory Act of the 91st General Assembly, any municipality receiving payments authorized under this Section for any redevelopment project area or area within a State Sales Tax Boundary within the municipality shall submit to the Department of Revenue and to the taxing districts which are sent the notice required by Section 6 of this Act annually within 180 days after the close of each municipal fiscal year the following information for the immediately preceding fiscal year:

(a) Any amendments to the redevelopment plan, the redevelopment project area, or the State Sales Tax

Boundary.

(b) Audited financial statements of the special tax allocation fund.

(c) Certification of the Chief Executive Officer of the municipality that the municipality has complied with all of the requirements of this Act during the preceding fiscal year.

(d) An opinion of legal counsel that the municipality is in compliance with this Act.

(e) An analysis of the special tax allocation fund which sets forth:

(1) the balance in the special tax allocation fund at the beginning of the fiscal year;

(2) all amounts deposited in the special tax allocation fund by source;

(3) all expenditures from the special tax allocation fund by category of permissible redevelopment project cost; and

(4) the balance in the special tax allocation fund at the end of the fiscal year including a breakdown of that balance by source. Such ending balance shall be designated as surplus if it is not required for anticipated redevelopment project costs or to pay debt service on bonds issued to finance redevelopment project costs, as set forth in Section 11-74.4-7 hereof.

(f) A description of all property purchased by the municipality within the redevelopment project area including:

1. Street address

2. Approximate size or description of property

3. Purchase price

4. Seller of property.

(g) A statement setting forth all activities undertaken in furtherance of the objectives of the redevelopment plan, including:

1. Any project implemented in the preceding fiscal year

2. A description of the redevelopment activities undertaken

3. A description of any agreements entered into by the municipality with regard to the disposition or redevelopment of any property within the redevelopment project area or the area within the State Sales Tax Boundary.

(h) With regard to any obligations issued by the municipality:

1. copies of bond ordinances or resolutions

2. copies of any official statements

3. an analysis prepared by financial advisor or underwriter setting forth: (a) nature and term of obligation; and (b) projected debt service including required reserves and debt coverage.

(i) A certified audit report reviewing compliance with this statute performed by an independent public accountant certified and licensed by the authority of the State of Illinois. The financial portion of the audit must be conducted in accordance with Standards for Audits of Governmental Organizations, Programs, Activities, and Functions adopted by the Comptroller General of the United States (1981), as amended. The audit report shall contain a letter from the independent certified public accountant indicating compliance or noncompliance with the requirements of subsection (q) of Section 11-74.4-3. If the audit indicates that expenditures are not in compliance with the law, the Department of Revenue shall withhold State sales and utility tax increment payments to the municipality until compliance has been reached, and an amount equal to the ineligible expenditures has been returned to the Special Tax Allocation Fund.

(6.1) After July 29, 1988 and before the effective date of this amendatory Act of the 91st General Assembly, any funds

which have not been designated for use in a specific development project in the annual report shall be designated as surplus. No funds may be held in the Special Tax Allocation Fund for more than 36 months from the date of receipt unless the money is required for payment of contractual obligations for specific development project costs. If held for more than 36 months in violation of the preceding sentence, such funds shall be designated as surplus. Any funds designated as surplus must first be used for early redemption of any bond obligations. Any funds designated as surplus which are not disposed of as otherwise provided in this paragraph, shall be distributed as surplus as provided in Section 11-74.4-7.

(7) Any appropriation made pursuant to this Section for the 1987 State fiscal year shall not exceed the amount of $7 million and for the 1988 State fiscal year the amount of $10 million. The amount which shall be distributed to each municipality shall be the incremental revenue to which each municipality is entitled as calculated by the Department of Revenue, unless the requests of the municipality exceed the appropriation, then the amount to which each municipality shall be entitled shall be prorated among the municipalities in the same proportion as the increment to which the municipality would be entitled bears to the total increment which all municipalities would receive in the absence of this limitation, provided that no municipality may receive an amount in excess of 15% of the appropriation. For the 1987 Net State Sales Tax Increment payable in Fiscal Year 1989, no municipality shall receive more than 7.5% of the total appropriation; provided, however, that any of the appropriation remaining after such distribution shall be prorated among municipalities on the basis of their pro rata share of the total increment. Beginning on January 1, 1993, each municipality's proportional share of the Illinois Tax Increment Fund shall be determined by adding the annual Net State Sales Tax Increment and the annual Net Utility Tax Increment to determine the Annual Total Increment. The ratio of the Annual Total Increment of each municipality to

the Annual Total Increment for all municipalities, as most recently calculated by the Department, shall determine the proportional shares of the Illinois Tax Increment Fund to be distributed to each municipality.

(7.1) No distribution of Net State Sales Tax Increment to a municipality for an area within a State Sales Tax Boundary shall exceed in any State Fiscal Year an amount equal to 3 times the sum of the Municipal Sales Tax Increment, the real property tax increment and deposits of funds from other sources, excluding state and federal funds, as certified by the city treasurer to the Department of Revenue for an area within a State Sales Tax Boundary. After July 29, 1988, for those municipalities which issue bonds between June 1, 1988 and 3 years from July 29, 1988 to finance redevelopment projects within the area in a State Sales Tax Boundary, the distribution of Net State Sales Tax Increment during the 16th through 20th years from the date of issuance of the bonds shall not exceed in any State Fiscal Year an amount equal to 2 times the sum of the Municipal Sales Tax Increment, the real property tax increment and deposits of funds from other sources, excluding State and federal funds.

(8) Any person who knowingly files or causes to be filed false information for the purpose of increasing the amount of any State tax incremental revenue commits a Class A misdemeanor.

(9) The following procedures shall be followed to determine whether municipalities have complied with the Act for the purpose of receiving distributions after July 1, 1989 pursuant to subsection (1) of this Section 11-74.4-8a.

(a) The Department of Revenue shall conduct a preliminary review of the redevelopment project areas and redevelopment plans pertaining to those municipalities receiving payments from the State pursuant to subsection (1) of Section 8a of this Act for the purpose of determining compliance with the following standards:

(1) For any municipality with a population of more

than 12,000 as determined by the 1980 U.S. Census: (a) the redevelopment project area, or in the case of a municipality which has more than one redevelopment project area, each such area, must be contiguous and the total of all such areas shall not comprise more than 25% of the area within the municipal boundaries nor more than 20% of the equalized assessed value of the municipality; (b) the aggregate amount of 1985 taxes in the redevelopment project area, or in the case of a municipality which has more than one redevelopment project area, the total of all such areas, shall be not more than 25% of the total base year taxes paid by retailers and servicemen on transactions at places of business located within the municipality under the Retailers' Occupation Tax Act, the Use Tax Act, the Service Use Tax Act, and the Service Occupation Tax Act. Redevelopment project areas created prior to 1986 are not subject to the above standards if their boundaries were not amended in 1986.

(2) For any municipality with a population of 12,000 or less as determined by the 1980 U.S. Census: (a) the redevelopment project area, or in the case of a municipality which has more than one redevelopment project area, each such area, must be contiguous and the total of all such areas shall not comprise more than 35% of the area within the municipal boundaries nor more than 30% of the equalized assessed value of the municipality; (b) the aggregate amount of 1985 taxes in the redevelopment project area, or in the case of a municipality which has more than one redevelopment project area, the total of all such areas, shall not be more than 35% of the total base year taxes paid by retailers and servicemen on transactions at places of business located within the municipality under the Retailers' Occupation Tax Act, the Use Tax Act, the Service Use Tax Act, and the Service Occupation Tax

Act. Redevelopment project areas created prior to 1986 are not subject to the above standards if their boundaries were not amended in 1986.

(3) Such preliminary review of the redevelopment project areas applying the above standards shall be completed by November 1, 1988, and on or before November 1, 1988, the Department shall notify each municipality by certified mail, return receipt requested that either (1) the Department requires additional time in which to complete its preliminary review; or (2) the Department is issuing either (a) a Certificate of Eligibility or (b) a Notice of Review. If the Department notifies a municipality that it requires additional time to complete its preliminary investigation, it shall complete its preliminary investigation no later than February 1, 1989, and by February 1, 1989 shall issue to each municipality either (a) a Certificate of Eligibility or (b) a Notice of Review. A redevelopment project area for which a Certificate of Eligibility has been issued shall be deemed a "State Sales Tax Boundary."

(4) The Department of Revenue shall also issue a Notice of Review if the Department has received a request by November 1, 1988 to conduct such a review from taxpayers in the municipality, local taxing districts located in the municipality or the State of Illinois, or if the redevelopment project area has more than 5 retailers and has had growth in State sales tax revenue of more than 15% from calendar year 1985 to 1986.

(b) For those municipalities receiving a Notice of Review, the Department will conduct a secondary review consisting of: (i) application of the above standards contained in subsection (9)(a)(1)(a) and (b) or (9)(a)(2)(a) and (b), and (ii) the definitions of blighted and conservation area provided for in Section 11-74.4-3.

Such secondary review shall be completed by July 1, 1989.

Upon completion of the secondary review, the Department will issue (a) a Certificate of Eligibility or (b) a Preliminary Notice of Deficiency. Any municipality receiving a Preliminary Notice of Deficiency may amend its redevelopment project area to meet the standards and definitions set forth in this paragraph (b). This amended redevelopment project area shall become the "State Sales Tax Boundary" for purposes of determining the State Sales Tax Increment.

(c) If the municipality advises the Department of its intent to comply with the requirements of paragraph (b) of this subsection outlined in the Preliminary Notice of Deficiency, within 120 days of receiving such notice from the Department, the municipality shall submit documentation to the Department of the actions it has taken to cure any deficiencies. Thereafter, within 30 days of the receipt of the documentation, the Department shall either issue a Certificate of Eligibility or a Final Notice of Deficiency. If the municipality fails to advise the Department of its intent to comply or fails to submit adequate documentation of such cure of deficiencies the Department shall issue a Final Notice of Deficiency that provides that the municipality is ineligible for payment of the Net State Sales Tax Increment.

(d) If the Department issues a final determination of ineligibility, the municipality shall have 30 days from the receipt of determination to protest and request a hearing. Such hearing shall be conducted in accordance with Sections 10-25, 10-35, 10-40, and 10-50 of the Illinois Administrative Procedure Act. The decision following the hearing shall be subject to review under the Administrative Review Law.

(e) Any Certificate of Eligibility issued pursuant to this subsection 9 shall be binding only on the State for the purposes of establishing municipal eligibility to

receive revenue pursuant to subsection (1) of this Section 11-74.4-8a.

(f) It is the intent of this subsection that the periods of time to cure deficiencies shall be in addition to all other periods of time permitted by this Section, regardless of the date by which plans were originally required to be adopted. To cure said deficiencies, however, the municipality shall be required to follow the procedures and requirements pertaining to amendments, as provided in Sections 11-74.4-5 and 11-74.4-6 of this Act.

(10) If a municipality adopts a State Sales Tax Boundary in accordance with the provisions of subsection (9) of this Section, such boundaries shall subsequently be utilized to determine Revised Initial Sales Tax Amounts and the Net State Sales Tax Increment; provided, however, that such revised State Sales Tax Boundary shall not have any effect upon the boundary of the redevelopment project area established for the purposes of determining the ad valorem taxes on real property pursuant to Sections 11-74.4-7 and 11-74.4-8 of this Act nor upon the municipality's authority to implement the redevelopment plan for that redevelopment project area. For any redevelopment project area with a smaller State Sales Tax Boundary within its area, the municipality may annually elect to deposit the Municipal Sales Tax Increment for the redevelopment project area in the special tax allocation fund and shall certify the amount to the Department prior to receipt of the Net State Sales Tax Increment. Any municipality required by subsection (9) to establish a State Sales Tax Boundary for one or more of its redevelopment project areas shall submit all necessary information required by the Department concerning such boundary and the retailers therein, by October 1, 1989, after complying with the procedures for amendment set forth in Sections 11-74.4-5 and 11-74.4-6 of this Act. Net State Sales Tax Increment produced within the State Sales Tax Boundary shall be spent only within that area. However expenditures of all municipal property tax increment and municipal sales tax

increment in a redevelopment project area are not required to be spent within the smaller State Sales Tax Boundary within such redevelopment project area.

(11) The Department of Revenue shall have the authority to issue rules and regulations for purposes of this Section. and regulations for purposes of this Section.

(12) If, under Section 5.4.1 of the Illinois Enterprise Zone Act, a municipality determines that property that lies within a State Sales Tax Boundary has an improvement, rehabilitation, or renovation that is entitled to a property tax abatement, then that property along with any improvements, rehabilitation, or renovations shall be immediately removed from any State Sales Tax Boundary. The municipality that made the determination shall notify the Department of Revenue within 30 days after the determination. Once a property is removed from the State Sales Tax Boundary because of the existence of a property tax abatement resulting from an enterprise zone, then that property shall not be permitted to be amended into a State Sales Tax Boundary.

(Source: P.A. 91-51, eff. 6-30-99; 91-478, eff. 11-1-99; 92-263, eff. 8-7-01; revised 12-6-03.)

(65 ILCS 5/11-74.6-10)

Sec. 11-74.6-10. Definitions.

(a) "Environmentally contaminated area" means any improved or vacant area within the boundaries of a redevelopment project area located within the corporate limits of a municipality when, (i) there has been a determination of release or substantial threat of release of a hazardous substance or pesticide, by the United States Environmental Protection Agency or the Illinois Environmental Protection Agency, or the Illinois Pollution Control Board, or any court, or a release or substantial threat of release which is addressed as part of the Pre-Notice Site Cleanup Program under Section 22.2(m) of the Illinois Environmental Protection Act, or a release or substantial threat of release of petroleum under Section 22.12

of the Illinois Environmental Protection Act, and (ii) which release or threat of release presents an imminent and substantial danger to public health or welfare or presents a significant threat to public health or the environment, and (iii) which release or threat of release would have a significant impact on the cost of redeveloping the area.

(b) "Department" means the Department of Commerce and Economic Opportunity ~~Community Affairs~~.

(c) "Industrial park" means an area in a redevelopment project area suitable for use by any manufacturing, industrial, research, or transportation enterprise, of facilities, including but not limited to factories, mills, processing plants, assembly plants, packing plants, fabricating plants, distribution centers, warehouses, repair overhaul or service facilities, freight terminals, research facilities, test facilities or railroad facilities. An industrial park may contain space for commercial and other use as long as the expected principal use of the park is industrial and is reasonably expected to result in the creation of a significant number of new permanent full time jobs. An industrial park may also contain related operations and facilities including, but not limited to, business and office support services such as centralized computers, telecommunications, publishing, accounting, photocopying and similar activities and employee services such as child care, health care, food service and similar activities. An industrial park may also include demonstration projects, prototype development, specialized training on developing technology, and pure research in any field related or adaptable to business and industry.

(d) "Research park" means an area in a redevelopment project area suitable for development of a facility or complex that includes research laboratories and related operations. These related operations may include, but are not limited to, business and office support services such as centralized computers, telecommunications, publishing, accounting, photocopying and similar activities, and employee services

such as child care, health care, food service and similar activities. A research park may include demonstration projects, prototype development, specialized training on developing technology, and pure research in any field related or adaptable to business and industry.

(e) "Industrial park conservation area" means an area within the boundaries of a redevelopment project area located within the corporate limits of a municipality or within 1 1/2 miles of the corporate limits of a municipality if the area is to be annexed to the municipality, if the area is zoned as industrial no later than the date on which the municipality by ordinance designates the redevelopment project area, and if the area includes improved or vacant land suitable for use as an industrial park or a research park, or both. To be designated as an industrial park conservation area, the area shall also satisfy one of the following standards:

(1) Standard One: The municipality must be a labor surplus municipality and the area must be served by adequate public and or road transportation for access by the unemployed and for the movement of goods or materials and the redevelopment project area shall contain no more than 2% of the most recently ascertained equalized assessed value of all taxable real properties within the corporate limits of the municipality after adjustment for all annexations associated with the establishment of the redevelopment project area or be located in the vicinity of a waste disposal site or other waste facility. The project plan shall include a plan for and shall establish a marketing program to attract appropriate businesses to the proposed industrial park conservation area and shall include an adequate plan for financing and construction of the necessary infrastructure. No redevelopment projects may be authorized by the municipality under Standard One of subsection (e) of this Section unless the project plan also provides for an employment training project that would prepare unemployed workers for work in the industrial park

conservation area, and the project has been approved by official action of or is to be operated by the local community college district, public school district or state or locally designated private industry council or successor agency, or

(2) Standard Two: The municipality must be a substantial labor surplus municipality and the area must be served by adequate public and or road transportation for access by the unemployed and for the movement of goods or materials and the redevelopment project area shall contain no more than 2% of the most recently ascertained equalized assessed value of all taxable real properties within the corporate limits of the municipality after adjustment for all annexations associated with the establishment of the redevelopment project area. No redevelopment projects may be authorized by the municipality under Standard Two of subsection (e) of this Section unless the project plan also provides for an employment training project that would prepare unemployed workers for work in the industrial park conservation area, and the project has been approved by official action of or is to be operated by the local community college district, public school district or state or locally designated private industry council or successor agency.

(f) "Vacant industrial buildings conservation area" means an area containing one or more industrial buildings located within the corporate limits of the municipality that has been zoned industrial for at least 5 years before the designation of that area as a redevelopment project area by the municipality and is planned for reuse principally for industrial purposes. For the area to be designated as a vacant industrial buildings conservation area, the area shall also satisfy one of the following standards:

(1) Standard One: The area shall consist of one or more industrial buildings totaling at least 50,000 net square feet of industrial space, with a majority of the total area

of all the buildings having been vacant for at least 18 months; and (A) the area is located in a labor surplus municipality or a substantial labor surplus municipality, or (B) the equalized assessed value of the properties within the area during the last 2 years is at least 25% lower than the maximum equalized assessed value of those properties during the immediately preceding 10 years.

(2) Standard Two: The area exclusively consists of industrial buildings or a building complex operated by a user or related users (A) that has within the immediately preceding 5 years either (i) employed 200 or more employees at that location, or (ii) if the area is located in a municipality with a population of 12,000 or less, employed more than 50 employees at that location and (B) either is currently vacant, or the owner has: (i) directly notified the municipality of the user's intention to terminate operations at the facility or (ii) filed a notice of closure under the Worker Adjustment and Retraining Notification Act.

(g) "Labor surplus municipality" means a municipality in which, during the 4 calendar years immediately preceding the date the municipality by ordinance designates an industrial park conservation area, the average unemployment rate was 1% or more over the State average unemployment rate for that same period of time as published in the United States Department of Labor Bureau of Labor Statistics publication entitled "The Employment Situation" or its successor publication. For the purpose of this subsection (g), if unemployment rate statistics for the municipality are not available, the unemployment rate in the municipality shall be deemed to be: (i) for a municipality that is not in an urban county, the same as the unemployment rate in the principal county where the municipality is located or (ii) for a municipality in an urban county at that municipality's option, either the unemployment rate certified for the municipality by the Department after consultation with the Illinois Department of Labor or the

federal Bureau of Labor Statistics, or the unemployment rate of the municipality as determined by the most recent federal census if that census was not dated more than 5 years prior to the date on which the determination is made.

(h) "Substantial labor surplus municipality" means a municipality in which, during the 5 calendar years immediately preceding the date the municipality by ordinance designates an industrial park conservation area, the average unemployment rate was 2% or more over the State average unemployment rate for that same period of time as published in the United States Department of Labor Statistics publication entitled "The Employment Situation" or its successor publication. For the purpose of this subsection (h), if unemployment rate statistics for the municipality are not available, the unemployment rate in the municipality shall be deemed to be: (i) for a municipality that is not in an urban county, the same as the unemployment rate in the principal county in which the municipality is located; or (ii) for a municipality in an urban county, at that municipality's option, either the unemployment rate certified for the municipality by the Department after consultation with the Illinois Department of Labor or the federal Bureau of Labor Statistics, or the unemployment rate of the municipality as determined by the most recent federal census if that census was not dated more than 5 years prior to the date on which the determination is made.

(i) "Municipality" means a city, village or incorporated town.

(j) "Obligations" means bonds, loans, debentures, notes, special certificates or other evidence of indebtedness issued by the municipality to carry out a redevelopment project or to refund outstanding obligations.

(k) "Payment in lieu of taxes" means those estimated tax revenues from real property in a redevelopment project area derived from real property that has been acquired by a municipality, which according to the redevelopment project or plan are to be used for a private use, that taxing districts

would have received had a municipality not acquired the real property and adopted tax increment allocation financing and that would result from levies made after the time of the adoption of tax increment allocation financing until the time the current equalized assessed value of real property in the redevelopment project area exceeds the total initial equalized assessed value of real property in that area.

(l) "Redevelopment plan" means the comprehensive program of the municipality for development or redevelopment intended by the payment of redevelopment project costs to reduce or eliminate the conditions that qualified the redevelopment project area or redevelopment planning area, or both, as an environmentally contaminated area or industrial park conservation area, or vacant industrial buildings conservation area, or combination thereof, and thereby to enhance the tax bases of the taxing districts that extend into the redevelopment project area or redevelopment planning area. On and after the effective date of this amendatory Act of the 91st General Assembly, no redevelopment plan may be approved or amended to include the development of vacant land (i) with a golf course and related clubhouse and other facilities or (ii) designated by federal, State, county, or municipal government as public land for outdoor recreational activities or for nature preserves and used for that purpose within 5 years prior to the adoption of the redevelopment plan. For the purpose of this subsection, "recreational activities" is limited to mean camping and hunting. Each redevelopment plan must set forth in writing the bases for the municipal findings required in this subsection, the program to be undertaken to accomplish the objectives, including but not limited to: (1) an itemized list of estimated redevelopment project costs, (2) evidence indicating that the redevelopment project area or the redevelopment planning area, or both, on the whole has not been subject to growth and development through investment by private enterprise, (3) (i) in the case of an environmentally contaminated area, industrial park conservation area, or a

vacant industrial buildings conservation area classified under either Standard One, or Standard Two of subsection (f) where the building is currently vacant, evidence that implementation of the redevelopment plan is reasonably expected to create a significant number of permanent full time jobs, (ii) in the case of a vacant industrial buildings conservation area classified under Standard Two (B)(i) or (ii) of subsection (f), evidence that implementation of the redevelopment plan is reasonably expected to retain a significant number of existing permanent full time jobs, and (iii) in the case of a combination of an environmentally contaminated area, industrial park conservation area, or vacant industrial buildings conservation area, evidence that the standards concerning the creation or retention of jobs for each area set forth in (i) or (ii) above are met, (4) an assessment of the financial impact of the redevelopment project area or the redevelopment planning area, or both, on the overlapping taxing bodies or any increased demand for services from any taxing district affected by the plan and any program to address such financial impact or increased demand, (5) the sources of funds to pay costs, (6) the nature and term of the obligations to be issued, (7) the most recent equalized assessed valuation of the redevelopment project area or the redevelopment planning area, or both, (8) an estimate of the equalized assessed valuation after redevelopment and the general land uses that are applied in the redevelopment project area or the redevelopment planning area, or both, (9) a commitment to fair employment practices and an affirmative action plan, (10) if it includes an industrial park conservation area, the following: (i) a general description of any proposed developer, (ii) user and tenant of any property, (iii) a description of the type, structure and general character of the facilities to be developed, and (iv) a description of the type, class and number of new employees to be employed in the operation of the facilities to be developed, (11) if it includes an environmentally contaminated area, the following: either (i) a determination of release or substantial

threat of release of a hazardous substance or pesticide or of petroleum by the United States Environmental Protection Agency or the Illinois Environmental Protection Agency, or the Illinois Pollution Control Board or any court; or (ii) both an environmental audit report by a nationally recognized independent environmental auditor having a reputation for expertise in these matters and a copy of the signed Review and Evaluation Services Agreement indicating acceptance of the site by the Illinois Environmental Protection Agency into the Pre-Notice Site Cleanup Program, (12) if it includes a vacant industrial buildings conservation area, the following: (i) a general description of any proposed developer, (ii) user and tenant of any building or buildings, (iii) a description of the type, structure and general character of the building or buildings to be developed, and (iv) a description of the type, class and number of new employees to be employed or existing employees to be retained in the operation of the building or buildings to be redeveloped, and (13) if property is to be annexed to the municipality, the terms of the annexation agreement.

No redevelopment plan shall be adopted by a municipality without findings that:

(1) the redevelopment project area or redevelopment planning area, or both, on the whole has not been subject to growth and development through investment by private enterprise and would not reasonably be anticipated to be developed in accordance with public goals stated in the redevelopment plan without the adoption of the redevelopment plan;

(2) the redevelopment plan and project conform to the comprehensive plan for the development of the municipality as a whole, or, for municipalities with a population of 100,000 or more, regardless of when the redevelopment plan and project was adopted, the redevelopment plan and project either: (i) conforms to the strategic economic development or redevelopment plan issued by the designated planning

authority of the municipality or (ii) includes land uses that have been approved by the planning commission of the municipality;

(3) that the redevelopment plan is reasonably expected to create or retain a significant number of permanent full time jobs as set forth in paragraph (3) of subsection (l) above;

(4) the estimated date of completion of the redevelopment project and retirement of obligations incurred to finance redevelopment project costs is not later than December 31 of the year in which the payment to the municipal treasurer as provided in subsection (b) of Section 11-74.6-35 is to be made with respect to ad valorem taxes levied in the twenty-third calendar year after the year in which the ordinance approving the redevelopment project area is adopted; a municipality may by municipal ordinance amend an existing redevelopment plan to conform to this paragraph (4) as amended by this amendatory Act of the 91st General Assembly concerning ordinances adopted on or after January 15, 1981, which municipal ordinance may be adopted without further hearing or notice and without complying with the procedures provided in this Law pertaining to an amendment to or the initial approval of a redevelopment plan and project and designation of a redevelopment project area;

(5) in the case of an industrial park conservation area, that the municipality is a labor surplus municipality or a substantial labor surplus municipality and that the implementation of the redevelopment plan is reasonably expected to create a significant number of permanent full time new jobs and, by the provision of new facilities, significantly enhance the tax base of the taxing districts that extend into the redevelopment project area;

(6) in the case of an environmentally contaminated area, that the area is subject to a release or substantial threat of release of a hazardous substance, pesticide or

petroleum which presents an imminent and substantial danger to public health or welfare or presents a significant threat to public health or environment, that such release or threat of release will have a significant impact on the cost of redeveloping the area, that the implementation of the redevelopment plan is reasonably expected to result in the area being redeveloped, the tax base of the affected taxing districts being significantly enhanced thereby, and the creation of a significant number of permanent full time jobs; and

(7) in the case of a vacant industrial buildings conservation area, that the area is located within the corporate limits of a municipality that has been zoned industrial for at least 5 years before its designation as a project redeveloped area, that it contains one or more industrial buildings, and whether the area has been designated under Standard One or Standard Two of subsection (f) and the basis for that designation.

(m) "Redevelopment project" means any public or private development project in furtherance of the objectives of a redevelopment plan. On and after the effective date of this amendatory Act of the 91st General Assembly, no redevelopment plan may be approved or amended to include the development of vacant land (i) with a golf course and related clubhouse and other facilities or (ii) designated by federal, State, county, or municipal government as public land for outdoor recreational activities or for nature preserves and used for that purpose within 5 years prior to the adoption of the redevelopment plan. For the purpose of this subsection, "recreational activities" is limited to mean camping and hunting.

(n) "Redevelopment project area" means a contiguous area designated by the municipality that is not less in the aggregate than 1 1/2 acres, and for which the municipality has made a finding that there exist conditions that cause the area to be classified as an industrial park conservation area, a vacant industrial building conservation area, an

environmentally contaminated area or a combination of these types of areas.

(o) "Redevelopment project costs" means the sum total of all reasonable or necessary costs incurred or estimated to be incurred by the municipality, and any of those costs incidental to a redevelopment plan and a redevelopment project. These costs include, without limitation, the following:

(1) Costs of studies, surveys, development of plans, and specifications, implementation and administration of the redevelopment plan, staff and professional service costs for architectural, engineering, legal, marketing, financial, planning, or other services, but no charges for professional services may be based on a percentage of the tax increment collected; except that on and after the effective date of this amendatory Act of the 91st General Assembly, no contracts for professional services, excluding architectural and engineering services, may be entered into if the terms of the contract extend beyond a period of 3 years. In addition, "redevelopment project costs" shall not include lobbying expenses. After consultation with the municipality, each tax increment consultant or advisor to a municipality that plans to designate or has designated a redevelopment project area shall inform the municipality in writing of any contracts that the consultant or advisor has entered into with entities or individuals that have received, or are receiving, payments financed by tax increment revenues produced by the redevelopment project area with respect to which the consultant or advisor has performed, or will be performing, service for the municipality. This requirement shall be satisfied by the consultant or advisor before the commencement of services for the municipality and thereafter whenever any other contracts with those individuals or entities are executed by the consultant or advisor;

(1.5) After July 1, 1999, annual administrative costs

shall not include general overhead or administrative costs of the municipality that would still have been incurred by the municipality if the municipality had not designated a redevelopment project area or approved a redevelopment plan;

(1.6) The cost of marketing sites within the redevelopment project area to prospective businesses, developers, and investors.

(2) Property assembly costs within a redevelopment project area, including but not limited to acquisition of land and other real or personal property or rights or interests therein.

(3) Site preparation costs, including but not limited to clearance of any area within a redevelopment project area by demolition or removal of any existing buildings, structures, fixtures, utilities and improvements and clearing and grading; and including installation, repair, construction, reconstruction, or relocation of public streets, public utilities, and other public site improvements within or without a redevelopment project area which are essential to the preparation of the redevelopment project area for use in accordance with a redevelopment plan.

(4) Costs of renovation, rehabilitation, reconstruction, relocation, repair or remodeling of any existing public or private buildings, improvements, and fixtures within a redevelopment project area; and the cost of replacing an existing public building if pursuant to the implementation of a redevelopment project the existing public building is to be demolished to use the site for private investment or devoted to a different use requiring private investment.

(5) Costs of construction within a redevelopment project area of public improvements, including but not limited to, buildings, structures, works, utilities or fixtures, except that on and after the effective date of

this amendatory Act of the 91st General Assembly, redevelopment project costs shall not include the cost of constructing a new municipal public building principally used to provide offices, storage space, or conference facilities or vehicle storage, maintenance, or repair for administrative, public safety, or public works personnel and that is not intended to replace an existing public building as provided under paragraph (4) unless either (i) the construction of the new municipal building implements a redevelopment project that was included in a redevelopment plan that was adopted by the municipality prior to the effective date of this amendatory Act of the 91st General Assembly or (ii) the municipality makes a reasonable determination in the redevelopment plan, supported by information that provides the basis for that determination, that the new municipal building is required to meet an increase in the need for public safety purposes anticipated to result from the implementation of the redevelopment plan.

(6) Costs of eliminating or removing contaminants and other impediments required by federal or State environmental laws, rules, regulations, and guidelines, orders or other requirements or those imposed by private lending institutions as a condition for approval of their financial support, debt or equity, for the redevelopment projects, provided, however, that in the event (i) other federal or State funds have been certified by an administrative agency as adequate to pay these costs during the 18 months after the adoption of the redevelopment plan, or (ii) the municipality has been reimbursed for such costs by persons legally responsible for them, such federal, State, or private funds shall, insofar as possible, be fully expended prior to the use of any revenues deposited in the special tax allocation fund of the municipality and any other such federal, State or private funds received shall be deposited in the fund. The municipality shall seek

reimbursement of these costs from persons legally responsible for these costs and the costs of obtaining this reimbursement.

(7) Costs of job training and retraining projects.

(8) Financing costs, including but not limited to all necessary and incidental expenses related to the issuance of obligations and which may include payment of interest on any obligations issued under this Act including interest accruing during the estimated period of construction of any redevelopment project for which the obligations are issued and for not exceeding 36 months thereafter and including reasonable reserves related to those costs.

(9) All or a portion of a taxing district's capital costs resulting from the redevelopment project necessarily incurred or to be incurred in furtherance of the objectives of the redevelopment plan and project, to the extent the municipality by written agreement accepts and approves those costs.

(10) Relocation costs to the extent that a municipality determines that relocation costs shall be paid or is required to make payment of relocation costs by federal or State law.

(11) Payments in lieu of taxes.

(12) Costs of job training, retraining, advanced vocational education or career education, including but not limited to courses in occupational, semi-technical or technical fields leading directly to employment, incurred by one or more taxing districts, if those costs are: (i) related to the establishment and maintenance of additional job training, advanced vocational education or career education programs for persons employed or to be employed by employers located in a redevelopment project area; and (ii) are incurred by a taxing district or taxing districts other than the municipality and are set forth in a written agreement by or among the municipality and the taxing district or taxing districts, which agreement describes

the program to be undertaken, including but not limited to the number of employees to be trained, a description of the training and services to be provided, the number and type of positions available or to be available, itemized costs of the program and sources of funds to pay for the same, and the term of the agreement. These costs include, specifically, the payment by community college districts of costs under Sections 3-37, 3-38, 3-40 and 3-40.1 of the Public Community College Act and by school districts of costs under Sections 10-22.20a and 10-23.3a of the School Code.

(13) The interest costs incurred by redevelopers or other nongovernmental persons in connection with a redevelopment project, and specifically including payments to redevelopers or other nongovernmental persons as reimbursement for such costs incurred by such redeveloper or other nongovernmental person, provided that:

(A) interest costs shall be paid or reimbursed by a municipality only pursuant to the prior official action of the municipality evidencing an intent to pay or reimburse such interest costs;

(B) such payments in any one year may not exceed 30% of the annual interest costs incurred by the redeveloper with regard to the redevelopment project during that year;

(C) except as provided in subparagraph (E), the aggregate amount of such costs paid or reimbursed by a municipality shall not exceed 30% of the total (i) costs paid or incurred by the redeveloper or other nongovernmental person in that year plus (ii) redevelopment project costs excluding any property assembly costs and any relocation costs incurred by a municipality pursuant to this Act;

(D) interest costs shall be paid or reimbursed by a municipality solely from the special tax allocation fund established pursuant to this Act and shall not be

paid or reimbursed from the proceeds of any obligations issued by a municipality;

(E) if there are not sufficient funds available in the special tax allocation fund in any year to make such payment or reimbursement in full, any amount of such interest cost remaining to be paid or reimbursed by a municipality shall accrue and be payable when funds are available in the special tax allocation fund to make such payment.

(14) The costs of construction of new privately owned buildings shall not be an eligible redevelopment project cost.

If a special service area has been established under the Special Service Area Tax Act, then any tax increment revenues derived from the tax imposed thereunder to the Special Service Area Tax Act may be used within the redevelopment project area for the purposes permitted by that Act as well as the purposes permitted by this Act.

(p) "Redevelopment Planning Area" means an area so designated by a municipality after the municipality has complied with all the findings and procedures required to establish a redevelopment project area, including the existence of conditions that qualify the area as an industrial park conservation area, or an environmentally contaminated area, or a vacant industrial buildings conservation area, or a combination of these types of areas, and adopted a redevelopment plan and project for the planning area and its included redevelopment project areas. The area shall not be designated as a redevelopment planning area for more than 5 years. At any time in the 5 years following that designation of the redevelopment planning area, the municipality may designate the redevelopment planning area, or any portion of the redevelopment planning area, as a redevelopment project area without making additional findings or complying with additional procedures required for the creation of a redevelopment project area. An amendment of a redevelopment

plan and project in accordance with the findings and procedures of this Act after the designation of a redevelopment planning area at any time within the 5 years after the designation of the redevelopment planning area shall not require new qualification of findings for the redevelopment project area to be designated within the redevelopment planning area.

The terms "redevelopment plan", "redevelopment project", and "redevelopment project area" have the definitions set out in subsections (l), (m), and (n), respectively.

(q) "Taxing districts" means counties, townships, municipalities, and school, road, park, sanitary, mosquito abatement, forest preserve, public health, fire protection, river conservancy, tuberculosis sanitarium and any other municipal corporations or districts with the power to levy taxes.

(r) "Taxing districts' capital costs" means those costs of taxing districts for capital improvements that are found by the municipal corporate authorities to be necessary and a direct result of the redevelopment project.

(s) "Urban county" means a county with 240,000 or more inhabitants.

(t) "Vacant area", as used in subsection (a) of this Section, means any parcel or combination of parcels of real property without industrial, commercial and residential buildings that has not been used for commercial agricultural purposes within 5 years before the designation of the redevelopment project area, unless that parcel is included in an industrial park conservation area.

(Source: P.A. 90-655, eff. 7-30-98; 91-474, eff. 11-1-99; revised 12-6-03.)

Section 575. The Metropolitan Pier and Exposition Authority Act is amended by changing Sections 10.1, 13.1, and 22.1 as follows:

(70 ILCS 210/10.1) (from Ch. 85, par. 1230.1)

Sec. 10.1. (a) The Authority is hereby authorized to provide for the issuance, from time to time, of refunding or advance refunding bonds for the purpose of refunding any bonds or notes then outstanding (herein collectively referred to as bonds) at or prior to maturity or on any redemption date, whether an entire issue or series, or one or more issues or series, or any portions or parts of any issue or series, which shall have been issued under the provisions of this Act.

(b) The proceeds of any such refunding bonds may be used to carry out one or more of the following purposes:

(1) To pay the principal amount of all outstanding bonds to be retired at maturity or redeemed prior to maturity;

(2) To pay the total amount of any redemption premium incident to redemption of such outstanding bonds to be refunded;

(3) To pay the total amount of any interest accrued or to accrue to the date or dates of redemption or maturity of such outstanding bonds to be refunded;

(4) To pay any and all costs or expenses incident to such refunding;

(5) To establish reserves for the payment of such refunding bonds and the interest thereon.

(c) The issuance of refunding bonds, the maturities and other details thereof, the rights of the holders thereof and the rights, duties and obligations of the Authority in respect of the same shall be governed by the provisions of this Act, insofar as the same may be applicable, and may in harmony therewith be augmented or supplemented by resolution or ordinance to conform to the facts and circumstances prevailing in each instance of issuance of such refunding bonds; provided that, with respect to refunding or advance refunding bonds issued before January 1, 1991, the Authority shall consult with the Illinois Governor's Office of Management and Budget (formerly Bureau of the Budget) to develop the structure of the proposed transaction.

After the adoption by the Board of an ordinance authorizing the issuance of such refunding bonds before January 1, 1991, and the execution of any proposal or contract relating to the sale thereof, the Authority shall prepare and deliver a report as soon as practical to the Director of the Governor's Office of Management and Budget (formerly Bureau of the Budget), the President of the Senate, the Minority Leader of the Senate, the Speaker of the House of Representatives and the Minority Leader of the House of Representatives setting forth the amount of refunding bonds, the interest rate or rates, a schedule of estimated debt service requirements, the projected cost savings to the State, the method or manner of the sale and any participants therein, including underwriters, financial advisors, attorneys, accountants, trustees, printers, registrars and paying agents.

(d) With reference to the investment of the proceeds of any such refunding bonds, the interest on which is exempt from tax under federal law, the Authority shall not authorize or anticipate investment earnings exceeding such as are authorized or permitted under prevailing federal laws, regulations and administrative rulings relating to arbitrage bonds.

(e) The proceeds of any such refunding bonds (together with any other funds available for application to refunding purposes, if so provided or permitted by ordinance authorizing the issuance of such refunding bonds or in a trust agreement securing the same) may be placed in trust to be applied to the purchase, retirement at maturity or redemption of the bonds to be refunded on such dates as may be determined by the Authority. Pending application thereof, the proceeds of such refunding bonds and such other available funds, if any, may be invested in direct obligations of, or obligations the principal thereof and the interest on which are unconditionally guaranteed by, the United States of America which shall mature, or which shall be subject to redemption by the holder thereof at its option not later than the respective date or dates when

such proceeds and other available funds, if any, (either together with the interest accruing thereon or without considering the interest accruing thereon) will be required for the refunding purpose intended or authorized.

(f) Upon the deposit of the proceeds of the refunding bonds (together with any other funds available for application to refunding purposes, if so provided or permitted by ordinance authorizing the issuance of such refunding bonds or in a trust agreement securing the same) in an irrevocable trust pursuant to a trust agreement with a trustee requiring the trustee to satisfy the obligations of the Authority to timely redeem and retire the outstanding bonds for which the proceeds and other funds, if any, are deposited, in an amount sufficient to satisfy the obligation of the Authority to timely redeem and retire such outstanding bonds or upon the deposit in such irrevocable trust of direct obligations which, or obligations the principal and interest of which, are unconditionally guaranteed by the United States of America, in an amount sufficient to pay all principal and all interest accrued and to be accrued in respect of the bonds to be refunded from the reinvestment of such principal and interest, or in such amounts so that upon maturity (or upon optional redemption by the trustee) of such obligations amounts will be produced, taking into account investment earnings, on a timely basis sufficient to satisfy the obligations of the Authority to timely redeem and retire such outstanding bonds, and notwithstanding any provision of any ordinance or trust agreement authorizing the issuance of such outstanding bonds to the contrary, such outstanding bonds shall be deemed paid and no longer be deemed to be outstanding for purposes of such ordinance or trust agreement, and all rights and obligations of the bond holders and the Authority under such prior ordinance or trust agreement shall be deemed discharged, provided, however, that the holders of such outstanding bonds shall have an irrevocable and unconditional right to payment in full of all principal of and premium if any and interest on such outstanding bonds when due

from the amounts on deposit in such trust. The trustee shall be any trust company or bank in the State of Illinois having the power of a trust company possessing capital and surplus of not less than $100,000,000.

(g) Bond proceeds on deposit in the construction fund, are authorized to be used to pay principal or interest on the refunded bonds and the Authority is authorized to issue bonds for the purpose of reimbursing its construction fund in the amount of the bond proceeds used in connection with the refunding issuance. That portion of the bond proceeds used to reimburse the construction fund shall be deemed refunding bonds for the purposes of this Act.

(Source: P.A. 87-733; revised 8-23-03.)

