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Joint Committee on Administrative Rules
Illinois General Assembly

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Illinois Regulation is a summary of the weekly regulatory decisions of State agencies published in the Illinois Register and action taken by the Illinois General Assembly's Joint Committee on Administrative Rules. Illinois Regulation, also titled The Flinn Report in memory of founding JCAR member Rep. Monroe Flinn, is designed to inform and involve the public in changes taking place in agency administration.

New Rules

TEACHERS' RETIREMENT

The TEACHERS' RETIREMENT SYSTEM adopted amendments to The Administration and Operation of the Teachers' Retirement System (80 IAC 1650; 41 Ill Reg 7942), effective 11/8/17, which place in rule TRS policies regarding leaves of absence eligible for service credit with the System and clarify a fine point in how a final average salary is computed for purposes of pension determination. The maximum amount of leave eligible for service credit (including pregnancy leave) shall be 3 years. Regarding final average salaries, any year in which a member's earnings are less than 50% of the preceding year's mean salary for downstate teachers shall not be counted when determining the school employer contribution required for the person's salary increases in excess of 6% in any year,

pursuant to Sec. 16-158(f) of the Illinois Pension Code.

Questions/requests for copies: Cynthia Fain, TRS, 2815 W. Washington, PO Box 19253, Springfield IL 62794-9253, 217/753-0375.

INCOME TAX

The DEPARTMENT OF REVENUE adopted amendments to Income Tax (86 IAC 100; 41 Ill Reg 6436), effective 11/7/17, that codify historical and current statutes establishing the amount of the standard personal exemption for taxpayers (currently \$2,050), the amount of additional exemptions for the blind and elderly, and the application of the cost-of-living adjustment to the standard exemption in future years. References to a 3% individual income tax rate (in effect prior to

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Emergency Rulemaking

SCHOLARSHIP TAX CREDIT

The DEPARTMENT OF REVENUE adopted a new Part by emergency rulemaking titled Invest in Kids Act (86 IAC 1000; 41 Ill Reg 14270) effective 11/13/17 for a maximum of 150 days. Companion proposed amendments to Income Tax (86 IAC 100; 41 Ill Reg 14166) also appear in this week's *Illinois Register*. The emergency rule implements Public Act 100-465, which grants income tax credits for tax years 2017 through 2022 to taxpayers who make qualified contributions to approved scholarship granting organizations (SGOs) for scholarships to students attending non-public schools recognized by the State Board of Education. A tax credit equal to 75% of the taxpayer's total qualified SGO contributions during a tax year may be

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NEW RULES: Rules adopted by agencies this week. **EMERGENCY RULES:** Adopted for a temporary period not to exceed 150 days.
PROPOSED RULES: Rules proposed by agencies this week, commencing a 45-day First Notice period during which public comments must be accepted.
PEREMPTORY RULES: Rules adopted without prior public notice or JCAR review as authorized by 5 ILCS 100/5-50.
■ Designates rules of special interest to small businesses, small municipalities, and not-for-profit corporations. Agencies are required to consider comments from these groups and minimize the regulatory burden on them.
QUESTIONS/COMMENTS: Submit mail, email or phone calls to the agency personnel listed below each summary.
RULE TEXT: Available on the Secretary of State (www.cyberdriveillinois.com) and General Assembly (www.ilga.gov) websites under Illinois Register. Second Notice text (original version with changes made by the agency during First Notice included) is available on the JCAR website.

New Rules

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2011) are removed and replaced with generic language. Finally, an exclusion is being provided in the computation of net income and tax attributable to Illinois where the combined apportionment method does not adequately portray income and tax for a corporation is unitary with the partnership.

TAXPAYER RIGHTS

DOR also adopted an amendment to Taxpayer Rights (86 IAC 205; 41 Ill Reg 10328), effective 11/7/17, repealing a Section outlining the responsibilities of DOR's taxpayer ombudsman. The

statute authorizing the office of taxpayer ombudsman is no longer in effect.

Questions/requests for copies of the 2 DOR rulemakings: Brian Stocker, DOR, 101 W. Jefferson, Springfield IL 62796, 217/782-2844.

WATER SUPPLY OPERATORS

The ILLINOIS ENVIRONMENTAL PROTECTION AGENCY adopted amendments to Water Supply Operator Certification (35 IAC 681; 41 Ill Reg 748) effective 11/13/17 updating the certification process, in part to reflect statutory changes made by PA 98-822 and PA 98-856. Among the updates are tighter requirements on

certification exam requirements and security, changing experience prerequisites from years to hours (1 year = 1,780 hours), adding reciprocal certification without exam for similarly experienced veterans, adding more details for administrative hearings conducted under this Part, making fees paid to EPA under this Part non-refundable, and reflecting changes to water supply facility classifications and required operator duties.

