

2008

ILLINOIS

REGISTER

RULES
OF GOVERNMENTAL
AGENCIES



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INTRODUCTION

The Illinois Register is the official state document for publishing public notice of rulemaking activity initiated by State governmental agencies. The table of contents is arranged categorically by rulemaking activity and alphabetically by agency within each category.

Rulemaking activity consists of proposed or adopted new rules; amendments to or repealers of existing rules; and rules promulgated by emergency or peremptory action. Executive Orders and Proclamations issued by the Governor; notices of public information required by State Statute; and activities (meeting agendas; Statements of Objection or Recommendation, etc.) of the Joint Committee on Administrative Rules (JCAR), a legislative oversight committee which monitors the rulemaking activities of State Agencies; is also published in the Register.

The Register is a weekly update of the Illinois Administrative Code (a compilation of the rules adopted by State agencies). The most recent edition of the Code, along with the Register, comprise the most current accounting of State agencies' rulemakings.

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

2008 REGISTER SCHEDULE VOLUME #32

<u>Issue #</u>	<u>Rules Due Date</u>	<u>Date of Issue</u>
1	December 21, 2007*	January 4, 2008
2	December 31, 2007	January 11, 2008
3	January 7, 2008	January 18, 2008
4	January 14, 2008	January 25, 2008
5	January 22, 2008	February 1, 2008
6	January 28, 2008	February 8, 2008
7	February 4, 2008	February 15, 2008
8	February 11, 2008	February 22, 2008
9	February 19, 2008	February 29, 2008
10	February 25, 2008	March 7, 2008
11	March 3, 2008	March 14, 2008
12	March 10, 2008	March 21, 2008
13	March 17, 2008	March 28, 2008
14	March 24, 2008	April 4, 2008
15	March 31, 2008	April 11, 2008
16	April 7, 2008	April 18, 2008
17	April 14, 2008	April 25, 2008
18	April 21, 2008	May 2, 2008
19	April 28, 2008	May 9, 2008
20	May 5, 2008	May 16, 2008
21	May 12, 2008	May 23, 2008
22	May 19, 2008	May 30, 2008
23	May 27, 2008	June 6, 2008

24	June 2, 2008	June 13, 2008
25	June 9, 2008	June 20, 2008
26	June 16, 2008	June 27, 2008
27	June 23, 2008	July 7, 2008
28	June 30, 2008	July 11, 2008
29	July 7, 2008	July 18, 2008
30	July 14, 2008	July 25, 2008
31	July 21, 2008	August 1, 2008
32	July 28, 2008	August 8, 2008
33	August 4, 2008	August 15, 2008
34	August 11, 2008	August 22, 2008
35	August 18, 2008	August 29, 2008
36	August 25, 2008	September 5, 2008
37	September 2, 2008	September 12, 2008
38	September 8, 2008	September 19, 2008
39	September 15, 2008	September 26, 2008
40	September 22, 2008	October 3, 2008
41	September 29, 2008	October 10, 2008
42	October 6, 2008	October 17, 2008
43	October 14, 2008	October 24, 2008
44	October 20, 2008	October 31, 2008
45	October 27, 2008	November 7, 2008
46	November 3, 2008	November 14, 2008
47	November 10, 2008	November 21, 2008
48	November 17, 2008	December 1, 2008
49	November 24, 2008	December 5, 2008
50	December 1, 2008	December 12, 2008
51	December 8, 2008	December 19, 2008
52	December 15, 2008	December 26, 2008
53	December 22, 2008	January 2, 2009

Editor's Note: The Secretary of State Index Department is providing this opportunity to notify you that the next filing period for your Regulatory Agenda will occur from April 21, 2008 to July 1, 2008.

ILLINOIS LAW ENFORCEMENT TRAINING AND STANDARDS BOARD

NOTICE OF PROPOSED AMENDMENT

- 1) Heading of the Part: Illinois Police Training Act
- 2) Code Citation: 20 Ill Adm. Code 1720
- 3) Section Number: 1720.80 Proposed Action: New Section
- 4) Statutory Authority: 50 ILCS 705, as amended by Public Act 90-540, effective Dec. 1, 1997
- 5) A Complete Description of the Subjects and Issues Involved: This rulemaking contains the minimum standard training requirements for "conservators of the peace" as defined in Section 10.5 of the Police Training Act; Section 3.1-15-25 of the Illinois Municipal Code and Section 4-7 of the Park District Code.
- 6) Published studies or reports, and sources of underlying data, used to compose this rulemaking: Revalidation of Law Enforcement Basic Training Curriculum – 2007
- 7) Will this rulemaking replace any emergency rulemaking currently in effect? No
- 8) Does this rulemaking contain an automatic repeal date? No
- 9) Does this rulemaking contain incorporations by reference? Yes
- 10) Are there any other proposed rulemakings pending on this Part? No
- 11) Statement of Statewide Policy Objectives: A standard training course for those individuals designated as "conservators of the peace" under Section 3.1-15-25 of the Illinois Municipal Code and Section 4-7 of the Park District Code is in the best interest of the health, welfare and safety of the citizen of the State of Illinois.
- 12) Time, Place, and Manner in which interested persons may comment on this proposed rulemaking: The Agency shall accept and consider all submissions from any interested persons data, views, arguments or comments submitted either orally or in writing to :

Daniel Nelson
General Counsel
Illinois Law Enforcement Training and Standards Board
600 South Second Street

ILLINOIS LAW ENFORCEMENT TRAINING AND STANDARDS BOARD

NOTICE OF PROPOSED AMENDMENT

Springfield, Illinois 62704

217/782-4540

- 13) Initial Regulatory Flexibility Analysis:
- A) Types of small businesses, small municipalities and not for profit corporations affected: Municipalities and Park Districts
 - B) Reporting, bookkeeping or other procedures required for compliance: Submission of personnel rosters; application to training academies; criminal background checks based on finger prints; tuition reimbursement forms
 - C) Types of Professional skills necessary for compliance: Routine clerical skills for the employing unit of local government; academic skills and physical abilities for the training candidate
- 14) Regulatory Agenda on which this rulemaking was summarized: this rulemaking was not included on either of the 2 most recent agendas because: This rulemaking is being initiated now on the recommendation of a legislator.

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

ILLINOIS LAW ENFORCEMENT TRAINING AND STANDARDS BOARD

NOTICE OF PROPOSED AMENDMENT

TITLE 20: CORRECTIONS, CRIMINAL JUSTICE, AND LAW ENFORCEMENT
CHAPTER V: ILLINOIS LAW ENFORCEMENT TRAINING AND STANDARDS BOARDPART 1720
ILLINOIS POLICE TRAINING ACT

SUBPART A: CERTIFICATION OF POLICE OFFICERS

Section	
1720.10	Course Requirements
1720.15	Equivalency Examination
1720.20	Minimum Requirements of the Trainee
1720.25	Procedures for Administration of Law Enforcement and Correctional Officers Certification Examination
1720.30	School Standards and Requirements
1720.35	Academy Entrance Qualifications
1720.40	Qualification of Police Instructors
1720.50	Reimbursements
1720.60	Requirements of Participating Local Agencies
1720.70	Minimum Training Requirements for Illinois Sheriffs
<u>1720.80</u>	<u>Conservator of the Peace Training Course</u>

SUBPART B: DECERTIFICATION OF POLICE OFFICERS

Section	
1720.100	Purpose
1720.110	Definitions
1720.120	Submission and Review of a Complaint
1720.130	Certification Revocation
1720.140	Reporting
1720.150	Law Enforcement Training and Standards Board Costs and Attorney Fees Fund

SUBPART C: WEAPON CERTIFICATION FOR
RETIRED LAW ENFORCEMENT OFFICERS

Section	
1720.200	Purpose
1720.210	Statutory Authority
1720.220	Definitions

ILLINOIS LAW ENFORCEMENT TRAINING AND STANDARDS BOARD

NOTICE OF PROPOSED AMENDMENT

1720.230	Compliance with Laws and Rules
1720.240	Eligibility Requirements
1720.245	Background Investigation
1720.250	Application Procedure
1720.260	Permits
1720.270	Denial, Suspension and Revocation
1720.280	Firearm Certification Program - Approval
1720.290	Range Officer - Approval

1720.APPENDIX A Physical Fitness Standards

1720.APPENDIX B Complaint Form

1720.APPENDIX C Firearm Course-of-Fire

AUTHORITY: Implementing and authorized by Sections 6.1 and 10.5 of the Illinois Police Training Act [50 ILCS 705/6.1 and 10.5].

SOURCE: Filed and effective July 26, 1966; codified at 7 Ill. Reg. 11232; amended at 8 Ill. Reg. 12259, effective July 1, 1984; amended at 11 Ill. Reg. 16692, effective October 6, 1987; amended at 12 Ill. Reg. 3728, effective February 2, 1988; amended at 13 Ill. Reg. 19957, effective December 11, 1989; amended at 14 Ill. Reg. 14800, effective September 4, 1990; amended at 15 Ill. Reg. 999, effective January 14, 1991; amended at 16 Ill. Reg. 4002, effective February 28, 1992; emergency amendment at 16 Ill. Reg. 727, effective January 1, 1992; amended at 16 Ill. Reg. 18811, effective November 19, 1992; emergency amendment at 28 Ill. Reg. 6479, effective April 12, 2004, for a maximum of 150 days; emergency expired September 8, 2004; amended at 28 Ill. Reg. 13537, effective September 23, 2004; emergency amendment at 29 Ill. Reg. 19708, effective November 15, 2005, for a maximum of 150 days; amended at 30 Ill. Reg. 7925, effective April 11, 2006; amended at 32 Ill. Reg. _____, effective _____.

SUBPART A: CERTIFICATION OF POLICE OFFICERS

Section 1720.80 Conservator of the Peace Training Course

- a) Any person designated as a conservator of the peace under Section 3.1-15-25 of the Illinois Municipal Code [65 ILCS 5/3.1-15-25] or Section 4-7 of the Park District Code [70 ILCS 1205/4-7] must comply with the standards for basic law enforcement officers training as set out in the Police Training Act [50 ILCS 705] and Subpart A of this Part before exercising any police authority.

ILLINOIS LAW ENFORCEMENT TRAINING AND STANDARDS BOARD

NOTICE OF PROPOSED AMENDMENT

- b) The standards for academy entrance, certification and decertification applicable to law enforcement officers shall be the same for conservators of the peace.
- c) Any annual training required of law enforcement officers by State or federal law will be required of conservators of the peace.
- d) The time limitations described in Section 1720.20(f) shall not apply to mayors, alderman, presidents, trustees or park district board members.

(Source: Added at 32 Ill. Reg. _____, effective _____)

ILLINOIS RACING BOARD

NOTICE OF PROPOSED AMENDMENT

- 1) Heading of the Part: Interstate Common Pools
- 2) Code Citation: 11 Ill. Adm. Code 302
- 3) Section Number: 302.40 Proposed Action:
New Section
- 4) Statutory Authority: Implementing and authorized by the Illinois Horse Racing Act of 1975 [230 ILCS 5/9(b)]
- 5) A Complete Description of the Subjects and Issues Involved: This proposed rulemaking will permit Illinois racetracks to participate in multi-track events using a shared carryover wagering pool. The racetracks involved could be multiple Illinois racetracks or out of state racetracks. The supplemented carryover pools will generate additional wagering interest resulting in increased handle, purses and State revenue.
- 6) Published studies or reports and sources of underlying data used to compose this rulemaking: None
- 7) Will this rulemaking replace any emergency rulemaking currently in effect? No
- 8) Does this rulemaking contain an automatic repeal date? No
- 9) Does this rulemaking contain incorporations by reference? No
- 10) Are there any other proposed rulemakings pending on this Part? No
- 11) Statement of Statewide Policy Objectives: No local governmental units will be required to increase expenditures.
- 12) Time, Place and Manner in which interested persons may comment on this proposed rulemaking: Written comments should be submitted, within 45 days after this Notice, to:

Micky Ezzo
Illinois Racing Board
100 West Randolph
Chicago, Illinois 60601

312/814-5017

ILLINOIS RACING BOARD

NOTICE OF PROPOSED AMENDMENT

- 13) Initial Regulatory Flexibility Analysis:
- A) Types of small businesses, small municipalities and not for profit corporations affected: None
 - B) Reporting, bookkeeping or other procedures required for compliance: None
 - C) Types of professional skills necessary for compliance: None
- 14) Regulatory Agenda on which this rulemaking was summarized: This rulemaking was inadvertently not included on the 2008 Regulatory agenda.

The full text of the Proposed Amendment is identical to the text of the Emergency Amendment found in this issue of the *Illinois Register* on page 7426.

DEPARTMENT OF REVENUE

NOTICE OF PROPOSED AMENDMENT

- 1) Heading of the Part: Income Tax
- 2) Code Citation: 86 Ill. Adm. Code 100
- 3) Section Number: 100.2199 Proposed Action:
Amendment
- 4) Statutory Authority: 35 ILCS 5/212 and 5/1401
- 5) A Complete Description of the Subjects and Issues Involved: Prior to the enactment of Public Act 95-333, the earned income tax credit allowed under IITA Section 212 was refundable only if the taxpayer was eligible for Temporary Assistance for Needy Families. A refundable credit is one that can reduce the taxpayer's liability to below zero, allowing a "refund" that is actually greater than any withholding or other payments made by the taxpayer. Under Public Act 95-0333, the earned income credit is refundable for all taxpayers.
- 6) Published studies or reports and sources of underlying data used to compose this rulemaking: None
- 7) Will this rulemaking replace any emergency rulemaking currently in effect? No
- 8) Does this rulemaking contain an automatic repeal date? No
- 9) Does this rulemaking contain incorporations by reference? No
- 10) Are there any other proposed rulemakings pending on this Part? Yes

<u>Section Numbers:</u>	<u>Proposed Action:</u>	<u>IL Register Citation:</u>
100.2406	New Section	31 Ill. Reg. 15240; November 16, 2007
100.3380	Amendment	32 Ill. Reg 798; January 18, 2008
100.9700	Amendment	32 Ill. Reg 798; January 18, 2008
100.5040	Amendment	32 Ill. Reg. 4574; April 4, 2008
100.3500	Amendment	32 Ill. Reg. 5936; April 11, 2008
100.9730	New Section	32 Ill. Reg. 5936; April 11, 2008
100.2455	New Section	32 Ill. Reg. 6438; April 18, 2008
100.2655	New Section	32 Ill. Reg. 6923; April 25, 2008
100.2196	Amendment	32 Ill. Reg. 7036; May 2, 2008

DEPARTMENT OF REVENUE

NOTICE OF PROPOSED AMENDMENT

- 11) Statement of Statewide Policy Objective: This rulemaking does not create a State mandate, nor does it modify any existing State mandates.
- 12) Time, Place and Manner in which interested persons may comment on this rulemaking: Persons who wish to submit comments on this rulemaking may submit them in writing by no later than 45 days after publication of this Notice to:

Paul Caselton
Deputy General Counsel - Income Tax
Illinois Department of Revenue
Legal Services Office
101 West Jefferson
Springfield, Illinois 62794

217/524-3951
- 13) Initial Regulatory Flexibility Analysis:
 - A) Types of small businesses, small municipalities and not-for-profit corporations affected: Low-income individuals whose earned income is derived from a small business they conduct may be entitled to a greater earned income credit under IITA Section 212 as amended by Public Act 95-0333. Municipalities and corporations are not affected.
 - B) Reporting, bookkeeping or other procedures required for compliance: None
 - C) Types of professional skills necessary for compliance: None
- 14) Regulatory Agenda on which this rulemaking was summarized: January 2008

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

DEPARTMENT OF REVENUE

NOTICE OF PROPOSED AMENDMENT

TITLE 86: REVENUE
CHAPTER I: DEPARTMENT OF REVENUEPART 100
INCOME TAX

SUBPART A: TAX IMPOSED

Section

- 100.2000 Introduction
100.2050 Net Income (IITA Section 202)

SUBPART B: CREDITS

Section

- 100.2100 Replacement Tax Investment Credit Prior to January 1, 1994 (IITA 201(e))
100.2101 Replacement Tax Investment Credit (IITA 201(e))
100.2110 Investment Credit; Enterprise Zone and River Edge Redevelopment Zone (IITA 201(f))
100.2120 Jobs Tax Credit; Enterprise Zone and Foreign Trade Zone or Sub-Zone (IITA 201(g))
100.2130 Investment Credit; High Impact Business (IITA 201(h))
100.2140 Credit Against Income Tax for Replacement Tax (IITA 201(i))
100.2150 Training Expense Credit (IITA 201(j))
100.2160 Research and Development Credit (IITA 201(k))
100.2163 Environmental Remediation Credit (IITA 201(l))
100.2165 Education Expense Credit (IITA 201(m))
100.2170 Tax Credits for Coal Research and Coal Utilization Equipment (IITA 206)
100.2180 Credit for Residential Real Property Taxes (IITA 208)
100.2185 Film Production Services Credit (IITA 213)
100.2190 Tax Credit for Affordable Housing Donations (IITA Section 214)
100.2195 Dependent Care Assistance Program Tax Credit (IITA 210)
100.2196 Employee Child Care Assistance Program Tax Credit (IITA Section 210.5)
100.2197 Foreign Tax Credit (IITA Section 601(b)(3))
100.2198 Economic Development for a Growing Economy Credit (IITA 211)
100.2199 Illinois Earned Income Tax Credit (IITA [Section 212](#))

SUBPART C: NET OPERATING LOSSES OF UNITARY BUSINESS GROUPS

DEPARTMENT OF REVENUE

NOTICE OF PROPOSED AMENDMENT

OCCURRING PRIOR TO DECEMBER 31, 1986

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

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

Section	
100.2300	Illinois Net Loss Deduction for Losses Occurring On or After December 31, 1986 (IITA 207)
100.2310	Computation of the Illinois Net Loss Deduction for Losses Occurring On or After December 31, 1986 (IITA 207)
100.2320	Determination of the Amount of Illinois Net Loss for Losses Occurring On or After December 31, 1986
100.2330	Illinois Net Loss Carrybacks and Net Loss Carryovers for Losses Occurring On or After December 31, 1986
100.2340	Illinois Net Losses and Illinois Net Loss Deductions for Losses Occurring On or After December 31, 1986, of Corporations that are Members of a Unitary

DEPARTMENT OF REVENUE

NOTICE OF PROPOSED AMENDMENT

- 100.2350 Business Group: Separate Unitary Versus Combined Unitary Returns
Illinois Net Losses and Illinois Net Loss Deductions, for Losses Occurring On or
After December 31, 1986, of Corporations that are Members of a Unitary
Business Group: Changes in Membership

SUBPART E: ADDITIONS TO AND SUBTRACTIONS FROM TAXABLE INCOME OF
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Section

- 100.2405 Gross Income, Adjusted Gross Income, Taxable Income and Base Income
Defined; Double Deductions Prohibited; Legislative Intention (IITA Section
203(e), (g) and (h))
- 100.2410 Net Operating Loss Carryovers for Individuals, and Capital Loss and Other
Carryovers for All Taxpayers (IITA Section 203)
- 100.2430 Addition and Subtraction Modifications for Transactions with 80-20 Companies
- 100.2450 IIT Refunds (IITA Section 203(a)(2)(H), (b)(2)(F), (c)(2)(J) and (d)(2)(F))
- 100.2470 Subtraction of Amounts Exempt from Taxation by Virtue of Illinois Law, the
Illinois or U.S. Constitutions, or by Reason of U.S. Treaties or Statutes (IITA
Sections 203(a)(2)(N), 203(b)(2)(J), 203(c)(2)(K) and 203(d)(2)(G))
- 100.2480 Enterprise Zone Dividend Subtraction (IITA Sections 203(a)(2)(J), 203(b)(2)(K),
203(c)(2)(M) and 203(d)(2)(K))
- 100.2490 Foreign Trade Zone/High Impact Business Dividend Subtraction (IITA Sections
203(a)(2)(K), 203(b)(2)(L), 203(c)(2)(O), 203(d)(2)(M))

SUBPART F: BASE INCOME OF INDIVIDUALS

Section

- 100.2580 Medical Care Savings Accounts (IITA Sections 203(a)(2)(D-5), 203(a)(2)(S) and
203(a)(2)(T))
- 100.2590 Taxation of Certain Employees of Railroads, Motor Carriers, Air Carriers and
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DEPARTMENT OF REVENUE

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APPORTIONMENT OF BASE INCOME

Section

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

SUBPART J: COMPENSATION

Section

100.3100	Compensation (IITA Section 302)
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Section

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

SUBPART L: BUSINESS INCOME OF PERSONS OTHER THAN RESIDENTS

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100.3310	Business Income of Persons Other Than Residents (IITA Section 304) – In General
100.3320	Business Income of Persons Other Than Residents (IITA Section 304) – Apportionment (Repealed)
100.3330	Business Income of Persons Other Than Residents (IITA Section 304) – Allocation
100.3340	Business Income of Persons Other Than Residents (IITA Section 304)
100.3350	Property Factor (IITA Section 304)
100.3360	Payroll Factor (IITA Section 304)
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- 100.3380 Special Rules (IITA Section 304)
100.3390 Petitions for Alternative Allocation or Apportionment (IITA Section 304(f))
100.3400 Apportionment of Business Income of Financial Organizations (IITA Section 304(c))
100.3420 Apportionment of Business Income of Insurance Companies (IITA Section 304(b))
100.3500 Allocation and Apportionment of Base Income by Nonresident Partners

SUBPART M: ACCOUNTING

- Section
100.4500 Carryovers of Tax Attributes (IITA Section 405)

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100.5040 Innocent Spouses
100.5050 Frivolous Returns
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100.5110 Composite Returns: Responsibilities of Authorized Agent
100.5120 Composite Returns: Individual Liability
100.5130 Composite Returns: Required forms and computation of Income
100.5140 Composite Returns: Estimated Payments
100.5150 Composite Returns: Tax, Penalties and Interest
100.5160 Composite Returns: Credits for Resident Individuals

DEPARTMENT OF REVENUE

NOTICE OF PROPOSED AMENDMENT

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100.5250 Liability for Combined Tax, Penalty and Interest
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SUBPART R: AMOUNT EXEMPT FROM WITHHOLDING

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DEPARTMENT OF REVENUE

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

SUBPART S: INFORMATION STATEMENT

- Section
- 100.7200 Reports for Employee (IITA Section 703)

SUBPART T: EMPLOYER'S RETURN AND PAYMENT OF TAX WITHHELD

- Section
- 100.7300 Returns of Income Tax Withheld from Wages (IITA Section 704)
- 100.7310 Quarterly Returns Filed on Annual Basis (IITA Section 704)
- 100.7320 Time for Filing Returns (IITA Section 704)
- 100.7330 Payment of Tax Deducted and Withheld (IITA Section 704)
- 100.7340 Correction of Underwithholding or Overwithholding (IITA Section 704)

SUBPART U: COLLECTION AUTHORITY

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

SUBPART V: NOTICE AND DEMAND

- Section
- 100.9100 Notice and Demand (IITA Section 902)

SUBPART W: ASSESSMENT

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

SUBPART X: DEFICIENCIES AND OVERPAYMENTS

Section

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

SUBPART Y: CREDITS AND REFUNDS

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

SUBPART Z: INVESTIGATIONS AND HEARINGS

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

SUBPART AA: JUDICIAL REVIEW

Section	
100.9600	Administrative Review Law (IITA Section 1201)

SUBPART BB: DEFINITIONS

Section	
100.9700	Unitary Business Group Defined (IITA Section 1501)
100.9710	Financial Organizations (IITA Section 1501)
100.9720	Nexus
100.9750	Corporation, Subchapter S Corporation, Partnership and Trust Defined (IITA Section 1501)

SUBPART CC: LETTER RULING PROCEDURES

Section

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100.9800 Letter Ruling Procedures

SUBPART DD: MISCELLANEOUS

Section

100.9900 Tax Shelter Voluntary Compliance Program

100.APPENDIX A Business Income Of Persons Other Than Residents

100.TABLE A Example of Unitary Business Apportionment

100.TABLE B Example of Unitary Business Apportionment for Groups Which Include Members Using Three-Factor and Single-Factor Formulas

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

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

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August 9, 1993; recodified at 17 Ill. Reg. 14189; amended at 17 Ill. Reg. 19632, effective November 1, 1993; amended at 17 Ill. Reg. 19966, effective November 9, 1993; amended at 18 Ill. Reg. 1510, effective January 13, 1994; amended at 18 Ill. Reg. 2494, effective January 28, 1994; amended at 18 Ill. Reg. 7768, effective May 4, 1994; amended at 19 Ill. Reg. 1839, effective February 6, 1995; amended at 19 Ill. Reg. 5824, effective March 31, 1995; emergency amendment at 20 Ill. Reg. 1616, effective January 9, 1996, for a maximum of 150 days; amended at 20 Ill. Reg. 6981, effective May 7, 1996; amended at 20 Ill. Reg. 10706, effective July 29, 1996; amended at 20 Ill. Reg. 13365, effective September 27, 1996; amended at 20 Ill. Reg. 14617, effective October 29, 1996; amended at 21 Ill. Reg. 958, effective January 6, 1997; emergency amendment at 21 Ill. Reg. 2969, effective February 24, 1997, for a maximum of 150 days; emergency expired July 24, 1997; amended at 22 Ill. Reg. 2234, effective January 9, 1998; amended at 22 Ill. Reg. 19033, effective October 1, 1998; amended at 22 Ill. Reg. 21623, effective December 15, 1998; amended at 23 Ill. Reg. 3808, effective March 11, 1999; amended at 24 Ill. Reg. 10593, effective July 7, 2000; amended at 24 Ill. Reg. 12068, effective July 26, 2000; emergency amendment at 24 Ill. Reg. 17585, effective November 17, 2000, for a maximum of 150 days; amended at 24 Ill. Reg. 18731, effective December 11, 2000; amended at 25 Ill. Reg. 4640, effective March 15, 2001; amended at 25 Ill. Reg. 4929, effective March 23, 2001; amended at 25 Ill. Reg. 5374, effective April 2, 2001; amended at 25 Ill. Reg. 6687, effective May 9, 2001; amended at 25 Ill. Reg. 7250, effective May 25, 2001; amended at 25 Ill. Reg. 8333, effective June 22, 2001; amended at 26 Ill. Reg. 192, effective December 20, 2001; amended at 26 Ill. Reg. 1274, effective January 15, 2002; amended at 26 Ill. Reg. 9854, effective June 20, 2002; amended at 26 Ill. Reg. 13237, effective August 23, 2002; amended at 26 Ill. Reg. 15304, effective October 9, 2002; amended at 26 Ill. Reg. 17250, effective November 18, 2002; amended at 27 Ill. Reg. 13536, effective July 28, 2003; amended at 27 Ill. Reg. 18225, effective November 17, 2003; emergency amendment at 27 Ill. Reg. 18464, effective November 20, 2003, for a maximum of 150 days; emergency expired April 17, 2004; amended at 28 Ill. Reg. 1378, effective January 12, 2004; amended at 28 Ill. Reg. 5694, effective March 17, 2004; amended at 28 Ill. Reg. 7125, effective April 29, 2004; amended at 28 Ill. Reg. 8881, effective June 11, 2004; emergency amendment at 28 Ill. Reg. 14271, effective October 18, 2004, for a maximum of 150 days; amended at 28 Ill. Reg. 14868, effective October 26, 2004; emergency amendment at 28 Ill. Reg. 15858, effective November 29, 2004, for a maximum of 150 days; amended at 29 Ill. Reg. 2420, effective January 28, 2005; amended at 29 Ill. Reg. 6986, effective April 26, 2005; amended at 29 Ill. Reg. 13211, effective August 15, 2005; amended at 29 Ill. Reg. 20516, effective December 2, 2005; amended at 30 Ill. Reg. 6389, effective March 30, 2006; amended at 30 Ill. Reg. 10473, effective May 23, 2006; amended by 30 Ill. Reg. 13890, effective August 1, 2006; amended at 30 Ill. Reg. 18739, effective November 20, 2006; amended at 31 Ill. Reg. 16240, effective November 26, 2007; amended at 32 Ill. Reg. 872, effective January 7, 2008; amended at 32 Ill. Reg. 1407, effective January 16, 2008; amended at 32 Ill. Reg. 3400, effective

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February 25, 2008; amended at 32 Ill. Reg. 6055, effective March 25, 2008; amended at 32 Ill. Reg. _____, effective _____.

SUBPART B: CREDITS

Section 100.2199 Illinois Earned Income Tax Credit (IITA Section 212)

- a) *For taxable years beginning on or after January 1, 2000 and ending on or before December 31, 2002, an individual shall be allowed a credit against the tax imposed by IITA Section 201(a) and (b) for the taxable year equal to 5% of the federal earned income tax credit allowed for such taxable year pursuant to IRC Section 32. (IITA Section 212(a))*
- b) Credit in excess of liability.
- 1) For tax years beginning before January 1, 2003, the ~~The~~ credit allowed for the taxable year may not reduce the taxpayer's liability under the IITA ~~this Act~~ to less than zero. *Therefore, no part of the credit is refundable in the event the tax liability of the taxpayer is reduced to zero. (IITA Section 212(b))*
- 2) For tax years beginning on or after January 1, 2003 and ending prior to August 21, 2007 (the effective date of Public Act 95-333), if the amount of the credit exceeds the income tax liability for the applicable tax year, then the excess credit shall be refunded to the taxpayer only if the refund is counted towards the State's ability to meet its required Maintenance of Effort to qualify for reimbursement under the federal Temporary Assistance for Needy Families Block Grant. (IITA Section 212(b) and (b-5))
- 3) For tax years ending on or after August 21, 2007, if the amount of the credit exceeds the income tax liability for the applicable tax year, then the excess credit shall be refunded to the taxpayer. (IITA Section 212(b))
- 4) Excess credit may not be carried over to other tax years.
- c) In the case of a nonresident or part-year resident, the Illinois earned income tax credit shall be equal to 5% of that portion of the federal earned income tax credit

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allowed pursuant to Section 32 of the IRC that bears the same ratio as the taxpayer's base income allocable to Illinois bears to the taxpayer's base income everywhere. [\(See IITA Section 212\(a\).\)](#)

(Source: Amended at 32 Ill. Reg. _____, effective _____)

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NOTICE OF PROPOSED AMENDMENTS

- 1) Heading of the Part: Student Records
- 2) Code Citation: 23 Ill. Adm. Code 375
- 3)

<u>Section Numbers:</u>	<u>Proposed Action:</u>
375.10	Amendment
375.75	Amendment
- 4) Statutory Authority: 105 ILCS 110 and 105 ILCS 5/2-3.13a
- 5) A Complete Description of the Subjects and Issues Involved: This rulemaking stems from the work of the Illinois College and Work Readiness Partnership and its efforts to develop a longitudinal data system linking elementary and secondary school data with postsecondary institutions through the State Board of Education's Student Information System (SIS) and various postsecondary data systems (particularly, the Illinois Community College Board's data system and the Shared Enrollment and Graduation File). The purpose of the longitudinal data system is to create the capability to collect data and conduct research that will provide State policymakers, school districts and schools with information on high school graduates' outcomes in college and the workplace so as to prepare students to succeed in postsecondary learning and the workplace.

In order to establish the link necessary to collect data for research efforts, the proposed amendments require that a student's academic transcript (Section 375.10) and his or her "Official Transcript of Scholastic Records" (Section 375.75(f)) each contain the student's unique identifier assigned by and used in conjunction with the SIS. The academic transcript will be shared with postsecondary institutions when a student makes application or with a future employer, if required. The "Official Transcript of Scholastic Records" is shared among elementary and secondary school districts when a student transfers, and the unique student identifier on that will ensure that students are tracked throughout their elementary and secondary school experiences. Postsecondary institutions will input the unique student identifier into postsecondary data systems, thereby allowing linkages between these systems and the agency's SIS.

The student's unique identifier on the transcript or the scholastic records will not enable the recipient of either of those documents to access an individual student's records stored on the SIS. Rather, it only would allow for the merging of data between the postsecondary level and information stored in SIS so that research and analysis can be

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conducted. The merging of all data will be carried out in strict conformance with State and federal privacy protection laws.

- 6) Published studies or reports, and sources of underlying data, used to compose this rulemaking: None
- 7) Will this rulemaking replace any emergency rulemaking currently in effect? No
- 8) Does this rulemaking contain an automatic repeal date? No
- 9) Does this rulemaking contain incorporations by reference? Yes
- 10) Are there any other proposed rulemakings pending on this Part? No
- 11) Statement of Statewide Policy Objectives: This rulemaking will not create or enlarge a State mandate.
- 12) Time, Place, and Manner in which interested persons may comment on this proposed rulemaking: Written comments may be submitted within 45 days after the publication of this Notice to:

Sally Vogl
Agency Rules Coordinator
Illinois State Board of Education
100 North First Street, S-493
Springfield, Illinois 62777-0001

217/782-5270

Comments may also be submitted electronically, addressed to:

rules@isbe.net

- 13) Initial Regulatory Flexibility Analysis:
 - A) Types of small businesses, small municipalities and not-for-profit corporations affected: None
 - B) Reporting, bookkeeping or other procedures required for compliance: None

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- C) Types of professional skills necessary for compliance: None
- 14) Regulatory Agenda on witch this rulemaking was summarized: this rulemaking did not appear in either of the two most recent Regulatory Agendas because: the Illinois State Board of Education's intent to go forward with these amendments was considered at its March 19-20, 2008 meeting.

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

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NOTICE OF PROPOSED AMENDMENTS

TITLE 23: EDUCATION AND CULTURAL RESOURCES

SUBTITLE A: EDUCATION

CHAPTER I: STATE BOARD OF EDUCATION

SUBCHAPTER k: SCHOOL RECORDS

PART 375

STUDENT RECORDS

Section

375.10	Definitions
375.20	Rights of Students
375.30	Notification
375.40	Maintenance
375.50	Cost for Copies of Records
375.60	Emergency Release of Information
375.70	Release of Information
375.75	Public and Nonpublic Schools: Transmission of Records for Transfer Students
375.80	Directory Information
375.90	Challenge Procedures
375.100	Implementation
375.110	Enforcement

AUTHORITY: Implementing and authorized by the Illinois School Student Records Act [105 ILCS 10] and Section 2-3.13a of the School Code [105 ILCS 5/2-3.13a].

SOURCE: Emergency rule adopted March 24, 1976; codified at 7 Ill. Reg. 12864; amended at 10 Ill. Reg. 12602, effective July 9, 1986; amended at 12 Ill. Reg. 4818, effective February 25, 1988; amended at 20 Ill. Reg. 15304, effective November 18, 1996; amended at 23 Ill. Reg. 13843, effective November 8, 1999; amended at 26 Ill. Reg. 16202, effective October 21, 2002; amended at 29 Ill. Reg. 5467, effective March 29, 2005; amended at 32 Ill. Reg. 7143, effective April 17, 2008; amended at 32 Ill. Reg. _____, effective _____.

Section 375.10 Definitions

"Act" means the Illinois School Student Records Act [105 ILCS 10].