(70 ILCS 210/13.1) (from Ch. 85, par. 1233.1)

Sec. 13.1. There is hereby created the Metropolitan Fair and Exposition Authority Improvement Bond Fund and the Metropolitan Fair and Exposition Authority Completion Note Subordinate Fund in the State Treasury. All moneys transferred from the McCormick Place Account in the Build Illinois Fund to the Metropolitan Fair and Exposition Authority Improvement Bond Fund and all moneys transferred from the Metropolitan Fair and Exposition Authority Improvement Bond Fund to the Metropolitan Fair and Exposition Authority Completion Note Subordinate Fund may be appropriated by law for the purpose of paying the debt service requirements on all bonds and notes issued under this Section, including refunding bonds, (herein collectively referred to as bonds) to be issued by the Authority subsequent to July 1, 1984 in an aggregate amount (excluding the amount of any refunding bonds issued by the Authority subsequent to January 1, 1986), not to exceed $312,500,000, with such aggregate amount comprised of (i) an amount not to exceed $259,000,000 for the purpose of paying costs of the Project and (ii) the balance for the purpose of refunding those bonds of the Authority that were issued prior to July 1, 1984 and for the purpose of establishing necessary

reserves on, paying capitalized interest on, and paying costs of issuance of bonds, other than refunding bonds issued subsequent to January 1, 1986, issued for those purposes, provided that any proceeds of bonds, other than refunding bonds issued subsequent to January 1, 1986, and interest or other investment earnings thereon not used for the purposes stated in items (i) and (ii) above shall be used solely to redeem outstanding bonds, other than bonds which have been refunded or advance refunded, of the Authority. The Authority will use its best efforts to cause all bonds issued pursuant to this Section, other than bonds which have been refunded or advance refunded, to be or to become on a parity with one another. Notwithstanding any provision of any prior ordinance or trust agreement authorizing the issuance of outstanding bonds payable or to become payable from the Metropolitan Fair and Exposition Authority Improvement Bond Fund, refunding or advance refunding bonds may be issued subsequent to January 1, 1986, payable from the Metropolitan Fair and Exposition Authority Improvement Bond Fund on a parity with any such prior bonds which remain outstanding provided, that in the event of any such partial refunding (i) the debt service requirements after such refunding for all bonds payable from the Metropolitan Fair and Exposition Authority Improvement Bond Fund issued after July 1, 1984, by the Authority which shall be outstanding after such refunding shall not have been increased by reason of such refunding in any then current or future fiscal year in which such prior outstanding bonds shall remain outstanding and (ii) such parity refunding bonds shall be deemed to be parity bonds issued to pay costs of the Project for purposes of such prior ordinance or trust agreement. It is hereby found and determined that (i) the issuance of such parity refunding bonds shall further the purposes of this Act and (ii) the contractual rights of the bondholders under any such prior ordinance or trust agreement will not be impaired or adversely affected by such issuance.

No amounts in excess of the sum of $250,000,000 plus all

interest and other investment income earned prior to the effective date of this amendatory Act of 1985 on all proceeds of all bonds issued for the purpose of paying costs of the Project shall be obligated or expended with respect to the costs of the Project without prior written approval from the Director of the Governor's Office of Management and Budget ~~Bureau of the Budget~~. Such approval shall be based upon factors including, but not limited to, the necessity, in relation to the Authority's ability to complete the Project and open the facility to the public in a timely manner, of incurring the costs, and the appropriateness of using bond funds for such purpose. The Director of the Governor's Office of Management and Budget ~~Bureau of the Budget~~ may, in his discretion, consider other reasonable factors in determining whether to approve payment of costs of the Project. The Authority shall furnish to the Governor's Office of Management and Budget ~~Bureau of the Budget~~ such information as may from time to time be requested. The Director of the Governor's Office of Management and Budget ~~Bureau of the Budget~~ or any duly authorized employee of the Governor's Office of Management and Budget ~~Bureau of the Budget~~ shall, for the purpose of securing such information, have access to, and the right to examine, all books, documents, papers and records of the Authority.

On the first day of each month commencing after July of 1984, moneys, if any, on deposit in the Metropolitan Fair and Exposition Authority Improvement Bond Fund shall, subject to appropriation by law, be paid in full to the Authority or upon its direction to the trustee or trustees for bond holders of bonds which by their terms are payable from the moneys received from the Metropolitan Fair and Exposition Authority Improvement Bond Fund issued by the Metropolitan Pier and Exposition Authority subsequent to July 1, 1984, for the purposes specified in the first paragraph of this Section and in Section 10.1 of this Act, such trustee or trustees having been designated pursuant to ordinance of the Authority, until an amount equal to 100% of the aggregate amount of such

principal and interest in such fiscal year, including pursuant to sinking fund requirements, has been so paid and deficiencies in reserves established from bond proceeds shall have been remedied.

On the first day of each month commencing after October of 1985, moneys, if any, on deposit in the Metropolitan Fair and Exposition Authority Completion Note Subordinate Fund shall, subject to appropriation by law, be paid in full to the Authority or upon its direction to the trustee or trustees for bond holders of bonds issued by the Metropolitan Pier and Exposition Authority subsequent to September of 1985 which by their terms are payable from moneys received from the Metropolitan Fair and Exposition Authority Completion Note Subordinate Fund for the purposes specified in the first paragraph of this Section and in Section 10.1 of this Act, such trustee or trustees having been designated pursuant to ordinance of the Authority, until an amount equal to 100% of the aggregate amount of such principal and interest in such fiscal year, including pursuant to sinking fund requirements, has been so paid and deficiencies in reserves established from bond proceeds shall have been remedied.

The State of Illinois pledges to and agrees with the holders of the bonds of the Metropolitan Pier and Exposition Authority issued pursuant to this Section that the State will not limit or alter the rights and powers vested in the Metropolitan Pier and Exposition Authority by this Act so as to impair the terms of any contract made by the Metropolitan Pier and Exposition Authority with such holders or in any way impair the rights and remedies of such holders until such bonds, together with interest thereon, with interest on any unpaid installments of interest, and all costs and expenses in connection with any action or proceedings by or on behalf of such holders, are fully met and discharged. In addition, the State pledges to and agrees with the holders of the bonds of the Metropolitan Pier and Exposition Authority issued pursuant to this Act that the State will not limit or alter the basis on

which State funds are to be paid to the Metropolitan Pier and Exposition Authority as provided in this Act, or the use of such funds, so as to impair the terms of any such contract. The Metropolitan Pier and Exposition Authority is authorized to include these pledges and agreements of the State in any contract with the holders of bonds issued pursuant to this Section.

The State shall not be liable on bonds of the Metropolitan Pier and Exposition Authority issued under this Act, and such bonds shall not be a debt of the State, nor shall this Act be construed as a guarantee by the State of the debts of the Metropolitan Pier and Exposition Authority. The bonds shall contain a statement to such effect on the face thereof.

(Source: P.A. 86-17; 87-733; revised 8-23-03.)

(70 ILCS 210/22.1) (from Ch. 85, par. 1242.1)

Sec. 22.1. The Authority shall pass all ordinances and make all rules and regulations necessary to assure equal access for economically disadvantaged persons, including but not limited to persons eligible for assistance pursuant to the Job Training Partnership Act, to all positions of employment provided for by the Authority pursuant to Section 22 and to all positions of employment with any person performing any work for the Authority. The Authority shall submit a detailed employment report not later than March 1 of each year to the General Assembly. The Department of Commerce and Economic Opportunity ~~Community Affairs~~ shall monitor the Authority's compliance with this Section.

(Source: P.A. 83-1129; revised 12-6-03.)

Section 580. The Quad Cities Regional Economic Development Authority Act, approved September 22, 1987 is amended by changing Sections 4 and 19 as follows:

(70 ILCS 510/4) (from Ch. 85, par. 6204)

Sec. 4. (a) There is hereby created a political

subdivision, body politic and municipal corporation named the Quad Cities Regional Economic Development Authority. The territorial jurisdiction of the Authority is that geographic area within the boundaries of Rock Island, Henry, Knox, and Mercer counties in the State of Illinois and any navigable waters and air space located therein.

(b) The governing and administrative powers of the Authority shall be vested in a body consisting of 11 members including, as an ex officio member, the Director of ~~the Department of~~ Commerce and Economic Opportunity ~~Community Affairs~~, or his or her designee. The other 10 members of the Authority shall be designated "public members", 6 of whom shall be appointed by the Governor with the advice and consent of the Senate. Of the 6 members appointed by the Governor, one shall be from a city within the Authority's territory with a population of 25,000 or more and the remainder shall be appointed at large. Of the 6 members appointed by the Governor, 2 members shall have business or finance experience. One member shall be appointed by each of the county board chairmen of Rock Island, Henry, Knox, and Mercer Counties with the advice and consent of the respective county board. All public members shall reside within the territorial jurisdiction of this Act. Six members shall constitute a quorum. The public members shall be persons of recognized ability and experience in one or more of the following areas: economic development, finance, banking, industrial development, small business management, real estate development, community development, venture finance, organized labor or civic, community or neighborhood organization. The Chairman of the Authority shall be a public member elected by the affirmative vote of not fewer than 6 members of the Authority. The term of the Chairman shall be one year.

(c) The terms of all members of the Authority shall begin 30 days after the effective date of this Act, except (i) the terms of those members added by this amendatory Act of 1989 shall begin 30 days after the effective date of this amendatory

Act of 1989 and (ii) the terms of those members added by this amendatory Act of the 92nd General Assembly shall begin 30 days after the effective date of this amendatory Act of the 92nd General Assembly. Of the 10 public members appointed pursuant to this Act, 2 (one of whom shall be appointed by the Governor) shall serve until the third Monday in January, 1989, 2 (one of whom shall be appointed by the Governor) shall serve until the third Monday in January, 1990, 2 (one of whom shall be appointed by the Governor) shall serve until the third Monday in January, 1991, 2 (both of whom shall be appointed by the Governor) shall serve until the third Monday in January, 1992, and 2 (one of whom shall be appointed by the Governor and one of whom shall be appointed by the county board chairman of Knox County) shall serve until the third Monday in January, 2004. The initial terms of the members appointed by the county board chairmen (other than the county board chairman of Knox County) shall be determined by lot. All successors shall be appointed by the original appointing authority and hold office for a term of 3 years commencing the third Monday in January of the year in which their term commences, except in case of an appointment to fill a vacancy. Vacancies occurring among the public members shall be filled for the remainder of the term. In case of vacancy in a Governor-appointed membership when the Senate is not in session, the Governor may make a temporary appointment until the next meeting of the Senate when a person shall be nominated to fill such office, and any person so nominated who is confirmed by the Senate shall hold office during the remainder of the term and until a successor shall be appointed and qualified. Members of the Authority shall not be entitled to compensation for their services as members but shall be entitled to reimbursement for all necessary expenses incurred in connection with the performance of their duties as members.

(d) The Governor may remove any public member of the Authority appointed by the Governor in case of incompetency, neglect of duty, or malfeasance in office. The Chairman of a county board may remove any public member of the Authority

appointed by such Chairman in the case of incompetency, neglect of duty, or malfeasance in office.

(e) The Board shall appoint an Executive Director who shall have a background in finance, including familiarity with the legal and procedural requirements of issuing bonds, real estate or economic development and administration. The Executive Director shall hold office at the discretion of the Board. The Executive Director shall be the chief administrative and operational officer of the Authority, shall direct and supervise its administrative affairs and general management, shall perform such other duties as may be prescribed from time to time by the members and shall receive compensation fixed by the Authority. The Authority may engage the services of such other agents and employees, including attorneys, appraisers, engineers, accountants, credit analysts and other consultants, as it may deem advisable and may prescribe their duties and fix their compensation.

(f) The Board shall create a task force to study and make recommendations to the Board on the economic development of the territory within the jurisdiction of this Act. The number of members constituting the task force shall be set by the Board and may vary from time to time. The Board may set a specific date by which the task force is to submit its final report and recommendations to the Board.

(Source: P.A. 92-63, eff. 7-12-01; revised 12-6-03.)

(70 ILCS 510/19) (from Ch. 85, par. 6219)

Sec. 19. Civic Center. The Authority shall commence a study to determine the feasibility of a civic center or other public assembly hall or arena to be located within the territorial jurisdiction of the Authority. This report shall address, at a minimum, marketing analysis, site availability, competition, funding sources available from the Department of Commerce and Economic Opportunity ~~Community Affairs~~, and other matters deemed appropriate by the board.

(Source: P.A. 85-713; revised 12-6-03.)

Section 585. The Quad Cities Regional Economic Development Authority Act, certified December 30, 1987 is amended by changing Section 4 as follows:

(70 ILCS 515/4) (from Ch. 85, par. 6504)

Sec. 4. (a) There is hereby created a political subdivision, body politic and municipal corporation named the Quad Cities Regional Economic Development Authority. The territorial jurisdiction of the Authority is that geographic area within the boundaries of Rock Island, Henry and Mercer counties in the State of Illinois and any navigable waters and air space located therein.

(b) The governing and administrative powers of the Authority shall be vested in a body consisting of 7 members including, as an ex officio member, the Director of ~~the Department of~~ Commerce and Economic Opportunity ~~Community Affairs~~, or his or her designee. The other 8 members of the Authority shall be designated "public members", 3 of whom shall be appointed by the Governor with the advice and consent of the Senate. Of the 3 members appointed by the Governor, one shall be from a city within the Authority's territory with a population of 25,000 or more and the remainder shall be appointed at large. One member shall be appointed by each of the county board chairmen of Rock Island, Henry and Mercer counties with the advice and consent of the respective county board. All public members shall reside within the territorial jurisdiction of this Act. Four members shall constitute a quorum. The public members shall be persons of recognized ability and experience in one or more of the following areas: economic development, finance, banking, industrial development, small business management, real estate development, community development, venture finance, organized labor or civic, community or neighborhood organization. The Chairman of the Authority shall be a public member elected by the affirmative vote of not fewer than 4 members of the

Authority. The term of the Chairman shall be one year.

(c) The terms of all members of the Authority shall begin 30 days after the effective date of this Act. Of the 6 public members appointed pursuant to this Act, 2 (one of whom shall be appointed by the Governor) shall serve until the third Monday in January, 1989, 2 (one of whom shall be appointed by the Governor) shall serve until the third Monday in January, 1990, and 2 (one of whom shall be appointed by the Governor) shall serve until the third Monday in January, 1991. The initial terms of the members appointed by the county board chairmen shall be determined by lot. All successors shall be appointed by the original appointing authority and hold office for a term of 3 years commencing the third Monday in January of the year in which their term commences, except in case of an appointment to fill a vacancy. Vacancies occurring among the public members shall be filled for the remainder of the term. In case of vacancy in a Governor-appointed membership when the Senate is not in session, the Governor may make a temporary appointment until the next meeting of the Senate when a person shall be nominated to fill such office, and any person so nominated who is confirmed by the Senate shall hold office during the remainder of the term and until a successor shall be appointed and qualified. Members of the Authority shall not be entitled to compensation for their services as members but shall be entitled to reimbursement for all necessary expenses incurred in connection with the performance of their duties as members.

(d) The Governor may remove any public member of the Authority appointed by the Governor in case of incompetency, neglect of duty, or malfeasance in office. The Chairman of a county board may remove any public member of the Authority appointed by such Chairman in the case of incompetency, neglect of duty, or malfeasance in office.

(e) The Board shall appoint an Executive Director who shall have a background in finance, including familiarity with the legal and procedural requirements of issuing bonds, real estate or economic development and administration. The Executive

Director shall hold office at the discretion of the Board. The Executive Director shall be the chief administrative and operational officer of the Authority, shall direct and supervise its administrative affairs and general management, shall perform such other duties as may be prescribed from time to time by the members and shall receive compensation fixed by the Authority. The Authority may engage the services of such other agents and employees, including attorneys, appraisers, engineers, accountants, credit analysts and other consultants, as it may deem advisable and may prescribe their duties and fix their compensation.

(f) The Board shall create a task force to study and make recommendations to the Board on the economic development of the territory within the jurisdiction of this Act. The number of members constituting the task force shall be set by the Board and may vary from time to time. The Board may set a specific date by which the task force is to submit its final report and recommendations to the Board.

(Source: P.A. 85-988; revised 12-6-03.)

Section 590. The Southwestern Illinois Development Authority Act is amended by changing Section 4 as follows:

(70 ILCS 520/4) (from Ch. 85, par. 6154)

Sec. 4. (a) There is hereby created a political subdivision, body politic and municipal corporation named the Southwestern Illinois Development Authority. The territorial jurisdiction of the Authority is that geographic area within the boundaries of Madison, St. Clair, and Clinton counties in the State of Illinois and any navigable waters and air space located therein.

(b) The governing and administrative powers of the Authority shall be vested in a body consisting of 11 members including, as ex officio members, the Director of ~~the Department of~~ Commerce and Economic Opportunity ~~Community Affairs~~, or his or her designee, and the Director of ~~the~~

~~Department of~~ Central Management Services, or his or her designee. The other 9 members of the Authority shall be designated "public members", 4 of whom shall be appointed by the Governor with the advice and consent of the Senate, 2 of whom shall be appointed by the county board chairman of Madison County, 2 of whom shall be appointed by the county board chairman of St. Clair County, and one of whom shall be appointed by the county board chairman of Clinton County. All public members shall reside within the territorial jurisdiction of this Act. Six members shall constitute a quorum. The public members shall be persons of recognized ability and experience in one or more of the following areas: economic development, finance, banking, industrial development, small business management, real estate development, community development, venture finance, organized labor or civic, community or neighborhood organization. The Chairman of the Authority shall be elected by the Board annually from the 4 members appointed by the county board chairmen.

(c) The terms of all members of the Authority shall begin 30 days after the effective date of this Act. Of the 8 public members appointed pursuant to this Act, 3 shall serve until the third Monday in January, 1988, 3 shall serve until the third Monday in January, 1989, and 2 shall serve until the third Monday in January, 1990. All successors shall be appointed by the original appointing authority and hold office for a term of 3 years commencing the third Monday in January of the year in which their term commences, except in case of an appointment to fill a vacancy. Vacancies occurring among the public members shall be filled for the remainder of the term. In case of vacancy in a Governor-appointed membership when the Senate is not in session, the Governor may make a temporary appointment until the next meeting of the Senate when a person shall be nominated to fill such office, and any person so nominated who is confirmed by the Senate shall hold office during the remainder of the term and until a successor shall be appointed

and qualified. Members of the Authority shall not be entitled to compensation for their services as members but shall be entitled to reimbursement for all necessary expenses incurred in connection with the performance of their duties as members.

(d) The Governor may remove any public member of the Authority in case of incompetency, neglect of duty, or malfeasance in office.

(e) The Board shall appoint an Executive Director who shall have a background in finance, including familiarity with the legal and procedural requirements of issuing bonds, real estate or economic development and administration. The Executive Director shall hold office at the discretion of the Board. The Executive Director shall be the chief administrative and operational officer of the Authority, shall direct and supervise its administrative affairs and general management, shall perform such other duties as may be prescribed from time to time by the members and shall receive compensation fixed by the Authority. The Executive Director shall attend all meetings of the Authority; however, no action of the Authority shall be invalid on account of the absence of the Executive Director from a meeting. The Authority may engage the services of such other agents and employees, including attorneys, appraisers, engineers, accountants, credit analysts and other consultants, as it may deem advisable and may prescribe their duties and fix their compensation.

(f) The Board may, by majority vote, nominate up to 4 non-voting members for appointment by the Governor. Non-voting members shall be persons of recognized ability and experience in one or more of the following areas: economic development, finance, banking, industrial development, small business management, real estate development, community development, venture finance, organized labor or civic, community or neighborhood organization. Non-voting members shall serve at the pleasure of the Board. All non-voting members may attend meetings of the Board and shall be reimbursed as provided in subsection (c).

(g) The Board shall create a task force to study and make recommendations to the Board on the economic development of the city of East St. Louis and on the economic development of the riverfront within the territorial jurisdiction of this Act. The members of the task force shall reside within the territorial jurisdiction of this Act, shall serve at the pleasure of the Board and shall be persons of recognized ability and experience in one or more of the following areas: economic development, finance, banking, industrial development, small business management, real estate development, community development, venture finance, organized labor or civic, community or neighborhood organization. The number of members constituting the task force shall be set by the Board and may vary from time to time. The Board may set a specific date by which the task force is to submit its final report and recommendations to the Board.

(Source: P.A. 93-602, eff. 11-18-03; revised 12-6-03.)

Section 595. The Tri-County River Valley Development Authority Law is amended by changing Section 2004 as follows:

(70 ILCS 525/2004) (from Ch. 85, par. 7504)

Sec. 2004. Establishment.

(a) There is hereby created a political subdivision, body politic and municipal corporation named the Tri-County River Valley Development Authority. The territorial jurisdiction of the Authority is that geographic area within the boundaries of Peoria, Tazewell and Woodford counties in the State of Illinois and any navigable waters and air space located therein.

(b) The governing and administrative powers of the Authority shall be vested in a body consisting of 11 members including, as ex officio members, the Director of Commerce and Economic Opportunity ~~Community Affairs~~, or his or her designee, and the Director of Natural Resources, or that Director's designee. The other 9 members of the Authority shall be designated "public members", 3 of whom shall be appointed by

the Governor, 3 of whom shall be appointed one each by the county board chairmen of Peoria, Tazewell and Woodford counties and 3 of whom shall be appointed one each by the city councils of East Peoria, Pekin and Peoria. All public members shall reside within the territorial jurisdiction of this Act. Six members shall constitute a quorum. The public members shall be persons of recognized ability and experience in one or more of the following areas: economic development, finance, banking, industrial development, small business management, real estate development, community development, venture finance, organized labor or civic, community or neighborhood organization. The Chairman of the Authority shall be elected by the Board annually from the 6 members appointed by the county board chairmen and city councils.

(c) The terms of all members of the Authority shall begin 30 days after the effective date of this Article. Of the 9 public members appointed pursuant to this Act, 3 shall serve until the third Monday in January 1992, 3 shall serve until the third Monday in January 1993, and 3 shall serve until the third Monday in January 1994. All successors shall be appointed by the original appointing authority and hold office for a term of 3 years commencing the third Monday in January of the year in which their term commences, except in case of an appointment to fill a vacancy. Vacancies occurring among the public members shall be filled for the remainder of the term. In case of vacancy in a Governor-appointed membership when the Senate is not in session, the Governor may make a temporary appointment until the next meeting of the Senate when a person shall be nominated to fill such office, and any person so nominated who is confirmed by the Senate shall hold office during the remainder of the term and until a successor shall be appointed and qualified. Members of the Authority shall not be entitled to compensation for their services as members but may be reimbursed for all necessary expenses incurred in connection with the performance of their duties as members.

(d) The Governor may remove any public member of the

Authority in case of incompetency, neglect of duty, or malfeasance in office.

(e) The Board may appoint an Executive Director who shall have a background in finance, including familiarity with the legal and procedural requirements of issuing bonds, real estate or economic development and administration. The Executive Director shall hold office at the discretion of the Board. The Executive Director shall be the chief administrative and operational officer of the Authority, shall direct and supervise its administrative affairs and general management, shall perform such other duties as may be prescribed from time to time by the members and shall receive compensation fixed by the Authority. The Executive Director shall attend all meetings of the Authority; however, no action of the Authority shall be invalid on account of the absence of the Executive Director from a meeting. The Authority may engage the services of such other agents and employees, including attorneys, appraisers, engineers, accountants, credit analysts and other consultants, as it may deem advisable and may prescribe their duties and fix their compensation.

(f) The Board may, by majority vote, nominate up to 4 non-voting members for appointment by the Governor. Non-voting members shall be persons of recognized ability and experience in one or more of the following areas: economic development, finance, banking, industrial development, small business management, real estate development, community development, venture finance, organized labor or civic, community or neighborhood organization. Non-voting members shall serve at the pleasure of the Board. All non-voting members may attend meetings of the Board and may be reimbursed as provided in subsection (c).

(g) The Board shall create a task force to study and make recommendations to the Board on the economic development of the territory within the jurisdiction of this Act. The members of the task force shall reside within the territorial jurisdiction of this Article, shall serve at the pleasure of the Board and

shall be persons of recognized ability and experience in one or more of the following areas: economic development, finance, banking, industrial development, small business management, real estate development, community development, venture finance, organized labor or civic, community or neighborhood organization. The number of members constituting the task force shall be set by the Board and may vary from time to time. The Board may set a specific date by which the task force is to submit its final report and recommendations to the Board. (Source: P.A. 89-445, eff. 2-7-96; 90-655, eff. 7-30-98; revised 12-6-03.)

Section 600. The Upper Illinois River Valley Development Authority Act is amended by changing Section 4 as follows:

(70 ILCS 530/4) (from Ch. 85, par. 7154)

Sec. 4. Establishment.

(a) There is hereby created a political subdivision, body politic and municipal corporation named the Upper Illinois River Valley Development Authority. The territorial jurisdiction of the Authority is that geographic area within the boundaries of Grundy, LaSalle, Bureau, Putnam, Kendall, Kane, McHenry, and Marshall counties in the State of Illinois and any navigable waters and air space located therein.

(b) The governing and administrative powers of the Authority shall be vested in a body consisting of 20 members including, as ex officio members, the Director of ~~the Department of~~ Commerce and Economic Opportunity ~~Community Affairs~~, or his or her designee, and the Director of the Department of Central Management Services, or his or her designee. The other 18 members of the Authority shall be designated "public members", 10 of whom shall be appointed by the Governor with the advice and consent of the Senate and 8 of whom shall be appointed one each by the county board chairmen of Grundy, LaSalle, Bureau, Putnam, Kendall, Kane, McHenry, and Marshall counties. All public members shall reside within the

territorial jurisdiction of this Act. Eleven members shall constitute a quorum. The public members shall be persons of recognized ability and experience in one or more of the following areas: economic development, finance, banking, industrial development, small business management, real estate development, community development, venture finance, organized labor or civic, community or neighborhood organization. The Chairman of the Authority shall be elected by the Board annually from the 8 members appointed by the county board chairmen.

(c) The terms of all initial members of the Authority shall begin 30 days after the effective date of this Act. Of the 14 public members appointed pursuant to this Act, 4 appointed by the Governor shall serve until the third Monday in January, 1992, 4 appointed by the Governor shall serve until the third Monday in January, 1993, one appointed by the Governor shall serve until the third Monday in January, 1994, one appointed by the Governor shall serve until the third Monday in January 1999, the member appointed by the county board chairman of LaSalle County shall serve until the third Monday in January, 1992, the members appointed by the county board chairmen of Grundy County, Bureau County, Putnam County, and Marshall County shall serve until the third Monday in January, 1994, and the member appointed by the county board chairman of Kendall County shall serve until the third Monday in January, 1999. The initial members appointed by the chairmen of the county boards of Kane and McHenry counties shall serve until the third Monday in January, 2003. All successors shall be appointed by the original appointing authority and hold office for a term of 3 years commencing the third Monday in January of the year in which their term commences, except in case of an appointment to fill a vacancy. Vacancies occurring among the public members shall be filled for the remainder of the term. In case of vacancy in a Governor-appointed membership when the Senate is not in session, the Governor may make a temporary appointment until the next meeting of the Senate when a person shall be

nominated to fill such office, and any person so nominated who is confirmed by the Senate shall hold office during the remainder of the term and until a successor shall be appointed and qualified. Members of the Authority shall not be entitled to compensation for their services as members but shall be entitled to reimbursement for all necessary expenses incurred in connection with the performance of their duties as members.

(d) The Governor may remove any public member of the Authority in case of incompetency, neglect of duty, or malfeasance in office.

(e) The Board shall appoint an Executive Director who shall have a background in finance, including familiarity with the legal and procedural requirements of issuing bonds, real estate or economic development and administration. The Executive Director shall hold office at the discretion of the Board. The Executive Director shall be the chief administrative and operational officer of the Authority, shall direct and supervise its administrative affairs and general management, shall perform such other duties as may be prescribed from time to time by the members and shall receive compensation fixed by the Authority. The Executive Director shall attend all meetings of the Authority; however, no action of the Authority shall be invalid on account of the absence of the Executive Director from a meeting. The Authority may engage the services of such other agents and employees, including attorneys, appraisers, engineers, accountants, credit analysts and other consultants, as it may deem advisable and may prescribe their duties and fix their compensation.

(f) The Board may, by majority vote, nominate up to 4 non-voting members for appointment by the Governor. Non-voting members shall be persons of recognized ability and experience in one or more of the following areas: economic development, finance, banking, industrial development, small business management, real estate development, community development, venture finance, organized labor or civic, community or neighborhood organization. Non-voting members shall serve at

the pleasure of the Board. All non-voting members may attend meetings of the Board and shall be reimbursed as provided in subsection (c).

(g) The Board shall create a task force to study and make recommendations to the Board on the economic development of the territory within the jurisdiction of this Act. The members of the task force shall reside within the territorial jurisdiction of this Act, shall serve at the pleasure of the Board and shall be persons of recognized ability and experience in one or more of the following areas: economic development, finance, banking, industrial development, small business management, real estate development, community development, venture finance, organized labor or civic, community or neighborhood organization. The number of members constituting the task force shall be set by the Board and may vary from time to time. The Board may set a specific date by which the task force is to submit its final report and recommendations to the Board.
(Source: P.A. 91-905, eff. 7-7-00; revised 12-6-03.)

Section 605. The Will-Kankakee Regional Development Authority Law is amended by changing Section 4 as follows:

(70 ILCS 535/4) (from Ch. 85, par. 7454)

Sec. 4. Establishment.

(a) There is hereby created a political subdivision, body politic and municipal corporation named the Will-Kankakee Regional Development Authority. The territorial jurisdiction of the Authority is that geographic area within the boundaries of Will and Kankakee counties in the State of Illinois and any navigable waters and air space located therein.

(b) The governing and administrative powers of the Authority shall be vested in a body consisting of 10 members including, as an ex officio member, the Director of ~~the Department of~~ Commerce and Economic Opportunity ~~Community Affairs~~, or his or her designee. The other 9 members of the Authority shall be designated "public members", 3 of whom shall

be appointed by the Governor, 3 of whom shall be appointed by the county board chairman of Will County, and 3 of whom shall be appointed by the county board chairman of Kankakee County. All public members shall reside within the territorial jurisdiction of this Act. Six members shall constitute a quorum. The public members shall be persons of recognized ability and experience in one or more of the following areas: economic development, finance, banking, industrial development, small business management, real estate development, community development, venture finance, organized labor or civic, community or neighborhood organization. The Chairman of the Authority shall be elected by the Board annually from the 6 members appointed by the county board chairmen.

(c) The terms of all members of the Authority shall begin 30 days after the effective date of this Act. Of the 9 public members appointed pursuant to this Act, 3 shall serve until the third Monday in January 1992, 3 shall serve until the third Monday in January 1993, and 3 shall serve until the third Monday in January 1994. All successors shall be appointed by the original appointing authority and hold office for a term of 3 years commencing the third Monday in January of the year in which their term commences, except in case of an appointment to fill a vacancy. Vacancies occurring among the public members shall be filled for the remainder of the term. In case of vacancy in a Governor-appointed membership when the Senate is not in session, the Governor may make a temporary appointment until the next meeting of the Senate when a person shall be nominated to fill such office, and any person so nominated who is confirmed by the Senate shall hold office during the remainder of the term and until a successor shall be appointed and qualified. Members of the Authority shall not be entitled to compensation for their services as members but may be reimbursed for all necessary expenses incurred in connection with the performance of their duties as members.

(d) The Governor may remove any public member of the

Authority in case of incompetency, neglect of duty, or malfeasance in office.

(e) The Board may appoint an Executive Director who shall have a background in finance, including familiarity with the legal and procedural requirements of issuing bonds, real estate or economic development and administration. The Executive Director shall hold office at the discretion of the Board. The Executive Director shall be the chief administrative and operational officer of the Authority, shall direct and supervise its administrative affairs and general management, shall perform such other duties as may be prescribed from time to time by the members and shall receive compensation fixed by the Authority. The Executive Director shall attend all meetings of the Authority; however, no action of the Authority shall be invalid on account of the absence of the Executive Director from a meeting. The Authority may engage the services of such other agents and employees, including attorneys, appraisers, engineers, accountants, credit analysts and other consultants, as it may deem advisable and may prescribe their duties and fix their compensation.

(f) The Board may, by majority vote, nominate up to 4 non-voting members for appointment by the Governor. Non-voting members shall be persons of recognized ability and experience in one or more of the following areas: economic development, finance, banking, industrial development, small business management, real estate development, community development, venture finance, organized labor or civic, community or neighborhood organization. Non-voting members shall serve at the pleasure of the Board. All non-voting members may attend meetings of the Board and may be reimbursed as provided in subsection (c).

(g) The Board shall create a task force to study and make recommendations to the Board on the economic development of the territory within the jurisdiction of this Act. The members of the task force shall reside within the territorial jurisdiction of this Act, shall serve at the pleasure of the Board and shall

be persons of recognized ability and experience in one or more of the following areas: economic development, finance, banking, industrial development, small business management, real estate development, community development, venture finance, organized labor or civic, community or neighborhood organization. The number of members constituting the task force shall be set by the Board and may vary from time to time. The Board may set a specific date by which the task force is to submit its final report and recommendations to the Board.
(Source: P.A. 86-1481; revised 12-6-03.)

Section 610. The Northeastern Illinois Planning Act is amended by changing Sections 14, 35, 36, and 37 as follows:

(70 ILCS 1705/14) (from Ch. 85, par. 1114)

Sec. 14. All funds received for the use of the Commission shall be deposited in the name of the Commission, by the treasurer, in a depository approved by the Commission and shall be withdrawn or paid out only by check or draft upon the depository signed by any two of such Commissioners or Employes of the Commission as may be designated for this purpose by the Commission, provided further that funds appropriated to the Commission by the General Assembly shall be expended in accordance with a formal planning program and budget which has been reviewed by the Department of Commerce and Economic Opportunity ~~Community Affairs~~. All persons so designated shall execute bonds with corporate sureties approved by the Commission in the same manner and amount as required of the treasurer.

In case any person whose signature appears upon any check or draft, issued pursuant to this Act, ceases (after attaching his signature) to hold his office before the delivery thereof to the payee, his signature nevertheless shall be valid and sufficient for all purposes with the same effect as if he had remained in office until delivery thereof.
(Source: P.A. 81-1509; revised 12-6-03.)

(70 ILCS 1705/35) (from Ch. 85, par. 1135)

Sec. 35. At the close of each fiscal year, the Commission shall prepare a complete report of its receipts and expenditures during the fiscal year, including such receipts and expenditures as authorized by Section 36 of this Act. Such report shall be prepared in detail, stating the particular amount received or expended, the name of the person from whom received or to whom expended, on what account, and for what purpose or purposes. A copy of this report shall be filed with the Governor, the Senate and the House of Representatives, and with the treasurer of each county included in the Counties Area. In addition, on or before December 31 of each even numbered year, the Commission shall prepare a report of its activities during the biennium indicating how its funds were expended, indicating the amount of the appropriation requested for the next biennium and explaining how the appropriation will be utilized to carry out its responsibilities. A copy of this report shall be filed with the Governor, the Senate and the House of Representatives, and the Department of Commerce and Economic Opportunity ~~Community Affairs~~.

(Source: P.A. 81-1509; revised 12-6-03.)

(70 ILCS 1705/36) (from Ch. 85, par. 1136)

Sec. 36. The Commission may accept and expend, for purposes consistent with the purposes of this Act, funds and money from any source, including grants, bequests, gifts or contributions made by a person, a unit of government, the State Government or the Federal Government.

The Commission is authorized to enter into agreements with any agency of the Federal government relating to grant-in-aid under Section 701 of the "Housing Act of 1954", being Public Law 560 of the Eighty-third Congress, approved August 2, 1954, as heretofore or hereafter amended, or under any other Act of Congress by which Federal funds may be made available for any activity of the Commission authorized by this Act. Application

for federal planning grants submitted to the Federal Government shall be reviewed by the Department of Commerce and Economic Opportunity ~~Community Affairs~~.

(Source: P.A. 81-1509; revised 12-6-03.)

(70 ILCS 1705/37) (from Ch. 85, par. 1137)

Sec. 37. The Commission created by this Act shall cooperate with the Department of Commerce and Economic Opportunity ~~Community Affairs~~, the units of government and with the plan commissions and regional planning commissions created by any unit of government and regional associations of municipalities within the area of operation of the Commission and any such plan commission, regional planning commission, regional association of municipalities or unit of government may furnish, sell or make available to the Commission created by this Act any of its data, charts, maps, reports or regulations relating to land use and development which the Commission may request.

The Commission created by this Act may cooperate with any planning agency of a sister State contiguous to the area of operation of the Commission to the end that plans for the development of urban areas in such sister State contiguous to the Counties Area may be integrated and coordinated so far as possible with the comprehensive plan and policies adopted by the Commission.

(Source: P.A. 81-1509; revised 12-6-03.)

Section 615. The Southwestern Illinois Metropolitan and Regional Planning Act is amended by changing Sections 5, 14, 35, and 37 as follows:

(70 ILCS 1710/5) (from Ch. 85, par. 1155)

Sec. 5. The corporate authorities of the Southwestern Illinois Metropolitan and Regional Planning Commission shall consist of commissioners selected as follows:

Eight commissioners appointed by the Governor, at

least 4 of whom shall be elected officials of a unit of government and at least 7 of whom shall be residents of the Metropolitan and Regional Counties Area. No more than 4 of the Governor's appointees shall be of the same political party.

One member from among the Illinois Commissioners of the Bi-State Development Agency, elected by said commissioners of said Agency, provided that preference shall be given in this appointment to the Chairman or Vice Chairman of said Agency if either or both of those officers is an Illinois resident.

The Chairman or presiding officer of each statutory Port District existing or operating within the Metropolitan and Regional Counties Area, or a member of the governing board of each such Port District appointed by the Chairman or presiding officer thereof to serve in his stead.

The President of the Metro-East Sanitary District or a member of the governing board of such District appointed by the President thereto to serve in his stead.

Two members from each of the county boards of counties within the Area of operation having a population of less than 100,000, such members to be appointed by the chairman or presiding officer of such counties and in such manner that one of the 2 members so appointed is the chairman or presiding officer of the relevant county board or an elected member of such board appointed to serve in the stead of such chairman or presiding officer.

Three members from each of the county boards of counties within the Area of operation having a population in excess of 100,000, such members to be appointed by the chairman or presiding officer of such counties and in such manner that one of the 3 members so appointed is the chairman or presiding officer of the relevant county board or an elected member of such board appointed to serve in the stead of such chairman or presiding officer; provided,

further, that at least one member so appointed from each county having a population in excess of 100,000 shall be a resident in an area of such county outside any city, village or incorporated town, and at least one member so appointed from such counties shall be a resident of a city, village or incorporated town of such county.

The Mayor or Village Board President from each city, village or incorporated town in the Area of operation having 4,500 or more inhabitants, or a member of the Council or Village Board appointed by such Mayor or Board President to serve in his stead.

One Mayor or Village Board President in each county within the Area of operation from a city, village or incorporated town having fewer than 4,500 inhabitants to be selected by all Mayors or Village Board Presidents of such cities, villages or incorporated towns in each such county.

Two members from each township-organized county in the Area of operation who shall be township supervisors appointed by the Chairman of the relevant county board in such a manner that one of the 2 shall represent a township having fewer than 4,500 inhabitants and one of the 2 shall represent a township having more than 4,500 inhabitants, provided that in the event no township in any such county has in excess of 4,500 inhabitants the supervisor of the township in such county which has the largest number of inhabitants shall be one of the 2 members so appointed by that county.

Two members from each commission-organized county in the Area of operation who shall be elected officials of either the county board or of a unit of government in such county and who shall be appointed by the Chairman of the County Board of such county.

The President of the Southwestern Illinois Council of Mayors or a Mayor of a community within the Area of operation appointed by such President to serve in his stead.

One member from among the Illinois members of the East-West Gateway Coordinating Council, elected by said members of said council, provided preference shall be given in this appointment to the Chairman or Vice Chairman of said Council if either or both of those officers is an Illinois resident.

Each selecting authority shall give notice of his, or her, or its selections to each other selecting authority, to the Executive Director of the Commission, and to the Secretary of State. Selections or appointments to be made for the first time pursuant to this amendatory Act of 1975 shall be made no later than October 1, 1975 and notice given thereon by that date.

In addition to the commissioners provided for above, the following shall also be commissioners selected or appointed and notice thereon given as contemplated by the preceding paragraph:

Two members from each county in the Area of operation who shall be a chairman of a county planning commission, a chairman of a municipal planning commission, or a county engineer, such members to be appointed by the Chairman of the County Board.

The regional superintendent of schools for each educational service region located in whole or in part within the Area of operation.

The President of Southern Illinois University at Edwardsville or a person appointed by him to serve in his stead.

The Director of Commerce and Economic Opportunity ~~Community Affairs~~ or a person appointed by him to serve in his stead.

The district highway engineer for the Illinois Department of Transportation.

The Chairman of the Southwestern Illinois Council on Economic Development composed of the Counties of Madison, St. Clair, Monroe, Randolph, Washington, Bond and Clinton.

One representative from each County within the Area of

operation who shall be other than an elected official and who shall be appointed by the Chairman of each County Board, provided that each representative so appointed shall be from disadvantaged or minority groups within the County's population.

Five Commissioners, appointed by the President of the Commission, with the concurrence of the Executive Committee, one to be selected from each of 5 civic, fraternal, cultural or religious organizations which meet all of the following criteria:

(1) has a written charter or constitution and written bylaws;

(2) has filed or is eligible to file articles of incorporation pursuant to the General Not for Profit Corporation Act;

(3) has been in existence for at least 5 years; and

(4) is generally recognized as being substantially representative of the minority population within the Commission's area of operation.

The Commission shall develop a fair and reasonable procedure for determining the organizations from which appointments will be made.

Within 30 days after selection and before entering upon the duties of his or her office, each commissioner shall take and subscribe to the constitutional oath of office and file it with the Secretary of State.

The Commission shall maintain a level of minority membership equal to or greater than proportionate level of minority population which exists within the area of the Commission.

(Source: P.A. 87-217; revised 12-6-03.)

(70 ILCS 1710/14) (from Ch. 85, par. 1164)

Sec. 14. All funds received for the use of the Commission shall be deposited in the name of the Commission by the treasurer, in a depository approved by the Commission and shall

be withdrawn or paid out only by check or draft upon the depository signed by any two of such Commissioners or employees of the Commission as may be designated for this purpose by the Commission, provided further that funds appropriated to the Commission by the General Assembly shall not be expended except in accordance with a formal planning program and budget which has been reviewed and approved by the Department of Commerce and Economic Opportunity ~~Community Affairs~~. All persons so designated shall execute bonds with corporate sureties approved by the Commission in the same manner and amount as required of the treasurer, and in such amount as determined by the Commission.