Questions/requests for copies: Stephanie Flowers, IEPA, 1021 N. Grand Ave E, P.O. Box 19276, Springfield IL 62794-9276; 217/782-5544.

Emergency Rulemaking

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claimed, up to a maximum annual credit of \$1 million. DOR may award a maximum of \$75 million in credits per tax year. Contributions may be directed to a particular school or subset of schools, but may not be directed to particular students or groups of students. The credit cannot be claimed for any contribution for which the taxpayer also claims a federal income tax deduction. In order to claim tax credit for a contribution, the taxpayer must apply for and receive a contribution authorization certificate from DOR before making the contribution. SGOs must also receive approval from DOR to issue Certificates of

Receipt to taxpayers for qualified contributions before they can accept such contributions and begin awarding scholarships. Other provisions in Part 1000 address the criteria that SGOs must follow in awarding scholarships; determination of scholarship amounts; responsibilities of qualified schools that accept scholarship students; annual recertification of SGOs; and electronic notice and filing requirements. The proposed amendment to Part 100 addresses only the criteria for taxpayers to claim the credit. Recognized non-public schools, scholarship awarding organizations, and businesses or non-profits that contribute to

SGOs are affected by these rulemakings.

Questions/requests for copies/comments on the proposed Part 100 rulemaking through 1/10/18: Beverly K. Langenfeld, DOR, 101 W. Jefferson St., Springfield IL 62794, 217/782-2844.

Proposed Rulemakings

■ HORSE BREEDING

The DEPARTMENT OF AGRICULTURE proposed amendments to Standardbred, Thoroughbred, and Quarter Horse Breeding and Racing Programs, Illinois (8 IAC 290; 41 Ill Reg 14139) concerning procedures for certifying the Illinois conceived and foaled status of race horses. The rulemaking removes the requirements that mare owners report to DOA each insemination using semen from an Illinois-certified stallion and that a DOA employee verify that the mare was in Illinois at the time of conception. Also, DOA may return Jockey Club certificates for Illinois conceived and foaled horses to the owner (after

registering the horse and adding an Illinois registration number) via any mail delivery system that includes tracking capabilities (currently, registered mail). Breeders of Illinois registered race horses are affected by this rulemaking.

Questions/requests for copies/comments through 1/10/18: Pamela Harmon, DOA, State Fairgrounds, P.O. Box 19281, Springfield IL 62794-9281, 217/524-6905, fax 217/785-4505.

HFS REPEALER

The DEPARTMENT OF HEALTHCARE AND FAMILY SERVICES proposed repeal of the Part titled Individual Care Grants for Mentally Ill Children (59

IAC 135; 41 Ill Reg 14147). This Part governed the Individual Care Grant program (now called the Family Support Program) prior to Public Act 99-479, which transferred the program from the Department of Human Services to HFS in 2016. Updated HFS rules for this program are contained in a proposed new Part titled Children's Behavioral Health (89 IAC 139; 41 Ill Reg 7754) that appeared in the 7/7/17 *Illinois Register*.

Questions/requests for copies/comments through 1/10/18: Mollie Zito, HFS, 201 S. Grand Ave. East, 3rd Fl., Springfield IL 62763-0002, 217/782-1233, HFS.Rules@illinois.gov

Second Notices

The following rulemakings were moved to Second Notice this week by the agencies listed below, commencing the JCAR review period. These rulemakings will be considered at the Committee's December 12, 2017 meeting. Further comments concerning these rulemakings should be addressed to JCAR using the contact information on page 1.

DEPT OF NATURAL RESOURCES

White Tailed Deer Hunting By Use of Firearms (17 IAC 650; 41 Ill Reg 11707) proposed 9/22/17

IL STUDENT ASSISTANCE COMMISSION

Illinois Prepaid Tuition Program (23 IAC 2775; 41 Ill Reg 11713) proposed 9/22/17

IL COMMERCE COMMISSION

Standards of Service and Customer Credits for Electing Providers and Competitive Non-Electing Providers (83 IAC 737; 41 Ill Reg 3075) proposed 3/17/17

Presubscription (Repealer) (83 IAC 773; 41 Ill Reg 3081) proposed 3/17/17

STATE BOARD OF EDUCATION

Charter Schools (23 IAC 650; 41 Ill Reg 11010) proposed 9/1/17