

1 AN ACT concerning State government.

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

4 ARTICLE 1.

5 Section 1-1. Short title. This Act may be cited as the  
6 Emergency Budget Implementation Act of Fiscal Year 2010.

7 Section 1-5. Legislative intent. The General Assembly  
8 hereby finds and declares that the State is confronted with an  
9 unprecedented fiscal crisis. This Act is to be liberally  
10 construed and interpreted in a manner that allows the State to  
11 address the fiscal crisis for the fiscal year ending June 30,  
12 2010.

13 Section 1-10. Designation of contingency reserves. The  
14 Governor may designate amounts to be set aside as a contingency  
15 reserve up to \$1,100,000,000 from the amounts appropriated from  
16 the General Revenue Fund for State fiscal year 2010 to the  
17 executive branch of State government, including agencies,  
18 authorities, boards, commissions, and departments, except  
19 public universities, the community college system, the  
20 Illinois Student Assistance Commission, the Board of Higher  
21 Education, and the State Board of Education and all agencies,

1 authorities, boards, commissions, and departments under the  
2 jurisdiction of the Attorney General, Secretary of State,  
3 Comptroller, or Treasurer.

4 Section 1-15. Transfers, obligations, encumbrances,  
5 expenditures, or other commitments. The amounts placed in  
6 contingency reserve shall not be transferred, obligated,  
7 encumbered, expended, or otherwise committed during fiscal  
8 year 2010 unless the State, by an Act of the 96th General  
9 Assembly, generates incremental revenues sufficient to support  
10 such transfers, obligations, encumbrances, expenditures, or  
11 other commitments.

12 Section 1-20. Authority to make reductions.  
13 Notwithstanding any other Act to the contrary, each State  
14 agency that is subject to contingency reserves under Section  
15 1-10 is authorized to promulgate emergency rules pursuant to  
16 subsection (n) of Section 5-45 of the Illinois Administrative  
17 Procedure Act to limit, reduce, or adjust services, payment  
18 rates, expenditures, transfers of funds, and eligibility  
19 criteria as necessary to implement the fiscal year 2010 budget  
20 and any contingency reserves designated by the Governor, to the  
21 extent permitted by federal law. Any such adjustment,  
22 reduction, or limitation shall expire on July 1, 2010. Nothing  
23 in this Section shall require rulemaking if the limitation,  
24 reduction, or adjustment would otherwise be within the

1 authority of the agency without rulemaking.

2 Section 1-25. Delegation of appropriations.

3 (a) Notwithstanding any other Act to the contrary, if and  
4 only if Senate Bill 1216 of the 96th General Assembly becomes  
5 law, then the Office of the Governor is authorized to delegate,  
6 through written notice to the Comptroller, all or a portion of  
7 the appropriations included in Sections 5 and 10 of Article 77  
8 of Senate Bill 1216 to any State agency, board, or commission.  
9 All amounts so delegated are limited to the purposes for which  
10 those moneys were appropriated in those Sections and shall be  
11 expended in accordance with all relevant laws, administrative  
12 rules, and audit standards and obligations that would apply had  
13 the amounts been appropriated directly to the agency, board, or  
14 commission for that purpose.

15 (b) This Section is repealed on June 30, 2010.

16 ARTICLE 3.

17 Section 3-1. Short title. This Article may be cited as the  
18 Public Accountability and Performance System Act.

19 Section 3-5. Findings. The legislature finds that State  
20 agencies must continuously improve accountability and  
21 performance reporting concerning public programs. State  
22 agencies must improve their management of public programs in

1 order to provide citizens with the most efficient and effective  
2 programs.

3 Section 3-10. Definitions. In this Article:

4 "State agency" has the same meaning as defined in Section  
5 1-7 of the Illinois State Auditing Act.

6 "Quality management, accountability, and performance  
7 system" means a nationally recognized integrated,  
8 interdisciplinary system of measures, tools, and reports used  
9 to improve the performance of a work unit or organization.

10 Section 3-15. Performance system; requirements.

11 (a) State agencies may develop and implement a quality  
12 management, accountability, and performance system to improve  
13 the public services they provide. A quality management,  
14 accountability, and performance system shall:

15 (1) Use strategic business planning to establish  
16 goals, objectives, and activities consistent with the  
17 priorities of government.

18 (2) Engage stakeholders and customers in establishing  
19 service requirements and improving service delivery  
20 systems.

21 (3) Include clear and relevant measures for each  
22 activity performed by the agency.

23 (4) Include performance goals for employees.

24 (5) Provide clear standards to evaluate the

1 effectiveness of agency programs and activities.

2 (6) Allocate resources based on strategies to improve  
3 performance.

4 (b) A participating State agency shall conduct a yearly  
5 assessment of its quality management, accountability, and  
6 performance system.

7 (c) If the chief executive officer or any member of the  
8 governing board or authority of a participating State agency is  
9 appointed by the Governor, then the participating State agency  
10 shall report to the Governor on agency performance at least  
11 quarterly. The reports shall be posted on the website of the  
12 agency and the Governor.

13 Section 3-20. Independent assessment. A participating  
14 State agency may apply to a qualified organization for an  
15 independent assessment of its quality management,  
16 accountability, and performance system.

17 ARTICLE 5. AMENDATORY PROVISIONS

18 Section 5-5. The Illinois Administrative Procedure Act is  
19 amended by changing Section 5-45 as follows:

20 (5 ILCS 100/5-45) (from Ch. 127, par. 1005-45)

21 Sec. 5-45. Emergency rulemaking.

22 (a) "Emergency" means the existence of any situation that

1 any agency finds reasonably constitutes a threat to the public  
2 interest, safety, or welfare.

3 (b) If any agency finds that an emergency exists that  
4 requires adoption of a rule upon fewer days than is required by  
5 Section 5-40 and states in writing its reasons for that  
6 finding, the agency may adopt an emergency rule without prior  
7 notice or hearing upon filing a notice of emergency rulemaking  
8 with the Secretary of State under Section 5-70. The notice  
9 shall include the text of the emergency rule and shall be  
10 published in the Illinois Register. Consent orders or other  
11 court orders adopting settlements negotiated by an agency may  
12 be adopted under this Section. Subject to applicable  
13 constitutional or statutory provisions, an emergency rule  
14 becomes effective immediately upon filing under Section 5-65 or  
15 at a stated date less than 10 days thereafter. The agency's  
16 finding and a statement of the specific reasons for the finding  
17 shall be filed with the rule. The agency shall take reasonable  
18 and appropriate measures to make emergency rules known to the  
19 persons who may be affected by them.

20 (c) An emergency rule may be effective for a period of not  
21 longer than 150 days, but the agency's authority to adopt an  
22 identical rule under Section 5-40 is not precluded. No  
23 emergency rule may be adopted more than once in any 24 month  
24 period, except that this limitation on the number of emergency  
25 rules that may be adopted in a 24 month period does not apply  
26 to (i) emergency rules that make additions to and deletions

1 from the Drug Manual under Section 5-5.16 of the Illinois  
2 Public Aid Code or the generic drug formulary under Section  
3 3.14 of the Illinois Food, Drug and Cosmetic Act, (ii)  
4 emergency rules adopted by the Pollution Control Board before  
5 July 1, 1997 to implement portions of the Livestock Management  
6 Facilities Act, ~~or~~ (iii) emergency rules adopted by the  
7 Illinois Department of Public Health under subsections (a)  
8 through (i) of Section 2 of the Department of Public Health Act  
9 when necessary to protect the public's health, or (iv)  
10 emergency rules adopted pursuant to subsection (n) of this  
11 Section. Two or more emergency rules having substantially the  
12 same purpose and effect shall be deemed to be a single rule for  
13 purposes of this Section.

14 (d) In order to provide for the expeditious and timely  
15 implementation of the State's fiscal year 1999 budget,  
16 emergency rules to implement any provision of Public Act 90-587  
17 or 90-588 or any other budget initiative for fiscal year 1999  
18 may be adopted in accordance with this Section by the agency  
19 charged with administering that provision or initiative,  
20 except that the 24-month limitation on the adoption of  
21 emergency rules and the provisions of Sections 5-115 and 5-125  
22 do not apply to rules adopted under this subsection (d). The  
23 adoption of emergency rules authorized by this subsection (d)  
24 shall be deemed to be necessary for the public interest,  
25 safety, and welfare.

26 (e) In order to provide for the expeditious and timely

1 implementation of the State's fiscal year 2000 budget,  
2 emergency rules to implement any provision of this amendatory  
3 Act of the 91st General Assembly or any other budget initiative  
4 for fiscal year 2000 may be adopted in accordance with this  
5 Section by the agency charged with administering that provision  
6 or initiative, except that the 24-month limitation on the  
7 adoption of emergency rules and the provisions of Sections  
8 5-115 and 5-125 do not apply to rules adopted under this  
9 subsection (e). The adoption of emergency rules authorized by  
10 this subsection (e) shall be deemed to be necessary for the  
11 public interest, safety, and welfare.

12 (f) In order to provide for the expeditious and timely  
13 implementation of the State's fiscal year 2001 budget,  
14 emergency rules to implement any provision of this amendatory  
15 Act of the 91st General Assembly or any other budget initiative  
16 for fiscal year 2001 may be adopted in accordance with this  
17 Section by the agency charged with administering that provision  
18 or initiative, except that the 24-month limitation on the  
19 adoption of emergency rules and the provisions of Sections  
20 5-115 and 5-125 do not apply to rules adopted under this  
21 subsection (f). The adoption of emergency rules authorized by  
22 this subsection (f) shall be deemed to be necessary for the  
23 public interest, safety, and welfare.

24 (g) In order to provide for the expeditious and timely  
25 implementation of the State's fiscal year 2002 budget,  
26 emergency rules to implement any provision of this amendatory



1 Act of the 92nd General Assembly or any other budget initiative  
2 for fiscal year 2002 may be adopted in accordance with this  
3 Section by the agency charged with administering that provision  
4 or initiative, except that the 24-month limitation on the  
5 adoption of emergency rules and the provisions of Sections  
6 5-115 and 5-125 do not apply to rules adopted under this  
7 subsection (g). The adoption of emergency rules authorized by  
8 this subsection (g) shall be deemed to be necessary for the  
9 public interest, safety, and welfare.

10 (h) In order to provide for the expeditious and timely  
11 implementation of the State's fiscal year 2003 budget,  
12 emergency rules to implement any provision of this amendatory  
13 Act of the 92nd General Assembly or any other budget initiative  
14 for fiscal year 2003 may be adopted in accordance with this  
15 Section by the agency charged with administering that provision  
16 or initiative, except that the 24-month limitation on the  
17 adoption of emergency rules and the provisions of Sections  
18 5-115 and 5-125 do not apply to rules adopted under this  
19 subsection (h). The adoption of emergency rules authorized by  
20 this subsection (h) shall be deemed to be necessary for the  
21 public interest, safety, and welfare.

22 (i) In order to provide for the expeditious and timely  
23 implementation of the State's fiscal year 2004 budget,  
24 emergency rules to implement any provision of this amendatory  
25 Act of the 93rd General Assembly or any other budget initiative  
26 for fiscal year 2004 may be adopted in accordance with this

1 Section by the agency charged with administering that provision  
2 or initiative, except that the 24-month limitation on the  
3 adoption of emergency rules and the provisions of Sections  
4 5-115 and 5-125 do not apply to rules adopted under this  
5 subsection (i). The adoption of emergency rules authorized by  
6 this subsection (i) shall be deemed to be necessary for the  
7 public interest, safety, and welfare.

8 (j) In order to provide for the expeditious and timely  
9 implementation of the provisions of the State's fiscal year  
10 2005 budget as provided under the Fiscal Year 2005 Budget  
11 Implementation (Human Services) Act, emergency rules to  
12 implement any provision of the Fiscal Year 2005 Budget  
13 Implementation (Human Services) Act may be adopted in  
14 accordance with this Section by the agency charged with  
15 administering that provision, except that the 24-month  
16 limitation on the adoption of emergency rules and the  
17 provisions of Sections 5-115 and 5-125 do not apply to rules  
18 adopted under this subsection (j). The Department of Public Aid  
19 may also adopt rules under this subsection (j) necessary to  
20 administer the Illinois Public Aid Code and the Children's  
21 Health Insurance Program Act. The adoption of emergency rules  
22 authorized by this subsection (j) shall be deemed to be  
23 necessary for the public interest, safety, and welfare.

24 (k) In order to provide for the expeditious and timely  
25 implementation of the provisions of the State's fiscal year  
26 2006 budget, emergency rules to implement any provision of this

1 amendatory Act of the 94th General Assembly or any other budget  
2 initiative for fiscal year 2006 may be adopted in accordance  
3 with this Section by the agency charged with administering that  
4 provision or initiative, except that the 24-month limitation on  
5 the adoption of emergency rules and the provisions of Sections  
6 5-115 and 5-125 do not apply to rules adopted under this  
7 subsection (k). The Department of Healthcare and Family  
8 Services may also adopt rules under this subsection (k)  
9 necessary to administer the Illinois Public Aid Code, the  
10 Senior Citizens and Disabled Persons Property Tax Relief and  
11 Pharmaceutical Assistance Act, the Senior Citizens and  
12 Disabled Persons Prescription Drug Discount Program Act (now  
13 the Illinois Prescription Drug Discount Program Act), and the  
14 Children's Health Insurance Program Act. The adoption of  
15 emergency rules authorized by this subsection (k) shall be  
16 deemed to be necessary for the public interest, safety, and  
17 welfare.

18 (1) In order to provide for the expeditious and timely  
19 implementation of the provisions of the State's fiscal year  
20 2007 budget, the Department of Healthcare and Family Services  
21 may adopt emergency rules during fiscal year 2007, including  
22 rules effective July 1, 2007, in accordance with this  
23 subsection to the extent necessary to administer the  
24 Department's responsibilities with respect to amendments to  
25 the State plans and Illinois waivers approved by the federal  
26 Centers for Medicare and Medicaid Services necessitated by the

1 requirements of Title XIX and Title XXI of the federal Social  
2 Security Act. The adoption of emergency rules authorized by  
3 this subsection (l) shall be deemed to be necessary for the  
4 public interest, safety, and welfare.

5 (m) In order to provide for the expeditious and timely  
6 implementation of the provisions of the State's fiscal year  
7 2008 budget, the Department of Healthcare and Family Services  
8 may adopt emergency rules during fiscal year 2008, including  
9 rules effective July 1, 2008, in accordance with this  
10 subsection to the extent necessary to administer the  
11 Department's responsibilities with respect to amendments to  
12 the State plans and Illinois waivers approved by the federal  
13 Centers for Medicare and Medicaid Services necessitated by the  
14 requirements of Title XIX and Title XXI of the federal Social  
15 Security Act. The adoption of emergency rules authorized by  
16 this subsection (m) shall be deemed to be necessary for the  
17 public interest, safety, and welfare.

18 (n) In order to provide for the expeditious and timely  
19 implementation of the provisions of the State's fiscal year  
20 2010 budget, emergency rules to implement any provision of this  
21 amendatory Act of the 96th General Assembly or any other budget  
22 initiative authorized by the 96th General Assembly for fiscal  
23 year 2010 may be adopted in accordance with this Section by the  
24 agency charged with administering that provision or  
25 initiative. The adoption of emergency rules authorized by this  
26 subsection (n) shall be deemed to be necessary for the public

1 interest, safety, and welfare. The rulemaking authority  
2 granted in this subsection (n) shall apply only to rules  
3 promulgated during Fiscal Year 2010.

4 (Source: P.A. 94-48, eff. 7-1-05; 94-838, eff. 6-6-06; 95-12,  
5 eff. 7-2-07; 95-331, eff. 8-21-07.)

6 Section 5-15. The Data Security on State Computers Act is  
7 amended by changing Sections 15 and 20 and by adding Section 17  
8 as follows:

9 (20 ILCS 450/15)

10 Sec. 15. Definitions. As used in this Act:

11 "Agency" means all parts, boards, and commissions of the  
12 executive branch of State government, other than public  
13 universities or their governing boards, including, but not  
14 limited to, ~~State colleges and universities and their governing~~  
15 ~~boards~~ and all departments established by the Civil  
16 Administrative Code of Illinois.

17 "Disposal by sale, donation, or transfer" includes, but is  
18 not limited to, the sale, donation, or transfer of surplus  
19 electronic data processing equipment to other agencies,  
20 schools, individuals, and not-for-profit agencies.

21 "Electronic data processing equipment" includes, but is  
22 not limited to, computer (CPU) mainframes, and any form of  
23 magnetic storage media.

24 "Authorized agency" means an agency authorized by the

1 Department of Central Management Services to sell or transfer  
2 electronic data processing equipment under Sections 5010.1210  
3 and 5010.1220 of Title 44 of the Illinois Administrative Code.

4 "Department" means the Department of Central Management  
5 Services.

6 "Overwrite" means the replacement of previously stored  
7 information with a pre-determined pattern of meaningless  
8 information.

9 (Source: P.A. 93-306, eff. 7-23-03.)

10 (20 ILCS 450/17 new)

11 Sec. 17. Exemption from Act. This Act does not apply to the  
12 legislative branch of State government, the Office of the  
13 Lieutenant Governor, the Office of the Attorney General, the  
14 Office of the Secretary of State, the Office of the State  
15 Comptroller, or the Office of the State Treasurer.

16 (20 ILCS 450/20)

17 Sec. 20. Establishment and implementation. The Data  
18 Security on State Computers Act is established to protect  
19 sensitive data stored on State-owned electronic data  
20 processing equipment to be (i) disposed of by sale, donation,  
21 or transfer or (ii) relinquished to a successor executive  
22 administration. This Act shall be administered by the  
23 Department or an authorized agency. The governing board of each  
24 public university in this State must implement and administer

1 the provisions of this Act with respect to State-owned  
2 electronic data processing equipment utilized by the  
3 university. The Department or an authorized agency shall  
4 implement a policy to mandate that all hard drives of surplus  
5 electronic data processing equipment be cleared of all data and  
6 software before being prepared for sale, donation, or transfer  
7 by (i) overwriting the previously stored data on a drive or a  
8 disk at least 10 times and (ii) certifying in writing that the  
9 overwriting process has been completed by providing the  
10 following information: (1) the serial number of the computer or  
11 other surplus electronic data processing equipment; (2) the  
12 name of the overwriting software used; and (3) the name, date,  
13 and signature of the person performing the overwriting process.  
14 The head of each State agency shall establish a system for the  
15 protection and preservation of State data on State-owned  
16 electronic data processing equipment necessary for the  
17 continuity of government functions upon it being relinquished  
18 to a successor executive administration.

19 For purposes of this Act and any other State directive  
20 requiring the clearing of data and software from State-owned  
21 electronic data processing equipment prior to sale, donation,  
22 or transfer by the General Assembly or a public university in  
23 this State, the General Assembly or the governing board of the  
24 university shall have and maintain responsibility for the  
25 implementation and administration of the requirements for  
26 clearing State-owned electronic data processing equipment

1 utilized by the General Assembly or the university.

2 (Source: P.A. 93-306, eff. 7-23-03.)

3 Section 5-23. The Department of Natural Resources  
4 (Conservation) Law of the Civil Administrative Code of Illinois  
5 is amended by changing Section 805-125 as follows:

6 (20 ILCS 805/805-125) (was 20 ILCS 805/63b1)

7 Sec. 805-125. Agreements with federal agencies. The  
8 Department has the power and authority to enter into agreements  
9 with appropriate federal agencies in order to better effect  
10 cooperative undertakings in the conservation, preservation,  
11 distribution, and propagation of fish, mussels, frogs,  
12 turtles, game, wild animals, wild fowls, birds, trees, plants,  
13 and forests. The Department's agreements with the United States  
14 government may include general indemnification provisions.

15 (Source: P.A. 91-239, eff. 1-1-00.)