In case any person whose signature appears upon any check or draft, issued pursuant to this Act, ceases (after attaching his signature) to hold his office before the delivery thereof to the payee, his signature nevertheless shall be valid and sufficient for all purposes with the same effect as if he had remained in office until delivery thereof.

(Source: P.A. 82-944; revised 12-6-03.)

(70 ILCS 1710/35) (from Ch. 85, par. 1185)

Sec. 35. At the close of each fiscal year, the Commission shall prepare a complete report of its receipts and expenditures during the fiscal year. A copy of this report shall be filed with the Governor and with the treasurer of each county included in the Metropolitan and Regional Counties Area. In addition, on or before December 31 of each even numbered year, the Commission shall prepare jointly with the Department of Commerce and Economic Opportunity ~~Community Affairs~~, a report of its activities during the biennium indicating how its funds were expended, indicating the amount of the appropriation requested for the next biennium and explaining how the appropriation will be utilized to carry out its responsibilities. A copy of this report shall be filed with the Governor, the Senate and the House of Representatives.

(Source: P.A. 81-1509; revised 12-6-03.)

(70 ILCS 1710/37) (from Ch. 85, par. 1187)

Sec. 37. The Commission created by this Act shall cooperate with the Department of Commerce and Economic Opportunity ~~Community Affairs~~, the units of government and with the plan commissions and regional planning commissions created by any unit of government and regional associations of municipalities within the area of operation of the Commission and any such plan commission, regional planning commission, regional association of municipalities or unit of government may furnish, sell or make available to the Commission created by this Act any of its data, charts, maps, reports or regulations relating to land use and development which the Commission may request.

The Commission created by this Act may cooperate with any planning agency in the State of Illinois, or with any planning agency of a sister State contiguous to the area of operation of the Commission to the end that plans for the development of urban areas in such sister State contiguous to the Metropolitan and Regional Counties Area may be integrated and coordinated so far as possible with the comprehensive and functional plans and policies adopted by the Commission.

(Source: P.A. 82-944; revised 12-6-03.)

Section 620. The Regional Transportation Authority Act is amended by changing Section 4.04 as follows:

(70 ILCS 3615/4.04) (from Ch. 111 2/3, par. 704.04)

Sec. 4.04. Issuance and Pledge of Bonds and Notes.

(a) The Authority shall have the continuing power to borrow money and to issue its negotiable bonds or notes as provided in this Section. Unless otherwise indicated in this Section, the term "notes" also includes bond anticipation notes, which are notes which by their terms provide for their payment from the proceeds of bonds thereafter to be issued. Bonds or notes of the Authority may be issued for any or all of the following

purposes: to pay costs to the Authority or a Service Board of constructing or acquiring any public transportation facilities (including funds and rights relating thereto, as provided in Section 2.05 of this Act); to repay advances to the Authority or a Service Board made for such purposes; to pay other expenses of the Authority or a Service Board incident to or incurred in connection with such construction or acquisition; to provide funds for any transportation agency to pay principal of or interest or redemption premium on any bonds or notes, whether as such amounts become due or by earlier redemption, issued prior to the date of this amendatory Act by such transportation agency to construct or acquire public transportation facilities or to provide funds to purchase such bonds or notes; and to provide funds for any transportation agency to construct or acquire any public transportation facilities, to repay advances made for such purposes, and to pay other expenses incident to or incurred in connection with such construction or acquisition; and to provide funds for payment of obligations, including the funding of reserves, under any self-insurance plan or joint self-insurance pool or entity.

In addition to any other borrowing as may be authorized by this Section, the Authority may issue its notes, from time to time, in anticipation of tax receipts of the Authority or of other revenues or receipts of the Authority, in order to provide money for the Authority or the Service Boards to cover any cash flow deficit which the Authority or a Service Board anticipates incurring. Any such notes are referred to in this Section as "Working Cash Notes". No Working Cash Notes shall be issued for a term of longer than 18 months. Proceeds of Working Cash Notes may be used to pay day to day operating expenses of the Authority or the Service Boards, consisting of wages, salaries and fringe benefits, professional and technical services (including legal, audit, engineering and other consulting services), office rental, furniture, fixtures and equipment, insurance premiums, claims for self-insured amounts

under insurance policies, public utility obligations for telephone, light, heat and similar items, travel expenses, office supplies, postage, dues, subscriptions, public hearings and information expenses, fuel purchases, and payments of grants and payments under purchase of service agreements for operations of transportation agencies, prior to the receipt by the Authority or a Service Board from time to time of funds for paying such expenses. In addition to any Working Cash Notes that the Board of the Authority may determine to issue, the Suburban Bus Board, the Commuter Rail Board or the Board of the Chicago Transit Authority may demand and direct that the Authority issue its Working Cash Notes in such amounts and having such maturities as the Service Board may determine.

Notwithstanding any other provision of this Act, any amounts necessary to pay principal of and interest on any Working Cash Notes issued at the demand and direction of a Service Board or any Working Cash Notes the proceeds of which were used for the direct benefit of a Service Board or any other Bonds or Notes of the Authority the proceeds of which were used for the direct benefit of a Service Board shall constitute a reduction of the amount of any other funds provided by the Authority to that Service Board. The Authority shall, after deducting any costs of issuance, tender the net proceeds of any Working Cash Notes issued at the demand and direction of a Service Board to such Service Board as soon as may be practicable after the proceeds are received. The Authority may also issue notes or bonds to pay, refund or redeem any of its notes and bonds, including to pay redemption premiums or accrued interest on such bonds or notes being renewed, paid or refunded, and other costs in connection therewith. The Authority may also utilize the proceeds of any such bonds or notes to pay the legal, financial, administrative and other expenses of such authorization, issuance, sale or delivery of bonds or notes or to provide or increase a debt service reserve fund with respect to any or all of its bonds or notes. The Authority may also issue and deliver its bonds or

notes in exchange for any public transportation facilities, (including funds and rights relating thereto, as provided in Section 2.05 of this Act) or in exchange for outstanding bonds or notes of the Authority, including any accrued interest or redemption premium thereon, without advertising or submitting such notes or bonds for public bidding.

(b) The ordinance providing for the issuance of any such bonds or notes shall fix the date or dates of maturity, the dates on which interest is payable, any sinking fund account or reserve fund account provisions and all other details of such bonds or notes and may provide for such covenants or agreements necessary or desirable with regard to the issue, sale and security of such bonds or notes. The rate or rates of interest on its bonds or notes may be fixed or variable and the Authority shall determine or provide for the determination of the rate or rates of interest of its bonds or notes issued under this Act in an ordinance adopted by the Authority prior to the issuance thereof, none of which rates of interest shall exceed that permitted in the Bond Authorization Act. Interest may be payable at such times as are provided for by the Board. Bonds and notes issued under this Section may be issued as serial or term obligations, shall be of such denomination or denominations and form, including interest coupons to be attached thereto, be executed in such manner, shall be payable at such place or places and bear such date as the Authority shall fix by the ordinance authorizing such bond or note and shall mature at such time or times, within a period not to exceed forty years from the date of issue, and may be redeemable prior to maturity with or without premium, at the option of the Authority, upon such terms and conditions as the Authority shall fix by the ordinance authorizing the issuance of such bonds or notes. No bond anticipation note or any renewal thereof shall mature at any time or times exceeding 5 years from the date of the first issuance of such note. The Authority may provide for the registration of bonds or notes in the name of the owner as to the principal alone or as to both

principal and interest, upon such terms and conditions as the Authority may determine. The ordinance authorizing bonds or notes may provide for the exchange of such bonds or notes which are fully registered, as to both principal and interest, with bonds or notes which are registerable as to principal only. All bonds or notes issued under this Section by the Authority other than those issued in exchange for property or for bonds or notes of the Authority shall be sold at a price which may be at a premium or discount but such that the interest cost (excluding any redemption premium) to the Authority of the proceeds of an issue of such bonds or notes, computed to stated maturity according to standard tables of bond values, shall not exceed that permitted in the Bond Authorization Act. The Authority shall notify the Governor's Office of Management and Budget ~~Bureau of the Budget~~ and the State Comptroller at least 30 days before any bond sale and shall file with the Governor's Office of Management and Budget ~~Bureau of the Budget~~ and the State Comptroller a certified copy of any ordinance authorizing the issuance of bonds at or before the issuance of the bonds. After December 31, 1994, any such bonds or notes shall be sold to the highest and best bidder on sealed bids as the Authority shall deem. As such bonds or notes are to be sold the Authority shall advertise for proposals to purchase the bonds or notes which advertisement shall be published at least once in a daily newspaper of general circulation published in the metropolitan region at least 10 days before the time set for the submission of bids. The Authority shall have the right to reject any or all bids. Notwithstanding any other provisions of this Section, Working Cash Notes or bonds or notes to provide funds for self-insurance or a joint self-insurance pool or entity may be sold either upon competitive bidding or by negotiated sale (without any requirement of publication of intention to negotiate the sale of such Notes), as the Board shall determine by ordinance adopted with the affirmative votes of at least 7 Directors. In case any officer whose signature appears on any bonds, notes or coupons authorized pursuant to this Section

shall cease to be such officer before delivery of such bonds or notes, such signature shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until such delivery. Neither the Directors of the Authority nor any person executing any bonds or notes thereof shall be liable personally on any such bonds or notes or coupons by reason of the issuance thereof.

(c) All bonds or notes of the Authority issued pursuant to this Section shall be general obligations of the Authority to which shall be pledged the full faith and credit of the Authority, as provided in this Section. Such bonds or notes shall be secured as provided in the authorizing ordinance, which may, notwithstanding any other provision of this Act, include in addition to any other security, a specific pledge or assignment of and lien on or security interest in any or all tax receipts of the Authority and on any or all other revenues or moneys of the Authority from whatever source, which may by law be utilized for debt service purposes and a specific pledge or assignment of and lien on or security interest in any funds or accounts established or provided for by the ordinance of the Authority authorizing the issuance of such bonds or notes. Any such pledge, assignment, lien or security interest for the benefit of holders of bonds or notes of the Authority shall be valid and binding from the time the bonds or notes are issued without any physical delivery or further act and shall be valid and binding as against and prior to the claims of all other parties having claims of any kind against the Authority or any other person irrespective of whether such other parties have notice of such pledge, assignment, lien or security interest. The obligations of the Authority incurred pursuant to this Section shall be superior to and have priority over any other obligations of the Authority.

The Authority may provide in the ordinance authorizing the issuance of any bonds or notes issued pursuant to this Section for the creation of, deposits in, and regulation and disposition of sinking fund or reserve accounts relating to

such bonds or notes. The ordinance authorizing the issuance of any bonds or notes pursuant to this Section may contain provisions as part of the contract with the holders of the bonds or notes, for the creation of a separate fund to provide for the payment of principal and interest on such bonds or notes and for the deposit in such fund from any or all the tax receipts of the Authority and from any or all such other moneys or revenues of the Authority from whatever source which may by law be utilized for debt service purposes, all as provided in such ordinance, of amounts to meet the debt service requirements on such bonds or notes, including principal and interest, and any sinking fund or reserve fund account requirements as may be provided by such ordinance, and all expenses incident to or in connection with such fund and accounts or the payment of such bonds or notes. Such ordinance may also provide limitations on the issuance of additional bonds or notes of the Authority. No such bonds or notes of the Authority shall constitute a debt of the State of Illinois. Nothing in this Act shall be construed to enable the Authority to impose any ad valorem tax on property.

(d) The ordinance of the Authority authorizing the issuance of any bonds or notes may provide additional security for such bonds or notes by providing for appointment of a corporate trustee (which may be any trust company or bank having the powers of a trust company within the state) with respect to such bonds or notes. The ordinance shall prescribe the rights, duties and powers of the trustee to be exercised for the benefit of the Authority and the protection of the holders of such bonds or notes. The ordinance may provide for the trustee to hold in trust, invest and use amounts in funds and accounts created as provided by the ordinance with respect to the bonds or notes. The ordinance may provide for the assignment and direct payment to the trustee of any or all amounts produced from the sources provided in Section 4.03 of this Act and provided in Section 6z-17 of "An Act in relation to State finance", approved June 10, 1919, as amended. Upon receipt of

notice of any such assignment, the Department of Revenue and the Comptroller of the State of Illinois shall thereafter, notwithstanding the provisions of Section 4.03 of this Act and Section 6z-17 of "An Act in relation to State finance", approved June 10, 1919, as amended, provide for such assigned amounts to be paid directly to the trustee instead of the Authority, all in accordance with the terms of the ordinance making the assignment. The ordinance shall provide that amounts so paid to the trustee which are not required to be deposited, held or invested in funds and accounts created by the ordinance with respect to bonds or notes or used for paying bonds or notes to be paid by the trustee to the Authority.

(e) Any bonds or notes of the Authority issued pursuant to this Section shall constitute a contract between the Authority and the holders from time to time of such bonds or notes. In issuing any bond or note, the Authority may include in the ordinance authorizing such issue a covenant as part of the contract with the holders of the bonds or notes, that as long as such obligations are outstanding, it shall make such deposits, as provided in paragraph (c) of this Section. It may also so covenant that it shall impose and continue to impose taxes, as provided in Section 4.03 of this Act and in addition thereto as subsequently authorized by law, sufficient to make such deposits and pay the principal and interest and to meet other debt service requirements of such bonds or notes as they become due. A certified copy of the ordinance authorizing the issuance of any such obligations shall be filed at or prior to the issuance of such obligations with the Comptroller of the State of Illinois and the Illinois Department of Revenue.

(f) The State of Illinois pledges to and agrees with the holders of the bonds and notes of the Authority issued pursuant to this Section that the State will not limit or alter the rights and powers vested in the Authority by this Act so as to impair the terms of any contract made by the Authority with such holders or in any way impair the rights and remedies of such holders until such bonds and notes, together with interest

thereon, with interest on any unpaid installments of interest, and all costs and expenses in connection with any action or proceedings by or on behalf of such holders, are fully met and discharged. In addition, the State pledges to and agrees with the holders of the bonds and notes of the Authority issued pursuant to this Section that the State will not limit or alter the basis on which State funds are to be paid to the Authority as provided in this Act, or the use of such funds, so as to impair the terms of any such contract. The Authority is authorized to include these pledges and agreements of the State in any contract with the holders of bonds or notes issued pursuant to this Section.

(g) (1) Except as provided in subdivisions (g)(2) and (g)(3) of Section 4.04 of this Act, the Authority shall not at any time issue, sell or deliver any bonds or notes (other than Working Cash Notes) pursuant to this Section 4.04 which will cause it to have issued and outstanding at any time in excess of $800,000,000 of such bonds and notes (other than Working Cash Notes). The Authority shall not at any time issue, sell or deliver any Working Cash Notes pursuant to this Section which will cause it to have issued and outstanding at any time in excess of $100,000,000 of Working Cash Notes. Bonds or notes which are being paid or retired by such issuance, sale or delivery of bonds or notes, and bonds or notes for which sufficient funds have been deposited with the paying agency of such bonds or notes to provide for payment of principal and interest thereon or to provide for the redemption thereof, all pursuant to the ordinance authorizing the issuance of such bonds or notes, shall not be considered to be outstanding for the purposes of the first two sentences of this subsection.

(2) In addition to the authority provided by paragraphs (1) and (3), the Authority is authorized to issue, sell and deliver bonds or notes for Strategic Capital Improvement Projects approved pursuant to Section 4.13 as follows:

$100,000,000 is authorized to be issued on or after January 1, 1990;

an additional $100,000,000 is authorized to be issued on or after January 1, 1991;

an additional $100,000,000 is authorized to be issued on or after January 1, 1992;

an additional $100,000,000 is authorized to be issued on or after January 1, 1993;

an additional $100,000,000 is authorized to be issued on or after January 1, 1994; and

the aggregate total authorization of bonds and notes for Strategic Capital Improvement Projects as of January 1, 1994, shall be $500,000,000.

The Authority is also authorized to issue, sell, and deliver bonds or notes in such amounts as are necessary to provide for the refunding or advance refunding of bonds or notes issued for Strategic Capital Improvement Projects under this subdivision (g)(2), provided that no such refunding bond or note shall mature later than the final maturity date of the series of bonds or notes being refunded, and provided further that the debt service requirements for such refunding bonds or notes in the current or any future fiscal year shall not exceed the debt service requirements for that year on the refunded bonds or notes.

(3) In addition to the authority provided by paragraphs (1) and (2), the Authority is authorized to issue, sell, and deliver bonds or notes for Strategic Capital Improvement Projects approved pursuant to Section 4.13 as follows:

$260,000,000 is authorized to be issued on or after January 1, 2000;

an additional $260,000,000 is authorized to be issued on or after January 1, 2001;

an additional $260,000,000 is authorized to be issued on or after January 1, 2002;

an additional $260,000,000 is authorized to be issued on or after January 1, 2003;

an additional $260,000,000 is authorized to be issued on or after January 1, 2004; and

the aggregate total authorization of bonds and notes for Strategic Capital Improvement Projects pursuant to this paragraph (3) as of January 1, 2004 shall be $1,300,000,000.

The Authority is also authorized to issue, sell, and deliver bonds or notes in such amounts as are necessary to provide for the refunding or advance refunding of bonds or notes issued for Strategic Capital Improvement projects under this subdivision (g)(3), provided that no such refunding bond or note shall mature later than the final maturity date of the series of bonds or notes being refunded, and provided further that the debt service requirements for such refunding bonds or notes in the current or any future fiscal year shall not exceed the debt service requirements for that year on the refunded bonds or notes.

(h) The Authority, subject to the terms of any agreements with noteholders or bond holders as may then exist, shall have power, out of any funds available therefor, to purchase notes or bonds of the Authority, which shall thereupon be cancelled.

(i) In addition to any other authority granted by law, the State Treasurer may, with the approval of the Governor, invest or reinvest, at a price not to exceed par, any State money in the State Treasury which is not needed for current expenditures due or about to become due in Working Cash Notes.

(Source: P.A. 91-37, eff. 7-1-99; 91-51, eff. 6-30-99; revised 8-23-03.)

Section 625. The School Code is amended by changing Sections 2-3.92, 10-20.19c, and 34-18.15 as follows:

(105 ILCS 5/2-3.92) (from Ch. 122, par. 2-3.92)

Sec. 2-3.92. Recognition of drug-free schools and communities. To create a Drug-Free Illinois, and maintain that high standard, the State shall recognize those outstanding schools, communities and businesses which are free of drugs. The State Board of Education shall initiate and maintain an annual Governor's Recognition Program for those premier organizations meeting and exceeding stated criteria. The State Board of Education, in consultation with the Department of Commerce and Economic Opportunity ~~Community Affairs~~ and the Department of Human Services, shall set criteria for implementation of this program.

(Source: P.A. 89-507, eff. 7-1-97; revised 12-6-03.)

(105 ILCS 5/10-20.19c) (from Ch. 122, par. 10-20.19c)

Sec. 10-20.19c. Recycled paper and paper products.

(a) Definitions. As used in this Section, the following terms shall have the meanings indicated, unless the context otherwise requires:

"Deinked stock" means paper that has been processed to remove inks, clays, coatings, binders and other contaminants.

"High grade printing and writing papers" includes offset printing paper, duplicator paper, writing paper (stationery), tablet paper, office paper, note pads, xerographic paper, envelopes, form bond including computer paper and carbonless forms, book papers, bond papers, ledger paper, book stock and cotton fiber papers.

"Paper and paper products" means high grade printing and writing papers, tissue products, newsprint, unbleached packaging and recycled paperboard.

"Postconsumer material" means only those products generated by a business or consumer which have served their intended end uses, and which have been separated or diverted from solid waste; wastes generated during the production of an end product are excluded.

"Recovered paper material" means paper waste generated after the completion of the papermaking process, such as

postconsumer materials, envelope cuttings, bindery trimmings, printing waste, cutting and other converting waste, butt rolls, and mill wrappers, obsolete inventories, and rejected unused stock. "Recovered paper material", however, does not include fibrous waste generated during the manufacturing process such as fibers recovered from waste water or trimmings of paper machine rolls (mill broke), or fibrous byproducts of harvesting, extraction or woodcutting processes, or forest residues such as bark.

"Recycled paperboard" includes paperboard products, folding cartons and pad backings.

"Tissue products" includes toilet tissue, paper towels, paper napkins, facial tissue, paper doilies, industrial wipers, paper bags and brown papers. These products shall also be unscented and shall not be colored.

"Unbleached packaging" includes corrugated and fiber storage boxes.

(b) Wherever economically and practically feasible, as determined by the school board, the school board, all public schools and attendance centers within a school district, and their school supply stores shall procure recycled paper and paper products as follows:

(1) Beginning July 1, 1992, at least 10% of the total dollar value of paper and paper products purchased by school boards, public schools and attendance centers, and their school supply stores shall be recycled paper and paper products;

(2) Beginning July 1, 1995, at least 25% of the total dollar value of paper and paper products purchased by school boards, public schools and attendance centers, and their school supply stores shall be recycled paper and paper products;

(3) Beginning July 1, 1999, at least 40% of the total dollar value of paper and paper products purchased by school boards, public schools and attendance centers, and their school supply stores shall be recycled paper and

paper products;

(4) Beginning July 1, 2001, at least 50% of the total dollar value of paper and paper products purchased by school boards, public schools and attendance centers, and their school supply stores shall be recycled paper and paper products;

(5) Beginning upon the effective date of this amendatory Act of 1992, all paper purchased by the board of education, public schools and attendance centers for publication of student newspapers shall be recycled newsprint. The amount purchased shall not be included in calculating the amounts specified in paragraphs (1) through (4).

(c) Paper and paper products purchased from private sector vendors pursuant to printing contracts are not considered paper and paper products for the purposes of subsection (b), unless purchased under contract for the printing of student newspapers.

(d) (1) Wherever economically and practically feasible, the recycled paper and paper products referred to in subsection (b) shall contain postconsumer or recovered paper materials as specified by paper category in this subsection:

(i) Recycled high grade printing and writing paper shall contain at least 50% recovered paper material. Such recovered paper material, until July 1, 1994, shall consist of at least 20% deinked stock or postconsumer material; and beginning July 1, 1994, shall consist of at least 25% deinked stock or postconsumer material; and beginning July 1, 1996, shall consist of at least 30% deinked stock or postconsumer material; and beginning July 1, 1998, shall consist of at least 40% deinked stock or postconsumer material; and beginning July 1, 2000, shall consist of at least 50% deinked stock or postconsumer material.

(ii) Recycled tissue products, until July 1, 1994, shall contain at least 25% postconsumer material; and beginning July 1, 1994, shall contain at least 30% postconsumer material; and beginning July 1, 1996, shall contain at least 35% postconsumer material; and beginning July 1, 1998, shall contain at least 40% postconsumer material; and beginning July 1, 2000, shall contain at least 45% postconsumer material.

(iii) Recycled newsprint, until July 1, 1994, shall contain at least 40% postconsumer material; and beginning July 1, 1994, shall contain at least 50% postconsumer material; and beginning July 1, 1996, shall contain at least 60% postconsumer material; and beginning July 1, 1998, shall contain at least 70% postconsumer material; and beginning July 1, 2000, shall contain at least 80% postconsumer material.

(iv) Recycled unbleached packaging, until July 1, 1994, shall contain at least 35% postconsumer material; and beginning July 1, 1994, shall contain at least 40% postconsumer material; and beginning July 1, 1996, shall contain at least 45% postconsumer material; and beginning July 1, 1998, shall contain at least 50% postconsumer material; and beginning July 1, 2000, shall contain at least 55% postconsumer material.

(v) Recycled paperboard, until July 1, 1994, shall contain at least 80% postconsumer material; and beginning July 1, 1994, shall contain at least 85% postconsumer material; and beginning July 1, 1996, shall contain at least 90% postconsumer material; and beginning July 1, 1998, shall contain at least 95% postconsumer material.

(2) For the purposes of this Section, "postconsumer material" includes:

(i) paper, paperboard, and fibrous waste from retail stores, office buildings, homes and so forth,

after the waste has passed through its end usage as a consumer item, including used corrugated boxes, old newspapers, mixed waste paper, tabulating cards, and used cordage; and

(ii) all paper, paperboard, and fibrous wastes that are diverted or separated from the municipal waste stream.

(3) For the purposes of this Section, "recovered paper material" includes:

(i) postconsumer material;

(ii) dry paper and paperboard waste generated after completion of the papermaking process (that is, those manufacturing operations up to and including the cutting and trimming of the paper machine reel into smaller rolls or rough sheets), including envelope cuttings, bindery trimmings, and other paper and paperboard waste resulting from printing, cutting, forming and other converting operations, or from bag, box and carton manufacturing, and butt rolls, mill wrappers, and rejected unused stock; and

(iii) finished paper and paperboard from obsolete inventories of paper and paperboard manufacturers, merchants, wholesalers, dealers, printers, converters or others.

(e) Nothing in this Section shall be deemed to apply to art materials, nor to any newspapers, magazines, text books, library books or other copyrighted publications which are purchased or used by any school board or any public school or attendance center within a school district, or which are sold in any school supply store operated by or within any such school or attendance center, other than newspapers written, edited or produced by students enrolled in the school district, public school or attendance center.

(f) The State Board of Education, in coordination with the Departments of Central Management Services and Commerce and Economic Opportunity ~~Community Affairs~~, may adopt such rules

and regulations as it deems necessary to assist districts in carrying out the provisions of this Section.

(Source: P.A. 89-445, eff. 2-7-96; revised 12-6-03.)

(105 ILCS 5/34-18.15) (from Ch. 122, par. 34-18.15)

Sec. 34-18.15. Recycled paper and paper products.

(a) Definitions. As used in this Section, the following terms shall have the meanings indicated, unless the context otherwise requires:

"Deinked stock" means paper that has been processed to remove inks, clays, coatings, binders and other contaminants.

"High grade printing and writing papers" includes offset printing paper, duplicator paper, writing paper (stationery), tablet paper, office paper, note pads, xerographic paper, envelopes, form bond including computer paper and carbonless forms, book papers, bond papers, ledger paper, book stock and cotton fiber papers.

"Paper and paper products" means high grade printing and writing papers, tissue products, newsprint, unbleached packaging and recycled paperboard.

"Postconsumer material" means only those products generated by a business or consumer which have served their intended end uses, and which have been separated or diverted from solid waste; wastes generated during the production of an end product are excluded.

"Recovered paper material" means paper waste generated after the completion of the papermaking process, such as postconsumer materials, envelope cuttings, bindery trimmings, printing waste, cutting and other converting waste, butt rolls, and mill wrappers, obsolete inventories, and rejected unused stock. "Recovered paper material", however, does not include fibrous waste generated during the manufacturing process as fibers recovered from waste water or trimmings of paper machine rolls (mill broke), or fibrous byproducts of harvesting, extraction or woodcutting processes, or forest residues such as bark.

"Recycled paperboard" includes paperboard products, folding cartons and pad backings.

"Tissue products" includes toilet tissue, paper towels, paper napkins, facial tissue, paper doilies, industrial wipers, paper bags and brown papers. These products shall also be unscented and shall not be colored.

"Unbleached packaging" includes corrugated and fiber storage boxes.

(b) Wherever economically and practically feasible, as determined by the board of education, the board of education, all public schools and attendance centers within the school district, and their school supply stores shall procure recycled paper and paper products as follows:

(1) Beginning July 1, 1992, at least 10% of the total dollar value of paper and paper products purchased by the board of education, public schools and attendance centers, and their school supply stores shall be recycled paper and paper products;

(2) Beginning July 1, 1995, at least 25% of the total dollar value of paper and paper products purchased by the board of education, public schools and attendance centers, and their school supply stores shall be recycled paper and paper products;

(3) Beginning July 1, 1999, at least 40% of the total dollar value of paper and paper products purchased by the board of education, public schools and attendance centers, and their school supply stores shall be recycled paper and paper products;

(4) Beginning July 1, 2001, at least 50% of the total dollar value of paper and paper products purchased by the board of education, public schools and attendance centers, and their school supply stores shall be recycled paper and paper products;

(5) Beginning upon the effective date of this amendatory Act of 1992, all paper purchased by the board of education, public schools and attendance centers for

publication of student newspapers shall be recycled newsprint. The amount purchased shall not be included in calculating the amounts specified in paragraphs (1) through (4).

(c) Paper and paper products purchased from private sector vendors pursuant to printing contracts are not considered paper and paper products for the purposes of subsection (b), unless purchased under contract for the printing of student newspapers.

(d)(1) Wherever economically and practically feasible, the recycled paper and paper products referred to in subsection (b) shall contain postconsumer or recovered paper materials as specified by paper category in this subsection:

(i) Recycled high grade printing and writing paper shall contain at least 50% recovered paper material. Such recovered paper material, until July 1, 1994, shall consist of at least 20% deinked stock or postconsumer material; and beginning July 1, 1994, shall consist of at least 25% deinked stock or postconsumer material; and beginning July 1, 1996, shall consist of at least 30% deinked stock or postconsumer material; and beginning July 1, 1998, shall consist of at least 40% deinked stock or postconsumer material; and beginning July 1, 2000, shall consist of at least 50% deinked stock or postconsumer material.

(ii) Recycled tissue products, until July 1, 1994, shall contain at least 25% postconsumer material; and beginning July 1, 1994, shall contain at least 30% postconsumer material; and beginning July 1, 1996, shall contain at least 35% postconsumer material; and beginning July 1, 1998, shall contain at least 40% postconsumer material; and beginning July 1, 2000, shall contain at least 45% postconsumer material.

(iii) Recycled newsprint, until July 1, 1994, shall contain at least 40% postconsumer material; and beginning July 1, 1994, shall contain at least 50% postconsumer material; and beginning July 1, 1996, shall contain at

least 60% postconsumer material; and beginning July 1, 1998, shall contain at least 70% postconsumer material; and beginning July 1, 2000, shall contain at least 80% postconsumer material.

(iv) Recycled unbleached packaging, until July 1, 1994, shall contain at least 35% postconsumer material; and beginning July 1, 1994, shall contain at least 40% postconsumer material; and beginning July 1, 1996, shall contain at least 45% postconsumer material; and beginning July 1, 1998, shall contain at least 50% postconsumer material; and beginning July 1, 2000, shall contain at least 55% postconsumer material.

(v) Recycled paperboard, until July 1, 1994, shall contain at least 80% postconsumer material; and beginning July 1, 1994, shall contain at least 85% postconsumer material; and beginning July 1, 1996, shall contain at least 90% postconsumer material; and beginning July 1, 1998, shall contain at least 95% postconsumer material.

(2) For the purposes of this Section, "postconsumer material" includes:

(i) paper, paperboard, and fibrous waste from retail stores, office buildings, homes and so forth, after the waste has passed through its end usage as a consumer item, including used corrugated boxes, old newspapers, mixed waste paper, tabulating cards, and used cordage; and

(ii) all paper, paperboard, and fibrous wastes that are diverted or separated from the municipal waste stream.

(3) For the purpose of this Section, "recovered paper material" includes:

(i) postconsumer material;

(ii) dry paper and paperboard waste generated after completion of the papermaking process (that is, those manufacturing operations up to and including the cutting and trimming of the paper machine reel into smaller rolls or rough sheets), including envelope cuttings, bindery trimmings, and other paper and paperboard waste resulting

from printing, cutting, forming and other converting operations, or from bag, box and carton manufacturing, and butt rolls, mill wrappers, and rejected unused stock; and

(iii) finished paper and paperboard from obsolete inventories of paper and paperboard manufacturers, merchants, wholesalers, dealers, printers, converters or others.

(e) Nothing in this Section shall be deemed to apply to art materials, nor to any newspapers, magazines, text books, library books or other copyrighted publications which are purchased or used by the board of education or any public school or attendance center within the school district, or which are sold in any school supply store operated by or within any such school or attendance center, other than newspapers written, edited or produced by students enrolled in the school district, public school or attendance center.

(f) The State Board of Education, in coordination with the Departments of Central Management Services and Commerce and Economic Opportunity ~~Community Affairs~~, may adopt such rules and regulations as it deems necessary to assist districts in carrying out the provisions of this Section.

(Source: P.A. 89-445, eff. 2-7-96; revised 12-6-03.)

Section 630. The School District Educational Effectiveness and Fiscal Efficiency Act is amended by changing Sections 3 and 5 as follows:

(105 ILCS 205/3) (from Ch. 122, par. 873)

Sec. 3. Awarding of grants.

Applications for grants shall be made annually to the Office of the Superintendent of Public Instruction on forms provided by that office. The Superintendent and the Director of the Governor's Office of Management and Budget ~~Bureau of the Budget~~ shall select applicants to receive grants and shall, insofar as possible, distribute grants to elementary, secondary and unit districts of diverse size and representative

of every region of the State. Preference will be given to districts that have committed or are planning to commit additional local funds toward the development of such a system.

In determining the amount of each grant, the Superintendent of Public Instruction and the Director of the Governor's Office of Management and Budget ~~Bureau of the Budget~~ shall give consideration to the size of the district and the extent to which the district has previously instituted procedures similar to those described in this Act.

(Source: P.A. 77-2191; revised 8-23-03.)

(105 ILCS 205/5) (from Ch. 122, par. 875)

Sec. 5. Rules and regulations. The Superintendent of Public Instruction in consultation with the Director of the Governor's Office of Management and Budget ~~Bureau of the Budget~~ shall adopt such rules and regulations necessary to implement this Act.

(Source: P.A. 77-2191; revised 8-23-03.)

Section 635. The Adult Education Reporting Act is amended by changing Section 1 as follows:

(105 ILCS 410/1) (from Ch. 122, par. 1851)

Sec. 1. As used in this Act, "agency" means: the Departments of Corrections, Public Aid, Commerce and Economic Opportunity ~~Community Affairs~~, Human Services, and Public Health; the Secretary of State; the Illinois Community College Board; and the Administrative Office of the Illinois Courts. On and after July 1, 2001, "agency" includes the State Board of Education and does not include the Illinois Community College Board.

(Source: P.A. 91-830, eff. 7-1-00; revised 12-6-03.)

Section 640. The Conservation Education Act is amended by changing Section 3 as follows:

(105 ILCS 415/3) (from Ch. 122, par. 698.3)

Sec. 3. Advisory Board.

(a) An Advisory Board is hereby established consisting of the Director of Agriculture, the Director of Natural Resources, the Director of the Environmental Protection Agency, the State Superintendent of Education, the Director of Commerce and Economic Opportunity ~~Community Affairs~~, the Director of Public Health, the Director of Nuclear Safety, the Director of the University of Illinois Cooperative Extension Service, and 4 members to be appointed by the Governor. The appointed members shall consist of: a representative of the colleges and universities of the State of Illinois, a member of a soil conservation district within the State of Illinois, a classroom teacher who has won the Conservation Teacher of the Year Award, and a representative of business and industry. All appointive members shall be appointed for terms of 3 years except when an appointment is made to fill a vacancy, in which case the appointment shall be made by the Governor for the unexpired term of the position vacant. In selecting the appointive members of the Advisory Board, the Governor shall give due consideration to the recommendations of such professional organizations as are concerned with the conservation education program. Members of the Advisory Board shall serve without compensation but shall be reimbursed for actual and necessary expenses incurred in the administration of the Act. Each of the members serving ex officio may designate a person to serve in his or her place.

(b) The Advisory Board shall select its own Chairman, establish rules and procedures not inconsistent with this Act and shall keep a record of matters transpiring at all meetings. The Board shall hold regular meetings at least 4 times each year and special meetings shall be held at the call of the Chairman or any 3 members of the Board. All matters coming before the Board shall be decided by a majority vote of those present at any meeting.

(c) The Advisory Board from time to time shall make

recommendations concerning the conservation education program within the State of Illinois.

(Source: P.A. 92-229, eff. 8-2-01; revised 12-6-03.)

Section 645. The Vocational Education Act is amended by changing Section 2.1 as follows:

(105 ILCS 435/2.1) (from Ch. 122, par. 697.1)

Sec. 2.1. Gender Equity Advisory Committee.

(a) The Superintendent of the State Board of Education shall appoint a Gender Equity Advisory Committee of at least 9 members to advise and consult with the State Board of Education and the gender equity coordinator in all aspects relating to ensuring that all students have equal educational opportunities to pursue high wage, high skill occupations leading to economic self-sufficiency.

(b) Membership shall include without limitation one regional gender equity coordinator, 2 State Board of Education employees, the Department of Labor's Displaced Homemaker Program Manager, and 5 citizen appointees who have expertise in one or more of the following areas: nontraditional training and placement, service delivery to single parents, service delivery to displaced homemakers, service delivery to female teens, business and industry experience, and Education-to-Careers experience. Membership also may include employees from the Department of Commerce and Economic Opportunity ~~Community Affairs~~, the Department of Human Services, and the Illinois Community College Board who have expertise in one or more of the areas listed in this subsection (b) for the citizen appointees. Appointments shall be made taking into consideration expertise of services provided in secondary, postsecondary and community based programs.

(c) Members shall initially be appointed to one year terms commencing in January 1, 1990, and thereafter to two year terms commencing on January 1 of each odd numbered year. Vacancies shall be filled as prescribed in subsection (b) for the

remainder of the unexpired term.

(d) Each newly appointed committee shall elect a Chair and Secretary from its members. Members shall serve without compensation, but shall be reimbursed for expenses incurred in the performance of their duties. The Committee shall meet at least bi-annually and at other times at the call of the Chair or at the request of the gender equity coordinator.

(Source: P.A. 91-304, eff. 1-1-00; revised 12-6-03.)

Section 650. The Board of Higher Education Act is amended by changing Sections 9.12 and 9.25 as follows:

(110 ILCS 205/9.12) (from Ch. 144, par. 189.12)

Sec. 9.12. To encourage the coordination of research and service programs in the several State universities to furnish assistance to the communities and citizens of this State in meeting special economic needs arising from the removal or termination of substantial industrial or commercial operations and the waste of human and economic resources which often results from such removal.

Such programs may include assistance in identifying opportunities for the replacement of the lost operations, in determining the economic feasibility of the various opportunities available, and in the development of new products or services suitable for production in the particular facility made available by the relocation.

The Department of Commerce and Economic Opportunity ~~Community Affairs~~ may assist the universities by providing, with the assistance of the Board, a system for referring particular economic problems to the most appropriate research and service program.

(Source: P.A. 82-783; revised 12-6-03.)

(110 ILCS 205/9.25)

Sec. 9.25. Feasibility study; Parks College. The Department of Commerce and Economic Opportunity ~~Community~~

~~Affairs~~ along with the Board of Higher Education shall conduct an economic and educational feasibility study for the future development of Parks College in Cahokia, Illinois.
(Source: P.A. 89-279, eff. 1-1-96; 89-626, eff. 8-9-96; revised 12-6-03.)

Section 655. The Southern Illinois University Management Act is amended by changing Section 6.6 as follows:

(110 ILCS 520/6.6)

Sec. 6.6. The Illinois Ethanol Research Advisory Board.

(a) There is established the Illinois Ethanol Research Advisory Board (the "Advisory Board").

(b) The Advisory Board shall be composed of 13 members including: the President of Southern Illinois University who shall be Chairman; the Director of Commerce and Economic Opportunity ~~Community Affairs~~; the Director of Agriculture; the President of the Illinois Corn Growers Association; the President of the National Corn Growers Association; the President of the Renewable Fuels Association; the Dean of the College of Agricultural, Consumer, and Environmental Science, University of Illinois at Champaign-Urbana; and 6 at-large members appointed by the Governor representing the ethanol industry, growers, suppliers, and universities.

(c) The 6 at-large members shall serve a term of 4 years. The Advisory Board shall meet at least annually or at the call of the Chairman. At any time a majority of the Advisory Board may petition the Chairman for a meeting of the Board. Seven members of the Advisory Board shall constitute a quorum.

(d) The Advisory Board shall:

(1) Review the annual operating plans and budget of the National Corn-to-Ethanol Research Pilot Plant.

(2) Advise on research and development priorities and projects to be carried out at the Corn-to-Ethanol Research Pilot Plant.

(3) Advise on policies and procedures regarding the

management and operation of the ethanol research pilot plant. This may include contracts, project selection, and personnel issues.

(4) Develop bylaws.

(5) Submit a final report to the Governor and General Assembly outlining the progress and accomplishments made during the year along with a financial report for the year.

(e) The Advisory Board established by this Section is a continuation, as changed by the Section, of the Board established under Section 8a of the Energy Conservation and Coal Act and repealed by this amendatory Act of the 92nd General Assembly.

(Source: P.A. 92-736, eff. 7-25-02; revised 12-6-03.)

Section 660. The Illinois State University Law is amended by changing Section 20-115 as follows:

(110 ILCS 675/20-115)

Sec. 20-115. Illinois Institute for Entrepreneurship Education.

(a) There is created, effective July 1, 1997, within the State at Illinois State University, the Illinois Institute for Entrepreneurship Education, hereinafter referred to as the Institute.

(b) The Institute created under this Section shall commence its operations on July 1, 1997 and shall have a board composed of 15 members representative of education, commerce and industry, government, or labor, appointed as follows: 2 members shall be appointees of the Governor, one of whom shall be a minority or female person as defined in Section 2 of the Business Enterprise for Minorities, Females, and Persons with Disabilities Act; one member shall be an appointee of the President of the Senate; one member shall be an appointee of the Minority Leader of the Senate; one member shall be an appointee of the Speaker of the House of Representatives; one member shall be an appointee of the Minority Leader of the

House of Representatives; 2 members shall be appointees of Illinois State University; one member shall be an appointee of the Board of Higher Education; one member shall be an appointee of the State Board of Education; one member shall be an appointee of the Department of Commerce and Economic Opportunity ~~Community Affairs~~; one member shall be an appointee of the Illinois chapter of Economics America; and 3 members shall be appointed by majority vote of the other 12 appointed members to represent business owner-entrepreneurs. Each member shall have expertise and experience in the area of entrepreneurship education, including small business and entrepreneurship. The majority of voting members must be from the private sector. The members initially appointed to the board of the Institute created under this Section shall be appointed to take office on July 1, 1997 and shall by lot determine the length of their respective terms as follows: 5 members shall be selected by lot to serve terms of one year, 5 members shall be selected by lot to serve terms of 2 years, and 5 members shall be selected by lot to serve terms of 3 years. Subsequent appointees shall each serve terms of 3 years. The board shall annually select a chairperson from among its members. Each board member shall serve without compensation but shall be reimbursed for expenses incurred in the performance of his or her duties.