"Student Permanent Record" means and shall consist of the following, as limited by Section 2(d) of the Act [105 ILCS 10/2(d)]:

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Basic identifying information, including the student's name and address, birth date and place, and gender, and the names and addresses of the student's parents;

Academic transcript, including grades, class rank, graduation date, grade level achieved, ~~and~~ scores on college entrance examinations, and the unique student identifier assigned and used by the Student Information System established pursuant to Section 1.75 of rules governing Public Schools Evaluation, Recognition and Supervision (23 Ill. Adm. Code 1.75);

Attendance record;

Accident reports and health record;

Record of release of permanent record information in accordance with Section 6(c) of the Act [105 ILCS 10/6(c)]; and

Scores received on all State assessment tests administered at the high school level (i.e., grades 9 through 12) (see 105 ILCS 5/2-3.64(a)); and

May also consist of:

Honors and awards received; and

Information concerning participation in school-sponsored activities or athletics, or offices held in school-sponsored organizations.

No other information shall be placed in the student permanent record.

"Student Temporary Record" means all information not required to be in the student permanent record and shall consist of the following, as limited by Section 2(d) of the Act:

A record of release of temporary record information in accordance with Section 6(c) of the Act [105 ILCS 10/6(c)];

Scores received on the State assessment tests administered in the

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elementary grade levels (i.e., kindergarten through grade 8) (see 105 ILCS 5/2-3.64(a));

The completed home language survey form (see 23 Ill. Adm. Code 228.15);

Information regarding serious infractions (i.e., those involving drugs, weapons, or bodily harm to another) that resulted in expulsion, suspension or the imposition of punishment or sanction;

Information provided under Section 8.6 of the Abused and Neglected Child Reporting Act [325 ILCS 5/8.6], as required by Section 2(f) of the Act [105 ILCS 10/2(f)]; and

Any biometric information that is collected in accordance with Section 10-20.40 or 34-18.34 of the School Code [105 ILCS 5/10-20.40 or 34-18.34]; and

May also consist of:

Family background information;

Intelligence test scores, group and individual;

Aptitude test scores;

Reports of psychological evaluations, including information on intelligence, personality and academic information obtained through test administration, observation, or interviews;

Elementary and secondary achievement level test results;

Participation in extracurricular activities, including any offices held in school-sponsored clubs or organizations;

Honors and awards received;

Teacher anecdotal records;

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Other disciplinary information;

Special education files, including the report of the multidisciplinary staffing on which placement or nonplacement was based, and all records and tape recordings relating to special education placement hearings and appeals;

Any verified reports or information from non-educational persons, agencies or organizations; and

Other verified information of clear relevance to the education of the student.

"Substitute" means a person designated by the school to temporarily serve in the event of absence of a person employed by the school.

(Source: Amended at 32 Ill. Reg. _____, effective _____)

Section 375.75 Public and Nonpublic Schools: Transmission of Records for Transfer Students

- a) This Section implements Section 2-3.13a of the School Code [105 ILCS 5/2-3.13a], Section 5 of the Missing Children Records Act [325 ILCS 50/5] and Section 5 of the Missing Children Registration Law [325 ILCS 55/5]. This Section is applicable to all public, private or nonpublic elementary and secondary schools in the State of Illinois.
- b) Within 14 days after enrolling a transfer student, an elementary or secondary school shall comply with the requirements of Section 5 of the Missing Children Records Act and Section 5 of the Missing Children Registration Law regarding the records of such transfer student. The transfer of the record by a public school is subject to the prior notice to parents required by Section 375.70(a) of this Part.
- c) A request made pursuant to subsection (b) of this Section for a certified copy of a student's record shall satisfy the requirement of Section 2-3.13a(c) of the School Code regarding documentation of enrollment of a transfer student.
- d) If within 150 days after a student leaves a school, that school or school district has not received a request for the student's record, or been presented with other

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documentation that the student has enrolled in another school, then the student shall be counted in the school's or school district's calculation of its annual dropout rate (see Section 2-3.13a(c) of the School Code).

- e) As used in this Section, "Unofficial Record of Student Grades" means written information relative to the grade levels and subjects in which a student was enrolled and the record of academic grades achieved by that student prior to transfer. Such records shall also include the name and address of the school, the name of the student to whom the records pertain, the name and title of the school official transmitting the records, and the date of transmittal.
- f) As used in this Section, "Official Transcript of Scholastic Records" means the formal record showing dates of enrollment; courses studied; grades, credits, and awards received; and the unique student identifier assigned and used by the Student Information System; and bearing the signature and title of the certifying official, the seal of the school, if any, and the date of issue.
- g) As used in this Section, "Certified Copy of Student's Record" means:
 - 1) for public schools, the student's permanent and temporary record as defined in Section 375.10 of this Part; and
 - 2) for private and nonpublic schools, the individual student information maintained by such schools for all of their students. Such information may include:
 - A) Basic identifying information, including the student's name and address, birth date and place, and gender, and the names and addresses of the student's parents;
 - B) Academic transcript, including grades, class rank, graduation date, grade level achieved and scores on college entrance examinations;
 - C) Attendance record;
 - D) Accident reports and health record;
 - E) Honors and awards received; and

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- F) Information concerning participation in school-sponsored activities or athletics, or offices held in school-sponsored organizations.
- h) If the student has unpaid fines or fees and is transferring to a public school located in Illinois or any other state, the school may elect to include in the student's record transferred pursuant to this Section the unofficial record of the student's grades in lieu of the student's official transcript of scholastic records. If the school so elects, the school shall within 10 calendar days after the student has paid all of his or her unpaid fines or fees and at its own expense forward the student's official transcript of scholastic records to the student's new school.
- i) If the student is transferring to another public school located in Illinois or any other state and at the time of the transfer is currently serving a term of suspension or expulsion for any reason, then the transferring school shall include with the transferred records:
- 1) the date and duration of the period of any current suspension or expulsion; and
 - 2) whether the suspension or expulsion is for *knowingly possessing in a school building or on school grounds a weapon as defined in the Gun Free Schools Act (20 USC 8921 et seq.), for knowingly possessing, selling, or delivering in a school building or on school grounds a controlled substance or cannabis, or for battering a staff member of the school.* (Section 2-3.13a of the School Code)

(Source: Amended at 32 Ill. Reg. _____, effective _____)

STATE UNIVERSITIES RETIREMENT SYSTEM

NOTICE OF PROPOSED AMENDMENTS

- 1) Heading of the Part: Universities Retirement
- 2) Code Citation: 80 Ill.Adm.Code 1600
- 3)

<u>Section Numbers:</u>	<u>Proposed Action:</u>
1600.100	Amendment
1600.110	Amendment
1600.120	Amendment
1600.130	Amendment
1600.202	New Section
1600.203	New Section
1600.205	Amendment
1600.210	Amendment
1600.220	Amendment
1600.230	Amendment
1600.240	Amendment
1600.250	Amendment
1600.260	Amendment
1600.270	Amendment
1600.300	Amendment
1600.305	New Section
1600.310	Amendment
1600.320	Amendment
1600.400	Amendment
1600.410	Amendment
1600.420	Amendment
1600.430	Amendment
1600.431	New Section
1600.432	New Section
1600.440	Amendment
1600.450	Amendment
1600.500	Amendment
- 4) Statutory Authority: 40 ILCS 5/15-177
- 5) A Complete Description of the Subjects and Issues Involved:
 - 1600.100 - Changes suggested by JCAR.
 - 1600.110 - Changes suggested by JCAR.

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- 1600.120 - Incorporates the recent amendment to the Act under P.A. 95-0245.
- 1600.130 - To expedite contract execution by granting the Executive Director the authority to execute contracts in-house without additional actions by the Board or its officers when investment managers or service providers have been previously vetted by the Board.
- 1600.202 - This Section defines terms used in Section 15-139 of the Illinois Pension Code ("the Code") [40 ILCS 5/15-139] concerning annuitants who return to employment.
- 1600.203 - To establish procedures for the verification of Independent Contractor Status
- 1600.205 - Changes suggested by JCAR.
- 1600.210 - Changes suggested by JCAR.
- 1600.220 - Changes suggested by JCAR.
- 1600.230 - Changes suggested by JCAR.
- 1600.240 - Amend and expand current Section to include issues concerning award of service credit under Section 15-113.3 of the Illinois Pension Code, 40 ILCS 5/15-113.3. Define the phrase "immediately followed a period of employment" as used in Section 15-113.3. Add a reference to 15-158.2(h) that supplies the authority for military contributions for members who participate in the Self-Managed Plan.
- 1600.250 – Changes suggested by JCAR.
- 1660.260 – Changes suggested by JCAR.
- 1600.270 - Clarification to the current Section.
- 1600.300 - Changes suggested by JCAR.
- 1600.305 - To establish procedures for the verification of Full-time Student for insurance purposes.
- 1600.310 - Changes suggested by JCAR.
- 1600.320 - Changes suggested by JCAR.
- 1600.400 - Changes suggested by JCAR.
- 1600.410 - An amendment to the current Section in order to clarify the distinction between basic compensation earned versus the basic compensation rate.
- 1600.420 - Changes suggested by JCAR.
- 1600.430 – Changes suggested by JCAR.
- 1600.431 - A Section regarding the timing and criteria used in making determinations of disability status for purposes of survivors insurance under Section 15-145(c) of the Illinois Pension Code.

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NOTICE OF PROPOSED AMENDMENTS

- 1600.432 - Implementing a Section to establish procedures to pay the survivors insurance benefits of a child survivor to the surviving spouse if the child is "in care of" the surviving spouse.
 - 1600.440 - Changes suggested by JCAR.
 - 1600.450 - Amendment to the current Section establishing procedures for debt collection
 - 1600.500 - Changes suggested by JCAR.
- 6) Published studies or reports, and sources of underlying data, used to compose this rulemaking: None
- 7) Will this rule making replace any emergency rulemaking currently in effect? No
- 8) Does this rulemaking contain an automatic repeal date? No
- 9) Does this rulemaking contain incorporations by reference? No
- 10) Are there any other proposed rulemakings pending on this Part? No
- 11) Statement of Statewide Policy Objectives: This rulemaking does not affect units of local government.
- 12) Time, Place, and Manner in which interested persons may comment on this proposed rulemaking: Comments on the proposed rulemaking may be submitted in writing for a period of 45 days following publication of this Notice to:
- Albert J. Lee, Assistant General Counsel
State Universities Retirement System
1901 Fox Drive
Champaign, IL 61820
- 217/378-7516
- 13) Initial Regulatory Flexibility Analysis:
- A) Types of small businesses, small municipalities and not for profit corporations affected: None
- B) Reporting, bookkeeping or other procedures required for compliance: None

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- C) Types of Professional skills necessary for compliance: None
- 14) Regulatory Agenda on which this rulemaking was summarized: Various

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

STATE UNIVERSITIES RETIREMENT SYSTEM

NOTICE OF PROPOSED AMENDMENTS

TITLE 80: PUBLIC OFFICIALS AND EMPLOYEES
SUBTITLE D: RETIREMENT SYSTEMS
CHAPTER II: STATE UNIVERSITIES RETIREMENT SYSTEMPART 1600
UNIVERSITIES RETIREMENT

SUBPART A: GENERAL

Section

1600.100	Definitions
1600.110	Freedom of Information Act
1600.120	Open Meetings Act
1600.130	Procurement

SUBPART B: CONTRIBUTIONS AND SERVICE CREDIT

Section

<u>1600.202</u>	<u>Return to Employment</u>
<u>1600.203</u>	<u>Independent Contractors</u>
1600.205	Compensation Subject to Withholding
1600.210	Crediting Interest on <u>Participant</u> Employee Contributions and Other Reserves
1600.220	Election to Make Contributions Covering Leave of Absence at Less Than 50% Pay
1600.230	Election to Pay Contributions Based <u>upon</u> Upon Employment <u>that</u> Which Preceded Certification as a Participant
1600.240	Election to Make Contributions Covering Periods of Military Leave <u>Protected under USERRA</u>
1600.250	Sick Leave Accrual Schedule
1600.260	Part-time/Concurrent Service Adjustment
1600.270	Employer Contributions for Benefit Increases Resulting from Earnings Increases Exceeding 6%

SUBPART C: CLAIMS PROCEDURE AND EVIDENTIARY REQUIREMENTS

Section

1600.300	Effective Beneficiary Designations
<u>1600.305</u>	<u>Full-Time Student Survivors Insurance Beneficiaries</u>
1600.310	Dependency of Beneficiaries
1600.320	Procedures to be Followed in Medical Evaluation of Disability Claims

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AUTHORITY: Implementing and authorized by Section 15-177 of the Illinois Pension Code [40 ILCS 5/15-177].

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SOURCE: Amended September 2, 1977; amended at 2 Ill. Reg. 31, p.53, effective July 30, 1978; amended at 7 Ill. Reg. 8139, effective June 29, 1983; codified at 8 Ill. Reg. 19683; amended at 11 Ill. Reg. 15656, effective September 9, 1987; amended at 13 Ill. Reg. 18939, effective November 21, 1989; amended at 14 Ill. Reg. 6789, effective April 20, 1990; emergency amendment at 21 Ill. Reg. 4864, effective March 26, 1997, for a maximum of 150 days; amended at 21 Ill. Reg. 6095, effective May 2, 1997; amended at 21 Ill. Reg. 11962, effective August 13, 1997; amended at 21 Ill. Reg. 12653, effective August 28, 1997; amended at 22 Ill. Reg. 4116, effective February 9, 1998; amended at 23 Ill. Reg. 13667, effective November 1, 1999; amended at 25 Ill. Reg. 10206, effective July 30, 2001; amended at 28 Ill. Reg. 2292, effective January 23, 2004; expedited correction at 28 Ill. Reg. 7575, effective January 23, 2004; amended at 29 Ill. Reg. 2729, effective March 1, 2005; amended at 29 Ill. Reg. 11819, effective July 12, 2005; amended at 29 Ill. Reg. 14060, effective September 1, 2005; amended at 29 Ill. Reg. 14351, effective September 6, 2005; amended at 30 Ill. Reg. 6170, effective March 21, 2006; amended at 30 Ill. Reg. 7778, effective April 5, 2006; amended at 30 Ill. Reg. 9911, effective May 9, 2006; amended at 30 Ill. Reg. 17509, effective October 19, 2006; amended at 31 Ill. Reg. 4267, effective February 22, 2007; amended at 31 Ill. Reg. 4927, effective March 12, 2007; recodified at 31 Ill. Reg. 10194; amended at 32 Ill. Reg. _____, effective _____.

SUBPART A: GENERAL

Section 1600.100 Definitions

Certain terms used frequently throughout this Part are defined in this Section. Unless the context requires a different meaning, other terms used in this Part shall be defined and interpreted in accordance with Article 15 of the Illinois Pension Code [40 ILCS 5/Art. 15]. The definition of a term under a specific Section or Subpart shall supercede, for the purposes of that Section or Subpart, this Section.

"Annuitant" - A person receiving a retirement, reversionary, survivors or beneficiary annuity or disability retirement annuity from the System. [40 ILCS 5/15-119]

"Annuity Payment Period" – The period beginning on the date specified by the participant submitting a written application, which shall not be prior to termination of employment or more than one year before the application is received by the Board of Trustees of SURS; however, if the participant is not an employee of an employer participating in SURS or in a participating system as defined in Article 20 of the Code on April 1 of the calendar year next following the calendar year in which the participant attains age 70½, the annuity payment

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period shall begin on that date regardless of whether an application has been filed. [40 ILCS 5/15-135(b)]

"Board" - The Board of Trustees of the State Universities Retirement System as constituted under 40 ILCS 5/15-159.

"Claims Committee" - An appointed Board committee delegated with authority to hear cases and recommend findings of fact and conclusions of law according to Board policy and Section 1600.500.

"Code" or "Pension Code" - The Illinois Pension Code [40 ILCS 5].

"Effective Rate of Interest" - *The interest rate for all or any part of a fiscal year that is determined by the Board based on factors including the System's past and expected investment experience; historical and expected fluctuations in the market value of investments; the desirability of minimizing volatility in the effective rate of interest from year to year; and the provision of reserves for anticipated losses upon sales, redemptions, or other disposition of investments and for variations in interest experience. [40 ILCS 5/15-125(2)]*

"Employee" - A person defined as an "employee" under 40 ILCS 5/15-107.

"Employer" - An entity defined as an "employer" under 40 ILCS 5/15-106.

"Executive Director" - The chief administrative officer of SURS, appointed by the Board.

"FOIA" - Freedom of Information Act [5 ILCS 140].

"General Counsel" - In-house legal counsel for SURS.

"IRS" - Internal Revenue Service of the U.S. Department of the Treasury.

"IRC" - Internal Revenue Code (26 USC 1 et seq.).

"Member" - A SURS participant or annuitant.

"Participant" - A person participating in SURS under Section 15-134 of the Code.

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"Participating Employee" - A participant who at the time is an employee.

"Prescribed Rate of Interest" - The rate of interest to be used in actuarial valuation and in development of actuarial tables. The prescribed rate of interest is determined by the Board on the basis of the probable average effective rate of interest on a long term basis. [40 ILCS 5/15-125(1)]

"Principal Office of SURS " - State Universities Retirement System, 1901 Fox Drive, Champaign IL 61820.

"SURS " or "System" - Illinois State Universities Retirement System created by Article 15 of the Code [40 ILCS 5/Art. 15].

(Source: Amended at 32 Ill. Reg. _____, effective _____)

Section 1600.110 Freedom of Information Act

- a) Purpose. This Section establishes policies and procedures specific to ~~the State Universities Retirement System (SURS)~~ concerning requests for information made under ~~FOIA the Freedom of Information Act (the Act)~~ [5 ILCS 140].
- b) Freedom of Information Officer. The Freedom of Information Officer is the staff member at SURS responsible for responding to all requests for information on behalf of SURS as the "public body" under ~~FOIA the Act~~ and is also responsible for maintaining all records required to be kept under ~~FOIA that Act~~ and this Section. The Freedom of Information Officer shall be designated by the Executive Director. Denials issued by the Freedom of Information Officer shall be appealed to the Executive Director as the "head of the public body" under ~~FOIA the Act~~.
- c) Fees. Subject to a waiver or reduction of the fee if warranted under Section 6 of ~~FOIA the Act [5 ILCS 140/6]~~, fees may be imposed on the requester to recover costs of document production or reproduction according to the following schedule:
 - 1) Photostatic copying of paper documents:
 - A) Black and white copies shall be charged at \$0.05 per page;

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- B) Color copies shall be charged at \$0.13 per page.
- 2) Printing of electronic documents or microfilmed/microfiched documents shall be charged at \$0.05 per page.
- 3) Physical shipping and facsimile transmission costs shall be charged to the extent those costs are incurred. Electronic transmission via e-mail shall be provided at no charge.
- d) Exemptions. Consistent with Section 7 of ~~FOIA~~the Act, the following public records shall be exempt from inspection and copying: personal information that includes any personally identifying or identifiable information other than names or benefit amounts, including Social Security numbers and addresses of participants and annuitants, and names and Social Security numbers and addresses of beneficiaries.

(Source: Amended at 32 Ill. Reg. _____, effective _____)

Section 1600.120 Open Meetings Act

- a) Introduction
- 1) The Illinois Open Meetings Act [5 ILCS 120] sets forth *the public policy of the State of Illinois that public bodies exist to aid in the conduct of the people's business and that the people have a right to be informed as to the conduct of their business. It is also the public policy of the State that its citizens be given advance notice of and the right to attend all meetings at which any business of a public body is discussed or acted upon in any way.*
- 2) *It is the intent of the Open Meetings Act:*
- A) *to ensure that the actions of public bodies be taken openly and that their deliberations be conducted openly;*
- B) *to protect the citizen's right to know; and*
- C) *that provisions for exceptions to the open meeting requirements be strictly construed against closed meetings. [5 ILCS 120/1]*

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- 3) By means of this Section, SURS has established procedures to conduct its business in accordance with the Open Meetings Act.
- b) Definition~~Definitions~~
- 1) ~~"Employee"—A person employed by SURS whose relationship with SURS constitutes an employer-employee relationship under the usual common law rules, and who is not an independent contractor. [5 ILCS 120/2(d)]~~
- 2) ~~"Meeting" - Any gathering, whether in person or by video or audio conference, telephone call, electronic means (such as, without limitation, electronic mail, electronic chat, and instant messaging), or other means of contemporaneous interactive communication, of a majority of a quorum of the Board of Trustees held for the purpose of discussing SURS business. [5 ILCS 120/1.02]~~ Unless the Board sets a quorum in excess of 5 members, a gathering of 3 or more members of the Board ~~of Trustees~~ for the purpose of discussing SURS business shall be considered a meeting. A quorum for a Board ~~of Trustees~~-committee is the least number more than one-half of the members of the committee. A quorum of the Board or of a Board committee must be physically present at the location of an open meeting of the Board ~~of Trustees~~ or the committee, respectively. If, however, an open meeting of the Board ~~of Trustees~~ or a Board ~~of Trustees~~ committee is held simultaneously at one of its offices and one or more other locations in a public building, which may include other of its offices, through an interactive video conference and public notice is provided as required under the Open Meetings Act for all locations, then members physically present in those locations all count towards determining a quorum. "Public building", as used in this Section, means any building or portion of a building owned or leased by any public body. The requirement that a quorum be physically present at the location of an open meeting shall not apply, however, to Board ~~of Trustees~~-committees that do not have authority to make binding recommendations or determinations or to take any other substantive action.
- 3) ~~"Public body"—The Board of Trustees of SURS. All references to the Board of Trustees shall also encompass any committees of the Board where the context so requires.~~
- 4) ~~"Quasi-adjudicative body"—An administrative body charged by law or~~

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~~ordinance with the responsibility to conduct hearings, receive evidence or testimony and make determinations based thereon. [5 ILCS 120/2(d)] The Claims Committee shall be considered a quasi adjudicative body.~~

- c) Attendance by a Means Other Than Physical Presence
- 1) If a quorum of the members of the Board ~~of Trustees~~ or a Board committee is physically present as required by subsection (b)(~~2~~), a majority of those physically present, or at least 3 physically present members of a committee consisting of 5 members, ~~the quorum~~ may allow a member of that body to attend the meeting by other means (video or audio conference) if the member is prevented from physically attending because of:
 - A) personal illness or disability;
 - B) employment purposes or the business of the public body; or
 - C) a family or other emergency.
 - 2) If a member wishes to attend a meeting by other means, the member must notify the recording secretary of the Board ~~of Trustees~~ or the Board committee before the meeting unless advance notice is impractical.
 - 3) A majority of the Board ~~of Trustees~~ or a committee may allow a member to attend a meeting by other means only in accordance with and to the extent allowed by this subsection (c).
 - 4) Except as provided in this subsection (c)(4), the limitations of this subsection (c) shall not apply to closed meetings of the Board ~~of Trustees~~ or the Executive Committee or to open or closed meetings of any other subsidiary body, including without limitation any committee other than the Executive Committee, that does not have authority to make binding recommendations or determinations or to take any other substantive action. If the limitations of this subsection (c) do not apply, any or all members of the Board ~~of Trustees~~ or a subsidiary body may attend a meeting by audio or video conference. An open meeting attended by audio or video conference will be broadcast at the properly noticed location of the meeting. Neither advance notice nor permission for such

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means of attendance is required. No minimum number of members need by physically present at the noticed location of the meeting.

- d) Time and Place of Open Meetings
- 1) *All open meetings shall be held at specified times and places which are convenient and open to the public.*
 - 2) *No open meeting shall be held on a legal holiday unless the regular meeting day falls on that holiday. [5 ILCS 120/2.01]*
- e) Public Notice; Agenda; Schedule
- 1) *Posting. Public notice shall be given by posting a copy of the notice at the principal office of SURS, ~~1901 Fox Drive, Champaign.~~ [5 ILCS 120/2.02(a)]. Copies of the posted notice shall also be given to any news medium that has filed with the Executive Director ~~of SURS an annual request for notice of meetings.~~ [5 ILCS 120/2.02(b)].*
 - 2) *News ~~Medium Request~~ medium request. Any news medium may file with the Executive Director of SURS an annual request for public notice of all meetings of the Board of Trustees of SURS. The Executive Director shall maintain an updated list of all news media ~~that~~ which have filed ~~such~~ annual requests and shall be responsible for seeing that ~~the~~ such news media receive the notices mandated by the Open Meetings Act and ~~this Section~~ by this policy.*
 - 3) *Regular ~~Meetings~~ meetings. Public notice shall be given of the schedule of regular meetings at the beginning of each fiscal year, stating the regular dates, times, and places of each ~~such~~ meeting.*
 - A) *Agenda of ~~Regular Meetings~~ regular meetings. An agenda for each regular meeting shall be posted in accordance with subsection (e)(1) at least 48 hours in advance of the holding of the meeting. However, this requirement shall not preclude the consideration of items not specifically set forth in the agenda. [5 ILCS 120/2.02(a)]*
 - B) *Schedule of ~~Regular Meetings~~ regular meetings. At the beginning of each fiscal year, the Executive Director of SURS shall prepare*

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and make available a schedule of all its regular meetings for ~~that~~~~such~~ fiscal year, listing the times and places of ~~such~~ meetings.

- C) Change in ~~Regular Meeting Date~~~~regular meeting date~~. *If a change is made in a regular meeting date, at least 10 days' notice of ~~the~~~~such~~ change shall be given by publication in the official State newspaper. Notice of ~~the~~~~such~~ change shall also be posted at the principal office of SURS, ~~1901 Fox Drive, Champaign~~. Notice of ~~the~~~~such~~ change shall also be given to any news medium that has filed with the Executive Director of SURS an annual request for notice of meetings.* [5 ILCS 120/2.03]
- 4) Special ~~Meetings~~~~meetings~~. Public notice of any special meeting shall be given at least 48 hours before ~~the~~~~such~~ meeting.
- A) Agenda of ~~Special Meetings~~~~special meetings~~. *An agenda of a special meeting shall also be included with the public notice of ~~the~~~~such~~ meeting. However, the validity of any action taken by the Board ~~that~~~~of Trustees which~~ is germane to a subject on the agenda shall not be affected by other errors or omissions in the agenda.* [5 ILCS 120/2.02(a)]
- B) News ~~Medium Notice~~~~medium notice~~. *Any news medium ~~that~~~~which~~ has filed an annual request for notice shall be given the same notice of any special meeting in the same manner as is given to members of the Board ~~of Trustees~~, provided that ~~the~~~~such~~ news medium has given the Executive Director of SURS an address or telephone number within Illinois at which ~~such~~ notice may be given.* [5 ILCS 120/2.02(b)]
- 5) Rescheduled or ~~Reconvened Meetings~~~~reconvened meetings~~. *Public notice of any rescheduled or reconvened meeting shall be given at least 48 hours before ~~the~~~~such~~ meeting.*
- A) Exception to ~~Notice Requirement~~~~notice requirement~~. No public notice is required to be given of any reconvened meeting ~~when~~~~where~~ the meeting was open to the public and either:
- i) ~~the~~~~such~~ meeting is to be reconvened within 24 hours; or

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- ii) *an announcement of the time and place of the reconvened meeting is made at the original meeting and there is no change in the agenda. [5 ILCS 120/2.02(a)]*
- B) Agenda of ~~Rescheduled~~ *rescheduled* or ~~Reconvened Meeting~~ *reconvened meeting*. An agenda of a rescheduled or reconvened meeting shall also be included with the public notice of ~~the~~ *such* meeting. However, the validity of any action taken by the Board ~~that of Trustees which~~ is germane to a subject on the agenda shall not be affected by other errors or omissions in the agenda. [5 ILCS 120/2.02(a)]
- C) News ~~Medium Notice~~ *medium notice*. Any news medium ~~that~~ *which* has filed an annual request for notice shall be given the same notice of any rescheduled or reconvened meeting in the same manner as is given to members of the Board ~~of Trustees~~, provided that ~~the~~ *such* news medium has given the Executive Director ~~of SURS~~ an address or telephone number within Illinois at which ~~such~~ notice may be given. [5 ILCS 120/2.02(b)]
- 6) Emergency ~~Meeting~~ *meeting*. Notice of an emergency meeting shall be given as soon as is practicable. In any event, prior to an emergency meeting being held, notice shall be given to any news medium ~~that~~ *which* has filed an annual request for notice. [5 ILCS 120/2.02(a)] Any news medium ~~that~~ *which* has filed an annual request for notice shall be given the same notice of any emergency meeting in the same manner as is given to members of the Board ~~of Trustees~~, provided that ~~the~~ *such* news medium has given the Executive Director ~~of SURS~~ an address or telephone number within Illinois at which ~~such~~ notice may be given. [5 ILCS 120/2.02(b)]
- f) Recording Meeting
- 1) Any person may record by tape, film or other means the proceedings at any open meeting, subject to ~~such~~ rules as may be prescribed by the Board of Trustees, and subject to subsection (f)(2) and the provisions of Section 8-701 of the Code of Civil Procedure [735 ILCS 120/8-701]. [5 ILCS 120/2.05]

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- 2) *If any witness at any meeting required to be open under the Open Meetings Act refuses to testify on the grounds that he or she may not be compelled to testify if any portion of his or her testimony is to be broadcast or televised or if motion pictures are to be taken, then the authority holding the meeting shall prohibit any ~~such~~ recording during the testimony of the witness. Nothing in this subsection (f) shall be construed to extend the right to refuse to testify at any meeting not subject to the provisions of Section 8-701 of the Code of Civil Procedure. [5 ILCS 120/2.05]*
- g) Closed Meetings
- 1) Subject. The Board ~~or a Board committee of Trustees~~ may hold closed meetings to consider any subject permitted under Section 2(c) of the Open Meetings Act, including the following subjects:
- A) *The appointment, employment, compensation, discipline, performance, or dismissal of specific employees of SURS, including hearing testimony on a complaint lodged against an employee to determine its validity [5 ILCS 120/2(c)(1)];*
- B) *Collective negotiating matters between SURS and its employees or their representatives, or deliberations concerning salary schedules for one or more classes of employees [5 ILCS 120/2(c)(2)];*
- C) *Evidence or testimony presented in open hearing, or in closed hearing ~~when~~~~where~~ specifically authorized by law, to a quasi-adjudicative body, provided that the body prepares and makes available for public inspection a written decision setting forth its determinative reasoning [5 ILCS 120/2(c)(4)];*
- D) *The purchase or lease of real property for the use of SURS [5 ILCS 120/2(c)(5)];*
- E) *The setting of a price for sale or lease of real property owned by SURS [5 ILCS 120/2(c)(6)];*
- F) *The sale or purchase of securities, investments, or investment contracts [5 ILCS 120/2(c)(7)];*

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- G) *Emergency security procedures and the use of personnel and equipment to respond to actual danger to the safety of employees, staff, or public property, provided that a description of the actual danger shall be made a part of the motion to close the meeting [5 ILCS 120/2(c)(8)];*
- H) *Litigation, when an action against, affecting or on behalf of SURS has been filed and is pending before a court or administrative tribunal, or when the Board ~~or a Board committee of Trustees~~ finds that an action is probable or imminent, in which case the basis for the finding shall be recorded and entered into the minutes of the closed meeting [5 ILCS 120/2(c)(11)];*
- I) *Self evaluation, practices and procedures or professional ethics, when meeting with a representative of a statewide association of which SURS is a member [5 ILCS 120/2(c)(16)];*
- J) *The classification and discussion of matters classified as confidential or continued confidential by the State Employees Suggestion Award Board (see 20 ILCS 405/67.28) [5 ILCS 120/2(c)(20)]; and*
- K) *Discussion of minutes of closed meetings, whether for purposes of approval by the Board ~~or Board committee of Trustees~~ of the minutes, or for purposes of semiannual review of the minutes [5 ILCS 120/2(c)(21)].*
- 2) Procedure
- A) *Vote. Upon the majority vote of a quorum present of the Board ~~or Board committee of Trustees~~ at an open meeting, the Board may hold a meeting closed to the public or may close a portion of a meeting to the public. The motion to close a meeting, or a portion of the meeting thereof, shall state a citation to the specific exemption set forth in Section 2 of the Open Meetings Act. The vote of each member shall be taken by roll call vote, shall be publicly disclosed, and shall be recorded and entered into the minutes of the meeting.*

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- B) Subject. *Only topics specified in the vote to close may be considered during the closed meeting.*
- C) Series of ~~Meetings~~meetings. *A single vote may be taken with respect to a series of meetings, a portion or portions of which are proposed to be closed to the public, provided each meeting in ~~the~~such series involves the same particular matters and is scheduled to be held within no more than 3 months after the vote.*
[5 ILCS 120/2a]
- h) Minutes of Meetings
- 1) Open Meetings
- A) Content. The Board ~~or Board committee~~of Trustees shall keep written minutes of all open meetings. The minutes shall include:
- i) the date, time and place of the meeting;
- ii) the members of the Board recorded as either present or absent, and whether the members were physically present or present by means of video or audio conference; and
- iii) a summary of discussion on all matters proposed, deliberated, or decided, and a record of any votes taken.
- B) Public ~~Inspection~~inspection. The minutes of any open meeting shall be available for public inspection within 7 days after the approval of ~~the~~such minutes by the Board ~~or Board committee~~of Trustees.
- 2) Closed Meetings
- A) Content. The Board ~~or Board committee~~of Trustees shall keep written minutes of all closed meetings. The minutes shall include:
- i) *the date, time and place of the meeting;*

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- ii) *the members of the Board recorded as either present or absent; and*
 - iii) *a summary of discussion on all matters proposed, deliberated, or decided, and a record of any votes taken.*
- B) Public ~~Inspection~~~~inspection~~. *The minutes of any closed meeting shall be available for public inspection only after the Board of ~~Trustees~~ determines that it is no longer necessary to protect the public interest or the privacy of an individual by keeping ~~the~~~~such~~ minutes confidential.*
- C) Semiannual ~~Review~~~~review~~. *The Board of ~~Trustees~~ shall semiannually review minutes of all closed meetings. At ~~closed~~~~such~~ meetings, a determination shall be made, and reported in an open session, that either:*
- i) *the need for confidentiality still exists as to all or a part of those minutes; or*
 - ii) *the minutes or portions ~~of the minutes~~~~thereof~~ no longer require confidential treatment and are available for public inspection. [5 ILCS 120/2.06]*

(Source: Amended at 32 Ill. Re g. _____, effective _____)

Section 1600.130 Procurement

- a) Introduction. It is the policy of ~~SURS~~~~the State Universities Retirement System~~ to obtain goods and services in the most economical manner in order to guarantee the efficient utilization of ~~SURS~~~~System~~ resources. Resources of ~~SURS~~~~the System~~ shall be committed only with proper approval, as detailed in this Section.
- b) Purchase Orders. Employees requesting goods or services that cost more than \$500 and that are not part of a formal written contract shall complete a SURS purchase order form and receive written approval from the person designated by the Executive Director as the Procurement Officer prior to placing the order. Purchases of less than \$500 do not require a purchase order, but must be within the authority of the employee to purchase.