16 Section 5-25. The Department of Professional Regulation  
17 Law of the Civil Administrative Code of Illinois is amended by  
18 changing Section 2105-300 as follows:

19 (20 ILCS 2105/2105-300) (was 20 ILCS 2105/61e)

20 Sec. 2105-300. Professions Indirect Cost Fund;  
21 allocations; analyses.

22 (a) Appropriations for the direct and allocable indirect



1 costs of licensing and regulating each regulated profession,  
2 trade, occupation, or industry are intended to be payable from  
3 the fees and fines that are assessed and collected from that  
4 profession, trade, occupation, or industry, to the extent that  
5 those fees and fines are sufficient. In any fiscal year in  
6 which the fees and fines generated by a specific profession,  
7 trade, occupation, or industry are insufficient to finance the  
8 necessary direct and allocable indirect costs of licensing and  
9 regulating that profession, trade, occupation, or industry,  
10 the remainder of those costs shall be financed from  
11 appropriations payable from revenue sources other than fees and  
12 fines. The direct and allocable indirect costs of the  
13 Department identified in its cost allocation plans that are not  
14 attributable to the licensing and regulation of a specific  
15 profession, trade, or occupation, or industry or group of  
16 professions, trades, occupations, or industries shall be  
17 financed from appropriations from revenue sources other than  
18 fees and fines.

19 (b) The Professions Indirect Cost Fund is hereby created as  
20 a special fund in the State Treasury. Except as provided in  
21 subsection (e), the Fund may receive transfers of moneys  
22 authorized by the Department from the cash balances in special  
23 funds that receive revenues from the fees and fines associated  
24 with the licensing of regulated professions, trades,  
25 occupations, and industries by the Department. For purposes of  
26 this Section only, until June 30, 2010, the Fund may also

1 receive transfers of moneys authorized by the Department from  
2 the cash balances in special funds that receive revenues from  
3 the fees and fines associated with the licensing of regulated  
4 professions, trades, occupations, and industries by the  
5 Department of Insurance. Moneys in the Fund shall be invested  
6 and earnings on the investments shall be retained in the Fund.  
7 Subject to appropriation, the Department shall use moneys in  
8 the Fund to pay the ordinary and necessary allocable indirect  
9 expenses associated with each of the regulated professions,  
10 trades, occupations, and industries.

11 (c) Before the beginning of each fiscal year, the  
12 Department shall prepare a cost allocation analysis to be used  
13 in establishing the necessary appropriation levels for each  
14 cost purpose and revenue source. At the conclusion of each  
15 fiscal year, the Department shall prepare a cost allocation  
16 analysis reflecting the extent of the variation between how the  
17 costs were actually financed in that year and the planned cost  
18 allocation for that year. Variations between the planned and  
19 actual cost allocations for the prior fiscal year shall be  
20 adjusted into the Department's planned cost allocation for the  
21 next fiscal year.

22 Each cost allocation analysis shall separately identify  
23 the direct and allocable indirect costs of each regulated  
24 profession, trade, occupation, or industry and the costs of the  
25 Department's general public health and safety purposes. The  
26 analyses shall determine whether the direct and allocable

1 indirect costs of each regulated profession, trade,  
2 occupation, or industry and the costs of the Department's  
3 general public health and safety purposes are sufficiently  
4 financed from their respective funding sources. The Department  
5 shall prepare the cost allocation analyses in consultation with  
6 the respective regulated professions, trades, occupations, and  
7 industries and shall make copies of the analyses available to  
8 them in a timely fashion. For purposes of this Section only,  
9 until June 30, 2010, the Department shall include in its cost  
10 allocation analysis the direct and allocable indirect costs of  
11 each regulated profession, trade, occupation, or industry and  
12 the costs of the general public health and safety purposes of  
13 the Department of Insurance.

14 (d) Except as provided in subsection (e), the Department  
15 may direct the State Comptroller and Treasurer to transfer  
16 moneys from the special funds that receive fees and fines  
17 associated with regulated professions, trades, occupations,  
18 and industries into the Professions Indirect Cost Fund in  
19 accordance with the Department's cost allocation analysis plan  
20 for the applicable fiscal year. For a given fiscal year, the  
21 Department shall not direct the transfer of moneys under this  
22 subsection from a special fund associated with a specific  
23 regulated profession, trade, occupation, or industry (or group  
24 of professions, trades, occupations, or industries) in an  
25 amount exceeding the allocable indirect costs associated with  
26 that profession, trade, occupation, or industry (or group of

1 professions, trades, occupations, or industries) as provided  
2 in the cost allocation analysis for that fiscal year and  
3 adjusted for allocation variations from the prior fiscal year.  
4 No direct costs identified in the cost allocation plan shall be  
5 used as a basis for transfers into the Professions Indirect  
6 Cost Fund or for expenditures from the Fund.

7 (e) No transfer may be made to the Professions Indirect  
8 Cost Fund under this Section from the Public Pension Regulation  
9 Fund.

10 (Source: P.A. 94-91, eff. 7-1-05; 95-950, eff. 8-29-08.)

11 Section 5-26. The General Assembly Compensation Act is  
12 amended by adding Section 1.5 as follows:

13 (25 ILCS 115/1.5 new)

14 Sec. 1.5. Fiscal year 2010 compensation. During the fiscal  
15 year beginning on July 1, 2009, every member of the General  
16 Assembly is required to forfeit 12 days of compensation. The  
17 State Comptroller shall deduct the equivalent of 1/261 of the  
18 annual compensation of each member from the compensation of  
19 that member in each month of the fiscal year. For purposes of  
20 this Section, annual compensation includes compensation paid  
21 to each member by the State for one year of service pursuant to  
22 Section 1, except any payments made for mileage and allowances  
23 for travel and meals. The forfeiture required by this Section  
24 is not considered a change in salary and shall not impact

1 pension or other benefits provided to members of the General  
2 Assembly.

3 (25 ILCS 120/3.1 rep.)

4 Section 5-26.5. If and only if Senate Bill 2090 of the 96th  
5 General Assembly becomes law, then the Compensation Review Act  
6 is amended by repealing Section 3.1.

7 Section 5-29. If and only if Senate Bill 1433 of the 96th  
8 General Assembly becomes law, the State Finance Act is amended  
9 by changing Section 8.49 as follows:

10 (30 ILCS 105/8.49)

11 Sec. 8.49. Special fund transfers.

12 (a) In order to maintain the integrity of special funds and  
13 improve stability in the General Revenue Fund, the following  
14 transfers are authorized from the designated funds into the  
15 General Revenue Fund:

16	Food and Drug Safety Fund .....	\$6,800
17	Penny Severns Breast, Cervical, and	
18	Ovarian Cancer Research Fund .....	\$33,300
19	Transportation Regulatory Fund .....	\$2,122,000
20	General Professions Dedicated Fund .....	\$3,511,900
21	Economic Research and Information Fund .....	\$1,120
22	Illinois Department of Agriculture	
23	Laboratory Services Revolving Fund .....	\$12,825

1	Drivers Education Fund .....	\$2,244,000
2	Aeronautics Fund .....	\$25,360
3	Fire Prevention Fund .....	\$10,400,000
4	Rural/Downstate Health Access Fund .....	\$1,700
5	Mental Health Fund .....	\$24,560,000
6	Illinois State Pharmacy Disciplinary Fund .....	\$2,054,100
7	Public Utility Fund .....	\$960,175
8	Alzheimer's Disease Research Fund .....	\$112,500
9	Radiation Protection Fund .....	\$92,250
10	Natural Heritage Endowment Trust Fund .....	\$250,000
11	Firearm Owner's Notification Fund .....	\$256,400
12	EPA Special State Projects Trust Fund .....	\$3,760,000
13	Solid Waste Management Fund .....	\$1,200,000
14	Illinois Gaming Law Enforcement Fund .....	\$141,000
15	Subtitle D Management Fund .....	\$375,000
16	Illinois State Medical Disciplinary Fund .....	\$11,277,200
17	Cemetery Consumer Protection Fund .....	\$658,000
18	Assistance to the Homeless Fund .....	\$13,800
19	Accessible Electronic Information	
20	Service Fund .....	\$10,000
21	CDLIS/AAMVAnet Trust Fund .....	\$110,000
22	Comptroller's Audit Expense Revolving Fund .....	\$31,200
23	Community Health Center Care Fund .....	\$450,000
24	Safe Bottled Water Fund .....	\$15,000
25	Facility Licensing Fund .....	\$363,600
26	Hansen-Therkelsen Memorial Deaf	

1	Student College Fund .....	\$503,700
2	Illinois Underground Utility Facilities	
3	Damage Prevention Fund .....	\$29,600
4	School District Emergency Financial	
5	Assistance Fund .....	\$2,059,200
6	Mental Health Transportation Fund .....	\$859
7	Registered Certified Public Accountants'	
8	Administration and Disciplinary Fund .....	\$34,600
9	State Crime Laboratory Fund .....	\$142,880
10	Agrichemical Incident Response Trust Fund .....	\$80,000
11	General Assembly Computer Equipment	
12	Revolving Fund .....	\$101,600
13	Weights and Measures Fund .....	\$625,000
14	Illinois School Asbestos Abatement Fund .....	\$299,600
15	Injured Workers' Benefit Fund .....	\$3,290,560
16	Violence Prevention Fund .....	\$79,500
17	Professional Regulation Evidence Fund .....	\$5,000
18	IPTIP Administrative Trust Fund .....	\$500,000
19	Diabetes Research Checkoff Fund .....	\$8,800
20	Ticket For The Cure Fund .....	\$1,200,000
21	Capital Development Board Revolving Fund .....	\$346,000
22	Professions Indirect Cost Fund .....	\$2,144,500
23	State Police DUI Fund .....	\$166,880
24	Medicaid Fraud and Abuse Prevention Fund .....	\$20,000
25	Illinois Health Facilities Planning Fund .....	\$1,392,400
26	Emergency Public Health Fund .....	\$875,000

1	TOMA Consumer Protection Fund .....	\$50,000
2	ISAC Accounts Receivable Fund .....	\$24,240
3	Fair and Exposition Fund .....	\$1,257,920
4	Department of Labor Special State Trust Fund.....	\$409,000
5	Public Health Water Permit Fund .....	\$24,500
6	Nursing Dedicated and Professional Fund .....	\$9,988,400
7	Optometric Licensing and Disciplinary	
8	Board Fund .....	\$995,800
9	Water Revolving Fund .....	\$4,960
10	Methamphetamine Law Enforcement Fund .....	\$50,000
11	Long Term Care Monitor/Receiver Fund .....	\$1,700,000
12	Home Care Services Agency Licensure Fund .....	\$48,000
13	Community Water Supply Laboratory Fund .....	\$600,000
14	Motor Fuel and Petroleum Standards Fund .....	\$41,416
15	Fertilizer Control Fund .....	\$162,520
16	Regulatory Fund .....	\$307,824
17	Used Tire Management Fund .....	\$8,853,552
18	Natural Areas Acquisition Fund .....	\$1,000,000
19	Working Capital Revolving Fund .....	\$6,450,000
20	Tax Recovery Fund .....	\$29,680
21	Professional Services Fund .....	\$3,500,000
22	Treasurer's Rental Fee Fund .....	\$155,000
23	Public Health Laboratory Services	
24	Revolving Fund .....	\$450,000
25	Provider Inquiry Trust Fund .....	\$200,000
26	Audit Expense Fund .....	\$5,972,190



1	Law Enforcement Camera Grant Fund .....	\$2,631,840
2	Child Labor and Day and Temporary Labor	
3	Services Enforcement Fund .....	\$490,000
4	Lead Poisoning Screening, Prevention,	
5	and Abatement Fund .....	\$100,000
6	Health and Human Services Medicaid	
7	Trust Fund .....	\$6,920,000
8	Prisoner Review Board Vehicle and	
9	Equipment Fund .....	\$147,900
10	Drug Treatment Fund .....	\$4,400,000
11	Feed Control Fund .....	\$625,000
12	Tanning Facility Permit Fund .....	\$20,000
13	Innovations in Long-Term Care Quality	
14	Demonstration Grants Fund .....	\$300,000
15	Plumbing Licensure and Program Fund .....	\$1,585,600
16	State Treasurer's Bank Services Trust Fund ....	\$6,800,000
17	State Police Motor Vehicle Theft	
18	Prevention Trust Fund .....	\$46,500
19	Insurance Premium Tax Refund Fund .....	\$58,700
20	Appraisal Administration Fund .....	\$378,400
21	Small Business Environmental Assistance Fund ....	\$24,080
22	Regulatory Evaluation and Basic	
23	Enforcement Fund .....	\$125,000
24	Gaining Early Awareness and Readiness	
25	for Undergraduate Programs Fund .....	\$15,000
26	Trauma Center Fund .....	\$4,000,000

1	EMS Assistance Fund .....	\$110,000
2	State College and University Trust Fund .....	\$20,204
3	University Grant Fund .....	\$5,608
4	DCEO Projects Fund .....	\$1,000,000
5	Alternate Fuels Fund .....	\$2,000,000
6	Multiple Sclerosis Research Fund .....	\$27,200
7	Livestock Management Facilities Fund .....	\$81,920
8	Second Injury Fund .....	\$615,680
9	Agricultural Master Fund .....	\$136,984
10	High Speed Internet Services and	
11	Information Technology Fund .....	\$3,300,000
12	Illinois Tourism Tax Fund .....	\$250,000
13	Human Services Priority Capital Program Fund ..	\$7,378,400
14	Warrant Escheat Fund .....	\$1,394,161
15	State Asset Forfeiture Fund .....	\$321,600
16	Police Training Board Services Fund .....	\$8,000
17	Federal Asset Forfeiture Fund .....	\$1,760
18	Department of Corrections Reimbursement	
19	and Education Fund .....	\$250,000
20	Health Facility Plan Review Fund .....	\$1,543,600
21	Domestic Violence Abuser Services Fund .....	\$11,500
22	LEADS Maintenance Fund .....	\$166,800
23	State Offender DNA Identification	
24	System Fund .....	\$615,040
25	Illinois Historic Sites Fund .....	\$250,000
26	Comptroller's Administrative Fund .....	\$134,690

1	<del>Public Pension Regulation Fund .....</del>	<del>\$1,000,000</del>
2	Workforce, Technology, and Economic	
3	Development .....	\$2,000,000
4	Pawnbroker Regulation Fund .....	\$26,400
5	Renewable Energy Resources Trust Fund .....	\$13,408,328
6	Charter Schools Revolving Loan Fund .....	\$82,000
7	School Technology Revolving Loan Fund .....	\$1,230,000
8	Energy Efficiency Trust Fund .....	\$1,490,000
9	Pesticide Control Fund .....	\$625,000
10	Juvenile Accountability Incentive Block	
11	Grant Fund .....	\$10,000
12	Multiple Sclerosis Assistance Fund .....	\$8,000
13	Temporary Relocation Expenses Revolving	
14	Grant Fund .....	\$460,000
15	Partners for Conservation Fund .....	\$8,200,000
16	Fund For Illinois' Future .....	\$3,000,000
17	Wireless Carrier Reimbursement Fund .....	\$13,650,000
18	International Tourism Fund .....	\$5,043,344
19	Illinois Racing Quarterhorse Breeders Fund .....	\$1,448
20	Death Certificate Surcharge Fund .....	\$900,000
21	State Police Wireless Service	
22	Emergency Fund .....	\$1,329,280
23	Illinois Adoption Registry and	
24	Medical Information Exchange Fund .....	\$8,400
25	Auction Regulation Administration Fund .....	\$361,600
26	DHS State Projects Fund .....	\$193,900

1	Auction Recovery Fund .....	\$4,600
2	Motor Carrier Safety Inspection Fund .....	\$389,840
3	Coal Development Fund .....	\$320,000
4	State Off-Set Claims Fund .....	\$400,000
5	Illinois Student Assistance Commission	
6	Contracts and Grants Fund .....	\$128,850
7	DHS Private Resources Fund .....	\$1,000,000
8	Assisted Living and Shared Housing	
9	Regulatory Fund .....	\$122,400
10	State Police Whistleblower Reward	
11	and Protection Fund .....	\$3,900,000
12	Illinois Standardbred Breeders Fund .....	\$134,608
13	Post Transplant Maintenance and	
14	Retention Fund .....	\$85,800
15	Spinal Cord Injury Paralysis Cure	
16	Research Trust Fund .....	\$300,000
17	Organ Donor Awareness Fund .....	\$115,000
18	Community Mental Health Medicaid Trust Fund ....	\$1,030,900
19	Illinois Clean Water Fund .....	\$8,649,600
20	Tobacco Settlement Recovery Fund .....	\$10,000,000
21	Alternative Compliance Market Account Fund .....	\$9,984
22	Group Workers' Compensation Pool	
23	Insolvency Fund .....	\$42,800
24	Medicaid Buy-In Program Revolving Fund .....	\$1,000,000
25	Home Inspector Administration Fund .....	\$1,225,200
26	Real Estate Audit Fund .....	\$1,200

1	Marine Corps Scholarship Fund .....	\$69,000
2	Tourism Promotion Fund .....	\$30,000,000
3	Oil Spill Response Fund .....	\$4,800
4	Presidential Library and Museum	
5	Operating Fund .....	\$169,900
6	Nuclear Safety Emergency Preparedness Fund ....	\$6,000,000
7	DCEO Energy Projects Fund .....	\$2,176,200
8	Dram Shop Fund .....	\$500,000
9	Illinois State Dental Disciplinary Fund .....	\$187,300
10	Hazardous Waste Fund .....	\$800,000
11	Natural Resources Restoration Trust Fund .....	\$7,700
12	State Fair Promotional Activities Fund .....	\$1,672
13	Continuing Legal Education Trust Fund .....	\$10,550
14	Environmental Protection Trust Fund .....	\$625,000
15	Real Estate Research and Education Fund .....	\$1,081,000
16	Federal Moderate Rehabilitation	
17	Housing Fund .....	\$44,960
18	Domestic Violence Shelter and Service Fund .....	\$55,800
19	Snowmobile Trail Establishment Fund .....	\$5,300
20	Drug Traffic Prevention Fund .....	\$11,200
21	Traffic and Criminal Conviction	
22	Surcharge Fund .....	\$5,400,000
23	Design Professionals Administration	
24	and Investigation Fund .....	\$73,200
25	Public Health Special State Projects Fund .....	\$1,900,000
26	Petroleum Violation Fund .....	\$1,080

1	State Police Services Fund .....	\$7,082,080
2	Illinois Wildlife Preservation Fund .....	\$9,900
3	Youth Drug Abuse Prevention Fund .....	\$133,500
4	Insurance Producer	
5	Administration Fund.....	<u>\$12,170,000</u> <del>\$13,820,000</del>
6	Coal Technology Development Assistance Fund ....	\$1,856,000
7	Child Abuse Prevention Fund .....	\$250,000
8	Hearing Instrument Dispenser Examining	
9	and Disciplinary Fund .....	\$50,400
10	Low-Level Radioactive Waste Facility	
11	Development and Operation Fund .....	\$1,000,000
12	Environmental Protection Permit and	
13	Inspection Fund.....	\$755,775
14	Landfill Closure and Post-Closure Fund .....	\$2,480
15	Narcotics Profit Forfeiture Fund .....	\$86,900
16	Illinois State Podiatric Disciplinary Fund .....	\$200,000
17	Vehicle Inspection Fund.....	\$5,000,000
18	Local Tourism Fund .....	\$10,999,280
19	Illinois Capital Revolving Loan Fund .....	\$3,856,904
20	Illinois Equity Fund .....	\$3,520
21	Large Business Attraction Fund .....	\$13,560
22	International and Promotional Fund .....	\$42,040
23	Public Infrastructure Construction	
24	Loan Revolving Fund .....	\$2,811,232
25	Insurance Financial	
26	Regulation Fund.....	<u>\$5,881,180</u> <del>\$7,531,180</del>



1 Section 5-30. The State Finance Act is amended by changing  
2 Sections 6z-30, 6z-64, 6z-70, 8g, 8o, 13.5, and 14.1 and by  
3 adding Sections 5.719, 5.723, 6p-6, 6p-7, and 8.48 as follows:

4 (30 ILCS 105/5.719 new)

5 Sec. 5.719. American Recovery and Reinvestment Act  
6 Administrative Revolving Fund.

7 (30 ILCS 105/5.723 new)

8 Sec. 5.723. Court of Claims Federal Grant Fund.

9 (30 ILCS 105/6p-6 new)

10 Sec. 6p-6. American Recovery and Reinvestment Act  
11 Administrative Revolving Fund. There is created in the State  
12 treasury the American Recovery and Reinvestment Act  
13 Administrative Revolving Fund. Federal moneys associated with  
14 the central administration of the American Recovery and  
15 Reinvestment Act of 2009 may be deposited or paid into this  
16 Fund. Subject to appropriation by the General Assembly, the  
17 moneys in this Fund shall be used to fund central  
18 administrative costs necessary and required to implement the  
19 American Recovery and Reinvestment Act of 2009.