(c) The purpose of the Institute shall be to foster the growth and development of entrepreneurship education in the State of Illinois. The Institute shall help remedy the deficiencies in the preparation of entrepreneurship education teachers, increase the quality and quantity of entrepreneurship education programs, improve instructional materials, and prepare personnel to serve as leaders and consultants in the field of entrepreneurship education and economic development. The Institute shall promote entrepreneurship as a career option, promote and support the development of innovative entrepreneurship education materials and delivery systems, promote business, industry, and

education partnerships, promote collaboration and involvement in entrepreneurship education programs, encourage and support in-service and preservice teacher education programs within various educational systems, and develop and distribute relevant materials. The Institute shall provide a framework under which the public and private sectors may work together toward entrepreneurship education goals. These goals shall be achieved by bringing together programs that have an impact on entrepreneurship education to achieve coordination among agencies and greater efficiency in the expenditure of funds.

(d) Beginning July 1, 1997, the Institute shall have the following powers subject to State and Illinois State University Board of Trustees regulations and guidelines:

(1) To employ and determine the compensation of an executive director and such staff as it deems necessary;

(2) To own property and expend and receive funds and generate funds;

(3) To enter into agreements with public and private entities in the furtherance of its purpose; and

(4) To request and receive the cooperation and assistance of all State departments and agencies in the furtherance of its purpose.

(e) The board of the Institute shall be a policy making body with the responsibility for planning and developing Institute programs. The Institute, through the Board of Trustees of Illinois State University, shall annually report to the Governor and General Assembly by January 31 as to its activities and operations, including its findings and recommendations.

(f) Beginning on July 1, 1997, the Institute created under this Section shall be deemed designated by law as the successor to the Illinois Institute for Entrepreneurship Education, previously created and existing under Section 2-11.5 of the Public Community College Act until its abolition on July 1, 1997 as provided in that Section. On July 1, 1997, all financial and other records of the Institute so abolished and

all of its property, whether real or personal, including but not limited to all inventory and equipment, shall be deemed transferred by operation of law to the Illinois Institute for Entrepreneurship Education created under this Section 20-115. The Illinois Institute for Entrepreneurship Education created under this Section 20-115 shall have, with respect to the predecessor Institute so abolished, all authority, powers, and duties of a successor agency under Section 10-15 of the Successor Agency Act.

(Source: P.A. 90-278, eff. 7-31-97; revised 12-6-03.)

Section 665. The Baccalaureate Savings Act is amended by changing Sections 4, 5, and 8 as follows:

(110 ILCS 920/4) (from Ch. 144, par. 2404)

Sec. 4. Issuance and Sale of College Savings Bonds. In order to provide investors with investment alternatives to enhance their financial access to Institutions of Higher Education located in the State of Illinois, and in furtherance of the public policy of this Act, bonds authorized by the provisions of the General Obligation Bond Act, in a total aggregate original principal amount not to exceed $2,200,000,000 may be issued and sold from time to time, and as often as practicable, as College Savings Bonds in such amounts as directed by the Governor, upon recommendation by the Director of the Governor's Office of Management and Budget ~~Bureau of the Budget~~. Bonds to be issued and sold as College Savings Bonds shall be designated by the Governor and the Director of the Governor's Office of Management and Budget ~~Bureau of the Budget~~ as "General Obligation College Savings Bonds" in the proceedings authorizing the issuance of such Bonds, and shall be subject to all of the terms and provisions of the General Obligation Bond Act, except that College Savings Bonds may bear interest payable at such time or times and may be sold at such prices and in such manner as may be determined by the Governor and the Director of the Governor's Office of

Management and Budget ~~Bureau of the Budget~~ and except as otherwise provided in this Act. If College Savings Bonds are sold at public sale, the public sale procedures shall be as set forth in Section 11 of the General Obligation Bond Act. College Savings Bonds may be sold at negotiated sale if the Director of the Governor's Office of Management and Budget ~~Bureau of the Budget~~ determines that a negotiated sale will result in either a more efficient and economic sale of such Bonds or greater access to such Bonds by investors who are residents of the State of Illinois. If any College Savings Bonds are sold at a negotiated sale, the underwriter or underwriters to which such Bonds are sold shall (a) be organized, incorporated or have their principal place of business in the State of Illinois, or (b) in the judgment of the Director of the Governor's Office of Management and Budget ~~Bureau of the Budget~~, have sufficient capability to make a broad distribution of such Bonds to investors resident in the State of Illinois. In determining the aggregate principal amount of College Savings Bonds that has been issued pursuant to this Act, the aggregate original principal amount of such Bonds issued and sold shall be taken into account. Any bond issued under this Act shall be payable in one payment on a fixed date, unless the Governor and the Director of the Governor's Office of Management and Budget ~~Bureau of the Budget~~ determine otherwise.

(Source: P.A. 90-1, eff. 2-20-97; 91-53, eff. 6-30-99; revised 8-23-03.)

(110 ILCS 920/5) (from Ch. 144, par. 2405)

Sec. 5. Security of College Savings Bonds. Any College Savings Bonds issued under the General Obligation Bond Act in accordance with this Act shall be direct, general obligations of the State of Illinois and subject to repayment as provided in the General Obligation Bond Act; however in the proceedings of the Governor and the Director of the Governor's Office of Management and Budget ~~Bureau of the Budget~~ authorizing the issuance of College Savings Bonds, such officials may covenant

on behalf of the State with or for the benefit of the holders of such Bonds as to all matters deemed advisable by such officials, including the terms and conditions for creating and maintaining sinking funds, reserve funds and such other special funds as may be created in such proceedings, separate and apart from all other funds and accounts of the State, and such officials may make such other covenants as may be deemed necessary or desirable to assure the prompt payment of the principal of and interest on such Bonds. The transfers to and appropriations from the General Obligation Bond Retirement and Interest Fund required by the General Obligation Bond Act shall be made at such times and in such amounts as shall be determined by the Governor and the Director of the Governor's Office of Management and Budget ~~Bureau of the Budget~~ and shall be made to and from any fund or funds created pursuant to this Section for the payment of the principal of and interest on any College Savings Bonds.

(Source: P.A. 87-144; revised 8-23-03.)

(110 ILCS 920/8) (from Ch. 144, par. 2408)

Sec. 8. Grant Program. The proceedings of the Governor and the Director of the Governor's Office of Management and Budget ~~Bureau of the Budget~~ authorizing the issuance of College Savings Bonds shall also provide for a grant program of additional financial incentives to be provided to holders of such Bonds to encourage the enrollment of students at Institutions of Higher Education located in the State of Illinois. The Grant Program of financial incentives shall be administered by the State Scholarship Commission pursuant to administrative rules promulgated by the Commission. Such financial incentives shall be in such forms as determined by the Governor and the Director of the Governor's Office of Management and Budget ~~Bureau of the Budget~~ at the time of the authorization of such College Savings Bonds and may include, among others, supplemental payments to the holders of such Bonds at maturity to be applied to tuition costs at

institutions of higher education located in the State of Illinois. The Commission may establish, by rule, administrative procedures and eligibility criteria for the Grant Program, provided such rules are consistent with the purposes of this Act. The Commission may require bond holders, institutions of higher education and other necessary parties to assist in the determination of eligibility for financial incentives under the Grant Program. All grants shall be subject to annual appropriation of funds for such purpose by the General Assembly. Such financial incentives shall be provided only if, in the sole judgment of the Director of the Governor's Office of Management and Budget ~~Bureau of the Budget~~, the cost of such incentives shall not cause the cost to the State of the proceeds of the College Savings Bonds being sold to be increased by more than 1/2 of 1%. No such financial incentives shall be paid to assist in the financing of the education of a student (i) in a school or department of divinity for any religious denomination or (ii) pursuing a course of study consisting of training to become a minister, priest, rabbi or other professional person in the field of religion.

(Source: P.A. 86-168; revised 8-23-03.)

Section 670. The Higher Education Student Assistance Act is amended by changing Section 75 as follows:

(110 ILCS 947/75)

Sec. 75. College savings programs.

(a) Purpose. The General Assembly finds and hereby declares that for the benefit of the people of the State of Illinois, the conduct and increase of their commerce, the protection and enhancement of their welfare, the development of continued prosperity and the improvement of their health and living conditions, it is essential that all citizens with the intellectual ability and motivation be able to obtain a higher education. The General Assembly further finds that rising tuition costs, increasingly restrictive eligibility criteria

for existing federal and State student aid programs and other trends in higher education finance have impeded access to a higher education for many middle-income families; and that to remedy these concerns, it is of utmost importance that families be provided with investment alternatives to enhance their financial access to institutions of higher education. It is the intent of this Section to establish College Savings Programs appropriate for families from various income groups, to encourage Illinois families to save and invest in anticipation of their children's education, and to encourage enrollment in institutions of higher education, all in execution of the public policy set forth above and elsewhere in this Act.

(b) The Commission is authorized to develop and provide a program of college savings instruments to Illinois citizens. The program shall be structured to encourage parents to plan ahead for the college education of their children and to permit the long-term accumulation of savings which can be used to finance the family's share of the cost of a higher education. Income, up to $2,000 annually per account, which is derived by individuals from investments made in accordance with College Savings Programs established under this Section shall be free from all taxation by the State and its political subdivisions, except for estate, transfer, and inheritance taxes.

(c) The Commission is authorized to contract with private financial institutions and other businesses, individuals, and other appropriate parties to establish and operate the College Savings Programs. The Commission may negotiate contracts with private financial and investment companies, establish College Savings Programs, and monitor the vendors administering the programs in whichever manner the Commission determines is best suited to accomplish the purposes of this Section. The Auditor General shall periodically review the operation of the College Savings Programs and shall advise the Commission and the General Assembly of his findings.

(d) In determining the type of instruments to be offered, the Commission shall consult with, and receive the assistance

of, the Illinois Board of Higher Education, the Governor's Office of Management and Budget ~~Bureau of the Budget~~, the State Board of Investments, the Governor, and other appropriate State agencies and private parties.

(e) The Commission shall market and promote the College Savings Programs to the citizens of Illinois.

(f) The Commission shall assist the State Comptroller and State Treasurer in establishing a payroll deduction plan through which State employees may participate in the College Savings Programs. The Department of Labor, Department of Employment Security, Department of Revenue, and other appropriate agencies shall assist the Commission in educating Illinois employers about the College Savings Programs, and shall assist the Commission in securing employers' participation in a payroll deduction plan and other initiatives which maximize participation in the College Savings Programs.

(g) The Commission shall examine means by which the State, through a series of matching contributions or other incentives, may most effectively encourage Illinois families to participate in the College Savings Programs. The Commission shall report its conclusions and recommendations to the Governor and General Assembly no later than February 15, 1990.

(h) The College Savings Programs established pursuant to this Section shall not be subject to the provisions of the Illinois Administrative Procedure Act. The Commission shall provide that appropriate disclosures are provided to all citizens who participate in the College Savings Programs.
(Source: P.A. 87-997; revised 8-23-03.)

Section 675. The Illinois Prepaid Tuition Act is amended by changing Section 20 as follows:

(110 ILCS 979/20)

Sec. 20. Investment Advisory Panel. The Illinois prepaid tuition program shall be administered by the Illinois Student Assistance Commission, with advice and counsel from an

investment advisory panel appointed by the Commission. The Illinois prepaid tuition program shall be administratively housed within the Commission, and the investment advisory panel shall have such duties as are specified in this Act.

The investment advisory panel shall consist of 7 members who are appointed by the Commission, including one recommended by the State Treasurer, one recommended by the State Comptroller, one recommended by the Director of the Governor's Office of Management and Budget ~~Bureau of the Budget~~, and one recommended by the Executive Director of the Board of Higher Education. Each panel member shall possess knowledge, skill, and experience in at least one of the following areas of expertise: accounting, actuarial practice, risk management, or investment management. Members shall serve 3-year terms except that, in making the initial appointments, the Commission shall appoint 2 members to serve for 2 years, 2 members to serve for 3 years, and 3 members to serve for 4 years. Any person appointed to fill a vacancy on the panel shall be appointed in a like manner and shall serve for only the unexpired term. Investment advisory panel members shall be eligible for reappointment and shall serve until a successor is appointed and confirmed. Panel members shall serve without compensation but shall be reimbursed for expenses. Before being installed as a member of the investment advisory panel, each nominee shall file verified written statements of economic interest with the Secretary of State as required by the Illinois Governmental Ethics Act and with the Board of Ethics as required by Executive Order of the Governor.

The investment advisory panel shall meet at least twice annually. At least once each year the Commission Chairman shall designate a time and place at which the investment advisory panel shall meet publicly with the Illinois Student Assistance Commission to discuss issues and concerns relating to the Illinois prepaid tuition program.

(Source: P.A. 90-546, eff. 12-1-97; 91-669, eff. 1-1-00; revised 8-23-03.)

Section 680. The Public Utilities Act is amended by changing Sections 9-222.1, 9-222.1A, 13-301.1, 13-301.2, 15-401, and 16-111.1 as follows:

(220 ILCS 5/9-222.1) (from Ch. 111 2/3, par. 9-222.1)

Sec. 9-222.1. A business enterprise which is located within an area designated by a county or municipality as an enterprise zone pursuant to the Illinois Enterprise Zone Act or located in a federally designated Foreign Trade Zone or Sub-Zone shall be exempt from the additional charges added to the business enterprise's utility bills as a pass-on of municipal and State utility taxes under Sections 9-221 and 9-222 of this Act, to the extent such charges are exempted by ordinance adopted in accordance with paragraph (e) of Section 8-11-2 of the Illinois Municipal Code in the case of municipal utility taxes, and to the extent such charges are exempted by the percentage specified by the Department of Commerce and Economic Opportunity ~~Community Affairs~~ in the case of State utility taxes, provided such business enterprise meets the following criteria:

(1) it either (i) makes investments which cause the creation of a minimum of 200 full-time equivalent jobs in Illinois; (ii) makes investments of at least $175,000,000 which cause the creation of a minimum of 150 full-time equivalent jobs in Illinois; or (iii) makes investments which cause the retention of a minimum of 1,000 full-time jobs in Illinois; and

(2) it is either (i) located in an Enterprise Zone established pursuant to the Illinois Enterprise Zone Act or (ii) it is located in a federally designated Foreign Trade Zone or Sub-Zone and is designated a High Impact Business by the Department of Commerce and Economic Opportunity ~~Community Affairs~~; and

(3) it is certified by the Department of Commerce and Economic Opportunity ~~Community Affairs~~ as complying with

the requirements specified in clauses (1) and (2) of this Section.

The Department of Commerce and Economic Opportunity ~~Community Affairs~~ shall determine the period during which such exemption from the charges imposed under Section 9-222 is in effect which shall not exceed 30 years or the certified term of the enterprise zone, whichever period is shorter.

The Department of Commerce and Economic Opportunity ~~Community Affairs~~ shall have the power to promulgate rules and regulations to carry out the provisions of this Section including procedures for complying with the requirements specified in clauses (1) and (2) of this Section and procedures for applying for the exemptions authorized under this Section; to define the amounts and types of eligible investments which business enterprises must make in order to receive State utility tax exemptions pursuant to Sections 9-222 and 9-222.1 of this Act; to approve such utility tax exemptions for business enterprises whose investments are not yet placed in service; and to require that business enterprises granted tax exemptions repay the exempted tax should the business enterprise fail to comply with the terms and conditions of the certification. However, no business enterprise shall be required, as a condition for certification under clause (3) of this Section, to attest that its decision to invest under clause (1) of this Section and to locate under clause (2) of this Section is predicated upon the availability of the exemptions authorized by this Section.

A business enterprise shall be exempt, in whole or in part, from the pass-on charges of municipal utility taxes imposed under Section 9-221, only if it meets the criteria specified in clauses (1) through (3) of this Section and the municipality has adopted an ordinance authorizing the exemption under paragraph (e) of Section 8-11-2 of the Illinois Municipal Code. Upon certification of the business enterprises by the Department of Commerce and Economic Opportunity ~~Community Affairs~~, the Department of Commerce and Economic Opportunity

~~Community Affairs~~ shall notify the Department of Revenue of such certification. The Department of Revenue shall notify the public utilities of the exemption status of business enterprises from the pass-on charges of State and municipal utility taxes. Such exemption status shall be effective within 3 months after certification of the business enterprise.
(Source: P.A. 91-567, eff. 8-14-99; 92-777, eff. 1-1-03; revised 12-6-03.)

(220 ILCS 5/9-222.1A)

Sec. 9-222.1A. High impact business. Beginning on August 1, 1998 and thereafter, a business enterprise that is certified as a High Impact Business by the Department of Commerce and Economic Opportunity (formerly Department of Commerce and Community Affairs) is exempt from the tax imposed by Section 2-4 of the Electricity Excise Tax Law, if the High Impact Business is registered to self-assess that tax, and is exempt from any additional charges added to the business enterprise's utility bills as a pass-on of State utility taxes under Section 9-222 of this Act, to the extent the tax or charges are exempted by the percentage specified by the Department of Commerce and Economic Opportunity ~~Community Affairs~~ for State utility taxes, provided the business enterprise meets the following criteria:

(1) (A) it intends either (i) to make a minimum eligible investment of $12,000,000 that will be placed in service in qualified property in Illinois and is intended to create at least 500 full-time equivalent jobs at a designated location in Illinois; or (ii) to make a minimum eligible investment of $30,000,000 that will be placed in service in qualified property in Illinois and is intended to retain at least 1,500 full-time equivalent jobs at a designated location in Illinois; or

(B) it meets the criteria of subdivision (a)(3)(B), (a)(3)(C), or (a)(3)(D) of Section 5.5 of

the Illinois Enterprise Zone Act;

(2) it is designated as a High Impact Business by the Department of Commerce and Economic Opportunity ~~Community Affairs~~; and

(3) it is certified by the Department of Commerce and Economic Opportunity ~~Community Affairs~~ as complying with the requirements specified in clauses (1) and (2) of this Section.

The Department of Commerce and Economic Opportunity ~~Community Affairs~~ shall determine the period during which the exemption from the Electricity Excise Tax Law and the charges imposed under Section 9-222 are in effect, which shall not exceed 20 years from the date of initial certification, and shall specify the percentage of the exemption from those taxes or additional charges.

The Department of Commerce and Economic Opportunity ~~Community Affairs~~ is authorized to promulgate rules and regulations to carry out the provisions of this Section, including procedures for complying with the requirements specified in clauses (1) and (2) of this Section and procedures for applying for the exemptions authorized under this Section; to define the amounts and types of eligible investments that business enterprises must make in order to receive State utility tax exemptions or exemptions from the additional charges imposed under Section 9-222 and this Section; to approve such utility tax exemptions for business enterprises whose investments are not yet placed in service; and to require that business enterprises granted tax exemptions or exemptions from additional charges under Section 9-222 repay the exempted amount if the business enterprise fails to comply with the terms and conditions of the certification.

Upon certification of the business enterprises by the Department of Commerce and Economic Opportunity ~~Community Affairs~~, the Department of Commerce and Economic Opportunity ~~Community Affairs~~ shall notify the Department of Revenue of the certification. The Department of Revenue shall notify the

public utilities of the exemption status of business enterprises from the tax or pass-on charges of State utility taxes. The exemption status shall take effect within 3 months after certification of the business enterprise.
(Source: P.A. 91-914, eff. 7-7-00; 92-12, eff. 7-1-01; revised 12-6-03.)

(220 ILCS 5/13-301.1) (from Ch. 111 2/3, par. 13-301.1)

(Section scheduled to be repealed on July 1, 2007)

Sec. 13-301.1. Universal Telephone Service Assistance Program.

(a) The Commission shall by rule or regulation establish a Universal Telephone Service Assistance Program for low income residential customers. The program shall provide for a reduction of access line charges, a reduction of connection charges, or any other alternative to increase accessibility to telephone service that the Commission deems advisable subject to the availability of funds for the program as provided in subsection (d). The Commission shall establish eligibility requirements for benefits under the program.

(b) The Commission shall adopt rules providing for enhanced enrollment for eligible consumers to receive lifeline service. Enhanced enrollment may include, but is not limited to, joint marketing, joint application, or joint processing with the Low-Income Home Energy Assistance Program, the Medicaid Program, and the Food Stamp Program. The Department of Human Services, the Department of Public Aid, and the Department of Commerce and Economic Opportunity ~~Community Affairs~~, upon request of the Commission, shall assist in the adoption and implementation of those rules. The Commission and the Department of Human Services, the Department of Public Aid, and the Department of Commerce and Economic Opportunity ~~Community Affairs~~ may enter into memoranda of understanding establishing the respective duties of the Commission and the Departments in relation to enhanced enrollment.

(c) In this Section, "lifeline service" means a retail

local service offering described by 47 C.F.R. Section 54.401(a), as amended.

(d) The Commission shall require by rule or regulation that each telecommunications carrier providing local exchange telecommunications services notify its customers that if the customer wishes to participate in the funding of the Universal Telephone Service Assistance Program he may do so by electing to contribute, on a monthly basis, a fixed amount that will be included in the customer's monthly bill. The customer may cease contributing at any time upon providing notice to the telecommunications carrier providing local exchange telecommunications services. The notice shall state that any contribution made will not reduce the customer's bill for telecommunications services. Failure to remit the amount of increased payment will reduce the contribution accordingly. The Commission shall specify the monthly fixed amount or amounts that customers wishing to contribute to the funding of the Universal Telephone Service Assistance Program may choose from in making their contributions. Every telecommunications carrier providing local exchange telecommunications services shall remit the amounts contributed in accordance with the terms of the Universal Telephone Service Assistance Program.
(Source: P.A. 92-22, eff. 6-30-01; revised 9-28-05.)

(220 ILCS 5/13-301.2)

(Section scheduled to be repealed on July 1, 2007)

Sec. 13-301.2. Program to Foster Elimination of the Digital Divide. The Commission shall require by rule that each telecommunications carrier providing local exchange telecommunications service notify its end-user customers that if the customer wishes to participate in the funding of the Program to Foster Elimination of the Digital Divide he or she may do so by electing to contribute, on a monthly basis, a fixed amount that will be included in the customer's monthly bill. The obligations imposed in this Section shall not be imposed upon a telecommunications carrier for any of its

end-users subscribing to the services listed below: (1) private line service which is not directly or indirectly used for the origination or termination of switched telecommunications service, (2) cellular radio service, (3) high-speed point-to-point data transmission at or above 9.6 kilobits, (4) the provision of telecommunications service by a company or person otherwise subject to subsection (c) of Section 13-202 to a telecommunications carrier, which is incidental to the provision of service subject to subsection (c) of Section 13-202; (5) pay telephone service; or (6) interexchange telecommunications service. The customer may cease contributing at any time upon providing notice to the telecommunications carrier. The notice shall state that any contribution made will not reduce the customer's bill for telecommunications services. Failure to remit the amount of increased payment will reduce the contribution accordingly. The Commission shall specify the monthly fixed amount or amounts that customers wishing to contribute to the funding of the Program to Foster Elimination of the Digital Divide may choose from in making their contributions. A telecommunications carrier subject to this obligation shall remit the amounts contributed by its customers to the Department of Commerce and Economic Opportunity ~~Community Affairs~~ for deposit in the Digital Divide Elimination Fund at the intervals specified in the Commission rules.

(Source: P.A. 92-22, eff. 6-30-01; 93-358, eff. 1-1-04; revised 9-28-05.)

(220 ILCS 5/15-401)

Sec. 15-401. Licensing.

(a) No person shall operate as a common carrier by pipeline unless the person possesses a certificate in good standing authorizing it to operate as a common carrier by pipeline. No person shall begin or continue construction of a pipeline or other facility, other than the repair or replacement of an existing pipeline or facility, for use in operations as a

common carrier by pipeline unless the person possesses a certificate in good standing.

(b) Requirements for issuance. The Commission, after a hearing, shall grant an application for a certificate authorizing operations as a common carrier by pipeline, in whole or in part, to the extent that it finds that the application was properly filed; a public need for the service exists; the applicant is fit, willing, and able to provide the service in compliance with this Act, Commission regulations, and orders; and the public convenience and necessity requires issuance of the certificate.

In its determination of public convenience and necessity for a proposed pipeline or facility designed or intended to transport crude oil and any alternate locations for such proposed pipeline or facility, the Commission shall consider, but not be limited to, the following:

(1) any evidence presented by the Illinois Environmental Protection Agency regarding the environmental impact of the proposed pipeline or other facility;

(2) any evidence presented by the Illinois Department of Transportation regarding the impact of the proposed pipeline or facility on traffic safety, road construction, or other transportation issues;

(3) any evidence presented by the Department of Natural Resources regarding the impact of the proposed pipeline or facility on any conservation areas, forest preserves, wildlife preserves, wetlands, or any other natural resource;

(4) any evidence of the effect of the pipeline upon the economy, infrastructure, and public safety presented by local governmental units that will be affected by the proposed pipeline or facility;

(5) any evidence of the effect of the pipeline upon property values presented by property owners who will be affected by the proposed pipeline or facility;

(6) any evidence presented by the Department of Commerce and Economic Opportunity ~~Community Affairs~~ regarding the current and future economic effect of the proposed pipeline or facility including, but not limited to, property values, employment rates, and residential and business development; and

(7) any evidence presented by any other State agency that participates in the proceeding.

In its written order, the Commission shall address all of the evidence presented, and if the order is contrary to any of the evidence, the Commission shall state the reasons for its determination with regard to that evidence. The provisions of this amendatory Act of 1996 apply to any certificate granted or denied after the effective date of this amendatory Act of 1996.

(c) Duties and obligations of common carriers by pipeline. Each common carrier by pipeline shall provide adequate service to the public at reasonable rates and without discrimination.

(Source: P.A. 89-42, eff. 1-1-96; 89-573, eff. 7-30-96; revised 12-6-03.)

(220 ILCS 5/16-111.1)

Sec. 16-111.1. Illinois Clean Energy Community Trust.

(a) An electric utility which has sold or transferred generating facilities in a transaction to which subsection (k) of Section 16-111 applies is authorized to establish an Illinois clean energy community trust or foundation for the purposes of providing financial support and assistance to entities, public or private, within the State of Illinois including, but not limited to, units of State and local government, educational institutions, corporations, and charitable, educational, environmental and community organizations, for programs and projects that benefit the public by improving energy efficiency, developing renewable energy resources, supporting other energy related projects that improve the State's environmental quality, and supporting projects and programs intended to preserve or enhance the

natural habitats and wildlife areas of the State. Provided, however, that the trust or foundation funds shall not be used for the remediation of environmentally impaired property. The trust or foundation may also assist in identifying other energy and environmental grant opportunities.

(b) Such trust or foundation shall be governed by a declaration of trust or articles of incorporation and bylaws which shall, at a minimum, provide that:

(1) There shall be 6 voting trustees of the trust or foundation, one of whom shall be appointed by the Governor, one of whom shall be appointed by the President of the Illinois Senate, one of whom shall be appointed by the Minority Leader of the Illinois Senate, one of whom shall be appointed by the Speaker of the Illinois House of Representatives, one of whom shall be appointed by the Minority Leader of the Illinois House of Representatives, and one of whom shall be appointed by the electric utility establishing the trust or foundation, provided that the voting trustee appointed by the utility shall be a representative of a recognized environmental action group selected by the utility. The Governor shall designate one of the 6 voting trustees to serve as chairman of the trust or foundation, who shall serve as chairman of the trust or foundation at the pleasure of the Governor. In addition, there shall be 4 non-voting trustees, one of whom shall be appointed by the Director of ~~the Department of~~ Commerce and Economic Opportunity ~~Community Affairs~~, one of whom shall be appointed by the Director of the Illinois Environmental Protection Agency, one of whom shall be appointed by the Director of ~~the Department of~~ Natural Resources, and one of whom shall be appointed by the electric utility establishing the trust or foundation, provided that the non-voting trustee appointed by the utility shall bring financial expertise to the trust or foundation and shall have appropriate credentials therefor.

(2) All voting trustees and the non-voting trustee with

financial expertise shall be entitled to compensation for their services as trustees, provided, however, that no member of the General Assembly and no employee of the electric utility establishing the trust or foundation serving as a voting trustee shall receive any compensation for his or her services as a trustee, and provided further that the compensation to the chairman of the trust shall not exceed $25,000 annually and the compensation to any other trustee shall not exceed $20,000 annually. All trustees shall be entitled to reimbursement for reasonable expenses incurred on behalf of the trust in the performance of their duties as trustees. All such compensation and reimbursements shall be paid out of the trust.

(3) Trustees shall be appointed within 30 days after the creation of the trust or foundation and shall serve for a term of 5 years commencing upon the date of their respective appointments, until their respective successors are appointed and qualified.

(4) A vacancy in the office of trustee shall be filled by the person holding the office responsible for appointing the trustee whose death or resignation creates the vacancy, and a trustee appointed to fill a vacancy shall serve the remainder of the term of the trustee whose resignation or death created the vacancy.

(5) The trust or foundation shall have an indefinite term, and shall terminate at such time as no trust assets remain.

(6) The trust or foundation shall be funded in the minimum amount of $250,000,000, with the allocation and disbursement of funds for the various purposes for which the trust or foundation is established to be determined by the trustees in accordance with the declaration of trust or the articles of incorporation and bylaws; provided, however, that this amount may be reduced by up to $25,000,000 if, at the time the trust or foundation is funded, a corresponding amount is contributed by the

electric utility establishing the trust or foundation to the Board of Trustees of Southern Illinois University for the purpose of funding programs or projects related to clean coal and provided further that $25,000,000 of the amount contributed to the trust or foundation shall be available to fund programs or projects related to clean coal.

(7) The trust or foundation shall be authorized to employ an executive director and other employees, to enter into leases, contracts and other obligations on behalf of the trust or foundation, and to incur expenses that the trustees deem necessary or appropriate for the fulfillment of the purposes for which the trust or foundation is established, provided, however, that salaries and administrative expenses incurred on behalf of the trust or foundation shall not exceed $500,000 in the first fiscal year after the trust or foundation is established and shall not exceed $1,000,000 in each subsequent fiscal year.

(8) The trustees may create and appoint advisory boards or committees to assist them with the administration of the trust or foundation, and to advise and make recommendations to them regarding the contribution and disbursement of the trust or foundation funds.

(c)(1) In addition to the allocation and disbursement of funds for the purposes set forth in subsection (a) of this Section, the trustees of the trust or foundation shall annually contribute funds in amounts set forth in subparagraph (2) of this subsection to the Citizens Utility Board created by the Citizens Utility Board Act; provided, however, that any such funds shall be used solely for the representation of the interests of utility consumers before the Illinois Commerce Commission, the Federal Energy Regulatory Commission, and the Federal Communications Commission and for the provision of consumer education on utility service and prices and on benefits and methods of energy conservation. Provided,

however, that no part of such funds shall be used to support (i) any lobbying activity, (ii) activities related to fundraising, (iii) advertising or other marketing efforts regarding a particular utility, or (iv) solicitation of support for, or advocacy of, a particular position regarding any specific utility or a utility's docketed proceeding.

(2) In the calendar year in which the trust or foundation is first funded, the trustees shall contribute $1,000,000 to the Citizens Utility Board within 60 days after such trust or foundation is established; provided, however, that such contribution shall be made after December 31, 1999. In each of the 6 calendar years subsequent to the first contribution, if the trust or foundation is in existence, the trustees shall contribute to the Citizens Utility Board an amount equal to the total expenditures by such organization in the prior calendar year, as set forth in the report filed by the Citizens Utility Board with the chairman of such trust or foundation as required by subparagraph (3) of this subsection. Such subsequent contributions shall be made within 30 days of submission by the Citizens Utility Board of such report to the Chairman of the trust or foundation, but in no event shall any annual contribution by the trustees to the Citizens Utility Board exceed $1,000,000. Following such 7-year period, an Illinois statutory consumer protection agency may petition the trust or foundation for contributions to fund expenditures of the type identified in paragraph (1), but in no event shall annual contributions by the trust or foundation for such expenditures exceed $1,000,000.

(3) The Citizens Utility Board shall file a report with the chairman of such trust or foundation for each year in which it expends any funds received from the trust or foundation setting forth the amount of any expenditures (regardless of the source of funds for such expenditures)

for: (i) the representation of the interests of utility consumers before the Illinois Commerce Commission, the Federal Energy Regulatory Commission, and the Federal Communications Commission, and (ii) the provision of consumer education on utility service and prices and on benefits and methods of energy conservation. Such report shall separately state the total amount of expenditures for the purposes or activities identified by items (i) and (ii) of this paragraph, the name and address of the external recipient of any such expenditure, if applicable, and the specific purposes or activities (including internal purposes or activities) for which each expenditure was made. Any report required by this subsection shall be filed with the chairman of such trust or foundation no later than March 31 of the year immediately following the year for which the report is required.

(d) In addition to any other allocation and disbursement of funds in this Section, the trustees of the trust or foundation shall contribute an amount up to $125,000,000 (1) for deposit into the General Obligation Bond Retirement and Interest Fund held in the State treasury to assist in the repayment on general obligation bonds issued under subsection (d) of Section 7 of the General Obligation Bond Act, and (2) for deposit into funds administered by agencies with responsibility for environmental activities to assist in payment for environmental programs. The amount required to be contributed shall be provided to the trustees in a certification letter from the Director of the Bureau of the Budget that shall be provided no later than August 1, 2003. The payment from the trustees shall be paid to the State no later than December 31st following the receipt of the letter.

(Source: P.A. 93-32, eff. 6-20-03; revised 12-6-03.)

Section 685. The Surface Coal Mining Land Conservation and Reclamation Act is amended by changing Section 1.05 as follows:

(225 ILCS 720/1.05) (from Ch. 96 1/2, par. 7901.05)

Sec. 1.05. Interagency Committee. There is created the Interagency Committee on Surface Mining Control and Reclamation, which shall consist of the Director (or Division Head) of each of the following State agencies: (a) the Department of Agriculture, (b) the Environmental Protection Agency, (c) the Department of Commerce and Economic Opportunity ~~Community Affairs~~, and (d) any other State Agency designated by the Director as having a programmatic role in the review or regulation of mining operations and reclamation whose comments are expected by the Director to be relevant and of material benefit to the process of reviewing permit applications under this Act. The Interagency Committee on Surface Mining Control and Reclamation shall be abolished on June 30, 1997. Beginning July 1, 1997, all programmatic functions formerly performed by the Interagency Committee on Surface Mining Control and Reclamation shall be performed by the Office of Mines and Minerals within the Department of Natural Resources, except as otherwise provided by Section 9.04 of this Act.
(Source: P.A. 89-445, eff. 2-7-96; 90-490, eff. 8-17-97; revised 12-6-03.)

Section 695. The Liquor Control Act of 1934 is amended by changing Section 12-1 as follows:

(235 ILCS 5/12-1)

Sec. 12-1. Grape and Wine Resources Council.

(a) There is hereby created the Grape and Wine Resources Council, which shall have the powers and duties specified in this Article and all other powers necessary and proper to execute the provisions of this Article.

(b) The Council shall consist of 17 members including:

(1) The Director of ~~the Illinois Department of~~ Agriculture, ex officio, or the Director's designee.

(2) The Dean of the SIU College of Agriculture, or the Dean's designee.

(3) The Dean of the University of Illinois College of Agriculture, or the Dean's designee.

(4) An expert in enology or food science and nutrition to be named by the Director of ~~the Illinois Department of~~ Agriculture from nominations submitted jointly by the Deans of the Colleges of Agriculture at Southern Illinois University and the University of Illinois.

(5) An expert in marketing to be named by the Director of ~~the Illinois Department of~~ Agriculture from nominations submitted jointly by the Deans of the Colleges of Agriculture at Southern Illinois University and the University of Illinois.

(6) An expert in viticulture to be named by the Director of ~~the Illinois Department of~~ Agriculture from nominations submitted jointly by the Deans of the Colleges of Agriculture at Southern Illinois University and the University of Illinois.

(7) A representative from the Illinois Division of Tourism, to be named by the Director of ~~the Illinois Department of~~ Commerce and Economic Opportunity ~~Community Affairs~~.

(8) Six persons to be named by the Director of ~~the Illinois Department of~~ Agriculture from nominations from the President of the Illinois Grape Growers and Vintners Association, of whom 3 shall be grape growers and 3 shall be vintners.

(9) Four persons, one of whom shall be named by the Speaker of the House of Representatives, one of whom shall be named by the Minority Leader of the House of Representatives, one of whom shall be named by the President of the Senate, and one of whom shall be named by the Minority Leader of the Senate.

Members of the Council shall receive no compensation, but shall be reimbursed for necessary expenses incurred in the performance of their duties. The Council's Chair shall be the Dean of the College of Agriculture at the University where the

Council is housed.

(c) The Council shall be housed at Southern Illinois University at Carbondale, which shall maintain a collaborative relationship with the University of Illinois at Champaign.

(Source: P.A. 90-77, eff. 7-8-97; revised 12-6-03.)

Section 700. The Illinois Public Aid Code is amended by changing Section 9A-3 as follows:

(305 ILCS 5/9A-3) (from Ch. 23, par. 9A-3)

Sec. 9A-3. Establishment of Program and Level of Services.

(a) The Illinois Department shall establish and maintain a program to provide recipients with services consistent with the purposes and provisions of this Article. The program offered in different counties of the State may vary depending on the resources available to the State to provide a program under this Article, and no program may be offered in some counties, depending on the resources available. Services may be provided directly by the Illinois Department or through contract. References to the Illinois Department or staff of the Illinois Department shall include contractors when the Illinois Department has entered into contracts for these purposes. The Illinois Department shall provide each recipient who participates with such services available under the program as are necessary to achieve his employability plan as specified in the plan.

(b) The Illinois Department, in operating the program, shall cooperate with public and private education and vocational training or retraining agencies or facilities, the Illinois State Board of Education, the Illinois Community College Board, the Departments of Employment Security and Commerce and Economic Opportunity ~~Community Affairs~~ or other sponsoring organizations funded under the federal Workforce Investment Act and other public or licensed private employment agencies.

(Source: P.A. 92-111, eff. 1-1-02; 93-598, eff. 8-26-03;

revised 12-6-03.)

Section 705. The Energy Assistance Act is amended by changing Sections 3, 4, 5, 8, and 13 as follows:

(305 ILCS 20/3) (from Ch. 111 2/3, par. 1403)

Sec. 3. Definitions. As used in this Act, unless the context otherwise requires:

(a) the terms defined in Sections 3-101 through 3-121 of The Public Utilities Act have the meanings ascribed to them in that Act;

(b) "Department" means the Department of Commerce and Economic Opportunity ~~Community Affairs~~;

(c) "energy provider" means any utility, municipal utility, cooperative utility, or any other corporation or individual which provides winter energy services;

(d) "winter" means the period from November 1 of any year through April 30 of the following year.

(Source: P.A. 86-127; 87-14; revised 12-6-03.)

(305 ILCS 20/4) (from Ch. 111 2/3, par. 1404)

Sec. 4. Energy Assistance Program.

(a) The Department of Commerce and Economic Opportunity ~~Community Affairs~~ is hereby authorized to institute a program to ensure the availability and affordability of heating and electric service to low income citizens. The Department shall implement the program by rule promulgated pursuant to The Illinois Administrative Procedure Act. The program shall be consistent with the purposes and objectives of this Act and with all other specific requirements provided herein. The Department may enter into such contracts and other agreements with local agencies as may be necessary for the purpose of administering the energy assistance program.

(b) Nothing in this Act shall be construed as altering or limiting the authority conferred on the Illinois Commerce Commission by the Public Utilities Act to regulate all aspects

of the provision of public utility service, including but not limited to the authority to make rules and adjudicate disputes between utilities and customers related to eligibility for utility service, deposits, payment practices, discontinuance of service, and the treatment of arrearages owing for previously rendered utility service.

(Source: P.A. 92-690, eff. 7-18-02; revised 12-6-03.)

(305 ILCS 20/5) (from Ch. 111 2/3, par. 1405)

Sec. 5. Policy Advisory Council.

(a) Within the Department of Commerce and Economic Opportunity ~~Community Affairs~~ is created a Low Income Energy Assistance Policy Advisory Council.

(b) The Council shall be chaired by the Director of Commerce and Economic Opportunity ~~Community Affairs~~ or his or her designee. There shall be 20 members of the Low Income Energy Assistance Policy Advisory Council, including the chairperson and the following members:

(1) one member designated by the Illinois Commerce Commission;

(2) one member designated by the Illinois Department of Natural Resources;

(3) one member designated by the Illinois Energy Association to represent electric public utilities serving in excess of 1 million customers in this State;

(4) one member agreed upon by gas public utilities that serve more than 500,000 and fewer than 1,500,000 customers in this State;

(5) one member agreed upon by gas public utilities that serve 1,500,000 or more customers in this State;

(6) one member designated by the Illinois Energy Association to represent combination gas and electric public utilities;

(7) one member agreed upon by the Illinois Municipal Electric Agency and the Association of Illinois Electric Cooperatives;

(8) one member agreed upon by the Illinois Industrial Energy Consumers;

(9) three members designated by the Department to represent low income energy consumers;

(10) two members designated by the Illinois Community Action Association to represent local agencies that assist in the administration of this Act;

(11) one member designated by the Citizens Utility Board to represent residential energy consumers;

(12) one member designated by the Illinois Retail Merchants Association to represent commercial energy customers;

(13) one member designated by the Department to represent independent energy providers; and

(14) three members designated by the Mayor of the City of Chicago.

(c) Designated and appointed members shall serve 2 year terms and until their successors are appointed and qualified. The designating organization shall notify the chairperson of any changes or substitutions of a designee within 10 business days of a change or substitution. Members shall serve without compensation, but may receive reimbursement for actual costs incurred in fulfilling their duties as members of the Council.

(d) The Council shall have the following duties:

(1) to monitor the administration of this Act to ensure effective, efficient, and coordinated program development and implementation;

(2) to assist the Department in developing and administering rules and regulations required to be promulgated pursuant to this Act in a manner consistent with the purpose and objectives of this Act;

(3) to facilitate and coordinate the collection and exchange of all program data and other information needed by the Department and others in fulfilling their duties pursuant to this Act;

(4) to advise the Department on the proper level of

support required for effective administration of the Act;

(5) to provide a written opinion concerning any regulation proposed pursuant to this Act, and to review and comment on any energy assistance or related plan required to be prepared by the Department;

(6) to advise the Department on the use of funds collected pursuant to Section 11 of this Act, and on any changes to existing low income energy assistance programs to make effective use of such funds, so long as such uses and changes are consistent with the requirements of the Act.

(Source: P.A. 92-690, eff. 7-18-02; revised 12-6-03.)

(305 ILCS 20/8) (from Ch. 111 2/3, par. 1408)

Sec. 8. Program Reports.