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- c) Contract Policy. It is the policy of ~~SURS the State Universities Retirement System~~ to standardize the form and content of its contracts with public and private bodies in order to ensure compliance with applicable State law, to ensure fairness to all parties, and to maximize uniformity of language.
- 1) Standard Addendum. In order to simplify the contracting process, SURS has developed a standard contract addendum that includes certifications considered advisable or required by State law. The standard addendum shall be completed and attached to (or incorporated within) all contracts and purchase orders entered into by ~~SURS the System~~, but shall not be required for purchase orders of \$10,000 or less. Any variation from the terms of the standard addendum shall be approved by ~~SURS' the System's~~ General Counsel. The standard addendum may be revised by the General Counsel from time to time.
- 2) Written Contracts-
- A) Execution Requirements. All expenditures in excess of \$10,000 ~~that, which~~ are not otherwise covered by any exemption stated in this Section, shall require a written contract reviewed and approved by legal counsel to SURS. Contracts in any amount shall be executed by the Executive Director or his or her designee, unless executed by the President of the Board ~~of Trustees~~. No goods or services may be acquired, nor work commenced (unless the vendor specifically assumes the risk of non-payment in the event no contract is entered into), prior to the execution of a contract as provided in this Section. A copy of each contract shall be retained by the Chief Financial Officer.
- B) Signature Requirements
- i) Except as provided in subsection (c)(2)(B)(ii), contracts ~~Contracts~~ in excess of \$250,000 require the signatures of the Executive Director, the Chief Financial Officer ~~Deputy Director of Finance~~ and the General Counsel.
- ii) In addition to the requirements of subsection (c)(2)(B)(i), ~~Notwithstanding the foregoing,~~ all contracts

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with persons who are fiduciaries with respect to any investments of ~~SURS~~the System shall also be signed by the President of the Board, or his or her designee, except that the Executive Director's signature is sufficient with respect to investment management agreements or other contracts with Board-approved investment service providers and contract amendments with existing Board-approved investment service providers. The Executive Director shall provide a report of such execution, with a description of any contract or amendment executed, to the Investment Committee of the Board at the next regularly scheduled meeting.

~~No goods or services may be acquired, nor work commenced (unless the vendor specifically assumes the risk of non-payment in the event no contract is entered into), prior to the execution of a contract as provided in this Section. A copy of each contract shall be retained by the Deputy Director of Finance.~~

- d) Documentation and Bidding – Expenditures in Excess of \$25,000
- 1) Employees shall seek to obtain the best value for ~~SURS~~the System. Efforts to obtain the best value for ~~SURS~~the System shall be documented where possible and retained by ~~SURS~~the System. Expenditures in excess of \$25,000 require bids from at least three different sources, unless otherwise provided in this Section. Sole source procurements, or other procurements with fewer than three bids, for expenditures in excess of \$25,000 shall be justified and documented. If two or more identical bids are received, if an attempt to bribe an employee is made, or other irregularities are discovered by a SURS employee, the General Counsel and the Internal Auditor shall be notified.
 - 2) All procurements in excess of \$25,000, unless otherwise provided in this Section, shall be advertised in the official State newspaper, in the Illinois Procurement Bulletin, in SURS procurement bulletins, in appropriate media, or through electronic means such as the Internet. ~~Notice~~Such notice shall be published on at least 3 separate dates with a minimum of 14 days between the first and the last publication date.

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- 3) All procurements for goods and services in excess of \$25,000, unless otherwise provided in this Section, shall be awarded by competitive proposals. Each request for proposal shall set forth a description of the items or services being procured, the material contractual terms and conditions, and the criteria for evaluating proposals. Awards made pursuant to ~~such~~ competitive selection procedures shall be awarded to the responsible offeror whose proposal is determined to be most advantageous to SURS. SURS may directly negotiate with any offeror as to the terms of a proposal. Competitive proposals may be used to procure, but are not limited to, professional and artistic services, including legal, medical and related services, investment management and consulting, electronic data processing equipment, software and services, and telecommunications equipment, software and services.
- 4) The following procurements do not require advertising or the use of competitive proposals:
 - A) Individual contracts for goods, services or construction not exceeding \$25,000;
 - B) Emergency procurements, such as when there exists a threat to public health or safety, or when immediate expenditure is necessary in order to protect against loss of or damage to SURS property or interests, or to prevent or minimize disruption in SURS services, or when necessary to prepare for anticipated litigation, enforcement actions, or investigations, or to protect the integrity or confidentiality of SURS records. ~~A; provided that a~~ written determination ~~must be~~ made that an emergency exists; and
 - C) Utilities and other sole-source items.
- e) Purchasing
 - 1) Employees are allowed to make purchases provided that the goods or services are budgeted for, and a purchase order (for purchases in excess of \$500) is completed and has written approval in advance of placing the order, or a formal contract (for purchases in excess of \$10,000) is executed, and the provisions of this Section are complied with. Employees other than those designated by the Executive Director are not

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allowed to make purchases of office supplies, computer equipment, or software.

- 2) SURS shall not pay Illinois sales tax. Employees must direct the vendor to exclude ~~Illinois sales tax from any such charge on~~ invoices. Employees should also ask if discounted State rates are available for purchases.
- 3) Invoices should be approved for payment within 30 days after the receipt of the invoice. Approval should not be given for goods and services that do not conform to SURS' requirements. The vendor shall be promptly notified in writing if SURS does not approve an invoice for payment and ~~shall be~~ advised of the reason for the denial. If approval is made after 30 days, a full explanation should be attached to the invoice.
- 4) Advance payment for goods and services is discouraged. If advance payment is required, the employee shall complete a certification as specified in Section 9.05 of the State Finance Act [30 ILCS 105/9.05]. In the event that a voucher is submitted for advance payment, the voucher shall state on its face that the goods or services are being procured pursuant to a formal written contract the terms of which require advance payment. If it is not possible to execute a written contract, the voucher shall so state. The certification is not required for payment of conference fees, purchase of travel tickets, purchase of periodicals, and required deposits of less than \$500. The certification shall be in the following format:

"I certify that the goods or services specified on this contract or purchase order were for the use of this agency and that the expenditure for ~~those~~ such goods or services was authorized and lawfully incurred; that ~~the~~ such goods or services meet all the required standards set forth in the purchase order or contract to which this certification relates; and that the amount shown on this voucher is correct and is approved for payment."

Insert following sentence in certification if applicable:

"It is not possible to execute a formal written contract."

Date

Signature

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(Source: Amended at 32 Ill. Reg. _____, effective _____)

SUBPART B: CONTRIBUTIONS AND SERVICE CREDIT

Section 1600.202 Return to Employment

Purpose. This Section defines terms used in Section 15-139 of the Code [40 ILCS 5/15-139] concerning annuitants who return to employment.

- a) For the purposes of Section 15-139 of the Code:
- 1) "Annuitant" means a person who is receiving a retirement annuity or who has received a lump-sum retirement benefit from SURS, or, if the retirement annuity payment or payments have not yet been paid due to SURS processing, a person whose retirement annuity payment period has commenced. However:
 - A) a person who has received a lump-sum retirement benefit is not an annuitant for purposes of Section 15-139(b) of the Code; and
 - B) a person who is receiving or who has received retirement benefits under the Self-Managed Plan is not an annuitant.
 - 2) "Retirement annuity payment period" means the annuity payment period.
 - 3) "Employee" means an employee as defined by Section 15-107 of the Code.
 - 4) "Employment" means a relationship with any "employer" (as defined by Section 15-106 of the Code) that would qualify the annuitant as an employee, except for service as a member of the Illinois Educational Labor Relations Board.
 - 5) "Compensation" means any remuneration paid by an employer that is reportable by the employer as "wages, tips, or other compensation" on Internal Revenue Service Form W-2, unless the remuneration is received for serving as a member of the Illinois Educational Labor Relations Board.

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- b) For purposes of Section 15-139(c) of the Code only, "reemployed" means the annuitant has established a relationship with any employer that would qualify the annuitant as an employee under applicable law; except, the employment must be on a permanent and continuous basis or in a position in which the annuitant is expected to serve for at least 9 months.
- c) It shall be the duty of the employer and employee to notify SURS in a timely manner of any employment that could result in the cancellation or reduction of the retirement annuity under Section 15-139 of the Code.

(Source: Added at 32 Ill. Reg. _____, effective _____)

Section 1600.203 Independent Contractors

Any individual claiming to be an independent contractor exempt from participation in SURS as an employee under Section 15-107 of the Code or from the provision governing annuitants who return to employment or receive compensation from any employer as set forth in Section 15-139 of the Code must file Form SS-8 (Determination of Employee Work Status for Purposes of Federal Employment Taxes and Income Tax Withholding) with the IRS seeking confirmation of independent contractor status. An IRS Form SS-8 independent contractor determination must be filed with SURS before an individual can be considered to be exempt from SURS participation as an employee or reemployed employee. The individual shall file with SURS a copy of the IRS formal determination or information letter received in response to the Form SS-8, which may then be used in further consideration of the individual's independent contractor status.

(Source: Added at 32 Ill. Reg. _____, effective _____)

Section 1600.205 Compensation Subject to Withholding

Section 15-157 of the Illinois Pension Code requires every participating employee to make contributions of 8% of his or her pay to fund the benefits payable under ~~SURS the State Universities Retirement System~~. This contribution is deducted from the participating employee's pay on a pre-tax basis and remitted to SURS via payroll deduction. The contributions are made as a percentage of the participating employee's "earnings". Earnings are defined at Section 15-111 of the ~~Illinois Pension Code [40 ILCS 5/15-111]~~. This Section states SURS' interpretation of what items of compensation are includable as earnings for the purposes of Section 15-111. The following shall be used when determining whether certain payments to employees are subject to SURS withholding.

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- a) Determination of the Purpose of the Payment
- 1) If the payment is for services rendered, then the payment is subject to SURS withholding.
 - 2) If the payment is for a reason other than services rendered, it would not be subject to SURS withholding.
 - 3) Other Payments
 - A) Bonuses; Awards. Bonuses received by an employee that are related to services rendered for a specific period of time, not to exceed one academic year, shall be included in earnings subject to SURS withholding. Awards, such as longevity of service awards or outstanding employee awards, that are not associated with a particular time period are not subject to SURS withholding.
 - B) Retirement Payments or Incentives. Payments made to induce someone to retire, or not to retire, are not for services rendered, but are made in conjunction with an employee's retirement and are not subject to SURS withholding. These payments are also not includable in the final rate of earnings under Section 15-112.
 - C) Group Fringe Benefits. Group fringe benefits provided by the employer are not subject to SURS withholding. However, employer paid premiums on employer-provided group term life insurance in excess of \$50,000 are subject to SURS withholding.
 - D) Housing Allowance. A housing allowance, whether in the form of a direct salary payment or as a residence in which the employee resides, is subject to SURS withholding.
 - E) Automobile Allowance. An automobile allowance in the form of a direct salary payment is subject to SURS withholding. However, neither business use nor personal use of an employer-provided automobile is subject to SURS withholding.

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- F) Non-Qualified Moving Expenses. Non-qualified moving expenses (see 26 USC 217) are not subject to SURS withholding as they are not furnished in lieu of salary.
- G) Unused Sick Leave Paid at Termination of Employment. These payments are not subject to SURS withholding, except for collectively bargained payments made in accordance with Section 15-112 of the ~~Illinois Pension~~ Code.
- H) Overtime. Overtime is subject to SURS withholding.
- I) Miscellaneous Other Benefits. Fringe benefits that are provided in lieu of salary are subject to SURS withholding. Items that are not provided in lieu of salary (such as reimbursement for out-of-pocket travel expenses, relocation expenses, etc.) are not subject to SURS withholding. Items such as country club dues, tuition waivers, tickets to athletic and performing arts events for family members of employees, and other items that are reported as taxable income on the employee's Form W-2 are not subject to SURS withholding, unless those items are a negotiated fringe benefit in lieu of salary.
- b) Earning History
Certain earnings may be excludable from the "final rate of earnings" determined under Section 15-112 of the ~~Illinois Pension~~ Code. Earnings are always attributable to the period when earned, not when paid. SURS reserves the right to reallocate reported earnings to the period when earned, when this is necessary to accurately reflect the employee's earning history.

(Source: Amended at 32 Ill. Reg. _____, effective _____)

Section 1600.210 Crediting Interest on ~~Participant Employee~~ Contributions and Other Reserves

- a) On the first of each month, ~~participant employee~~ contributions and all other reserves, except the reserves for undistributed interest and gains and losses on investments, shall be credited with interest at the effective rate in accordance with subsections (b) and (c) of this Section.
- b) The balance in the account at the end of the preceding fiscal year shall be credited

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with one-twelfth of one year of interest at the effective rate.

- c) A participant accepting a refund shall be entitled to interest to the first day of the month in which the refund is paid.
- d) The prescribed rate of interest shall be compounded annually, and the rate shall be determined periodically by the Board ~~of Trustees~~ based upon the probable average effective rate of interest on a long-term basis.

(Source: Amended at 32 Ill. Reg. _____, effective _____)

Section 1600.220 Election to Make Contributions Covering Leave of Absence at Less Than 50% Pay

- a) A participant may elect to pay contributions covering leaves of absence at less than 50% pay, except military leave and periods of disability leave in excess of 60 days, if the participant pays the contributions required by the ~~Illinois Pension Code~~ in accordance with ~~this Section~~ ~~rules prescribed by the Board~~ upon the participant's basic compensation on the date the leave begins. In order to pay contributions covering such leaves of absence, the participant must:
 - 1) return to employment covered by ~~SURS~~ ~~the State Universities Retirement System~~ at the expiration of the leave, or within 30 days after the termination of a disability ~~that~~ ~~which~~ occurs during the leave, and continues this employment at a percentage of time equal to or greater than the percentage of time immediately preceding the leave of absence for at least 8 consecutive months or a period equal to the period of the leave, whichever is less; or
 - 2) be precluded from meeting the foregoing conditions because of disability or death.
- b) Immediate Payment
 - 1) The election must be filed by the later of 30 days after the beginning date of the leave or, in the event of late notification of the leave by the employer, 30 days after the date the participant is sent the election form.
 - 2) Payment of contributions must be received by 30 days after the last day of

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the month for which the contributions are payable. In the event of late notification of the payment schedule by ~~SURS~~~~the System~~, the participant must catch up the past due contribution within 30 days after the date he or she is sent the payment schedule and the remainder of the contributions must be received within the required 30 days.

- c) **Subsequent Payment**
If a participant fails to comply with the conditions set forth in subsection (b) ~~of this Section~~, he or she may purchase service and earnings credit for the leave by paying the contributions and interest on the contributions at the effective rate from the academic year-end in which the leave occurred. Payments under this subsection may not be made earlier than the date on which the participant fulfills the return from leave requirements found in Section 15-113.2 of the ~~Illinois Pension~~ Code.
- d) No payment may be made for service covering leaves of absence after the date the participant dies or begins receiving a retirement annuity or disability retirement allowance.
- e) If a participant purchases service credit covering a leave of absence but fails to meet the conditions set forth in the preceding subsections of this Section, the payment made shall be refunded without interest.
- f) Not more than 3 years of service credit for leaves of absence in any period of 10 years may be purchased.
- g) This Section is not applicable to a participant who is on special leave of absence for service with a teacher organization.

(Source: Amended at 32 Ill. Reg. _____, effective _____)

Section 1600.230 Election to Pay Contributions Based ~~upon~~ Upon Employment ~~that~~ Which Preceded Certification as a Participant

- a) A participant who meets the conditions of the ~~Under the provisions of the Illinois Pension Code, a participant~~ may elect to pay contributions plus interest on the contribution ~~thereon~~ at the rate established by the ~~Illinois Pension~~ Code covering any period of employment:

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- 1) after August 31, 1941, at one-half time or more for an employer covered by SURS ~~the State Universities Retirement System~~, which preceded the date that he or she became a participant; and
- 2) any period of full-time employment with the United States government, the government of a state, a political subdivision of a state, or an agency or instrumentality of any of the foregoing, ~~that~~which preceded the date that he or she became a participant, ~~if he has met the conditions set forth in the Illinois Pension Code.~~
- b) The participant may purchase, during the fiscal year in which ~~his~~ employment terminates or in which ~~his~~ retirement annuity begins, ~~not less than ¼ year of additional service credit for not less than ¼ year of the~~such employment ~~described in subsection (a).~~ If ~~the participant~~he elects to purchase ~~such~~ credit ~~described in subsection (a)~~ prior to the fiscal year in which ~~his~~ employment terminates, he or she must purchase at least one year of additional service credit, unless the total service credit ~~which~~ he or she is entitled to purchase on ~~the~~a basis of this employment is less than one year. No payment may be accepted for this service after the beginning of the annuity payment period described in Section 15-135(b) of the Code~~date the participant begins receiving a retirement annuity.~~

(Source: Amended at 32 Ill. Reg. _____, effective _____)

Section 1600.240 Election to Make Contributions Covering Periods of Military Leave Protected under USERRA

- a) Under Section 15-157(d) of the ~~Illinois Pension Code~~ ~~[40 ILCS 5/15-157(d)]~~, ~~if the Board, by rule permits~~, and subject to ~~such~~ conditions and limitations as may be specified in ~~this Section~~those rules, a participant may make other additional contributions of such percentage of earnings or amounts as the participant shall elect in a written notice received by the Board. Under Section 1-118 of the Code, SURS shall comply with the requirements imposed on it by the federal Uniformed Services Employment and Reemployment Rights Act (USERRA) (38 USC 4301 et seq.).
- b) "Military leave", as used in this Section, means periods during which a participating employee~~participant~~ is placed on leave by an employer for active duty in the uniformed services of the United States while a participating employee under SURS~~this System~~; and :

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- 1) returns to employment covered by SURS within the time periods and in the manner required under 20 CFR 1002.115~~this System at the expiration of the leave~~, or within 30 days after the termination of a disability that occurs during the leave; or
 - 2) is precluded from meeting the conditions set forth in subsection (b)(1) because of disability or death.
- c) The participating employee~~A participant~~ may elect to make contributions to SURS~~the System~~ for any period of military leave or portion of the military leave~~thereof, as~~ designated by the participating employee~~participant~~. The contributions must be made at the rates provided in subsections (a) through (c) of Section 15-157(a) through (c) of the Illinois Pension Code [40 ILCS 5/15-157(a)-(c)]~~based upon the participant's rate of pay as determined under 20 CFR 1002.267~~basic compensation on the last date as a participating employee prior to the military leave.
- d) The participating employee~~participant~~ may make contributions while on military leave. No contributions may be made for military leave under this Section after the earliest of the following:
- 1) the beginning of the annuity payment period~~date of receipt of a retirement annuity~~;
 - 2) the date of receipt of a disability retirement allowance;
 - 3) the date of the participant's death; ~~or~~
 - 4) the date of separation from the post-military leave employment with the employer; or
 - 5) the expiration of a period beginning with the date of reemployment that is no longer than three times the period of military service, but not to exceed 5 years.
- e) If the participant makes a contribution under this Section, but is later found to have failed to meet the conditions set forth in this Section, the contribution~~payment~~ made shall be refunded without interest.

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- f) Military Service Prior to July 12, 2005. If a participating employee fulfilled the applicable requirements of USERRA and subsection (b) prior to July 12, 2005, then he or she will be deemed to have returned to employment on July 12, 2005 for purposes of subsection (d)(4).
- g) Award of Service Credit. Service credit shall be granted as required under USERRA for military leave periods purchased under this Section.
- h) Self-Managed Plan Participants. Participating employees covered under the Self-Managed Plan may make contributions for qualifying periods of military leave for periods described under subsection (b) at rates provided under Sections 15-158.2(h) and 15-157 of the Code based upon the participating employee's rate of pay as determined under 20 CFR 1002.267. The employer contributions shall be credited to the participant's account on a pro-rated basis relative to the amount of participant contributions paid and at the rate specified under Section 15-158.2(h) of the Code. The employer contributions shall be credited to the participant's account within the timeframes required under 20 CFR 1002.262 following each contribution payment made under this Section.

(Source: Amended at 32 Ill. Reg. _____, effective _____)

Section 1600.250 Sick Leave Accrual Schedule

- a) Under Section 15-113.4 of the ~~Illinois Pension Code~~, ~~[40 ILCS 5/15-113.4]~~ SURS grants service credit for unused sick leave.
- b) A ~~participant member~~ who retires within 60 days immediately following his or her termination with an employer covered under ~~SURS~~ ~~the State Universities Retirement System~~ or other ~~reciprocal~~ system subject to the Retirement Systems Reciprocal Act [40 ILCS 5/20] is entitled to credit for service for that portion of unused and unpaid sick leave earned in the course of employment.
- c) The employer must certify the number of unused and unpaid sick days consistent with subsection (e) on the member's termination report provided to SURS, or other form acceptable to SURS.
- d) Service credit is granted for unused and unpaid sick leave verified by the employer in accordance with the following schedule:

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- 1) 0-29 full calendar days and 0-19 full work days = no service credit
 - 2) 30-90 full calendar days and 20-59 full work days = 0.25 years of service credit
 - 3) 91-180 full calendar days and 60-119 full work days = 0.50 years of service credit
 - 4) 181-270 full calendar days and 120-179 full work days = 0.75 years of service credit
 - 5) 271 or more full calendar days and 180 or more full work days = 1 year of service credit
- e) Only uncompensated, unused sick leave earned in accordance with an employer's sick leave accrual policy generally applicable to employees or a class of employees will be taken into account in calculating service credit under this Section. Any sick leave granted by an employer to facilitate the hiring, retirement, termination, or other special circumstances of ~~a participant an employee~~ will not be taken into account in calculating service credit for retirement.
- f) If a participant transfers from one employer to another, the unused sick leave credited by the previous employer will be considered in determining service to be credited under this Section, even if the participant terminated prior to August 23, 1989 (the effective date of P.A. 86-272) ~~(August 23, 1989)~~, so long as the subsequent employer did not credit the participant with that sick leave from the previous employer.
- g) This Section is effective for all retirements after January 23, 2004. However, a participant who entered into a written retirement agreement, for example pursuant to a collective bargaining agreement, prior to January 23, 2004, with a retirement date not exceeding four years from January 23, 2004, will not be limited to the schedule set forth in subsection (d), provided that:
- 1) ~~SURS the System~~ is provided with documentation that, in ~~SURS' the System's~~ sole discretion, establishes that the retirement agreement was entered into prior to January 23, 2004; and

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- 2) a copy of ~~the~~~~sueh~~ written retirement agreement is filed with ~~SURS~~~~the~~ ~~System~~ within 90 days after January 23, 2004.

(Source: Amended at 32 Ill. Reg. _____, effective _____)

Section 1600.260 Part-time/Concurrent Service Adjustment

This Section will clarify how the *percentage of time employed for each ~~sueh~~ year of employment* is determined for the service adjustment under Section 15-134.1(b) of the ~~Illinois Pension Code~~ ~~[40 ILCS 5/15-134.1(b)]~~. This percentage cannot exceed 100%.

- a) Determine the average monthly percent time worked.
- 1) Establish the monthly full-time equivalent (FTE) earnings for each employer by dividing the monthly earnings from that employer by the percent time the participant worked for that employer for that month.
 - 2) Total the participant's earnings from all employers for that month and divide by the highest full-time equivalent.
 - 3) This results in the average monthly percent time worked.
 - 4) Example:

<u>Employer</u>	<u>Actual Monthly Earnings</u>	<u>Monthly % Time Worked</u>	<u>Monthly FTE</u>
Employer #1	\$200	20%	\$1,000
Employer #2	\$375	30%	\$1,250 (highest)
Employer #3	\$420	40%	\$1,050
Total Actual	\$995		

Average monthly percent time worked = 79.6% (\$995 divided by \$1,250)

- b) Determine the percentage of time employed for each ~~relevant~~~~sueh~~ year of employment.

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- 1) Total the average monthly percent time worked for each month in the academic year for which the participant had earnings.
- 2) Divide this number by the total number of months during the academic year for which the participant had earnings.
- 3) This calculation results in the percentage of time employed for each ~~such~~ year of employment.
- 4) Example:

<u>Average monthly % time worked</u>	<u>Earnings in:</u>
79.6	September
67.5	October
54.3	November
78.5	December
35.2	February
38.9	March
44.5	April
37.5	May
Total 436.0	8 months of earnings

Percentage of time employed for ~~the each such~~ year of employment is 54.5% (436.0 divided by 8).

- c) Calculate ~~Annuity~~annuity.
 - 1) In calculating a retirement annuity, if the participant's "percentage of time employed for each ~~such~~-year of employment is 50% or less for 3 or more years after September 1, 1959, service is granted for ~~such~~-employment in excess of 3 years", in the proportion that the percentage of time employed for each ~~such~~-year of employment bears to the average annual percentage of time employed during the period on which the final rate of earnings is based. An example calculation for this subsection (c) is:

Year	Unadjusted Service	Percentage of Time Employed	Adjusted Service
1	1.00	25%	1.00

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2	1.00	25%	1.00
3	1.00	30%	1.00
4	1.00	30%/57.50%	0.5217
5	1.00	45%/57.50%	0.7826
6	1.00	50%/57.50%	0.8696
7	1.00	55%	1.00
8	1.00	60%	1.00
9	1.00	65%	1.00
	<u>9.00</u>		<u>8.1739</u>

- 2) In this example, the final rate of earnings are based on years 6 through 9. The average annual percentage of time employed during the period on which the final rate of earnings is based is 57.5%. This is the sum of years 6 through 9 percentages divided by 4.
- 3) Years 1 through 6 have percentages of 50% or less and must be tested for adjustment. The participant ~~receives~~ receive 3 of these years without adjustment. To maximize the service that is used in the calculation of the retirement annuity, those years with the smallest percentages will be applied to the 3 years the participant receives without adjustment. In this example, that is years 1 through 3. Therefore, only years 4 through 6 require adjustment. To determine the adjusted service, divide the "percentage of time employed" by the "average annual percentage of time employed during the period on which the final rate of earnings is based", then multiply by the unadjusted service. If year 4's unadjusted service had been 0.50 year, the adjusted service would have been $30\%/57.5\% \times 0.50 = .2609$.
- d) The service credit adjustment in subsection (c) is not made in determining the participant's eligibility for a retirement annuity, disability benefits, additional death benefits, or survivors' insurance.

(Source: Amended at 32 Ill. Reg. _____, effective _____)

Section 1600.270 Employer Contributions for Benefit Increases Resulting from Earnings Increases Exceeding 6%

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Purpose. This Section implements ~~Section 40 ILCS 5/~~15-155(g), (h), (i), (j), and (k) of the Code. This Section shall not apply to benefits from other retirement systems or pension funds payable under the Retirement Systems Reciprocal Act (Article 20 of the Code).

- a) Calculation of the Employer Cost. This calculation is made ~~when~~where a monthly benefit is calculated from the participant's final rate of earnings (FRE). The "present value of the increase in benefits" described in Section 15-155(g), called the "Employer Cost", will be calculated as follows:
- 1) The earnings, as defined in Section 15-111 of the Code, for every academic year in the FRE period, as defined in Section 15-112 of the Code, are adjusted on a full-time equivalent basis.
 - A) 48 Month FREs and Partial Academic Years. ~~When~~Where the final rate of earnings for a participant is the average annual earnings during the 48 consecutive calendar month period ending with the last day of final termination of employment, any partial academic year at the beginning of the final rate of earnings period will be disregarded.
 - B) Full-Time Equivalent (FTE) Basis
 - i) ~~SURS will~~The System shall adjust earnings from an employer in a manner consistent with the percent time employed reported by the employer.
 - ii) The FTE earnings of an academic year shall equal the total earnings in the academic year divided by the average percent time of employment.
 - C) Earnings credited during periods of service purchased under Sections 15-113.1 through 15-113.7 of the Code shall be determined on a FTE basis.
 - D) For the purpose of Section 15-155(g), earnings do not include payments made under a collective bargaining agreement for unused sick leave or payments made for unused vacation.

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- 2) The FTE earnings of each academic year in the FRE period are limited to 106% of the previous academic year's FTE earnings to yield the "Capped FTE Earnings" of each academic year.
 - 3) The Capped FTE Earnings of each academic year are multiplied by their respective average percent times of employment to yield the "Capped Earnings" for each academic year. The Capped Earnings shall be used to determine the "Capped FRE".
 - 4) The "Benefit Increase" shall equal the difference between the FRE and the Capped FRE, multiplied by the number of years of service, and further multiplied by 2.2%.
 - 5) The Employer Cost equals the actuarial present value of the Benefit Increase. This actuarial present value calculation will be made by using actuarial tables provided by ~~SURS~~~~'the System's~~ actuary from time to time. The actuarial table used will correspond with the type of monthly benefit that is provided to the participant. A single-life annuity table will be used ~~when~~~~where~~ a ~~traditional benefit package~~~~Traditional Benefit Package~~ participant has no eligible survivor at the time of retirement. If the participant had employment with more than one employer during the final rate of earnings period, the Employer Cost is calculated for each employer using only the earnings with that employer. However, no Employer Cost will be assessed among multiple, concurrent employers if the increase in total earnings for the concurrent academic year in the FRE period does not exceed 6% over the total earnings of the previous academic year.
- b) Employer Billing
- 1) Billing. *Whenever it determines that a payment is or may be required under Section 15-155(g), ~~SURS will~~~~the System shall~~ calculate the amount of the payment and bill the employer for the amount. The bill ~~will~~~~shall~~ specify the calculations used to determine the amount due.*
 - 2) Request for Recalculation. *If the employer disputes the amount of the bill, it may, within 30 days after receipt of the bill, apply to ~~SURS~~~~the System~~ in writing for a recalculation. The application must specify the grounds of the dispute and, if the employer asserts the calculation is subject to Section 15-155(h) or ~~15-155~~(i), must include an affidavit setting forth and*

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attesting to all facts within the employer's knowledge that are pertinent to the applicability of Section 15-155(h) or ~~15-155(i)~~. Upon receiving a timely application for recalculation, ~~SURS will~~~~the System shall~~ review the application and, if appropriate, recalculate the amount due.

- 3) **Payment.** *The employer contributions required under Section 15-155(g) may be paid in the form of a lump sum within 90 days after the receipt of the bill. If the employer contributions are not paid within 90 days after receipt of the bill, then interest will be charged at a rate equal to ~~SURS'~~~~the System's~~ prescribed rate of interest ~~(defined under Section 15-125(1))~~ compounded annually from the 91st day after the receipt of the bill. Payments must be concluded within 3 years after the employer's receipt of the bill. [40 ILCS 5/15-155(g)]*
- c) **Exclusions for Earnings Increases Paid**~~earnings increases paid~~ on or after June 1, 2005, but before July 1, 2011, under Section 15-155(h):
 - 1) **Grandfathering.** *When assessing payment for any amount due under Section 15-155(g), ~~SURS will~~~~the System shall~~ exclude earnings increases paid to participants required under contracts or collective bargaining agreements entered into, amended, or renewed before June 1, 2005. [40 ILCS 5/15-155(h)] Such contracts are "grandfathered". For the purposes of Section 15-155(h):*
 - A) A contract or collective bargaining agreement is "entered into, amended or renewed" on the earliest of the following:
 - i) the date the governing body of the employer voted to accept the contract or collective bargaining agreement;
 - ii) the date the contract or collective bargaining agreement was executed in final form by the parties; or
 - iii) the date the parties to the contract or collective bargaining agreement reached a tentative agreement regarding the terms of the contract or collective bargaining agreement, provided that the tentative agreement is subsequently approved by the governing body of the employer on or after June 1, 2005, without any changes to the terms that have

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the effects described under subsection (c)(1)(B)(i) or ~~(c)(1)(B)(ii)~~.

- B) A contract or collective bargaining agreement will not exclude earnings increases paid under the contract or agreement if the contract or agreement is amended or renegotiated after June 1, 2005, to have the effect of:
- i) increasing the earnings usable for the FRE (except ~~when~~ where the increase is the result of a salary reopener provision ~~that, which provision~~ was a part of the contract or collective bargaining agreement prior to June 1, 2005); or
 - ii) extending the expiration date of the contract (in ~~which~~ such case, the earnings will be excluded only through the original expiration date of the contract).
- C) Miscellaneous
- i) A contract exception made by an employer for an individual shall disqualify that individual's earnings increases from grandfathering but shall not invalidate the grandfathering for any other persons.
 - ii) A memorandum of understanding between the employer and the collective bargaining unit to increase the credit hours available shall not invalidate the contract, but any earnings increases because of the increased credit hours shall not be excluded from the calculation under subsection (a) ~~of this Section~~, unless Section 15-155(h) or ~~15-155~~(i) applies.
 - iii) When a member has given notice to the employer of ~~his or her~~ intent to retire pursuant to the terms of a grandfathered contract or collective bargaining agreement, earnings provided under the contract or collective bargaining agreement shall be excluded so long as the earnings are provided to the member within four years after the

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expiration date of the contract or collective bargaining agreement.

- iv) Notwithstanding the other provisions of this subsection (c)(1) above, earnings paid under a grandfathered contract on or after July 1, 2011 shall not be excluded from earnings under subsection (a).
- 2) **Earnings 10 Years Prior to Retirement Eligibility.** *When assessing payment for any amount due under Section 15-155(g), SURS will~~the System shall~~ exclude earnings increases paid to a participant at a time when the participant is 10 or more years from retirement eligibility under Section 15-135 of the Code. [40 ILCS 5/15-155(h)] Earnings increases paid in academic years preceding and including the academic year during which the participant was 10 years from attaining ~~his or her~~ earliest retirement eligibility shall be excluded.*
- 3) **Overloads and Overtime**
- A) *Earnings increases resulting from overload work, including a contract for summer teaching, or overtime when the employer has certified to SURS~~the System~~, and SURS~~the System~~ has approved the certification, that:*
- i) *in the case of overloads:*
- *the overload work is for the sole purpose of academic instruction in excess of the standard number of instruction hours for a full-time employee occurring during the academic year that the overload is paid; and*
 - *the earnings increases are equal to or less than the rate of pay for academic instruction computed using the participant's current salary rate and work schedule; and*
- ii) *in the case of overtime, the overtime was necessary for the educational mission. [40 ILCS 5/15-155(h)]*

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- B) The certification shall be in the form adopted by ~~SURS~~ ~~the System~~ and be signed by a duly authorized representative of the employer. The certification must be accompanied by supporting documentation as required by the form.
- C) The standard number of instruction hours for a full-time employee shall be consistent with employer policy in force for the academic year in which the overload earnings were earned.
- 4) Promotions
- A) *When assessing payment for any amount due under Section 15-155(g), ~~SURS will~~ ~~the System shall~~ exclude earnings increases resulting from:*
- i) *a promotion for which the employee moves from one classification to a higher classification under the State Universities Civil Service System;*
 - ii) *a promotion in academic rank for a tenured or tenure-track faculty position; or*
 - iii) *a promotion that the Illinois Community College Board has recommended in accordance with Section 15-155(k).*
- B) *The earnings increases referenced in subsection (c)(4)(A) shall be excluded only if the promotion is to a position that has existed and been filled by a member for no less than one complete academic year and the earnings increase as a result of the promotion is an increase that results in an amount no greater than the average salary paid for other similar positions. [40 ILCS 5/15-155(h)]*
- C) The employer shall certify that the promotion is to a position that has existed and been filled by a member for no less than one complete academic year and the earnings increase as a result of the promotion is an increase that results in an amount no greater than the average salary paid for other similar positions. The certification shall be in the form adopted by ~~SURS~~ ~~the System~~ and be signed by a duly authorized representative of the employer.