20 (30 ILCS 105/6p-7 new)

21 Sec. 6p-7. Court of Claims Federal Grant Fund. The Court of  
22 Claims Federal Grant Fund is created as a special fund in the



1 State treasury. The Fund shall consist of federal Victims of  
2 Crime Act grant funds awarded to the Court of Claims from the  
3 U.S. Department of Justice, Office of Justice Programs, Office  
4 for Victims of Crime for the payment of claims pursuant to the  
5 Crime Victims Compensation Act (740 ILCS 45/). All moneys in  
6 the Fund shall be used for payment of claims pursuant to the  
7 Crime Victims Compensation Act (740 ILCS 45/). The General  
8 Assembly may appropriate moneys from the Court of Claims  
9 Federal Grant Fund to the Court of Claims for the purpose of  
10 payment of claims pursuant to the Crime Victims Compensation  
11 Act (740 ILCS 45/).

12 (30 ILCS 105/6z-30)

13 Sec. 6z-30. University of Illinois Hospital Services Fund.

14 (a) The University of Illinois Hospital Services Fund is  
15 created as a special fund in the State Treasury. The following  
16 moneys shall be deposited into the Fund:

17 (1) As soon as possible after the beginning of each  
18 fiscal year (starting in fiscal year 2010 ~~1995~~), and in no  
19 event later than July 30, the State Comptroller and the  
20 State Treasurer shall automatically transfer \$30,000,000  
21 ~~\$44,700,000~~ from the General Revenue Fund to the University  
22 of Illinois Hospital Services Fund.

23 (2) All intergovernmental transfer payments to the  
24 Department of Healthcare and Family Services ~~(formerly~~  
25 ~~Illinois Department of Public Aid)~~ by the University of

1 Illinois made pursuant to an intergovernmental agreement  
2 under subsection (b) or (c) of Section 5A-3 of the Illinois  
3 Public Aid Code.

4 (3) All federal matching funds received by the  
5 Department of Healthcare and Family Services (formerly  
6 Illinois Department of Public Aid) as a result of  
7 expenditures made by the Department that are attributable  
8 to moneys that were deposited in the Fund.

9 (4) All other moneys received for the Fund from any  
10 other source, including interest earned thereon.

11 (b) Moneys in the fund may be used by the Department of  
12 Healthcare and Family Services ~~(formerly Illinois Department~~  
13 ~~of Public Aid)~~, subject to appropriation and to an interagency  
14 agreement between that Department and the Board of Trustees of  
15 the University of Illinois, to reimburse the University of  
16 Illinois Hospital for hospital and pharmacy services, ~~and~~ to  
17 reimburse practitioners ~~as defined in Section 5-8 of the~~  
18 ~~Illinois Public Aid Code (305 ILCS 5/5-8)~~ who are employed by  
19 the University of Illinois, to reimburse other health care  
20 facilities operated by the University of Illinois, and to pass  
21 through to the University of Illinois federal financial  
22 participation earned by the State as a result of expenditures  
23 made by the University of Illinois. Hospital. The fund may also  
24 ~~be used to make monthly transfers to the General Revenue Fund~~  
25 ~~as provided in subsection (c).~~

26 (c) (Blank). ~~The State Comptroller and State Treasurer~~

1 ~~shall automatically transfer on the last day of each month~~  
2 ~~except June, beginning August 31, 1994, from the University of~~  
3 ~~Illinois Hospital Services Fund to the General Revenue Fund, an~~  
4 ~~amount determined and certified to the State Comptroller by the~~  
5 ~~Director of Healthcare and Family Services (formerly Director~~  
6 ~~of Public Aid), equal to the amount by which the balance in the~~  
7 ~~Fund exceeds the amount necessary to ensure timely payments to~~  
8 ~~the University of Illinois Hospital.~~

9 ~~On June 30, 1995 and each June 30 thereafter, the State~~  
10 ~~Comptroller and State Treasurer shall automatically transfer~~  
11 ~~the entire balance in the University of Illinois Hospital~~  
12 ~~Services Fund to the General Revenue Fund.~~

13 (Source: P.A. 95-331, eff. 8-21-07; 95-744, eff. 7-18-08.)

14 (30 ILCS 105/6z-64)

15 Sec. 6z-64. The Workers' Compensation Revolving Fund.

16 (a) The Workers' Compensation Revolving Fund is created as  
17 a revolving fund, not subject to fiscal year limitations, in  
18 the State treasury. The following moneys shall be deposited  
19 into the Fund:

20 (1) amounts authorized for transfer to the Fund from  
21 the General Revenue Fund and other State funds (except for  
22 funds classified by the Comptroller as federal trust funds  
23 or State trust funds) pursuant to State law or Executive  
24 Order;

25 (2) federal funds received by the Department of Central

1 Management Services (the "Department") as a result of  
2 expenditures from the Fund;

3 (3) interest earned on moneys in the Fund;

4 (4) receipts or inter-fund transfers resulting from  
5 billings issued by the Department to State agencies and  
6 universities for the cost of workers' compensation  
7 services rendered by the Department that are not  
8 compensated through the specific fund transfers authorized  
9 by this Section, if any;

10 (5) amounts received from a State agency or university  
11 for workers' compensation payments for temporary total  
12 disability, as provided in Section 405-105 of the  
13 Department of Central Management Services Law of the Civil  
14 Administrative Code of Illinois; and

15 (6) amounts recovered through subrogation in workers'  
16 compensation and workers' occupational disease cases.

17 (b) Moneys in the Fund may be used by the Department for  
18 reimbursement or payment for:

19 (1) providing workers' compensation services to State  
20 agencies and State universities; or

21 (2) providing for payment of administrative and other  
22 expenses incurred by the Department in providing workers'  
23 compensation services.

24 (c) State agencies may direct the Comptroller to process  
25 inter-fund transfers or make payment through the voucher and  
26 warrant process to the Workers' Compensation Revolving Fund in

1 satisfaction of billings issued under subsection (a) of this  
2 Section.

3 (d) Reconciliation. For the fiscal year beginning on July  
4 1, 2004 only, the Director of Central Management Services (the  
5 "Director") shall order that each State agency's payments and  
6 transfers made to the Fund be reconciled with actual Fund costs  
7 for workers' compensation services provided by the Department  
8 and attributable to the State agency and relevant fund on no  
9 less than an annual basis. The Director may require reports  
10 from State agencies as deemed necessary to perform this  
11 reconciliation.

12 (d-5) Notwithstanding any other provision of State law to  
13 the contrary, on or after July 1, 2005 and until June 30, 2006,  
14 in addition to any other transfers that may be provided for by  
15 law, at the direction of and upon notification of the Director  
16 of Central Management Services, the State Comptroller shall  
17 direct and the State Treasurer shall transfer amounts into the  
18 Workers' Compensation Revolving Fund from the designated funds  
19 not exceeding the following totals:

20	Mental Health Fund .....	\$17,694,000
21	Statistical Services Revolving Fund .....	\$1,252,600
22	Department of Corrections Reimbursement	
23	and Education Fund .....	\$1,198,600
24	Communications Revolving Fund .....	\$535,400
25	Child Support Administrative Fund .....	\$441,900
26	Health Insurance Reserve Fund .....	\$238,900

1	Fire Prevention Fund .....	\$234,100
2	Park and Conservation Fund .....	\$142,000
3	Motor Fuel Tax Fund .....	\$132,800
4	Illinois Workers' Compensation	
5	Commission Operations Fund .....	\$123,900
6	State Boating Act Fund .....	\$112,300
7	Public Utility Fund .....	\$106,500
8	State Lottery Fund .....	\$101,300
9	Traffic and Criminal Conviction	
10	Surcharge Fund .....	\$88,500
11	State Surplus Property Revolving Fund .....	\$82,700
12	Natural Areas Acquisition Fund .....	\$65,600
13	Securities Audit and Enforcement Fund .....	\$65,200
14	Agricultural Premium Fund .....	\$63,400
15	Capital Development Fund .....	\$57,500
16	State Gaming Fund .....	\$54,300
17	Underground Storage Tank Fund .....	\$53,700
18	Illinois State Medical Disciplinary Fund .....	\$53,000
19	Personal Property Tax Replacement Fund .....	\$53,000
20	General Professions Dedicated Fund .....	\$51,900
21	Total	\$23,003,100

22 (d-10) Notwithstanding any other provision of State law to  
 23 the contrary and in addition to any other transfers that may be  
 24 provided for by law, on the first day of each calendar quarter  
 25 of the fiscal year beginning July 1, 2005, or as soon as may be  
 26 practical thereafter, the State Comptroller shall direct and

1 the State Treasurer shall transfer from each designated fund  
2 into the Workers' Compensation Revolving Fund amounts equal to  
3 one-fourth of each of the following totals:

4	General Revenue Fund .....	\$34,000,000
5	Road Fund .....	\$25,987,000
6	Total	\$59,987,000

7 (d-12) Notwithstanding any other provision of State law to  
8 the contrary and in addition to any other transfers that may be  
9 provided for by law, on the effective date of this amendatory  
10 Act of the 94th General Assembly, or as soon as may be  
11 practical thereafter, the State Comptroller shall direct and  
12 the State Treasurer shall transfer from each designated fund  
13 into the Workers' Compensation Revolving Fund the following  
14 amounts:

15	General Revenue Fund .....	\$10,000,000
16	Road Fund .....	\$5,000,000
17	Total	\$15,000,000

18 (d-15) Notwithstanding any other provision of State law to  
19 the contrary and in addition to any other transfers that may be  
20 provided for by law, on July 1, 2006, or as soon as may be  
21 practical thereafter, the State Comptroller shall direct and  
22 the State Treasurer shall transfer from each designated fund  
23 into the Workers' Compensation Revolving Fund the following  
24 amounts:

25	General Revenue Fund .....	\$44,028,200
26	Road Fund .....	\$28,084,000

1 Total \$72,112,200

2 (d-20) Notwithstanding any other provision of State law to  
3 the contrary, on or after July 1, 2006 and until June 30, 2007,  
4 in addition to any other transfers that may be provided for by  
5 law, at the direction of and upon notification of the Director  
6 of Central Management Services, the State Comptroller shall  
7 direct and the State Treasurer shall transfer amounts into the  
8 Workers' Compensation Revolving Fund from the designated funds  
9 not exceeding the following totals:

10	Mental Health Fund .....	\$19,121,800
11	Statistical Services Revolving Fund .....	\$1,353,700
12	Department of Corrections Reimbursement	
13	and Education Fund .....	\$1,295,300
14	Communications Revolving Fund .....	\$578,600
15	Child Support Administrative Fund .....	\$477,600
16	Health Insurance Reserve Fund .....	\$258,200
17	Fire Prevention Fund .....	\$253,000
18	Park and Conservation Fund .....	\$153,500
19	Motor Fuel Tax Fund .....	\$143,500
20	Illinois Workers' Compensation	
21	Commission Operations Fund .....	\$133,900
22	State Boating Act Fund .....	\$121,400
23	Public Utility Fund .....	\$115,100
24	State Lottery Fund .....	\$109,500
25	Traffic and Criminal Conviction Surcharge Fund ..	\$95,700
26	State Surplus Property Revolving Fund .....	\$89,400



1	Natural Areas Acquisition Fund .....	\$70,800
2	Securities Audit and Enforcement Fund .....	\$70,400
3	Agricultural Premium Fund .....	\$68,500
4	State Gaming Fund .....	\$58,600
5	Underground Storage Tank Fund .....	\$58,000
6	Illinois State Medical Disciplinary Fund .....	\$57,200
7	Personal Property Tax Replacement Fund .....	\$57,200
8	General Professions Dedicated Fund .....	\$56,100
9	Total	\$24,797,000

10     (d-25) Notwithstanding any other provision of State law to  
11 the contrary and in addition to any other transfers that may be  
12 provided for by law, on July 1, 2009, or as soon as may be  
13 practical thereafter, the State Comptroller shall direct and  
14 the State Treasurer shall transfer from each designated fund  
15 into the Workers' Compensation Revolving Fund the following  
16 amounts:

17	<u>General Revenue Fund .....</u>	<u>\$55,000,000</u>
18	<u>Road Fund .....</u>	<u>\$34,803,000</u>
19	<u>Total</u>	<u>\$89,803,000</u>

20     (d-30) Notwithstanding any other provision of State law to  
21 the contrary, on or after July 1, 2009 and until June 30, 2010,  
22 in addition to any other transfers that may be provided for by  
23 law, at the direction of and upon notification of the Director  
24 of Central Management Services, the State Comptroller shall  
25 direct and the State Treasurer shall transfer amounts into the  
26 Workers' Compensation Revolving Fund from the designated funds

1 not exceeding the following totals:

2	<u>Food and Drug Safety Fund .....</u>	<u>\$13,900</u>
3	<u>Teacher Certificate Fee Revolving Fund .....</u>	<u>\$6,500</u>
4	<u>Transportation Regulatory Fund .....</u>	<u>\$14,500</u>
5	<u>Financial Institution Fund .....</u>	<u>\$25,200</u>
6	<u>General Professions Dedicated Fund .....</u>	<u>\$25,300</u>
7	<u>Illinois Veterans' Rehabilitation Fund .....</u>	<u>\$64,600</u>
8	<u>State Boating Act Fund .....</u>	<u>\$177,100</u>
9	<u>State Parks Fund .....</u>	<u>\$104,300</u>
10	<u>Lobbyist Registration Administration Fund .....</u>	<u>\$14,400</u>
11	<u>Agricultural Premium Fund .....</u>	<u>\$79,100</u>
12	<u>Fire Prevention Fund .....</u>	<u>\$360,200</u>
13	<u>Mental Health Fund .....</u>	<u>\$9,725,200</u>
14	<u>Illinois State Pharmacy Disciplinary Fund .....</u>	<u>\$5,600</u>
15	<u>Public Utility Fund .....</u>	<u>\$40,900</u>
16	<u>Radiation Protection Fund .....</u>	<u>\$14,200</u>
17	<u>Firearm Owner's Notification Fund .....</u>	<u>\$1,300</u>
18	<u>Solid Waste Management Fund .....</u>	<u>\$74,100</u>
19	<u>Illinois Gaming Law Enforcement Fund .....</u>	<u>\$17,800</u>
20	<u>Subtitle D Management Fund .....</u>	<u>\$14,100</u>
21	<u>Illinois State Medical Disciplinary Fund .....</u>	<u>\$26,500</u>
22	<u>Facility Licensing Fund .....</u>	<u>\$11,700</u>
23	<u>Plugging and Restoration Fund .....</u>	<u>\$9,100</u>
24	<u>Explosives Regulatory Fund .....</u>	<u>\$2,300</u>
25	<u>Aggregate Operations Regulatory Fund .....</u>	<u>\$5,000</u>
26	<u>Coal Mining Regulatory Fund .....</u>	<u>\$1,900</u>

1	<u>Registered Certified Public Accountants'</u>	
2	<u>Administration and Disciplinary Fund</u> .....	<u>\$1,500</u>
3	<u>Weights and Measures Fund</u> .....	<u>\$56,100</u>
4	<u>Division of Corporations Registered</u>	
5	<u>Limited Liability Partnership Fund</u> .....	<u>\$3,900</u>
6	<u>Illinois School Asbestos Abatement Fund</u> .....	<u>\$14,000</u>
7	<u>Secretary of State Special License Plate Fund</u> ....	<u>\$30,700</u>
8	<u>Capital Development Board Revolving Fund</u> .....	<u>\$27,000</u>
9	<u>DCFS Children's Services Fund</u> .....	<u>\$69,300</u>
10	<u>Asbestos Abatement Fund</u> .....	<u>\$17,200</u>
11	<u>Illinois Health Facilities Planning Fund</u> .....	<u>\$26,800</u>
12	<u>Emergency Public Health Fund</u> .....	<u>\$5,600</u>
13	<u>Nursing Dedicated and Professional Fund</u> .....	<u>\$10,000</u>
14	<u>Optometric Licensing and Disciplinary</u>	
15	<u>Board Fund</u> .....	<u>\$1,600</u>
16	<u>Underground Resources Conservation</u>	
17	<u>Enforcement Fund</u> .....	<u>\$11,500</u>
18	<u>Drunk and Drugged Driving Prevention Fund</u> .....	<u>\$18,200</u>
19	<u>Long Term Care Monitor/Receiver Fund</u> .....	<u>\$35,400</u>
20	<u>Community Water Supply Laboratory Fund</u> .....	<u>\$5,600</u>
21	<u>Securities Investors Education Fund</u> .....	<u>\$2,000</u>
22	<u>Used Tire Management Fund</u> .....	<u>\$32,400</u>
23	<u>Natural Areas Acquisition Fund</u> .....	<u>\$101,200</u>
24	<u>Open Space Lands Acquisition</u>	
25	<u>and Development Fund</u> .....	<u>\$28,400</u>
26	<u>Working Capital Revolving Fund</u> .....	<u>\$489,100</u>

1	<u>State Garage Revolving Fund</u> .....	<u>\$791,900</u>
2	<u>Statistical Services Revolving Fund</u> .....	<u>\$3,984,700</u>
3	<u>Communications Revolving Fund</u> .....	<u>\$1,432,800</u>
4	<u>Facilities Management Revolving Fund</u> .....	<u>\$1,911,600</u>
5	<u>Professional Services Fund</u> .....	<u>\$483,600</u>
6	<u>Motor Vehicle Review Board Fund</u> .....	<u>\$15,000</u>
7	<u>Environmental Laboratory Certification Fund</u> .....	<u>\$3,000</u>
8	<u>Public Health Laboratory Services</u>	
9	<u>Revolving Fund</u> .....	<u>\$2,500</u>
10	<u>Lead Poisoning Screening, Prevention,</u>	
11	<u>and Abatement Fund</u> .....	<u>\$28,200</u>
12	<u>Securities Audit and Enforcement Fund</u> .....	<u>\$258,400</u>
13	<u>Department of Business Services</u>	
14	<u>Special Operations Fund</u> .....	<u>\$111,900</u>
15	<u>Feed Control Fund</u> .....	<u>\$20,800</u>
16	<u>Tanning Facility Permit Fund</u> .....	<u>\$5,400</u>
17	<u>Plumbing Licensure and Program Fund</u> .....	<u>\$24,400</u>
18	<u>Tax Compliance and Administration Fund</u> .....	<u>\$27,200</u>
19	<u>Appraisal Administration Fund</u> .....	<u>\$2,400</u>
20	<u>Small Business Environmental Assistance Fund</u> .....	<u>\$2,200</u>
21	<u>Illinois State Fair Fund</u> .....	<u>\$31,400</u>
22	<u>Secretary of State Special Services Fund</u> .....	<u>\$317,600</u>
23	<u>Department of Corrections Reimbursement</u>	
24	<u>and Education Fund</u> .....	<u>\$324,500</u>
25	<u>Health Facility Plan Review Fund</u> .....	<u>\$31,200</u>
26	<u>Illinois Historic Sites Fund</u> .....	<u>\$11,500</u>