(a) The Department of Natural Resources shall prepare and submit to the Governor and the General Assembly reports on September 30 biennially, beginning in 2003, evaluating the effectiveness of the energy assistance and weatherization policies authorized by this Act. The first report shall cover such effects during the first winter during which the program authorized by this Act, is in operation, and successive reports shall cover effects since the issuance of the preceding report.

(1) Reports issued pursuant to this Section shall be limited to, information concerning the effects of the policies authorized by this Act on (1) the ability of eligible applicants to obtain and maintain adequate and affordable winter energy services and (2) changes in the costs and prices of winter energy services for people who do not receive energy assistance pursuant to this Act.

(2) The Department of Natural Resources shall by September 30, 2002, in consultation with the Policy Advisory Council, determine the kinds of numerical and other information needed to conduct the evaluations required by this Section, and shall advise the Policy Advisory Council of such information needs in a timely

manner. The Department of Commerce and Economic Opportunity ~~Community Affairs~~, the Department of Human Services, and the Illinois Commerce Commission shall each provide such information as the Department of Natural Resources may require to ensure that the evaluation reporting requirement established by this Section can be met.

(b) On or before December 31, 2002, 2004, 2006, and 2007, the Department shall prepare a report for the General Assembly on the expenditure of funds appropriated for the programs authorized under this Act.

(c) On or before December 31 of each year in 2004, 2006, and 2007, the Department shall, in consultation with the Council, prepare and submit evaluation reports to the Governor and the General Assembly outlining the effects of the program designed under this Act on the following as it relates to the propriety of continuing the program:

(1) the definition of an eligible low income residential customer;

(2) access of low income residential customers to essential energy services;

(3) past due amounts owed to utilities by low income persons in Illinois;

(4) appropriate measures to encourage energy conservation, efficiency, and responsibility among low income residential customers;

(5) the activities of the Department in the development and implementation of energy assistance and related policies and programs, which characterizes progress toward meeting the objectives and requirements of this Act, and which recommends any statutory changes which might be needed to further such progress.

(d) The Department shall by September 30, 2002 in consultation with the Council determine the kinds of numerical and other information needed to conduct the evaluations required by this Section.

(e) The Illinois Commerce Commission shall require each public utility providing heating or electric service to compile and submit any numerical and other information needed by the Department of Natural Resources to meet its reporting obligations.

(Source: P.A. 92-690, eff. 7-18-02; revised 12-6-03.)

(305 ILCS 20/13)

Sec. 13. Supplemental Low-Income Energy Assistance Fund.

(a) The Supplemental Low-Income Energy Assistance Fund is hereby created as a special fund in the State Treasury. The Supplemental Low-Income Energy Assistance Fund is authorized to receive, by statutory deposit, the moneys collected pursuant to this Section. Subject to appropriation, the Department shall use moneys from the Supplemental Low-Income Energy Assistance Fund for payments to electric or gas public utilities, municipal electric or gas utilities, and electric cooperatives on behalf of their customers who are participants in the program authorized by Section 4 of this Act, for the provision of weatherization services and for administration of the Supplemental Low-Income Energy Assistance Fund. The yearly expenditures for weatherization may not exceed 10% of the amount collected during the year pursuant to this Section. The yearly administrative expenses of the Supplemental Low-Income Energy Assistance Fund may not exceed 10% of the amount collected during that year pursuant to this Section.

(b) Notwithstanding the provisions of Section 16-111 of the Public Utilities Act but subject to subsection (k) of this Section, each public utility, electric cooperative, as defined in Section 3.4 of the Electric Supplier Act, and municipal utility, as referenced in Section 3-105 of the Public Utilities Act, that is engaged in the delivery of electricity or the distribution of natural gas within the State of Illinois shall, effective January 1, 1998, assess each of its customer accounts a monthly Energy Assistance Charge for the Supplemental Low-Income Energy Assistance Fund. The delivering public

utility, municipal electric or gas utility, or electric or gas cooperative for a self-assessing purchaser remains subject to the collection of the fee imposed by this Section. The monthly charge shall be as follows:

(1) $0.40 per month on each account for residential electric service;

(2) $0.40 per month on each account for residential gas service;

(3) $4 per month on each account for non-residential electric service which had less than 10 megawatts of peak demand during the previous calendar year;

(4) $4 per month on each account for non-residential gas service which had distributed to it less than 4,000,000 therms of gas during the previous calendar year;

(5) $300 per month on each account for non-residential electric service which had 10 megawatts or greater of peak demand during the previous calendar year; and

(6) $300 per month on each account for non-residential gas service which had 4,000,000 or more therms of gas distributed to it during the previous calendar year.

(c) For purposes of this Section:

(1) "residential electric service" means electric utility service for household purposes delivered to a dwelling of 2 or fewer units which is billed under a residential rate, or electric utility service for household purposes delivered to a dwelling unit or units which is billed under a residential rate and is registered by a separate meter for each dwelling unit;

(2) "residential gas service" means gas utility service for household purposes distributed to a dwelling of 2 or fewer units which is billed under a residential rate, or gas utility service for household purposes distributed to a dwelling unit or units which is billed under a residential rate and is registered by a separate meter for each dwelling unit;

(3) "non-residential electric service" means electric

utility service which is not residential electric service; and

(4) "non-residential gas service" means gas utility service which is not residential gas service.

(d) At least 45 days prior to the date on which it must begin assessing Energy Assistance Charges, each public utility engaged in the delivery of electricity or the distribution of natural gas shall file with the Illinois Commerce Commission tariffs incorporating the Energy Assistance Charge in other charges stated in such tariffs.

(e) The Energy Assistance Charge assessed by electric and gas public utilities shall be considered a charge for public utility service.

(f) By the 20th day of the month following the month in which the charges imposed by the Section were collected, each public utility, municipal utility, and electric cooperative shall remit to the Department of Revenue all moneys received as payment of the Energy Assistance Charge on a return prescribed and furnished by the Department of Revenue showing such information as the Department of Revenue may reasonably require. If a customer makes a partial payment, a public utility, municipal utility, or electric cooperative may elect either: (i) to apply such partial payments first to amounts owed to the utility or cooperative for its services and then to payment for the Energy Assistance Charge or (ii) to apply such partial payments on a pro-rata basis between amounts owed to the utility or cooperative for its services and to payment for the Energy Assistance Charge.

(g) The Department of Revenue shall deposit into the Supplemental Low-Income Energy Assistance Fund all moneys remitted to it in accordance with subsection (f) of this Section.

(h) (Blank).

On or before December 31, 2002, the Department shall prepare a report for the General Assembly on the expenditure of funds appropriated from the Low-Income Energy Assistance Block

Grant Fund for the program authorized under Section 4 of this Act.

(i) The Department of Revenue may establish such rules as it deems necessary to implement this Section.

(j) The Department of Commerce and Economic Opportunity ~~Community Affairs~~ may establish such rules as it deems necessary to implement this Section.

(k) The charges imposed by this Section shall only apply to customers of municipal electric or gas utilities and electric or gas cooperatives if the municipal electric or gas utility or electric or gas cooperative makes an affirmative decision to impose the charge. If a municipal electric or gas utility or an electric cooperative makes an affirmative decision to impose the charge provided by this Section, the municipal electric or gas utility or electric cooperative shall inform the Department of Revenue in writing of such decision when it begins to impose the charge. If a municipal electric or gas utility or electric or gas cooperative does not assess this charge, the Department may not use funds from the Supplemental Low-Income Energy Assistance Fund to provide benefits to its customers under the program authorized by Section 4 of this Act.

In its use of federal funds under this Act, the Department may not cause a disproportionate share of those federal funds to benefit customers of systems which do not assess the charge provided by this Section.

This Section is repealed effective December 31, 2007 unless renewed by action of the General Assembly. The General Assembly shall consider the results of the evaluations described in Section 8 in its deliberations.

(Source: P.A. 92-690, eff. 7-18-02; revised 12-6-03.)

Section 710. The Family Resource Development Act is amended by changing Section 5 as follows:

(305 ILCS 30/5) (from Ch. 23, par. 6855)

Sec. 5. The Department of Human Services, the Illinois

Community College Board and the Department of Commerce and Economic Opportunity ~~Community Affairs~~ may develop as a demonstration program a Family Resource Development Center for the benefit and use of an initial 20 low-income families. The Center shall establish an interdisciplinary approach that shall increase the coping skills of low-income families and develop the potential of low-income families through community economic development programs. Funding for the demonstration program shall be from existing moneys in supportive services funds, joint partnership training funds, and other existing moneys that are intended to meet the educational, vocational and training needs of recipients. The demonstration program shall be administered in accordance with existing federal and State statutes and regulations.

(Source: P.A. 89-507, eff. 7-1-97; revised 12-6-03.)

Section 715. The State Housing Act is amended by changing Section 40 as follows:

(310 ILCS 5/40) (from Ch. 67 1/2, par. 190)

Sec. 40. As used in this Act:

"Department" shall mean the Department of Commerce and Economic Opportunity ~~Community Affairs~~.

"Illinois Housing Development Authority" shall mean the Illinois Housing Development Authority created by the Illinois Housing Development Act of 1967, as amended.

"Community facilities" shall include land, buildings and equipment for recreation, for social assembly, for education or health or welfare activities, for the use primarily of tenants of housing accommodations of a housing corporation.

"Cost" of land shall include all of the following items paid by a housing corporation in connection with the acquisition thereof when approved by the Illinois Housing Development Authority; all amounts paid to the vendor on account of the purchase price, whether in cash, securities or property; the unpaid balance of any obligation secured by

mortgage remaining upon the premises or created in connection with the acquisition; all accounts paid for surveys, examination and insurance of title; attorneys' fees; brokerage; all awards paid in condemnation and court costs and fees; all documentary and stamp taxes and filing and recording fees and fees of the Illinois Housing Development Authority and other expenses of acquisition approved by the Illinois Housing Development Authority; and shall also include all special assessments for benefit upon the premises approved by the Illinois Housing Development Authority whether levied before or after the acquisition.

"Cost" of buildings and improvements, shall include all of the following items when approved by the Illinois Housing Development Authority; all amounts, whether in cash, securities or property, paid for labor and materials for site preparation and construction, for contractors' and architects' and engineers' fees, for fees or permits of any municipality, for workers' compensation, liability, fire and other casualty insurance, for charges of financing and supervision, for property taxes during construction and for interest upon borrowed and invested capital during construction, for fees of the Illinois Housing Development Authority, and other expenses of construction approved by the Illinois Housing Development Authority.

"Person" shall be deemed to include firm, association, trust or corporation.

"Project" shall mean all lands, buildings and improvements acquired, owned, managed, or operated by a housing corporation designed to provide housing accommodations and community facilities, stores and offices appurtenant or incidental thereto, which are planned as a unit, whether or not acquired or constructed at one time, and which ordinarily are contiguous or adjacent to one another. The buildings need not be contiguous or adjacent to one another, and a project may be entirely composed of either single or multiple dwellings.

(Source: P.A. 81-1509; revised 12-6-03.)

Section 720. The Housing Authorities Act is amended by changing Sections 8.13 and 17 as follows:

(310 ILCS 10/8.13) (from Ch. 67 1/2, par. 8.13)

Sec. 8.13. In addition to the powers conferred by this Act and other laws, Housing Authorities for municipalities of less than 500,000 population and for counties, the Department of Commerce and Economic Opportunity ~~Community Affairs~~, and the governing bodies of municipal corporations, counties and other public bodies may exercise the powers delegated to them in Sections 8.14 to 8.18, inclusive.

The provisions of Sections 8.14 to 8.18, inclusive, shall be deemed to create an additional and alternative method for the conservation of urban residential areas and the prevention of slums in municipalities of less than 500,000 to that which is provided by the "Urban Community Conservation Act," approved July 13, 1935, and shall not be deemed to alter, amend or repeal said Urban Community Conservation Act.

(Source: P.A. 81-1509; revised 12-6-03)

(310 ILCS 10/17) (from Ch. 67 1/2, par. 17)

Sec. 17. The following terms, wherever used or referred to in this Act shall have the following respective meanings, unless in any case a different meaning clearly appears from the context:

(a) "Authority" or "housing authority" shall mean a municipal corporation organized in accordance with the provisions of this Act for the purposes, with the powers and subject to the restrictions herein set forth.

(b) "Area" or "area of operation" shall mean: (1) in the case of an authority which is created hereunder for a city, village, or incorporated town, the area within the territorial boundaries of said city, village, or incorporated town, and so long as no county housing authority has jurisdiction therein, the area within three miles from such territorial boundaries,

except any part of such area located within the territorial boundaries of any other city, village, or incorporated town; and (2) in the case of a county shall include all of the county except the area of any city, village or incorporated town located therein in which there is an Authority. When an authority is created for a county subsequent to the creation of an authority for a city, village or incorporated town within the same county, the area of operation of the authority for such city, village or incorporated town shall thereafter be limited to the territory of such city, village or incorporated town, but the authority for such city, village or incorporated town may continue to operate any project developed in whole or in part in an area previously a part of its area of operation, or may contract with the county housing authority with respect to the sale, lease, development or administration of such project. When an authority is created for a city, village or incorporated town subsequent to the creation of a county housing authority which previously included such city, village or incorporated town within its area of operation, such county housing authority shall have no power to create any additional project within the city, village or incorporated town, but any existing project in the city, village or incorporated town currently owned and operated by the county housing authority shall remain in the ownership, operation, custody and control of the county housing authority.

(c) "Presiding officer" shall mean the presiding officer of the board of a county, or the mayor or president of a city, village or incorporated town, as the case may be, for which an Authority is created hereunder.

(d) "Commissioner" shall mean one of the members of an Authority appointed in accordance with the provisions of this Act.

(e) "Government" shall include the State and Federal governments and the governments of any subdivisions, agency or instrumentality, corporate or otherwise, of either of them.

(f) "Department" shall mean the Department of Commerce and

Economic Opportunity ~~Community Affairs~~.

(g) "Project" shall include all lands, buildings, and improvements, acquired, owned, leased, managed or operated by a housing authority, and all buildings and improvements constructed, reconstructed or repaired by a housing authority, designed to provide housing accommodations and facilities appurtenant thereto (including community facilities and stores) which are planned as a unit, whether or not acquired or constructed at one time even though all or a portion of the buildings are not contiguous or adjacent to one another; and the planning of buildings and improvements, the acquisition of property, the demolition of existing structures, the clearing of land, the construction, reconstruction, and repair of buildings or improvements and all other work in connection therewith. As provided in Sections 8.14 to 8.18, inclusive, "project" also means, for Housing Authorities for municipalities of less than 500,000 population and for counties, the conservation of urban areas in accordance with an approved conservation plan. "Project" shall also include (1) acquisition of (i) a slum or blighted area or a deteriorated or deteriorating area which is predominantly residential in character, or (ii) any other deteriorated or deteriorating area which is to be developed or redeveloped for predominantly residential uses, or (iii) platted urban or suburban land which is predominantly open and which because of obsolete platting, diversity of ownership, deterioration of structures or of site improvements, or otherwise substantially impairs or arrests the sound growth of the community and which is to be developed for predominantly residential uses, or (iv) open unplatted urban or suburban land necessary for sound community growth which is to be developed for predominantly residential uses, or (v) any other area where parcels of land remain undeveloped because of improper platting, delinquent taxes or special assessments, scattered or uncertain ownerships, clouds on title, artificial values due to excessive utility costs, or any other impediments to the use of such area for predominantly

residential uses; (2) installation, construction, or reconstruction of streets, utilities, and other site improvements essential to the preparation of sites for uses in accordance with the development or redevelopment plan; and (3) making the land available for development or redevelopment by private enterprise or public agencies (including sale, initial leasing, or retention by the local public agency itself). If in any city, village or incorporated town there exists a land clearance commission created under the "Blighted Areas Redevelopment Act of 1947" having the same area of operation as a housing authority created in and for any such municipality such housing authority shall have no power to acquire land of the character described in subparagraph (iii), (iv) or (v) of paragraph 1 of the definition of "project" for the purpose of development or redevelopment by private enterprise.

(h) "Community facilities" shall include lands, buildings, and equipment for recreation or social assembly, for education, health or welfare activities and other necessary utilities primarily for use and benefit of the occupants of housing accommodations to be constructed, reconstructed, repaired or operated hereunder.

(i) "Real property" shall include lands, lands under water, structures, and any and all easements, franchises and incorporeal hereditaments and estates, and rights, legal and equitable, including terms for years and liens by way of judgment, mortgage or otherwise.

(j) The term "governing body" shall include the city council of any city, the president and board of trustees of any village or incorporated town, the council of any city or village, and the county board of any county.

(k) The phrase "individual, association, corporation or organization" shall include any individual, private corporation, insurance company, housing corporation, neighborhood redevelopment corporation, non-profit corporation, incorporated or unincorporated group or association, educational institution, hospital, or charitable

organization, and any mutual ownership or cooperative organization.

(l) "Conservation area", for the purpose of the exercise of the powers granted in Sections 8.14 to 8.18, inclusive, for housing authorities for municipalities of less than 500,000 population and for counties, means an area of not less than 2 acres in which the structures in 50% or more of the area are residential having an average age of 35 years or more. Such an area is not yet a slum or blighted area as defined in the Blighted Areas Redevelopment Act of 1947, but such an area by reason of dilapidation, obsolescence, deterioration or illegal use of individual structures, overcrowding of structures and community facilities, conversion of residential units into non-residential use, deleterious land use or layout, decline of physical maintenance, lack of community planning, or any combination of these factors may become a slum and blighted area.

(m) "Conservation plan" means the comprehensive program for the physical development and replanning of a "Conservation Area" as defined in paragraph (l) embodying the steps required to prevent such Conservation Area from becoming a slum and blighted area.

(n) "Fair use value" means the fair cash market value of real property when employed for the use contemplated by a "Conservation Plan" in municipalities of less than 500,000 population and in counties.

(o) "Community facilities" means, in relation to a "Conservation Plan", those physical plants which implement, support and facilitate the activities, services and interests of education, recreation, shopping, health, welfare, religion and general culture.

(p) "Loan agreement" means any agreement pursuant to which an Authority agrees to loan the proceeds of its revenue bonds issued with respect to a multifamily rental housing project or other funds of the Authority to any person upon terms providing for loan repayment installments at least sufficient to pay when

due all principal of, premium, if any, and interest on the revenue bonds of the Authority issued with respect to the multifamily rental housing project, and providing for maintenance, insurance, and other matters as may be deemed desirable by the Authority.

(q) "Multifamily rental housing" means any rental project designed for mixed-income or low-income occupancy.

(Source: P.A. 92-481, eff. 8-23-01; revised 12-6-03.)

Section 725. The Housing Development and Construction Act is amended by changing Sections 2, 3, 3a, 3b, 5, 8, 9a, and 10 as follows:

(310 ILCS 20/2) (from Ch. 67 1/2, par. 54)

Sec. 2. Any housing authority now or hereafter organized under the "Housing Authorities Act," approved March 19, 1934, as amended, and any Land Clearance Commission heretofore organized under the Act herein repealed or hereafter organized under the provisions of the "Blighted Areas Redevelopment Act of 1947," enacted by the 65th General Assembly, may make application to the Department of Commerce and Economic Opportunity ~~Community Affairs~~ for a grant of state funds from the appropriation designated for the making of grants under this Act. No such housing authority or Land Clearance Commission shall apply for a sum larger than the proportion of the population of its area of operation to the population of the State, and where an authority and Land Clearance Commission have been created by the governing body of the same municipality, an amount not in excess of one-half (1/2) of the maximum grant allocable for such municipality on the foregoing basis of proportion of population may be allocated to the housing authority and an amount not in excess of one-half (1/2) of the maximum grant so allocable for such municipality may be allocated to the Land Clearance Commission.

The foregoing provisions of this section in respect to maximum allocable grants to housing authorities and land

clearance commissions from funds appropriated by the 66th or any succeeding General Assembly, and applications therefor, shall be subject to the provisions of Section 3a of this Act.
(Source: P.A. 81-1509; revised 12-6-03.)

(310 ILCS 20/3) (from Ch. 67 1/2, par. 55)

Sec. 3. Every application for a grant shall be accompanied by a statement of the uses to which a grant is to be applied, a description of the housing conditions in the area of operation of the applicant, and a plan for development or redevelopment or other use to be undertaken by the applicant. Subject to the provisions of Section 3a the Department of Commerce and Economic Opportunity ~~Community Affairs~~ shall review all applications for grants and if satisfied that a need therefor exists in relation to the uses to which it is to be applied and upon approval of the plan submitted with the application, the Director of ~~the Department of~~ Commerce and Economic Opportunity Community Affairs shall transmit to the State Comptroller a statement of approval and of the amount of the grant. Upon receipt of such statement by the Comptroller, the approved grant shall be paid to the applicant from any appropriation designated for the making of grants under this Act.
(Source: P.A. 81-1509; revised 12-6-03.)

(310 ILCS 20/3a) (from Ch. 67 1/2, par. 55a)

Sec. 3a. Application for grants from funds appropriated by the 66th or any succeeding General Assembly shall be made not later than June 30th of the year following the year in which such appropriation was enacted. Each such application shall be reviewed by the Department of Commerce and Economic Opportunity ~~Community Affairs~~ as provided in Section 3 and if approved shall entitle the applicant to a grant upon the basis of the population formula prescribed in Section 2. No application shall be approved unless the Department of Commerce and Economic Opportunity ~~Community Affairs~~ is satisfied that the amount approved will be properly employed by the applicant in

carrying out the plan accompanying the application.

If any housing authority or land clearance commission has failed to make application for a grant of funds appropriated by the 66th or any succeeding General Assembly prior to July 1st of the year following the year in which the appropriation was enacted, such portion of the appropriation as remains unallocated shall be available for distribution by the Department of Commerce and Economic Opportunity ~~Community Affairs~~ to housing authorities and land clearance commissions which make application and establish a need therefor in relation to a specific project or projects approved by the Department. The determination of the relative needs of applicants shall be made by the Department of Commerce and Economic Opportunity ~~Community Affairs~~; provided, that in no event shall the sum of any initial and supplemental grants to any applicant exceed 50% of the total appropriation made available for distribution to all applicants in the State.
(Source: P.A. 81-1509; revised 12-6-03.)

(310 ILCS 20/3b) (from Ch. 67 1/2, par. 55b)

Sec. 3b. In any municipality or county for which a Land Clearance Commission has been established, and for which no Housing Authority has been established, the Land Clearance Commission, if a recipient of state grants under this Act, may, subject to the approval of the Department of Commerce and Economic Opportunity ~~Community Affairs~~, exercise the powers vested in Housing Authorities under the provisions of this Act and the "Housing Authorities Act," approved March 19, 1934, as amended, and apply state grant funds allocated under this Act to any such purpose. For the purpose of any project so undertaken, the Land Clearance Commission shall be subject to all laws and regulations applicable to Housing Authorities. If a Housing Authority is established for any such municipality or county, the Land Clearance Commission shall thereafter exercise only those powers designated in the "Blighted Areas Redevelopment Act of 1947," approved July 2, 1947, as amended,

and, in respect to pending, uncompleted or existing projects undertaken as a Housing Authority, the Land Clearance Commission, subject to the approval of the Department of Commerce and Economic Opportunity ~~Community Affairs~~, may either complete or continue such project, or transfer full and complete power thereover to the Housing Authority.

(Source: P.A. 81-1509; revised 12-6-03.)

(310 ILCS 20/5) (from Ch. 67 1/2, par. 57)

Sec. 5. Any grants paid hereunder to a housing authority shall be deposited in a separate fund and, subject to the approval of the Department of Commerce and Economic Opportunity ~~Community Affairs~~, may be used for any or all of the following purposes as the needs of the community may require: the acquisition of land by purchase, gift or condemnation and the improvement thereof, the purchase and installation of temporary housing facilities, the construction of housing units for rent or sale to veterans, the families of deceased servicemen, and for persons and families who by reason of overcrowded housing conditions or displacement by eviction, fires or other calamities, or slum clearance or other private or public project involving relocation, are in urgent need of safe and sanitary housing, the making of grants in connection with the sale or lease of real property as provided in the following paragraph of this section, and for any and all purposes authorized by the "Housing Authorities Act," approved March 19, 1934, as amended, including administrative expenses of the housing authorities in relation to the aforesaid objectives, to the extent and for the purposes authorized and approved by the Department of Commerce and Economic Opportunity ~~Community Affairs~~. Each housing authority is vested with power to exercise the right of eminent domain for the purposes authorized by this Act. Condemnation proceedings instituted by any such authority shall be in all respects in the manner provided for the exercise of the right of eminent domain under Article VII of the Code of Civil Procedure, as amended.

In addition to the foregoing, and for the purpose of facilitating the development and construction of housing, housing authorities may, with the approval of the Department of Commerce and Economic Opportunity ~~Community Affairs~~, enter into contracts and agreements for the sale or lease of real property acquired by the Authority through the use of the grant hereunder, and may sell or lease such property to (1) housing corporations operating under "An Act in relation to housing," approved July 12, 1933, as amended; (2) neighborhood redevelopment corporations operating under the "Neighborhood Redevelopment Corporation Law," approved July 9, 1941; (3) insurance companies operating under Article VIII of the Illinois Insurance Code; (4) non-profit corporations organized for the purpose of constructing, managing and operating housing projects and the improvement of housing conditions, including the sale or rental of housing units to persons in need thereof; or (5) to any other individual, association or corporation, including bona fide housing cooperatives, desiring to engage in a development or redevelopment project. The term "corporation" as used in this section, means a corporation organized under the laws of this or any other state of the United States, or of any country, which may legally make investments in this State of the character herein prescribed, including foreign and alien insurance companies as defined in Section 2 of the "Illinois Insurance Code." No sale or lease shall be made hereunder to any of the aforesaid corporations, associations or individuals unless a plan approved by the Authority has been presented by the purchaser or lessee for the development or redevelopment of such property, together with a bond, with satisfactory sureties, of not less than 10% of the cost of such development or redevelopment, conditioned upon the completion of such development or redevelopment; provided that the requirement of the bond may be waived by the Department of Commerce and Economic Opportunity ~~Community Affairs~~ if it is satisfied of the financial ability of the purchaser or lessee to complete such development or redevelopment in accordance with the

presented plan. To further assure that the real property so sold or leased shall be used in accordance with the plan, the Department of Commerce and Economic Opportunity ~~Community Affairs~~ may require the purchaser or lessee to execute in writing such undertakings as the Department deems necessary to obligate such purchaser or lessee (1) to use the property for the purposes presented in the plan; (2) to commence and complete the building of the improvements designated in the plan within the periods of time that the Department of Commerce and Economic Opportunity ~~Community Affairs~~ fixes as reasonable, and (3) to comply with such other conditions as are necessary to carry out the purposes of this Act. Any such property may be sold pursuant to this section for any legal consideration in an amount to be approved by the Department of Commerce and Economic Opportunity ~~Community Affairs~~. Subject to the approval of the Department of Commerce and Economic Opportunity ~~Community Affairs~~, a housing authority may pay to any non-profit corporation of the character described in this section from grants made available from state funds, such sum of money which, when added to the value of the land so sold or leased to such non-profit corporation and the value of other assets of such non-profit corporation available for use in the project, will enable such non-profit corporation to obtain Federal Housing Administration insured construction mortgages. Any such authority may also sell, transfer, convey or assign to any such non-profit corporation any personal property, including building materials and supplies, as it deems necessary to facilitate the completion of the development or redevelopment by such non-profit corporation.

If the area of operation of a housing authority includes a city, village or incorporated town having a population in excess of 500,000, as determined by the last preceding Federal Census, no real property or interest in real property shall be acquired in such municipality by the housing authority until such time as the housing authority has advised the governing body of such municipality of the description of the real

property, or interest therein, proposed to be acquired, and the governing body of the municipality has approved the acquisition thereof by the housing authority.

(Source: P.A. 90-418, eff. 8-15-97; revised 12-1-04.)

(310 ILCS 20/8) (from Ch. 67 1/2, par. 60)

Sec. 8. No housing authority or land clearance commission shall reinvest or use any funds arising from the rental or sale of any property acquired with funds granted pursuant to this Act except with the approval of the Department of Commerce and Economic Opportunity ~~Community Affairs~~.

(Source: P.A. 81-1509; revised 12-6-03.)

(310 ILCS 20/9a) (from Ch. 67 1/2, par. 61a)

Sec. 9a. In the event that any housing authority or land clearance commission has failed or refused to initiate any project or projects for which it has received grants of State funds under the provisions of this Act or "An Act to promote the improvement of housing," approved July 26, 1945, and the Department of Commerce and Economic Opportunity ~~Community Affairs~~, upon the basis of an investigation, is convinced that such housing authority or land clearance commission is unable or unwilling to proceed thereon, the Department may direct the housing authority or land clearance commission to transfer to the Department the balance of the State funds then in the possession of such agency, and upon failure to do so within thirty days after such demand, the Department shall institute a civil action for the recovery thereof, which action shall be maintained by the Attorney General of the State of Illinois or the state's attorney of the county in which the housing authority or land clearance commission has its area of operation.

Any officer or member of any such housing authority or land clearance commission who refuses to comply with the demand of the Department of Commerce and Economic Opportunity ~~Community Affairs~~ for the transfer of State funds as herein provided

shall be guilty of a Class A misdemeanor.

All State funds recovered by the Department of Commerce and Economic Opportunity ~~Community Affairs~~ pursuant to this section shall forthwith be paid into the State Housing Fund in the State Treasury.

(Source: P.A. 81-1509; revised 12-6-03.)

(310 ILCS 20/10) (from Ch. 67 1/2, par. 62)

Sec. 10. "An Act to promote the improvement of housing", approved July 26, 1945, is repealed. The repeal of said Act shall not affect the validity of the organization, acts, contracts, proceedings, conveyances and transactions of housing authorities and land clearance commissions done or performed thereunder prior to the effective date of this Act, and all such acts, contracts, proceedings, conveyances and transactions, done or performed thereunder, and the organization of such authorities and land clearance commissions are ratified, affirmed and declared valid and legal in all respects. Grants paid to such housing authorities and land clearance commissions under the act herein repealed may be used by such authorities and commissions for the purposes for which such grants were made, and all or any portion thereof which remains unexpended and unobligated may, in addition, be used in the manner authorized by Section 22 of the "Blighted Areas Redevelopment Act of 1947", enacted by the 65th General Assembly, or, with the approval of the Department of Commerce and Community Affairs (now Department of Commerce and Economic Opportunity) for any purpose or purposes authorized by this Act.

(Source: P.A. 81-1509; revised 12-6-03.)

Section 730. The Redevelopment Project Rehousing and Capital Improvements Act is amended by changing Section 2 as follows:

(310 ILCS 30/2) (from Ch. 67 1/2, par. 93)

Sec. 2. Any housing authority may apply to the Department of Commerce and Economic Opportunity ~~Community Affairs~~ for the grant of a sum from the amount to be appropriated for this Act to develop housing projects pursuant to the "Housing Authorities Act", approved March 19, 1934, as amended, to facilitate and aid in the rehousing of persons eligible for tenancy under said Act residing in the site of a redevelopment project who could not otherwise be rehoused in decent, safe and uncongested dwelling accommodations within their financial reach.

Upon a showing of need of a grant from the amount appropriated for this Act and that the sum so granted will be satisfactorily employed by the housing authority in the development of housing projects for the purposes authorized by this Act, the Director of ~~the Department of~~ Commerce and Economic Opportunity ~~Community Affairs~~ shall transmit to the State Comptroller a statement of approval and of the amount of the grant, and when the municipality has paid to the housing authority an amount at least equal to the amount of the approved grant, the Comptroller shall pay the amount of the approved grant to the housing authority from the appropriation for grants under this Act. The amount so granted together with the amount contributed by the city, village or incorporated town in which the redevelopment project is situated shall be deposited in a separate fund and shall be applied only to the planning, acquisition, development, and capital improvements of the approved housing project or projects for the purposes authorized by this Act and the Housing Authorities Act. The expenditure of any moneys from such separate fund and the location of the rehousing project or projects shall be subject to the approval of the Department of Commerce and Economic Opportunity ~~Community Affairs~~ and the governing body of the municipality in which the redevelopment project is located.
(Source: P.A. 91-632, eff. 8-19-99; revised 12-6-03.)

Section 735. The Illinois Affordable Housing Act is amended

by changing Sections 6 and 16 as follows:

(310 ILCS 65/6) (from Ch. 67 1/2, par. 1256)

Sec. 6. Advisory Commission.

(a) There is hereby created the Illinois Affordable Housing Advisory Commission. The Commission shall consist of 15 members. Three of the Commissioners shall be the Directors of the Illinois Housing Development Authority, the Illinois Finance Authority and the Department of Commerce and Economic Opportunity ~~Community Affairs~~ or their representatives. One of the Commissioners shall be the Commissioner of the Chicago Department of Housing or its representative. The remaining 11 members shall be appointed by the Governor, with the advice and consent of the Senate, and not more than 4 of these Commission members shall reside in any one county in the State. At least one Commission member shall be an administrator of a public housing authority from other than a municipality having a population in excess of 2,000,000; at least 2 Commission members shall be representatives of special needs populations as described in subsection (e) of Section 8; at least 4 Commission members shall be representatives of community-based organizations engaged in the development or operation of housing for low-income and very low-income households; and at least 4 Commission members shall be representatives of advocacy organizations, one of which shall represent a tenants' advocacy organization. The Governor shall consider nominations made by advocacy organizations and community-based organizations.

(b) Members appointed to the Commission shall serve a term of 3 years; however, 3 members first appointed under this Act shall serve an initial term of one year, and 4 members first appointed under this Act shall serve a term of 2 years. Individual terms of office shall be chosen by lot at the initial meeting of the Commission. The Governor shall appoint the Chairman of the Commission, and the Commission members shall elect a Vice Chairman.

(c) Members of the Commission shall not be entitled to

compensation, but shall receive reimbursement for actual and reasonable expenses incurred in the performance of their duties.

(d) Eight members of the Commission shall constitute a quorum for the transaction of business.

(e) The Commission shall meet at least quarterly and its duties and responsibilities are:

(1) the study and review of the availability of affordable housing for low-income and very low-income households in the State of Illinois and the development of a plan which addresses the need for additional affordable housing;

(2) encouraging collaboration between federal and State agencies, local government and the private sector in the planning, development and operation of affordable housing for low-income and very low-income households;

(3) studying, evaluating and soliciting new and expanded sources of funding for affordable housing;

(4) developing, proposing, reviewing, and commenting on priorities, policies and procedures for uses and expenditures of Trust Fund monies, including policies which assure equitable distribution of funds statewide;

(5) making recommendations to the Program Administrator concerning proposed expenditures from the Trust Fund;

(6) making recommendations to the Program Administrator concerning the developments proposed to be financed with the proceeds of Affordable Housing Program Trust Fund Bonds or Notes;

(7) reviewing and commenting on the development of priorities, policies and procedures for the administration of the Program;

(8) monitoring and evaluating all allocations of funds under this Program; and

(9) making recommendations to the General Assembly for further legislation that may be necessary in the area of

affordable housing.

(Source: P.A. 93-205, eff. 1-1-04; revised 12-6-03.)

(310 ILCS 65/16) (from Ch. 67 1/2, par. 1266)

Sec. 16. Tax Increment Financing Plan. The Program Administrator shall, in cooperation with the Department of Commerce and Economic Opportunity ~~Community Affairs~~, develop a plan for the use of tax increment financing to increase the availability of affordable housing. The Program Administrator shall recommend ways in which local tax increment financing can be exported from commercial and industrial developments to very low-income, low-income and moderate income housing projects outside the tax increment financing district, subject to limitation on dollar amounts. By March 1, 1990, the Program Administrator shall report to the Governor and the General Assembly the details of the plan and the Program Administrator's recommendations for legislative action.

(Source: P.A. 86-925; revised 12-6-03.)

Section 740. The Blighted Areas Redevelopment Act of 1947 is amended by changing Section 3 as follows:

(315 ILCS 5/3) (from Ch. 67 1/2, par. 65)

Sec. 3. Definitions. The following terms, wherever used or referred to in this Act shall have the following respective meanings, unless in any case a different meaning clearly appears from the context:

(a) "Commission" means a Land Clearance Commission created pursuant to this Act or heretofore created pursuant to "An Act to promote the improvement of housing," approved July 26, 1945.

(b) "Commissioner" or "Commissioners" shall mean a Commissioner or Commissioners of a Land Clearance Commission.

(c) "Department" means the Department of Commerce and Economic Opportunity ~~Community Affairs~~.

(d) "Authority" or "housing authority" shall mean a housing authority organized in accordance with the provisions of the

Housing Authorities Act.

(e) "Municipality" shall mean a city, village or incorporated town.

(f) "Presiding officer" shall mean the presiding officer of the board of a county, or the mayor or president of a city, village or incorporated town, as the case may be, for which a Land Clearance Commission is created.

(g) The term "governing body" shall mean the council or the president and board of trustees of any city, village or incorporated town, as the case may be, and the county board of any county.

(h) "Area of operation" shall mean (1) in the case of a Land Clearance Commission created for a municipality, the area within the territorial boundaries of said municipality; and (2) in the case of a county shall include the areas within the territorial boundaries of all municipalities within such county, except the area of any municipality located therein in which there has been created a Land Clearance Commission or a Department of Urban Renewal pursuant to the provisions of the Urban Renewal Consolidation Act of 1961. When a Land Clearance Commission or such a Department of Urban Renewal is created for a municipality subsequent to the creation of a County land clearance commission whose area of operation of the County land clearance commission shall not thereafter include the territory of such municipality, but the County land clearance commission may continue any redevelopment project previously commenced in such municipality.

(i) "Real property" shall include lands, lands under water, structures, and any and all easements, franchises and incorporeal hereditaments and estates, and rights, legal and equitable, including terms for years and liens by way of judgment, mortgage or otherwise.

(j) "Slum and Blighted Area" means any area of not less in the aggregate than 2 acres located within the territorial limits of a municipality where buildings or improvements, by reason of dilapidation, obsolescence, overcrowding, faulty

arrangement or design, lack of ventilation, light and sanitary facilities, excessive land coverage, deleterious land use or layout or any combination of these factors, are detrimental to the public safety, health, morals or welfare.

(k) "Slum and Blighted Area Redevelopment Project" means a project involving a slum and blighted area as defined in subsection (j) of this Section including undertakings and activities of the Commission in a Slum and Blighted Area Redevelopment Project for the elimination and for the prevention of the development or spread of slums and blight and may involve slum clearance and redevelopment in a Slum and Blighted Area Redevelopment Project, or any combination or part thereof in accordance with an Urban Renewal Program. Such undertakings and activities may include:

1. acquisition of a slum area or a blighted area or portion thereof;

2. demolition and removal of buildings and improvements;

3. installation, construction or reconstruction of streets, utilities, parks, playgrounds, and other improvements necessary for the carrying out in the Slum and Blighted Area Redevelopment Project the objectives of this Act;

4. disposition of any property acquired in the Slum and Blighted Area Redevelopment Project;

5. carrying out plans for a program of voluntary repair and rehabilitation of buildings or other improvements in accordance with a redevelopment plan.

(l) "Blighted Vacant Area Redevelopment Project" means a project involving (1) predominantly open platted urban or suburban land which because of obsolete platting, diversity of ownership, deterioration of structures or of site improvements, or taxes or special assessment delinquencies exceeding the fair value of the land, substantially impairs or arrests the sound growth of the community and which is to be developed for residential or other use, provided that such a

project shall not be developed for other than residential use unless the area, at the time the Commission adopts the resolution approving the plan for the development of the area, is zoned for other than residential use and unless the Commission determines that residential development thereof is not feasible, and such determination is approved by the presiding officer and the governing body of the municipality in which the area is situated and by the Department, or (2) open unplatted urban or suburban land to be developed for predominantly residential uses, or (3) a combination of projects defined in (1) and (2) of this subsection (l).

(m) "Redevelopment Project" means a "Slum and Blighted Area Redevelopment Project" or a "Blighted Vacant Area Redevelopment Project", as the case may be, as designated in the determination of the Commission pursuant to Section 13 of this Act, and may include such additional area of not more in the aggregate than 160 acres (exclusive of the site of any abutting Slum and Blighted Area Redevelopment Project or Blighted Vacant Area Redevelopment Project) located within the territorial limits of the municipality, abutting and adjoining in whole or in part a Slum and Blighted Area Redevelopment Project or Blighted Vacant Area Redevelopment Project, which the land clearance commission deems necessary for the protection and completion of such redevelopment project or projects and of the site improvements to be made therein and which has been approved by the Department and the governing body of the municipality in which the area is situated, but the land clearance commission as to such additional area shall have power only to make studies, surveys and plans concerning services to be performed by the municipality or others, including the extension of project streets and utilities, the provision of parks, playgrounds or schools, and the zoning of such peripheral areas.

(n) "Match" and any other form of said word when used with reference to the matching of moneys means match on a dollar for dollar basis.

(Source: P.A. 91-357, eff. 7-29-99; revised 12-6-03.)

Section 745. The Blighted Vacant Areas Development Act of 1949 is amended by changing Section 3 as follows:

(315 ILCS 10/3) (from Ch. 67 1/2, par. 91.3)

Sec. 3. Definitions. The following terms, wherever used or referred to in this Act, shall have the following respective meanings, unless, in any case, a different meaning clearly appears from the context:

(a) "Private interest" and "developer" includes any person, firm, association, trust, or business corporation.

(b) "Blighted vacant area" means any undeveloped contiguous urban area of not less than one acre where there exists diversity of ownership of lots and tax and special assessment delinquencies exceeding the fair cash market value of the land within such area.

(c) "Department" means the Department of Commerce and Economic Opportunity ~~Community Affairs~~.

(d) "Municipality" and "corporate authorities of the municipality" shall have the respective meanings assigned to these terms in Section 1-1-2 of the Illinois Municipal Code. "Corporate authorities of the county" shall refer to the governing body of the county as specified in Section 5-1004 of the Counties Code.

(Source: P.A. 86-1475; revised 12-6-03.)