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The certification must be accompanied by supporting documentation as required by the form.

- D) The phrase "an amount no greater than the average salary paid for other similar positions" shall mean the midpoint of the salary range for the position or similar positions as most recently approved by the Merit Board of the State Universities Civil Service **System** or the current average salary paid for tenured or tenure-track faculty positions in the same department, as the case may be.
- d) Exclusions for earnings increases described in Section 15-155(h) paid on or after July 1, 2011, but before July 1, 2014, under a contract or collective bargaining agreement entered into, amended, or renewed on or after June 1, 2005, but before July 1, 2011, under Section 15-155(i). For the purpose of Section 15-155(i), a contract or collective bargaining agreement is "entered into, amended or renewed" on the earliest of the following:
- 1) the date the governing body of the employer voted to accept the contract or collective bargaining agreement;
 - 2) the date the contract or collective bargaining agreement was executed in final form by the parties; or
 - 3) the date the parties to the contract or collective bargaining agreement reached a tentative agreement regarding the terms of the contract or collective bargaining agreement, provided that the tentative agreement is subsequently approved by the governing body of the employer on or after July 1, 2011, without any changes to the terms that have the effect of extending the expiration date.
- e) The exclusions under subsections (c) and (d) shall not apply to earnings increases paid after June 30, 2014.

(Source: Amended at 32 Ill. Reg. _____, effective _____)

SUBPART C: CLAIMS PROCEDURE AND EVIDENTIARY REQUIREMENTS

Section 1600.300 Effective Beneficiary Designations

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Purpose. Under Section 15-120 of the ~~Illinois Pension Code~~ ~~[40 ILCS 5/15-120]~~, "beneficiary" is defined as a person or persons designated by the participant or annuitant in the last written designation on file with the Board or, if no person so designated survives or if no designation is on file, the estate of the participant or annuitant.

a) Definitions

- 1) "Last written designation", for the purposes of Section 15-120 of the ~~Illinois Pension Code~~ and this Section, shall mean the last valid beneficiary designation on file with ~~SURS the System~~ up to and including the date of death of the participant or annuitant.
- 2) "On file", for the purposes of Section 15-120 of the ~~Illinois Pension Code~~ and this Section, shall mean a beneficiary designation that has been received and date stamped by ~~SURS the System~~.
- 3) "Member", for the purposes of this Section, shall mean a participant or annuitant.
- 4) "Agent", for the purposes of this Section, shall mean a participant's or annuitant's agent expressly authorized to change beneficiaries pursuant to an effective power of attorney or guardianship.

b) Original Signature and Supporting Documentation. A beneficiary designation shall be deemed valid only if the beneficiary designation received contains an original signature of the member or an agent. Beneficiary designations containing a copy of the member's or agent's signature, whether electronic or photographic, shall be invalid. A copy of the power of attorney or a certified copy of the guardianship order expressly authorizing the change of beneficiaries must accompany a beneficiary designation executed by an agent.

c) Disputed Designations. If a dispute arises in the interpretation of the last written designation or, in the opinion of ~~SURS the System~~, the designation is ambiguous, then the contesting beneficiaries shall seek a court determination as to the designation's interpretation. If no beneficiary brings a court action within a reasonable time, ~~SURS then the System~~ may seek a court determination.

(Source: Amended at 32 Ill. Reg. _____, effective _____)

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Section 1600.305 Full-Time Student Survivors Insurance Beneficiaries

- a) For purposes of 40 ILCS 5/15-145(c), a full-time student shall be one who is enrolled in a course of study in an accredited educational institution (other than a program of study by correspondence), and who is carrying a full-time workload as determined by the educational institution during the regular school year for the course of study the student is pursuing.
- b) Accredited educational institutions include schools, colleges, universities and post-secondary vocational institutions whose courses of study are approved by appropriate state or federal educational accreditation authorities.
- c) A regular school year is the 8 to 9 months that includes two semester terms or three quarter terms (or their equivalent), excluding the summer term. Terms that begin after April 15 and end before September 16 are considered summer terms.
- d) Survivors benefits shall be payable during the period between regular school years, such as winter breaks or summer terms, if the benefit recipient carried a full-time workload in the preceding semester and is enrolled for a full-time workload in the following semester.
- e) To verify that an eligible child is a full-time student, SURS must receive a certification signed by an official of the educational institution confirming that the student is a full-time student as provided in subsection (a).

(Source: Added at 32 Ill. Reg. _____, effective _____)

Section 1600.310 Dependency of Beneficiaries

- a) Section 15-141 of the ~~Illinois Pension Code [40 ILCS 5/15-141]~~ grants an additional death benefit to a beneficiary who, ~~under the rules of the Board,~~ was dependent upon the participant employee at the time of ~~his~~ death. For the purpose of this Section, a dependent is defined as one who bears toward the participant employee any one of the following relationships: spouse; son, daughter, or any other child toward whom the participant employee stands in loco parentis and who is under ~~18~~eighteen years of age; or any person who, at the time of the participant's employee's death, was receiving at least one-half support from the participant employee.

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- b) If ~~a participant an employee~~ has designated two or more beneficiaries, and, at the time of the ~~participant's employee's~~ death, any of the beneficiaries are dependent as defined in subsection (a), the additional death benefit is payable, but only to the dependent beneficiaries.
- c) If a death benefit is payable to the estate or a trust of ~~a participant an employee~~, and one or more of the beneficiaries of the estate or trust are dependent as defined in subsection (a), it will be assumed that the estate or trust is a dependent for the purpose of determining the amount of the benefit payable.

(Source: Amended at 32 Ill. Reg. _____, effective _____)

Section 1600.320 Procedures to be Followed in Medical Evaluation of Disability Claims

- a) Section 15-150 of the ~~Illinois Pension~~ Code ~~[40 ILCS 5/15-150]~~ provides that *a ~~participant an employee~~ shall be considered disabled only during the period for which the Board has received a written certificate by at least 2 licensed and practicing physicians appointed by the Board stating that the ~~participant employee~~ is disabled and unable to reasonably perform the duties of his or her assigned position and a written certificate by the employer that the ~~participant employee~~ is unable to perform the duties of his or her assigned position.*
- b) The ~~Illinois Pension~~ Code authorizes the Board to employ ~~such~~ medical services as shall be required for the efficient administration of ~~SURS the System~~.
- c) Appointment of Medical Director. The Board ~~of Trustees of the State Universities Retirement System~~ has appointed a Medical Director whose responsibility is to review the medical reports received from the examining physicians, and to advise the Board as to whether the medical requirements of the ~~Illinois Pension~~ Code have been met.
- d) Appointment of Examining Physicians
- 1) Unless otherwise authorized by the Executive Committee or the Board ~~of Trustees~~ on recommendation of the Medical Director, the following shall be the examining physicians:
 - A) The attending physician or physicians designated by the

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~~participant~~ ~~employee~~; and

- B) The ~~health officer~~ ~~Health Officer~~ of the employer or some other physician who is designated by the employer.
- 2) If the ~~participant~~ ~~employee~~ has not been examined by the employer's ~~health officer~~ ~~Health Officer~~ or by some other physician who is designated by the employer, the Medical Director shall appoint some other physician to conduct the examination and to submit a recommendation regarding the disability of the ~~participant~~ ~~employee~~.
- 3) If, in the opinion of the Medical Director, the nature of the disability or other circumstances justify the appointment of someone other than the ~~participant's~~ ~~employee's~~ attending physician or employer's ~~health officer~~ ~~Health Officer~~ as the examining physicians, ~~the Medical Director~~ ~~he~~ shall appoint a special examining physician or physicians.
- e) Determination of Disability. If the examining physicians certify that the ~~participant~~ ~~employee~~ is disabled, the ~~participant~~ ~~employee~~ shall be considered as disabled.
- f) Disagreement among Examining Physicians. If the examining physicians are not in agreement as to whether the ~~participant~~ ~~employee~~ is disabled, the Medical Director shall appoint some other licensed and practicing physician to conduct a special medical examination and submit a recommendation as to whether the ~~participant~~ ~~employee~~ is able to perform the duties of his ~~or her~~ assigned position. If the special examining physician agrees that the ~~participant~~ ~~employee~~ is disabled, the Medical Director shall recommend that the claim be approved.
- g) Certification of Disability by the Employer. The ~~Illinois Pension~~ Code provides that ~~a participant~~ ~~an employee~~ may qualify for disability benefits only if the ~~employer~~ ~~Employer~~ certifies that the ~~participant~~ ~~Employee~~ is unable to perform the duties of his ~~or her~~ assigned position. This certification shall be completed by any officer authorized by the employer to make this certification. The certification of the employer may be based upon a medical examination given by the employer's ~~health officer~~ ~~Health Officer~~ or upon medical reports submitted to ~~the health officer~~ ~~him~~ by other examining physicians.
- h) Subsequent ~~Reexamination~~ ~~reexamination~~ of ~~Disabled Participants~~ ~~disabled~~

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employees

- 1) It shall be the responsibility of the Medical Director to secure from examining physicians, periodically, reports concerning the continued disability of the participant~~employee~~. The date of reevaluation of the participant's ~~employee's~~ ability to perform his or her duties shall be determined by the Medical Director on the basis of the medical reports received previously, the nature of the disability, or other relevant information.
- 2) In reevaluation of disability claims, the examining physician shall be the attending physician designated by the participant~~employee~~, but, if, in the opinion of the Medical Director, the nature of the disability or other circumstances justify the appointment of someone other than the participant's ~~employee's~~ attending physician as the examining physician, the Medical Director~~he~~ shall make the~~such~~ appointment. The certification of disability by the employer may be based upon the medical reports received from the employer's health officer~~Health Officer~~ or other physicians. All other procedures that~~which~~ may be applicable in processing the initial claim for disability benefits shall be followed in reevaluation of the claim.
 - i) Amendment or Repeal of Medical Evaluation Regulations. This Section is issued by the Board ~~of Trustees of the State Universities Retirement System~~ in accordance with the provisions of the Illinois Pension Code. The right is reserved to rescind or amend this Section~~these regulations~~ in whole or in part at anytime. However, no rescission or amendment shall be effective, until the rescission or amendment has been filed with the Secretary of State. Amendment or repeal ~~of these regulations~~ will be made in accordance with the Illinois Administrative Procedure Act [5 ILCS 100].

(Source: Amended at 32 Ill. Reg. _____, effective _____)

SUBPART D: BENEFIT CALCULATION AND PAYMENT

Section 1600.400 Determination of Final Rate of Earnings Period

- a) Section 15-112 of the Illinois Pension Code ~~[40 ILCS 5/15-112]~~ defines a participant's~~an employee's~~ final rate of earnings by reference to average annual

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earnings over *either the last 48 months of consecutive service or the 4 consecutive academic years during which the participant's employee's earnings were highest.* This Section establishes a mechanism for determining the period of employment that is used to calculate a participant's an employee's final rate of earnings. This Section is not intended to provide guidance on any other aspect of determining the amount of the final rate of earnings.

- b) For all participantsemployees, SURS the System will calculate the average annual earnings during the 4 consecutive academic years of service in which the participant's his or her earnings were the highest. The academic year for a participant an employee begins on the first day of the fall term of his or her employer and ends on the day before the first day of the next fall term. For example, if the first day of the employer's fall term is August 15, then the academic year begins on August 15 and ends: on the following August 14 if the next fall term begins August 15; August 12 if the next fall term begins August 13; or on the following August 17 if the next fall term begins August 18. If the employer does not have an academic program divided into terms, the academic year begins on September 1 and ends on the following August 31. For all participantsemployees, except those identified in subsection (c) of this Section, the final rate of earnings will be that amount calculated under this subsection (b).
- c) For a participant an employee who is paid on an hourly basis or who receives an annual salary in installments during 12 months of each academic year, SURS the System will also calculate average annual earnings during the 48 consecutive calendar month period ending with the last day of final termination of employment. The final rate of earnings for a participant an employee identified under this subsection (c) will be the larger of the calculation under this subsection (c) or the calculation under subsection (b).
- d) A participant An employee paid on an "hourly basis" is a participant an employee who is paid per hour worked.
- e) An "annual salary" is a salary paid over 12 months for work to be performed during all 12 months of the academic year. SURS The System will determine if a participant an employee receives an annual salary by looking at the period for which services were performed, not the period over which salary payments were received, and, in determining annual salary, will not consider payment for summer teaching or any additional contracts for summer school, overloads, or any other extra services. For example, an academic employee who receives a contract

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to teach 9 or 10 months of the academic year, but who chooses to be paid over 12 months, is not receiving an annual salary. For further example, an academic employee who receives a contract to teach less than 12 months of the academic year plus a contract to teach summer school is not receiving an annual salary even though he or she may perform work for 12 months and be paid over 12 months as a result of teaching summer school.

- f) In determining ~~a participant's an employee's~~ "earnings", the system allocates earnings to the period in which the corresponding work was performed. Earnings are not determined by when the payment is made. For example, ~~a participant an employee~~ has a 9-month contract to teach from September through May and will be paid \$90,000. The ~~participant employee~~ has the option of receiving payment over 9 months (September through May at \$10,000 per month) or over 12 months (September through August at \$7,500 per month). The payment method chosen does not change the ~~participant's employee's~~ earnings. If the ~~participant employee~~ chooses to receive payment over 9 months or over 12 months, the earnings and the period to which they are allocated does not change. For further example, the same ~~participant employee~~ receives a contract to teach summer school during the following June, July and August and will be paid \$15,000. The ~~participant employee~~ has earnings during each of those 3 months of \$5,000. If the ~~participant employee~~ was receiving the prior 9-month contract payments during the summer, as well as \$5,000 each month for the summer contract, the payments to the ~~participant employee~~ would be \$12,500 during June, July and August, but the earnings would be \$5,000 in each month. For further example, if the ~~participant employee~~ received a lump sum payment in October of \$15,000 for the summer contract, that payment is not "earnings" in October, but is "earnings" allocated to the summer months.
- g) This Section is effective beginning March 1, 2005. However, a participant who, on March 1, 2005, is within his or her final rate of earnings period prior to retirement may have his or her final earnings calculated under either subsection (b) or ~~subsection~~ (c), even if subsection (c) would not otherwise be applicable to that participant.

(Source: Amended at 32 Ill. Reg. _____, effective _____)

Section 1600.410 Twenty Percent Limitation on Final Rate of Earnings Increases

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- a) Introduction. Public Act 90-65 added to Section 15-112 of the ~~Illinois Pension Code~~ a limitation on increases in earnings for the period of time covered under the calculation of final rate of earnings. This Section is promulgated to provide guidance and interpretation to the staff of ~~SURS the State Universities Retirement System~~ in implementing ~~Section 15-112 P.A. 90-65~~. The 20% limitation on increases in earnings shall consider basic compensation only to the extent actually paid in exchange for services rendered.
- b) All annual increases in earnings, as defined at Section 15-111 of the ~~Illinois Pension Code~~, by a participant ~~an employee~~ during the period used in determining the final rate of earnings of 20% or less shall be deemed to be includable in the calculation of the final rate of earnings. No further inquiry shall be necessary by the staff of ~~SURS the System~~.
- c) Except as otherwise provided in subsection (d), in ~~In~~ the event that there is an annual increase in earnings by a participant ~~an employee~~ during the period used in determining the final rate of earnings of greater than 20%, any ~~such~~ increase in excess of 20% shall be disregarded in calculating the final rate of earnings.
- d) Regardless of subsection (c), the following shall not be subject to the 20% increase limitation:
- 1) a change in the percentage of time worked by the participant ~~employee~~ (except that time worked in excess of 100% per employer shall be subject to the limitation);
 - 2) a change from a nine-month position to a 12 ~~twelve~~-month position;
 - 3) overloads or extensions, so long as the overload for which payment is received took place during the period used for calculating the final rate of earnings; and
 - 4) supplemental contracts, so long as verifiable additional work is performed pursuant to the supplemental contract, such as the teaching of a course additional to the customary load, or performance of duties additional to, and not in replacement of, the participant's ~~employee's~~ regular duties.

(Source: Amended at 32 Ill. Reg. _____, effective _____)

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Section 1600.420 Making Preliminary Estimated Payments

- a) ~~The State Universities Retirement System of Illinois (SURS)~~ shall make a Preliminary Estimated Payment (PEP) to members who qualify for a retirement annuity and file an application for that annuity. The purpose of a PEP is to provide members with some of their retirement income while their retirement claim is still being processed.
- b) The amount of the PEP shall be based on the highest applicable Rule described in Section 15-136 ~~of the Code~~[\[40 ILCS 5/15-136\]](#).
- c) The PEP calculation will not consider unverified current year earnings, nor unverified current year vacation payments, nor unverified additional credit for unused and unpaid sick leave, nor unverified Reciprocal credits, nor Early Retirement Option payments, nor additional service credit purchased after the application for retirement annuity has been received by SURS. Applicable taxes and insurance premiums will be deducted from the PEP.
- d) Date of Payment
 - 1) If the application for retirement annuity is received at least 90 days before the member's effective retirement date, the PEP will be paid on the first working day of the month following the effective date of the annuity. It will be paid each month until the retirement claim is finalized.
 - 2) If the application for retirement annuity, or the decision of the member under subsection (d)(3), is received less than 90 days before the member's effective retirement date, the PEP will be paid as soon as practicable. It will be paid each month until the retirement claim is finalized.
 - 3) If the member is entitled to the election under Section 15-135.1 of the ~~Illinois Pension Code~~ [\[40 ILCS 5/15-135.1\]](#), the member must first make or decline that election before a PEP can be calculated.
- e) Amount of Payment. SURS shall pay a PEP amount pursuant to the following calculations ~~applying the Rules in Section 15-136(a) of the Code~~:
 - 1) If the member has Reciprocal Service Credit, SURS will apply Rule 2-~~(see 40 ILCS 5/15-136)~~.

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- A) If in a Reciprocal case Rule 1 is estimated to be highest, SURS will pay 100% of the Rule 2 amount.
- B) If in a Reciprocal case Rule 2 is estimated to be highest, SURS will pay 80% of the Rule 2 amount.
- 2) If the member has no Reciprocal credits, SURS will pay 90% of the estimated Rule 1 amount or 90% of the estimated Rule 2 amount, whichever is higher.
- 3) If the member qualifies under P.A. 91-0395, SURS will pay 100% of the estimated Rule 2 amount.
- 4) If the member qualifies under Section 15-136.3 of the [Illinois Pension Code](#) ~~[40 ILCS 5/15-136.3]~~, SURS will pay the higher of \$75 per month or 100% of the estimated Rule 2 amount.
- 5) If the member qualifies for a retirement annuity under Rule 4, SURS will pay 90% of the Rule 4 amount.
- 6) If the member applies for a retirement annuity under Rule 4, but the years of service as a ~~police officer or firefighter~~ [Police/Firefighter](#) have not yet been verified by staff, SURS will pay 90% of the Rule 2 amount.
- f) Once the retirement claim has been finalized, the member will receive a check for the difference between the PEP payments and the actual monthly benefit amount that is due him or her, retroactive to the effective date of the member's annuity, without interest. If the PEP payments result in an overpayment, SURS will recover the overpaid benefit from future benefits, without interest.

(Source: Amended at 32 Ill. Reg. _____, effective _____)

Section 1600.430 Excess Benefit Arrangement

- a) The Excess Benefit Arrangement of the State Universities Retirement System of Illinois (Arrangement) is adopted effective January 1, 1995. The Arrangement is established and maintained by ~~the State Universities Retirement System of Illinois~~ [\(SURS\)](#) solely for the purpose of providing benefits for certain of its participants

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who participate in SURS in excess of the limitations on benefits imposed by ~~section~~Section 415 of the Internal Revenue Code (26 USC 415) on plans to which that ~~section~~Section applies.

- b) The Arrangement is adopted pursuant to the authority granted to SURS by Section 1-116 of the ~~Illinois Pension Code~~ [40 ILCS 5/1-116].
- c) This Arrangement is a portion of a governmental plan (as that term is defined in ~~IRC section~~Section 414(d) ~~of the Internal Revenue Code of 1986, as amended,~~ and ~~section~~Section 3(32) of the Employee Retirement Income Security Act of 1974, as amended (29 USC 1002)) and is administered as a qualified governmental excess benefit arrangement pursuant to the provisions of ~~IRC section~~Internal Revenue Code Section 415(m).
- d) Accordingly, SURS ~~hereby~~ adopts the Arrangement pursuant to the terms and provisions set forth in this subsection (d) below:

- 1) Definitions. Wherever used in this Section, the following terms shall have the meanings set forth in this subsection (d)(1):

~~A)"Board" means the Board of Trustees of SURS.~~

~~B)"Code" or "IRC" means the Internal Revenue Code of 1986, as amended from time to time, and any regulations relating thereto.~~

~~C)"Employer" means an employer as defined at Section 15-106 of the Illinois Pension Code.~~

~~A~~D) "Retirement Date" means the beginning date of the annuity payment period set forth in Section 15-135 of the ~~Illinois Pension Code~~.

~~E)"Participant" means a person as defined at Section 15-108 of the Illinois Pension Code.~~

~~B~~F) "Arrangement" means the Excess Benefit Arrangement of the State Universities Retirement System of Illinois.

~~C~~G) "Qualified Plan" means the SURS plan at Article 15 of the ~~Illinois~~

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~~Pension~~ Code.

- DH) "Qualified Plan Retirement Benefit" means the aggregate benefit payable to a ~~participant~~ Participant pursuant to the Qualified Plan.
- EI) "Qualified Plan Surviving Spouse Benefit" means the aggregate benefit payable to the ~~surviving spouse~~ Surviving Spouse of a ~~participant~~ Participant pursuant to the Qualified Plan.
- FJ) "Supplemental Retirement Benefit" means the benefit payable to a ~~participant~~ Participant pursuant to the Arrangement by reason of his ~~or her~~ termination of employment with any ~~employer~~ Employer for any reason other than death.
- GK) "Surviving Spouse" means a person as defined at Section 15-127 of the ~~Illinois Pension~~ Code.
- HL) "Supplemental Surviving Spouse Benefit" means the benefit payable to a ~~surviving spouse~~ Surviving Spouse pursuant to the Arrangement.
- IM) "Limitation Year" means that period for which all calculations and determinations of benefits and contribution limits will be made under IRC section 415 and ~~the this~~ Arrangement. The ~~limitation year~~ "Limitation Year" shall be the calendar year.

~~N) Words in the masculine gender shall include the feminine and the singular shall include the plural, and vice versa, unless qualified by the context. Any headings used herein are included for ease of reference only, and are not to be construed so as to alter the terms hereof.~~

- 2) Eligibility. A ~~participant~~ Participant who is eligible to receive a Qualified Plan Retirement Benefit, the amount of which is reduced by reason of the application of the limitations on benefits imposed by application of ~~IRC section 415 of the Code~~, as in effect on the date ~~of~~ commencement of the Qualified Plan Retirement Benefit, or as in effect at any time thereafter, to the Qualified Plan shall be eligible to receive a Supplemental Retirement Benefit. The ~~surviving spouse~~ Surviving Spouse of a ~~participant~~ Participant ~~described in the preceding sentence~~ shall be eligible

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to receive a Supplemental Surviving Spouse Benefit.

- 3) Supplemental Retirement Benefit
- A) Amount. The amount described in subsections (d)(3)(A)(i) and (ii) shall be computed annually, based upon a ~~calendar year~~ limitation year. The Supplemental Retirement Benefit payable to an eligible ~~participant~~ ~~Participant~~ shall be a monthly amount equal to the difference between subsections (d)(3)(A)(i) and (ii).
- i) The monthly amount of the Qualified Plan Retirement Benefit to which the ~~participant~~ ~~Participant~~ would have been entitled under the Qualified Plan if ~~the benefit~~ ~~such~~ ~~Benefit~~ were computed without giving effect to the limitations on benefits imposed by ~~application of IRC~~ ~~section 415~~ ~~of the Code~~ to plans to which that ~~section~~ ~~Section~~ applies; LESS
- ii) The monthly amount of the Qualified Plan Retirement Benefit actually payable to the ~~participant~~ ~~Participant~~ under the Qualified Plan.
- B) Form of Benefit. The Supplemental Retirement Benefit payable to a ~~participant~~ ~~Participant~~ shall be paid in the same form under which the Qualified Plan Retirement Benefit is payable to the ~~participant~~ ~~Participant~~. The ~~participant's~~ ~~Participant's~~ election under the Qualified Retirement Benefit (with the valid consent of ~~the~~ ~~surviving spouse~~ ~~when~~ ~~his~~ ~~Surviving Spouse~~ ~~where~~ required under the Qualified Plan) shall also be applicable to the payment of ~~a~~ ~~his~~ Supplemental Retirement Benefit.
- C) Commencement of Benefit. Payment of the Supplemental Retirement Benefit to a ~~participant~~ ~~Participant~~ shall commence on the same date as payment of the Qualified Plan Retirement Benefit to the ~~participant~~ ~~Participant~~ commences. Any election under the Qualified Plan made by the ~~participant~~ ~~Participant~~ with respect to the commencement of payment of ~~a~~ ~~his~~ Qualified Plan Retirement Benefit shall also be applicable with respect to the commencement of payment of ~~the~~ ~~his~~ Supplemental Retirement Benefit.

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- 4) Supplemental Surviving Spouse Benefit
- A) Amount. If a ~~participant~~Participant dies under circumstances in which a Qualified Plan Surviving Spouse Benefit is payable to his ~~or her surviving spouse~~Surviving Spouse, then a Supplemental Surviving Spouse Benefit is payable to ~~the surviving spouse~~his Surviving Spouse as ~~hereinafter~~provided in this subsection (d)(4)(A). The monthly amount of the Supplemental Surviving Spouse Benefit payable to a ~~surviving spouse~~Surviving Spouse shall be equal to the difference between subsections (d)(4)(A)(i) and (ii).
- i) The monthly amount of the Qualified Plan Surviving Spouse Benefit to which the ~~surviving spouse~~Surviving Spouse would have been entitled under the Qualified Plan if ~~that benefit~~such Benefit were computed without giving effect to the limitations on benefits imposed by application of ~~IRC section~~Section 415 ~~of the Code~~to plans to which that sectionSection applies; LESS
- ii) The monthly amount of the Qualified Plan Surviving Spouse Benefit actually payable to the ~~surviving spouse~~Surviving Spouse under the Qualified Plan.
- B) Form and Commencement of Benefit. A Supplemental Surviving Spouse Benefit shall commence and be payable in the same manner as the Qualified Plan Surviving Spouse Benefit is paid.
- 5) Administration of the Arrangement
- A) Administration by SURS. SURS shall be responsible for the general operation and administration of the Arrangement and for carrying out the provisions ~~of the Arrangement~~thereof. SURS shall have the authority to interpret ~~the~~this Arrangement and to issue such policies with respect to ~~the~~this Arrangement as it deems appropriate. SURS shall have the duty and responsibility to maintain records and to make calculations and determinations of benefits ~~under the Arrangement~~hereunder. SURS regulations,

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interpretations, determinations, and calculations shall be final and binding upon all persons and parties concerned.

- B) General Powers of Administration. All provisions set forth in the Qualified Plan with respect to the administrative powers and duties of SURS, expenses of administration, and procedures for filing claims shall also be applicable with respect to the Arrangement, including, but not limited to, the provisions of Sections 15-185, 15-186.1, 15-187, 15-190, and 15-191 of the Code. SURS shall be entitled to rely conclusively upon all tables, valuations, certificates, opinions, and reports furnished by any actuary, accountant, controller, counsel, or other person employed or engaged by SURS with respect to the Arrangement.

6) Amendment or Termination

- A) Amendment or Termination. SURS reserves the right to amend or terminate the Arrangement when, in the sole opinion of SURS, ~~such~~ amendment or termination is advisable. Any ~~such~~ amendment or termination shall be made pursuant to a resolution of the Board and shall be effective as of the date set forth in the resolution.
- B) Effect of Amendment or Termination. No amendment or termination of the Arrangement shall directly or indirectly deprive any current or former ~~participant~~Participant or ~~surviving spouse~~Surviving Spouse of all or any portion of any Supplemental Retirement Benefit or Supplemental Surviving Spouse Benefit payment that has commenced prior to the effective date of ~~the~~such amendment or termination or ~~that~~which would be payable if the ~~participant~~Participant terminated employment for any reason, including death, on ~~that~~such effective date.

7) General Provisions

- A) Funding. The Arrangement at all times shall be entirely unfunded and no provision shall at any time be made with respect to segregating any assets of SURS, of the State of Illinois, or of any ~~employer~~Employer for payment of any benefits under the

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- ~~Arrangement~~ hereunder. No ~~participant~~ Participant, ~~surviving spouse~~ Surviving Spouse, or any other person shall have any interest in any assets of SURS, the State, or ~~of any employer~~ Employer by reason of the right to receive a benefit under the Arrangement.
- B) General Conditions. Except as otherwise expressly provided ~~in this Section~~ herein, all terms and conditions of the Qualified Plan applicable to a Qualified Plan Retirement Benefit or a Qualified Plan Surviving Spouse Benefit shall also be applicable to a Supplemental Retirement Benefit or a Supplemental Surviving Spouse Benefit payable ~~under the Arrangement~~ hereunder. Any Qualified Plan Retirement Benefit or Qualified Plan Surviving Spouse Benefit, or any other benefit payable under the Qualified Plan, shall be paid solely in accordance with the terms and conditions of the Qualified Plan and nothing in ~~the~~ this Arrangement shall operate or be construed in any way to modify, amend or affect the terms and provisions of the Qualified Plan.
- C) No Guaranty of Benefits. Nothing contained in the Arrangement shall constitute a guaranty by SURS, the State, any ~~employer~~ Employer, or any other entity or person that the assets of any such entity will be sufficient to pay any benefit ~~under the Arrangement~~ hereunder.
- D) No Enlargement of ~~Participant~~ Employee Rights. No ~~participant~~ Participant or ~~surviving spouse~~ Surviving Spouse shall have any right to a benefit under the Arrangement except in accordance with the terms of the Arrangement. Establishment of the Arrangement shall not be construed to give any ~~participant~~ Participant the right to be retained in the service of any ~~employer~~ Employer.
- E) Applicable Law. The Arrangement shall be construed and administered under the laws of the State of Illinois.

(Source: Amended at 32 Ill. Reg. _____, effective _____)

Section 1600.431 Indirect Payments to Minors and Legally Disabled Persons

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Purpose. Sections 15-145(c), 15-190 and 15-191 of the Code allow SURS to make indirect payments to minors and persons under legal disability. This Section provides clarification of terms used in the statutory provisions and sets forth the procedure for handling these indirect payments.

- a) Person Under Legal Disability. For purposes of Section 15-190 of the Illinois Pension Code:
- 1) A "person under legal disability" means a person age 18 or over who meets the definition of a "disabled person" under Section 11a-2 of the Illinois Probate Act of 1975 [755 ILCS 5/11a-2]. Any person acting or applying for benefits on behalf of the person under legal disability must provide SURS with a certified copy of a valid court order finding legal disability or an evaluation certifying legal disability signed by a licensed physician.
 - 2) "Guardian" means a person who has been appointed the guardian over the property of the person under legal disability, or the guardian's successor. Any person acting in the capacity of guardian must provide SURS with a certified copy of the letters of appointment.
- b) Minor Recipients. For purposes of Section 15-191 of the Illinois Pension Code:
- 1) "Minor" means an unmarried person under age 18.
 - 2) "Guardian" means a person who has been appointed the guardian over the person or property of the minor, or the guardian's successor, by a court. Any person acting in the capacity of guardian must provide SURS with a certified copy of the letters of appointment.

(Source: Added at 32 Ill. Reg. _____, effective _____)

Section 1600.432 Indirect Payments to Child Survivors Through the Surviving Spouse

Purpose. Section 15-145(c) of the Code authorizes SURS to pay the survivors insurance benefits of a child survivor to the surviving spouse if the child is "in care of" the surviving spouse. This Section defines the phrase "in care of". All references to "child" or "surviving child" in this

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Section assume that the child has fulfilled the applicable requirements under Section 15-145(c) of the Code and this Part to become eligible for survivor insurance benefits.

a) Surviving Child under Age 18

- 1) A surviving child under age 18 is "in care of" the surviving spouse if the child has been living with the surviving spouse for at least 30 days.
- 2) Except as provided in subsection (a)(3), a surviving child under age 18 who is living apart from the surviving spouse is "in care of" the surviving spouse if:
 - A) The child lived apart from the surviving spouse for not more than 4 months, or the current absence is not expected to last over 4 months;
 - B) The child is living apart from the surviving spouse because the child is attending school or because of the spouse's employment, but the surviving spouse makes contributions to the child's support that enable the spouse to claim the child as a dependent for federal income tax purposes or that provide at least 50% of the child's support; or
 - C) The child is living apart because of the child's physical or mental disability or because of a physical disability of the surviving spouse.
- 3) Notwithstanding subsection (a)(2), a surviving child who is living apart from the surviving spouse is not "in care of" a surviving spouse if:
 - A) The child is living with his or her other parent;
 - B) The child is removed from the surviving spouse's custody and control by court order;
 - C) The surviving spouse has given the right to have custody and control of the child to someone else; or

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D) The surviving spouse has been adjudicated by a court to be under a legal disability.

b) Surviving Child Age 18 or Older

1) A surviving child between ages 18 and 22 who is a full-time student is "in care of" the surviving spouse if the surviving spouse makes contributions to the child's support that enable the spouse to claim the child as a dependent for federal income tax purposes or that provide at least 50% of the child's support.

2) A surviving child of age 18 or older who was dependent upon the participant or annuitant by reason of a physical or mental disability that began prior to the date the child attained age 18 (age 22 if a full-time student) is "in care of" the surviving spouse if:

A) The child has been living with the surviving spouse for at least 30 days; however, the child is not "in care of" the surviving spouse if:

i) The child is 18 years old or older with a mental disability, but the surviving spouse does not actively supervise the child's activities and does not make important decisions about the child's needs; or

ii) The child is 18 years old or older with a physical disability, but it is not necessary for the surviving spouse to perform personal services for the child. Personal services are services such as dressing, feeding and managing money that the child cannot do alone because of a disability.

B) The surviving spouse makes contributions to the child's support that enable the spouse to claim the child as a dependent for federal income tax purposes or that provide at least 50% of the child's support.