1	<u>Attorney General Court Ordered and Voluntary</u>	
2	<u>Compliance Payment Projects Fund</u> .....	<u>\$18,500</u>
3	<u>Public Pension Regulation Fund</u> .....	<u>\$5,600</u>
4	<u>Illinois Charity Bureau Fund</u> .....	<u>\$11,400</u>
5	<u>Renewable Energy Resources Trust Fund</u> .....	<u>\$6,700</u>
6	<u>Energy Efficiency Trust Fund</u> .....	<u>\$3,600</u>
7	<u>Pesticide Control Fund</u> .....	<u>\$56,800</u>
8	<u>Attorney General Whistleblower Reward</u>	
9	<u>and Protection Fund</u> .....	<u>\$14,200</u>
10	<u>Partners for Conservation Fund</u> .....	<u>\$36,900</u>
11	<u>Capital Litigation Trust Fund</u> .....	<u>\$800</u>
12	<u>Motor Vehicle License Plate Fund</u> .....	<u>\$99,700</u>
13	<u>Horse Racing Fund</u> .....	<u>\$18,900</u>
14	<u>Death Certificate Surcharge Fund</u> .....	<u>\$12,800</u>
15	<u>Auction Regulation Administration Fund</u> .....	<u>\$500</u>
16	<u>Motor Carrier Safety Inspection Fund</u> .....	<u>\$55,800</u>
17	<u>Assisted Living and Shared Housing</u>	
18	<u>Regulatory Fund</u> .....	<u>\$900</u>
19	<u>Illinois Thoroughbred Breeders Fund</u> .....	<u>\$9,200</u>
20	<u>Illinois Clean Water Fund</u> .....	<u>\$42,300</u>
21	<u>Secretary of State DUI Administration Fund</u> .....	<u>\$16,100</u>
22	<u>Child Support Administrative Fund</u> .....	<u>\$1,037,900</u>
23	<u>Secretary of State Police Services Fund</u> .....	<u>\$1,200</u>
24	<u>Tourism Promotion Fund</u> .....	<u>\$34,400</u>
25	<u>IMSA Income Fund</u> .....	<u>\$12,700</u>
26	<u>Presidential Library and Museum Operating Fund</u> ..	<u>\$83,000</u>

1	<u>Dram Shop Fund</u> .....	<u>\$44,500</u>
2	<u>Illinois State Dental Disciplinary Fund</u> .....	<u>\$5,700</u>
3	<u>Cycle Rider Safety Training Fund</u> .....	<u>\$8,700</u>
4	<u>Traffic and Criminal Conviction Surcharge Fund</u> ..	<u>\$106,100</u>
5	<u>Design Professionals Administration</u>	
6	<u>and Investigation Fund</u> .....	<u>\$4,500</u>
7	<u>State Police Services Fund</u> .....	<u>\$276,100</u>
8	<u>Metabolic Screening and Treatment Fund</u> .....	<u>\$90,800</u>
9	<u>Insurance Producer Administration Fund</u> .....	<u>\$45,600</u>
10	<u>Coal Technology Development Assistance Fund</u> .....	<u>\$11,700</u>
11	<u>Hearing Instrument Dispenser Examining</u>	
12	<u>and Disciplinary Fund</u> .....	<u>\$1,900</u>
13	<u>Low-Level Radioactive Waste Facility</u>	
14	<u>Development and Operation Fund</u> .....	<u>\$1,000</u>
15	<u>Environmental Protection Permit and</u>	
16	<u>Inspection Fund</u> .....	<u>\$66,900</u>
17	<u>Park and Conservation Fund</u> .....	<u>\$199,300</u>
18	<u>Local Tourism Fund</u> .....	<u>\$2,400</u>
19	<u>Illinois Capital Revolving Loan Fund</u> .....	<u>\$10,000</u>
20	<u>Large Business Attraction Fund</u> .....	<u>\$100</u>
21	<u>Adeline Jay Geo-Karis Illinois Beach</u>	
22	<u>Marina Fund</u> .....	<u>\$27,200</u>
23	<u>Public Infrastructure Construction</u>	
24	<u>Loan Revolving Fund</u> .....	<u>\$1,700</u>
25	<u>Insurance Financial Regulation Fund</u> .....	<u>\$69,200</u>
26	<u>Total</u>	<u>\$24,197,800</u>

1           (e) The term "workers' compensation services" means  
2 services, claims expenses, and related administrative costs  
3 incurred in performing the duties under Sections 405-105 and  
4 405-411 of the Department of Central Management Services Law of  
5 the Civil Administrative Code of Illinois.

6           (Source: P.A. 94-91, eff. 7-1-05; 94-839, eff. 6-6-06; 95-744,  
7 eff. 7-18-08.)

8           (30 ILCS 105/6z-70)

9           Sec. 6z-70. The Secretary of State Identification Security  
10 and Theft Prevention Fund.

11           (a) The Secretary of State Identification Security and  
12 Theft Prevention Fund is created as a special fund in the State  
13 treasury. The Fund shall consist of any fund transfers, grants,  
14 fees, or moneys from other sources received for the purpose of  
15 funding identification security and theft prevention measures.

16           (b) All moneys in the Secretary of State Identification  
17 Security and Theft Prevention Fund shall be used, subject to  
18 appropriation, for any costs related to implementing  
19 identification security and theft prevention measures.

20           (c) Notwithstanding any other provision of State law to the  
21 contrary, on or after July 1, 2007, and until June 30, 2008, in  
22 addition to any other transfers that may be provided for by  
23 law, at the direction of and upon notification of the Secretary  
24 of State, the State Comptroller shall direct and the State  
25 Treasurer shall transfer amounts into the Secretary of State

1 Identification Security and Theft Prevention Fund from the  
2 designated funds not exceeding the following totals:

- 3 Lobbyist Registration Administration Fund ..... \$100,000
- 4 Registered Limited Liability Partnership Fund .... \$75,000
- 5 Securities Investors Education Fund ..... \$500,000
- 6 Securities Audit and Enforcement Fund ..... \$5,725,000
- 7 Department of Business Services
- 8 Special Operations Fund ..... \$3,000,000
- 9 Corporate Franchise Tax Refund Fund ..... \$3,000,000.

10 (d) Notwithstanding any other provision of State law to the  
11 contrary, on or after July 1, 2008, and until June 30, 2009, in  
12 addition to any other transfers that may be provided for by  
13 law, at the direction of and upon notification of the Secretary  
14 of State, the State Comptroller shall direct and the State  
15 Treasurer shall transfer amounts into the Secretary of State  
16 Identification Security and Theft Prevention Fund from the  
17 designated funds not exceeding the following totals:

- 18 Lobbyist Registration Administration Fund ..... \$100,000
- 19 Registered Limited Liability Partnership Fund .... \$75,000
- 20 Securities Investors Education Fund ..... \$500,000
- 21 Securities Audit and Enforcement Fund ..... \$5,725,000
- 22 Department of Business Services
- 23 Special Operations Fund ..... \$3,000,000
- 24 Corporate Franchise Tax Refund Fund ..... \$3,000,000
- 25 State Parking Facility Maintenance Fund ..... \$100,000

26 (e) Notwithstanding any other provision of State law to the



1 contrary, on or after July 1, 2009, and until June 30, 2010, in  
 2 addition to any other transfers that may be provided for by  
 3 law, at the direction of and upon notification of the Secretary  
 4 of State, the State Comptroller shall direct and the State  
 5 Treasurer shall transfer amounts into the Secretary of State  
 6 Identification Security and Theft Prevention Fund from the  
 7 designated funds not exceeding the following totals:

8	<u>Lobbyist Registration Administration Fund</u> .....	<u>\$100,000</u>
9	<u>Registered Limited Liability Partnership Fund</u> ....	<u>\$175,000</u>
10	<u>Securities Investors Education Fund</u> .....	<u>\$750,000</u>
11	<u>Securities Audit and Enforcement Fund</u> .....	<u>\$750,000</u>
12	<u>Department of Business Services</u>	
13	<u>Special Operations Fund</u> .....	<u>\$3,000,000</u>
14	<u>Corporate Franchise Tax Refund Fund</u> .....	<u>\$3,000,000</u>
15	<u>State Parking Facility Maintenance Fund</u> .....	<u>\$100,000</u>

16 (Source: P.A. 95-707, eff. 1-11-08; 95-744, eff. 7-18-08.)

17 (30 ILCS 105/8.48 new)

18 Sec. 8.48. Reversal of transfers; limitation on transfers  
 19 from certain funds.

20 (a) Notwithstanding any State law to the contrary, on the  
 21 effective date of this amendatory Act of the 96th General  
 22 Assembly, the State Comptroller and the State Treasurer shall  
 23 transfer to each of the following funds any amounts transferred  
 24 from those funds to the FY09 Budget Relief Fund under  
 25 subsection (b) or (c) of Section 8.46 prior to the effective

1 date of this amendatory Act of the 96th General Assembly, as  
2 well as any interest accrued thereon since the date of the  
3 transfers:

4 (1) the Abandoned Mined Lands Reclamation Set Aside  
5 Fund; and

6 (2) the Land Reclamation Fund.

7 On and after the effective date of this amendatory Act of  
8 the 96th General Assembly, no further transfers shall be made  
9 from the funds listed in items (1) and (2) of this subsection  
10 to the FY09 Budget Relief Fund pursuant to subsection (b) or  
11 (c) of Section 8.46.

12 (b) Notwithstanding any State law to the contrary, on the  
13 effective date of this amendatory Act of the 96th General  
14 Assembly, the State Comptroller and the State Treasurer shall  
15 transfer to each of the following funds any interest accrued on  
16 amounts transferred from those funds to the FY09 Budget Relief  
17 Fund under subsection (b) or (c) of Section 8.46 since the date  
18 of the transfers and prior to the effective date of this  
19 amendatory Act of the 96th General Assembly:

20 (1) the Wildlife and Fish Fund;

21 (2) the Fish and Wildlife Endowment Fund;

22 (3) the State Pheasant Fund;

23 (4) the Illinois Habitat Endowment Trust Fund;

24 (5) the Illinois Habitat Fund; and

25 (6) the State Migratory Waterfowl Stamp Fund.

26 On and after the effective date of this amendatory Act of

1 the 96th General Assembly, no further transfers shall be made  
2 from the funds listed in items (1) through (6) of this  
3 subsection to the FY09 Budget Relief Fund pursuant to  
4 subsection (b) or (c) of Section 8.46.

5 (30 ILCS 105/8g)

6 Sec. 8g. Fund transfers.

7 (a) In addition to any other transfers that may be provided  
8 for by law, as soon as may be practical after the effective  
9 date of this amendatory Act of the 91st General Assembly, the  
10 State Comptroller shall direct and the State Treasurer shall  
11 transfer the sum of \$10,000,000 from the General Revenue Fund  
12 to the Motor Vehicle License Plate Fund created by Senate Bill  
13 1028 of the 91st General Assembly.

14 (b) In addition to any other transfers that may be provided  
15 for by law, as soon as may be practical after the effective  
16 date of this amendatory Act of the 91st General Assembly, the  
17 State Comptroller shall direct and the State Treasurer shall  
18 transfer the sum of \$25,000,000 from the General Revenue Fund  
19 to the Fund for Illinois' Future created by Senate Bill 1066 of  
20 the 91st General Assembly.

21 (c) In addition to any other transfers that may be provided  
22 for by law, on August 30 of each fiscal year's license period,  
23 the Illinois Liquor Control Commission shall direct and the  
24 State Comptroller and State Treasurer shall transfer from the  
25 General Revenue Fund to the Youth Alcoholism and Substance

1 Abuse Prevention Fund an amount equal to the number of retail  
2 liquor licenses issued for that fiscal year multiplied by \$50.

3 (d) The payments to programs required under subsection (d)  
4 of Section 28.1 of the Horse Racing Act of 1975 shall be made,  
5 pursuant to appropriation, from the special funds referred to  
6 in the statutes cited in that subsection, rather than directly  
7 from the General Revenue Fund.

8 Beginning January 1, 2000, on the first day of each month,  
9 or as soon as may be practical thereafter, the State  
10 Comptroller shall direct and the State Treasurer shall transfer  
11 from the General Revenue Fund to each of the special funds from  
12 which payments are to be made under Section 28.1(d) of the  
13 Horse Racing Act of 1975 an amount equal to 1/12 of the annual  
14 amount required for those payments from that special fund,  
15 which annual amount shall not exceed the annual amount for  
16 those payments from that special fund for the calendar year  
17 1998. The special funds to which transfers shall be made under  
18 this subsection (d) include, but are not necessarily limited  
19 to, the Agricultural Premium Fund; the Metropolitan Exposition  
20 Auditorium and Office Building Fund; the Fair and Exposition  
21 Fund; the Standardbred Breeders Fund; the Thoroughbred  
22 Breeders Fund; and the Illinois Veterans' Rehabilitation Fund.

23 (e) In addition to any other transfers that may be provided  
24 for by law, as soon as may be practical after the effective  
25 date of this amendatory Act of the 91st General Assembly, but  
26 in no event later than June 30, 2000, the State Comptroller

1 shall direct and the State Treasurer shall transfer the sum of  
2 \$15,000,000 from the General Revenue Fund to the Fund for  
3 Illinois' Future.

4 (f) In addition to any other transfers that may be provided  
5 for by law, as soon as may be practical after the effective  
6 date of this amendatory Act of the 91st General Assembly, but  
7 in no event later than June 30, 2000, the State Comptroller  
8 shall direct and the State Treasurer shall transfer the sum of  
9 \$70,000,000 from the General Revenue Fund to the Long-Term Care  
10 Provider Fund.

11 (f-1) In fiscal year 2002, in addition to any other  
12 transfers that may be provided for by law, at the direction of  
13 and upon notification from the Governor, the State Comptroller  
14 shall direct and the State Treasurer shall transfer amounts not  
15 exceeding a total of \$160,000,000 from the General Revenue Fund  
16 to the Long-Term Care Provider Fund.

17 (g) In addition to any other transfers that may be provided  
18 for by law, on July 1, 2001, or as soon thereafter as may be  
19 practical, the State Comptroller shall direct and the State  
20 Treasurer shall transfer the sum of \$1,200,000 from the General  
21 Revenue Fund to the Violence Prevention Fund.

22 (h) In each of fiscal years 2002 through 2004, but not  
23 thereafter, in addition to any other transfers that may be  
24 provided for by law, the State Comptroller shall direct and the  
25 State Treasurer shall transfer \$5,000,000 from the General  
26 Revenue Fund to the Tourism Promotion Fund.

1           (i) On or after July 1, 2001 and until May 1, 2002, in  
2 addition to any other transfers that may be provided for by  
3 law, at the direction of and upon notification from the  
4 Governor, the State Comptroller shall direct and the State  
5 Treasurer shall transfer amounts not exceeding a total of  
6 \$80,000,000 from the General Revenue Fund to the Tobacco  
7 Settlement Recovery Fund. Any amounts so transferred shall be  
8 re-transferred by the State Comptroller and the State Treasurer  
9 from the Tobacco Settlement Recovery Fund to the General  
10 Revenue Fund at the direction of and upon notification from the  
11 Governor, but in any event on or before June 30, 2002.

12           (i-1) On or after July 1, 2002 and until May 1, 2003, in  
13 addition to any other transfers that may be provided for by  
14 law, at the direction of and upon notification from the  
15 Governor, the State Comptroller shall direct and the State  
16 Treasurer shall transfer amounts not exceeding a total of  
17 \$80,000,000 from the General Revenue Fund to the Tobacco  
18 Settlement Recovery Fund. Any amounts so transferred shall be  
19 re-transferred by the State Comptroller and the State Treasurer  
20 from the Tobacco Settlement Recovery Fund to the General  
21 Revenue Fund at the direction of and upon notification from the  
22 Governor, but in any event on or before June 30, 2003.

23           (j) On or after July 1, 2001 and no later than June 30,  
24 2002, in addition to any other transfers that may be provided  
25 for by law, at the direction of and upon notification from the  
26 Governor, the State Comptroller shall direct and the State

1 Treasurer shall transfer amounts not to exceed the following  
 2 sums into the Statistical Services Revolving Fund:

3	From the General Revenue Fund .....	\$8,450,000
4	From the Public Utility Fund .....	1,700,000
5	From the Transportation Regulatory Fund .....	2,650,000
6	From the Title III Social Security and	
7	Employment Fund .....	3,700,000
8	From the Professions Indirect Cost Fund .....	4,050,000
9	From the Underground Storage Tank Fund .....	550,000
10	From the Agricultural Premium Fund .....	750,000
11	From the State Pensions Fund .....	200,000
12	From the Road Fund .....	2,000,000
13	From the Health Facilities	
14	Planning Fund .....	1,000,000
15	From the Savings and Residential Finance	
16	Regulatory Fund .....	130,800
17	From the Appraisal Administration Fund .....	28,600
18	From the Pawnbroker Regulation Fund .....	3,600
19	From the Auction Regulation	
20	Administration Fund .....	35,800
21	From the Bank and Trust Company Fund.....	634,800
22	From the Real Estate License	
23	Administration Fund .....	313,600

24 (k) In addition to any other transfers that may be provided  
 25 for by law, as soon as may be practical after the effective  
 26 date of this amendatory Act of the 92nd General Assembly, the

1 State Comptroller shall direct and the State Treasurer shall  
2 transfer the sum of \$2,000,000 from the General Revenue Fund to  
3 the Teachers Health Insurance Security Fund.

4 (k-1) In addition to any other transfers that may be  
5 provided for by law, on July 1, 2002, or as soon as may be  
6 practical thereafter, the State Comptroller shall direct and  
7 the State Treasurer shall transfer the sum of \$2,000,000 from  
8 the General Revenue Fund to the Teachers Health Insurance  
9 Security Fund.

10 (k-2) In addition to any other transfers that may be  
11 provided for by law, on July 1, 2003, or as soon as may be  
12 practical thereafter, the State Comptroller shall direct and  
13 the State Treasurer shall transfer the sum of \$2,000,000 from  
14 the General Revenue Fund to the Teachers Health Insurance  
15 Security Fund.

16 (k-3) On or after July 1, 2002 and no later than June 30,  
17 2003, in addition to any other transfers that may be provided  
18 for by law, at the direction of and upon notification from the  
19 Governor, the State Comptroller shall direct and the State  
20 Treasurer shall transfer amounts not to exceed the following  
21 sums into the Statistical Services Revolving Fund:

22	Appraisal Administration Fund .....	\$150,000
23	General Revenue Fund .....	10,440,000
24	Savings and Residential Finance	
25	Regulatory Fund .....	200,000
26	State Pensions Fund .....	100,000



1	Bank and Trust Company Fund .....	100,000
2	Professions Indirect Cost Fund .....	3,400,000
3	Public Utility Fund .....	2,081,200
4	Real Estate License Administration Fund .....	150,000
5	Title III Social Security and	
6	Employment Fund .....	1,000,000
7	Transportation Regulatory Fund .....	3,052,100
8	Underground Storage Tank Fund .....	50,000

9       (1) In addition to any other transfers that may be provided  
10 for by law, on July 1, 2002, or as soon as may be practical  
11 thereafter, the State Comptroller shall direct and the State  
12 Treasurer shall transfer the sum of \$3,000,000 from the General  
13 Revenue Fund to the Presidential Library and Museum Operating  
14 Fund.

15       (m) In addition to any other transfers that may be provided  
16 for by law, on July 1, 2002 and on the effective date of this  
17 amendatory Act of the 93rd General Assembly, or as soon  
18 thereafter as may be practical, the State Comptroller shall  
19 direct and the State Treasurer shall transfer the sum of  
20 \$1,200,000 from the General Revenue Fund to the Violence  
21 Prevention Fund.