Section 750. The Urban Community Conservation Act is amended by changing Section 4 as follows:

(315 ILCS 25/4) (from Ch. 67 1/2, par. 91.11)

Sec. 4. Excepting any municipality for and in which there exists a Department of Urban Renewal created pursuant to the provisions of the "Urban Renewal Consolidation Act of 1961", enacted by the Seventy-Second General Assembly, any municipality, after 30 days' notice, published in a newspaper

of general circulation within the municipality, and public hearing, shall have the power to provide for the creation of a Conservation Board, to operate within the boundaries of such municipality, pursuant to the provisions of this Act. The presiding officer of any municipality in which a Conservation Board is established shall appoint, with the approval of the governing body and of the Department of Commerce and Economic Opportunity ~~Community Affairs~~, five residents of the municipality to act as a Conservation Board, hereinafter referred to as "the Board." Members of the Board shall be citizens of broad civic interest, administrative experience and ability in the fields of finance, real estate, building, or related endeavors, not more than three of whom shall belong to the same political party. One such member shall be designated by the presiding officer as Commissioner and shall serve at the pleasure of the presiding officer. He shall administer the functions assigned by the Board, preside over its meetings, and carry out whatever other functions may be assigned to him by the governing body. The Commissioner shall devote his full-time attention to the duties of his office and shall receive no public funds by way of salary, compensation, or remuneration for services rendered, from any other governmental agency or public body during his tenure in office, other than the salary provided by the governing body, except as herein otherwise specifically provided.

Four other members of the Board shall be appointed, to serve one, two, three and four year terms. After the expiration of the initial term of office each subsequent term shall be of four years' duration. A member shall hold office until his successor shall have been appointed and qualified. Members of the Board shall be eligible to succeed themselves. Members of the Board other than the Commissioner shall serve without pay, except as herein otherwise specifically provided and no member of the Board shall acquire any interest, direct or indirect, in any conservation project, or in any property included or planned to be included in any conservation project, nor shall

any member have any interest in any contract or proposed contract in connection with any such project. Members may be dismissed by the Presiding Office of the Municipality for good cause shown. Such dismissal may be set aside by a two-thirds vote of the governing body. Notwithstanding anything to the contrary herein contained, the Commissioner, may, during all or any part of his term also serve as Chairman or member of a Redevelopment Commission created pursuant to "The Neighborhood Redevelopment Corporation Law" approved July 9, 1941, as amended, and shall be entitled to receive and retain any salary payable to him as Chairman or member of any such Redevelopment Commission. Three members of the Conservation Board shall constitute a quorum to transact business and no vacancy shall impair the right of the remaining members to exercise all the powers of the Board; and every act, order, rule, regulation or resolution of the Conservation Board approved by a majority of the members thereof at a regular or special meeting shall be deemed to be the act, order, rule, regulation or resolution of the Conservation Board.

The Conservation Board shall designate Conservation Areas and

(a) Approve all conservation plans developed for Conservation Areas in the manner prescribed herein;

(b) Approve each use of eminent domain for the acquisition of real property for the purposes of this Act, provided that every property owner affected by condemnation proceedings shall have the opportunity to be heard by the Board before such proceedings may be approved;

(c) Act as the agent of the Municipality in the acquisition, management, and disposition of property acquired pursuant to this Act as hereinafter provided;

(d) Act as agent of the governing body, at the discretion of the governing body, in the enforcement and the administration of any ordinances relating to the conservation of urban residential areas and the prevention of slums enacted by the governing body pursuant to the laws of this State;

(e) Report annually to the presiding officer of the municipality;

(f) Shall, as agent for the Municipality upon approval by the governing body, have power to apply for and accept capital grants and loans from, and contract with, the United States of America, the Housing and Home Finance Agency, or any other Agency or instrumentality of the United States of America, for or in aid of any of the purposes of this Act, and to secure such loans by the issuance of debentures, notes, special certificates, or other evidences of indebtedness, to the United States of America; and

(g) Exercise any and all other powers as shall be necessary to effectuate the purposes of this Act.

(Source: P.A. 81-1509; revised 12-6-03.)

Section 755. The Urban Renewal Consolidation Act of 1961 is amended by changing Sections 5, 16, 17, and 31 as follows:

(315 ILCS 30/5) (from Ch. 67 1/2, par. 91.105)

Sec. 5. As soon as possible after the adoption of the ordinance by the governing body, the presiding officer of such municipality in which a Department of Urban Renewal is established, shall appoint, with the approval of the governing body, five members to act as a Department of Urban Renewal, hereinafter referred to as the "Department". Members of the Department shall be citizens of broad civic interest, administrative experience and ability in the fields of finance, real estate, building or related endeavors, at least three of whom shall be residents and electors of the municipality, and not more than three members shall belong to the same political party.

One member shall be designated by the presiding officer as Chairman and shall serve at the pleasure of the presiding officer. He shall administer the functions assigned by the Department, preside over its meetings and carry out whatever other functions may be assigned to him by the Department and by

the governing body. The Chairman shall devote his full-time attention to the duties of his office and shall receive no public funds by way of salary, compensation, or remuneration for services rendered, from any other governmental agency or public body during his tenure in office, other than the salary provided by the governing body.

Four other members shall be appointed with initial terms of one, two, three and four years. At the expiration of the term of each such member, and of each succeeding member, or in the event of a vacancy, the presiding officer shall appoint a member, subject to the approval of the governing body as aforesaid, to hold office, in the case of a vacancy for the unexpired term, or in the case of expiration for a term of four years, or until his successor shall have been appointed and qualified. Members shall be eligible to succeed themselves. Members other than the Chairman shall serve without compensation in the form of salary, per diem allowances or otherwise, but each such member shall be entitled to reimbursement for any necessary expenditures in connection with the performance of his duties.

Any public officer shall be eligible to serve as a member of the Department of Urban Renewal, and the acceptance of appointment as such shall not terminate or impair his other public office, the provision of any statute to the contrary notwithstanding; but no officer or employee of the Department of Commerce and Economic Opportunity ~~Community Affairs~~ shall be eligible to serve as a member, nor shall more than two public officers be members of the Department at one time; provided, however, that any commissioner of a land clearance commission or member of a conservation board shall be eligible to serve as a member, and the acceptance of appointment as such shall not impair his right to serve on such land clearance commission or conservation board pending its dissolution, the provision of any statute to the contrary notwithstanding. Members other than the Chairman may be removed from office by the presiding officer for good cause shown. Such removal may be set aside by

a two-thirds vote of the governing body.

(Source: P.A. 81-1509; revised 12-6-03.)

(315 ILCS 30/16) (from Ch. 67 1/2, par. 91.116)

Sec. 16. The Department, with the approval of the Department of Commerce and Economic Opportunity ~~Community Affairs~~ and the governing body of the municipality in which the redevelopment project is located, may sell and convey not to exceed 15% of all the real property which is to be used for residential purposes in the area or areas of a redevelopment project or projects to a Housing Authority created under an Act entitled "An Act in relation to housing authorities," approved March 19, 1934, as amended, having jurisdiction within the area of the redevelopment project or projects, to provide housing projects pursuant to said last mentioned Act; provided the Department of Commerce and Economic Opportunity ~~Community Affairs~~ determines that it is not practicable or feasible to otherwise relocate eligible persons residing in the area of the redevelopment project or projects in decent, safe and uncongested dwelling accommodations within their financial reach, unless such a housing project is undertaken by the Housing Authority, and provided further that first preference for occupancy in any such housing project developed by the Housing Authority on such real property shall be granted to eligible persons from the area included in the redevelopment project or projects that cannot otherwise be relocated in decent, safe and uncongested dwelling accommodations within their financial reach.

Any real property sold and conveyed to a Housing Authority pursuant to the provisions of this Section shall be sold at its use value (which may be less than its acquisition cost), which represents the value at which the Department determines such land should be made available in order that it may be redeveloped for the purposes specified in this Section.

(Source: P.A. 81-1509; revised 12-6-03.)

(315 ILCS 30/17) (from Ch. 67 1/2, par. 91.117)

Sec. 17. A Department, with the approval of the Department of Commerce and Economic Opportunity ~~Community Affairs~~ and the governing body of the municipality in which the project is located, may sell and convey any part of the real property within the area of a slum and blighted area redevelopment project as defined in Subsection (j) of Section 3 hereof to a Housing Authority created under an Act entitled "An Act in relation to housing authorities," approved March 19, 1934, as amended, having jurisdiction within the area of the redevelopment project or projects. Any real property sold and conveyed to a Housing Authority pursuant to the provisions of this Section shall be for the sole purpose of resale pursuant to the terms and provisions of Section 5 of an Act entitled "An Act to facilitate the development and construction of housing, to provide governmental assistance therefor, and to repeal an Act herein named," approved July 2, 1947, to a nonprofit corporation, or nonprofit corporations, organized for the purpose of constructing, managing and operating housing projects and the improvement of housing conditions, including the sale or rental of housing units to persons in need thereof. No sale shall be consummated pursuant to this Section unless the nonprofit corporation to which the Housing Authority is to resell, obligates itself to use the land for the purposes designated in the approved plan referred to in Section 19 hereof and to commence and complete the building of the improvements within the periods of time which the Department fixes as reasonable and unless the Department is satisfied that the nonprofit corporation will have sufficient moneys to complete the redevelopment in accordance with the approved plan.

Any real property sold and conveyed to a Housing Authority pursuant to the provisions of this Section shall be sold at its use value (which may be less than its acquisition cost), which represents the value at which the Department determines such land should be made available in order that it may be developed

or redeveloped for the purposes specified in the approved plan. (Source: P.A. 81-1509; revised 12-6-03.)

(315 ILCS 30/31) (from Ch. 67 1/2, par. 91.131)

Sec. 31. When a Department of Urban Renewal has been established hereunder the presiding officer of the municipality shall so notify the Department of Commerce and Economic Opportunity ~~Community Affairs~~ and the land clearance commission in its area of operation by transmitting to the Department of Commerce and Economic Opportunity ~~Community Affairs~~ and such land clearance commission a certified copy of the ordinance of the governing body providing for the creation of such Department.

From and after the receipt of such notice such land clearance commission shall undertake no new development or redevelopment projects; however, such land clearance commission shall, pending its dissolution as hereinafter provided, have and continue to exercise all powers vested in land clearance commissions by the "Blighted Areas Redevelopment Act of 1947," approved July 2, 1947, as amended, with respect to: (1) projects then in progress pending determination, as hereinafter provided, by the governing body of the municipality as to which, if any, of the redevelopment projects then in progress are to be completed by such land clearance commission, and (2) projects which the governing body of the municipality determines shall be completed by such land clearance commission.

Such land clearance commission shall promptly prepare a detailed report covering its operations and activities and the status of all of its pending development or redevelopment projects, together with all other pertinent data and information as may be requested by the Department. The Department shall cause an audit to be made of the financial affairs and obligations of such land clearance commission. Copies of such report and audit shall be furnished the presiding officer of the municipality, the department, the

governing body of the municipality, the Department of Commerce and Economic Opportunity ~~Community Affairs~~ and such land clearance commission.

Upon receipt of such audit and report the Department of Urban Renewal, with the approval of the governing body of the municipality, shall determine with respect to any redevelopment project then in progress whether such project shall be completed by such land clearance commission or by the Department of Urban Renewal, and shall so notify such land clearance commission and the Department of Commerce and Economic Opportunity ~~Community Affairs~~.

Such land clearance commission shall, upon receipt of the determinations of the Department of Urban Renewal with respect to redevelopment projects then in progress, proceed with the orderly dissolution of such land clearance commission. When provision has been made for the refunding or payment of outstanding bonds of such land clearance commission the Commissioners of such land clearance commission shall promptly take appropriate action to convey, transfer, assign, deliver and pay over to the municipality for the purposes under Part I of this Act, all cash, real property, securities, contracts, records, and assets of any kind or nature which will not be needed for the completion by the land clearance commission of any redevelopment project which the department may have determined should be completed by such land clearance commission and which will not be required for the orderly dissolution of such land clearance commission. All assets so conveyed, assigned, transferred and paid over to the municipality shall be subject to the same rights, liabilities and obligations as existed prior to the transfer to the municipality.

When all of the cash, real property, securities, contracts, assets, records and functions of a land clearance commission have been so conveyed, transferred, assigned, delivered and paid over to the municipality and provisions have been made for the refunding or payment of outstanding bonds of such land

clearance commission, and when such land clearance commission has completed all projects which the Department, as aforesaid, may have determined should be completed by such land clearance commission, it shall so notify the Department of Commerce and Economic Opportunity ~~Community Affairs~~. When the Department of Commerce and Economic Opportunity ~~Community Affairs~~ is satisfied that a proper accounting has been made and that no contingent liabilities exist, the Department of Commerce and Economic Opportunity ~~Community Affairs~~ shall issue a certificate of dissolution which it shall file in the office in which deeds of property in the area of operation are recorded, and upon such filing, such land clearance commission shall be dissolved and cease to exist.

(Source: P.A. 81-1509; revised 12-6-03.)

Section 760. The Partnership for Long-Term Care Act is amended by changing Sections 50 and 60 as follows:

(320 ILCS 35/50) (from Ch. 23, par. 6801-50)

Sec. 50. Task force.

(a) An executive and legislative advisory task force shall be created to provide advice and assistance in designing and implementing the Partnership for Long-term Care Program. The task force shall be composed of representatives, designated by the director of each of the following agencies or departments:

(1) The Department on Aging.

(2) The Department of Public Aid.

(3) (Blank).

(4) The Department of Insurance.

(5) The Department of Commerce and Community Affairs (now Department of Commerce and Economic Opportunity).

(6) The Legislative Research Unit.

(b) The task force shall consult with persons knowledgeable of and concerned with long-term care, including, but not limited to the following:

(1) Consumers.

(2) Health care providers.

(3) Representatives of long-term care insurance companies and administrators of health care service plans that cover long-term care services.

(4) Providers of long-term care.

(5) Private employers.

(6) Academic specialists in long-term care and aging.

(7) Representatives of the public employees' and teachers' retirement systems.

(c) The task force shall be established, and its members designated, not later than March 1, 1993. The task force shall make recommendations to the Department on Aging concerning the policy components of the program on or before September 1, 1993.

(Source: P.A. 89-507, eff. 7-1-97; 89-525, eff. 7-19-96; 90-14, eff. 7-1-97; revised 12-6-03.)

(320 ILCS 35/60) (from Ch. 23, par. 6801-60)

Sec. 60. Administrative costs.

(a) The Department on Aging, in conjunction with the Department of Public Aid, the Department of Insurance, and the Department of Commerce and Economic Opportunity ~~Community Affairs~~, shall submit applications for State or federal grants or federal waivers, or funding from nationally distributed private foundation grants, or insurance reimbursements to be used to pay the administrative expenses of implementation of the program. The Department on Aging, in conjunction with those other departments, also shall seek moneys from these same sources for the purpose of implementing the program, including moneys appropriated for that purpose.

(b) In implementing this Act, the Department on Aging may negotiate contracts, on a nonbid basis, with long-term care insurers, health care insurers, health care service plans, or both, for the provision of coverage for long-term care services that will meet the certification requirements set forth in Section 30 and the other requirements of this Act.

(Source: P.A. 89-507, eff. 7-1-97; 89-525, eff. 7-19-96; 90-14, eff. 7-1-97; revised 12-6-03.)

Section 765. The High Risk Youth Career Development Act is amended by changing Section 1 as follows:

(325 ILCS 25/1) (from Ch. 23, par. 6551)

Sec. 1. The Department of Human Services (acting as successor to the Illinois Department of Public Aid under the Department of Human Services Act), in cooperation with the Department of Commerce and Economic Opportunity ~~Community Affairs~~, the Illinois State Board of Education, the Department of Children and Family Services, the Department of Employment Services and other appropriate State and local agencies, may establish and administer, on an experimental basis and subject to appropriation, community-based programs providing comprehensive, long-term intervention strategies to increase future employability and career development among high risk youth. The Department of Human Services, and the other cooperating agencies, shall establish provisions for community involvement in the design, development, implementation and administration of these programs. The programs may provide the following services: teaching of basic literacy and remedial reading and writing; vocational training programs which are realistic in terms of producing lifelong skills necessary for career development; and supportive services including transportation and child care during the training period and for up to one year after placement in a job. The programs shall be targeted to high risk youth residing in the geographic areas served by the respective programs. "High risk" means that a person is at least 16 years of age but not yet 21 years of age and possesses one or more of the following characteristics:

(1) Has low income;

(2) Is a member of a minority;

(3) Is illiterate;

(4) Is a school drop out;

(5) Is homeless;

(6) Is disabled;

(7) Is a parent; or

(8) Is a ward of the State.

The Department of Human Services and other cooperating State agencies shall promulgate rules and regulations, pursuant to the Illinois Administrative Procedure Act, for the implementation of this Act, including procedures and standards for determining whether a person possesses any of the characteristics specified in this Section.

(Source: P.A. 89-507, eff. 7-1-97; revised 12-6-03.)

Section 770. The Developmental Disability and Mental Disability Services Act is amended by changing Section 10-5 as follows:

(405 ILCS 80/10-5)

Sec. 10-5. Task force created. A workforce task force for persons with disabilities is created, consisting of 16 members. The task force shall consist of the following members:

(1) Two members of the Senate, appointed one each by the President of the Senate and the Minority Leader of the Senate.

(2) Two members of the House of Representatives, appointed one each by the Speaker of the House of Representatives and the Minority Leader of the House of Representatives.

(3) Three members appointed by the Secretary of Human Services or his or her designee, one each representing the Office of Developmental Disabilities, the Office of Rehabilitation Services, and the Office of Mental Health within the Department.

(4) One member representing the Illinois Council on Developmental Disabilities, selected by the Council.

(5) One member appointed by the Director of Aging or his or her designee.

(6) One member appointed by the Director of Employment Security or his or her designee.

(7) One member appointed by the Director of Commerce and Economic Opportunity ~~Community Affairs~~ or his or her designee.

(8) Two members representing private businesses, one of the 2 representing the Business Leaders Network, appointed by the Secretary of Human Services.

(9) One member representing the Illinois Network of Centers for Independent Living, selected by the Network.

(10) One member representing the Coalition of Citizens with Disabilities in Illinois, selected by the Coalition.

(11) One member representing People First of Illinois, selected by that organization.

(Source: P.A. 92-303, eff. 8-9-01; revised 12-6-03.)

Section 775. The Environmental Protection Act is amended by changing Sections 3.180, 6.1, 21.6, 22.16b, 22.23, 27, 55, 55.3, 55.7, 58.14, and 58.15 as follows:

(415 ILCS 5/3.180) (was 415 ILCS 5/3.07)

Sec. 3.180. Department. "Department", when a particular entity is not specified, means (i) in the case of a function to be performed on or after July 1, 1995 (the effective date of the Department of Natural Resources Act), either the Department of Natural Resources or the Department of Commerce and Economic Opportunity (formerly Department of Commerce and Community Affairs), whichever, in the specific context, is the successor to the Department of Energy and Natural Resources under the Department of Natural Resources Act; or (ii) in the case of a function performed before July 1, 1995, the former Illinois Department of Energy and Natural Resources.

(Source: P.A. 92-574, eff. 6-26-02; revised 12-6-03.)

(415 ILCS 5/6.1) (from Ch. 111 1/2, par. 1006.1)

Sec. 6.1. The Department of Commerce and Community Affairs

(now Department of Commerce and Economic Opportunity) shall conduct studies of the effects of all State and federal sulfur dioxide regulations and emission standards on the use of Illinois coal and other fuels, and shall report the results of such studies to the Governor and the General Assembly. The reports shall be made by July 1, 1980 and biennially thereafter.

The requirement for reporting to the General Assembly shall be satisfied by filing copies of the report with the Speaker, the Minority Leader and the Clerk of the House of Representatives and the President, the Minority Leader and the Secretary of the Senate and the Legislative Research Unit, as required by Section 3.1 of "An Act to revise the law in relation to the General Assembly", approved February 25, 1874, as amended, and filing such additional copies with the State Government Report Distribution Center for the General Assembly as is required under paragraph (t) of Section 7 of the State Library Act.

(Source: P.A. 89-445, eff. 2-7-96; revised 12-6-03.)

(415 ILCS 5/21.6) (from Ch. 111 1/2, par. 1021.6)

Sec. 21.6. Materials disposal ban.

(a) Beginning July 1, 1996, no person may knowingly mix liquid used oil with any municipal waste that is intended for collection and disposal at a landfill.

(b) Beginning July 1, 1996, no owner or operator of a sanitary landfill shall accept for final disposal liquid used oil that is discernible in the course of prudent business operation.

(c) For purposes of this Section, "liquid used oil" does not include used oil filters, rags, absorbent material used to collect spilled oil or other materials incidentally contaminated with used oil, or empty containers which previously contained virgin oil, re-refined oil, or used oil.

(d) The Agency and the Department of Commerce and Economic Opportunity ~~Community Affairs~~ shall investigate the manner in

which liquid used oil is currently being utilized and potential prospects for future use.

(Source: P.A. 91-357, eff. 7-29-99; revised 12-6-03.)

(415 ILCS 5/22.16b) (from Ch. 111 1/2, par. 1022.16b)

Sec. 22.16b. (a) Beginning January 1, 1991, the Agency shall assess and collect a fee from the owner or operator of each new municipal waste incinerator. The fee shall be calculated by applying the rates established from time to time for the disposal of solid waste at sanitary landfills under subdivision (b)(1) of Section 22.15 to the total amount of municipal waste accepted for incineration at the new municipal waste incinerator. The exemptions provided by this Act to the fees imposed under subsection (b) of Section 22.15 shall not apply to the fee imposed by this Section.

The owner or operator of any new municipal waste incinerator permitted after January 1, 1990, but before July 1, 1990 by the Agency for the development or operation of a new municipal waste incinerator shall be exempt from this fee, but shall include the following conditions:

(1) The owner or operator shall provide information programs to those communities serviced by the owner or operator concerning recycling and separation of waste not suitable for incineration.

(2) The owner or operator shall provide information programs to those communities serviced by the owner or operator concerning the Agency's household hazardous waste collection program and participation in that program.

For the purposes of this Section, "new municipal waste incinerator" means a municipal waste incinerator initially permitted for development or construction on or after January 1, 1990.

Amounts collected under this subsection shall be deposited into the Municipal Waste Incinerator Tax Fund, which is hereby established as an interest-bearing special fund in the State Treasury. Monies in the Fund may be used, subject to

appropriation:

(1) by the Department of Commerce and Economic Opportunity ~~Community Affairs~~ to fund its public information programs on recycling in those communities served by new municipal waste incinerators; and

(2) by the Agency to fund its household hazardous waste collection activities in those communities served by new municipal waste incinerators.

(b) Any permit issued by the Agency for the development or operation of a new municipal waste incinerator shall include the following conditions:

(1) The incinerator must be designed to provide continuous monitoring while in operation, with direct transmission of the resultant data to the Agency, until the Agency determines the best available control technology for monitoring the data. The Agency shall establish the test methods, procedures and averaging periods, as certified by the USEPA for solid waste incinerator units, and the form and frequency of reports containing results of the monitoring. Compliance and enforcement shall be based on such reports. Copies of the results of such monitoring shall be maintained on file at the facility concerned for one year, and copies shall be made available for inspection and copying by interested members of the public during business hours.

(2) The facility shall comply with the emission limits adopted by the Agency under subsection (c).

(3) The operator of the facility shall take reasonable measures to ensure that waste accepted for incineration complies with all legal requirements for incineration. The incinerator operator shall establish contractual requirements or other notification and inspection procedures sufficient to assure compliance with this subsection (b)(3) which may include, but not be limited to, routine inspections of waste, lists of acceptable and unacceptable waste provided to haulers and notification to

the Agency when the facility operator rejects and sends loads away. The notification shall contain at least the name of the hauler and the site from where the load was hauled.

(4) The operator may not accept for incineration any waste generated or collected in a municipality that has not implemented a recycling plan or is party to an implemented county plan, consistent with State goals and objectives. Such plans shall include provisions for collecting, recycling or diverting from landfills and municipal incinerators landscape waste, household hazardous waste and batteries. Such provisions may be performed at the site of the new municipal incinerator.

The Agency, after careful scrutiny of a permit application for the construction, development or operation of a new municipal waste incinerator, shall deny the permit if (i) the Agency finds in the permit application noncompliance with the laws and rules of the State or (ii) the application indicates that the mandated air emissions standards will not be reached within six months of the proposed municipal waste incinerator beginning operation.

(c) The Agency shall adopt specific limitations on the emission of mercury, chromium, cadmium and lead, and good combustion practices, including temperature controls from municipal waste incinerators pursuant to Section 9.4 of the Act.

(d) The Agency shall establish household hazardous waste collection centers in appropriate places in this State. The Agency may operate and maintain the centers itself or may contract with other parties for that purpose. The Agency shall ensure that the wastes collected are properly disposed of. The collection centers may charge fees for their services, not to exceed the costs incurred. Such collection centers shall not (i) be regulated as hazardous waste facilities under RCRA nor (ii) be subject to local siting approval under Section 39.2 if the local governing authority agrees to waive local siting

approval procedures.

(Source: P.A. 88-474; 89-101, eff. 7-7-95; 89-445, eff. 2-7-96; revised 12-6-03.)

(415 ILCS 5/22.23) (from Ch. 111 1/2, par. 1022.23)

Sec. 22.23. Batteries.

(a) Beginning September 1, 1990, any person selling lead-acid batteries at retail or offering lead-acid batteries for retail sale in this State shall:

(1) accept for recycling used lead-acid batteries from customers, at the point of transfer, in a quantity equal to the number of new batteries purchased; and

(2) post in a conspicuous place a written notice at least 8.5 by 11 inches in size that includes the universal recycling symbol and the following statements: "DO NOT put motor vehicle batteries in the trash."; "Recycle your used batteries."; and "State law requires us to accept motor vehicle batteries for recycling, in exchange for new batteries purchased.".

(b) Any person selling lead-acid batteries at retail in this State may either charge a recycling fee on each new lead-acid battery sold for which the customer does not return a used battery to the retailer, or provide a recycling credit to each customer who returns a used battery for recycling at the time of purchasing a new one.

(c) Beginning September 1, 1990, no lead-acid battery retailer may dispose of a used lead-acid battery except by delivering it (1) to a battery wholesaler or its agent, (2) to a battery manufacturer, (3) to a collection or recycling facility, or (4) to a secondary lead smelter permitted by either a state or federal environmental agency.

(d) Any person selling lead-acid batteries at wholesale or offering lead-acid batteries for sale at wholesale shall accept for recycling used lead-acid batteries from customers, at the point of transfer, in a quantity equal to the number of new batteries purchased. Such used batteries shall be disposed of

as provided in subsection (c).

(e) A person who accepts used lead-acid batteries for recycling pursuant to subsection (a) or (d) shall not allow such batteries to accumulate for periods of more than 90 days.

(f) Beginning September 1, 1990, no person may knowingly cause or allow:

(1) the placing of a lead-acid battery into any container intended for collection and disposal at a municipal waste sanitary landfill; or

(2) the disposal of any lead-acid battery in any municipal waste sanitary landfill or incinerator.

(g) The Department of Commerce and Economic Opportunity ~~Community Affairs~~ shall identify and assist in developing alternative processing and recycling options for used batteries.

(h) For the purpose of this Section:

"Lead-acid battery" means a battery containing lead and sulfuric acid that has a nominal voltage of at least 6 volts and is intended for use in motor vehicles.

"Motor vehicle" includes automobiles, vans, trucks, tractors, motorcycles and motorboats.

(i) (Blank.)

(j) Knowing violation of this Section shall be a petty offense punishable by a fine of $100.

(Source: P.A. 92-574, eff. 6-26-02; revised 12-6-03.)

(415 ILCS 5/27) (from Ch. 111 1/2, par. 1027)

Sec. 27. Rulemaking.

(a) The Board may adopt substantive regulations as described in this Act. Any such regulations may make different provisions as required by circumstances for different contaminant sources and for different geographical areas; may apply to sources outside this State causing, contributing to, or threatening environmental damage in Illinois; may make special provision for alert and abatement standards and procedures respecting occurrences or emergencies of pollution

or on other short-term conditions constituting an acute danger to health or to the environment; and may include regulations specific to individual persons or sites. In promulgating regulations under this Act, the Board shall take into account the existing physical conditions, the character of the area involved, including the character of surrounding land uses, zoning classifications, the nature of the existing air quality, or receiving body of water, as the case may be, and the technical feasibility and economic reasonableness of measuring or reducing the particular type of pollution. The generality of this grant of authority shall only be limited by the specifications of particular classes of regulations elsewhere in this Act.

No charge shall be established or assessed by the Board or Agency against any person for emission of air contaminants from any source, for discharge of water contaminants from any source, or for the sale, offer or use of any article.

Any person filing with the Board a written proposal for the adoption, amendment, or repeal of regulations shall provide information supporting the requested change and shall at the same time file a copy of such proposal with the Agency and the Department of Natural Resources. To aid the Board and to assist the public in determining which facilities will be affected, the person filing a proposal shall describe, to the extent reasonably practicable, the universe of affected sources and facilities and the economic impact of the proposed rule.

(b) Except as provided below and in Section 28.2, before the adoption of any proposed rules not relating to administrative procedures within the Agency or the Board, or amendment to existing rules not relating to administrative procedures within the Agency or the Board, the Board shall:

(1) request that the Department of Commerce and Economic Opportunity ~~Community Affairs~~ conduct a study of the economic impact of the proposed rules. The Department may within 30 to 45 days of such request produce a study of the economic impact of the proposed rules. At a minimum,

the economic impact study shall address (A) economic, environmental, and public health benefits that may be achieved through compliance with the proposed rules, (B) the effects of the proposed rules on employment levels, commercial productivity, the economic growth of small businesses with 100 or less employees, and the State's overall economy, and (C) the cost per unit of pollution reduced and the variability in cost based on the size of the facility and the percentage of company revenues expected to be used to implement the proposed rules; and

(2) conduct at least one public hearing on the economic impact of those new rules. At least 20 days before the hearing, the Board shall notify the public of the hearing and make the economic impact study, or the Department of Commerce and Economic Opportunity's ~~Community Affairs'~~ explanation for not producing an economic impact study, available to the public. Such public hearing may be held simultaneously or as a part of any Board hearing considering such new rules.

In adopting any such new rule, the Board shall, in its written opinion, make a determination, based upon the evidence in the public hearing record, including but not limited to the economic impact study, as to whether the proposed rule has any adverse economic impact on the people of the State of Illinois.

(c) On proclamation by the Governor, pursuant to Section 8 of the Illinois Emergency Services and Disaster Act of 1975, that a disaster emergency exists, or when the Board finds that a severe public health emergency exists, the Board may, in relation to any proposed regulation, order that such regulation shall take effect without delay and the Board shall proceed with the hearings and studies required by this Section while the regulation continues in effect.

When the Board finds that a situation exists which reasonably constitutes a threat to the public interest, safety or welfare, the Board may adopt regulations pursuant to and in accordance with Section 5-45 of the Illinois Administrative

Procedure Act.

(d) To the extent consistent with any deadline for adoption of any regulations mandated by State or federal law, prior to initiating any hearing on a regulatory proposal, the Board may assign a qualified hearing officer who may schedule a prehearing conference between the proponents and any or all of the potentially affected persons. The notice requirements of Section 28 shall not apply to such prehearing conferences. The purposes of such conference shall be to maximize understanding of the intent and application of the proposal, to reach agreement on aspects of the proposal, if possible, and to attempt to identify and limit the issues of disagreement among the participants to promote efficient use of time at hearing. No record need be kept of the prehearing conference, nor shall any participant or the Board be bound by any discussions conducted at the prehearing conference. However, with the consent of all participants in the prehearing conference, a prehearing order delineating issues to be heard, agreed facts, and other matters may be entered by the hearing officer. Such an order will not be binding on nonparticipants in the prehearing conference.

(Source: P.A. 90-489, eff. 1-1-98; 91-357, eff. 7-29-99; revised 12-6-03.)

(415 ILCS 5/55) (from Ch. 111 1/2, par. 1055)

Sec. 55. Prohibited activities.

(a) No person shall:

(1) Cause or allow the open dumping of any used or waste tire.

(2) Cause or allow the open burning of any used or waste tire.

(3) Except at a tire storage site which contains more than 50 used tires, cause or allow the storage of any used tire unless the tire is altered, reprocessed, converted, covered, or otherwise prevented from accumulating water.

(4) Cause or allow the operation of a tire storage site

except in compliance with Board regulations.

(5) Abandon, dump or dispose of any used or waste tire on private or public property, except in a sanitary landfill approved by the Agency pursuant to regulations adopted by the Board.

(6) Fail to submit required reports, tire removal agreements, or Board regulations.

(b) (Blank.)

(b-1) Beginning January 1, 1995, no person shall knowingly mix any used or waste tire, either whole or cut, with municipal waste, and no owner or operator of a sanitary landfill shall accept any used or waste tire for final disposal; except that used or waste tires, when separated from other waste, may be accepted if: (1) the sanitary landfill provides and maintains a means for shredding, slitting, or chopping whole tires and so treats whole tires and, if approved by the Agency in a permit issued under this Act, uses the used or waste tires for alternative uses, which may include on-site practices such as lining of roadways with tire scraps, alternative daily cover, or use in a leachate collection system or (2) the sanitary landfill, by its notification to the Illinois Industrial Materials Exchange Service, makes available the used or waste tire to an appropriate facility for reuse, reprocessing, or converting, including use as an alternate energy fuel. If, within 30 days after notification to the Illinois Industrial Materials Exchange Service of the availability of waste tires, no specific request for the used or waste tires is received by the sanitary landfill, and the sanitary landfill determines it has no alternative use for those used or waste tires, the sanitary landfill may dispose of slit, chopped, or shredded used or waste tires in the sanitary landfill. In the event the physical condition of a used or waste tire makes shredding, slitting, chopping, reuse, reprocessing, or other alternative use of the used or waste tire impractical or infeasible, then the sanitary landfill, after authorization by the Agency, may accept the used or waste tire for disposal.

Sanitary landfills and facilities for reuse, reprocessing, or converting, including use as alternative fuel, shall (i) notify the Illinois Industrial Materials Exchange Service of the availability of and demand for used or waste tires and (ii) consult with the Department of Commerce and Economic Opportunity ~~Community Affairs~~ regarding the status of marketing of waste tires to facilities for reuse.

(c) Any person who sells new or used tires at retail or operates a tire storage site or a tire disposal site which contains more than 50 used or waste tires shall give notice of such activity to the Agency. Any person engaging in such activity for the first time after January 1, 1990, shall give notice to the Agency within 30 days after the date of commencement of the activity. The form of such notice shall be specified by the Agency and shall be limited to information regarding the following:

(1) the name and address of the owner and operator;

(2) the name, address and location of the operation;

(3) the type of operations involving used and waste tires (storage, disposal, conversion or processing); and

(4) the number of used and waste tires present at the location.

(d) Beginning January 1, 1992, no person shall cause or allow the operation of:

(1) a tire storage site which contains more than 50 used tires, unless the owner or operator, by January 1, 1992 (or the January 1 following commencement of operation, whichever is later) and January 1 of each year thereafter, (i) registers the site with the Agency, (ii) certifies to the Agency that the site complies with any applicable standards adopted by the Board pursuant to Section 55.2, (iii) reports to the Agency the number of tires accumulated, the status of vector controls, and the actions taken to handle and process the tires, and (iv) pays the fee required under subsection (b) of Section 55.6; or

(2) a tire disposal site, unless the owner or operator

(i) has received approval from the Agency after filing a tire removal agreement pursuant to Section 55.4, or (ii) has entered into a written agreement to participate in a consensual removal action under Section 55.3.

The Agency shall provide written forms for the annual registration and certification required under this subsection (d).

(e) No person shall cause or allow the storage, disposal, treatment or processing of any used or waste tire in violation of any regulation or standard adopted by the Board.

(f) No person shall arrange for the transportation of used or waste tires away from the site of generation with a person known to openly dump such tires.

(g) No person shall engage in any operation as a used or waste tire transporter except in compliance with Board regulations.

(h) No person shall cause or allow the combustion of any used or waste tire in an enclosed device unless a permit has been issued by the Agency authorizing such combustion pursuant to regulations adopted by the Board for the control of air pollution and consistent with the provisions of Section 9.4 of this Act.

(i) No person shall cause or allow the use of pesticides to treat tires except as prescribed by Board regulations.

(j) No person shall fail to comply with the terms of a tire removal agreement approved by the Agency pursuant to Section 55.4.

(Source: P.A. 92-574, eff. 6-26-02; 93-32, eff. 6-20-03; 93-52, eff. 6-30-03; revised 12-6-03.)

(415 ILCS 5/55.3) (from Ch. 111 1/2, par. 1055.3)

Sec. 55.3. (a) Upon finding that an accumulation of used or waste tires creates an immediate danger to health, the Agency may take action pursuant to Section 34 of this Act.

(b) Upon making a finding that an accumulation of used or waste tires creates a hazard posing a threat to public health

or the environment, the Agency may undertake preventive or corrective action in accordance with this subsection. Such preventive or corrective action may consist of any or all of the following:

(1) Treating and handling used or waste tires and other infested materials within the area for control of mosquitoes and other disease vectors.

(2) Relocation of ignition sources and any used or waste tires within the area for control and prevention of tire fires.

(3) Removal of used and waste tire accumulations from the area.

(4) Removal of soil and water contamination related to tire accumulations.

(5) Installation of devices to monitor and control groundwater and surface water contamination related to tire accumulations.

(6) Such other actions as may be authorized by Board regulations.

(c) The Agency may, subject to the availability of appropriated funds, undertake a consensual removal action for the removal of up to 1,000 used or waste tires at no cost to the owner according to the following requirements:

(1) Actions under this subsection shall be taken pursuant to a written agreement between the Agency and the owner of the tire accumulation.

(2) The written agreement shall at a minimum specify:

(i) that the owner relinquishes any claim of an ownership interest in any tires that are removed, or in any proceeds from their sale;

(ii) that tires will no longer be allowed to be accumulated at the site;

(iii) that the owner will hold harmless the Agency or any employee or contractor utilized by the Agency to effect the removal, for any damage to property incurred during the course of action under this subsection,

except for gross negligence or intentional misconduct; and

(iv) any conditions upon or assistance required from the owner to assure that the tires are so located or arranged as to facilitate their removal.

(3) The Agency may by rule establish conditions and priorities for removal of used and waste tires under this subsection.

(4) The Agency shall prescribe the form of written agreements under this subsection.

(d) The Agency shall have authority to provide notice to the owner or operator, or both, of a site where used or waste tires are located and to the owner or operator, or both, of the accumulation of tires at the site, whenever the Agency finds that the used or waste tires pose a threat to public health or the environment, or that there is no owner or operator proceeding in accordance with a tire removal agreement approved under Section 55.4.

The notice provided by the Agency shall include the identified preventive or corrective action, and shall provide an opportunity for the owner or operator, or both, to perform such action.

For sites with more than 250,000 passenger tire equivalents, following the notice provided for by this subsection (d), the Agency may enter into a written reimbursement agreement with the owner or operator of the site. The agreement shall provide a schedule for the owner or operator to reimburse the Agency for costs incurred for preventive or corrective action, which shall not exceed 5 years in length. An owner or operator making payments under a written reimbursement agreement pursuant to this subsection (d) shall not be liable for punitive damages under subsection (h) of this Section.

(e) In accordance with constitutional limitations, the Agency shall have authority to enter at all reasonable times upon any private or public property for the purpose of taking

whatever preventive or corrective action is necessary and appropriate in accordance with the provisions of this Section, including but not limited to removal, processing or treatment of used or waste tires, whenever the Agency finds that used or waste tires pose a threat to public health or the environment.

(f) In undertaking preventive, corrective or consensual removal action under this Section the Agency may consider use of the following: rubber reuse alternatives, shredding or other conversion through use of mobile or fixed facilities, energy recovery through burning or incineration, and landfill disposal. To the extent practicable, the Agency shall consult with the Department of Commerce and Economic Opportunity ~~Community Affairs~~ regarding the availability of alternatives to landfilling used and waste tires, and shall make every reasonable effort to coordinate tire cleanup projects with applicable programs that relate to such alternative practices.

(g) Except as otherwise provided in this Section, the owner or operator of any site or accumulation of used or waste tires at which the Agency has undertaken corrective or preventive action under this Section shall be liable for all costs thereof incurred by the State of Illinois, including reasonable costs of collection. Any monies received by the Agency hereunder shall be deposited into the Used Tire Management Fund. The Agency may in its discretion store, dispose of or convey the tires that are removed from an area at which it has undertaken a corrective, preventive or consensual removal action, and may sell or store such tires and other items, including but not limited to rims, that are removed from the area. The net proceeds of any sale shall be credited against the liability incurred by the owner or operator for the costs of any preventive or corrective action.

(h) Any person liable to the Agency for costs incurred under subsection (g) of this Section may be liable to the State of Illinois for punitive damages in an amount at least equal to, and not more than 2 times, the costs incurred by the State if such person failed without sufficient cause to take

preventive or corrective action pursuant to notice issued under subsection (d) of this Section.

(i) There shall be no liability under subsection (g) of this Section for a person otherwise liable who can establish by a preponderance of the evidence that the hazard created by the tires was caused solely by:

(1) an act of God;

(2) an act of war; or

(3) an act or omission of a third party other than an employee or agent, and other than a person whose act or omission occurs in connection with a contractual relationship with the person otherwise liable.

For the purposes of this subsection, "contractual relationship" includes, but is not limited to, land contracts, deeds and other instruments transferring title or possession, unless the real property upon which the accumulation is located was acquired by the defendant after the disposal or placement of used or waste tires on, in or at the property and one or more of the following circumstances is also established by a preponderance of the evidence:

(A) at the time the defendant acquired the property, the defendant did not know and had no reason to know that any used or waste tires had been disposed of or placed on, in or at the property, and the defendant undertook, at the time of acquisition, all appropriate inquiries into the previous ownership and uses of the property consistent with good commercial or customary practice in an effort to minimize liability;

(B) the defendant is a government entity which acquired the property by escheat or through any other involuntary transfer or acquisition, or through the exercise of eminent domain authority by purchase or condemnation; or

(C) the defendant acquired the property by inheritance or bequest.

(j) Nothing in this Section shall affect or modify the

obligations or liability of any person under any other provision of this Act, federal law, or State law, including the common law, for injuries, damages or losses resulting from the circumstances leading to Agency action under this Section.

(k) The costs and damages provided for in this Section may be imposed by the Board in an action brought before the Board in accordance with Title VIII of this Act, except that subsection (c) of Section 33 of this Act shall not apply to any such action.

(l) The Agency shall, when feasible, consult with the Department of Public Health prior to taking any action to remove or treat an infested tire accumulation for control of mosquitoes or other disease vectors. The Agency may by contract or agreement secure the services of the Department of Public Health, any local public health department, or any other qualified person in treating any such infestation as part of an emergency or preventive action.