(Source: Added at 32 Ill. Reg. _____, effective _____)

Section 1600.440 Voluntary Deductions from Annuity Payments

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Purpose. This Section implements procedures for voluntary deductions from annuities and disability benefits as authorized under Section 4 of the State Salary and Annuity Withholding Act (SSAWA) [5 ILCS 365/4] and Section 4.5 of the Voluntary Payroll Deductions Act of 1983 (VPDA) [5 ILCS 340/4.5]. The SSAWA allows a SURS annuitant receiving an annuity or disability benefit to authorize the withholding of a portion of his or her annuity or disability benefit for purposes enumerated in Section 4(1) through (13) of the SSAWA. In furtherance of Section 4(12) of the SSAWA, the VPDA allows a SURS annuitant receiving an annuity or disability benefit under Article 15 of the ~~Illinois Pension~~ Code ~~[40 ILCS 5/Art. 15]~~ to authorize the withholding of a portion of his or her annuity or disability benefit for contribution to a maximum of four organizations described in Section 3(b) and (c) of the VPDA. Upon written request of the annuitant, SURS may deduct from the annuity or disability benefit of the annuitant the amount specified in the voluntary deduction authorization to the entity designated by the annuitant.

- a) **Written Authorizations.** The written request for voluntary annuity or disability benefit deductions shall be made ~~either~~ by filling out and signing a SURS-prepared voluntary deduction authorization form, by written correspondence from the annuitant, or by a voluntary deduction authorization form prepared by an organization or entity authorized to solicit annuitants under the SSAWA and VPDA.
- b) **Form of Authorization.** The voluntary deduction authorization form or correspondence shall contain the following to be an effective authorization for voluntary deductions:
 - 1) one or more of the following purposes authorized under the SSAWA, including the name and address of the organization or entity to receive the deduction:
 - A) *for purchase of United States Savings Bonds;*
 - B) *subject to restrictions under the SSAWA, for payment of premiums on: life or accident and health insurance, as defined in Section 4 of the Illinois Insurance Code [215 ILCS 5/4]; policies of automobile insurance as defined in Section 143.13 of the Illinois Insurance Code; and personal multiperil coverages commonly known as homeowner's insurance;*
 - C) *for payment to any labor organization designated by the employee;*

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- D) *for payment of dues to any association the membership of which consists of State employees and former State employees;*
- E) *for deposit in any credit union in which State employees are within the field of membership as a result of their employment;*
- F) *for payment to or for the benefit of an institution of higher education by an employee of that institution;*
- G) *for payment of parking fees at the underground facility located south of the William G. Stratton State Office Building in Springfield, the parking ramp located at 401 South College Street, west of the William G. Stratton State Office Building in Springfield, or the parking facilities located on the Urbana-Champaign campus of the University of Illinois;*
- H) *for voluntary payment to the State of Illinois of amounts then due and payable to the State;*
- I) *for investment purchases made as a participant in College Savings Programs established pursuant to Section 30-15.8a of the School Code [105 ILCS 5/30-15.8a];*
- J) *for voluntary payment to the Illinois Department of Revenue of amounts due or to become due under the Illinois Income Tax Act [35 ILCS 5];*
- K) *for payment of optional contributions to a retirement system subject to the provisions of the [Illinois Pension Code](#);*
- L) *for contributions to organizations found qualified by the State Comptroller under the requirements set forth in the VPDA (this purpose must be accompanied by a deduction code issued by the State Comptroller);*
- M) *for payment of fringe benefit contributions to employee benefit trust funds; (Section 4 of the SSAWA)*

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- 2) the amount to be withheld from the annuity or disability benefit of the annuitant for each designated entity;
 - 3) the expiration date of the authorization, if applicable;
 - 4) the annuitant's current mailing address; and
 - 5) the annuitant's signature.
- c) **Effective Date of Authorization.** The voluntary deduction authorization shall be effective for annuities and disability benefits according to the following schedule. An authorization is deemed submitted when it is received and date stamped by SURS.
- 1) If a voluntary deduction authorization is submitted on or before the SURS monthly benefit processing date, the authorization shall be effective from the first day of the next calendar month for annuities and from the last day of the same calendar month for disability benefits.
 - 2) If a voluntary deduction authorization is submitted after the scheduled SURS monthly benefit processing date, the authorization shall be effective from the first day of the calendar month following the next calendar month for annuities and from the last day of the next calendar month for disability benefits.
- d) **Deduction Increases.** The annuitant may authorize in writing increases in amounts withheld by voluntary deduction without filing a new deduction authorization form (e.g., on account of increases in union dues). However, prior to an increase in withholding taking effect, written notice shall be given to SURS and to each affected annuitant by the entity to receive the increase.
- e) **Termination and Reinstatement.** Effective voluntary deduction authorizations may be terminated at any time by the annuitant by written request. Absent a written request for termination, an effective voluntary deduction authorization is automatically terminated upon reaching the date of expiration as indicated on the written request for voluntary deductions. If no expiration date is indicated, then the voluntary deduction authorization continues to be effective for each recurring annuity or disability benefit pay period until the annuity or disability benefit ceases. A reinstatement of a deduction subsequent to its termination as a result of

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a request for termination, expiration, or cessation of annuity or benefit must be authorized under a new voluntary deduction authorization as prescribed under subsection (b). However, a temporary suspension (such as a suspension due to the lack of a valid address verification) of an annuity or disability benefit, followed by its recommencement, does not require a new voluntary deduction authorization.

f) Deduction Limits

- 1) In addition to the requirements under the SSAWA and VPDA, any organization or entity for which a deduction authorization is submitted must have received deduction authorizations from at least 50 SURS annuitants before the monthly benefit processing date of the previous month.
- 2) Once SURS has received effective deduction authorizations for withholding on behalf of four organizations or entities that may receive deductions for any of the purposes stated under subsections (b)(1)(A) through (b)(1)(K) and (b)(1)(M) of this Section, SURS shall accept no further deduction authorization forms for those organizations or entities from that annuitant, unless a previously effective deduction authorization is terminated by the annuitant (or by the expiration of the stated term of the prior authorization).
- 3) Once SURS has received effective deduction authorizations for withholding on behalf of four qualified organizations described under Section 3(b) and (c) of the VPDA for the purpose stated under subsection (b)(1)(L) of this Section, SURS shall accept no further deduction authorization forms for those organizations from that annuitant, unless a previously effective deduction authorization is terminated by the annuitant (or by the expiration of the stated term of the prior authorization).

(Source: Amended at 32 Ill. Reg. _____, effective _____)

Section 1600.450 Overpayment Recovery

Purpose. Under Section 15-186.1 of the Code, SURS may recover amounts overpaid from the recipient, plus interest at the effective rate from the date of overpayment to the date of recovery, either directly or by deducting that amount from the remaining benefits payable to the recipient

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at a rate determined prudent and in the best interests of the System. This Section establishes procedures by which SURS' authority to collect overpayments under Section 15-186.1 is to be exercised.

- a) Demand and Statements. SURS will provide the overpaid recipient with a written demand upon discovery of the overpayment. The written demand shall specify the total amount of the overpayment, the month or months in which the overpayment occurred, a description of the nature of the overpayment, the interest rate to be assessed, and the option for installment payments or deduction from future benefits. The written demand shall also notify the recipient of the right to appeal and receive a hearing concerning the determination of overpayment status in accordance with Section 1600.500. SURS will send the recipient monthly statements indicating the overpayment balance and any installment balances and shall continue sending monthly statements until the total amount is fully repaid or SURS acts under subsection (c) of this Section.
- b) Interest. Interest will compound monthly at 1/12 the current effective rate of interest per month starting 30 days after the date of issuance of the written demand until collection is completed.
- c) Actions for Recovery. If the recipient has not begun repayment or has not filed an appeal within 30 days after the written demand, or a final non-appealable decision in favor of SURS issued subsequent to an appeal, SURS may take any, or any combination, of the following actions, as SURS deems appropriate and prudent, to collect the overpayment:
 - 1) Deduct from benefits, refunds and credits payable to the participant, annuitant or beneficiary. Under Section 15-185 of the Code, the Board may deduct from any benefit payable to participants, annuitants, survivors and beneficiaries amounts owed to SURS due to the participant's service. SURS may recover overpayments from any benefit payable due to the participant's service, including annuity benefits, survivor benefits, separation refunds, disability benefits and death benefits. If anyone receiving a benefit due to the participant's service is overpaid, the overpayment may be recovered from any current or future benefits paid to the same person or any other person receiving benefits due to the participant's service;
 - 2) Engage a private collections agent;

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- 3) Initiate proceedings to obtain a civil judgment by attorneys retained by SURS or through the Attorney General; and/or
 - 4) Refer the overpayment to the Debt Collection Bureau of the Illinois Department of Revenue.
- d) Maintenance of Records. Records of overpayments shall be maintained for at least 36 months, except as provided under subsection (e), and shall contain the following:
- 1) A description of the cause for the overpayment;
 - 2) Correspondence concerning attempts to collect the overpayment; and
 - 3) Evidence of notice given for a hearing and review of the overpayment and any final outcome of the hearing and review.
- e) Uncollectible Accounts Receivable. If SURS is unable to collect all or part of an overpayment after 36 months, SURS' staff may request the Board, or its duly authorized representative, to certify the overpayment balance as uncollectible and no longer to be maintained as an account receivable in SURS' records. The request shall include the documentation required under subsection (d) and confirmation that the certification would be in the best economic interest of SURS. In determining the best economic interest of SURS, staff shall determine whether the total collection cost expended or anticipated will exceed the recoupment reasonably expected. However, the following exceptions may apply:
- 1) SURS' staff may deem an overpayment balance of \$100 or less to be uncollectible 6 months after the date of the demand without certification by the Board;
 - 2) SURS' staff may request certification for an overpayment balance of more than \$100 but less than \$5,000 after collection efforts have elapsed for at least 12 months.
- f) Reopening Uncollectible Accounts Receivable. Overpayments certified by the Board as uncollectible may be reopened for collection if the SURS' staff determines that it is in the best economic interest of SURS to do so.

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- g) Past Overpayments. Overpayments incurred prior to the effective date of this Section may be certified as uncollectible under subsection (e) notwithstanding the lack of any of the documentation required under subsection (d).
- a) ~~Under Section 15-185 of the Illinois Pension Code [40 ILCS 5/15-185], the Board of Trustees of the System may deduct from any benefit payable to participants, annuitants, survivors, and beneficiaries amounts owed to the System due to or because of the participant's service.~~
- b) ~~The System may recover overpayments from any benefit payable due to the participant's service in the System, including annuity benefits, survivor benefits, separation refunds, disability benefits and death benefits. If anyone receiving a benefit due to the participant's service is overpaid, the overpayment may be recovered from any current or future benefits paid to the same person or other person receiving benefits due to the participant's service.~~

(Source: Amended at 32 Ill. Reg. _____, effective _____)

SUBPART E: ADMINISTRATIVE REVIEW

Section 1600.500 Rules of Practice - Nature and Requirements of Formal Hearings

- a) Administrative Determination
The SURS administrative staff ~~of the System~~ shall be responsible for the daily claims-processing function of SURS ~~the System~~, including processing of all claims for benefits or service credit or any other claims against or relating to SURS ~~the System~~.
- b) Review by Deputy Director
Any participant, annuitant, or beneficiary adversely affected by the disposition of a claim by the administrative staff may file a written request for review by the appropriate Deputy Director of SURS ~~the System~~. A request for review by the Deputy Director must be submitted within 30 days after the decision from which review is sought. The Deputy Director's review will be based upon all materials contained in the file, as well as any additional materials the claimant attaches to the written request for review filed with the Deputy Director pertaining to the claim.

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c) Hearing

- 1) Petition. Any participant, annuitant, or beneficiary adversely affected by the disposition of a claim by the Deputy Director may request, in writing, a ~~hearing~~Hearing before the Claims Committee. A request for a ~~hearing~~Hearing must be submitted to the General Counsel of ~~SURS~~the System, or his or her designee, within 30 days after the decision from which review is sought.
- 2) Statement of Claim. Upon filing a request for a ~~hearing~~Hearing, the claimant shall be informed that he or she is required to file a Statement of Claim no later than 30 days in advance of ~~hearing~~Hearing, which shall include: the claimant's name, social security number, and address; the name and address of the claimant's authorized representative, if any; a statement of the facts forming the basis for the appeal; any documents or other materials the claimant wishes to be considered in conjunction with the appeal; and an explanation of the relief sought.
- 3) Notification. Upon scheduling of a ~~hearing~~Hearing before the Claims Committee, a claimant shall be *provided with written notice of: the date, time and place of the hearing*Hearing; the subject matter of the ~~hearing~~Hearing; and *relevant procedural and substantive statutory and regulatory provisions* [5 ILCS 100/10-25]. Notice of the ~~hearing~~Hearing shall also inform the claimant that he or she will be afforded the opportunity to provide a statement of his or her position, present oral evidence, and conduct such examination and cross-examination of witnesses as is necessary for full and true disclosure of the facts. Notice shall be given to the claimant that he or she is required to provide written confirmation, at least three days prior to the scheduled date of the ~~hearing~~Hearing, of his or her intent to appear at the ~~hearing~~Hearing, whether in person or by telephone conference call. The claimant is not required to appear at the ~~hearing~~Hearing. The claimant may appear at the hearing by telephone conference call. In the absence of the claimant, the Claims Committee will consider the claimant's Statement of Claim and such other matters as may be properly brought before it at the ~~hearing~~Hearing.
- 4) Pre-hearing Conference. Upon request of the General Counsel or upon the decision of the Hearing Officer, a pre-hearing conference shall be held for

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the purpose of simplification or definition of issues or procedures at the ~~hearing~~Hearing.

- 5) Representation. The claimant and ~~SURS the System~~ may be represented by counsel or a designated spokesperson at the ~~hearing~~Hearing.
- 6) Burden of Proof. It shall be the burden of the claimant to establish a right to the benefit claimed, or the right to the continuation of the benefit claimed in cases of revocation of the benefit by ~~SURS the System~~, by establishing ~~that such~~ right by a preponderance of the evidence.

~~d) 7)~~ Discovery. All discovery is at the discretion of the Hearing Officer. Requests to take discovery must be made in writing to the Hearing Officer with notice to the other party. Discovery may be taken with the prior permission of the Hearing Officer only upon good cause shown, that is, if the evidence sought is material and cannot be obtained in any other way. Failure to comply with orders of the Hearing Officer may be sanctioned by the Hearing Officer, by ~~means~~sanctions including, but not limited to, dismissal of a claim.

e) Depositions

- 1) The Hearing Officer may order the taking of evidence depositions, specifying the subject matter to be covered, of a person under oral examination or written questions, for use as evidence at the ~~hearing~~Hearing, provided:
 - A) The Hearing Officer has determined upon request that there is a need to preserve a person's testimony;
 - B) ~~The Such~~ request is made on motion by a party who gives notice of ~~the such~~ motion to the other party; and
 - C) The Hearing Officer has determined that an evidence deposition containing ~~such~~ oral testimony will be necessary to the Claims Committee in determining the merits of the claim.
- 2) The taking of depositions shall be in accordance with the provisions for taking depositions in civil cases, and the order for the taking of a deposition may provide that any designated books, papers, documents, or

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tangible objects that are not privileged shall be produced at the same time and place.

- 3) Any party to the ~~hearing~~Hearing shall, during any deposition process, have the right to confront and cross-examine any witness whose deposition testimony is to be presented to the Claims Committee.
- 4) Depositions shall be taken in the county of residence or employment of the witness, unless the witness waives ~~that~~such right in writing.
- 5) Depositions shall be taken at the cost of the party requesting the deposition.

f) Subpoenas

- 1) The Hearing Officer may request the Secretary of the Board to issue a subpoena to compel the attendance of a witness at an evidence deposition or the production of documents when ~~the~~such witness has, or such documents contain, relevant evidence. A party may also request the Hearing Officer to request the Secretary of the Board to issue a subpoena to compel the attendance of a witness at an evidence deposition or the production of documents. The request shall either be in writing or on the record and shall:
 - A) Identify the witness or document sought; and
 - B) State the facts that will be proven by each witness or document sought.
- 2) The Hearing Officer shall grant or deny the request, either in writing or on the record. If the request for subpoena is granted, the Hearing Officer shall, if necessary, reschedule the hearing to a specific date. The request for subpoena shall be denied if the Hearing Officer finds that the evidence sought is immaterial, irrelevant, or cumulative. If the request for subpoena is denied, the specific reasons for denial of the request shall be made part of the record on appeal.
- 3) If a witness fails to obey a subpoena, the party seeking enforcement of the subpoena shall prepare an application to the circuit court of the county in

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which the subpoenaed witness resides requesting enforcement of the subpoena, and shall present the application to the Hearing Officer, at the same time serving a copy of the application upon the other party. If satisfied that the subpoena was properly served and that the application is in proper form, the Hearing Officer shall sign a subpoena to be submitted with the application and the party seeking the subpoena may then file and prosecute the application to the circuit court, in the name of the Board of Trustees of the System. The petitioner in the application shall be styled as "Name of Petitioner ex rel. Board of Trustees of the State Universities Retirement System of Illinois" unless the petitioner is SURS the System, in which case the petition shall be brought in the name of the Board of Trustees. In the event of an application being filed with the circuit court, the matter shall be continued pending the outcome of the application to enforce the subpoena.

- 4) The fees of witnesses for attendance and travel shall be the same as fees of witnesses before the circuit courts of this State and shall be paid by the party seeking the subpoena.
- g) Conduct of the Hearing
- 1) Hearing Officer. The ~~hearing~~Hearing shall be conducted by the Hearing Officer. Other members of the Claims Committee may, but are not required to, attend the hearing. The Hearing Officer shall have full power to conduct the ~~hearing~~Hearing and the presence of any other members of the Claims Committee is not required. The Hearing Officer shall be one of the members of the Claims Committee chosen by them to be the Hearing Officer. The Claims Committee shall be composed of the Executive Director of the System (the agency head) and two additional members chosen by the Board of Trustees, at least one of whom shall be a Board member. The final member of the Claims Committee shall be selected from the membership of the Board of Trustees, participants in SURS the System, or attorneys licensed to practice law in the State of Illinois. At a minimum, the members of the Claims Committee shall have a general familiarity with the provisions of the ~~Illinois Pension Code, this Part and the rules, regulations,~~ and policies of SURS the System.
 - 2) Procedures. The Hearing Officer shall conduct a full and fair ~~hearing~~Hearing, receive testimony of the claimant and admit exhibits into

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evidence, avoid delay, maintain order and make a sufficient record for a full and true disclosure of the facts and issues. To accomplish these ends, the Hearing Officer shall make all procedural and evidentiary rulings necessary for the conduct of the ~~hearing~~Hearing. As a general matter, *the rules of evidence as applied in civil cases in the circuit courts of the State of Illinois shall be followed; however, evidence inadmissible under those rules may be admitted (except where precluded by statute) if it is of a type commonly relied upon by reasonably prudent persons in the conduct of their affairs. Any part of the evidence may be received in written form, provided that the interests of the parties will not be prejudiced. Notice may be taken of generally recognized technical facts within SURS'~~the~~agency's specialized knowledge and SURS'~~the~~agency's experience, technical competence and specialized knowledge may be used in evaluation of the evidence.* [5 ILCS 100/10-40] The Hearing Officer, and any member of the Claims Committee attending the hearing, may ask questions necessary for better understanding of the facts or law. The Hearing Officer shall have the authority to impose reasonable time limits for each party to present its case and shall, in general, have the power to manage and control the ~~hearing~~Hearing process. The ~~hearing~~Hearing shall be open to the public unless the Hearing Officer, for good cause shown, determines otherwise.

- 3) Record of Proceedings. Two records of proceedings shall be kept that shall be in the form of:
 - A) a non-verbatim "bystander's report"; and
 - B) either a stenographic transcription or a tape recording. The claimant may obtain a stenographic transcription or a copy of a tape recording of the ~~hearing~~Hearing by making a timely request and paying the actual cost entailed.
- 4) Disqualification; Ex Parte Communications
 - A) Disqualification. *A Hearing Officer or other member of the Claims Committee may be disqualified on grounds of bias or conflict of interest. A motion to disqualify a Hearing Officer or other member of the Claims Committee for bias or conflict of interest should be made to the Hearing Officer by any party to the*

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~~hearing~~Hearing at least one week prior to the commencement of the ~~hearing~~Hearing, with a copy of the motion to be simultaneously submitted to the General Counsel. The motion shall be heard, considered and ruled upon by the Hearing Officer at or prior to the commencement of the ~~hearing~~Hearing. The movant shall have the burden of proof with respect to the motion to disqualify. Either an *adverse ruling* or the fact that a Hearing Officer or other member of the Claims Committee is an employee of ~~SURS~~~~the System~~ or has a contract with ~~SURS~~~~the System~~, standing alone, *shall not constitute bias or conflict of interest*. [5 ILCS 100/10-30] The Executive Director may not be called as a witness unless it is demonstrated that the Executive Director has relevant noncumulative personal knowledge of facts bearing upon the claim. The Executive Director may not be disqualified as a member of the Claims Committee on the basis that the Executive Director is responsible for the overall administration of ~~SURS~~~~the System~~. In the event that a Hearing Officer or other member of the Claims Committee is disqualified or is otherwise unable to serve, the Board President may appoint another person to the Claims Committee and shall appoint another person if the Claims Committee is reduced to fewer than two members, or the Claims Committee shall appoint another Hearing Officer from among its members, as the case may be.

- B) Ex Parte Communications Prohibited. *Except in the disposition of matters that ~~SURS~~~~the System~~ is authorized by law to entertain or dispose of on an ex parte basis, the members of the Claims Committee shall not, after receiving notice of a ~~hearing~~Hearing in a contested matter, communicate, directly or indirectly, in connection with any issue of fact, with any party, or in connection with any other issue with any party, or the representative of any party, except upon notice and opportunity for all parties to participate. However, an employee of ~~SURS~~~~the System~~ may communicate with other employees of ~~SURS~~~~the System~~ and an employee of ~~SURS~~~~the System~~ or member of the Claims Committee may have the aid and advice of one or more assistants. An ex parte communication received by any member of the Claims Committee shall be made a part of the record of the pending matter, including all written communications, all written responses*

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to the communications, and a memorandum stating the substance of all oral communications and all responses made and the identity of each person from whom the ex parte communication was received. Communications regarding matters of procedure and practice, such as the format of pleadings, number of copies required, manner of service, and status of proceedings, are not considered ex parte communications. [5 ILCS 100/10-60]

- 5) Recommendations and Decisions
- A) Claims Committee Recommendation. Upon conclusion of all evidence and arguments, the Claims Committee shall privately deliberate and make a recommendation as to the disposition of the claim based on the evidence of record. The record of proceedings shall be completed upon conclusion of the hearing by the Hearing Officer, unless the Hearing Officer determines to re-open the proceedings. The Claims Committee shall make one of the following recommendations: affirmance of the administrative action, reversal of the administrative action, or remand of the case to the administrative staff for further consideration. The recommendation of the Claims Committee shall be made to the Executive Committee of the Board ~~of Trustees~~. The claimant may file a statement of exceptions to the findings of the Claims Committee and may file a brief in support of its statement of exceptions. The statement of exceptions and brief must be submitted to the General Counsel not less than 30 days prior to the date that the Executive Committee is scheduled to hear this claim, as set forth in written notice to the claimant. The notice shall be given not less than 60 days prior to the meeting of the Executive Committee. ~~SURS The System~~ may file a reply brief not less than 7 days prior to the date that the Executive Committee is scheduled to hear this claim. The recommended decision of the Claims Committee is a non-final decision, subject to the ultimate decision of the Executive Committee of the Board ~~of Trustees~~.
- B) Executive Committee Decision. The Executive Committee of the Board ~~of Trustees~~ shall make a decision on the claim following receipt of a recommended decision from the Claims Committee, any statement of exceptions or brief filed by the claimant, and any

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reply brief filed by ~~SURS~~~~the System~~. No oral argument shall be permitted before the Executive Committee unless otherwise determined by the Executive Committee. The Executive Committee shall consider the recommendation of the Claims Committee, any statement of exceptions or brief filed by the claimant, any reply brief of ~~SURS~~~~the System~~, and any permitted oral argument in making a decision for ~~SURS~~~~the System~~ as to the disposition of the claim. The Executive Committee shall render one of the following decisions with respect to the claim: affirmance of the administrative action, reversal of the administrative action, or remand of the case to the administrative staff for further consideration. Remand of the case to the administrative staff shall not be considered a final decision of the Executive Committee. A decision by the Executive Committee either reversing or affirming the decision of the administrative staff shall constitute a final decision for the purpose of review under the Administrative Review Law [735 ILCS 5/Art. III]. *A final decision of the Executive Committee shall be in writing or stated in the record. A final decision of the Executive Committee shall include findings of fact and conclusions of law, separately stated.* The Executive Committee may adopt as its own the findings of fact and conclusions of law of the Claims Committee. *Findings of fact, if set forth in statutory language, shall be accompanied by a concise and explicit statement of the underlying facts supporting the findings. All decisions of the Executive Committee shall specify whether they are final and subject to the Administrative Review Law.* [5 ILCS 100/10-50] Parties or their agents shall be notified either personally or by registered or certified mail of any decision of the Executive Committee. Upon request, a copy of the decision shall be delivered or mailed to each party and to his or her attorney of record.

(Source: Amended at 32 Ill. Reg. _____, effective _____)

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- 1) Heading of the Part: Riverboat Gambling
- 2) Code Citation: 86 Ill. Adm. Code 3000
- 3) Section Number: 3000.1071 Adopted Action:
Amendment
- 4) Statutory Authority: Authorized by the Riverboat Gambling Act [230 ILCS 10], specifically Sections 5 (c) (2) and (3) and 12 (a) (1) of that Act [230 ILCS 10/5 (c) (2) and (3), 230 ILCS 10/12 (a) (1)].
- 5) Effective Date of Amendment: April 28, 2008
- 6) Does this rulemaking contain an automatic repeal date? No
- 7) Does this rulemaking contain an incorporation by reference? No
- 8) A copy of the adopted amendment, including any material incorporated by reference, is on file in the principal office and is available for public inspection.
- 9) Notice of Proposal published in Illinois Register: November 9, 2007; 31 Ill. Reg. 14982
- 10) Has JCAR issued a Statement of Objection to this rulemaking? No
- 11) Differences between proposal and final version: None
- 12) Have all the changes agreed upon by the Agency and JCAR been made as indicated in the agreement letter issued by JCAR? JCAR has not requested any changes to the rulemaking.
- 13) Will this rulemaking replace any emergency rulemaking currently in effect? No
- 14) Are there any amendments pending on this part? Yes

<u>Section Numbers:</u>	<u>Proposed Action:</u>	<u>Illinois Register Citation:</u>
3000.100	Amendment	32 Ill. Reg. 1512; February 8, 2008
3000.635	Amendment	32 Ill. Reg. 1512; February 8, 2008
3000.245	Amendment	32 Ill. Reg. 1206; February 1, 2008
3000.1050	Amendment	32 Ill. Reg. 3136; March 7, 2008
- 15) Summary and purpose of Amendment: The purpose of the amendment is to establish consistency between the respective admission tax provisions of Public Act 95-0663, effective October 17, 2007, and 86 Ill. Adm. Code 1071. Specifically, the proposed amendment provides, in conformity with Public Act 95-0663, that a person who exits a

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riverboat gambling facility, and re-enters that facility within the same gaming day, shall be subject only to the initial admission tax.

- 16) Information and Questions regarding this adopted amendment may be addressed to:

Michael Fries
Chief Counsel
Illinois Gaming Board
160 North LaSalle Street
Chicago, Illinois 60601

Fax No. 312/814-4143
mfries@revenue.state.il.us

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

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TITLE 86: REVENUE
CHAPTER IV: ILLINOIS GAMING BOARDPART 3000
RIVERBOAT GAMBLING

SUBPART A: GENERAL PROVISIONS

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

SUBPART B: LICENSES

Section	
3000.200	Classification of Licenses
3000.210	Fees and Bonds
3000.220	Applications
3000.221	Other Required Forms
3000.222	Identification and Requirements of Key Persons
3000.223	Disclosure of Ownership and Control

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

SUBPART C: OWNER'S INTERNAL CONTROL SYSTEM

Section	
3000.300	General Requirements – Internal Control System
3000.310	Approval of Internal Control System
3000.320	Minimum Standards for Internal Control Systems
3000.330	Review of Procedures (Repealed)
3000.340	Operating Procedures (Repealed)
3000.350	Modifications (Repealed)

SUBPART D: HEARINGS ON NOTICE OF DENIAL,

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RESTRICTION OF LICENSE, PLACEMENT ON BOARD EXCLUSION LIST OR
REMOVAL FROM BOARD EXCLUSION LIST OR SELF-EXCLUSION LIST

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

SUBPART E: CRUISING

Section	
3000.500	Riverboat Cruises
3000.510	Cancelled or Disrupted Cruises

SUBPART F: CONDUCT OF GAMING

Section	
3000.600	Wagering Only with Electronic Credits, Approved Chips, Tokens and Electronic Cards
3000.602	Disposition of Unauthorized Winnings
3000.605	Authorized Games
3000.606	Gaming Positions
3000.610	Publication of Rules and Payout Ratio for Live Gaming Devices
3000.614	Tournaments, Enhanced Payouts and Give-aways
3000.615	Payout Percentage for Electronic Gaming Devices
3000.616	Cashing-In
3000.620	Submission of Chips for Review and Approval
3000.625	Chip Specifications
3000.630	Primary, Secondary and Reserve Sets of Gaming Chips
3000.631	Tournament Chips

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3000.635	Issuance and Use of Tokens for Gaming
3000.636	Distribution of Coupons for Complimentary Chips, Tokens and Cash
3000.640	Exchange of Chips, Tokens, and Vouchers
3000.645	Receipt of Gaming Chips or Tokens from Manufacturer or Distributor
3000.650	Inventory of Chips
3000.655	Destruction of Chips, Tokens, and Vouchers
3000.660	Minimum Standards for Electronic Gaming Devices
3000.661	Minimum Standards for Voucher Systems
3000.665	Integrity of Electronic Gaming Devices
3000.666	Bill Validator Requirements
3000.667	Integrity of Voucher Systems
3000.670	Computer Monitoring Requirements of Electronic Gaming Devices
3000.671	Computer Monitoring Requirements of Voucher Systems

SUBPART G: EXCLUSION OF PERSONS

Section	
3000.700	Organization of Subpart
3000.701	Duty to Exclude
3000.705	Voluntary Self-Exclusion Policy (Repealed)
3000.710	Distribution and Availability of Board Exclusion List
3000.720	Criteria for Exclusion or Ejection and Placement on the Board Exclusion List
3000.725	Duty of Licensees
3000.730	Procedure for Entry of Names
3000.740	Petition for Removal from the Board Exclusion List
3000.745	Voluntary Self-Exclusion Policy
3000.750	Establishment of a Self-Exclusion List
3000.751	Locations to Execute Self-Exclusion Forms
3000.755	Information Required for Placement on the Self-Exclusion List
3000.756	Stipulated Sanctions for Failure to Adhere to Voluntary Self-Exclusion
3000.760	Distribution and Availability of Confidential Self-Exclusion List
3000.770	Duties of Licensees
3000.780	Request for Removal from the IGB Self-Exclusion List
3000.782	Required Information, Recommendations, Forms and Interviews
3000.785	Appeal of a Notice of Denial of Removal
3000.786	Duties of Owner Licensees to Persons Removed from the Self-Exclusion List
3000.787	Placement on the Self-Exclusion List Following Removal
3000.790	Duties of the Board

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SUBPART H: SURVEILLANCE AND SECURITY

Section

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

SUBPART I: LIQUOR LICENSES

Section

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

SUBPART J: OWNERSHIP AND ACCOUNTING RECORDS AND PROCEDURES

Section

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

SUBPART K: SEIZURE AND DISCIPLINARY HEARINGS

Section

3000.1100	Coverage of Subpart
3000.1105	Duty to Maintain Suitability

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

AUTHORITY: Implementing and authorized by the Riverboat Gambling Act [230 ILCS 10].

SOURCE: Emergency rule adopted at 15 Ill. Reg. 11252, effective August 5, 1991, for a maximum of 150 days; adopted at 15 Ill. Reg. 18263, effective December 10, 1991; amended at 16 Ill. Reg. 13310, effective August 17, 1992; amended at 17 Ill. Reg. 11510, effective July 9, 1993; amended at 20 Ill. Reg. 5814, effective April 9, 1996; amended at 20 Ill. Reg. 6280, effective April 22, 1996; emergency amendment at 20 Ill. Reg. 8051, effective June 3, 1996, for a maximum of 150 days; amended at 20 Ill. Reg. 14765, effective October 31, 1996; amended at 21 Ill. Reg. 4642, effective April 1, 1997; emergency amendment at 21 Ill. Reg. 14566, effective October 22, 1997, for a maximum of 150 days; emergency amendment at 22 Ill. Reg. 978, effective December 29, 1997, for a maximum of 150 days; amended at 22 Ill. Reg. 4390, effective February 20, 1998; amended at 22 Ill. Reg. 10449, effective May 27, 1998; amended at 22 Ill. Reg. 17324, effective September 21, 1998; amended at 22 Ill. Reg. 19541, effective October 23, 1998; emergency amendment at 23 Ill. Reg. 8191, effective July 2, 1999 for a maximum of 150 days; emergency expired November 28, 1999; amended at 23 Ill. Reg. 8996, effective August 2, 1999; amended at 24 Ill. Reg. 1037, effective January 10, 2000; amended at 25 Ill. Reg. 94, effective January 8, 2001; amended at 25 Ill. Reg. 13292, effective October 5, 2001; proposed amended at 26 Ill. Reg. 9307, effective June 14, 2002; emergency amendment adopted at 26 Ill. Reg. 10984, effective July 1, 2002, for a maximum of 150 days; adopted at 26 Ill. Reg. 15296, effective October 11, 2002; amended at 26 Ill. Reg. 17408, effective November 22, 2002; emergency amendment at 27 Ill. Reg. 10503, effective June 30, 2003, for a maximum of 150 days; amended at 27 Ill. Reg. 15793, effective September 25, 2003; amended at 27 Ill. Reg. 18595, effective November 25, 2003; amended at 28 Ill. Reg. 12824, effective August 31, 2004; amended at 32 Ill. Reg. 8098, effective June 14, 2007; amended at 32 Ill. Reg. 2967,

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effective February 15, 2008; amended at 32 Ill. Reg. 3275, effective February 19, 2008; amended at 32 Ill. Reg. 7357, effective April 28, 2008.