22       (n) In addition to any other transfers that may be provided  
23 for by law, on July 1, 2003, or as soon thereafter as may be  
24 practical, the State Comptroller shall direct and the State  
25 Treasurer shall transfer the sum of \$6,800,000 from the General  
26 Revenue Fund to the DHS Recoveries Trust Fund.

1           (o) On or after July 1, 2003, and no later than June 30,  
2 2004, in addition to any other transfers that may be provided  
3 for by law, at the direction of and upon notification from the  
4 Governor, the State Comptroller shall direct and the State  
5 Treasurer shall transfer amounts not to exceed the following  
6 sums into the Vehicle Inspection Fund:

7           From the Underground Storage Tank Fund       ..... \$35,000,000.

8           (p) On or after July 1, 2003 and until May 1, 2004, in  
9 addition to any other transfers that may be provided for by  
10 law, at the direction of and upon notification from the  
11 Governor, the State Comptroller shall direct and the State  
12 Treasurer shall transfer amounts not exceeding a total of  
13 \$80,000,000 from the General Revenue Fund to the Tobacco  
14 Settlement Recovery Fund. Any amounts so transferred shall be  
15 re-transferred from the Tobacco Settlement Recovery Fund to the  
16 General Revenue Fund at the direction of and upon notification  
17 from the Governor, but in any event on or before June 30, 2004.

18           (q) In addition to any other transfers that may be provided  
19 for by law, on July 1, 2003, or as soon as may be practical  
20 thereafter, the State Comptroller shall direct and the State  
21 Treasurer shall transfer the sum of \$5,000,000 from the General  
22 Revenue Fund to the Illinois Military Family Relief Fund.

23           (r) In addition to any other transfers that may be provided  
24 for by law, on July 1, 2003, or as soon as may be practical  
25 thereafter, the State Comptroller shall direct and the State  
26 Treasurer shall transfer the sum of \$1,922,000 from the General

1 Revenue Fund to the Presidential Library and Museum Operating  
2 Fund.

3 (s) In addition to any other transfers that may be provided  
4 for by law, on or after July 1, 2003, the State Comptroller  
5 shall direct and the State Treasurer shall transfer the sum of  
6 \$4,800,000 from the Statewide Economic Development Fund to the  
7 General Revenue Fund.

8 (t) In addition to any other transfers that may be provided  
9 for by law, on or after July 1, 2003, the State Comptroller  
10 shall direct and the State Treasurer shall transfer the sum of  
11 \$50,000,000 from the General Revenue Fund to the Budget  
12 Stabilization Fund.

13 (u) On or after July 1, 2004 and until May 1, 2005, in  
14 addition to any other transfers that may be provided for by  
15 law, at the direction of and upon notification from the  
16 Governor, the State Comptroller shall direct and the State  
17 Treasurer shall transfer amounts not exceeding a total of  
18 \$80,000,000 from the General Revenue Fund to the Tobacco  
19 Settlement Recovery Fund. Any amounts so transferred shall be  
20 retransferred by the State Comptroller and the State Treasurer  
21 from the Tobacco Settlement Recovery Fund to the General  
22 Revenue Fund at the direction of and upon notification from the  
23 Governor, but in any event on or before June 30, 2005.

24 (v) In addition to any other transfers that may be provided  
25 for by law, on July 1, 2004, or as soon thereafter as may be  
26 practical, the State Comptroller shall direct and the State

1 Treasurer shall transfer the sum of \$1,200,000 from the General  
2 Revenue Fund to the Violence Prevention Fund.

3 (w) In addition to any other transfers that may be provided  
4 for by law, on July 1, 2004, or as soon thereafter as may be  
5 practical, the State Comptroller shall direct and the State  
6 Treasurer shall transfer the sum of \$6,445,000 from the General  
7 Revenue Fund to the Presidential Library and Museum Operating  
8 Fund.

9 (x) In addition to any other transfers that may be provided  
10 for by law, on January 15, 2005, or as soon thereafter as may  
11 be practical, the State Comptroller shall direct and the State  
12 Treasurer shall transfer to the General Revenue Fund the  
13 following sums:

14 From the State Crime Laboratory Fund, \$200,000;

15 From the State Police Wireless Service Emergency Fund,  
16 \$200,000;

17 From the State Offender DNA Identification System  
18 Fund, \$800,000; and

19 From the State Police Whistleblower Reward and  
20 Protection Fund, \$500,000.

21 (y) Notwithstanding any other provision of law to the  
22 contrary, in addition to any other transfers that may be  
23 provided for by law on June 30, 2005, or as soon as may be  
24 practical thereafter, the State Comptroller shall direct and  
25 the State Treasurer shall transfer the remaining balance from  
26 the designated funds into the General Revenue Fund and any

1 future deposits that would otherwise be made into these funds  
2 must instead be made into the General Revenue Fund:

3 (1) the Keep Illinois Beautiful Fund;

4 (2) the Metropolitan Fair and Exposition Authority  
5 Reconstruction Fund;

6 (3) the New Technology Recovery Fund;

7 (4) the Illinois Rural Bond Bank Trust Fund;

8 (5) the ISBE School Bus Driver Permit Fund;

9 (6) the Solid Waste Management Revolving Loan Fund;

10 (7) the State Postsecondary Review Program Fund;

11 (8) the Tourism Attraction Development Matching Grant  
12 Fund;

13 (9) the Patent and Copyright Fund;

14 (10) the Credit Enhancement Development Fund;

15 (11) the Community Mental Health and Developmental  
16 Disabilities Services Provider Participation Fee Trust  
17 Fund;

18 (12) the Nursing Home Grant Assistance Fund;

19 (13) the By-product Material Safety Fund;

20 (14) the Illinois Student Assistance Commission Higher  
21 EdNet Fund;

22 (15) the DORS State Project Fund;

23 (16) the School Technology Revolving Fund;

24 (17) the Energy Assistance Contribution Fund;

25 (18) the Illinois Building Commission Revolving Fund;

26 (19) the Illinois Aquaculture Development Fund;

- 1           (20) the Homelessness Prevention Fund;
- 2           (21) the DCFS Refugee Assistance Fund;
- 3           (22) the Illinois Century Network Special Purposes
- 4           Fund; and
- 5           (23) the Build Illinois Purposes Fund.

6           (z) In addition to any other transfers that may be provided

7           for by law, on July 1, 2005, or as soon as may be practical

8           thereafter, the State Comptroller shall direct and the State

9           Treasurer shall transfer the sum of \$1,200,000 from the General

10          Revenue Fund to the Violence Prevention Fund.

11          (aa) In addition to any other transfers that may be

12          provided for by law, on July 1, 2005, or as soon as may be

13          practical thereafter, the State Comptroller shall direct and

14          the State Treasurer shall transfer the sum of \$9,000,000 from

15          the General Revenue Fund to the Presidential Library and Museum

16          Operating Fund.

17          (bb) In addition to any other transfers that may be

18          provided for by law, on July 1, 2005, or as soon as may be

19          practical thereafter, the State Comptroller shall direct and

20          the State Treasurer shall transfer the sum of \$6,803,600 from

21          the General Revenue Fund to the Securities Audit and

22          Enforcement Fund.

23          (cc) In addition to any other transfers that may be

24          provided for by law, on or after July 1, 2005 and until May 1,

25          2006, at the direction of and upon notification from the

26          Governor, the State Comptroller shall direct and the State

1 Treasurer shall transfer amounts not exceeding a total of  
2 \$80,000,000 from the General Revenue Fund to the Tobacco  
3 Settlement Recovery Fund. Any amounts so transferred shall be  
4 re-transferred by the State Comptroller and the State Treasurer  
5 from the Tobacco Settlement Recovery Fund to the General  
6 Revenue Fund at the direction of and upon notification from the  
7 Governor, but in any event on or before June 30, 2006.

8 (dd) In addition to any other transfers that may be  
9 provided for by law, on April 1, 2005, or as soon thereafter as  
10 may be practical, at the direction of the Director of Public  
11 Aid (now Director of Healthcare and Family Services), the State  
12 Comptroller shall direct and the State Treasurer shall transfer  
13 from the Public Aid Recoveries Trust Fund amounts not to exceed  
14 \$14,000,000 to the Community Mental Health Medicaid Trust Fund.

15 (ee) Notwithstanding any other provision of law, on July 1,  
16 2006, or as soon thereafter as practical, the State Comptroller  
17 shall direct and the State Treasurer shall transfer the  
18 remaining balance from the Illinois Civic Center Bond Fund to  
19 the Illinois Civic Center Bond Retirement and Interest Fund.

20 (ff) In addition to any other transfers that may be  
21 provided for by law, on and after July 1, 2006 and until June  
22 30, 2007, at the direction of and upon notification from the  
23 Director of the Governor's Office of Management and Budget, the  
24 State Comptroller shall direct and the State Treasurer shall  
25 transfer amounts not exceeding a total of \$1,900,000 from the  
26 General Revenue Fund to the Illinois Capital Revolving Loan

1 Fund.

2 (gg) In addition to any other transfers that may be  
3 provided for by law, on and after July 1, 2006 and until May 1,  
4 2007, at the direction of and upon notification from the  
5 Governor, the State Comptroller shall direct and the State  
6 Treasurer shall transfer amounts not exceeding a total of  
7 \$80,000,000 from the General Revenue Fund to the Tobacco  
8 Settlement Recovery Fund. Any amounts so transferred shall be  
9 retransferred by the State Comptroller and the State Treasurer  
10 from the Tobacco Settlement Recovery Fund to the General  
11 Revenue Fund at the direction of and upon notification from the  
12 Governor, but in any event on or before June 30, 2007.

13 (hh) In addition to any other transfers that may be  
14 provided for by law, on and after July 1, 2006 and until June  
15 30, 2007, at the direction of and upon notification from the  
16 Governor, the State Comptroller shall direct and the State  
17 Treasurer shall transfer amounts from the Illinois Affordable  
18 Housing Trust Fund to the designated funds not exceeding the  
19 following amounts:

- 20 DCFS Children's Services Fund ..... \$2,200,000
- 21 Department of Corrections Reimbursement
- 22 and Education Fund ..... \$1,500,000
- 23 Supplemental Low-Income Energy
- 24 Assistance Fund ..... \$75,000

25 (ii) In addition to any other transfers that may be  
26 provided for by law, on or before August 31, 2006, the Governor



1 and the State Comptroller may agree to transfer the surplus  
2 cash balance from the General Revenue Fund to the Budget  
3 Stabilization Fund and the Pension Stabilization Fund in equal  
4 proportions. The determination of the amount of the surplus  
5 cash balance shall be made by the Governor, with the  
6 concurrence of the State Comptroller, after taking into account  
7 the June 30, 2006 balances in the general funds and the actual  
8 or estimated spending from the general funds during the lapse  
9 period. Notwithstanding the foregoing, the maximum amount that  
10 may be transferred under this subsection (ii) is \$50,000,000.

11 (jj) In addition to any other transfers that may be  
12 provided for by law, on July 1, 2006, or as soon thereafter as  
13 practical, the State Comptroller shall direct and the State  
14 Treasurer shall transfer the sum of \$8,250,000 from the General  
15 Revenue Fund to the Presidential Library and Museum Operating  
16 Fund.

17 (kk) In addition to any other transfers that may be  
18 provided for by law, on July 1, 2006, or as soon thereafter as  
19 practical, the State Comptroller shall direct and the State  
20 Treasurer shall transfer the sum of \$1,400,000 from the General  
21 Revenue Fund to the Violence Prevention Fund.

22 (ll) In addition to any other transfers that may be  
23 provided for by law, on the first day of each calendar quarter  
24 of the fiscal year beginning July 1, 2006, or as soon  
25 thereafter as practical, the State Comptroller shall direct and  
26 the State Treasurer shall transfer from the General Revenue

1 Fund amounts equal to one-fourth of \$20,000,000 to the  
2 Renewable Energy Resources Trust Fund.

3 (mm) In addition to any other transfers that may be  
4 provided for by law, on July 1, 2006, or as soon thereafter as  
5 practical, the State Comptroller shall direct and the State  
6 Treasurer shall transfer the sum of \$1,320,000 from the General  
7 Revenue Fund to the I-FLY Fund.

8 (nn) In addition to any other transfers that may be  
9 provided for by law, on July 1, 2006, or as soon thereafter as  
10 practical, the State Comptroller shall direct and the State  
11 Treasurer shall transfer the sum of \$3,000,000 from the General  
12 Revenue Fund to the African-American HIV/AIDS Response Fund.

13 (oo) In addition to any other transfers that may be  
14 provided for by law, on and after July 1, 2006 and until June  
15 30, 2007, at the direction of and upon notification from the  
16 Governor, the State Comptroller shall direct and the State  
17 Treasurer shall transfer amounts identified as net receipts  
18 from the sale of all or part of the Illinois Student Assistance  
19 Commission loan portfolio from the Student Loan Operating Fund  
20 to the General Revenue Fund. The maximum amount that may be  
21 transferred pursuant to this Section is \$38,800,000. In  
22 addition, no transfer may be made pursuant to this Section that  
23 would have the effect of reducing the available balance in the  
24 Student Loan Operating Fund to an amount less than the amount  
25 remaining unexpended and unreserved from the total  
26 appropriations from the Fund estimated to be expended for the

1 fiscal year. The State Treasurer and Comptroller shall transfer  
2 the amounts designated under this Section as soon as may be  
3 practical after receiving the direction to transfer from the  
4 Governor.

5 (pp) In addition to any other transfers that may be  
6 provided for by law, on July 1, 2006, or as soon thereafter as  
7 practical, the State Comptroller shall direct and the State  
8 Treasurer shall transfer the sum of \$2,000,000 from the General  
9 Revenue Fund to the Illinois Veterans Assistance Fund.

10 (qq) In addition to any other transfers that may be  
11 provided for by law, on and after July 1, 2007 and until May 1,  
12 2008, at the direction of and upon notification from the  
13 Governor, the State Comptroller shall direct and the State  
14 Treasurer shall transfer amounts not exceeding a total of  
15 \$80,000,000 from the General Revenue Fund to the Tobacco  
16 Settlement Recovery Fund. Any amounts so transferred shall be  
17 retransferred by the State Comptroller and the State Treasurer  
18 from the Tobacco Settlement Recovery Fund to the General  
19 Revenue Fund at the direction of and upon notification from the  
20 Governor, but in any event on or before June 30, 2008.

21 (rr) In addition to any other transfers that may be  
22 provided for by law, on and after July 1, 2007 and until June  
23 30, 2008, at the direction of and upon notification from the  
24 Governor, the State Comptroller shall direct and the State  
25 Treasurer shall transfer amounts from the Illinois Affordable  
26 Housing Trust Fund to the designated funds not exceeding the

1 following amounts:

2 DCFS Children's Services Fund ..... \$2,200,000

3 Department of Corrections Reimbursement

4 and Education Fund ..... \$1,500,000

5 Supplemental Low-Income Energy

6 Assistance Fund ..... \$75,000

7 (ss) In addition to any other transfers that may be  
8 provided for by law, on July 1, 2007, or as soon thereafter as  
9 practical, the State Comptroller shall direct and the State  
10 Treasurer shall transfer the sum of \$8,250,000 from the General  
11 Revenue Fund to the Presidential Library and Museum Operating  
12 Fund.

13 (tt) In addition to any other transfers that may be  
14 provided for by law, on July 1, 2007, or as soon thereafter as  
15 practical, the State Comptroller shall direct and the State  
16 Treasurer shall transfer the sum of \$1,400,000 from the General  
17 Revenue Fund to the Violence Prevention Fund.

18 (uu) In addition to any other transfers that may be  
19 provided for by law, on July 1, 2007, or as soon thereafter as  
20 practical, the State Comptroller shall direct and the State  
21 Treasurer shall transfer the sum of \$1,320,000 from the General  
22 Revenue Fund to the I-FLY Fund.

23 (vv) In addition to any other transfers that may be  
24 provided for by law, on July 1, 2007, or as soon thereafter as  
25 practical, the State Comptroller shall direct and the State  
26 Treasurer shall transfer the sum of \$3,000,000 from the General

1 Revenue Fund to the African-American HIV/AIDS Response Fund.

2 (ww) In addition to any other transfers that may be  
3 provided for by law, on July 1, 2007, or as soon thereafter as  
4 practical, the State Comptroller shall direct and the State  
5 Treasurer shall transfer the sum of \$3,500,000 from the General  
6 Revenue Fund to the Predatory Lending Database Program Fund.

7 (xx) In addition to any other transfers that may be  
8 provided for by law, on July 1, 2007, or as soon thereafter as  
9 practical, the State Comptroller shall direct and the State  
10 Treasurer shall transfer the sum of \$5,000,000 from the General  
11 Revenue Fund to the Digital Divide Elimination Fund.

12 (yy) In addition to any other transfers that may be  
13 provided for by law, on July 1, 2007, or as soon thereafter as  
14 practical, the State Comptroller shall direct and the State  
15 Treasurer shall transfer the sum of \$4,000,000 from the General  
16 Revenue Fund to the Digital Divide Elimination Infrastructure  
17 Fund.

18 (zz) In addition to any other transfers that may be  
19 provided for by law, on July 1, 2008, or as soon thereafter as  
20 practical, the State Comptroller shall direct and the State  
21 Treasurer shall transfer the sum of \$5,000,000 from the General  
22 Revenue Fund to the Digital Divide Elimination Fund.

23 (aaa) In addition to any other transfers that may be  
24 provided for by law, on and after July 1, 2008 and until May 1,  
25 2009, at the direction of and upon notification from the  
26 Governor, the State Comptroller shall direct and the State

1 Treasurer shall transfer amounts not exceeding a total of  
 2 \$80,000,000 from the General Revenue Fund to the Tobacco  
 3 Settlement Recovery Fund. Any amounts so transferred shall be  
 4 retransferred by the State Comptroller and the State Treasurer  
 5 from the Tobacco Settlement Recovery Fund to the General  
 6 Revenue Fund at the direction of and upon notification from the  
 7 Governor, but in any event on or before June 30, 2009.

8 (bbb) In addition to any other transfers that may be  
 9 provided for by law, on and after July 1, 2008 and until June  
 10 30, 2009, at the direction of and upon notification from the  
 11 Governor, the State Comptroller shall direct and the State  
 12 Treasurer shall transfer amounts from the Illinois Affordable  
 13 Housing Trust Fund to the designated funds not exceeding the  
 14 following amounts:

- 15 DCFS Children's Services Fund ..... \$2,200,000
- 16 Department of Corrections Reimbursement
- 17 and Education Fund ..... \$1,500,000
- 18 Supplemental Low-Income Energy
- 19 Assistance Fund ..... \$75,000

20 (ccc) In addition to any other transfers that may be  
 21 provided for by law, on July 1, 2008, or as soon thereafter as  
 22 practical, the State Comptroller shall direct and the State  
 23 Treasurer shall transfer the sum of \$7,450,000 from the General  
 24 Revenue Fund to the Presidential Library and Museum Operating  
 25 Fund.

26 (ddd) In addition to any other transfers that may be

1 provided for by law, on July 1, 2008, or as soon thereafter as  
2 practical, the State Comptroller shall direct and the State  
3 Treasurer shall transfer the sum of \$1,400,000 from the General  
4 Revenue Fund to the Violence Prevention Fund.

5 (eee) In addition to any other transfers that may be  
6 provided for by law, on July 1, 2009, or as soon thereafter as  
7 practical, the State Comptroller shall direct and the State  
8 Treasurer shall transfer the sum of \$5,000,000 from the General  
9 Revenue Fund to the Digital Divide Elimination Fund.