(m) Neither the State, the Agency, the Board, the Director, nor any State employee shall be liable for any damage or injury arising out of or resulting from any action taken under this Section.

(Source: P.A. 92-24, eff. 7-1-01; revised 12-6-03.)

(415 ILCS 5/55.7) (from Ch. 111 1/2, par. 1055.7)

Sec. 55.7. The Department of Commerce and Economic Opportunity ~~Community Affairs~~ may adopt regulations as necessary for the administration of the grant and loan programs funded from the Used Tire Management Fund, including but not limited to procedures and criteria for applying for, evaluating, awarding and terminating grants and loans. The Department of Commerce and Economic Opportunity ~~Community Affairs~~ may by rule specify criteria for providing grant assistance rather than loan assistance; such criteria shall promote the expeditious development of alternatives to the disposal of used tires, and the efficient use of monies for assistance. Evaluation criteria may be established by rule,

considering such factors as:

(1) the likelihood that a proposal will lead to the actual collection and processing of used tires and protection of the environment and public health in furtherance of the purposes of this Act;

(2) the feasibility of the proposal;

(3) the suitability of the location for the proposed activity;

(4) the potential of the proposal for encouraging recycling and reuse of resources; and

(5) the potential for development of new technologies consistent with the purposes of this Act.

(Source: P.A. 89-445, eff. 2-7-96; revised 12-6-03.)

(415 ILCS 5/58.14)

Sec. 58.14. Environmental Remediation Tax Credit review.

(a) Prior to applying for the Environmental Remediation Tax Credit under Section 201 of the Illinois Income Tax Act, Remediation Applicants shall first submit to the Agency an application for review of remediation costs. The application and review process shall be conducted in accordance with the requirements of this Section and the rules adopted under subsection (g). A preliminary review of the estimated remediation costs for development and implementation of the Remedial Action Plan may be obtained in accordance with subsection (d).

(b) No application for review shall be submitted until a No Further Remediation Letter has been issued by the Agency and recorded in the chain of title for the site in accordance with Section 58.10. The Agency shall review the application to determine whether the costs submitted are remediation costs, and whether the costs incurred are reasonable. The application shall be on forms prescribed and provided by the Agency. At a minimum, the application shall include the following:

(1) information identifying the Remediation Applicant and the site for which the tax credit is being sought and

the date of acceptance of the site into the Site Remediation Program;

(2) a copy of the No Further Remediation Letter with official verification that the letter has been recorded in the chain of title for the site and a demonstration that the site for which the application is submitted is the same site as the one for which the No Further Remediation Letter is issued;

(3) a demonstration that the release of the regulated substances of concern for which the No Further Remediation Letter was issued were not caused or contributed to in any material respect by the Remediation Applicant. After the Pollution Control Board rules are adopted pursuant to the Illinois Administrative Procedure Act for the administration and enforcement of Section 58.9 of the Environmental Protection Act, determinations as to credit availability shall be made consistent with those rules;

(4) an itemization and documentation, including receipts, of the remediation costs incurred;

(5) a demonstration that the costs incurred are remediation costs as defined in this Act and its rules;

(6) a demonstration that the costs submitted for review were incurred by the Remediation Applicant who received the No Further Remediation Letter;

(7) an application fee in the amount set forth in subsection (e) for each site for which review of remediation costs is requested and, if applicable, certification from the Department of Commerce and Economic Opportunity ~~Community Affairs~~ that the site is located in an enterprise zone;

(8) any other information deemed appropriate by the Agency.

(c) Within 60 days after receipt by the Agency of an application meeting the requirements of subsection (b), the Agency shall issue a letter to the applicant approving, disapproving, or modifying the remediation costs submitted in

the application. If the remediation costs are approved as submitted, the Agency's letter shall state the amount of the remediation costs to be applied toward the Environmental Remediation Tax Credit. If an application is disapproved or approved with modification of remediation costs, the Agency's letter shall set forth the reasons for the disapproval or modification and state the amount of the remediation costs, if any, to be applied toward the Environmental Remediation Tax Credit.

If a preliminary review of a budget plan has been obtained under subsection (d), the Remediation Applicant may submit, with the application and supporting documentation under subsection (b), a copy of the Agency's final determination accompanied by a certification that the actual remediation costs incurred for the development and implementation of the Remedial Action Plan are equal to or less than the costs approved in the Agency's final determination on the budget plan. The certification shall be signed by the Remediation Applicant and notarized. Based on that submission, the Agency shall not be required to conduct further review of the costs incurred for development and implementation of the Remedial Action Plan and may approve costs as submitted.

Within 35 days after receipt of an Agency letter disapproving or modifying an application for approval of remediation costs, the Remediation Applicant may appeal the Agency's decision to the Board in the manner provided for the review of permits in Section 40 of this Act.

(d) (1) A Remediation Applicant may obtain a preliminary review of estimated remediation costs for the development and implementation of the Remedial Action Plan by submitting a budget plan along with the Remedial Action Plan. The budget plan shall be set forth on forms prescribed and provided by the Agency and shall include but shall not be limited to line item estimates of the costs associated with each line item (such as personnel, equipment, and materials) that the Remediation Applicant

anticipates will be incurred for the development and implementation of the Remedial Action Plan. The Agency shall review the budget plan along with the Remedial Action Plan to determine whether the estimated costs submitted are remediation costs and whether the costs estimated for the activities are reasonable.

(2) If the Remedial Action Plan is amended by the Remediation Applicant or as a result of Agency action, the corresponding budget plan shall be revised accordingly and resubmitted for Agency review.

(3) The budget plan shall be accompanied by the applicable fee as set forth in subsection (e).

(4) Submittal of a budget plan shall be deemed an automatic 60-day waiver of the Remedial Action Plan review deadlines set forth in this Section and its rules.

(5) Within the applicable period of review, the Agency shall issue a letter to the Remediation Applicant approving, disapproving, or modifying the estimated remediation costs submitted in the budget plan. If a budget plan is disapproved or approved with modification of estimated remediation costs, the Agency's letter shall set forth the reasons for the disapproval or modification.

(6) Within 35 days after receipt of an Agency letter disapproving or modifying a budget plan, the Remediation Applicant may appeal the Agency's decision to the Board in the manner provided for the review of permits in Section 40 of this Act.

(e) The fees for reviews conducted under this Section are in addition to any other fees or payments for Agency services rendered pursuant to the Site Remediation Program and shall be as follows:

(1) The fee for an application for review of remediation costs shall be $1,000 for each site reviewed.

(2) The fee for the review of the budget plan submitted under subsection (d) shall be $500 for each site reviewed.

(3) In the case of a Remediation Applicant submitting

for review total remediation costs of $100,000 or less for a site located within an enterprise zone (as set forth in paragraph (i) of subsection (l) of Section 201 of the Illinois Income Tax Act), the fee for an application for review of remediation costs shall be $250 for each site reviewed. For those sites, there shall be no fee for review of a budget plan under subsection (d).

The application fee shall be made payable to the State of Illinois, for deposit into the Hazardous Waste Fund.

Pursuant to appropriation, the Agency shall use the fees collected under this subsection for development and administration of the review program.

(f) The Agency shall have the authority to enter into any contracts or agreements that may be necessary to carry out its duties and responsibilities under this Section.

(g) Within 6 months after July 21, 1997, the Agency shall propose rules prescribing procedures and standards for its administration of this Section. Within 6 months after receipt of the Agency's proposed rules, the Board shall adopt on second notice, pursuant to Sections 27 and 28 of this Act and the Illinois Administrative Procedure Act, rules that are consistent with this Section. Prior to the effective date of rules adopted under this Section, the Agency may conduct reviews of applications under this Section and the Agency is further authorized to distribute guidance documents on costs that are eligible or ineligible as remediation costs.

(Source: P.A. 92-574, eff. 6-26-02; revised 12-6-03.)

(415 ILCS 5/58.15)

Sec. 58.15. Brownfields Programs.

(A) Brownfields Redevelopment Loan Program.

(a) The Agency shall establish and administer a revolving loan program to be known as the "Brownfields Redevelopment Loan Program" for the purpose of providing loans to be used for site investigation, site remediation, or both, at brownfields sites. All principal, interest, and penalty payments from loans

made under this subsection (A) shall be deposited into the Brownfields Redevelopment Fund and reused in accordance with this Section.

(b) General requirements for loans:

(1) Loans shall be at or below market interest rates in accordance with a formula set forth in regulations promulgated under subdivision (A)(c) of this subsection (A).

(2) Loans shall be awarded subject to availability of funding based on the order of receipt of applications satisfying all requirements as set forth in the regulations promulgated under subdivision (A)(c) of this subsection (A).

(3) The maximum loan amount under this subsection (A) for any one project is $1,000,000.

(4) In addition to any requirements or conditions placed on loans by regulation, loan agreements under the Brownfields Redevelopment Loan Program shall include the following requirements:

(A) the loan recipient shall secure the loan repayment obligation;

(B) completion of the loan repayment shall not exceed 15 years or as otherwise prescribed by Agency rule; and

(C) loan agreements shall provide for a confession of judgment by the loan recipient upon default.

(5) Loans shall not be used to cover expenses incurred prior to the approval of the loan application.

(6) If the loan recipient fails to make timely payments or otherwise fails to meet its obligations as provided in this subsection (A) or implementing regulations, the Agency is authorized to pursue the collection of the amounts past due, the outstanding loan balance, and the costs thereby incurred, either pursuant to the Illinois State Collection Act of 1986 or by any other means provided by law, including the taking of title, by foreclosure or

otherwise, to any project or other property pledged, mortgaged, encumbered, or otherwise available as security or collateral.

(c) The Agency shall have the authority to enter into any contracts or agreements that may be necessary to carry out its duties or responsibilities under this subsection (A). The Agency shall have the authority to promulgate regulations setting forth procedures and criteria for administering the Brownfields Redevelopment Loan Program. The regulations promulgated by the Agency for loans under this subsection (A) shall include, but need not be limited to, the following elements:

(1) loan application requirements;

(2) determination of credit worthiness of the loan applicant;

(3) types of security required for the loan;

(4) types of collateral, as necessary, that can be pledged for the loan;

(5) special loan terms, as necessary, for securing the repayment of the loan;

(6) maximum loan amounts;

(7) purposes for which loans are available;

(8) application periods and content of applications;

(9) procedures for Agency review of loan applications, loan approvals or denials, and loan acceptance by the loan recipient;

(10) procedures for establishing interest rates;

(11) requirements applicable to disbursement of loans to loan recipients;

(12) requirements for securing loan repayment obligations;

(13) conditions or circumstances constituting default;

(14) procedures for repayment of loans and delinquent loans including, but not limited to, the initiation of principal and interest payments following loan acceptance;

(15) loan recipient responsibilities for work

schedules, work plans, reports, and record keeping;

(16) evaluation of loan recipient performance, including auditing and access to sites and records;

(17) requirements applicable to contracting and subcontracting by the loan recipient, including procurement requirements;

(18) penalties for noncompliance with loan requirements and conditions, including stop-work orders, termination, and recovery of loan funds; and

(19) indemnification of the State of Illinois and the Agency by the loan recipient.

(d) Moneys in the Brownfields Redevelopment Fund may be used as a source of revenue or security for the principal and interest on revenue or general obligation bonds issued by the State or any political subdivision or instrumentality thereof, if the proceeds of those bonds will be deposited into the Fund.

(B) Brownfields Site Restoration Program.

(a) (1) The Agency, with the assistance of the Department of Commerce and Economic Opportunity ~~Community Affairs~~, must establish and administer a program for the payment of remediation costs to be known as the Brownfields Site Restoration Program. The Agency, through the Program, shall provide Remediation Applicants with financial assistance for the investigation and remediation of abandoned or underutilized properties. The investigation and remediation shall be performed in accordance with this Title XVII of this Act.

(2) For each State fiscal year in which funds are made available to the Agency for payment under this subsection (B), the Agency must, subject to the availability of funds, allocate 20% of the funds to be available to Remediation Applicants within counties with populations over 2,000,000. The remaining funds must be made available to all other Remediation Applicants in the State.

(3) The Agency must not approve payment in excess of

$750,000 to a Remediation Applicant for remediation costs incurred at a remediation site. Eligibility must be determined based on a minimum capital investment in the redevelopment of the site, and payment amounts must not exceed the net economic benefit to the State of the remediation project. In addition to these limitations, the total payment to be made to an applicant must not exceed an amount equal to 20% of the capital investment at the site.

(4) Only those remediation projects for which a No Further Remediation Letter is issued by the Agency after December 31, 2001 are eligible to participate in the Brownfields Site Restoration Program. The program does not apply to any sites that have received a No Further Remediation Letter prior to December 31, 2001 or for costs incurred prior to the Department of Commerce and Economic Opportunity (formerly Department of Commerce and Community Affairs) approving a site eligible for the Brownfields Site Restoration Program.

(5) Brownfields Site Restoration Program funds shall be subject to availability of funding and distributed based on the order of receipt of applications satisfying all requirements as set forth in this Section.

(b) Prior to applying to the Agency for payment, a Remediation Applicant shall first submit to the Agency its proposed remediation costs. The Agency shall make a pre-application assessment, which is not to be binding upon the Department of Commerce and Economic Opportunity ~~Community Affairs~~ or upon future review of the project, relating only to whether the Agency has adequate funding to reimburse the applicant for the remediation costs if the applicant is found to be eligible for reimbursement of remediation costs. If the Agency determines that it is likely to have adequate funding to reimburse the applicant for remediation costs, the Remediation Applicant may then submit to the Department of Commerce and Economic Opportunity ~~Community Affairs~~ an application for review of eligibility. The Department must review the

eligibility application to determine whether the Remediation Applicant is eligible for the payment. The application must be on forms prescribed and provided by the Department of Commerce and Economic Opportunity ~~Community Affairs~~. At a minimum, the application must include the following:

(1) Information identifying the Remediation Applicant and the site for which the payment is being sought and the date of acceptance into the Site Remediation Program.

(2) Information demonstrating that the site for which the payment is being sought is abandoned or underutilized property. "Abandoned property" means real property previously used for, or that has the potential to be used for, commercial or industrial purposes that reverted to the ownership of the State, a county or municipal government, or an agency thereof, through donation, purchase, tax delinquency, foreclosure, default, or settlement, including conveyance by deed in lieu of foreclosure; or privately owned property that has been vacant for a period of not less than 3 years from the time an application is made to the Department of Commerce and Economic Opportunity ~~Community Affairs~~. "Underutilized property" means real property of which less than 35% of the commercially usable space of the property and improvements thereon are used for their most commercially profitable and economically productive uses.

(3) Information demonstrating that remediation of the site for which the payment is being sought will result in a net economic benefit to the State of Illinois. The "net economic benefit" must be determined based on factors including, but not limited to, the capital investment, the number of jobs created, the number of jobs retained if it is demonstrated the jobs would otherwise be lost, capital improvements, the number of construction-related jobs, increased sales, material purchases, other increases in service and operational expenditures, and other factors established by the Department of Commerce and Economic

Opportunity ~~Community Affairs~~. Priority must be given to sites located in areas with high levels of poverty, where the unemployment rate exceeds the State average, where an enterprise zone exists, or where the area is otherwise economically depressed as determined by the Department of Commerce and Economic Opportunity ~~Community Affairs~~.

(4) An application fee in the amount set forth in subdivision (B)(c) for each site for which review of an application is being sought.

(c) The fee for eligibility reviews conducted by the Department of Commerce and Economic Opportunity ~~Community Affairs~~ under this subsection (B) is $1,000 for each site reviewed. The application fee must be made payable to the Department of Commerce and Economic Opportunity ~~Community Affairs~~ for deposit into the Workforce, Technology, and Economic Development Fund. These application fees shall be used by the Department for administrative expenses incurred under this subsection (B).

(d) Within 60 days after receipt by the Department of Commerce and Economic Opportunity ~~Community Affairs~~ of an application meeting the requirements of subdivision (B)(b), the Department of Commerce and Economic Opportunity ~~Community Affairs~~ must issue a letter to the applicant approving the application, approving the application with modifications, or disapproving the application. If the application is approved or approved with modifications, the Department of Commerce and Economic Opportunity's ~~Community Affairs'~~ letter must also include its determination of the "net economic benefit" of the remediation project and the maximum amount of the payment to be made available to the applicant for remediation costs. The payment by the Agency under this subsection (B) must not exceed the "net economic benefit" of the remediation project, as determined by the Department of Commerce and Economic Opportunity ~~Community Affairs~~.

(e) An application for a review of remediation costs must not be submitted to the Agency unless the Department of

Commerce and Economic Opportunity ~~Community Affairs~~ has determined the Remediation Applicant is eligible under subdivision (B)(d). If the Department of Commerce and Economic Opportunity ~~Community Affairs~~ has determined that a Remediation Applicant is eligible under subdivision (B)(d), the Remediation Applicant may submit an application for payment to the Agency under this subsection (B). Except as provided in subdivision (B)(f), an application for review of remediation costs must not be submitted until a No Further Remediation Letter has been issued by the Agency and recorded in the chain of title for the site in accordance with Section 58.10. The Agency must review the application to determine whether the costs submitted are remediation costs and whether the costs incurred are reasonable. The application must be on forms prescribed and provided by the Agency. At a minimum, the application must include the following:

(1) Information identifying the Remediation Applicant and the site for which the payment is being sought and the date of acceptance of the site into the Site Remediation Program.

(2) A copy of the No Further Remediation Letter with official verification that the letter has been recorded in the chain of title for the site and a demonstration that the site for which the application is submitted is the same site as the one for which the No Further Remediation Letter is issued.

(3) A demonstration that the release of the regulated substances of concern for which the No Further Remediation Letter was issued was not caused or contributed to in any material respect by the Remediation Applicant. The Agency must make determinations as to reimbursement availability consistent with rules adopted by the Pollution Control Board for the administration and enforcement of Section 58.9 of this Act.

(4) A copy of the Department of Commerce and Economic Opportunity's ~~Community Affairs'~~ letter approving

eligibility, including the net economic benefit of the remediation project.

(5) An itemization and documentation, including receipts, of the remediation costs incurred.

(6) A demonstration that the costs incurred are remediation costs as defined in this Act and rules adopted under this Act.

(7) A demonstration that the costs submitted for review were incurred by the Remediation Applicant who received the No Further Remediation Letter.

(8) An application fee in the amount set forth in subdivision (B)(j) for each site for which review of remediation costs is requested.

(9) Any other information deemed appropriate by the Agency.

(f) An application for review of remediation costs may be submitted to the Agency prior to the issuance of a No Further Remediation Letter if the Remediation Applicant has a Remedial Action Plan approved by the Agency under the terms of which the Remediation Applicant will remediate groundwater for more than one year. The Agency must review the application to determine whether the costs submitted are remediation costs and whether the costs incurred are reasonable. The application must be on forms prescribed and provided by the Agency. At a minimum, the application must include the following:

(1) Information identifying the Remediation Applicant and the site for which the payment is being sought and the date of acceptance of the site into the Site Remediation Program.

(2) A copy of the Agency letter approving the Remedial Action Plan.

(3) A demonstration that the release of the regulated substances of concern for which the Remedial Action Plan was approved was not caused or contributed to in any material respect by the Remediation Applicant. The Agency must make determinations as to reimbursement availability

consistent with rules adopted by the Pollution Control Board for the administration and enforcement of Section 58.9 of this Act.

(4) A copy of the Department of Commerce and Economic Opportunity's ~~Community Affairs'~~ letter approving eligibility, including the net economic benefit of the remediation project.

(5) An itemization and documentation, including receipts, of the remediation costs incurred.

(6) A demonstration that the costs incurred are remediation costs as defined in this Act and rules adopted under this Act.

(7) A demonstration that the costs submitted for review were incurred by the Remediation Applicant who received approval of the Remediation Action Plan.

(8) An application fee in the amount set forth in subdivision (B)(j) for each site for which review of remediation costs is requested.

(9) Any other information deemed appropriate by the Agency.

(g) For a Remediation Applicant seeking a payment under subdivision (B)(f), until the Agency issues a No Further Remediation Letter for the site, no more than 75% of the allowed payment may be claimed by the Remediation Applicant. The remaining 25% may be claimed following the issuance by the Agency of a No Further Remediation Letter for the site. For a Remediation Applicant seeking a payment under subdivision (B)(e), until the Agency issues a No Further Remediation Letter for the site, no payment may be claimed by the Remediation Applicant.

(h) (1) Within 60 days after receipt by the Agency of an application meeting the requirements of subdivision (B)(e) or (B)(f), the Agency must issue a letter to the applicant approving, disapproving, or modifying the remediation costs submitted in the application. If an application is disapproved or approved with modification of remediation

costs, then the Agency's letter must set forth the reasons for the disapproval or modification.

(2) If a preliminary review of a budget plan has been obtained under subdivision (B)(i), the Remediation Applicant may submit, with the application and supporting documentation under subdivision (B)(e) or (B)(f), a copy of the Agency's final determination accompanied by a certification that the actual remediation costs incurred for the development and implementation of the Remedial Action Plan are equal to or less than the costs approved in the Agency's final determination on the budget plan. The certification must be signed by the Remediation Applicant and notarized. Based on that submission, the Agency is not required to conduct further review of the costs incurred for development and implementation of the Remedial Action Plan and may approve costs as submitted.

(3) Within 35 days after receipt of an Agency letter disapproving or modifying an application for approval of remediation costs, the Remediation Applicant may appeal the Agency's decision to the Board in the manner provided for the review of permits in Section 40 of this Act.

(i) (1) A Remediation Applicant may obtain a preliminary review of estimated remediation costs for the development and implementation of the Remedial Action Plan by submitting a budget plan along with the Remedial Action Plan. The budget plan must be set forth on forms prescribed and provided by the Agency and must include, but is not limited to, line item estimates of the costs associated with each line item (such as personnel, equipment, and materials) that the Remediation Applicant anticipates will be incurred for the development and implementation of the Remedial Action Plan. The Agency must review the budget plan along with the Remedial Action Plan to determine whether the estimated costs submitted are remediation costs and whether the costs estimated for the activities are reasonable.

(2) If the Remedial Action Plan is amended by the Remediation Applicant or as a result of Agency action, the corresponding budget plan must be revised accordingly and resubmitted for Agency review.

(3) The budget plan must be accompanied by the applicable fee as set forth in subdivision (B)(j).

(4) Submittal of a budget plan must be deemed an automatic 60-day waiver of the Remedial Action Plan review deadlines set forth in this subsection (B) and rules adopted under this subsection (B).

(5) Within the applicable period of review, the Agency must issue a letter to the Remediation Applicant approving, disapproving, or modifying the estimated remediation costs submitted in the budget plan. If a budget plan is disapproved or approved with modification of estimated remediation costs, the Agency's letter must set forth the reasons for the disapproval or modification.

(6) Within 35 days after receipt of an Agency letter disapproving or modifying a budget plan, the Remediation Applicant may appeal the Agency's decision to the Board in the manner provided for the review of permits in Section 40 of this Act.

(j) The fees for reviews conducted by the Agency under this subsection (B) are in addition to any other fees or payments for Agency services rendered pursuant to the Site Remediation Program and are as follows:

(1) The fee for an application for review of remediation costs is $1,000 for each site reviewed.

(2) The fee for the review of the budget plan submitted under subdivision (B)(i) is $500 for each site reviewed.

The application fee and the fee for the review of the budget plan must be made payable to the State of Illinois, for deposit into the Brownfields Redevelopment Fund.

(k) Moneys in the Brownfields Redevelopment Fund may be used for the purposes of this Section, including payment for the costs of administering this subsection (B). Any moneys

remaining in the Brownfields Site Restoration Program Fund on the effective date of this amendatory Act of the 92nd General Assembly shall be transferred to the Brownfields Redevelopment Fund. Total payments made to all Remediation Applicants by the Agency for purposes of this subsection (B) must not exceed $1,000,000 in State fiscal year 2002.

(l) The Department and the Agency are authorized to enter into any contracts or agreements that may be necessary to carry out their duties and responsibilities under this subsection (B).

(m) Within 6 months after the effective date of this amendatory Act of 2002, the Department of Commerce and Community Affairs (now Department of Commerce and Economic Opportunity) and the Agency must propose rules prescribing procedures and standards for the administration of this subsection (B). Within 9 months after receipt of the proposed rules, the Board shall adopt on second notice, pursuant to Sections 27 and 28 of this Act and the Illinois Administrative Procedures Act, rules that are consistent with this subsection (B). Prior to the effective date of rules adopted under this subsection (B), the Department of Commerce and Community Affairs (now Department of Commerce and Economic Opportunity) and the Agency may conduct reviews of applications under this subsection (B) and the Agency is further authorized to distribute guidance documents on costs that are eligible or ineligible as remediation costs.

(Source: P.A. 91-36, eff. 6-15-99; 92-16, eff. 6-28-01; 92-715, eff. 7-23-02; revised 12-6-03.)

Section 780. The Solid Waste Planning and Recycling Act is amended by changing Section 3 as follows:

(415 ILCS 15/3) (from Ch. 85, par. 5953)

Sec. 3. As used in this Act, unless the context clearly indicates otherwise:

"Agency" means the Illinois Environmental Protection

Agency.

"Composting" means the biological process by which microorganisms decompose the organic fraction of waste, producing a humus-like material that may be used as a soil conditioner.

"County" means any county of the State and includes the City of Chicago.

"Department" means the Department of Commerce and Economic Opportunity ~~Community Affairs~~.

"Municipal waste" means garbage, general household, institutional and commercial waste, industrial lunchroom or office waste, landscape waste, and construction and demolition debris.

"Person" means any individual, partnership, cooperative enterprise, unit of local government, institution, corporation or agency, or any other legal entity whatsoever which is recognized by law as the subject of rights and duties.

"Recycling, reclamation or reuse" means a method, technique or process designed to remove any contaminant from waste so as to render the waste reusable, or any process by which materials that would otherwise be disposed of or discarded are collected, separated or processed and returned to the economic mainstream in the form of raw materials or products.

"Recycling center" means a facility that accepts only segregated, nonhazardous, nonspecial, homogeneous, nonputrescible materials, such as dry paper, glass, cans or plastics, for subsequent use in the secondary materials market. (Source: P.A. 89-445, eff. 2-7-96; revised 12-6-03.)

Section 785. The Illinois Solid Waste Management Act is amended by changing Sections 2.1, 3, 3.1, 5, 6a, and 7 as follows:

(415 ILCS 20/2.1) (from Ch. 111 1/2, par. 7052.1)

Sec. 2.1. Definitions. When used in this Act, unless the

context otherwise requires, the following terms have the meanings ascribed to them in this Section:

"Department", when a particular entity is not specified, means (i) in the case of a function to be performed on or after July 1, 1995 (the effective date of the Department of Natural Resources Act), the Department of Commerce and Community Affairs (now Department of Commerce and Economic Opportunity), as successor to the former Department of Energy and Natural Resources under the Department of Natural Resources Act; or (ii) in the case of a function required to be performed before July 1, 1995, the former Illinois Department of Energy and Natural Resources.

"Deinked stock" means paper that has been processed to remove inks, clays, coatings, binders and other contaminants.

"End product" means only those items that are designed to be used until disposal; items designed to be used in production of a subsequent item are excluded.

"High grade printing and writing papers" includes offset printing paper, duplicator paper, writing paper (stationery), office paper, note pads, xerographic paper, envelopes, form bond including computer paper and carbonless forms, book papers, bond papers, ledger paper, book stock and cotton fiber papers.

"Paper and paper products" means high grade printing and writing papers, tissue products, newsprint, unbleached packaging and recycled paperboard.

"Postconsumer material" means only those products generated by a business or consumer which have served their intended end uses, and which have been separated or diverted from solid waste; wastes generated during production of an end product are excluded.

"Recovered paper material" means paper waste generated after the completion of the papermaking process, such as postconsumer materials, envelope cuttings, bindery trimmings, printing waste, cutting and other converting waste, butt rolls, and mill wrappers, obsolete inventories, and rejected unused

stock. "Recovered paper material", however, does not include fibrous waste generated during the manufacturing process such as fibers recovered from waste water or trimmings of paper machine rolls (mill broke), or fibrous byproducts of harvesting, extraction or woodcutting processes, or forest residues such as bark.

"Recycled paperboard" includes recycled paperboard products, folding cartons and pad backing.

"Recycling" means the process by which solid waste is collected, separated and processed for reuse as either a raw material or a product which itself is subject to recycling, but does not include the combustion of waste for energy recovery or volume reduction.

"Tissue products" includes toilet tissue, paper towels, paper napkins, facial tissue, paper doilies, industrial wipers, paper bags and brown papers.

"Unbleached packaging" includes corrugated and fiber boxes.

"USEPA Guidelines for federal procurement" means all minimum recycled content standards recommended by the U.S. Environmental Protection Agency.

(Source: P.A. 89-445, eff. 2-7-96; revised 12-6-03.)

(415 ILCS 20/3) (from Ch. 111 1/2, par. 7053)

Sec. 3. State agency materials recycling program.

(a) All State agencies responsible for the maintenance of public lands in the State shall, to the maximum extent feasible, give due consideration and preference to the use of compost materials in all land maintenance activities which are to be paid with public funds.

(b) The Department of Central Management Services, in coordination with the Department of Commerce and Economic Opportunity ~~Community Affairs~~, shall implement waste reduction programs, including source separation and collection, for office wastepaper, corrugated containers, newsprint and mixed paper, in all State buildings as appropriate and feasible. Such

waste reduction programs shall be designed to achieve waste reductions of at least 25% of all such waste by December 31, 1995, and at least 50% of all such waste by December 31, 2000. Any source separation and collection program shall include, at a minimum, procedures for collecting and storing recyclable materials, bins or containers for storing materials, and contractual or other arrangements with buyers of recyclable materials. If market conditions so warrant, the Department of Central Management Services, in coordination with the Department of Commerce and Economic Opportunity ~~Community Affairs~~, may modify programs developed pursuant to this Section.

The Department of Commerce and Community Affairs (now Department of Commerce and Economic Opportunity) shall conduct waste categorization studies of all State facilities for calendar years 1991, 1995 and 2000. Such studies shall be designed to assist the Department of Central Management Services to achieve the waste reduction goals established in this subsection.

(c) Each State agency shall, upon consultation with the Department of Commerce and Economic Opportunity ~~Community Affairs~~, periodically review its procurement procedures and specifications related to the purchase of products or supplies. Such procedures and specifications shall be modified as necessary to require the procuring agency to seek out products and supplies that contain recycled materials, and to ensure that purchased products or supplies are reusable, durable or made from recycled materials whenever economically and practically feasible. In choosing among products or supplies that contain recycled material, consideration shall be given to products and supplies with the highest recycled material content that is consistent with the effective and efficient use of the product or supply.

(d) Wherever economically and practically feasible, the Department of Central Management Services shall procure recycled paper and paper products as follows:

(1) Beginning July 1, 1989, at least 10% of the total dollar value of paper and paper products purchased by the Department of Central Management Services shall be recycled paper and paper products.

(2) Beginning July 1, 1992, at least 25% of the total dollar value of paper and paper products purchased by the Department of Central Management Services shall be recycled paper and paper products.

(3) Beginning July 1, 1996, at least 40% of the total dollar value of paper and paper products purchased by the Department of Central Management Services shall be recycled paper and paper products.

(4) Beginning July 1, 2000, at least 50% of the total dollar value of paper and paper products purchased by the Department of Central Management Services shall be recycled paper and paper products.

(e) Paper and paper products purchased from private vendors pursuant to printing contracts are not considered paper products for the purposes of subsection (d). However, the Department of Central Management Services shall report to the General Assembly on an annual basis the total dollar value of printing contracts awarded to private sector vendors that included the use of recycled paper.

(f)(1) Wherever economically and practically feasible, the recycled paper and paper products referred to in subsection (d) shall contain postconsumer or recovered paper materials as specified by paper category in this subsection:

(i) Recycled high grade printing and writing paper shall contain at least 50% recovered paper material. Such recovered paper material, until July 1, 1994, shall consist of at least 20% deinked stock or postconsumer material; and beginning July 1, 1994, shall consist of at least 25% deinked stock or postconsumer material; and beginning July 1, 1996, shall consist of at least 30% deinked stock or

postconsumer material; and beginning July 1, 1998, shall consist of at least 40% deinked stock or postconsumer material; and beginning July 1, 2000, shall consist of at least 50% deinked stock or postconsumer material.

(ii) Recycled tissue products, until July 1, 1994, shall contain at least 25% postconsumer material; and beginning July 1, 1994, shall contain at least 30% postconsumer material; and beginning July 1, 1996, shall contain at least 35% postconsumer material; and beginning July 1, 1998, shall contain at least 40% postconsumer material; and beginning July 1, 2000, shall contain at least 45% postconsumer material.

(iii) Recycled newsprint, until July 1, 1994, shall contain at least 40% postconsumer material; and beginning July 1, 1994, shall contain at least 50% postconsumer material; and beginning July 1, 1996, shall contain at least 60% postconsumer material; and beginning July 1, 1998, shall contain at least 70% postconsumer material; and beginning July 1, 2000, shall contain at least 80% postconsumer material.

(iv) Recycled unbleached packaging, until July 1, 1994, shall contain at least 35% postconsumer material; and beginning July 1, 1994, shall contain at least 40% postconsumer material; and beginning July 1, 1996, shall contain at least 45% postconsumer material; and beginning July 1, 1998, shall contain at least 50% postconsumer material; and beginning July 1, 2000, shall contain at least 55% postconsumer material.

(v) Recycled paperboard, until July 1, 1994, shall contain at least 80% postconsumer material; and beginning July 1, 1994, shall contain at least 85% postconsumer material; and beginning July 1, 1996, shall contain at least 90% postconsumer material; and beginning July 1, 1998, shall contain at least 95%

postconsumer material.

(2) For the purposes of this Section, "postconsumer material" includes:

(i) paper, paperboard, and fibrous wastes from retail stores, office buildings, homes, and so forth, after the waste has passed through its end usage as a consumer item, including used corrugated boxes, old newspapers, mixed waste paper, tabulating cards, and used cordage; and

(ii) all paper, paperboard, and fibrous wastes that are diverted or separated from the municipal solid waste stream.

(3) For the purposes of this Section, "recovered paper material" includes:

(i) postconsumer material;

(ii) dry paper and paperboard waste generated after completion of the papermaking process (that is, those manufacturing operations up to and including the cutting and trimming of the paper machine reel into smaller rolls or rough sheets), including envelope cuttings, bindery trimmings, and other paper and paperboard waste resulting from printing, cutting, forming, and other converting operations, or from bag, box and carton manufacturing, and butt rolls, mill wrappers, and rejected unused stock; and

(iii) finished paper and paperboard from obsolete inventories of paper and paperboard manufacturers, merchants, wholesalers, dealers, printers, converters, or others.

(g) The Department of Central Management Services may adopt regulations to carry out the provisions and purposes of this Section.

(h) Every State agency shall, in its procurement documents, specify that, whenever economically and practically feasible, a product to be procured must consist, wholly or in part, of recycled materials, or be recyclable or reusable in whole or in

part. When applicable, if state guidelines are not already prescribed, State agencies shall follow USEPA guidelines for federal procurement.

(i) All State agencies shall cooperate with the Department of Central Management Services in carrying out this Section. The Department of Central Management Services may enter into cooperative purchasing agreements with other governmental units in order to obtain volume discounts, or for other reasons in accordance with the Governmental Joint Purchasing Act, or in accordance with the Intergovernmental Cooperation Act if governmental units of other states or the federal government are involved.

(j) The Department of Central Management Services shall submit an annual report to the General Assembly concerning its implementation of the State's collection and recycled paper procurement programs. This report shall include a description of the actions that the Department of Central Management Services has taken in the previous fiscal year to implement this Section. This report shall be submitted on or before November 1 of each year.

(k) The Department of Central Management Services, in cooperation with all other appropriate departments and agencies of the State, shall institute whenever economically and practically feasible the use of re-refined motor oil in all State-owned motor vehicles and the use of remanufactured and retread tires whenever such use is practical, beginning no later than July 1, 1992.

(l) (Blank).

(m) The Department of Central Management Services, in coordination with the Department of Commerce and Community Affairs <u>(now Department of Commerce and Economic Opportunity)</u>, shall implement an aluminum can recycling program in all State buildings within 270 days of the effective date of this amendatory Act of 1997. The program shall provide for (1) the collection and storage of used aluminum cans in bins or other appropriate containers made reasonably available to occupants

and visitors of State buildings and (2) the sale of used aluminum cans to buyers of recyclable materials.

Proceeds from the sale of used aluminum cans shall be deposited into I-CYCLE accounts maintained in the State Surplus Property Revolving Fund and, subject to appropriation, shall be used by the Department of Central Management Services and any other State agency to offset the costs of implementing the aluminum can recycling program under this Section.

All State agencies having an aluminum can recycling program in place shall continue with their current plan. If a State agency has an existing recycling program in place, proceeds from the aluminum can recycling program may be retained and distributed pursuant to that program, otherwise all revenue resulting from these programs shall be forwarded to Central Management Services, I-CYCLE for placement into the appropriate account within the State Surplus Property Revolving Fund, minus any operating costs associated with the program.

(Source: P.A. 89-445, eff. 2-7-96; 90-180, eff. 7-23-97; 90-372, eff. 7-1-98; 90-655, eff. 7-30-98; revised 12-6-03.)

(415 ILCS 20/3.1) (from Ch. 111 1/2, par. 7053.1)

Sec. 3.1. Institutions of higher learning.

(a) For purposes of this Section "State-supported institutions of higher learning" or "institutions" means the University of Illinois, Southern Illinois University, the colleges and universities under the jurisdiction of the Board of Governors of State Colleges and Universities, the colleges and universities under the jurisdiction of the Board of Regents of Regency Universities, and the public community colleges subject to the Public Community College Act.

(b) Each State-supported institution of higher learning shall develop a comprehensive waste reduction plan covering a period of 10 years which addresses the management of solid waste generated by academic, administrative, student housing and other institutional functions. The waste reduction plan

shall be developed by January 1, 1995. The initial plan required under this Section shall be updated by the institution every 5 years, and any proposed amendments to the plan shall be submitted for review in accordance with subsection (f).

(c) Each waste reduction plan shall address, at a minimum, the following topics: existing waste generation by volume, waste composition, existing waste reduction and recycling activities, waste collection and disposal costs, future waste management methods, and specific goals to reduce the amount of waste generated that is subject to landfill disposal.

(d) Each waste reduction plan shall provide for recycling of marketable materials currently present in the institution's waste stream, including but not limited to landscape waste, corrugated cardboard, computer paper, and white office paper, and shall provide for the investigation of potential markets for other recyclable materials present in the institution's waste stream. The recycling provisions of the waste reduction plan shall be designed to achieve, by January 1, 2000, at least a 40% reduction (referenced to a base year of 1987) in the amount of solid waste that is generated by the institution and identified in the waste reduction plan as being subject to landfill disposal.

(e) Each waste reduction plan shall evaluate the institution's procurement policies and practices to eliminate procedures which discriminate against items with recycled content, and to identify products or items which are procured by the institution on a frequent or repetitive basis for which products with recycled content may be substituted. Each waste reduction plan shall prescribe that it will be the policy of the institution to purchase products with recycled content whenever such products have met specifications and standards of equivalent products which do not contain recycled content.

(f) Each waste reduction plan developed in accordance with this Section shall be submitted to the Department of Commerce and Economic Opportunity ~~Community Affairs~~ for review and approval. The Department's review shall be conducted in

cooperation with the Board of Higher Education and the Illinois Community College Board.

(g) The Department of Commerce and Economic Opportunity ~~Community Affairs~~ shall provide technical assistance, technical materials, workshops and other information necessary to assist in the development and implementation of the waste reduction plans. The Department shall develop guidelines and funding criteria for providing grant assistance to institutions for the implementation of approved waste reduction plans.

(Source: P.A. 89-445, eff. 2-7-96; revised 12-6-03.)

(415 ILCS 20/5) (from Ch. 111 1/2, par. 7055)

Sec. 5. Informational Clearinghouse. The Department of Commerce and Economic Opportunity ~~Community Affairs~~, in cooperation with the Environmental Protection Agency, shall maintain a central clearinghouse of information regarding the implementation of this Act. In particular, this clearinghouse shall include data regarding solid waste research and planning, solid waste management practices, markets for recyclable materials and intergovernmental cooperation.

(Source: P.A. 89-445, eff. 2-7-96; revised 12-6-03.)

(415 ILCS 20/6a) (from Ch. 111 1/2, par. 7056a)

Sec. 6a. The Department of Commerce and Economic Opportunity ~~Community Affairs~~ shall:

(1) Work with nationally based consumer groups and trade associations to develop nationally recognized logos which may be used to indicate whether a container is recyclable, made of recycled materials, or both.

(2) Work with nationally based consumer groups and trade associations to develop nationally recognized criteria for determining under what conditions the logos may be used.

(3) Develop and conduct a public education and awareness campaign to encourage the public to look for and buy products in containers which are recyclable or made of recycled

materials.

(4) Develop and prepare educational materials describing the benefits and methods of recycling for distribution to elementary schools in Illinois.

(Source: P.A. 89-445, eff. 2-7-96; revised 12-6-03.)

(415 ILCS 20/7) (from Ch. 111 1/2, par. 7057)

Sec. 7. It is the intent of this Act to provide the framework for a comprehensive solid waste management program in Illinois.

The Department shall prepare and submit to the Governor and the General Assembly on or before January 1, 1992, a report evaluating the effectiveness of the programs provided under this Act and Section 22.14 of the Environmental Protection Act; assessing the need for a continuation of existing programs, development and implementation of new programs and appropriate funding mechanisms; and recommending legislative and administrative action to fully implement a comprehensive solid waste management program in Illinois.

The Department shall investigate the suitability and advisability of providing tax incentives for Illinois businesses to use recycled products and purchase or lease recycling equipment, and shall report to the Governor and the General Assembly by January 1, 1987, on the results of this investigation.

By July 1, 1989, the Department shall submit to the Governor and members of the General Assembly a waste reduction report:

(a) that describes various mechanisms that could be utilized to stimulate and enhance the reduction of industrial and post-consumer waste in the State, including their advantages and disadvantages. The mechanisms to be analyzed shall include, but not be limited to, incentives for prolonging product life, methods for ensuring product recyclability, taxes for excessive packaging, tax incentives, prohibitions on the use of certain products,

and performance standards for products; and

(b) that includes specific recommendations to stimulate and enhance waste reduction in the industrial and consumer sector, including, but not limited to, legislation, financial incentives and disincentives, and public education.