SUBPART J: OWNERSHIP AND ACCOUNTING RECORDS AND PROCEDURES

Section 3000.1071 Admission Tax and Wagering Tax

- a) Each holder of an Owner's license ("owner licensee") and licensed manager ("manager") is subject to tax and fee liability assessment for each Gaming Day for the applicable Admission Tax or Admission Fee and the Wagering Tax as imposed under the Act.
- b) Admission Taxes and Fees and Wagering Taxes shall be paid via an electronic funds transfer system employing an Automated Clearinghouse Debit method (ACH-Debit). Each owner licensee and manager shall maintain an account with sufficient funds to pay, in a timely fashion, all tax and fee liabilities due under the Act. The account shall be maintained at a financial institution capable of making payments to the State under the electronic funds transfer requirements imposed by the State.
- c) Admission Taxes and Fees and Wagering Tax liability shall be established on the basis of a Gaming Day. Each owner licensee and manager shall select, with the approval of the Administrator, a 24 hour cycle to be defined as the uniform Gaming Day for that owner licensee or manager. A Gaming Day may begin on one calendar day and end the next calendar day, provided that the Gaming Day does not extend beyond the uniform 24 hour period selected in advance by the owner licensee or manager.
- d) The Administrator shall prescribe and make available to each owner licensee and manager forms, instructions and reporting requirements for Admission Taxes and Fees and Wagering Taxes. The required forms include the Daily Tax and Fee Schedules. The Daily Tax and Fee Schedules may be provided by the Administrator to owner licensees and managers in computer-based format and include a computer program that, upon input by the licensee and manager of requisite data, provides for the calculation of tax and fee reporting information and tax and fee liability. Daily Tax and Fee Schedules shall be completed for each Gaming Day. The monthly float adjustment shall be completed on the Daily Tax and Fee Schedule for the final Gaming Day of each month.

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- e) The Daily Tax and Fee Schedules must be filed with the Board no later than 12:00 noon on the Due Date. Admission Taxes and Fees and Wagering Tax payments shall be transferred electronically on the Due Date to the Board's designated financial institution by the end of that financial institution's business day. For purposes of tax and fee schedules and tax and fee payments, the Due Date shall be defined as one bank business day after the close of the Gaming Day for which the liability is established. For example, if the Gaming Day of an owner licensee or manager ends at 2:00 a.m. on a Tuesday (i.e., the end of a Gaming Day that began on Monday), the Due Date is the Wednesday which follows, unless that Wednesday is not a bank business day, in which case the subsequent bank business day is the Due Date.
- f) The Admission Tax for a Gaming Day shall be calculated and imposed on owner licensees as provided in Section 12 of the Act. *From the Gaming Day of August 23, 2005, for a licensee that admitted 1,000,000 persons or fewer in calendar year 2004, the rate is \$2 per person admitted, and for all other licensees the rate is \$3 per person admitted, except that only one admission tax shall be payable by an owner licensee for each person admitted during the same gaming day.* [230 ILCS 10/12(a)]
- g) The Admission Fee for a Gaming Day shall be calculated and imposed on licensed managers as provided in Section 12 of the Act. *For a licensee that admitted 1,000,000 persons or fewer in the previous calendar year, the rate is \$3 per person admitted; for a licensee that admitted more than 1,000,000 but no more than 2,300,000 persons in the previous calendar year, the rate is \$4 per person admitted; and for a licensee that admitted more than 2,300,000 persons in the previous calendar year, the rate is \$5 per person admitted.* [230 ILCS 10/12(a-5)] This Admission Fee is imposed upon admissions to riverboat gambling operations operated by managers on behalf of the State pursuant to Section 7.3 of the Act. The Admission Fee shall be paid for each admission, except for the admissions for holders of the Board approved fee-free passes issued to actual and necessary officials and employees of the manager or other persons actually working on the riverboat as provided in the Act.
- h) For any Gaming Day that commences after December 31, 1997 and ends on or before July 1, 2002, the Wagering Tax imposed on the owner licensee shall be based on each calendar year's accumulated Adjusted Gross Receipts and calculated at the following graduated rates:

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- 1) 15% of the calendar year Adjusted Gross Receipts up to and including \$25,000,000;
 - 2) 20% of the calendar year Adjusted Gross Receipts in excess of \$25,000,000 but not exceeding \$50,000,000;
 - 3) 25% of the calendar year Adjusted Gross Receipts in excess of \$50,000,000 but not exceeding \$75,000,000;
 - 4) 30% of the calendar year Adjusted Gross Receipts in excess of \$75,000,000 but not exceeding \$100,000,000; and
 - 5) 35% of the calendar year Adjusted Gross Receipts in excess of \$100,000,000.
- i) For any Gaming Day that commences on or after July 1, 2002 and ends on or before July 1, 2003, the Wagering Tax imposed on the owner licensee shall be based on each calendar year's accumulated Adjusted Gross Receipts and calculated at the following graduated rates:
- 1) 15% of the calendar year Adjusted Gross Receipts up to and including \$25,000,000;
 - 2) 22.5% of the calendar year Adjusted Gross Receipts in excess of \$25,000,000 but not exceeding \$50,000,000;
 - 3) 27.5% of the calendar year Adjusted Gross Receipts in excess of \$50,000,000 but not exceeding \$75,000,000;
 - 4) 32.5% of the calendar year Adjusted Gross Receipts in excess of \$75,000,000 but not exceeding \$100,000,000;
 - 5) 37.5% of the calendar year Adjusted Gross Receipts in excess of \$100,000,000 but not exceeding \$150,000,000;
 - 6) 45% of the calendar year Adjusted Gross Receipts in excess of \$150,000,000 but not exceeding \$200,000,000; and
 - 7) 50% of the calendar year Adjusted Gross Receipts in excess of

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\$200,000,000.

- j) For any Gaming Day that commences on or after July 1, 2003 and ends on or before July 1, 2005, the Wagering Tax imposed on the owner licensee shall be based on each calendar year's accumulated Adjusted Gross Receipts and calculated at the following graduated rates:
- 1) 15% of the calendar year Adjusted Gross Receipts up to and including \$25,000,000;
 - 2) 27.5% of the calendar year Adjusted Gross Receipts in excess of \$25,000,000 but not exceeding \$37,500,000;
 - 3) 32.5% of the calendar year Adjusted Gross Receipts in excess of \$37,500,000 but not exceeding \$50,000,000;
 - 4) 37.5% of the calendar year Adjusted Gross Receipts in excess of \$50,000,000 but not exceeding \$75,000,000;
 - 5) 45% of the calendar year Adjusted Gross Receipts in excess of \$75,000,000 but not exceeding \$100,000,000;
 - 6) 50% of the calendar year Adjusted Gross Receipts in excess of \$100,000,000 but not exceeding \$250,000,000; and
 - 7) 70% of the calendar year Adjusted Gross Receipts in excess of \$250,000,000.
- k) The Wagering Tax imposed under subsection (j) shall no longer be imposed as of any Gaming Day that commences on or after July 1, 2005.
- l) For any Gaming Day that commences on or after July 1, 2005, the Wagering Tax imposed on the owner licensee shall be based on each calendar year's accumulated Adjusted Gross Receipts and calculated at the following graduated rates:
- 1) 15% of annual Adjusted Gross Receipts up to and including \$25,000,000;
 - 2) 22.5% of annual Adjusted Gross Receipts in excess of \$25,000,000 but not exceeding \$50,000,000;

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- 3) 27.5% of annual Adjusted Gross Receipts in excess of \$50,000,000 but not exceeding \$75,000,000;
 - 4) 32.5% of annual Adjusted Gross Receipts in excess of \$75,000,000 but not exceeding \$100,000,000;
 - 5) 37.5% of annual Adjusted Gross Receipts in excess of \$100,000,000 but not exceeding \$150,000,000;
 - 6) 45% of annual Adjusted Gross Receipts in excess of \$150,000,000 but not exceeding \$200,000,000;
 - 7) 50% of annual Adjusted Gross Receipts in excess of \$200,000,000.
- m) Riverboat gambling operations conducted by a manager on behalf of the State are not subject to the Wagering Tax imposed under Section 13 of the Act.
- n) Daily Tax and Fee Schedules shall include all information necessary for adjustments and reconciliation of tax and fee liability and shall be subject to audit by the Board and its audit agents. Adjustments to previously reported tax and fee information shall be made by the owner licensee or manager, except that no adjustment of \$25,000 or more shall be made to previously reported Adjusted Gross Receipts without the prior written approval of the Administrator or the Administrator's designee.
- o) Any adjustment for a Gaming Day which commenced on or before December 31, 1997, shall be authorized by the Administrator or the Administrator's designee, and shall be taxed at a rate of 20% of Adjusted Gross Receipts. Any adjustment for a Gaming Day that commences after December 31, 1997, shall be taxed at the graduated tax or fee rate applicable to the Gaming Day upon which the adjustment is effected.
- p) In the event that a Daily Tax and Fee Schedule for a specific Gaming Day properly reflects a net wagering loss experienced by the owner licensee or manager, an adjustment for the amount of any remaining net wagering loss (negative Adjusted Gross Receipts) shall be carried forward on the subsequent Daily Tax and Fee Schedules until such loss is offset by Gaming win (positive Adjusted Gross Receipts).

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- q) All Admission Taxes and Fees and Wagering Taxes paid pursuant to the requirements of the Act shall be deposited by the Board into the State Gaming Fund or Common School Fund. The Board shall from time to time transfer excess funds in the State Gaming Fund to the Education Assistance Fund. The Board shall determine the amount of excess funds subject to transfer to the Common School Fund based upon the addition to the amount of Wagering Taxes that would have been collected if the Wagering Tax rates under subsection (j) were not in effect. The Board shall determine the amount of excess funds subject to transfer based upon the difference between the State Gaming Fund balance and the outstanding obligations, including any outstanding share of Admission and Wagering Taxes due to local governments, the Horse Racing Equity Fund, a home rule county with a population over 3,000,000, and the Chicago State University. The Administrator will be responsible for calculating the allocation of the Admission Taxes and Fees and Wagering Taxes between the State and the unit of local government designated as the home dock of the Riverboat and the other required allocations, as provided in the Act. Payments for Admission Taxes and Fees shall be made by the Board to units of local government quarterly, and payments for Wagering Taxes and all other payments, other than the Common School Fund, shall be made monthly, by voucher/warrant, subject to appropriation.
- r) An owner licensee's or manager's failure to comply with the provisions of this Section may subject the owner licensee or manager to penalty and interest amounts pursuant to the Uniform Penalty and Interest Act [35 ILCS 735]. The Administrator is authorized to waive any penalty and interest for the late filing of a tax schedule or late tax payment, if the owner licensee or manager can show good cause. "Good cause" shall include, but not be limited to, detection and correction of a deficiency in filing or payment that resulted from a documented inadvertent or unintentional error that was corrected within one business day after the applicable Due Date. The owner licensee or manager shall be notified by the Administrator in writing of any penalty or interest payable because of a late tax schedule filing or late tax payment. The owner licensee or manager may, within 10 business days after receiving the notice, file a written request for a waiver with the Administrator. The Administrator shall act on the request for waiver and notify the owner licensee or manager in writing of the decision within 15 calendar days after receiving the request. If the Administrator fails to act within the 15 day period the waiver is deemed granted. If the Administrator denies the request for waiver the owner licensee or manager may ask the Board for a hearing. The

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request for hearing must be in writing and filed not later than 15 calendar days after receipt of the notice of denial. Except as provided in this subsection (r), the provisions for hearings under Subpart D shall apply to any hearing conducted under this Section. A hearing under this Section is not a disciplinary hearing under Subpart K of this Part.

(Source: Amended at 32 Ill. Reg. 7357, effective April 28, 2008)

ILLINOIS GREEN GOVERNMENTS COORDINATING COUNCIL

NOTICE OF ADOPTED RULES

- 1) Heading of the Part: Green Cleaning for Elementary and Secondary Schools
- 2) Code Citation: 23 Ill. Adm. Code 2800
- 3)

<u>Section Numbers:</u>	<u>Adopted Action:</u>
2800.10	New Section
2800.20	New Section
2800.30	New Section
2800.40	New Section
2800.50	New Section
2800.APPENDIX A	New Section
2800.APPENDIX B	New Section
- 4) Statutory Authority: Implementing and authorized by Green Cleaning Schools Act [105 ILCS 140].
- 5) Effective Date of Rules: May 9, 2008
- 6) Does this rulemaking contain an automatic repeal date? No
- 7) Does this rulemaking contain incorporations by reference? Yes
- 8) A copy of the adopted rules, including any material incorporated by reference, is on file in the agency's principal office and is available for public inspection.
- 9) Notice of Proposed Published in the Illinois Register: Feb. 1, 2008; 32 Ill. Reg.1265
- 10) Has JCAR issued a Statement of Objection to this rulemaking? No
- 11) Differences between proposal and final version: Please see attached Final Notice Changes Document.
- 12) Have all the changes agreed upon by the agency and JCAR been made as indicated in the agreements issued by JCAR? Yes
- 13) Will this rulemaking replace any emergency rulemaking currently in effect? Yes
- 14) Are there any amendments pending on this Part? No

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- 15) Summary and Purpose of Rulemaking: The Green Cleaning Schools Act was adopted to protect the environmental and occupant health of primary and secondary schools.
- 16) Information and questions regarding this adopted rulemaking shall be directed to:

Kate Tomford
Office of Lt. Governor Pat Quinn
100 W. Randolph, Suite 15-200
Chicago IL 60601

312/814-5220
Fax: 312/814-4862

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

ILLINOIS GREEN GOVERNMENTS COORDINATING COUNCIL

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TITLE 23: EDUCATION AND CULTURAL RESOURCES

SUBTITLE A: EDUCATION

CHAPTER XX: ILLINOIS GREEN GOVERNMENTS COORDINATING COUNCIL

PART 2800

GREEN CLEANING FOR ELEMENTARY AND SECONDARY SCHOOLS

Section

2800.10	Applicability of Requirements
2800.20	Definitions
2800.30	Cleaning Supply Purchases with Pre-Qualification
2800.40	Cleaning Supply Purchases with Alternative Qualification
2800.50	Exemption from Required Practices
2800.APPENDIX A	Application for Alternative Qualification
2800.APPENDIX B	Exemption Notification

AUTHORITY: Implementing the Green Cleaning Schools Act [105 ILCS 140].

SOURCE: Emergency rule adopted at 32 Ill. Reg. 1479, effective February 1, 2008, for a maximum of 150 days; amended at 32 Ill. Reg. 7372, effective May 9, 2008.

Section 2800.10 Applicability of Requirements

After extensive public comment, the Council has adopted these guidelines for green cleaning policies in elementary and secondary schools in Illinois. The requirements set forth in this Section of the guidelines must be utilized in all school buildings unless an exemption is obtained, as described in this Part. These guidelines must be utilized for all in-house and contracted cleaning services in the affected facilities.

Section 2800.20 Definitions

Act means the Green Cleaning Schools Act [105 ILCS 140].

Bathroom Cleaners are products used to clean hard surfaces in a bathroom, such as counters, walls, floors, fixtures, basins, tubs or tile.

Carpet Cleaners are products used to eliminate dirt and stains on rugs and carpeting.

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Council means the Illinois Green Governments Coordinating Council created by the Green Governments Illinois Act [20 ILCS 3954] and authorized by the Green Cleaning Schools Act to adopt guidelines for this program.

Disinfectants are products used on hard inanimate surfaces and objects to destroy or irreversibly inactivate infectious fungi and bacteria, but not necessarily their spores.

Environmentally Sensitive Cleaning Products are cleaning and maintenance products that minimize adverse impacts on human health and the environment, while cleaning effectively.

General Purpose and Hard Floor Surface Cleaners are products used for routine cleaning of hard surfaces, including impervious flooring such as concrete or tile. This category does not include products intended primarily to strip, polish or wax floors, and it does not include cleaners intended primarily for cleaning toilet bowls, dishes, laundry, upholstery or wood.

Glass, Window and Mirror Cleaners are products used to clean glass, windows, mirrors or metallic or polished surfaces.

Hand Cleaners and Hand Soaps are products used for routine, non-specialized hand cleaning.

Paper Products are paper towels or other paper used for cleaning and do not include toilet paper, facial tissue, or paper towels used for drying hands.

Sanitizers are products used to reduce, but not necessarily eliminate, microorganisms from the inanimate environment to levels considered safe as determined by public health codes or regulations.

School, under the Act, means *all elementary and secondary public school and all elementary and secondary non-public schools with 50 or more students.* [105 ILCS 140/10]

School Buildings are:

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Any structure suitable for use as a classroom, including a school facility such as a laboratory, library, school eating facility, or facility used for the preparation of food.

Any gymnasium or other facility specially designed for athletic or recreational activities for an academic course in physical education.

Any other facility whose primary use is for the instruction or housing of students, or for the administration of educational or research programs.

Any maintenance, storage or utility facility, including any hallway essential to the operation of any facility described in this definition of "school building".

Section 2800.30 Cleaning Supply Purchases with Pre-Qualification

- a) The institutional (school) cleaning market is composed of several categories of cleaning supplies. After review and evaluation, the Council has determined that a sufficient selection of cost-competitive, effective and environmentally sensitive cleaning supplies is available in each of the following categories:
 - 1) Bathroom Cleaners
 - 2) Carpet Cleaners
 - 3) General Purpose and Hard Floor Surface Cleaners
 - 4) Glass, Window and Mirror Cleaners
 - 5) Hand Cleaners and Hand Soaps
 - 6) Paper Products
- b) For the aforementioned cleaning supply categories, any school may be deemed in compliance with the Act if the school solely uses products that are:
 - 1) Certified by Green Seal, 1001 Connecticut Ave., NW, Suite 827, Washington DC, 20036-5525, 202/872-6400, 202/872-4324 (fax), www.greenseal.org.

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- 2) Certified by Environmental Choice EcoLogo Program, 107 Sparks St., 2nd Floor, Ottawa, Ontario, Canada KIA 0H3, www.ecologo.org.
 - 3) For chemicals: Recognized by the U.S. Environmental Protection Agency Design for the Environment (DfE) Formulator Program, Office of Pollution Prevention and Toxics, USEPA, 1200 Pennsylvania Ave., NW, Mail Code 7406-M, Washington DC, 20460, www.epa.gov/dfe/contact.htm.
 - 4) For paper products: In compliance with the U.S. Environmental Protection Agency Comprehensive Procurement Guidelines for Commercial and Industrial Sanitary Tissue (40 CFR 247, 2007, no later amendments or editions), www.epa.gov/cpg.htm.
- c) Schools must use the supplies as intended by the manufacturer and applicable certification body. The schools must follow all manufacturer/certifier guidelines, as well as the guidelines in this Section.
 - d) For all chemical products, the schools must use the concentrated version, if available, and not a ready-to-use version. Consumption of cleaning products in concentrated form reduces the amount of container material, packaging and fuel used in the transport of the product. As a result, use of a concentrated product both conserves natural resources and reduces waste.
 - e) The Council is not proposing requirements for any supply categories not listed in subsection (a) due to the limited availability of such products, cost or questions about efficacy. The Council will continue to review other supply categories for later inclusion in this Part.

Section 2800.40 Cleaning Supply Purchases with Alternative Qualification

- a) Although the Council has determined that there is an adequate supply of pre-qualified cleaning supplies at competitive prices in the product categories listed in Section 2800.30(a), schools may procure and use cleaning supplies in the listed categories that are qualified through an alternative method. More specifically, schools may procure and use cleaning supplies qualified as environmentally sensitive through alternative means, provided the products meet the criteria set forth in this Section.

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- b) Schools may procure and use non-pre-qualified cleaning supplies provided that the manufacturer or distributor of those supplies provides alternative qualification of environmental sensitivity by providing the Council with independent documentation verifying that the products meet the criteria of at least one of the Green Seal standards (GS-37 or GS-41 for chemicals; GS-9 for paper) or EcoLogo standards (CCD (Certification Criteria Document)-104, CCD-146 or CCD-148 for chemicals; CCD-86 for paper).
- c) The verification must come in the form of testing data provided by one or more independent third-party laboratories. Any laboratories that maintain accreditation meeting the standards of ISO/IEC 17025 (International Organization for Standardization/International Electrotechnical Commission; 1, ch. de voie-Creuse, Case postale 56 CH-1211, Geneva 20, Switzerland, telephone: +41 22 749 01 11; www.iso.org; 2005, no later amendments or editions included) may conduct the required testing. The Council shall post the required tests for each of the qualification standards on its website.
- d) The Council shall charge no fee to the party seeking alternative qualification. The party seeking alternative qualification shall bear all laboratory and other costs necessary to obtain the required test results.
- e) A properly submitted verification form shall entitle the product to alternative qualification for a period of no less than one year. Unlimited automatic renewals of the qualification shall be accepted at no charge for additional one-year periods provided that there have been no substantial changes in either the relevant criteria for qualification of that product, or in the formulation of that product. If substantial changes have occurred, a renewal of alternative qualification requires new laboratory verification.
- f) A school may procure and use any pre-qualified or alternatively qualified cleaning supplies in meeting the requirements set forth in the Act. The Council will post the list of pre-qualified and alternatively qualified cleaning supplies on its website.

Section 2800.50 Exemption from Required Practices

- a) Existing Supplies
A school may deplete its existing cleaning and maintenance supply stocks

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(existing on May 9, 2008). [105 ILCS 140/10]

- b) Economic Feasibility
- 1) The Council has found sufficient competition for the categories of environmentally sensitive cleaning supplies set forth in Section 2800.30(a) to ensure reasonable costs. However, some schools may find that certain green cleaning supplies are not available in their geographic area or are cost-prohibitive.
 - 2) The Act allows individual schools to forego establishing a green cleaning policy, including but not limited to the purchase and use of environmentally sensitive cleaning supplies, if to do so would not be "economically feasible" for specified product categories. Any school in such a circumstance may provide a written notification to the Council that implementation of a green cleaning policy for a product category is not economically feasible. A school seeking exemption must use the form provided in Appendix B and the Council's website.
 - 3) After notification, the school may continue using its non-green cleaning policy for the specified product category. The exemption must be renewed annually until such time as green cleaning becomes economically feasible for the product category. An exemption must be sought for each school, although multiple schools in a district may apply together.
 - 4) To claim a product category exemption due to economic infeasibility, the school must provide:
 - A) The price of the current cleaning supply;
 - B) If applicable, the dilution factor for the current cleaning supply in use;
 - C) The prices of three comparable green cleaning supplies; and
 - D) If applicable, the dilution factors of those three comparable green cleaning supplies.

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- 5) If the costs of the three comparable green cleaning supplies, accounting for dilution factors, are higher than the cost of the current product in use, the Council will find economic infeasibility for that supply category. The finding of economic infeasibility is specific to the supply category and the applicant school.

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Section 2800.APPENDIX A Application for Alternative Qualification**State of Illinois
Illinois Green Governments Coordinating Council****Green Cleaning Schools Act Program****APPLICATION FOR ALTERNATIVE QUALIFICATION**

For the cleaning supply categories listed in 23 Ill. Adm. Code 2800.30(a), schools may procure and use non-pre-qualified cleaning supplies provided that they meet the requirements of the Green Cleaning Schools Act and 23 Ill. Adm. Code 2800.40, summarized as follows.

The manufacturer or distributor of a non-pre-qualified product must seek alternative qualification of environmental sensitivity by providing the Green Governments Coordinating Council (the "Council") with independent documentation verifying that the product meets the criteria of at least one of the Green Seal standards (GS-37 or GS-41 for chemicals; GS-9 for paper) or EcoLogo standards (CCD-104, CCD-146 or CCD-148 for chemicals; CCD-86 for paper).

The verification must come in the form of testing data provided by one or more independent third-party laboratories. Any laboratories that maintain accreditation meeting the standards of ISO/IEC 17025 may conduct the required testing.

The Council shall charge no fee to the party seeking alternative qualification. The party seeking alternative qualification shall bear all laboratory and other costs necessary to obtain the required test results.

A properly submitted verification application and documentation shall entitle the product to alternative qualification for a period of no less than one year. Unlimited automatic renewals of the qualification shall be accepted at no charge for additional one-year periods provided that there have been no substantial changes in either the relevant criteria for qualification of that product, or in the formulation of that product. If substantial changes have occurred, a renewal of alternative qualification requires new laboratory verification.

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Applicants must complete one application per product seeking alternative qualification. Please attach all documentation of test results to the completed copy of this application. Submit all pages to the Council in a single envelope.

Mail the completed application and supporting documentation to:

Illinois Green Governments Coordinating Council
c/o Lt. Governor's Office
100 West Randolph Street, Suite 15-200
Chicago, Illinois 60601

ILLINOIS GREEN GOVERNMENTS COORDINATING COUNCIL

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Date of Application: _____

Company Information

Company Name: _____

Description of distribution and/or manufacturing activities: _____

Street Address: _____

City: _____ State: _____ Zip Code: _____

General Phone: _____

Web Site: _____

Primary Contact Information

Name: _____

Title: _____ Phone: _____

Email: _____

Cleaning Supply Information

Name of product seeking alternative qualification:

Product category (check only one):

- | | |
|---|---|
| <input type="checkbox"/> Bathroom Cleaner | <input type="checkbox"/> Glass, Window and Mirror Cleaner |
| <input type="checkbox"/> Carpet Cleaner | <input type="checkbox"/> Hand Cleaners and Hand Soap |
| <input type="checkbox"/> General Purpose and Hard Floor Surface Cleaner | <input type="checkbox"/> Paper Product |

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Documentation attached proves adherence to the following standard (check only one):

Green Seal

- GS-9 Paper Towels and Paper Napkins
- GS-37 Industrial & Institutional Cleaners
- GS-41 Industrial & Institutional Hand Cleaners

EcoLogo

- CCD-86 Hand Towels
- CCD-104 Hand Cleaners - Industrial & Institutional
- CCD-146 Hardsurface Cleaners
- CCD-148 Carpet and Upholstery Cleaners

Refer to the Council's website for copies of the standards listed above.

Laboratory Information

Name of Laboratory Organization: _____

Street Address: _____

City: _____ State: _____ Zip Code: _____

General Phone: _____

Web Site: _____

Contact Name: _____

Title: _____ Phone: _____

Email: _____

If multiple laboratories are used for testing, please provide the information above for each laboratory on a separate attached page.

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Section 2800.APPENDIX B Exemption Notification**State of Illinois
Illinois Green Governments Coordinating Council****Green Cleaning Schools Act Program****EXEMPTION NOTIFICATION**

The Green Cleaning Schools Act [105 ILCS140] allows individual schools to forego green cleaning if to do so would not be "economically feasible" for specified product categories. Any school in such a circumstance may complete this application to provide a written notification to the Council that implementation of a green cleaning policy for a product category is not economically feasible.

After notification, the school may continue using its non-green cleaning policy for the specified product categories. The exemption must be renewed annually until such time as green cleaning becomes economically feasible for the product category. An exemption must be sought for each school, although multiple schools in a district may apply together.

To claim a product category exemption due to economic infeasibility, the school must provide to the Council:

1. The price of the current cleaning supply
2. If applicable, the dilution factor for the current cleaning supply in use
3. The prices of three comparable green cleaning supplies
4. If applicable, the dilution factors of those three comparable green cleaning supplies

If the costs of the three comparable green cleaning supplies, accounting for dilution factors, are higher than the cost of the current product in use, the Council will find economic infeasibility for that supply category. The finding of economic infeasibility is specific to the supply category and the applicant school.

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Exemption notification must be postmarked by June 30 and will be valid for the following fiscal year (July 1 through June 30). By law, schools must submit notification annually.

Schools are required to maintain the appropriate documentation to substantiate the data reported in this application. However, schools are not required to submit any additional documentation with their notification. The Council reserves the right to request documentation at any later date within the current fiscal year.

Mail the completed notification to:

Illinois Green Governments Coordinating Council
c/o Lt. Governor's Office
100 West Randolph Street, Suite 15-200
Chicago, Illinois 60601

ILLINOIS GREEN GOVERNMENTS COORDINATING COUNCIL

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Date of Notification: _____

School Information

Applicant School Name: _____

Co-Applicant School Name(s): _____

District: _____

Street Address: _____

City: _____ Zip Code: _____

Principal Name: _____

School Type (public, private, parochial, charter): _____

Primary Contact Information

Name: _____

Title: _____ Phone: _____

Email: _____

Category: Bathroom Cleaners

Current Product:

Name: _____

Price: _____ Per Quantity: _____

Dilution Factor: _____

Three Comparable Qualified Products:

(1) Name: _____

Price: _____ Per Quantity: _____

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Dilution Factor: _____

(2) Name: _____

Price: _____ Per Quantity: _____

Dilution Factor: _____

(3) Name: _____

Price: _____ Per Quantity: _____

Dilution Factor: _____

Category: Carpet Cleaners

Current Product:

Name: _____

Price: _____ Per Quantity: _____

Dilution Factor: _____

Three Comparable Qualified Products:

(1) Name: _____

Price: _____ Per Quantity: _____

Dilution Factor: _____

(2) Name: _____

Price: _____ Per Quantity: _____

Dilution Factor: _____

(3) Name: _____

Price: _____ Per Quantity: _____

Dilution Factor: _____

Category: General Purpose and Hard Floor Surface Cleaners

Current Product:

Name: _____

Price: _____ Per Quantity: _____

Dilution Factor: _____

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(1) Name: _____

Price: _____ Per Quantity: _____

Dilution Factor: _____

(2) Name: _____

Price: _____ Per Quantity: _____

Dilution Factor: _____

(3) Name: _____

Price: _____ Per Quantity: _____

Dilution Factor: _____

Category: Glass, Window and Mirror Cleaners

Current Product:

Name: _____

Price: _____ Per Quantity: _____

Dilution Factor: _____

Three Comparable Qualified Products:

(1) Name: _____

Price: _____ Per Quantity: _____

Dilution Factor: _____

(2) Name: _____

Price: _____ Per Quantity: _____

Dilution Factor: _____

(3) Name: _____

Price: _____ Per Quantity: _____

Dilution Factor: _____

Category: Hand Cleaners and Hand Soaps

Current Product:

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Name: _____

Price: _____ Per Quantity: _____

Dilution Factor: _____

Three Comparable Qualified Products:

(1) Name: _____

Price: _____ Per Quantity: _____

Dilution Factor: _____

(2) Name: _____

Price: _____ Per Quantity: _____

Dilution Factor: _____

(3) Name: _____

Price: _____ Per Quantity: _____

Dilution Factor: _____

Category: Paper Products

Current Product:

Name: _____

Price: _____ Per Quantity: _____

Three Comparable Qualified Products:

(1) Name: _____

Price: _____ Per Quantity: _____

(2) Name: _____

Price: _____ Per Quantity: _____

(3) Name: _____

Price: _____ Per Quantity: _____

ILLINOIS RACING BOARD

NOTICE OF ADOPTED AMENDMENT

- 1) Heading of the Part: Licensing
- 2) Code Citation: 11 Ill. Adm. Code 502
- 3) Section Number: 502.795 Adopted Action:
New Section
- 4) Statutory Authority: 230 ILCS 5/9(b)
- 5) Effective Date of Rulemaking: May 1, 2008
- 6) Does this rulemaking contain an automatic repeal date? No
- 7) Does this rulemaking contain incorporations by reference? No
- 8) A copy of the adopted amendment, including any material incorporated by reference, is on file in the agency's principal office and is available for public inspection.
- 9) Notice of Proposal Published in Illinois Register: 32 Ill. Reg. 1758; February 8, 2008
- 10) Has JCAR issued a Statement of Objection to this rulemaking? No
- 11) Differences between proposal and final version: None
- 12) Have all the changes agreed upon by the agency and JCAR been made as indicated in the agreements issued by JCAR? Yes
- 13) Will this rulemaking replace any emergency rulemaking currently in effect? No
- 14) Are there any other proposed amendments pending on this Part? No
- 15) Summary and Purpose of Rulemaking: The proposed rulemaking requires the licensing of companies, and their key employees, that do business on behalf of the racetracks (organization licensees).
- 16) Information and questions regarding this adopted amendment shall be directed to:

Mickey Ezzo
Illinois Racing Board

ILLINOIS RACING BOARD

NOTICE OF ADOPTED AMENDMENT

100 West Randolph, Suite 7-701
Chicago, Illinois 60601

312/814-5017

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

ILLINOIS RACING BOARD

NOTICE OF ADOPTED AMENDMENT

TITLE 11: ALCOHOL, HORSE RACING, AND LOTTERY
SUBTITLE B: HORSE RACING
CHAPTER I: ILLINOIS RACING BOARD
SUBCHAPTER c: RULES APPLICABLE TO ALL OCCUPATION LICENSEES

PART 502
LICENSING

SUBPART A: PROCEDURE

Section	
502.10	Submission of Application
502.20	Complete Application
502.30	License Fees
502.40	Duration and Extent of Occupation Licenses
502.50	Rulings and Hearings
502.55	Denial of License
502.58	License to Participate

SUBPART B: STATUTORY GROUNDS FOR DENIAL OF A LICENSE

Section	
502.60	Denial of a License for Criminal Conviction
502.72	First-Time Applicant Who Has Been Convicted of a Crime
502.76	Prohibitions Against Persons on Conditional Discharge, Parole, Probation or Supervision
502.78	Probationary Nature of Licenses
502.80	Unqualified to Perform the Duties
502.90	Falsifying Answers or Omitting Facts
502.100	Just Cause
502.102	Burden of Going Forward
502.104	Denial of a License for Just Cause in Illinois or in Another Racing Jurisdiction

SUBPART C: GENERAL CRITERIA

Section	
502.110	Criteria for Determining Eligibility
502.115	Standards Required of All Applicants

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SUBPART D: OWNERS

Section
502.120 Owners

SUBPART E: TRAINERS AND ASSISTANT TRAINERS

Section
502.200 Trainers and Assistant Trainers
502.210 Prospective Trainers or Assistant Trainers
502.220 Workers' Compensation

SUBPART F: JOCKEYS AND APPRENTICE JOCKEYS

Section
502.230 Jockeys and Apprentice Jockeys
502.235 Apprentice Jockeys, Criteria for Eligibility
502.238 Apprentice Contract or Certificate

SUBPART G: DRIVERS

Section
502.250 Harness Driver
502.260 Prospective Harness Drivers
502.270 "Q" Licenses
502.280 "P" Licenses
502.290 "A" Licenses

SUBPART H: OTHER LICENSEES

Section
502.300 Veterinarians
502.320 Veterinary Assistant
502.350 Farriers (Blacksmiths)
502.380 Exercise Riders
502.400 Pony Person
502.450 Stable Foreman
502.500 Jockey Agents
502.600 Authorized Agents

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502.650	Tack Shop Operators and Other Vendors
502.660	Vendor Helper
502.680	Thoroughbred Grooms
502.690	Harness Grooms
502.700	Hotwalker
502.790	Totalizator Employee
<u>502.795</u>	<u>Business Agents</u>

SUBPART I: CONFLICTS OF INTEREST

Section	
502.800	General Provisions
502.820	Dual Licensing
502.830	Limitations on License
502.840	Husbands and Wives
502.850	Transfer of a Horse

AUTHORITY: Implementing and authorized by Section 9(b) of the Illinois Horse Racing Act of 1975 [230 ILCS 5/9(b)].