10 (fff) In addition to any other transfers that may be  
11 provided for by law, on and after July 1, 2009 and until May 1,  
12 2010, at the direction of and upon notification from the  
13 Governor, the State Comptroller shall direct and the State  
14 Treasurer shall transfer amounts not exceeding a total of  
15 \$80,000,000 from the General Revenue Fund to the Tobacco  
16 Settlement Recovery Fund. Any amounts so transferred shall be  
17 retransferred by the State Comptroller and the State Treasurer  
18 from the Tobacco Settlement Recovery Fund to the General  
19 Revenue Fund at the direction of and upon notification from the  
20 Governor, but in any event on or before June 30, 2010.

21 (ggg) In addition to any other transfers that may be  
22 provided for by law, on July 1, 2009, or as soon thereafter as  
23 practical, the State Comptroller shall direct and the State  
24 Treasurer shall transfer the sum of \$7,450,000 from the General  
25 Revenue Fund to the Presidential Library and Museum Operating  
26 Fund.

1       (hhh) In addition to any other transfers that may be  
2 provided for by law, on July 1, 2009, or as soon thereafter as  
3 practical, the State Comptroller shall direct and the State  
4 Treasurer shall transfer the sum of \$1,400,000 from the General  
5 Revenue Fund to the Violence Prevention Fund.

6       (iii) In addition to any other transfers that may be  
7 provided for by law, on July 1, 2009, or as soon thereafter as  
8 practical, the State Comptroller shall direct and the State  
9 Treasurer shall transfer the sum of \$100,000 from the General  
10 Revenue Fund to the Heartsaver AED Fund.

11       (jjj) In addition to any other transfers that may be  
12 provided for by law, on and after July 1, 2009 and until June  
13 30, 2010, at the direction of and upon notification from the  
14 Governor, the State Comptroller shall direct and the State  
15 Treasurer shall transfer amounts not exceeding a total of  
16 \$17,000,000 from the General Revenue Fund to the DCFS  
17 Children's Services Fund.

18       (lll) In addition to any other transfers that may be  
19 provided for by law, on July 1, 2009, or as soon thereafter as  
20 practical, the State Comptroller shall direct and the State  
21 Treasurer shall transfer the sum of \$5,000,000 from the General  
22 Revenue Fund to the Communications Revolving Fund.

23       (Source: P.A. 94-58, eff. 6-17-05; 94-91, eff. 7-1-05; 94-816,  
24 eff. 5-30-06; 94-839, eff. 6-6-06; 95-331, eff. 8-21-07;  
25 95-707, eff. 1-11-08; 95-744, eff. 7-18-08.)



1 (30 ILCS 105/8o)

2 Sec. 8o. Transfer to the University of Illinois Income  
3 Fund.

4 (a) Immediately upon the effective date of this Section,  
5 the State Comptroller shall direct and the State Treasurer  
6 shall transfer \$15,826,499 from the General Revenue Fund to the  
7 University of Illinois Income Fund.

8 (b) In addition to any other transfers that may be provided  
9 for by law, on the first day of each calendar quarter of the  
10 fiscal year beginning July 1, 2009, or as soon as may be  
11 practical thereafter, the State Comptroller shall direct and  
12 the State Treasurer shall transfer an amount equal to  
13 one-fourth of \$15,826,499 from the General Revenue Fund to the  
14 University of Illinois Income Fund.

15 (Source: P.A. 95-728, eff. 7-1-08.)

16 (30 ILCS 105/13.5)

17 Sec. 13.5. Appropriations for education.

18 (a) Except for the State fiscal year beginning on July 1,  
19 2009, State appropriations to the State Board of Education, the  
20 Board of Trustees of Southern Illinois University, the Board of  
21 Trustees of the University of Illinois, the Board of Trustees  
22 of Chicago State University, the Board of Trustees of Eastern  
23 Illinois University, the Board of Trustees of Illinois State  
24 University, the Board of Trustees of Governors State  
25 University, the Board of Trustees of Northeastern Illinois

1 University, the Board of Trustees of Northern Illinois  
2 University, and the Board of Trustees of Western Illinois  
3 University for operations shall identify the amounts  
4 appropriated for personal services, State contributions to  
5 social security for Medicare, contractual services, travel,  
6 commodities, equipment, operation of automotive equipment,  
7 telecommunications, awards and grants, and permanent  
8 improvements.

9 (b) Within 120 days after the conclusion of each fiscal  
10 year, each State-supported institution of higher learning must  
11 provide, through the Illinois Board of Higher Education, a  
12 financial report to the Governor and General Assembly  
13 documenting the institution's revenues and expenditures of  
14 funds for that fiscal year ending June 30 for all funds.

15 (Source: P.A. 93-229, eff. 7-22-03; 93-1036, eff. 9-14-04.)

16 (30 ILCS 105/14.1) (from Ch. 127, par. 150.1)

17 Sec. 14.1. Appropriations for State contributions to the  
18 State Employees' Retirement System; payroll requirements.

19 (a) Appropriations for State contributions to the State  
20 Employees' Retirement System of Illinois shall be expended in  
21 the manner provided in this Section. Except as otherwise  
22 provided in subsections ~~subsection~~ (a-1) and (a-2), at the time  
23 of each payment of salary to an employee under the personal  
24 services line item, payment shall be made to the State  
25 Employees' Retirement System, from the amount appropriated for

1 State contributions to the State Employees' Retirement System,  
2 of an amount calculated at the rate certified for the  
3 applicable fiscal year by the Board of Trustees of the State  
4 Employees' Retirement System under Section 14-135.08 of the  
5 Illinois Pension Code. If a line item appropriation to an  
6 employer for this purpose is exhausted or is unavailable due to  
7 any limitation on appropriations that may apply, (including,  
8 but not limited to, limitations on appropriations from the Road  
9 Fund under Section 8.3 of the State Finance Act), the amounts  
10 shall be paid under the continuing appropriation for this  
11 purpose contained in the State Pension Funds Continuing  
12 Appropriation Act.

13 (a-1) Beginning on the effective date of this amendatory  
14 Act of the 93rd General Assembly through the payment of the  
15 final payroll from fiscal year 2004 appropriations,  
16 appropriations for State contributions to the State Employees'  
17 Retirement System of Illinois shall be expended in the manner  
18 provided in this subsection (a-1). At the time of each payment  
19 of salary to an employee under the personal services line item  
20 from a fund other than the General Revenue Fund, payment shall  
21 be made for deposit into the General Revenue Fund from the  
22 amount appropriated for State contributions to the State  
23 Employees' Retirement System of an amount calculated at the  
24 rate certified for fiscal year 2004 by the Board of Trustees of  
25 the State Employees' Retirement System under Section 14-135.08  
26 of the Illinois Pension Code. This payment shall be made to the

1 extent that a line item appropriation to an employer for this  
2 purpose is available or unexhausted. No payment from  
3 appropriations for State contributions shall be made in  
4 conjunction with payment of salary to an employee under the  
5 personal services line item from the General Revenue Fund.

6 (a-2) For fiscal year 2010 only, at the time of each  
7 payment of salary to an employee under the personal services  
8 line item from a fund other than the General Revenue Fund,  
9 payment shall be made for deposit into the State Employees'  
10 Retirement System of Illinois from the amount appropriated for  
11 State contributions to the State Employees' Retirement System  
12 of Illinois of an amount calculated at the rate certified for  
13 fiscal year 2010 by the Board of Trustees of the State  
14 Employees' Retirement System of Illinois under Section  
15 14-135.08 of the Illinois Pension Code. This payment shall be  
16 made to the extent that a line item appropriation to an  
17 employer for this purpose is available or unexhausted. For  
18 fiscal year 2010 only, no payment from appropriations for State  
19 contributions shall be made in conjunction with payment of  
20 salary to an employee under the personal services line item  
21 from the General Revenue Fund.

22 (b) Except during the period beginning on the effective  
23 date of this amendatory Act of the 93rd General Assembly and  
24 ending at the time of the payment of the final payroll from  
25 fiscal year 2004 appropriations, the State Comptroller shall  
26 not approve for payment any payroll voucher that (1) includes

1 payments of salary to eligible employees in the State  
2 Employees' Retirement System of Illinois and (2) does not  
3 include the corresponding payment of State contributions to  
4 that retirement system at the full rate certified under Section  
5 14-135.08 for that fiscal year for eligible employees, unless  
6 the balance in the fund on which the payroll voucher is drawn  
7 is insufficient to pay the total payroll voucher, or  
8 unavailable due to any limitation on appropriations that may  
9 apply, including, but not limited to, limitations on  
10 appropriations from the Road Fund under Section 8.3 of the  
11 State Finance Act. If the State Comptroller approves a payroll  
12 voucher under this Section for which the fund balance is  
13 insufficient to pay the full amount of the required State  
14 contribution to the State Employees' Retirement System, the  
15 Comptroller shall promptly so notify the Retirement System.

16 (b-1) For fiscal year 2010 only, the State Comptroller  
17 shall not approve for payment any non-General Revenue Fund  
18 payroll voucher that (1) includes payments of salary to  
19 eligible employees in the State Employees' Retirement System of  
20 Illinois and (2) does not include the corresponding payment of  
21 State contributions to that retirement system at the full rate  
22 certified under Section 14-135.08 for that fiscal year for  
23 eligible employees, unless the balance in the fund on which the  
24 payroll voucher is drawn is insufficient to pay the total  
25 payroll voucher, or unavailable due to any limitation on  
26 appropriations that may apply, including, but not limited to,

1 limitations on appropriations from the Road Fund under Section  
2 8.3 of the State Finance Act. If the State Comptroller approves  
3 a payroll voucher under this Section for which the fund balance  
4 is insufficient to pay the full amount of the required State  
5 contribution to the State Employees' Retirement System of  
6 Illinois, the Comptroller shall promptly so notify the  
7 retirement system.

8 (c) Notwithstanding any other provisions of law, beginning  
9 July 1, 2007, required State and employee contributions to the  
10 State Employees' Retirement System of Illinois relating to  
11 affected legislative staff employees shall be paid out of  
12 moneys appropriated for that purpose to the Commission on  
13 Government Forecasting and Accountability, rather than out of  
14 the lump-sum appropriations otherwise made for the payroll and  
15 other costs of those employees.

16 These payments must be made pursuant to payroll vouchers  
17 submitted by the employing entity as part of the regular  
18 payroll voucher process.

19 For the purpose of this subsection, "affected legislative  
20 staff employees" means legislative staff employees paid out of  
21 lump-sum appropriations made to the General Assembly, an  
22 Officer of the General Assembly, or the Senate Operations  
23 Commission, but does not include district-office staff or  
24 employees of legislative support services agencies.

25 (Source: P.A. 95-707, eff. 1-11-08.)

1           Section 5-35. The State Revenue Sharing Act is amended by  
2 changing Section 12 as follows:

3           (30 ILCS 115/12) (from Ch. 85, par. 616)

4           Sec. 12. Personal Property Tax Replacement Fund. There is  
5 hereby created the Personal Property Tax Replacement Fund, a  
6 special fund in the State Treasury into which shall be paid all  
7 revenue realized:

8           (a) all amounts realized from the additional personal  
9 property tax replacement income tax imposed by subsections (c)  
10 and (d) of Section 201 of the Illinois Income Tax Act, except  
11 for those amounts deposited into the Income Tax Refund Fund  
12 pursuant to subsection (c) of Section 901 of the Illinois  
13 Income Tax Act; and

14           (b) all amounts realized from the additional personal  
15 property replacement invested capital taxes imposed by Section  
16 2a.1 of the Messages Tax Act, Section 2a.1 of the Gas Revenue  
17 Tax Act, Section 2a.1 of the Public Utilities Revenue Act, and  
18 Section 3 of the Water Company Invested Capital Tax Act, and  
19 amounts payable to the Department of Revenue under the  
20 Telecommunications Infrastructure Maintenance Fee Act.

21           As soon as may be after the end of each month, the  
22 Department of Revenue shall certify to the Treasurer and the  
23 Comptroller the amount of all refunds paid out of the General  
24 Revenue Fund through the preceding month on account of  
25 overpayment of liability on taxes paid into the Personal

1 Property Tax Replacement Fund. Upon receipt of such  
2 certification, the Treasurer and the Comptroller shall  
3 transfer the amount so certified from the Personal Property Tax  
4 Replacement Fund into the General Revenue Fund.

5 The payments of revenue into the Personal Property Tax  
6 Replacement Fund shall be used exclusively for distribution to  
7 taxing districts as provided in this Section, payment of the  
8 ordinary and contingent expenses of the Property Tax Appeal  
9 Board, payment of the expenses of the Department of Revenue  
10 incurred in administering the collection and distribution of  
11 monies paid into the Personal Property Tax Replacement Fund and  
12 transfers due to refunds to taxpayers for overpayment of  
13 liability for taxes paid into the Personal Property Tax  
14 Replacement Fund.

15 As soon as may be after the effective date of this  
16 amendatory Act of 1980, the Department of Revenue shall certify  
17 to the Treasurer the amount of net replacement revenue paid  
18 into the General Revenue Fund prior to that effective date from  
19 the additional tax imposed by Section 2a.1 of the Messages Tax  
20 Act; Section 2a.1 of the Gas Revenue Tax Act; Section 2a.1 of  
21 the Public Utilities Revenue Act; Section 3 of the Water  
22 Company Invested Capital Tax Act; amounts collected by the  
23 Department of Revenue under the Telecommunications  
24 Infrastructure Maintenance Fee Act; and the additional  
25 personal property tax replacement income tax imposed by the  
26 Illinois Income Tax Act, as amended by Public Act 81-1st



1 Special Session-1. Net replacement revenue shall be defined as  
2 the total amount paid into and remaining in the General Revenue  
3 Fund as a result of those Acts minus the amount outstanding and  
4 obligated from the General Revenue Fund in state vouchers or  
5 warrants prior to the effective date of this amendatory Act of  
6 1980 as refunds to taxpayers for overpayment of liability under  
7 those Acts.

8 All interest earned by monies accumulated in the Personal  
9 Property Tax Replacement Fund shall be deposited in such Fund.  
10 All amounts allocated pursuant to this Section are appropriated  
11 on a continuing basis.

12 Prior to December 31, 1980, as soon as may be after the end  
13 of each quarter beginning with the quarter ending December 31,  
14 1979, and on and after December 31, 1980, as soon as may be  
15 after January 1, March 1, April 1, May 1, July 1, August 1,  
16 October 1 and December 1 of each year, the Department of  
17 Revenue shall allocate to each taxing district as defined in  
18 Section 1-150 of the Property Tax Code, in accordance with the  
19 provisions of paragraph (2) of this Section the portion of the  
20 funds held in the Personal Property Tax Replacement Fund which  
21 is required to be distributed, as provided in paragraph (1),  
22 for each quarter. Provided, however, under no circumstances  
23 shall any taxing district during each of the first two years of  
24 distribution of the taxes imposed by this amendatory Act of  
25 1979 be entitled to an annual allocation which is less than the  
26 funds such taxing district collected from the 1978 personal

1 property tax. Provided further that under no circumstances  
2 shall any taxing district during the third year of distribution  
3 of the taxes imposed by this amendatory Act of 1979 receive  
4 less than 60% of the funds such taxing district collected from  
5 the 1978 personal property tax. In the event that the total of  
6 the allocations made as above provided for all taxing  
7 districts, during either of such 3 years, exceeds the amount  
8 available for distribution the allocation of each taxing  
9 district shall be proportionately reduced. Except as provided  
10 in Section 13 of this Act, the Department shall then certify,  
11 pursuant to appropriation, such allocations to the State  
12 Comptroller who shall pay over to the several taxing districts  
13 the respective amounts allocated to them.

14 Any township which receives an allocation based in whole or  
15 in part upon personal property taxes which it levied pursuant  
16 to Section 6-507 or 6-512 of the Illinois Highway Code and  
17 which was previously required to be paid over to a municipality  
18 shall immediately pay over to that municipality a proportionate  
19 share of the personal property replacement funds which such  
20 township receives.

21 Any municipality or township, other than a municipality  
22 with a population in excess of 500,000, which receives an  
23 allocation based in whole or in part on personal property taxes  
24 which it levied pursuant to Sections 3-1, 3-4 and 3-6 of the  
25 Illinois Local Library Act and which was previously required to  
26 be paid over to a public library shall immediately pay over to

1 that library a proportionate share of the personal property tax  
2 replacement funds which such municipality or township  
3 receives; provided that if such a public library has converted  
4 to a library organized under The Illinois Public Library  
5 District Act, regardless of whether such conversion has  
6 occurred on, after or before January 1, 1988, such  
7 proportionate share shall be immediately paid over to the  
8 library district which maintains and operates the library.  
9 However, any library that has converted prior to January 1,  
10 1988, and which hitherto has not received the personal property  
11 tax replacement funds, shall receive such funds commencing on  
12 January 1, 1988.

13 Any township which receives an allocation based in whole or  
14 in part on personal property taxes which it levied pursuant to  
15 Section 1c of the Public Graveyards Act and which taxes were  
16 previously required to be paid over to or used for such public  
17 cemetery or cemeteries shall immediately pay over to or use for  
18 such public cemetery or cemeteries a proportionate share of the  
19 personal property tax replacement funds which the township  
20 receives.

21 Any taxing district which receives an allocation based in  
22 whole or in part upon personal property taxes which it levied  
23 for another governmental body or school district in Cook County  
24 in 1976 or for another governmental body or school district in  
25 the remainder of the State in 1977 shall immediately pay over  
26 to that governmental body or school district the amount of

1 personal property replacement funds which such governmental  
2 body or school district would receive directly under the  
3 provisions of paragraph (2) of this Section, had it levied its  
4 own taxes.

5 (1) The portion of the Personal Property Tax  
6 Replacement Fund required to be distributed as of the time  
7 allocation is required to be made shall be the amount  
8 available in such Fund as of the time allocation is  
9 required to be made.

10 The amount available for distribution shall be the  
11 total amount in the fund at such time minus the necessary  
12 administrative expenses as limited by the appropriation  
13 and the amount determined by: (a) \$2.8 million for fiscal  
14 year 1981; (b) for fiscal year 1982, .54% of the funds  
15 distributed from the fund during the preceding fiscal year;  
16 (c) for fiscal year 1983 through fiscal year 1988, .54% of  
17 the funds distributed from the fund during the preceding  
18 fiscal year less .02% of such fund for fiscal year 1983 and  
19 less .02% of such funds for each fiscal year thereafter, or  
20 (d) for fiscal year 1989 and beyond no more than 105% of  
21 the actual administrative expenses of the prior fiscal  
22 year. Such portion of the fund shall be determined after  
23 the transfer into the General Revenue Fund due to refunds,  
24 if any, paid from the General Revenue Fund during the  
25 preceding quarter. If at any time, for any reason, there is  
26 insufficient amount in the Personal Property Tax

1 Replacement Fund for payment of costs of administration or  
2 for transfers due to refunds at the end of any particular  
3 month, the amount of such insufficiency shall be carried  
4 over for the purposes of transfers into the General Revenue  
5 Fund and for purposes of costs of administration to the  
6 following month or months. Net replacement revenue held,  
7 and defined above, shall be transferred by the Treasurer  
8 and Comptroller to the Personal Property Tax Replacement  
9 Fund within 10 days of such certification.

10 (2) Each quarterly allocation shall first be  
11 apportioned in the following manner: 51.65% for taxing  
12 districts in Cook County and 48.35% for taxing districts in  
13 the remainder of the State.

14 The Personal Property Replacement Ratio of each taxing  
15 district outside Cook County shall be the ratio which the Tax  
16 Base of that taxing district bears to the Downstate Tax Base.  
17 The Tax Base of each taxing district outside of Cook County is  
18 the personal property tax collections for that taxing district  
19 for the 1977 tax year. The Downstate Tax Base is the personal  
20 property tax collections for all taxing districts in the State  
21 outside of Cook County for the 1977 tax year. The Department of  
22 Revenue shall have authority to review for accuracy and  
23 completeness the personal property tax collections for each  
24 taxing district outside Cook County for the 1977 tax year.