The Department of Commerce and Economic Opportunity ~~Community Affairs~~, with the cooperation of the State Board of Education, the Illinois Environmental Protection Agency, and others as needed, shall develop, coordinate and conduct an education program for solid waste management and recycling. The program shall include, but not be limited to, education for the general public, businesses, government, educators and students.

The education program shall address, at a minimum, the following topics: the solid waste management alternatives of recycling, composting, and source reduction; resource allocation and depletion; solid waste planning; reuse of materials; pollution prevention; and household hazardous waste.

The Department of Commerce and Economic Opportunity ~~Community Affairs~~ shall cooperate with municipal and county governments, regional school superintendents, education service centers, local school districts, and planning agencies and committees to coordinate local and regional education programs and workshops and to expedite the exchange of technical information.

By March 1, 1989, the Department shall prepare a report on strategies for distributing and marketing landscape waste compost from centralized composting sites operated by units of local government. The report shall, at a minimum, evaluate the effects of product quality, assured supply, cost and public education on the availability of compost, free delivery, and public sales composting program. The evaluation of public sales programs shall focus on direct retail sale of bagged compost at the site or special distribution centers and bulk sale of

finished compost to wholesalers for resale.

(Source: P.A. 89-445, eff. 2-7-96; revised 12-6-03.)

Section 790. The Illinois Groundwater Protection Act is amended by changing Section 4 as follows:

(415 ILCS 55/4) (from Ch. 111 1/2, par. 7454)

Sec. 4. (a) There shall be established within State government an interagency committee which shall be known as the Interagency Coordinating Committee on Groundwater. The Committee shall be composed of the Director, or his designee, of the following agencies:

(1) The Illinois Environmental Protection Agency, who shall chair the Committee.

(2) The Illinois Department of Natural Resources.

(3) The Illinois Department of Public Health.

(4) The Office of Mines and Minerals within the Department of Natural Resources.

(5) The Office of the State Fire Marshal.

(6) The Division of Water Resources of the Department of Natural Resources.

(7) The Illinois Department of Agriculture.

(8) The Illinois Emergency Management Agency.

(9) The Illinois Department of Nuclear Safety.

(10) The Illinois Department of Commerce and Economic Opportunity ~~Community Affairs~~.

(b) The Committee shall meet not less than twice each calendar year and shall:

(1) Review and coordinate the State's policy on groundwater protection.

(2) Review and evaluate State laws, regulations and procedures that relate to groundwater protection.

(3) Review and evaluate the status of the State's efforts to improve the quality of the groundwater and of the State enforcement efforts for protection of the groundwater and make recommendations on improving the

State efforts to protect the groundwater.

(4) Recommend procedures for better coordination among State groundwater programs and with local programs related to groundwater protection.

(5) Review and recommend procedures to coordinate the State's response to specific incidents of groundwater pollution and coordinate dissemination of information between agencies responsible for the State's response.

(6) Make recommendations for and prioritize the State's groundwater research needs.

(7) Review, coordinate and evaluate groundwater data collection and analysis.

(8) Beginning on January 1, 1990, report biennially to the Governor and the General Assembly on groundwater quality, quantity, and the State's enforcement efforts.

(c) The Chairman of the Committee shall propose a groundwater protection regulatory agenda for consideration by the Committee and the Council. The principal purpose of the agenda shall be to systematically consider the groundwater protection aspects of relevant federal and State regulatory programs and to identify any areas where improvements may be warranted. To the extent feasible, the agenda may also serve to facilitate a more uniform and coordinated approach toward protection of groundwaters in Illinois. Upon adoption of the final agenda by the Committee, the Chairman of the Committee shall assign a lead agency and any support agencies to prepare a regulatory assessment report for each item on the agenda. Each regulatory assessment report shall specify the nature of the groundwater protection provisions being implemented and shall evaluate the results achieved therefrom. Special attention shall be given to any preventive measures being utilized for protection of groundwaters. The reports shall be completed in a timely manner. After review and consideration by the Committee, the reports shall become the basis for recommending further legislative or regulatory action.

(d) No later than January 1, 1992, the Interagency

Coordinating Committee on Groundwater shall provide a comprehensive status report to the Governor and the General Assembly concerning implementation of this Act.

(e) The Committee shall consider findings and recommendations that are provided by the Council, and respond in writing regarding such matters. The Chairman of the Committee shall designate a liaison person to serve as a facilitator of communications with the Council.

(Source: P.A. 89-445, eff. 2-7-96; revised 12-6-03.)

Section 795. The Degradable Plastic Act is amended by changing Section 2 as follows:

(415 ILCS 80/2) (from Ch. 111 1/2, par. 7902)

Sec. 2. Definitions. As used in this Act, the following terms shall have the meanings indicated, unless the context otherwise requires:

"Agency" means the Illinois Environmental Protection Agency.

"Department" means the Department of Commerce and Economic Opportunity ~~Community Affairs~~.

"Degradable" means capable of disintegrating, by naturally occurring biological or physical processes in the environment within a period of 3 years after disposal, into fragments that are small relative to the original size, or into particles of a molecular weight that is low when compared to the molecular weight of the original material.

"Plastic container" means a package, bag, bottle, cup, wrapping, blister-pack or other device that is made of plastic, plastic-coated paper, or other synthetic polymeric material, and is used to contain or protect merchandise ultimately intended for retail sale, or to contain waste for disposal.

"Recyclable plastic container" means a container composed entirely (exclusive of any readily detachable lid, closure, handle or label) of one type of plastic for which the Department finds that there exists an effective recycling

market in this State.

(Source: P.A. 89-445, eff. 2-7-96; revised 12-6-03.)

Section 800. The Recycled Newsprint Use Act is amended by changing Section 2002.50 as follows:

(415 ILCS 110/2002.50) (from Ch. 96 1/2, par. 9752.50)

Sec. 2002.50. "Department" means the Department of Commerce and Economic Opportunity ~~Community Affairs~~.

(Source: P.A. 89-445, eff. 2-7-96; revised 12-6-03.)

Section 805. The Alternate Fuels Act is amended by changing Sections 15, 21, 25, 32, and 40 as follows:

(415 ILCS 120/15)

Sec. 15. Rulemaking. The Agency shall promulgate rules and dedicate sufficient resources to implement the purposes of Section 30 of this Act. Such rules shall be consistent with the provisions of the Clean Air Act Amendments of 1990 and any regulations promulgated pursuant thereto. The Secretary of State may promulgate rules to implement Section 35 of this Act. The Department of Commerce and Economic Opportunity ~~Community Affairs~~ may promulgate rules to implement Section 25 of this Act.

(Source: P.A. 89-410; 90-726, eff. 8-7-98; revised 12-6-03.)

(415 ILCS 120/21)

Sec. 21. Alternate Fuel Infrastructure Advisory Board. The Governor shall appoint an Alternate Fuel Infrastructure Advisory Board. The Advisory Board shall be chaired by the Director of ~~the Department of~~ Commerce and Economic Opportunity ~~Community Affairs~~, who may be represented at all meetings by a designee. Other members appointed by the Governor shall consist of one representative from the ethanol industry, one representative from the natural gas industry, one representative from the auto manufacturing industry, one

representative from the liquid petroleum gas industry, one representative from the Agency, one representative from the heavy duty engine manufacturing industry, one representative from Illinois private fleet operators, and one representative of local government from the Chicago nonattainment area.

The Advisory Board shall (1) prepare and recommend to the Department of Commerce and Economic Opportunity (formerly Department of Commerce and Community Affairs) a program implementing Section 31 of this Act and (2) recommend criteria and procedures to be followed in awarding grants.

Members of the Advisory Board shall not be reimbursed their costs and expenses of participation. All decisions of the Advisory Board shall be decided on a one vote per member basis with a majority of the Advisory Board membership to rule.
(Source: P.A. 92-858, eff. 1-3-03; revised 12-6-03.)

(415 ILCS 120/25)

Sec. 25. Ethanol fuel research program. The Department of Commerce and Economic Opportunity ~~Community Affairs~~ shall administer a research program to reduce the costs of producing ethanol fuels and increase the viability of ethanol fuels, new ethanol engine technologies, and ethanol refueling infrastructure. This research shall be funded from the Alternate Fuels Fund. The research program shall remain in effect, subject to appropriation after calendar year 2004, or until funds are no longer available.
(Source: P.A. 91-357, eff. 7-29-99; 92-858, eff. 1-3-03; revised 12-6-03.)

(415 ILCS 120/32)

Sec. 32. Clean Fuel Education Program. Subject to appropriation, the Department of Commerce and Economic Opportunity ~~Community Affairs~~, in cooperation with the Agency and Chicago Area Clean Cities, shall administer the Clean Fuel Education Program, the purpose of which is to educate fleet administrators and Illinois' citizens about the benefits of

using alternate fuels. The program shall include a media campaign.

(Source: P.A. 92-858, eff. 1-3-03; revised 12-6-03.)

(415 ILCS 120/40)

Sec. 40. Appropriations from the Alternate Fuels Fund.

(a) User Fees Funds. The Agency shall estimate the amount of user fees expected to be collected under Section 35 of this Act for each fiscal year. User fee funds shall be deposited into and distributed from the Alternate Fuels Fund in the following manner:

(1) In each of fiscal years 1999, 2000, 2001, 2002, and 2003, an amount not to exceed $200,000, and beginning in fiscal year 2004 an annual amount not to exceed $225,000, may be appropriated to the Agency from the Alternate Fuels Fund to pay its costs of administering the programs authorized by Section 30 of this Act. Up to $200,000 may be appropriated to the Office of the Secretary of State in each of fiscal years 1999, 2000, 2001, 2002, and 2003 from the Alternate Fuels Fund to pay the Secretary of State's costs of administering the programs authorized under this Act. Beginning in fiscal year 2004 and in each fiscal year thereafter, an amount not to exceed $225,000 may be appropriated to the Secretary of State from the Alternate Fuels Fund to pay the Secretary of State's costs of administering the programs authorized under this Act.

(2) In fiscal years 1999, 2000, 2001, and 2002, after appropriation of the amounts authorized by item (1) of subsection (a) of this Section, the remaining moneys estimated to be collected during each fiscal year shall be appropriated as follows: 80% of the remaining moneys shall be appropriated to fund the programs authorized by Section 30, and 20% shall be appropriated to fund the programs authorized by Section 25. In fiscal year 2004 and each fiscal year thereafter, after appropriation of the amounts authorized by item (1) of subsection (a) of this Section,

the remaining moneys estimated to be collected during each fiscal year shall be appropriated as follows: 70% of the remaining moneys shall be appropriated to fund the programs authorized by Section 30 and 30% shall be appropriated to fund the programs authorized by Section 31.

(3) (Blank).

(4) Moneys appropriated to fund the programs authorized in Sections 25 and 30 shall be expended only after they have been collected and deposited into the Alternate Fuels Fund.

(b) General Revenue Fund Appropriations. General Revenue Fund amounts appropriated to and deposited into the Alternate Fuels Fund shall be distributed from the Alternate Fuels Fund in the following manner:

(1) In each of fiscal years 2003 and 2004, an amount not to exceed $50,000 may be appropriated to the Department of Commerce and Community Affairs <u>(now Department of Commerce and Economic Opportunity)</u> from the Alternate Fuels Fund to pay its costs of administering the programs authorized by Sections 31 and 32.

(2) In each of fiscal years 2003 and 2004, an amount not to exceed $50,000 may be appropriated to the Department of Commerce and Community Affairs <u>(now Department of Commerce and Economic Opportunity)</u> to fund the programs authorized by Section 32.

(3) In each of fiscal years 2003 and 2004, after appropriation of the amounts authorized in items (1) and (2) of subsection (b) of this Section, the remaining moneys received from the General Revenue Fund shall be appropriated as follows: 52.632% of the remaining moneys shall be appropriated to fund the programs authorized by Sections 25 and 30 and 47.368% of the remaining moneys shall be appropriated to fund the programs authorized by Section 31. The moneys appropriated to fund the programs authorized by Sections 25 and 30 shall be used as follows: 20% shall be used to fund the programs authorized by

Section 25, and 80% shall be used to fund the programs authorized by Section 30.

Moneys appropriated to fund the programs authorized in Section 31 shall be expended only after they have been deposited into the Alternate Fuels Fund.

(Source: P.A. 92-858, eff. 1-3-03; 93-32, eff. 7-1-03; revised 12-6-03.)

Section 810. The Interstate Ozone Transport Oversight Act is amended by changing Section 20 as follows:

(415 ILCS 130/20)

Sec. 20. Legislative referral and public hearings.

(a) Not later than 10 days after the development of any proposed memorandum of understanding by the Ozone Transport Assessment Group potentially requiring the State of Illinois to undertake emission reductions in addition to those specified by the Clean Air Act Amendments of 1990, or subsequent to the issuance of a request made by the United States Environmental Protection Agency on or after June 1, 1997 for submission of a State Implementation Plan for Illinois relating to ozone attainment and before submission of the Plan, the Director shall submit the proposed memorandum of understanding or State Implementation Plan to the House Committee and the Senate Committee for their consideration. At that time, the Director shall also submit information detailing any alternate strategies.

(b) To assist the legislative review required by this Act, the Department of Natural Resources and the Department of Commerce and <u>Economic Opportunity</u> ~~Community Affairs~~ shall conduct a joint study of the impacts on the State's economy which may result from implementation of the emission reduction strategies contained within any proposed memorandum of understanding or State Implementation Plan relating to ozone and from implementation of any alternate strategies. The study shall include, but not be limited to, the impacts on economic

development, employment, utility costs and rates, personal income, and industrial competitiveness which may result from implementation of the emission reduction strategies contained within any proposed memorandum of agreement or State Implementation Plan relating to ozone and from implementation of any alternate strategies. The study shall be submitted to the House Committee and Senate Committee not less than 10 days prior to any scheduled hearing conducted pursuant to subsection (c) of this Section.

(c) Upon receipt of the information required by subsections (a) and (b) of this Section, the House Committee and Senate Committee shall each convene one or more public hearings to receive comments from agencies of government and other interested parties on the memorandum of understanding's or State Implementation Plan's prospective economic and environmental impacts, including its impacts on energy use, economic development, utility costs and rates, and competitiveness. Additionally, comments shall be received on the prospective economic and environmental impacts, including impacts on energy use, economic development, utility costs and rates, and competitiveness, which may result from implementation of any alternate strategies.

(Source: P.A. 89-566, eff. 7-26-96; 90-500, eff. 8-19-97; revised 12-6-03.)

Section 815. The Illinois Poison Prevention Packaging Act is amended by changing Section 6 as follows:

(430 ILCS 40/6) (from Ch. 111 1/2, par. 296)

Sec. 6. (a) For the purpose of assisting in carrying out the purposes of this Act, the Director may appoint a technical advisory committee, designating a member thereof to be a chairman, composed of not more than 18 members who are representative of (1) the Department of Public Health, (2) the Department of Commerce and Economic Opportunity ~~Community Affairs~~, (3) manufacturers of household substances subject to

this Act, (4) scientists with expertise related to this Act and licensed practitioners in the medical field, (5) consumers, and (6) manufacturers of packages and closures for household substances. The Director may consult with the technical advisory committee in making findings and in establishing standards pursuant to this Act.

(b) Members of the technical advisory committee who are not regular full-time employees of the State of Illinois shall, while attending meetings of such committee, be entitled to receive compensation at a rate fixed by the Director, but not exceeding $100 per diem, including travel time, and while so serving away from their homes or regular places of business, they may be allowed travel expenses.

(Source: P.A. 81-1509; revised 12-6-03.)

Section 820. The Agricultural Areas Conservation and Protection Act is amended by changing Section 20.1 as follows:

(505 ILCS 5/20.1) (from Ch. 5, par. 1020.1)

Sec. 20.1. Report to General Assembly and State Agencies. The Department of Agriculture shall make an annual report to the General Assembly on the location and size of all agricultural areas created or dissolved during the past year and of any other alterations of agricultural areas. For the purpose of planning project alternatives, the Department of Agriculture shall provide a description of all agricultural areas to the following agencies and shall notify the following agencies of the creation, alteration, or dissolution of agricultural areas: the Governor's Office of Management and Budget ~~Bureau of the Budget~~, the Department of Natural Resources, the Illinois Commerce Commission, the Department of Commerce and Economic Opportunity ~~Community Affairs~~, the Environmental Protection Agency, the Capital Development Board, and the Department of Transportation.

(Source: P.A. 89-445, eff. 2-7-96; revised 8-23-03.)

Section 825. The County Cooperative Extension Law is amended by changing Section 2b as follows:

(505 ILCS 45/2b) (from Ch. 5, par. 242b)

Sec. 2b. The Cooperative Extension Service of the University of Illinois shall establish a Rural Transition Program to be operated in cooperation with the Department of Commerce and Economic Opportunity ~~Community Affairs~~ to provide assessments, career counseling, on-the-job training, tuition reimbursements, classroom training, financial management training, work experience opportunities, job search skills, job placement, youth programs, and support service to farmers and their families, agriculture-related employees, other rural residents, and small rural businesses who are being forced out of farming or other primary means of employment or whose standard of living or employment has been reduced because of prevailing economic conditions in the agricultural or rural economy. Eligible farmers and their families shall include those who can demonstrate proof of financial stress, proof of foreclosure, proof of bankruptcy, proof of inability to secure needed capital, proof of voluntary foreclosure or proof of income eligibility for assistance programs administered by the Department of Human Services (acting as successor to the Department of Public Aid under the Department of Human Services Act). Eligible agriculture related employees shall mean tenant farmers or other farm employees and employees of businesses related to agricultural production who are facing displacement, unemployment or underemployment due to a closure or reduction in operation of such business or farm due to poor economic conditions that prevail in the agricultural or rural economy. Other eligible rural residents shall include those residing in rural areas whose employment or standard of living has been reduced due to the poor economic conditions that prevail in the agricultural or rural economy. Eligible small rural businesses shall include those existing or new businesses established and operating in rural areas that lack access to

other sources of services provided by this Section. In carrying out the provisions of this Section, the Cooperative Extension Service may enter into agreements with the Department of Commerce and Community Affairs, community colleges, vocational schools, and any other State or local private or public agency or entity deemed necessary.

(Source: P.A. 89-507, eff. 7-1-97; revised 12-6-03.)

Section 830. The Farmland Preservation Act is amended by changing Section 3 as follows:

(505 ILCS 75/3) (from Ch. 5, par. 1303)

Sec. 3. An Inter-Agency Committee on Farmland Preservation is created. The Directors or Chairpersons of the following agencies, or their representatives, shall serve as members of the Committee:

(a) the Capital Development Board;

(b) the Department of Natural Resources;

(c) the Department of Commerce and Economic Opportunity ~~Community Affairs~~;

(d) the Environmental Protection Agency;

(e) the Department of Transportation;

(f) the Governor's Office of Management and Budget ~~Bureau of the Budget~~;

(g) the Illinois Commerce Commission; and

(h) the Department of Agriculture.

The Director of the Department of Agriculture, or his representative, shall serve as chairman.

(Source: P.A. 89-445, eff. 2-7-96; revised 8-23-03.)

Section 835. The Illinois Forestry Development Act is amended by changing Section 6a as follows:

(525 ILCS 15/6a) (from Ch. 96 1/2, par. 9106a)

(Section scheduled to be repealed on December 31, 2008)

Sec. 6a. Illinois Forestry Development Council.

(a) The Illinois Forestry Development Council is hereby re-created by this amendatory Act of the 91st General Assembly.

(b) The Council shall consist of 24 members appointed as follows:

(1) four members of the General Assembly, one appointed by the President of the Senate, one appointed by the Senate Minority Leader, one appointed by the Speaker of the House of Representatives, and one appointed by the House Minority Leader;

(2) one member appointed by the Governor to represent the Governor;

(3) the Directors of the Departments of Natural Resources, Agriculture, and Commerce and Economic Opportunity ~~Community Affairs~~, the Executive Director of the Illinois Finance Authority, and the Director of the Office of Rural Affairs, or their designees;

(4) the chairman of the Department of Forestry or a forestry academician, appointed by the Dean of Agriculture at Southern Illinois University at Carbondale;

(5) the head of the Department of Natural Resources and Environmental Sciences or a forestry academician, appointed by the Dean of Agriculture at the University of Illinois;

(6) two members, appointed by the Governor, who shall be private timber growers;

(7) one member, appointed by the president of the Illinois Wood Products Association, who shall be involved in primary forestry industry;

(8) one member, appointed by the president of the Illinois Wood Products Association, who shall be involved in secondary forestry industry;

(9) one member who is actively involved in environmental issues, appointed by the Governor;

(10) the president of the Association of Illinois Soil and Water Conservation Districts;

(11) two persons who are actively engaged in farming,

appointed by the Governor;

(12) one member, appointed by the Governor, whose primary area of expertise is urban forestry;

(13) one member appointed by the President of the Illinois Arborists Association;

(14) the Supervisor of the Shawnee National Forest and the United States Department of Agriculture Natural Resource Conservation Service's State Conservationist, ex officio, or their designees.

(c) Members of the Council shall serve without compensation but shall be reimbursed for actual expenses incurred in the performance of their duties which are not otherwise reimbursed.

(d) The Council shall select from its membership a chairperson and such other officers as it considers necessary.

(e) Other individuals, agencies and organizations may be invited to participate as deemed advisable by the Council.

(f) The Council shall study and evaluate the forestry resources and forestry industry of Illinois. The Council shall:

(1) determine the magnitude, nature and extent of the State's forestry resources;

(2) determine current uses and project future demand for forest products, services and benefits in Illinois;

(3) determine and evaluate the ownership characteristics of the State's forests, the motives for forest ownership and the success of incentives necessary to stimulate development of forest resources;

(4) determine the economic development and management opportunities that could result from improvements in local and regional forest product marketing and from the establishment of new or additional wood-related businesses in Illinois;

(5) confer with and offer assistance to the Illinois Finance Authority relating to its implementation of forest industry assistance programs authorized by the Illinois Finance Authority Act;

(6) determine the opportunities for increasing

employment and economic growth through development of forest resources;

(7) determine the effect of current governmental policies and regulations on the management of woodlands and the location of wood products markets;

(8) determine the staffing and funding needs for forestry and other conservation programs to support and enhance forest resources development;

(9) determine the needs of forestry education programs in this State;

(10) confer with and offer assistance to the Department of Natural Resources relating to the implementation of urban forestry assistance grants pursuant to the Urban and Community Forestry Assistance Act; and

(11) determine soil and water conservation benefits and wildlife habitat enhancement opportunities that can be promoted through approved forestry management plans.

(g) The Council shall report (i) its findings and recommendations for future State action and (ii) its evaluation of Urban/Community Forestry Assistance Grants to the General Assembly no later than July 1 of each year.

(h) This Section 6a is repealed December 31, 2008.

(Source: P.A. 93-205, eff. 1-1-04; revised 12-6-03.)

Section 840. The Illinois Youth and Young Adult Employment Act of 1986 is amended by changing Section 5 as follows:

(525 ILCS 50/5) (from Ch. 48, par. 2555)

Sec. 5. Cooperation. The Department of Natural Resources shall have the full cooperation of the Department of Commerce and Economic Opportunity ~~Community Affairs~~, the Illinois State Job Coordinating Council created by the Federal Job Training Partnership Act (Public Law 97-300), and the Department of Employment Security to carry out the purposes of this Act.

(Source: P.A. 89-445, eff. 2-7-96; revised 12-6-03.)

Section 845. The Bikeway Act is amended by changing Section 4 as follows:

(605 ILCS 30/4) (from Ch. 121, par. 604)

Sec. 4. In expending funds available for purposes of this Act, the Department shall cooperate with municipalities, townships, counties, road districts, park districts and other appropriate agencies and organizations and, where possible and practicable, shall allocate its expenditures among the several regions of the State, proportionally to the bicycling population.

The Secretary of Transportation shall serve as chairman of and shall at least quarterly convene an interagency council on the bikeways program, comprised of the Director of Natural Resources, the Director of Commerce and Economic Opportunity ~~Community Affairs~~, the State Superintendent of Education, a county engineer or county superintendent of highways chosen by the statewide association of county engineers, a representative of the Cook County Forest Preserve District, and the Secretary of Transportation, for the purpose of determining policy and priorities in effectuating the purposes of this Act. (Source: P.A. 89-337, eff. 1-1-96; 89-445, eff. 2-7-96; revised 12-6-03.)

Section 850. The Illinois Aeronautics Act is amended by changing Section 34b as follows:

(620 ILCS 5/34b)

Sec. 34b. Airport Land Loan Program.

(a) The Department may make loans to public airport owners for the purchase of any real estate interests as may be needed for essential airport purposes, including future needs, subject to the following conditions:

(1) loans may be made only to public airport owners that are operating an airport as of January 1, 1999; and

(2) loans may not be made for airports that provide

scheduled commercial air service in counties of greater than 5,000,000 population.

The loans are payable from the Airport Land Loan Revolving Fund, subject to appropriation. All repayments of loans made pursuant to this Section, including interest thereon and penalties, shall be deposited in the Airport Land Loan Revolving Fund. The Treasurer shall deposit all investment earnings arising from balances in the Airport Land Loan Revolving Fund in that Fund.

(b) All loans under this Section shall be made by contract between the Department and the public airport owner, which contract shall include the following provisions:

(1) The annual rate of interest shall be the lesser of (A) 2 percent below the Prime Rate charged by banks, as published by the Federal Reserve Board, in effect at the time the Department approves the loan, or (B) a rate determined by the Department, after consultation with the Governor's Office of Management and Budget ~~Bureau of the Budget~~, that will not adversely affect the tax-exempt status of interest on the bonds of the State issued in whole or in part to make deposits into the Airport Land Loan Revolving Fund, nor diminish the benefit to the State of the tax-exempt status of the interest on such bonds.

(2) The term of any loan shall not exceed five years, but it may be for less by mutual agreement.

(3) Loan payments shall be scheduled in equal amounts for the periods determined under paragraph (4) of this Section. The loan payments shall be calculated so that the loan is completely repaid, with interest, on outstanding balances, by the end of the term determined under paragraph (2) of this Section. There shall be no penalty for early payment ahead of the payment schedule.

(4) The period of loan payments shall be annual, unless by mutual agreement a period of less than one year is chosen.

(5) The loan shall be secured with the land purchased,

in whole or in part, with the loan and considered as collateral. The public airport owner shall assign a first priority interest in the property to the State.

(6) If the loan payment is not made within 15 days after the scheduled date determined under paragraph (3) of this Section, a penalty of 10% of the payment shall be assessed. If 30 days after the scheduled payment date no payment has been received, the loan shall be considered in default.

(7) As soon as a loan is considered in default, the Department shall notify the public airport owner and attempt to enter into a renegotiation of the loan payment amounts and schedule determined under paragraph (3) of this Section. In no case shall the term of the loan be extended beyond the initial term determined under paragraph (2) of this Section; nor shall the interest rate be lowered nor any interest be forgiven. If a renegotiation of loan payment amounts and schedule is obtained to the Department's satisfaction within 30 days of notification of default, then the new payment schedule shall replace the one determined by paragraph (3) of this Section and shall be used to measure compliance with the loan for purposes of default. If after 30 days of notification of default the Department has not obtained a renegotiation to its satisfaction, the Department shall declare the loan balance due and payable immediately. If the public airport owner cannot immediately pay the balance of the loan, the Department shall proceed to foreclose.

(c) The Department may promulgate any rules that it finds appropriate to implement this Airport Land Loan Program.

(d) The Airport Land Loan Revolving Fund is created in the State Treasury.

(Source: P.A. 91-543, eff. 8-14-99; 91-712, eff. 7-1-00; revised 8-23-03.)

Section 860. The Code of Civil Procedure is amended by

changing Section 7-103.3 as follows:

(735 ILCS 5/7-103.3)

Sec. 7-103.3. Quick-take; coal development purposes. Quick-take proceedings under Section 7-103 may be used by the Department of Commerce and Economic Opportunity ~~Community Affairs~~ for the purpose specified in the Illinois Coal Development Bond Act.

(Source: P.A. 91-357, eff. 7-29-99; revised 12-6-03.)

Section 865. The Illinois Human Rights Act is amended by changing Section 2-105 as follows:

(775 ILCS 5/2-105) (from Ch. 68, par. 2-105)

Sec. 2-105. Equal Employment Opportunities; Affirmative Action.

(A) Public Contracts. Every party to a public contract and every eligible bidder shall:

(1) Refrain from unlawful discrimination and discrimination based on citizenship status in employment and undertake affirmative action to assure equality of employment opportunity and eliminate the effects of past discrimination;

(2) Comply with the procedures and requirements of the Department's regulations concerning equal employment opportunities and affirmative action;

(3) Provide such information, with respect to its employees and applicants for employment, and assistance as the Department may reasonably request;

(4) Have written sexual harassment policies that shall include, at a minimum, the following information: (i) the illegality of sexual harassment; (ii) the definition of sexual harassment under State law; (iii) a description of sexual harassment, utilizing examples; (iv) the vendor's internal complaint process including penalties; (v) the legal recourse, investigative and complaint process

available through the Department and the Commission; (vi) directions on how to contact the Department and Commission; and (vii) protection against retaliation as provided by Section 6-101 of this Act. A copy of the policies shall be provided to the Department upon request.

(B) State Agencies. Every State executive department, State agency, board, commission, and instrumentality shall:

(1) Comply with the procedures and requirements of the Department's regulations concerning equal employment opportunities and affirmative action;

(2) Provide such information and assistance as the Department may request.

(3) Establish, maintain, and carry out a continuing affirmative action plan consistent with this Act and the regulations of the Department designed to promote equal opportunity for all State residents in every aspect of agency personnel policy and practice. For purposes of these affirmative action plans, the race and national origin categories to be included in the plans are: African American, Hispanic or Latino, Native American, Asian, and any other category as required by Department rule. This plan shall include a current detailed status report:

(a) indicating, by each position in State service, the number, percentage, and average salary of individuals employed by race, national origin, sex and disability, and any other category that the Department may require by rule;

(b) identifying all positions in which the percentage of the people employed by race, national origin, sex and disability, and any other category that the Department may require by rule, is less than four-fifths of the percentage of each of those components in the State work force;

(c) specifying the goals and methods for increasing the percentage by race, national origin, sex and disability, and any other category that the

Department may require by rule, in State positions;

(d) indicating progress and problems toward meeting equal employment opportunity goals, including, if applicable, but not limited to, Department of Central Management Services recruitment efforts, publicity, promotions, and use of options designating positions by linguistic abilities;

(e) establishing a numerical hiring goal for the employment of qualified persons with disabilities in the agency as a whole, to be based on the proportion of people with work disabilities in the Illinois labor force as reflected in the most recent decennial Census.

(4) If the agency has 1000 or more employees, appoint a full-time Equal Employment Opportunity officer, subject to the Department's approval, whose duties shall include:

(a) Advising the head of the particular State agency with respect to the preparation of equal employment opportunity programs, procedures, regulations, reports, and the agency's affirmative action plan.

(b) Evaluating in writing each fiscal year the sufficiency of the total agency program for equal employment opportunity and reporting thereon to the head of the agency with recommendations as to any improvement or correction in recruiting, hiring or promotion needed, including remedial or disciplinary action with respect to managerial or supervisory employees who have failed to cooperate fully or who are in violation of the program.

(c) Making changes in recruitment, training and promotion programs and in hiring and promotion procedures designed to eliminate discriminatory practices when authorized.

(d) Evaluating tests, employment policies, practices and qualifications and reporting to the head of the agency and to the Department any policies,

practices and qualifications that have unequal impact by race, national origin as required by Department rule, sex or disability or any other category that the Department may require by rule, and to assist in the recruitment of people in underrepresented classifications. This function shall be performed in cooperation with the State Department of Central Management Services.

(e) Making any aggrieved employee or applicant for employment aware of his or her remedies under this Act.

In any meeting, investigation, negotiation, conference, or other proceeding between a State employee and an Equal Employment Opportunity officer, a State employee (1) who is not covered by a collective bargaining agreement and (2) who is the complaining party or the subject of such proceeding may be accompanied, advised and represented by (1) an attorney licensed to practice law in the State of Illinois or (2) a representative of an employee organization whose membership is composed of employees of the State and of which the employee is a member. A representative of an employee, other than an attorney, may observe but may not actively participate, or advise the State employee during the course of such meeting, investigation, negotiation, conference or other proceeding. Nothing in this Section shall be construed to permit any person who is not licensed to practice law in Illinois to deliver any legal services or otherwise engage in any activities that would constitute the unauthorized practice of law. Any representative of an employee who is present with the consent of the employee, shall not, during or after termination of the relationship permitted by this Section with the State employee, use or reveal any information obtained during the course of the meeting, investigation, negotiation, conference or other

proceeding without the consent of the complaining party and any State employee who is the subject of the proceeding and pursuant to rules and regulations governing confidentiality of such information as promulgated by the appropriate State agency. Intentional or reckless disclosure of information in violation of these confidentiality requirements shall constitute a Class B misdemeanor.

(5) Establish, maintain and carry out a continuing sexual harassment program that shall include the following:

(a) Develop a written sexual harassment policy that includes at a minimum the following information: (i) the illegality of sexual harassment; (ii) the definition of sexual harassment under State law; (iii) a description of sexual harassment, utilizing examples; (iv) the agency's internal complaint process including penalties; (v) the legal recourse, investigative and complaint process available through the Department and the Commission; (vi) directions on how to contact the Department and Commission; and (vii) protection against retaliation as provided by Section 6-101 of this Act. The policy shall be reviewed annually.

(b) Post in a prominent and accessible location and distribute in a manner to assure notice to all agency employees without exception the agency's sexual harassment policy. Such documents may meet, but shall not exceed, the 6th grade literacy level. Distribution shall be effectuated within 90 days of the effective date of this amendatory Act of 1992 and shall occur annually thereafter.

(c) Provide training on sexual harassment prevention and the agency's sexual harassment policy as a component of all ongoing or new employee training programs.

(6) Notify the Department 30 days before effecting any layoff. Once notice is given, the following shall occur:

(a) No layoff may be effective earlier than 10 working days after notice to the Department, unless an emergency layoff situation exists.

(b) The State executive department, State agency, board, commission, or instrumentality in which the layoffs are to occur must notify each employee targeted for layoff, the employee's union representative (if applicable), and the State Dislocated Worker Unit at the Department of Commerce and Economic Opportunity ~~Community Affairs~~.

(c) The State executive department, State agency, board, commission, or instrumentality in which the layoffs are to occur must conform to applicable collective bargaining agreements.

(d) The State executive department, State agency, board, commission, or instrumentality in which the layoffs are to occur should notify each employee targeted for layoff that transitional assistance may be available to him or her under the Economic Dislocation and Worker Adjustment Assistance Act administered by the Department of Commerce and Economic Opportunity ~~Community Affairs~~. Failure to give such notice shall not invalidate the layoff or postpone its effective date.

As used in this subsection (B), "disability" shall be defined in rules promulgated under the Illinois Administrative Procedure Act.

(C) Civil Rights Violations. It is a civil rights violation for any public contractor or eligible bidder to:

(1) fail to comply with the public contractor's or eligible bidder's duty to refrain from unlawful discrimination and discrimination based on citizenship status in employment under subsection (A)(1) of this Section; or

(2) fail to comply with the public contractor's or eligible bidder's duties of affirmative action under subsection (A) of this Section, provided however, that the Department has notified the public contractor or eligible bidder in writing by certified mail that the public contractor or eligible bidder may not be in compliance with affirmative action requirements of subsection (A). A minimum of 60 days to comply with the requirements shall be afforded to the public contractor or eligible bidder before the Department may issue formal notice of non-compliance.

(Source: P.A. 91-178, eff. 1-1-00; revised 12-6-03.)

Section 870. The Hot Water Heater Efficiency Act is amended by changing Section 1 as follows:

(815 ILCS 355/1) (from Ch. 96 1/2, par. 9551)

Sec. 1. (a) No new storage hot water heater which is not certified as meeting the energy efficiency standards of the American Society of Heating, Refrigerating and Air Conditioning Engineers, Inc., as set forth as the current ASHRAE 90 Standard, shall be purchased for resale or installation in the State after June 1, 1986; provided, however, that nothing contained herein shall prevent sales from being made in the State for use outside the State and provided that the inventory of storage hot water heaters existing on April 1, 1986 may be sold after June 1, 1986. Upon the effective date of this Act, no retail seller or distributor shall increase its inventory of storage hot water heaters which are not certified as being in compliance with the current ASHRAE 90 Standard, and all storage hot water heaters sold after June 1, 1986 shall be certified and labeled by the manufacturer as being in compliance with the current ASHRAE 90 Standard.

(b) The Department of Commerce and Economic Opportunity ~~Community Affairs~~ shall provide technical assistance and information to retail sellers and distributors of storage hot

water heaters doing business in Illinois to facilitate compliance with the provisions of this Act.

(c) This Act does not apply to storage hot water heaters with a capacity of 20 or fewer gallons designed expressly for use in recreational vehicles.

(d) Any violation of subsection (a) shall be a petty offense; provided a fine of not less than $50 nor more than $500 shall be imposed, and all fines shall be imposed consecutively. Each storage hot water heater sold in violation of this Act shall constitute a separate offense.

(Source: P.A. 89-445, eff. 2-7-96; revised 12-6-03.)

Section 875. The Waste Oil Recovery Act is amended by changing Sections 2.8 and 6 as follows:

(815 ILCS 440/2.8) (from Ch. 96 1/2, par. 7702.8)

Sec. 2.8. "Department" means the Department of Commerce and Economic Opportunity ~~Community Affairs~~.

(Source: P.A. 89-445, eff. 2-7-96; revised 12-6-03.)

(815 ILCS 440/6) (from Ch. 96 1/2, par. 7706)

Sec. 6. Any establishment engaged in retail sales of automotive lubricating oils is urged to post a sign clearly visible to the public in every area where automotive lubricating oils are sold, indicating the closest used oil storage facility. The sign shall be a minimum size of 8 1/2 inches by 11 inches and shall be available from the Department of Commerce and Economic Opportunity ~~Community Affairs~~ upon request by a retail seller of 500 or more gallons per year of automotive lubricating oil.

(Source: P.A. 89-445, eff. 2-7-96; revised 12-6-03.)

Section 880. The Unemployment Insurance Act is amended by changing Section 2103 as follows:

(820 ILCS 405/2103) (from Ch. 48, par. 663)

Sec. 2103. Unemployment compensation administration and other workforce development costs. All moneys received by the State or by the Director from any source for the financing of the cost of administration of this Act, including all federal moneys allotted or apportioned to the State or to the Director for that purpose, including moneys received directly or indirectly from the federal government under the Job Training Partnership Act, and including moneys received from the Railroad Retirement Board as compensation for services or facilities supplied to said Board, or any moneys made available by this State or its political subdivisions and matched by moneys granted to this State pursuant to the provisions of the Wagner-Peyser Act, shall be received and held by the State Treasurer as ex-officio custodian thereof, separate and apart from all other State moneys, in the Title III Social Security and Employment Fund, and such funds shall be distributed or expended upon the direction of the Director and, except money received pursuant to the last paragraph of Section 2100B, shall be distributed or expended solely for the purposes and in the amounts found necessary by the Secretary of Labor of the United States of America, or other appropriate federal agency, for the proper and efficient administration of this Act. Notwithstanding any provision of this Section, all money requisitioned and deposited with the State Treasurer pursuant to the last paragraph of Section 2100B shall remain part of the unemployment trust fund and shall be used only in accordance with the conditions specified in the last paragraph of Section 2100B.

If any moneys received from the Secretary of Labor, or other appropriate federal agency, under Title III of the Social Security Act, or any moneys granted to this State pursuant to the provisions of the Wagner-Peyser Act, or any moneys made available by this State or its political subdivisions and matched by moneys granted to this State pursuant to the provisions of the Wagner-Peyser Act, are found by the Secretary of Labor, or other appropriate Federal agency, because of any

action or contingency, to have been lost or expended for purposes other than, or in amounts in excess of, those found necessary, by the Secretary of Labor, or other appropriate Federal agency, for the proper administration of this Act, it is the policy of this State that such moneys shall be replaced by moneys appropriated for such purpose from the general funds of this State for expenditure as provided in the first paragraph of this Section. The Director shall report to the Governor's Office of Management and Budget ~~Bureau of the Budget~~, in the same manner as is provided generally for the submission by State Departments of financial requirements for the ensuing fiscal year, and the Governor shall include in his budget report to the next regular session of the General Assembly, the amount required for such replacement.

Moneys in the Title III Social Security and Employment Fund shall not be commingled with other State funds, but they shall be deposited as required by law and maintained in a separate account on the books of a savings and loan association or bank.

The State Treasurer shall be liable on his general official bond for the faithful performance of his duties as custodian of all moneys in the Title III Social Security and Employment Fund. Such liability on his official bond shall exist in addition to the liability upon any separate bond given by him. All sums recovered for losses sustained by the fund herein described shall be deposited therein.

Upon the effective date of this amendatory Act of 1987 (January 1, 1988), the Comptroller shall transfer all unobligated funds from the Job Training Fund into the Title III Social Security and Employment Fund.

On September 1, 2000, or as soon thereafter as may be reasonably practicable, the State Comptroller shall transfer all unobligated moneys from the Job Training Partnership Fund into the Title III Social Security and Employment Fund. The moneys transferred pursuant to this amendatory Act may be used or expended for purposes consistent with the conditions under which those moneys were received by the State.

Beginning on the effective date of this amendatory Act of the 91st General Assembly, all moneys that would otherwise be deposited into the Job Training Partnership Fund shall instead be deposited into the Title III Social Security and Employment Fund, to be used for purposes consistent with the conditions under which those moneys are received by the State, except that any moneys that may be necessary to pay liabilities outstanding as of June 30, 2000 shall be deposited into the Job Training Partnership Fund.

(Source: P.A. 91-704, eff. 7-1-00; revised 8-23-03.)

Section 995. No acceleration or delay. Where this Act makes changes in a statute that is represented in this Act by text that is not yet or no longer in effect (for example, a Section represented by multiple versions), the use of that text does not accelerate or delay the taking effect of (i) the changes made by this Act or (ii) provisions derived from any other Public Act.

Section 996. No revival or extension. This Act does not revive or extend any Section or Act otherwise repealed.

Section 999. Effective date. This Act takes effect upon becoming law.

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