SOURCE: Emergency rule adopted and codified at 6 Ill. Reg. 9711, effective July 27, 1982, for a maximum of 150 days; adopted and codified at 6 Ill. Reg. 13786, effective October 25, 1982; amended at 7 Ill. Reg. 5225, effective April 1, 1983; amended at 11 Ill. Reg. 20611, effective January 1, 1988; amended at 13 Ill. Reg. 1562, effective January 23, 1989; amended at 13 Ill. Reg. 4931, effective March 22, 1989; amended at 14 Ill. Reg. 17641, effective October 16, 1990; amended at 15 Ill. Reg. 11985, effective August 12, 1991; amended at 16 Ill. Reg. 12774, effective July 31, 1992; amended at 17 Ill. Reg. 19961, effective November 9, 1993; amended at 18 Ill. Reg. 11615, effective July 7, 1994; amended at 19 Ill. Reg. 5034, effective April 1, 1995; amended at 19 Ill. Reg. 17190, effective January 1, 1996; amended at 20 Ill. Reg. 13052, effective October 1, 1996; amended at 22 Ill. Reg. 10656, effective June 1, 1998; amended at 28 Ill. Reg. 11244, effective August 1, 2004; amended at 29 Ill. Reg. 10248, effective August 1, 2005; amended at 32 Ill. Reg. 7391, effective May 1, 2008.

SUBPART H: OTHER LICENSEES

Section 502.795 Business Agents

"Business agent" shall be defined as a person or business authorized to act on behalf of an organization licensee with respect to matters directly impacting racing operations, pari-mutuel

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wagering, or the providing of services to patrons at intertrack wagering locations. Only "key personnel" (persons that have authority to develop or administer policy or to make discretionary decisions with respect to matters directly impacting racing operations, pari-mutuel wagering, or the providing of services to patrons at intertrack wagering locations) shall be required to be licensed by the Board.

(Source: Added at 32 Ill. Reg. 7391, effective May 1, 2008)

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- 1) Heading of the Part: Medication
- 2) Code Citation: 11 Ill. Adm. Code 603
- 3)

<u>Section Numbers:</u>	<u>Adopted Action:</u>
603.60	Amendment
603.90	Amendment
603.200	New Section
603.210	New Section
- 4) Statutory Authority: 230 ILCS 5/9(b)
- 5) Effective Date of Rulemaking: May 1, 2008
- 6) Does this rulemaking contain an automatic repeal date? No
- 7) Does this rulemaking contain incorporations by reference? No
- 8) A copy of the adopted amendments, including any material incorporated by reference, is on file in the agency's principal office and is available for public inspection.
- 9) Notice of Proposal Published in Illinois Register: 32 Ill. Reg. 1764; February 8, 2008
- 10) Has JCAR issued a Statement of Objection to these amendments? No
- 11) Differences between proposal and final version: None
- 12) Have all the changes agreed upon by the agency and JCAR been made as indicated in the agreements issued by JCAR? Yes
- 13) Will this rulemaking replace any emergency rulemakings currently in effect? No
- 14) Are there any amendments pending on this Part? No
- 15) Summary and Purpose of Rulemaking: At its March 13, 2007 meeting, the Board approved the establishment of a threshold level for the drug Pylrilamine, based on a report submitted to the Board by the Medication Task Force. The Task Force recommended to the Board that threshold levels should be established for Isoxsuprine (rulemaking adopted effective April 23, 2007) and Pylrilamine. Pylrilamine, a class 3 therapeutic drug, stays in

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the horse's system for long periods of time and is therefore problematic because trace levels create frequent positive tests. Under proposed rulemaking 603.60, Pyrilamine in the horse's system cannot exceed 50 nanograms per milliliter in urine. Oklahoma and the State of Washington have established a threshold level of 50 ng/ml for Pyrilamine and Ohio and Michigan, 100 ng/ml.

The use of Erythropoietin (EPO), Darbepoietin, Snake venom, and Snail venom may endanger the health and welfare of the horse, or the safety of the rider or driver. Under proposed rulemaking 603.90, possession and/or use of these substances is prohibited.

The Racing Board proposes to implement a new testing program, proposed Section 603.200, that seeks to expand its present testing program by giving it discretion to take racehorse blood samples on non-race days and on race-days (pre-race), for the purpose of testing for Epogen, DarbEPO, and other blood doping agents. This "out of competition" testing would be beneficial because blood doping agents are deemed adverse to the best interest of the racehorse in that it alters its normal physiological state. Implementation of this rule will accomplish the purposes of detecting offenders, punishing offenders, and importantly deterring improper administrations at anytime.

The proposed rulemaking provides that representatives of the Racing Board may, with reasonable notice, subject any racehorse to testing.

This proposed rulemaking is within the statutory framework of the Horse Racing Act that permits the Racing Board to take fluid samples from any racehorse at any race meeting in the State of Illinois.

Anabolic Steroids, which have gained national attention for their abuse by human athletes, are synthetic forms of the male hormone testosterone. In racehorses, anabolic steroids increase muscle mass, stimulate the production of red blood cells, and can have serious negative effects on a horse's reproductive system.

Under proposed rulemaking Section 603.210, all synthetic anabolic steroids will be banned with the exception of four commonly used steroids, with legitimate therapeutic use: Boldenone, Stanozolol, Nandrolone, and Testosterone, all of which are governed by the Racing Commissioners International model rule. Further, the RCI model rule establishes threshold levels for these four anabolic steroids.

A majority of the racing jurisdictions in the U.S. either have anabolic steroid rules in place or expect to in the near future. In addition, the Thoroughbred Owners and Breeders

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Association has issued a directive to racing commissions for mandatory testing of Boldenone, Stanozolol, Nandrolone, and Testosterone, effective January 1, 2008, as a condition of eligibility to card graded stakes races.

Foreign substances, including blood doping agents such as Erythropoietin (EPOgen, EPO) and DarbEPO, may not be present in a racehorse's system on race day (regardless of the date of administration). Further, the administration of foreign substances to a racehorse on race day is prohibited. The Racing Board presently takes fluid samples from racehorses, for the purpose of testing them for numerous prohibited foreign substances, on race day only. With regard to the blood doping agents, the Racing Board adopted a rule in January 2007, which implemented a testing methodology focused on detecting elevated titers of anti-recombinant human EPO antibodies. The Racing Board presently takes blood samples from horses post-race on race day, and tests those samples pursuant to that existing rule and other provisions of Part 603, Title 11 of the Illinois Administrative Code.

The Racing Board believes that blood doping agents continue to be administered to a limited number of racehorses prior to the date such horses are scheduled to compete. The Racing Board also believes that these agents, particularly EPO and/or DarbEPO, are administered for reasons that may include attempting to impact the horse's performance in a race, and in a manner to avoid detection by the present race day testing methodology. The Racing Board believes that any horse which is administered a blood doping agent should not participate in racing. Further, such administrations of blood doping agents may be adverse to the welfare of the animal.

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

Mickey Ezzo
Illinois Racing Board
100 West Randolph, Suite 7-701
Chicago, Illinois 60601

312/814-5017

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

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TITLE 11: ALCOHOL, HORSE RACING, AND LOTTERY
SUBTITLE B: HORSE RACING
CHAPTER I: ILLINOIS RACING BOARD
SUBCHAPTER c: RULES APPLICABLE TO ALL OCCUPATION LICENSEES

PART 603
MEDICATION

Section	
603.10	Pre-Race Saliva Tests
603.20	Racing Soundness Exam
603.30	Foreign Substances and Pharmaceutical Aids Banned
603.40	Twenty-four Hour Ban
603.50	Trainer Responsibility
603.55	Prima Facie Evidence
603.60	Permitted Use of Foreign Substances and Threshold Levels
603.70	Furosemide
603.75	Environmental Contaminants
603.80	Needles, Syringes and Injectables
603.90	Drugs, Chemicals and Prescription Items
603.100	Detention Barn
603.110	Test Samples
603.120	Referee Samples
603.130	Laboratory Findings and Reports
603.140	Distribution of Purses
603.150	Post Mortems
603.160	Penalties
603.170	Veterinarian's Records
603.180	Carbon Dioxide Tests
603.190	Erythropoietin and Darbepoietin Antibody Testing Program
603.200	Out of Competition Testing
603.210	Anabolic Steroids

AUTHORITY: Implementing and authorized by Section 9(b) of the Illinois Horse Racing Act of 1975 [230 ILCS 5/9(b)].

SOURCE: Adopted at 21 Ill. Reg. 3232, effective March 4, 1997; amended at 22 Ill. Reg. 2217, effective January 1, 1998; amended at 22 Ill. Reg. 3594, effective February 1, 1998; amended at 25 Ill. Reg. 15611, effective December 1, 2001; amended at 26 Ill. Reg. 12360, effective August

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1, 2002; amended at 27 Ill. Reg. 5027, effective March 7, 2003; amended at 27 Ill. Reg. 7331, effective April 15, 2003; amended at 28 Ill. Reg. 1374, effective January 19, 2004; amended at 28 Ill. Reg. 4751, effective March 1, 2004; emergency amendment at 28 Ill. Reg. 7565, effective May 11, 2004, for a maximum of 150 days; emergency expired October 7, 2004; amended at 28 Ill. Reg. 11250, effective August 1, 2004; amended at 28 Ill. Reg. 15790, effective December 1, 2004; emergency amendment at 29 Ill. Reg. 2779, effective February 22, 2005, for a maximum of 150 days; emergency amendment at 29 Ill. Reg. 4116, effective February 25, 2005, for a maximum of 150 days; amended at 29 Ill. Reg. 5726, effective April 8, 2005; amended at 29 Ill. Reg. 12265, effective July 24, 2005; amended at 29 Ill. Reg. 14038, effective September 1, 2005; emergency amendment at 30 Ill. Reg. 14371, effective August 21, 2006, for a maximum of 150 days; amended at 30 Ill. Reg. 18729, effective November 20, 2006; amended at 31 Ill. Reg. 1478, effective January 1, 2007; emergency amendment at 31 Ill. Reg. 6680, effective April 23, 2007, for a maximum of 150 days; amended at 31 Ill. Reg. 12982, effective September 1, 2007; amended at 32 Ill. Reg. 7397, effective May 1, 2008.

Section 603.60 Permitted Use of Foreign Substances and Threshold Levels

- a) Non-Steroidal Anti-Inflammatories (NSAID): Threshold Levels
 - 1) Only one non-steroidal anti-inflammatory drug (NSAID) may be present in a horse's body while it is participating in a race. The presence of more than one NSAID, greater than the threshold level, is forbidden and will result in the purse being redistributed.
 - 2) Subject to the prohibition contained in Section 603.40 (24 hour ban), the only foreign substances that now meet the criteria established in Section 603.80 are phenylbutazone (or its metabolite oxyphenylbutazone), flunixin, pyrilamine, isoxsuprine and ketoprofen.
 - 3) The threshold level of phenylbutazone shall be less than 5.0 micrograms (mcg) per milliliter (ml) of serum or plasma. The threshold level for oxyphenylbutazone shall be less than 5.0 mcg/ml of serum or plasma.
 - A) Within a 365 day period, in the event a post-race sample from a horse contains an amount of phenylbutazone or oxyphenylbutazone greater than or equal to 5.0 mcg/ml but less than 10.0 mcg/ml of serum or plasma, the trainer shall be subject to the following penalties absent mitigating circumstances:

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- i) first offense, minimum fine of \$250;
 - ii) second offense, minimum fine of \$500;
 - iii) third or subsequent offense, minimum fine of \$1,000 and a 15 day suspension.
- B) Within a 365 day period, in the event a post-race sample from a horse contains an amount of phenylbutazone or oxyphenylbutazone greater than or equal to 10.0 mcg/ml of serum or plasma, the trainer shall be subject to the following penalties absent mitigating circumstances:
- i) first offense, minimum fine of \$500 and the purse shall be redistributed;
 - ii) second offense, minimum fine of \$1,000, a 15 day suspension and the purse shall be redistributed;
 - iii) third or subsequent offense, minimum fine of \$2,500, a 30 day suspension and the purse shall be redistributed.
- 4) The threshold level of flunixin shall be less than 20.0 ng/ml of serum or plasma and the threshold level of ketoprofen shall be less than 10.0 ng/ml of serum or plasma. In the event a post-race sample from a horse contains an amount of:
- A) flunixin greater than or equal to 20.0 ng/ml but less than 100.0 ng/ml or ketoprofen greater than or equal to 10.0 ng/ml but less than 50.0 ng/ml, the trainer shall be subject to the following penalties, within a 365 day period, and absent mitigating circumstances:
- i) first offense, minimum fine of \$250;
 - ii) second offense, minimum fine of \$500;
 - iii) third or subsequent offense, minimum fine of \$1,000 and a 15 day suspension.

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- B) flunixin greater than or equal to 100.0 ng/ml or ketoprofen greater than or equal to 50.0 ng/ml, the trainer shall be subject to the following penalties, within a 365 day period, and absent mitigating circumstances:
- i) first offense, minimum fine of \$500 and the purse shall be redistributed;
 - ii) second offense, minimum fine of \$1,000, a 15 day suspension and the purse shall be redistributed;
 - iii) third or subsequent offense, minimum fine of \$2,500, a 30 day suspension and the purse shall be redistributed.
- 5) If the phenylbutazone, oxyphenylbutazone, flunixin or ketoprofen overage is due to the negligence of the veterinarian attending the horse, the veterinarian shall be subject to the same penalties as are set forth in subsections (a)(3)(A) and (B) and (a)(4)(A) and (B).
- 6) To help horsemen determine the test levels of phenylbutazone, oxyphenylbutazone, flunixin, pyrilamine, isoxsuprine and ketoprofen, the Board laboratory will test, for the actual cost of processing the sample, all equine serum or plasma samples submitted to it that are accompanied by an affidavit indicating time, method, and route of administration.
- 7) Penalties for violations of this Section shall be based on the following criteria:
- A) previous warnings and rulings for violations of this Section;
 - B) the age and experience of the violator;
 - C) whether the violator has ever been the subject of a medication ruling in this or any other racing jurisdiction;
 - D) what action, if any, was taken to avoid the violation;
 - E) the purse of the race.

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- b) The following foreign substances may be administered externally to a horse entered to a race: Leg paints and liniment that do not contain any "caine" derivatives, pharmacodynamic and/or chemotherapeutic agents, and that can be applied topically without penetrating the skin.
- c) Subject to the prohibition contained in Section 603.40 (24-hour ban), the following foreign substances, commonly referred to as anti-bacterial, anti-fungal, anti-protozoal or anti-ulcer drugs, may be present in the body of a horse participating in a race.
- 1) Anti-Bacterials
- Amikacin
 - Ampicillin
 - Ampicillin sodium
 - Azolsulfamide
 - Chloramphenicol
 - Doxycycline
 - Enrofloxacin (Baytril)
 - Erythromycin sulfate
 - Gentamicin sulfate
 - Kanamycin sulfate
 - Methenamine
 - Levamisole (tetramisole)
 - Metronidazole
 - Neomycin sulfate
 - Nitrofurantoin
 - Oxytetracycline
 - Penicillin G. Benzathine
 - Penicillin G. Potassium
 - Sulfadimethozine
 - Sulfadimethoxine
 - Sulfamethoxazole
 - Sulfametranidazole
 - Sulfapyridine
 - Sulfathiazole
 - Tetracycline
 - Trimethoprim

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- 2) Anti-Fungals
 - Amphotericin B
 - Griseofulvin
 - Neomycin Undecyclenate
 - Nystatin
- 3) Anti-Protozoals
 - Nitazoxanide (Navigator)
 - Ponazuril (Marquis)
 - Pyrimethamine (Daraprim)
- 4) Anti-Ulcers
 - Cimetidine (Tagamet)
 - Omeprazole (Prilosec or GastroGard)
 - Ranitidine (Zantac)
- d) This listing of anti-bacterial, anti-fungal, anti-protozoal and anti-ulcer drugs is all inclusive and shall not include any other anti-bacterial, anti-fungal, anti-protozoal or anti-ulcer drug.
- e) A foreign substance of accepted therapeutic value may be administered as prescribed by a veterinarian when threshold levels and guidelines for its use have been approved by the Board and this Part has been duly amended. The Board shall give due consideration to threshold levels and guidelines that have been established by the Quality Assurance Program Committee of the Association of Racing Commissioners International when making additions to the permitted list.
- f) Official test samples may contain the following drug substance, or its metabolites, in an amount that does not exceed the threshold level:
 - 1) The threshold level of isoxsuprine shall be less than 1,000.0 ng/ml in urine.
 - 2) The threshold level of pyrilamine shall be less than 50.0 ng/ml in urine.

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- g) The provisions of this Section shall be applied retroactively when substantively applicable, including all actions pending before the Board without regard to when the cause of action accrued; provided, however, that this subsection shall not operate to affect rights of individuals that have fully vested.

(Source: Amended at 32 Ill. Reg. 7397, effective May 1, 2008)

Section 603.90 Drugs, Chemicals and Prescription Items

- a) No veterinarian or any other person shall have in his or her possession or administer to any horse within any race track enclosure any chemical substance that:
- 1) has not been approved for use on equines by the Food and Drug Administration, pursuant to the Federal Food, Drug and Cosmetic Act (21 USC 301 et seq.) and implementing regulations, without prior written approval from the State veterinarian;
 - 2) is on any of the schedules of controlled substances prepared by the Attorney General of the United States pursuant to 21 USC 811 and 812, without prior written approval from the State Veterinarian; or
 - 3) the possession and/or use, on the premises of a facility under the jurisdiction of the Board, of any drug, substance or medication specified in this subsection (a)(3) for which a recognized analytical method has not been developed to detect and confirm its administration, or the use of which may endanger the health and welfare of the horse or the safety of the rider or driver.
 - A) Erythropoietin (EPO)
 - B) Darbepoietin
 - C) Snake venom
 - D) Snail venom
- b) The State Veterinarian shall not give approval under subsection (a) unless the person seeking approval can produce evidence in recognized veterinary journals

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or by recognized equine experts that the chemical substance has a beneficial, therapeutic use in horses.

- c) No person except a veterinarian shall have in his or her possession within a race track enclosure any prescription drug, except as provided in this Section.
- d) A person may possess a prescription drug for animal use if:
 - 1) The person possesses, within the race track enclosure, documentary evidence that a prescription has been issued for the prescription drug;
 - 2) The prescription contains a specific dosage for the particular horse or horses to be treated by the prescription drug; and
 - 3) The horse or horses named in the prescription are in that person's care within the race track enclosure.

(Source: Amended at 32 Ill. Reg. 7397, effective May 1, 2008)

Section 603.200 Out of Competition Testing

- a) Any horse on the grounds of a racetrack under the jurisdiction of the Board, or stabled off-track, while under the care or control of a trainer or owner licensed by the Board, is subject to testing for blood and/or gene doping agents, with reasonable notice. This Section does not apply to therapeutic medications approved by the FDA for use in the horse.
- b) Horses to be tested may be selected at random, with probable cause, or as determined by the Board for out of competition testing. The trainer is responsible to have the horse or horses available at a designated time and location (racetrack).
- c) The Board Veterinarian, or any licensed veterinarian or licensed veterinary technician authorized by the Board, may, at any time, take a urine, blood or hair sample from a horse for out of competition testing.
- d) Prohibited substances, practices and procedures are defined as:

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- 1) blood doping agents including, but not limited to, erythropoietin (EPO), darbepoetin, oxyglobin, hemopure, aranesp, or any substance that abnormally enhances the oxygenation of body tissues.
- 2) gene doping agents or the non-therapeutic use of genes, genetic elements, and/or cells that have the capacity to enhance athletic performance or produce analgesia.
- e) Cooperation with the Board Veterinarian, or any licensed veterinarian or licensed veterinary technician authorized by the Board, includes:
 - 1) assisting in the immediate location and identification of the horse selected for out of competition testing;
 - 2) providing a stall or safe location to collect the samples;
 - 3) assisting the veterinarian in properly procuring the samples; and
 - 4) obeying any instructions necessary to accomplish the requirements of this Section.
- f) Referee samples will be collected pursuant to Section 603.120.
- g) The Board may suspend, exclude and/or otherwise penalize any licensee or other person who does not fully cooperate with a Board employee or representative while taking action to enforce this Section.
- h) Out of competition samples will be sent to the official laboratory of the Board, or other laboratory as designated by the Board.

(Source: Added at 32 Ill. Reg. 7397, effective May 1, 2008)

Section 603.210 Anabolic Steroids

- a) The use of any one of the following four anabolic steroids is permitted if the following urine or plasma threshold concentrations are not exceeded:
 - 1) Stanozolol (Winstrol) - 1 ng/ml in urine;

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- 2) Boldenone (Equipoise) – in male horses other than geldings; including free boldenone and boldenone liberated from its conjugates - 15 ng/ml in urine;
 - 3) Nandrolone - 1 ng/ml in urine; and
 - 4) Testosterone – 20 ng/ml in urine in geldings and 55 ng/ml in urine in fillies and mares.
- b) No other anabolic steroids shall be administered.
 - c) The presence of more than one of the four approved anabolic steroids at any concentration is not permitted.
 - d) Post-race urine samples collected from intact males shall be identified to the laboratory.
 - e) Any horse to which an anabolic steroid has been administered in order to assist in the recovery from an illness or injury may be placed on the State Veterinarian's list in order to monitor the concentration of the drug in urine. Once the concentration is below the designated threshold, the horse is eligible to be removed from the State Veterinarian's list.

(Source: Added at 32 Ill. Reg. 7397, effective May 1, 2008)

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- 1) Heading of the Part: School Construction Program
- 2) Code Citation: 23 Ill. Adm. Code 151
- 3) Section Number: 151.30 Adopted Action: Amendment
- 4) Statutory Authority: 105 ILCS 230/5-55
- 5) Effective Date of Rulemaking: April 22, 2008
- 6) Does this rulemaking contain an automatic repeal date? No
- 7) Does this rulemaking contain incorporations by reference? Yes
- 8) A copy of the adopted amendment, including any material incorporated by reference, is on file in the agency's principal office and is available for public inspection.
- 9) Notice of Proposal Published in Illinois Register: January 4, 2008; 32 Ill. Reg. 136
- 10) Has JCAR issued a Statement of Objection to this amendment? No
- 11) Differences between proposal and final version: Detail was added to new subsection 151.30(f) to identify the standards that are referred to in the School Construction Law.
- 12) Have all the changes agreed upon by the agency and JCAR been made as indicated in the agreements issued by JCAR? Yes
- 13) Will this rulemaking replace any emergency rulemaking currently in effect? No
- 14) Are there any other proposed rulemakings pending on this Part? No
- 15) Summary and Purpose of Amendment: This rulemaking responds to P.A. 95-416, which amended the School Construction Law to require that applicants for school construction grants for projects that are new as of July 1, 2007, demonstrate in one of several ways that the projects meet "green" building standards. While ISBE has no direct role in the development of those standards, the new law does affect the rules in Part 151 that describe the required contents of applications. Thus a new item has been added to the list of contents in Section 151.30 to acknowledge this new requirement.

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Two other minor changes eliminate text that is now long outdated.

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

Debbie Vespa
School Business and Support Services Division
Illinois State Board of Education
100 North First Street
Springfield, Illinois 62777-0001

217/785-8779

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

STATE BOARD OF EDUCATION

NOTICE OF ADOPTED AMENDMENT

TITLE 23: EDUCATION AND CULTURAL RESOURCES

SUBTITLE A: EDUCATION

CHAPTER I: STATE BOARD OF EDUCATION

SUBCHAPTER c: FINANCE

PART 151

SCHOOL CONSTRUCTION PROGRAM

SUBPART A: SCHOOL CONSTRUCTION PROJECT GRANTS

Section

151.10	Purpose
151.20	Eligible Applicants
151.30	Application for School Construction Project Grant Entitlement
151.35	Application for School Construction Project Grant Entitlement - Districts With A Population Exceeding 500,000
151.40	Award of Construction Project Grant Entitlement
151.50	Priority Ranking of Construction Grant Entitlements
151.55	Needed Capacity for Unit Districts
151.60	Grant Index
151.70	Debt Service Grants (Repealed)

SUBPART B: SCHOOL MAINTENANCE PROJECT GRANTS

Section

151.100	Purpose; Eligible Applicants
151.110	Definitions
151.120	Application for School Maintenance Project Grants
151.130	Award of School Maintenance Project Grants - Applicants With a Population of 500,000 or Fewer
151.135	Award of School Maintenance Project Grants - School Districts With a Population Exceeding 500,000
151.140	Terms of the Grant

AUTHORITY: Implementing the School Construction Law [105 ILCS 230] and authorized by Section 5-55 of that Law.

SOURCE: Emergency rules adopted at 22 Ill. Reg. 2616, effective January 16, 1998, for a maximum of 150 days; emergency rules modified in response to JCAR objection at 22 Ill. Reg. 4500; emergency rules expired June 15, 1998; emergency rules adopted at 22 Ill. Reg. 6238,

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effective March 24, 1998, for a maximum of 150 days; emergency rules modified in response to JCAR objection at 22 Ill. Reg. 7703; emergency expired June 15, 1998; new Part adopted at 22 Ill. Reg. 12538, effective July 6, 1998; emergency amendment at 23 Ill. Reg. 11336, effective September 1, 1999, for a maximum of 150 days; amended at 24 Ill. Reg. 497, effective January 3, 2000; amended at 24 Ill. Reg. 5661, effective March 17, 2000; amended at 26 Ill. Reg. 886, effective January 15, 2002; amended at 32 Ill. Reg. 7410, effective April 22, 2008.

SUBPART A: SCHOOL CONSTRUCTION PROJECT GRANTS

Section 151.30 Application for School Construction Project Grant Entitlement

- a) A school district seeking a school construction project grant entitlement shall submit an application that includes a District Facilities Plan. A district shall annually update its application in order to establish eligibility for a construction grant.
- b) ~~Each application for a grant for Fiscal Year 1998 must be received in the Springfield office of the State Board of Education by February 6, 1998.~~
Applications shall be addressed as follows:

Illinois State Board of Education
School Construction Program
100 North First Street
Springfield, Illinois 62777-0001
- c) ~~Applications~~ For subsequent fiscal years, applications or updates must be received at the address shown in subsection (b) of this Section by April 1 preceding the beginning of the fiscal year in question. Each application or update must include the Capital Development Board's program statement as defined in 71 Ill. Adm. Code 40.
- d) An application that is incomplete will be returned and will not be processed until it is complete. An application must be complete by the applicable filing deadline in order to be considered. All information contained in the application shall be subject to verification and correction by the State Board of Education and the Capital Development Board by means including on-site inspection and review of documents.
- e) Each application shall include the following information.

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- 1) A narrative description of the present educational program of the district and anticipated changes in the educational program over the next five years, including:
 - A) the number of schools currently operated by the district;
 - B) the configuration of the district's schools by grade level;
 - C) the basis upon which students are assigned to the district's schools; and
 - D) the nature and estimated impact of any changes in these factors over the next five years.

- 2) A description of the present and projected financial position of the district, including but not limited to the availability of current revenue, fund balances, the amount of general obligation debt of the district, and the amount of unused bonding power. This requirement may be met by attaching or, if already on file with the State Board, incorporating by reference:
 - A) a copy of the district's basic financial statements (i.e., Statement of Revenues Received/Revenues, Expenditures Disbursed/Expenditures, Other Financing Sources (Uses), and Changes in Fund Balances) from the district's Annual Financial Report for the fiscal year ending June 30 immediately preceding the fiscal year in which the application or update is submitted;
 - B) a copy of Part III (Budget Summary) and Part IV (Summary of Cash Transactions) from the School District Budget Form for the fiscal year in which the application or update is submitted; and
 - C) a statement showing the amount of the district's unused bonding power as determined under Article 19 of the School Code [105 ILCS 5/Art. 19].

- 3) A description of the district's maintenance plan and schedule, including but not limited to:

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- A) the maximum authorized operations and maintenance tax rate of the district;
 - B) the rate at which the operations and maintenance taxes were last extended;
 - C) the amount of operations and maintenance expenditures for the last fiscal year;
 - D) a statement assuring that new, renovated, and existing facilities are being or will be properly maintained; and
 - E) a brief explanation of how the district intends to maintain new, renovated, and existing facilities.
- 4) Facility inventory information, including:
- A) a listing of each parcel of land, building, building addition, or other structure owned or used by the district to house its operations or held by the district for investment or revenue-producing purposes;
 - B) for each parcel of land, building, building addition, or other structure, a listing of the following information, as applicable:
 - i) the facility type;
 - ii) the ownership class;
 - iii) an indication of whether the structure is a main building or a building addition;
 - iv) the functional age of the building or addition as determined under Section 151.50(d)(2) of this Part;
 - v) the enrollment capacity as determined pursuant to the standards specified in Section 151.50(d) of this Part;
 - vi) the type of school housed in the building or building

STATE BOARD OF EDUCATION

NOTICE OF ADOPTED AMENDMENT

addition;

- vii) the number of students currently housed in the facility;
 - viii) the number of inadequately housed students currently housed in the facility as determined under Section 151.50(c) and (d) of this Part;
 - ix) an indication of the district's plans for the facility within the next five years; and
 - x) an indication of which planned activities are the subject of a request for a school construction project grant.
- f) Each application submitted on or after July 1, 2007 shall also include information demonstrating that the project conforms to the "green building" requirements of Section 5-40 of the School Construction Law [105 ILCS 230/5-40]. Conformance may be demonstrated by providing evidence of:
- 1) certification under the United States Green Building Council's Leadership in Energy and Environmental Design Green Building Rating System [105 ILCS 230/5-40] posted at www.usgbc.org (2008; no later editions or revisions are incorporated); or
 - 2) a rating under the Green Building Initiative's Green Globes Green Building Rating System [105 ILCS 230/5-40] posted at www.thegbi.org/commercial/about-green-globes/rating-and-evaluation-process.asp (2007; no later editions or revisions are incorporated); or
 - 3) compliance with green building standards established by the Illinois Capital Development Board, when codified by that agency in its rules in Title 71 of the Illinois Administrative Code.

(Source: Amended at 32 Ill. Reg. 7410, effective April 22, 2008)

ILLINOIS VIOLENCE PREVENTION AUTHORITY

NOTICE OF ADOPTED RULES

- 1) Heading of the Part: Public Information, Rulemaking and Organization
- 2) Code Citation: 2 Ill. Adm. Code 1770
- 3)

<u>Section Numbers:</u>	<u>Adopted Action:</u>
1770.100	New
1770.110	New
1770.120	New
1770.130	New
1770.140	New
1770.200	New
1770.210	New
1770.220	New
1770.230	New
1770.240	New
1770.250	New
1770.260	New
1770.270	New
1770.280	New
1770.300	New
1770.310	New
- 4) Statutory Authority: Implementing Section 5-15 of the Administrative Procedure Act [5 ILCS 100/5-15]
- 5) Effective Date of Rules: April 25, 2008
- 6) Does this rulemaking contain an automatic repeal date? No
- 7) Does this rulemaking contain incorporations by reference? No
- 8) A copy of the adopted rules, including any material incorporated by reference, is on file in the agency's principal office and is available for public inspection.
- 9) Date Notice of Proposal Published in Illinois Register: This Part is a required rule under Section 5-15 of the IAPA and does not require a proposed rule.
- 10) Has JCAR issued a Statement of Objection to this rulemaking? No

ILLINOIS VIOLENCE PREVENTION AUTHORITY

NOTICE OF ADOPTED RULES

- 11) Differences between proposal and final version: No proposal or final versions result from rules adopted under Section 5-15 of the IAPA.
- 12) Have all the changes agreed upon by the Agency and JCAR been made as indicated in the agreement letter issued by JCAR? No second Notice period is required for rules adopted under Section 5-15 of the IAPA, so no agreements were made.
- 13) Will this rulemaking replace any emergency rulemaking currently in effect? No
- 14) Are there any proposed rulemakings pending on this Part? No
- 15) Summary and Purpose of Rulemaking: These are administrative rules filed in compliance with the Administrative Procedure Act [5ILCS 100/5-15] that set out public information, rulemaking and organization requirements for the Illinois Violence Prevention Authority.
- 16) Information and questions regarding these Adopted Rules shall be directed to:

Barbara Shaw, Executive Director
Illinois Violence Prevention Authority
100 W. Randolph, Room 6-600
Chicago, Illinois 60601

312/814-1514
Fax 312/814-8259
barbara.shaw@illinois.gov

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

ILLINOIS VIOLENCE PREVENTION AUTHORITY

NOTICE OF ADOPTED RULES

TITLE 2: GOVERNMENT ORGANIZATION
SUBTITLE E: MISCELLANEOUS STATE AGENCIES
CHAPTER XII: ILLINOIS VIOLENCE PREVENTION AUTHORITYPART 1770
PUBLIC INFORMATION, RULEMAKING AND ORGANIZATION

SUBPART A: ORGANIZATION

Section:

1770.100	Preamble
1770.110	Co-Chairs
1770.120	Members
1770.130	Committees
1770.140	Authority Staff

SUBPART B: PUBLIC INFORMATION

Section:

1770.200	General Information Available From the Authority
1770.210	Authority Records and Information
1770.220	Address to Which Requests Should Be Directed
1770.230	Information to Be Provided By the Requestor
1770.240	Time Frame for Authority Response
1770.250	Approval of the Request for Information
1770.260	Denial of Request for Information
1770.270	Reconsideration of Denials by the Executive Director
1770.280	Inspection of Public Records at Authority Offices

SUBPART C: RULEMAKING

1770.300	Administrative Rules
1770.310	Rulemaking Procedures

AUTHORITY: Section 5-15 of the Illinois Administrative Procedure Act [5 ILCS 100/5-15].

SOURCE: Adopted at 32 Ill. Reg. 7417, effective April 25, 2008.

SUBPART A: ORGANIZATION

ILLINOIS VIOLENCE PREVENTION AUTHORITY

NOTICE OF ADOPTED RULES

Section 1770.100 Preamble

- a) The Illinois Violence Prevention Authority (hereinafter "Authority") shall have the duties and responsibilities set forth in the Violence Prevention Act of 1995, 20 ILCS 4027/10, (hereinafter "Act"), as amended from time to time.
- b) The Authority shall have the power to allocate funds and make grants subject to annual appropriations and pursuant to the purposes specified in the Act, to determine policies and procedures related to the governance of Authority operations, and to enter into contracts and agreements pursuant to the purpose of the Authority

Section 1770.110 Co-Chairs

Pursuant to the Act, the Attorney General and the Director of the Department of Public Health shall serve as co-chairs of the Authority. The co-chairs, or their designees, shall jointly preside over all Authority meetings. Either co-chair may preside over any Authority meeting in the absence of the other co-chair. In the event that neither co-chair nor their designee is able to attend a meeting of the Authority, they shall appoint an Authority member to serve as chair pro temp.

Section 1770.120 Members

- a) Directors shall serve as members during their respective terms as agency directors. In the event that a director designates a representative, the designee shall serve at the pleasure of the director designating him/her. Appointed members serve for three-year terms, without restriction on the number of terms they may serve.
- b) As provided for by the Act, members who serve as Authority members by virtue of their office may appoint a designee to serve as an Authority member on their behalf. Public members of the Authority appointed by the Attorney General or the Director of the Department of Public Health may not appoint designees.