25 The Personal Property Replacement Ratio of each Cook County  
26 taxing district shall be the ratio which the Tax Base of that

1 taxing district bears to the Cook County Tax Base. The Tax Base  
2 of each Cook County taxing district is the personal property  
3 tax collections for that taxing district for the 1976 tax year.  
4 The Cook County Tax Base is the personal property tax  
5 collections for all taxing districts in Cook County for the  
6 1976 tax year. The Department of Revenue shall have authority  
7 to review for accuracy and completeness the personal property  
8 tax collections for each taxing district within Cook County for  
9 the 1976 tax year.

10 For all purposes of this Section 12, amounts paid to a  
11 taxing district for such tax years as may be applicable by a  
12 foreign corporation under the provisions of Section 7-202 of  
13 the Public Utilities Act, as amended, shall be deemed to be  
14 personal property taxes collected by such taxing district for  
15 such tax years as may be applicable. The Director shall  
16 determine from the Illinois Commerce Commission, for any tax  
17 year as may be applicable, the amounts so paid by any such  
18 foreign corporation to any and all taxing districts. The  
19 Illinois Commerce Commission shall furnish such information to  
20 the Director. For all purposes of this Section 12, the Director  
21 shall deem such amounts to be collected personal property taxes  
22 of each such taxing district for the applicable tax year or  
23 years.

24 Taxing districts located both in Cook County and in one or  
25 more other counties shall receive both a Cook County allocation  
26 and a Downstate allocation determined in the same way as all

1 other taxing districts.

2 If any taxing district in existence on July 1, 1979 ceases  
3 to exist, or discontinues its operations, its Tax Base shall  
4 thereafter be deemed to be zero. If the powers, duties and  
5 obligations of the discontinued taxing district are assumed by  
6 another taxing district, the Tax Base of the discontinued  
7 taxing district shall be added to the Tax Base of the taxing  
8 district assuming such powers, duties and obligations.

9 If two or more taxing districts in existence on July 1,  
10 1979, or a successor or successors thereto shall consolidate  
11 into one taxing district, the Tax Base of such consolidated  
12 taxing district shall be the sum of the Tax Bases of each of  
13 the taxing districts which have consolidated.

14 If a single taxing district in existence on July 1, 1979,  
15 or a successor or successors thereto shall be divided into two  
16 or more separate taxing districts, the tax base of the taxing  
17 district so divided shall be allocated to each of the resulting  
18 taxing districts in proportion to the then current equalized  
19 assessed value of each resulting taxing district.

20 If a portion of the territory of a taxing district is  
21 disconnected and annexed to another taxing district of the same  
22 type, the Tax Base of the taxing district from which  
23 disconnection was made shall be reduced in proportion to the  
24 then current equalized assessed value of the disconnected  
25 territory as compared with the then current equalized assessed  
26 value within the entire territory of the taxing district prior

1 to disconnection, and the amount of such reduction shall be  
2 added to the Tax Base of the taxing district to which  
3 annexation is made.

4 If a community college district is created after July 1,  
5 1979, beginning on the effective date of this amendatory Act of  
6 1995, its Tax Base shall be 3.5% of the sum of the personal  
7 property tax collected for the 1977 tax year within the  
8 territorial jurisdiction of the district.

9 The amounts allocated and paid to taxing districts pursuant  
10 to the provisions of this amendatory Act of 1979 shall be  
11 deemed to be substitute revenues for the revenues derived from  
12 taxes imposed on personal property pursuant to the provisions  
13 of the "Revenue Act of 1939" or "An Act for the assessment and  
14 taxation of private car line companies", approved July 22,  
15 1943, as amended, or Section 414 of the Illinois Insurance  
16 Code, prior to the abolition of such taxes and shall be used  
17 for the same purposes as the revenues derived from ad valorem  
18 taxes on real estate.

19 Monies received by any taxing districts from the Personal  
20 Property Tax Replacement Fund shall be first applied toward  
21 payment of the proportionate amount of debt service which was  
22 previously levied and collected from extensions against  
23 personal property on bonds outstanding as of December 31, 1978  
24 and next applied toward payment of the proportionate share of  
25 the pension or retirement obligations of the taxing district  
26 which were previously levied and collected from extensions



1 against personal property. For each such outstanding bond  
2 issue, the County Clerk shall determine the percentage of the  
3 debt service which was collected from extensions against real  
4 estate in the taxing district for 1978 taxes payable in 1979,  
5 as related to the total amount of such levies and collections  
6 from extensions against both real and personal property. For  
7 1979 and subsequent years' taxes, the County Clerk shall levy  
8 and extend taxes against the real estate of each taxing  
9 district which will yield the said percentage or percentages of  
10 the debt service on such outstanding bonds. The balance of the  
11 amount necessary to fully pay such debt service shall  
12 constitute a first and prior lien upon the monies received by  
13 each such taxing district through the Personal Property Tax  
14 Replacement Fund and shall be first applied or set aside for  
15 such purpose. In counties having fewer than 3,000,000  
16 inhabitants, the amendments to this paragraph as made by this  
17 amendatory Act of 1980 shall be first applicable to 1980 taxes  
18 to be collected in 1981.

19 (Source: P.A. 92-526, eff. 1-1-03.)

20 Section 5-45. The Illinois Income Tax Act is amended by  
21 changing Sections 203 and 901 as follows:

22 (35 ILCS 5/203) (from Ch. 120, par. 2-203)

23 Sec. 203. Base income defined.

24 (a) Individuals.

1           (1) In general. In the case of an individual, base  
2 income means an amount equal to the taxpayer's adjusted  
3 gross income for the taxable year as modified by paragraph  
4 (2).

5           (2) Modifications. The adjusted gross income referred  
6 to in paragraph (1) shall be modified by adding thereto the  
7 sum of the following amounts:

8           (A) An amount equal to all amounts paid or accrued  
9 to the taxpayer as interest or dividends during the  
10 taxable year to the extent excluded from gross income  
11 in the computation of adjusted gross income, except  
12 stock dividends of qualified public utilities  
13 described in Section 305(e) of the Internal Revenue  
14 Code;

15           (B) An amount equal to the amount of tax imposed by  
16 this Act to the extent deducted from gross income in  
17 the computation of adjusted gross income for the  
18 taxable year;

19           (C) An amount equal to the amount received during  
20 the taxable year as a recovery or refund of real  
21 property taxes paid with respect to the taxpayer's  
22 principal residence under the Revenue Act of 1939 and  
23 for which a deduction was previously taken under  
24 subparagraph (L) of this paragraph (2) prior to July 1,  
25 1991, the retrospective application date of Article 4  
26 of Public Act 87-17. In the case of multi-unit or

1 multi-use structures and farm dwellings, the taxes on  
2 the taxpayer's principal residence shall be that  
3 portion of the total taxes for the entire property  
4 which is attributable to such principal residence;

5 (D) An amount equal to the amount of the capital  
6 gain deduction allowable under the Internal Revenue  
7 Code, to the extent deducted from gross income in the  
8 computation of adjusted gross income;

9 (D-5) An amount, to the extent not included in  
10 adjusted gross income, equal to the amount of money  
11 withdrawn by the taxpayer in the taxable year from a  
12 medical care savings account and the interest earned on  
13 the account in the taxable year of a withdrawal  
14 pursuant to subsection (b) of Section 20 of the Medical  
15 Care Savings Account Act or subsection (b) of Section  
16 20 of the Medical Care Savings Account Act of 2000;

17 (D-10) For taxable years ending after December 31,  
18 1997, an amount equal to any eligible remediation costs  
19 that the individual deducted in computing adjusted  
20 gross income and for which the individual claims a  
21 credit under subsection (l) of Section 201;

22 (D-15) For taxable years 2001 and thereafter, an  
23 amount equal to the bonus depreciation deduction taken  
24 on the taxpayer's federal income tax return for the  
25 taxable year under subsection (k) of Section 168 of the  
26 Internal Revenue Code;

1 (D-16) If the taxpayer sells, transfers, abandons,  
2 or otherwise disposes of property for which the  
3 taxpayer was required in any taxable year to make an  
4 addition modification under subparagraph (D-15), then  
5 an amount equal to the aggregate amount of the  
6 deductions taken in all taxable years under  
7 subparagraph (Z) with respect to that property.

8 If the taxpayer continues to own property through  
9 the last day of the last tax year for which the  
10 taxpayer may claim a depreciation deduction for  
11 federal income tax purposes and for which the taxpayer  
12 was allowed in any taxable year to make a subtraction  
13 modification under subparagraph (Z), then an amount  
14 equal to that subtraction modification.

15 The taxpayer is required to make the addition  
16 modification under this subparagraph only once with  
17 respect to any one piece of property;

18 (D-17) An amount equal to the amount otherwise  
19 allowed as a deduction in computing base income for  
20 interest paid, accrued, or incurred, directly or  
21 indirectly, (i) for taxable years ending on or after  
22 December 31, 2004, to a foreign person who would be a  
23 member of the same unitary business group but for the  
24 fact that foreign person's business activity outside  
25 the United States is 80% or more of the foreign  
26 person's total business activity and (ii) for taxable

1 years ending on or after December 31, 2008, to a person  
2 who would be a member of the same unitary business  
3 group but for the fact that the person is prohibited  
4 under Section 1501(a)(27) from being included in the  
5 unitary business group because he or she is ordinarily  
6 required to apportion business income under different  
7 subsections of Section 304. The addition modification  
8 required by this subparagraph shall be reduced to the  
9 extent that dividends were included in base income of  
10 the unitary group for the same taxable year and  
11 received by the taxpayer or by a member of the  
12 taxpayer's unitary business group (including amounts  
13 included in gross income under Sections 951 through 964  
14 of the Internal Revenue Code and amounts included in  
15 gross income under Section 78 of the Internal Revenue  
16 Code) with respect to the stock of the same person to  
17 whom the interest was paid, accrued, or incurred.

18 This paragraph shall not apply to the following:

19 (i) an item of interest paid, accrued, or  
20 incurred, directly or indirectly, to a person who  
21 is subject in a foreign country or state, other  
22 than a state which requires mandatory unitary  
23 reporting, to a tax on or measured by net income  
24 with respect to such interest; or

25 (ii) an item of interest paid, accrued, or  
26 incurred, directly or indirectly, to a person if

1           the taxpayer can establish, based on a  
2           preponderance of the evidence, both of the  
3           following:

4                   (a) the person, during the same taxable  
5                   year, paid, accrued, or incurred, the interest  
6                   to a person that is not a related member, and

7                   (b) the transaction giving rise to the  
8                   interest expense between the taxpayer and the  
9                   person did not have as a principal purpose the  
10                  avoidance of Illinois income tax, and is paid  
11                  pursuant to a contract or agreement that  
12                  reflects an arm's-length interest rate and  
13                  terms; or

14                  (iii) the taxpayer can establish, based on  
15                  clear and convincing evidence, that the interest  
16                  paid, accrued, or incurred relates to a contract or  
17                  agreement entered into at arm's-length rates and  
18                  terms and the principal purpose for the payment is  
19                  not federal or Illinois tax avoidance; or

20                  (iv) an item of interest paid, accrued, or  
21                  incurred, directly or indirectly, to a person if  
22                  the taxpayer establishes by clear and convincing  
23                  evidence that the adjustments are unreasonable; or  
24                  if the taxpayer and the Director agree in writing  
25                  to the application or use of an alternative method  
26                  of apportionment under Section 304(f).

1           Nothing in this subsection shall preclude the  
2           Director from making any other adjustment  
3           otherwise allowed under Section 404 of this Act for  
4           any tax year beginning after the effective date of  
5           this amendment provided such adjustment is made  
6           pursuant to regulation adopted by the Department  
7           and such regulations provide methods and standards  
8           by which the Department will utilize its authority  
9           under Section 404 of this Act;

10           (D-18) An amount equal to the amount of intangible  
11           expenses and costs otherwise allowed as a deduction in  
12           computing base income, and that were paid, accrued, or  
13           incurred, directly or indirectly, (i) for taxable  
14           years ending on or after December 31, 2004, to a  
15           foreign person who would be a member of the same  
16           unitary business group but for the fact that the  
17           foreign person's business activity outside the United  
18           States is 80% or more of that person's total business  
19           activity and (ii) for taxable years ending on or after  
20           December 31, 2008, to a person who would be a member of  
21           the same unitary business group but for the fact that  
22           the person is prohibited under Section 1501(a)(27)  
23           from being included in the unitary business group  
24           because he or she is ordinarily required to apportion  
25           business income under different subsections of Section  
26           304. The addition modification required by this

1           subparagraph shall be reduced to the extent that  
2           dividends were included in base income of the unitary  
3           group for the same taxable year and received by the  
4           taxpayer or by a member of the taxpayer's unitary  
5           business group (including amounts included in gross  
6           income under Sections 951 through 964 of the Internal  
7           Revenue Code and amounts included in gross income under  
8           Section 78 of the Internal Revenue Code) with respect  
9           to the stock of the same person to whom the intangible  
10          expenses and costs were directly or indirectly paid,  
11          incurred, or accrued. The preceding sentence does not  
12          apply to the extent that the same dividends caused a  
13          reduction to the addition modification required under  
14          Section 203(a)(2)(D-17) of this Act. As used in this  
15          subparagraph, the term "intangible expenses and costs"  
16          includes (1) expenses, losses, and costs for, or  
17          related to, the direct or indirect acquisition, use,  
18          maintenance or management, ownership, sale, exchange,  
19          or any other disposition of intangible property; (2)  
20          losses incurred, directly or indirectly, from  
21          factoring transactions or discounting transactions;  
22          (3) royalty, patent, technical, and copyright fees;  
23          (4) licensing fees; and (5) other similar expenses and  
24          costs. For purposes of this subparagraph, "intangible  
25          property" includes patents, patent applications, trade  
26          names, trademarks, service marks, copyrights, mask



1 works, trade secrets, and similar types of intangible  
2 assets.

3 This paragraph shall not apply to the following:

4 (i) any item of intangible expenses or costs  
5 paid, accrued, or incurred, directly or  
6 indirectly, from a transaction with a person who is  
7 subject in a foreign country or state, other than a  
8 state which requires mandatory unitary reporting,  
9 to a tax on or measured by net income with respect  
10 to such item; or

11 (ii) any item of intangible expense or cost  
12 paid, accrued, or incurred, directly or  
13 indirectly, if the taxpayer can establish, based  
14 on a preponderance of the evidence, both of the  
15 following:

16 (a) the person during the same taxable  
17 year paid, accrued, or incurred, the  
18 intangible expense or cost to a person that is  
19 not a related member, and

20 (b) the transaction giving rise to the  
21 intangible expense or cost between the  
22 taxpayer and the person did not have as a  
23 principal purpose the avoidance of Illinois  
24 income tax, and is paid pursuant to a contract  
25 or agreement that reflects arm's-length terms;  
26 or

1 (iii) any item of intangible expense or cost  
2 paid, accrued, or incurred, directly or  
3 indirectly, from a transaction with a person if the  
4 taxpayer establishes by clear and convincing  
5 evidence, that the adjustments are unreasonable;  
6 or if the taxpayer and the Director agree in  
7 writing to the application or use of an alternative  
8 method of apportionment under Section 304(f);

9 Nothing in this subsection shall preclude the  
10 Director from making any other adjustment  
11 otherwise allowed under Section 404 of this Act for  
12 any tax year beginning after the effective date of  
13 this amendment provided such adjustment is made  
14 pursuant to regulation adopted by the Department  
15 and such regulations provide methods and standards  
16 by which the Department will utilize its authority  
17 under Section 404 of this Act;

18 (D-19) For taxable years ending on or after  
19 December 31, 2008, an amount equal to the amount of  
20 insurance premium expenses and costs otherwise allowed  
21 as a deduction in computing base income, and that were  
22 paid, accrued, or incurred, directly or indirectly, to  
23 a person who would be a member of the same unitary  
24 business group but for the fact that the person is  
25 prohibited under Section 1501(a)(27) from being  
26 included in the unitary business group because he or

1 she is ordinarily required to apportion business  
2 income under different subsections of Section 304. The  
3 addition modification required by this subparagraph  
4 shall be reduced to the extent that dividends were  
5 included in base income of the unitary group for the  
6 same taxable year and received by the taxpayer or by a  
7 member of the taxpayer's unitary business group  
8 (including amounts included in gross income under  
9 Sections 951 through 964 of the Internal Revenue Code  
10 and amounts included in gross income under Section 78  
11 of the Internal Revenue Code) with respect to the stock  
12 of the same person to whom the premiums and costs were  
13 directly or indirectly paid, incurred, or accrued. The  
14 preceding sentence does not apply to the extent that  
15 the same dividends caused a reduction to the addition  
16 modification required under Section 203(a)(2)(D-17) or  
17 Section 203(a)(2)(D-18) of this Act.

18 (D-20) For taxable years beginning on or after  
19 January 1, 2002 and ending on or before December 31,  
20 2006, in the case of a distribution from a qualified  
21 tuition program under Section 529 of the Internal  
22 Revenue Code, other than (i) a distribution from a  
23 College Savings Pool created under Section 16.5 of the  
24 State Treasurer Act or (ii) a distribution from the  
25 Illinois Prepaid Tuition Trust Fund, an amount equal to  
26 the amount excluded from gross income under Section

1           529(c)(3)(B). For taxable years beginning on or after  
2           January 1, 2007, in the case of a distribution from a  
3           qualified tuition program under Section 529 of the  
4           Internal Revenue Code, other than (i) a distribution  
5           from a College Savings Pool created under Section 16.5  
6           of the State Treasurer Act, (ii) a distribution from  
7           the Illinois Prepaid Tuition Trust Fund, or (iii) a  
8           distribution from a qualified tuition program under  
9           Section 529 of the Internal Revenue Code that (I)  
10          adopts and determines that its offering materials  
11          comply with the College Savings Plans Network's  
12          disclosure principles and (II) has made reasonable  
13          efforts to inform in-state residents of the existence  
14          of in-state qualified tuition programs by informing  
15          Illinois residents directly and, where applicable, to  
16          inform financial intermediaries distributing the  
17          program to inform in-state residents of the existence  
18          of in-state qualified tuition programs at least  
19          annually, an amount equal to the amount excluded from  
20          gross income under Section 529(c)(3)(B).

21                 For the purposes of this subparagraph (D-20), a  
22                 qualified tuition program has made reasonable efforts  
23                 if it makes disclosures (which may use the term  
24                 "in-state program" or "in-state plan" and need not  
25                 specifically refer to Illinois or its qualified  
26                 programs by name) (i) directly to prospective

1 participants in its offering materials or makes a  
2 public disclosure, such as a website posting; and (ii)  
3 where applicable, to intermediaries selling the  
4 out-of-state program in the same manner that the  
5 out-of-state program distributes its offering  
6 materials;

7 (D-21) For taxable years beginning on or after  
8 January 1, 2007, in the case of transfer of moneys from  
9 a qualified tuition program under Section 529 of the  
10 Internal Revenue Code that is administered by the State  
11 to an out-of-state program, an amount equal to the  
12 amount of moneys previously deducted from base income  
13 under subsection (a) (2) (Y) of this Section.