Section 1770.130 Committees

- a) The Authority may create committees, which may be standing or ad hoc.

ILLINOIS VIOLENCE PREVENTION AUTHORITY

NOTICE OF ADOPTED RULES

- b) Committee chairs or co-chairs are appointed by and serve at the pleasure of the Authority co-chairs.
- c) All committees created by the Authority report to the Authority and make recommendations to the Authority for recommended actions or policies unless otherwise authorized by the Authority to take action on certain matters as specified by the Authority. All recommendations and reports are to be submitted to the Authority in writing and be considered by the Authority at a scheduled meeting of the Authority.

Section 1770.140 Authority Staff

- a) The Co-Chairs appoint the Executive Director, who is responsible for the performance of the administrative functions of the Authority. The Director is responsible for the recruitment, hiring, supervision, evaluation and termination of all Authority staff. Authority staff members are subject to the personnel policies and procedures set forth in the Personnel Policy and Procedures Manual of the Attorney General's Office, unless otherwise specified by the Authority.
- b) In addition to the Executive Director, the Authority staff consists of the following positions:

Director of Grant Programs
Assistant Director of Grant Programs
Fiscal/Contracts Manager
IFVCC Program Director
IFVCC Program Coordinator
Program Developer
Office Manager
Administrative Assistant

SUBPART B: PUBLIC INFORMATION REQUESTS

Section 1770.200 General Information Available From the Authority

The Authority shall make available to any person the following general information:

- a) *A brief description of the Authority's organizational structure, its operating budget, location of its offices, approximate number of full and part-time*

ILLINOIS VIOLENCE PREVENTION AUTHORITY

NOTICE OF ADOPTED RULES

employees, and identification and membership of boards, commissions, committees or councils that are advisory or to which the Authority must report [5 ILCS 140/4(a)].

- b) *A brief description of the procedure for requesting information and public records, including appeal procedures [5 ILCS 140/4(b)].*
- c) *A list of the types and categories of public records maintained by the Authority [5 ILCS 140/5].*
- d) Information printed by the Authority expressly for public dissemination, such as acts, requests for proposals, promotional information, annual reports, and news releases.

Section 1770.210 Authority Records and Information

- a) Information and public records of the Authority are available to any requestor for inspection or copying, unless the public record or information is exempt from inspection or copying pursuant to Section 7 of the FOIA.
- b) Categorical requests that impose an undue burden on the Authority shall be denied only after extending to the requestor an opportunity to narrow the request pursuant to Section 3(f) of the FOIA. The Authority shall consider when determining whether to grant a categorical request such factors as the manpower that will be needed to fulfill the request, the amount of time it will take to complete the request, the personnel available, other activities and priorities of the Authority, and whether the Authority has the capability to fulfill the request (e.g., copying microfiche).

Section 1770.220 Address to Which Requests Should Be Directed

The request for inspection or copies of public records shall be directed to the Authority. The request shall be in writing and sent to:

Illinois Violence Prevention Authority
100 W. Randolph, Room 6-600
Chicago, Illinois 60601

ATTN: Freedom of Information Request

ILLINOIS VIOLENCE PREVENTION AUTHORITY

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Section 1770.230 Information to Be Provided By the Requestor

- a) The request for inspection or copies of public records shall include the name, mailing address and telephone number of the requestor.
- b) The request shall describe as specifically as possible what information is sought.
- c) The request shall state whether the request is for inspection and/or copies of public records.
- d) If the copies of the public records are to be certified by the Authority, the requestor must so state on the request.

Section 1770.240 Time Frame for Authority Response

- a) The Authority shall *comply with or deny a written request for inspection or copies of public records within seven (7) working days after receipt* of such request, unless the requestor is notified of an extension of the time period [5 ILCS 140/3(c)].
- b) The Authority may extend the time period for responding to a requestor. An extension of time to respond will not exceed seven (7) additional working days. Such an extension of time is allowable only if written notice is provided the requestor within the seven (7) original working day limit and only for the reasons provided in Section 3(d) of the FOIA. Such notice shall state the *reasons why the delay is necessary and the date by which records will be available or denial will be forthcoming* ([5 ILCS 140/9]).

Section 1770.250 Approval of the Request for Information

When a request for inspection and/or copies of public records is approved, the Authority shall notify the requestor in writing or by telephone as to when the public records will be available for inspection or as to the cost of copying.

Section 1770.260 Denial of Request for Information

- a) The Authority may deny requests for inspection or copies of public records in accordance with the provisions of Sections 1770.210.

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- b) The denial of the request shall be in writing, signed by the Executive Director of the Authority and sent by certified mail to the requestor. The notice of denial shall include:
- 1) Description of the information which is being denied.
 - 2) *Names and titles or positions of persons responsible for the denial* [5 ILCS 140/9(a)].
 - 3) *Reason for the denial* [5 ILCS 140/9(a)].
 - 4) A statement advising the requestor of the right to appeal the denial to the Executive Director of the Authority in accordance with the procedures set forth in Section 1770.280.

Section 1770.270 Reconsideration of Denials by the Executive Director

- a) A requestor whose request has been denied by the Authority may appeal the denial to a Co-Chair of the Authority. The notice of appeal shall be in writing and sent to:

Co-Chair
Illinois Violence Prevention Authority
100 W. Randolph, Room 6-600
Chicago, Illinois 60601

ATTN: FOIA Appeal

- b) The notice of appeal shall state why the appeal should be granted. A copy of the original request for a copy and/or inspection of the public records and a copy of the Authority's denial letter shall accompany the notice of appeal.
- c) Upon receipt of a complete notice of appeal, the Executive Director shall review the appeal request and respond by certified mail to the requestor within seven (7) working days. The Executive Director's response shall confirm the denial or state when the public records will be available for inspection or copying. The *notice of denial of an appeal* by the Executive Director shall inform the requestor of the right to judicial review under Section 11 of the FOIA [5 ILCS 140/9(a)].

ILLINOIS VIOLENCE PREVENTION AUTHORITY

NOTICE OF ADOPTED RULES

Section 1770.280 Inspection of Public Records at Authority Offices

- a) Public records shall be available for inspection at the Authority's Chicago office and only during the normal working hours of the Authority. The Executive Director shall set an appointed time for the inspection of the public records.
- b) An Authority employee may be present during the inspection of public records.
- c) Documents which the requestor wishes to have copies of shall be segregated during the course of the inspection. Photocopying shall be done by Authority employees.

SUBPART C: PROCEDURES

Section 1770.300 Administrative Rules

The Authority's rulemaking authority is limited to those rules required by Section 5-15 of the Illinois Administrative Procedure Act [5 ILCS 100/5-15], which states that each agency shall maintain and file a description of the organization, current procedures for implementation of information requests, and a current description of the agency's rulemaking procedures.

Section 1770.310 Rulemaking Procedures

Proposed changes to the rules required under the Illinois Administrative Procedure Act (5 ILCS 100/5-15) may be adopted by the Authority at a duly constituted meeting and filed with the Secretary of State in accordance with the procedures outlined in the Illinois Administrative Procedure Act [5 ILCS 100/5-15].

ILLINOIS RACING BOARD

NOTICE OF EMERGENCY AMENDMENT

- 1) Heading of the Part: Interstate Common Pools
- 2) Code Citation: 11 Ill. Adm. Code 302
- 3) Section Number: 302.40 Emergency Action:
New Section
- 4) Statutory Authority: Implementing and authorized by the Illinois Horse Racing Act of 1975 [230 ILCS 5/9(b)]
- 5) Effective Date of Emergency Amendment: May 1, 2008
- 6) If these emergency rules are to expire before the end of the 150-day period, please specify the date on which they are to expire: The emergency rulemaking will expire at the end of the 150-day period, or upon adoption of permanent rules, whichever comes first.
- 7) Date filed with the Index Department: April 25, 2008
- 8) A copy of the emergency amendment, including any material incorporated by reference, is on file in the Illinois Racing Board's central office and is available for public inspection.
- 9) Reason for Emergency: Arlington Park requested this rulemaking and the Racing Board has approved the initiation of rulemaking. Arlington Park begins racing on May 2, 2008, and adoption of this new wagering pool would allow Arlington Park to add the carryover pool to its wagering menu for its entire 2008 race meet.
- 10) A Complete Description of the Subjects and Issues Involved: This proposed rulemaking will permit Illinois racetracks to participate in multi-track events using a shared carryover wagering pool. The racetracks involved could be multiple Illinois racetracks or out of state racetracks. The supplemented carryover pools will generate additional wagering interest resulting in increased handle, purses, and State revenue.
- 11) Are there any proposed rulemakings pending on this Part: No
- 12) Statement of Statewide Policy Objectives: No local governmental units will be required to increase expenditures.

ILLINOIS RACING BOARD

NOTICE OF EMERGENCY AMENDMENT

- 13) Information and questions regarding this emergency amendment shall be directed to:

Mickey Ezzo
Illinois Racing Board
100 West Randolph
Suite 7-701
Chicago, Illinois 60601

312/814-5017

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

ILLINOIS RACING BOARD

NOTICE OF EMERGENCY AMENDMENT

TITLE 11: ALCOHOL, HORSE RACING, AND LOTTERY
SUBTITLE B: HORSE RACING
CHAPTER I: ILLINOIS RACING BOARD
SUBCHAPTER a: GENERAL RULES

PART 302
INTERSTATE COMMON POOLS

Section

302.10	General
302.20	Illinois as the Guest State
302.30	Illinois as the Host Track State
<u>302.40</u>	<u>Shared Carryover Pools</u>
<u>EMERGENCY</u>	

AUTHORITY: Implementing and authorized by Section 9(b) of the Illinois Horse Racing Act of 1975 [230 ILCS 5/9(b)].

SOURCE: Emergency rules adopted at 19 Ill. Reg. 8002, effective June 5, 1995, for a maximum of 150 days; emergency expired November 2, 1995; adopted at 19 Ill. Reg. 13922, effective October 1, 1995; amended at 28 Ill. Reg. 7117, effective May 10, 2004; emergency amendment at 32 Ill. Reg. 7426, effective May 1, 2008, for a maximum of 150 days.

Section 302.40 Shared Carryover Pools
EMERGENCY

- a) With the approval of the State Director of Mutuels and at least 30 days notice, an organization licensee may participate with other Illinois racetracks or out of state racetracks in a shared carryover pool on any wagering pool that provides for a carryover amount.
- b) The carryover pools generated by the wagering activity on races conducted by the organization licensee may be carried in to another racetrack's pool, and the carryover pools generated by the wagering activity on races conducted on other racetrack's pools may be carried in to the pools of the organization licensee.

(Source: Amended by emergency rulemaking at 32 Ill. Reg. 7426, effective May 1, 2008, for a maximum of 150 days)

ILLINOIS RACING BOARD

NOTICE OF EMERGENCY RULES

- 1) Heading of the Part: Pentafecta
- 2) Code Citation: 11 Ill. Adm. Code 324
- 3)

<u>Section Numbers:</u>	<u>Emergency Action:</u>
324.10	New Section
324.20	New Section
324.30	New Section
324.40	New Section
324.50	New Section
324.60	New Section
- 4) Statutory Authority: Implementing and authorized by the Illinois Horse Racing Act of 1975 [230 ILCS 5/9(b)]
- 5) Effective Date of Emergency Rules: May 1, 2008
- 6) If these emergency rules are to expire before the end of the 150-day period, please specify the date on which they are to expire: The emergency rulemaking will expire at the end of the 150-day period, or upon adoption of permanent rules, whichever comes first.
- 7) Date filed with the Index Department: April 25, 2008
- 8) A copy of the emergency rules, including any material incorporated by reference, is on file in the Illinois Racing Board's central office and is available for public inspection.
- 9) Reason for Emergency: Arlington Park requested this rulemaking and the Racing Board has approved the initiation of rulemaking. Arlington Park begins racing on May 2, 2008, and adoption of this new wager, currently being implemented in California and Kentucky, would allow Arlington Park to add the wager to its wagering menu for its entire 2008 race meet.
- 10) A Complete Description of the Subjects and Issues Involved: This proposed rulemaking creates a new wager in which bettors are required to properly select the first 5 finishers in a race in exact order. This proposal is similar to a Superfecta except you must correctly select the first 5 finishers rather than the first 4 finishers.
- 11) Are there any proposed rulemakings pending on this Part? Yes

ILLINOIS RACING BOARD

NOTICE OF EMERGENCY RULES

<u>Section Numbers:</u>	<u>Proposed Action:</u>	<u>Illinois Register Citation:</u>
324.10	New Section	32 Ill. Reg. 4315; March 28, 2008
324.20	New Section	32 Ill. Reg. 4315; March 28, 2008
324.30	New Section	32 Ill. Reg. 4315; March 28, 2008
324.40	New Section	32 Ill. Reg. 4315; March 28, 2008
324.50	New Section	32 Ill. Reg. 4315; March 28, 2008
324.60	New Section	32 Ill. Reg. 4315; March 28, 2008

- 12) Statement of Statewide Policy Objectives: No local governmental units will be required to increase expenditures.
- 13) Information and questions regarding these emergency rules shall be directed to:

Mickey Ezzo
Illinois Racing Board
100 West Randolph
Suite 7-701
Chicago, Illinois 60601

312/814-5017

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

ILLINOIS RACING BOARD

NOTICE OF EMERGENCY RULES

TITLE 11: ALCOHOL, HORSE RACING, AND LOTTERY
SUBTITLE B: HORSE RACING
CHAPTER I: ILLINOIS RACING BOARD
SUBCHAPTER a: GENERAL RULESPART 324
PENTAFECTA

Section

324.10 Pentafecta
EMERGENCY

324.20 Pool Distribution
EMERGENCY

324.30 Scratches
EMERGENCY

324.40 Dead Heats
EMERGENCY

324.50 Minimum Fields
EMERGENCY

324.60 Entries
EMERGENCY

AUTHORITY: Implementing and authorized by Section 9(b) of the Illinois Horse Racing Act of 1975 [230 ILCS 5/9(b)].

SOURCE: Adopted by emergency rulemaking at 32 Ill. Reg. 7429, effective May 1, 2008, for a maximum of 150 days.

Section 324.10 Pentafecta
EMERGENCY

- a) The Pentafecta requires selection of the first five finishers, in their exact order, for a single contest.
- b) The organization licensee may re-name this wager, but shall notify the State Director of Mutuels of the name that will be used.

Section 324.20 Pool Distribution
EMERGENCY

ILLINOIS RACING BOARD

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The organization licensee may choose to distribute pools in accordance with subsection (a), (b) or (c). The organization licensee must give the Board 30 days notice if it chooses to distribute pools under subsection (b) or subsection (c), including the exact percentages it will use to determine the minor and major pools if subsection (b) is used. The racing program shall indicate when the method described in subsection (b) or subsection (c) is being used for a meet.

a) Distribution of Winnings – Option 1

The net Pentafecta pool shall be distributed to winning wagers in the following precedence, based upon the official order of finish:

- 1) As a single price pool to those whose combination finished in correct sequence as the first five betting interests, but if there are no such wagers, then
- 2) As a single price pool to those whose combination included, in correct sequence, the first four betting interests, but if there are no such wagers, then
- 3) As a single price pool to those whose combination included, in correct sequence, the first three betting interests, but if there are no such wagers, then
- 4) As a single price pool to those whose combination included, in correct sequence, the first two betting interests, but if there are no such wagers, then
- 5) As a single price pool to those whose combination correctly selected the first place betting interest only, but if there are no such wagers, then
- 6) The entire pool shall be refunded on Pentafecta wagers for that contest.

b) Distribution of Winnings – Option 2

- 1) The net Pentafecta pool shall be distributed to winning wagers in the following precedence, based on the official order of finish:

ILLINOIS RACING BOARD

NOTICE OF EMERGENCY RULES

- A) As a single price pool to those whose combination finished in correct sequence as the first five betting interests, but if there are no such wagers, then
 - B) The net pool will be divided into two separate pools. The major pool of the net pool shall be paid as a carryover pool into the next regularly scheduled Pentafecta race. The remaining minor pool shall be paid as a Pentafecta consolation pool, which will be equally divided among those ticket holders who correctly select the first four betting interests, but if there are no such wagers, then
 - C) The Pentafecta consolation pool will be divided among those ticket holders who correctly select the first three interests, but if there are no such wagers, then
 - D) The Pentafecta consolation pool will be divided among those ticket holders who correctly select the first two interests, but if there are no such wagers, then
 - E) The Pentafecta consolation pool will be divided among those ticket holders who correctly select the first betting interest, but if there are no such wagers, then
 - F) The entire net pool shall become a carryover pool into the next regularly scheduled Pentafecta race.
- 2) On the last Pentafecta race on the final day of the meeting, the net pool shall be redistributed using the method described in subsection (a).
- c) Distribution of Winning – Option 3
- 1) The net Pentafecta pool shall be distributed to winning wagers in the following precedence, based on the official order of finish:
 - A) As a single price pool to those whose combination finished in correct sequence as the first five betting interests, but if there are no such wagers, then

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- B) The entire net pool shall be paid as a carryover pool into the next regularly scheduled Pentafecta race.
- 2) On the last Pentafecta race on the final day of the meeting, the net pool shall be redistributed using the method described in subsection (a).
- d) If fewer than five betting interests finish and the contest is declared official, payoffs will be made based upon the order of finish of those betting interests completing the contest. The balance of any selection beyond the number of betting interests completing the contest shall be ignored. If the pools are being distributed under either subsection (b) or subsection (c), any previous Pentafecta contest's carryover will not be included in the payoff and will be retained for the next contest's carryover, and this contest's net Pentafecta pool will be distributed using the method described in subsection (a).

**Section 324.30 Scratches
EMERGENCY**

In the event any contestant that is not part of an entry or field is scratched, all wagers, including the scratched betting interest, shall be refunded.

**Section 324.40 Dead Heats
EMERGENCY**

- a) If there is a dead heat for first involving:
 - 1) contestants representing five or more betting interests, all of the wagering combinations selecting five betting interests that correspond with any of the betting interests involved in the dead heat shall share in a profit split.
 - 2) contestants representing four betting interests, all of the wagering combinations selecting the four dead heated betting interests, irrespective of order, along with the fifth place betting interest shall share in a profit split.
 - 3) contestants representing three betting interests, all of the wagering combinations selecting the three dead heated betting interests, irrespective of order, along with the fourth place and fifth place betting interests shall share in a profit split.

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- 4) contestants representing two betting interests, both of the wagering combinations selecting the two dead heated betting interests, irrespective of order, along with the third place, fourth place and fifth place betting interests shall share in a profit split.
- b) If there is a dead heat for second involving:
- 1) contestants representing four or more betting interests, all of the wagering combinations correctly selecting shall share in a profit split.
 - 2) contestants representing three betting interests, all of the wagering combinations correctly selecting the three dead heated betting interests, irrespective of order, and the fifth place betting interests shall share in a profit split.
 - 3) contestants representing two betting interests, all of the wagering combinations correctly selecting the two dead heated betting interests, irrespective of order, and the fourth place and fifth place betting interests shall share in a profit split.
- c) If there is a dead heat for third involving:
- 1) contestants representing three or more betting interests, all of the wagering combinations correctly selecting shall share in a profit split.
 - 2) contestants representing two betting interests, both of the wagering combinations selecting the two dead heated betting interests, irrespective of order, along with the fifth place betting interest shall share in a profit split.
- d) If there is a dead heat for fourth, all wagering combinations correctly selecting the first three finishers, in correct sequence, along with any two of the betting interests involved in the dead heat for fourth shall share in a profit split.
- e) If there is a dead heat for fifth, all wagering combinations correctly selecting the first four finishers, in correct sequence, along with any of the betting interests involved in the dead heat for fifth shall share in a profit split.

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**Section 324.50 Minimum Fields
EMERGENCY**

- a) Pentafecta wagering shall not be scheduled on a race unless at least nine betting interests are carded. In the event of a scratch, Pentafecta wagering on a race in which eight betting interests remain is permissible, provided there are no uncoupled entries.
- b) This Section shall not be applicable to stakes races.

**Section 324.60 Entries
EMERGENCY**

- a) Entries, either coupled or uncoupled, shall be allowed in a Pentafecta race under the following conditions:
 - 1) one entry requires at least nine betting interests at the start of the race, except, in the event of a scratch, Section 324.50(a) applies.
 - 2) two entries requires at least ten betting interests at the start of the race.
 - 3) more than two entries shall require approval from the Stewards.
- b) For stakes races with a minimum purse of \$20,000, entries, either coupled or uncoupled, shall be allowed and there shall be no restrictions on minimum betting interests.
- c) For stakes races with a minimum purse of \$100,000, common owner entries, either coupled or uncoupled, shall be allowed and there shall be no restrictions on minimum betting interests.
- d) This Section shall not apply to races that are permitted for simulcasting under Section 26(g) of the Act [230 ILCS 5/26(g)] or for uncoupled entries permitted in 11 Ill. Adm. Code 1413.114(c) when there are thoroughbred stakes races with purses of \$250,000 or more.

JOINT COMMITTEE ON ADMINISTRATIVE RULES
ILLINOIS GENERAL ASSEMBLY

SECOND NOTICES RECEIVED

The following second notices were received by the Joint Committee on Administrative Rules during the period of April 22, 2008 through April 28, 2008 and have been scheduled for review by the Committee at its May 20, 2008 meeting. Other items not contained in this published list may also be considered. Members of the public wishing to express their views with respect to a rulemaking should submit written comments to the Committee at the following address: Joint Committee on Administrative Rules, 700 Stratton Bldg., Springfield IL 62706.

<u>Second Notice Expires</u>	<u>Agency and Rule</u>	<u>Start Of First Notice</u>	<u>JCAR Meeting</u>
6/7/08	<u>Illinois Council on Developmental Disabilities, Grants (Repealer) (59 Ill. Adm. Code 400)</u>	2/22/08 32 Ill. Reg. 2604	5/20/08
6/7/08	<u>Illinois Council on Developmental Disabilities, State Plan, Awards and Administrative Requirements (59 Ill. Adm. Code 400)</u>	2/22/08 32 Ill. Reg. 2618	5/20/08
5/25/08	<u>Department of Public Health, Grade A Pasteurized Milk and Milk Products (77 Ill. Adm. Code 775)</u>	5/25/07 31 Ill. Reg. 7384	5/20/08
6/11/08	<u>Department of Healthcare and Family Services, Reimbursement for Nursing Costs for Geriatric Facilities (89 Ill. Adm. Code 147)</u>	1/11/08 32 Ill. Reg. 300	5/20/08
6/11/08	<u>Department of Human Services, Related Program Provisions (89 Ill. Adm. Code 117)</u>	11/9/07 31 Ill. Reg. 14998	5/20/08
6/11/08	<u>Department of Human Services, Food Stamps (89 Ill. Adm. Code 121)</u>	11/9/07 31 Ill. Reg. 15005	5/20/08

PROCLAMATIONS

2008-158**Illinois Equal Pay Day (Revised)**

- WHEREAS, more than 40 years after the passage of the Equal Pay Act and Title VII of the Civil Rights Act, women and minorities continue to suffer the consequences of inequitable pay differentials; and
- WHEREAS, according to statistics released in 2007 by the U.S. Census Bureau, year-round, full-time working women in 2006 earned only 77 percent of the earnings of year-round, full-time working men, indicating little change or progress in pay equity; and
- WHEREAS, according to a January 2002 report released by the General Accounting Office (the investigative arm of Congress), women managers in 7 of 10 industries surveyed actually lost ground in closing the wage gap between 1995 and 2000; and
- WHEREAS, over a working lifetime, this wage disparity costs the average American woman and her family an estimated \$700,000 to \$2 million in lost wages, impacting Social Security benefits and pensions; and
- WHEREAS, equal pay for equal work strengthens the security of families today and eases future retirement costs, while enhancing Illinois' economy; and
- WHEREAS, Tuesday, April 22 symbolizes the time in the new year in which wages paid to American women catch up to wages paid to men from the previous year; and
- WHEREAS, in 2003, I signed into law the Illinois Equal Pay Act, which prohibits employers in this state with four or more employees from paying unequal wages to men and women for doing the same or substantially similar work. This new law allowed an additional 333,000 Illinois workers to enjoy protections from gender-based discrimination in pay; and
- WHEREAS, earlier this year, the State of Illinois won its first court victory in the Circuit Court of Cook County under the Illinois Equal Pay Act which resulted in the payment of thousands of dollars to a female employee owed back wages:

THEREFORE, I, Rod R. Blagojevich, Governor of the State of Illinois, do hereby proclaim April 22, 2008 as **ILLINOIS EQUAL PAY DAY**, in recognition of the value of women's skills and contributions to the labor force, and I call on all employers to provide equal pay for equal work, both as a matter of fairness and as a matter of good business.

PROCLAMATIONS

Issued by the Governor April 17, 2008
Filed by the Secretary of State April 25, 2008

2008-168**Asian Pacific American Heritage Month**

- WHEREAS, each May is officially recognized as Asian Pacific American Heritage Month in the United States; and
- WHEREAS, in June 1977, Congressmen Frank Horton of New York and Norman Y. Mineta of California introduced a House resolution calling upon the president to proclaim the first 10 days of May as Asian/Pacific Heritage Week. The following month, Senators Daniel Inouye and Spark Matsunaga introduced a similar bill in the Senate. Both were passed; and
- WHEREAS, on Oct. 5, 1978, President Jimmy Carter signed a joint resolution designating the annual celebration; and
- WHEREAS, in May 1990, the holiday was further expanded when President George H.W. Bush designated May to be Asian Pacific American Heritage Month; and
- WHEREAS, May was chosen to commemorate the immigration of the first Japanese immigrants to the United States in 1843; and
- WHEREAS, many immigrants of Asian heritage came to the United States in the nineteenth century to work in the transportation industry; and
- WHEREAS, in 1869, laboring under very difficult conditions, Asian immigrants helped construct the transcontinental railroad which vastly expanded economic growth and development across the country; and
- WHEREAS, Asian Pacific American Heritage Month is celebrated annually with community festivals, government-sponsored events and educational activities for students; and
- WHEREAS, Asian Pacific Americans have made valuable contributions to the history and growth of the United States and have achieved at a high level in a variety of disciplines, including: government, business, science, technology and the arts:

PROCLAMATIONS

THEREFORE, I, Rod R. Blagojevich, Governor of the State of Illinois, do hereby proclaim May 2008 as **ASIAN PACIFIC AMERICAN HERITAGE MONTH** in Illinois.

Issued by the Governor April 22, 2008

Filed by the Secretary of State April 25, 2008

2008-169**Children's Day**

WHEREAS, children are the future of Illinois, it is important that we take action to ensure that they are provided a positive start to life; and

WHEREAS, in Illinois, we place the utmost value on the safety and welfare of our children, and we are in support of programs designed to advocate for their best interests; and

WHEREAS, it is important that all citizens work to promote an environment of hope and love for children; and

WHEREAS, my administration has put forth several initiatives aimed at improving the health, education and well-being of our children, and we pledge to continue our commitment to ensuring a bright future for all our young people; and

WHEREAS, the second Sunday in June has been set aside as a day to celebrate children, and reaffirm our commitment to their needs:

THEREFORE, I, Rod R. Blagojevich, Governor of the State of Illinois, do hereby proclaim June 8, 2008 as **CHILDREN'S DAY** in Illinois.

Issued by the Governor April 24, 2008

Filed by the Secretary of State April 25, 2008

2008-170**Danica Patrick Day**

WHEREAS, on Sunday, April 20, 2008, former Roscoe, Illinois resident Danica Patrick made history by capturing first place in the Indy Japan 300. The victory makes Danica the first female winner in IndyCar history; and

PROCLAMATIONS

WHEREAS, Patrick took the lead from pole-sitter Helio Castroneves on the 198th lap in the 200-lap race, finishing 5.8594 seconds ahead of Castroneves on the 1.5-mile Twin Ring Motegi oval; and

WHEREAS, Patrick started the race from the third row and closely followed the leaders throughout the race, making her final pit stop under caution on the 148th lap. She was as low as eighth place on the 189th lap, but was able to seize her chance when the leaders headed to the pits late in the race; and

WHEREAS, her first career win, this first-place finish is not only a significant accomplishment for Danica, but also a milestone athletic achievement. Danica previously made history in 2005 as only the fourth woman to ever race in the Indy 500 and the first woman to ever lead a lap in the history of the race. That same year, she also earned the coveted “Rookie of the Year” trophy at the Indy awards; and

WHEREAS, thus far in her professional endeavors, Danica Patrick’s accomplishments have been impressive, highlighted by, among other things, her third-place finish in the 2004 Toyota Atlantic Championship final season standings and her outstanding performance at the 2005 Indianapolis 500; and

WHEREAS, as a woman of only 26 years of age, Danica Patrick has already made her mark on history with her sparkling achievements as a professional driver. Illinois, being the state where Danica was raised, is extremely proud of her recent success, and is pleased to join in honoring her on this occasion:

THEREFORE, I, Rod R. Blagojevich, Governor of the State of Illinois, do hereby proclaim April 26, 2008 as **DANICA PATRICK DAY** in Illinois, and encourage all citizens to join in recognition of Danica’s historic first-place finish in the Indy Japan 300, and look forward to even more success in the future for this highly-talented young driver.

Issued by the Governor April 24, 2008

Filed by the Secretary of State April 25, 2008

2008-171**ALS Awareness Month**

WHEREAS, amyotrophic lateral sclerosis (ALS), most commonly known as Lou Gehrig’s Disease, is a progressive fatal neurodegenerative disease that attacks the motor neurons, making even the simplest movements – walking, speaking, gesturing – nearly impossible; and

PROCLAMATIONS

WHEREAS, named after former New York Yankees first baseman Lou Gehrig, an ALS sufferer who was forced to prematurely retire from the game of baseball in 1939, ALS is a debilitating disease, generally resulting in paralysis; and

WHEREAS, the initial symptoms of ALS may include muscle weakness, atrophy, cramping, twitching, stiffness, slowness of movement, or spasticity, and can result in loss of the muscles involved in mobility as well as speaking, swallowing, and breathing, though the intellect and ability to think and feel emotions continue to function; and

WHEREAS, approximately 15 new cases of ALS are diagnosed every day, with a person losing their battle with the disease every 90 minutes; and

WHEREAS, ALS, a disorder for which there is no known cure and has a life expectancy between three and five years, currently affects an estimated 35,000 Americans, most commonly in late middle age, but ranging from teenage years to over 80 years, with over 5,000 new ALS cases diagnosed annually; and

WHEREAS, ALS Awareness Month increases the public's understanding of the impact this devastating disease has not only on the person living with ALS but also on his or her family and friends as well, and recognizes the critical research underway to eradicate ALS:

THEREFORE, I, Rod R. Blagojevich, Governor of the State of Illinois, do hereby proclaim May 2008 as **ALS AWARENESS MONTH** in Illinois, and urge all citizens to support the efforts of those dedicated to ending this ravishing disease.

Issued by the Governor April 25, 2008

Filed by the Secretary of State April 25, 2008

2008-172**Greater Shiloh Baptist Church's 100th Anniversary**

WHEREAS, the Greater Shiloh Baptist Church was founded one hundred years ago as Shiloh Baptist Church by Sisters Iona Derrickson, Etta Rosell, Martha Smith, Lena Hutchinson, and Brother William Anthony who saw the need for a place of worship on the east end of Danville; and

WHEREAS, in 1910 under the direction of its first pastor, Reverend W.L. Banner, the Greater Shiloh Baptist Church moved into a house at 529 East Harrison Street which would serve as a place of worship for the church for the next 73 years; and

PROCLAMATIONS

WHEREAS, in 1981 the Greater Shiloh Baptist Church purchased the edifice from Second Church of Christ. The two churches held a joint service marking the final days Greater Shiloh would spend in its former home and in March of 1981, the church held its first morning worship service in its new sanctuary; and

WHEREAS, the Greater Shiloh Baptist Church has greatly benefited the Danville community through a variety of initiatives, including the town's first Acceleration Reading Center, a Head Start center, the Helping Hand food pantry, and the Winnie Mandela Missionary Society and Nurses Guild Auxiliary, among others; and

WHEREAS, the Greater Shiloh Baptist Church also has a magnificent musical history. The first choir was created in 1911 under Reverend L. Evans, Reverend C.G. O'Bannon organized the Singing Angels children's choir, Reverend Ben E. Cox, Sr. created the Inspirational Choir, and Pastor H.L. Reed launched the Male Choir and reorganized the Inspirational Choir, recently renamed the Sounds of Shiloh; and

WHEREAS, the Greater Shiloh Baptist Church has served as a site of worship, charity, education, and community involvement for the past 100 years; and

WHEREAS, on April 27, 2008, the Greater Shiloh Baptist Church will be celebrating its 100th anniversary;

THEREFORE, I, Rod R. Blagojevich, Governor of the State of Illinois, do hereby recognize and commend the Greater Shiloh Baptist Church on the occasion of their 100th anniversary of serving their local community and the State of Illinois.

Issued by the Governor April 25, 2008

Filed by the Secretary of State April 25, 2008

2008-173**Stroke Awareness Month**

WHEREAS, stroke is the third leading cause of death in Illinois and the United States, claiming the lives of more than 6,000 in the state each year and 750,000 nationwide; and

WHEREAS, stroke is a leading cause of adult disability. There are more than five million stroke survivors in the United States, with two-thirds living with moderate to severe disabilities; and

PROCLAMATIONS

WHEREAS, risk factors for a stroke are high blood pressure, undesirable levels of blood cholesterol, cigarette smoking, cardiovascular disease, diabetes, physical inactivity, obesity, and a previous stroke or transient ischemic attack (TIA); and

WHEREAS, symptoms of stroke include sudden numbness or weakness of the face, arm or leg, especially on one side of the body, sudden confusion, trouble speaking or understanding, sudden trouble seeing in one or both eyes, sudden trouble walking, dizziness, loss of balance or coordination, and sudden severe headaches with no known cause; and

WHEREAS, public awareness of the risks and warning signs of a stroke is essential to prevention and early treatment. Countless strokes could be prevented each year, yet many Americans don't recognize the symptoms and don't discuss their stroke risks with their primary health care providers; and

WHEREAS, every minute counts in recognizing the symptoms of a stroke and the need to call 911. Emergency treatment of stroke can save lives, reduce disability and even possibly reverse all impacts from the stroke; and

WHEREAS, new and effective treatments have been developed to treat and minimize the severity and damaging effects of strokes, but much more research is needed; and

WHEREAS, the recognition of the month of May as Stroke Awareness Month offers advocates for stroke awareness an opportunity to educate the public and policymakers about the devastating effects of stroke:

THEREFORE, I, Rod R. Blagojevich, Governor of the State of Illinois, do hereby proclaim May 2008 as **STROKE AWARENESS MONTH** in Illinois, and encourage all citizens to familiarize themselves with the signs, symptoms and risk factors associated with stroke and the urgent need to call 911.

Issued by the Governor April 25, 2008

Filed by the Secretary of State April 25, 2008

ILLINOIS ADMINISTRATIVE CODE

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