14 and by deducting from the total so obtained the sum of the  
15 following amounts:

16 (E) For taxable years ending before December 31,  
17 2001, any amount included in such total in respect of  
18 any compensation (including but not limited to any  
19 compensation paid or accrued to a serviceman while a  
20 prisoner of war or missing in action) paid to a  
21 resident by reason of being on active duty in the Armed  
22 Forces of the United States and in respect of any  
23 compensation paid or accrued to a resident who as a  
24 governmental employee was a prisoner of war or missing  
25 in action, and in respect of any compensation paid to a  
26 resident in 1971 or thereafter for annual training

1 performed pursuant to Sections 502 and 503, Title 32,  
2 United States Code as a member of the Illinois National  
3 Guard or, beginning with taxable years ending on or  
4 after December 31, 2007, the National Guard of any  
5 other state. For taxable years ending on or after  
6 December 31, 2001, any amount included in such total in  
7 respect of any compensation (including but not limited  
8 to any compensation paid or accrued to a serviceman  
9 while a prisoner of war or missing in action) paid to a  
10 resident by reason of being a member of any component  
11 of the Armed Forces of the United States and in respect  
12 of any compensation paid or accrued to a resident who  
13 as a governmental employee was a prisoner of war or  
14 missing in action, and in respect of any compensation  
15 paid to a resident in 2001 or thereafter by reason of  
16 being a member of the Illinois National Guard or,  
17 beginning with taxable years ending on or after  
18 December 31, 2007, the National Guard of any other  
19 state. The provisions of this amendatory Act of the  
20 92nd General Assembly are exempt from the provisions of  
21 Section 250;

22 (F) An amount equal to all amounts included in such  
23 total pursuant to the provisions of Sections 402(a),  
24 402(c), 403(a), 403(b), 406(a), 407(a), and 408 of the  
25 Internal Revenue Code, or included in such total as  
26 distributions under the provisions of any retirement

1 or disability plan for employees of any governmental  
2 agency or unit, or retirement payments to retired  
3 partners, which payments are excluded in computing net  
4 earnings from self employment by Section 1402 of the  
5 Internal Revenue Code and regulations adopted pursuant  
6 thereto;

7 (G) The valuation limitation amount;

8 (H) An amount equal to the amount of any tax  
9 imposed by this Act which was refunded to the taxpayer  
10 and included in such total for the taxable year;

11 (I) An amount equal to all amounts included in such  
12 total pursuant to the provisions of Section 111 of the  
13 Internal Revenue Code as a recovery of items previously  
14 deducted from adjusted gross income in the computation  
15 of taxable income;

16 (J) An amount equal to those dividends included in  
17 such total which were paid by a corporation which  
18 conducts business operations in an Enterprise Zone or  
19 zones created under the Illinois Enterprise Zone Act or  
20 a River Edge Redevelopment Zone or zones created under  
21 the River Edge Redevelopment Zone Act, and conducts  
22 substantially all of its operations in an Enterprise  
23 Zone or zones or a River Edge Redevelopment Zone or  
24 zones. This subparagraph (J) is exempt from the  
25 provisions of Section 250;

26 (K) An amount equal to those dividends included in

1           such total that were paid by a corporation that  
2           conducts business operations in a federally designated  
3           Foreign Trade Zone or Sub-Zone and that is designated a  
4           High Impact Business located in Illinois; provided  
5           that dividends eligible for the deduction provided in  
6           subparagraph (J) of paragraph (2) of this subsection  
7           shall not be eligible for the deduction provided under  
8           this subparagraph (K);

9           (L) For taxable years ending after December 31,  
10          1983, an amount equal to all social security benefits  
11          and railroad retirement benefits included in such  
12          total pursuant to Sections 72(r) and 86 of the Internal  
13          Revenue Code;

14          (M) With the exception of any amounts subtracted  
15          under subparagraph (N), an amount equal to the sum of  
16          all amounts disallowed as deductions by (i) Sections  
17          171(a) (2), and 265(2) of the Internal Revenue Code of  
18          1954, as now or hereafter amended, and all amounts of  
19          expenses allocable to interest and disallowed as  
20          deductions by Section 265(1) of the Internal Revenue  
21          Code of 1954, as now or hereafter amended; and (ii) for  
22          taxable years ending on or after August 13, 1999,  
23          Sections 171(a) (2), 265, 280C, and 832(b) (5) (B) (i) of  
24          the Internal Revenue Code; the provisions of this  
25          subparagraph are exempt from the provisions of Section  
26          250;



1           (N) An amount equal to all amounts included in such  
2 total which are exempt from taxation by this State  
3 either by reason of its statutes or Constitution or by  
4 reason of the Constitution, treaties or statutes of the  
5 United States; provided that, in the case of any  
6 statute of this State that exempts income derived from  
7 bonds or other obligations from the tax imposed under  
8 this Act, the amount exempted shall be the interest net  
9 of bond premium amortization;

10           (O) An amount equal to any contribution made to a  
11 job training project established pursuant to the Tax  
12 Increment Allocation Redevelopment Act;

13           (P) An amount equal to the amount of the deduction  
14 used to compute the federal income tax credit for  
15 restoration of substantial amounts held under claim of  
16 right for the taxable year pursuant to Section 1341 of  
17 the Internal Revenue Code of 1986;

18           (Q) An amount equal to any amounts included in such  
19 total, received by the taxpayer as an acceleration in  
20 the payment of life, endowment or annuity benefits in  
21 advance of the time they would otherwise be payable as  
22 an indemnity for a terminal illness;

23           (R) An amount equal to the amount of any federal or  
24 State bonus paid to veterans of the Persian Gulf War;

25           (S) An amount, to the extent included in adjusted  
26 gross income, equal to the amount of a contribution

1           made in the taxable year on behalf of the taxpayer to a  
2           medical care savings account established under the  
3           Medical Care Savings Account Act or the Medical Care  
4           Savings Account Act of 2000 to the extent the  
5           contribution is accepted by the account administrator  
6           as provided in that Act;

7           (T) An amount, to the extent included in adjusted  
8           gross income, equal to the amount of interest earned in  
9           the taxable year on a medical care savings account  
10          established under the Medical Care Savings Account Act  
11          or the Medical Care Savings Account Act of 2000 on  
12          behalf of the taxpayer, other than interest added  
13          pursuant to item (D-5) of this paragraph (2);

14          (U) For one taxable year beginning on or after  
15          January 1, 1994, an amount equal to the total amount of  
16          tax imposed and paid under subsections (a) and (b) of  
17          Section 201 of this Act on grant amounts received by  
18          the taxpayer under the Nursing Home Grant Assistance  
19          Act during the taxpayer's taxable years 1992 and 1993;

20          (V) Beginning with tax years ending on or after  
21          December 31, 1995 and ending with tax years ending on  
22          or before December 31, 2004, an amount equal to the  
23          amount paid by a taxpayer who is a self-employed  
24          taxpayer, a partner of a partnership, or a shareholder  
25          in a Subchapter S corporation for health insurance or  
26          long-term care insurance for that taxpayer or that

1 taxpayer's spouse or dependents, to the extent that the  
2 amount paid for that health insurance or long-term care  
3 insurance may be deducted under Section 213 of the  
4 Internal Revenue Code of 1986, has not been deducted on  
5 the federal income tax return of the taxpayer, and does  
6 not exceed the taxable income attributable to that  
7 taxpayer's income, self-employment income, or  
8 Subchapter S corporation income; except that no  
9 deduction shall be allowed under this item (V) if the  
10 taxpayer is eligible to participate in any health  
11 insurance or long-term care insurance plan of an  
12 employer of the taxpayer or the taxpayer's spouse. The  
13 amount of the health insurance and long-term care  
14 insurance subtracted under this item (V) shall be  
15 determined by multiplying total health insurance and  
16 long-term care insurance premiums paid by the taxpayer  
17 times a number that represents the fractional  
18 percentage of eligible medical expenses under Section  
19 213 of the Internal Revenue Code of 1986 not actually  
20 deducted on the taxpayer's federal income tax return;

21 (W) For taxable years beginning on or after January  
22 1, 1998, all amounts included in the taxpayer's federal  
23 gross income in the taxable year from amounts converted  
24 from a regular IRA to a Roth IRA. This paragraph is  
25 exempt from the provisions of Section 250;

26 (X) For taxable year 1999 and thereafter, an amount

1 equal to the amount of any (i) distributions, to the  
2 extent includible in gross income for federal income  
3 tax purposes, made to the taxpayer because of his or  
4 her status as a victim of persecution for racial or  
5 religious reasons by Nazi Germany or any other Axis  
6 regime or as an heir of the victim and (ii) items of  
7 income, to the extent includible in gross income for  
8 federal income tax purposes, attributable to, derived  
9 from or in any way related to assets stolen from,  
10 hidden from, or otherwise lost to a victim of  
11 persecution for racial or religious reasons by Nazi  
12 Germany or any other Axis regime immediately prior to,  
13 during, and immediately after World War II, including,  
14 but not limited to, interest on the proceeds receivable  
15 as insurance under policies issued to a victim of  
16 persecution for racial or religious reasons by Nazi  
17 Germany or any other Axis regime by European insurance  
18 companies immediately prior to and during World War II;  
19 provided, however, this subtraction from federal  
20 adjusted gross income does not apply to assets acquired  
21 with such assets or with the proceeds from the sale of  
22 such assets; provided, further, this paragraph shall  
23 only apply to a taxpayer who was the first recipient of  
24 such assets after their recovery and who is a victim of  
25 persecution for racial or religious reasons by Nazi  
26 Germany or any other Axis regime or as an heir of the

1           victim. The amount of and the eligibility for any  
2           public assistance, benefit, or similar entitlement is  
3           not affected by the inclusion of items (i) and (ii) of  
4           this paragraph in gross income for federal income tax  
5           purposes. This paragraph is exempt from the provisions  
6           of Section 250;

7           (Y) For taxable years beginning on or after January  
8           1, 2002 and ending on or before December 31, 2004,  
9           moneys contributed in the taxable year to a College  
10          Savings Pool account under Section 16.5 of the State  
11          Treasurer Act, except that amounts excluded from gross  
12          income under Section 529(c)(3)(C)(i) of the Internal  
13          Revenue Code shall not be considered moneys  
14          contributed under this subparagraph (Y). For taxable  
15          years beginning on or after January 1, 2005, a maximum  
16          of \$10,000 contributed in the taxable year to (i) a  
17          College Savings Pool account under Section 16.5 of the  
18          State Treasurer Act or (ii) the Illinois Prepaid  
19          Tuition Trust Fund, except that amounts excluded from  
20          gross income under Section 529(c)(3)(C)(i) of the  
21          Internal Revenue Code shall not be considered moneys  
22          contributed under this subparagraph (Y). This  
23          subparagraph (Y) is exempt from the provisions of  
24          Section 250;

25          (Z) For taxable years 2001 and thereafter, for the  
26          taxable year in which the bonus depreciation deduction

1 is taken on the taxpayer's federal income tax return  
2 under subsection (k) of Section 168 of the Internal  
3 Revenue Code and for each applicable taxable year  
4 thereafter, an amount equal to "x", where:

5 (1) "y" equals the amount of the depreciation  
6 deduction taken for the taxable year on the  
7 taxpayer's federal income tax return on property  
8 for which the bonus depreciation deduction was  
9 taken in any year under subsection (k) of Section  
10 168 of the Internal Revenue Code, but not including  
11 the bonus depreciation deduction;

12 (2) for taxable years ending on or before  
13 December 31, 2005, "x" equals "y" multiplied by 30  
14 and then divided by 70 (or "y" multiplied by  
15 0.429); and

16 (3) for taxable years ending after December  
17 31, 2005:

18 (i) for property on which a bonus  
19 depreciation deduction of 30% of the adjusted  
20 basis was taken, "x" equals "y" multiplied by  
21 30 and then divided by 70 (or "y" multiplied by  
22 0.429); and

23 (ii) for property on which a bonus  
24 depreciation deduction of 50% of the adjusted  
25 basis was taken, "x" equals "y" multiplied by  
26 1.0.

1           The aggregate amount deducted under this  
2           subparagraph in all taxable years for any one piece of  
3           property may not exceed the amount of the bonus  
4           depreciation deduction taken on that property on the  
5           taxpayer's federal income tax return under subsection  
6           (k) of Section 168 of the Internal Revenue Code. This  
7           subparagraph (Z) is exempt from the provisions of  
8           Section 250;

9           (AA) If the taxpayer sells, transfers, abandons,  
10          or otherwise disposes of property for which the  
11          taxpayer was required in any taxable year to make an  
12          addition modification under subparagraph (D-15), then  
13          an amount equal to that addition modification.

14          If the taxpayer continues to own property through  
15          the last day of the last tax year for which the  
16          taxpayer may claim a depreciation deduction for  
17          federal income tax purposes and for which the taxpayer  
18          was required in any taxable year to make an addition  
19          modification under subparagraph (D-15), then an amount  
20          equal to that addition modification.

21          The taxpayer is allowed to take the deduction under  
22          this subparagraph only once with respect to any one  
23          piece of property.

24          This subparagraph (AA) is exempt from the  
25          provisions of Section 250;

26          (BB) Any amount included in adjusted gross income,

1 other than salary, received by a driver in a  
2 ridesharing arrangement using a motor vehicle;

3 (CC) The amount of (i) any interest income (net of  
4 the deductions allocable thereto) taken into account  
5 for the taxable year with respect to a transaction with  
6 a taxpayer that is required to make an addition  
7 modification with respect to such transaction under  
8 Section 203(a)(2)(D-17), 203(b)(2)(E-12),  
9 203(c)(2)(G-12), or 203(d)(2)(D-7), but not to exceed  
10 the amount of that addition modification, and (ii) any  
11 income from intangible property (net of the deductions  
12 allocable thereto) taken into account for the taxable  
13 year with respect to a transaction with a taxpayer that  
14 is required to make an addition modification with  
15 respect to such transaction under Section  
16 203(a)(2)(D-18), 203(b)(2)(E-13), 203(c)(2)(G-13), or  
17 203(d)(2)(D-8), but not to exceed the amount of that  
18 addition modification. This subparagraph (CC) is  
19 exempt from the provisions of Section 250;

20 (DD) An amount equal to the interest income taken  
21 into account for the taxable year (net of the  
22 deductions allocable thereto) with respect to  
23 transactions with (i) a foreign person who would be a  
24 member of the taxpayer's unitary business group but for  
25 the fact that the foreign person's business activity  
26 outside the United States is 80% or more of that



1 person's total business activity and (ii) for taxable  
2 years ending on or after December 31, 2008, to a person  
3 who would be a member of the same unitary business  
4 group but for the fact that the person is prohibited  
5 under Section 1501(a)(27) from being included in the  
6 unitary business group because he or she is ordinarily  
7 required to apportion business income under different  
8 subsections of Section 304, but not to exceed the  
9 addition modification required to be made for the same  
10 taxable year under Section 203(a)(2)(D-17) for  
11 interest paid, accrued, or incurred, directly or  
12 indirectly, to the same person. This subparagraph (DD)  
13 is exempt from the provisions of Section 250; and

14 (EE) An amount equal to the income from intangible  
15 property taken into account for the taxable year (net  
16 of the deductions allocable thereto) with respect to  
17 transactions with (i) a foreign person who would be a  
18 member of the taxpayer's unitary business group but for  
19 the fact that the foreign person's business activity  
20 outside the United States is 80% or more of that  
21 person's total business activity and (ii) for taxable  
22 years ending on or after December 31, 2008, to a person  
23 who would be a member of the same unitary business  
24 group but for the fact that the person is prohibited  
25 under Section 1501(a)(27) from being included in the  
26 unitary business group because he or she is ordinarily

1 required to apportion business income under different  
2 subsections of Section 304, but not to exceed the  
3 addition modification required to be made for the same  
4 taxable year under Section 203(a)(2)(D-18) for  
5 intangible expenses and costs paid, accrued, or  
6 incurred, directly or indirectly, to the same foreign  
7 person. This subparagraph (EE) is exempt from the  
8 provisions of Section 250.

9 (b) Corporations.

10 (1) In general. In the case of a corporation, base  
11 income means an amount equal to the taxpayer's taxable  
12 income for the taxable year as modified by paragraph (2).

13 (2) Modifications. The taxable income referred to in  
14 paragraph (1) shall be modified by adding thereto the sum  
15 of the following amounts:

16 (A) An amount equal to all amounts paid or accrued  
17 to the taxpayer as interest and all distributions  
18 received from regulated investment companies during  
19 the taxable year to the extent excluded from gross  
20 income in the computation of taxable income;

21 (B) An amount equal to the amount of tax imposed by  
22 this Act to the extent deducted from gross income in  
23 the computation of taxable income for the taxable year;

24 (C) In the case of a regulated investment company,  
25 an amount equal to the excess of (i) the net long-term

1 capital gain for the taxable year, over (ii) the amount  
2 of the capital gain dividends designated as such in  
3 accordance with Section 852(b)(3)(C) of the Internal  
4 Revenue Code and any amount designated under Section  
5 852(b)(3)(D) of the Internal Revenue Code,  
6 attributable to the taxable year (this amendatory Act  
7 of 1995 (Public Act 89-89) is declarative of existing  
8 law and is not a new enactment);

9 (D) The amount of any net operating loss deduction  
10 taken in arriving at taxable income, other than a net  
11 operating loss carried forward from a taxable year  
12 ending prior to December 31, 1986;

13 (E) For taxable years in which a net operating loss  
14 carryback or carryforward from a taxable year ending  
15 prior to December 31, 1986 is an element of taxable  
16 income under paragraph (1) of subsection (e) or  
17 subparagraph (E) of paragraph (2) of subsection (e),  
18 the amount by which addition modifications other than  
19 those provided by this subparagraph (E) exceeded  
20 subtraction modifications in such earlier taxable  
21 year, with the following limitations applied in the  
22 order that they are listed:

23 (i) the addition modification relating to the  
24 net operating loss carried back or forward to the  
25 taxable year from any taxable year ending prior to  
26 December 31, 1986 shall be reduced by the amount of

1           addition modification under this subparagraph (E)  
2           which related to that net operating loss and which  
3           was taken into account in calculating the base  
4           income of an earlier taxable year, and

5                   (ii) the addition modification relating to the  
6           net operating loss carried back or forward to the  
7           taxable year from any taxable year ending prior to  
8           December 31, 1986 shall not exceed the amount of  
9           such carryback or carryforward;

10           For taxable years in which there is a net operating  
11           loss carryback or carryforward from more than one other  
12           taxable year ending prior to December 31, 1986, the  
13           addition modification provided in this subparagraph  
14           (E) shall be the sum of the amounts computed  
15           independently under the preceding provisions of this  
16           subparagraph (E) for each such taxable year;

17                   (E-5) For taxable years ending after December 31,  
18           1997, an amount equal to any eligible remediation costs  
19           that the corporation deducted in computing adjusted  
20           gross income and for which the corporation claims a  
21           credit under subsection (l) of Section 201;

22                   (E-10) For taxable years 2001 and thereafter, an  
23           amount equal to the bonus depreciation deduction taken  
24           on the taxpayer's federal income tax return for the  
25           taxable year under subsection (k) of Section 168 of the  
26           Internal Revenue Code;

1           (E-11) If the taxpayer sells, transfers, abandons,  
2           or otherwise disposes of property for which the  
3           taxpayer was required in any taxable year to make an  
4           addition modification under subparagraph (E-10), then  
5           an amount equal to the aggregate amount of the  
6           deductions taken in all taxable years under  
7           subparagraph (T) with respect to that property.

8           If the taxpayer continues to own property through  
9           the last day of the last tax year for which the  
10          taxpayer may claim a depreciation deduction for  
11          federal income tax purposes and for which the taxpayer  
12          was allowed in any taxable year to make a subtraction  
13          modification under subparagraph (T), then an amount  
14          equal to that subtraction modification.

15          The taxpayer is required to make the addition  
16          modification under this subparagraph only once with  
17          respect to any one piece of property;

18          (E-12) An amount equal to the amount otherwise  
19          allowed as a deduction in computing base income for  
20          interest paid, accrued, or incurred, directly or  
21          indirectly, (i) for taxable years ending on or after  
22          December 31, 2004, to a foreign person who would be a  
23          member of the same unitary business group but for the  
24          fact the foreign person's business activity outside  
25          the United States is 80% or more of the foreign  
26          person's total business activity and (ii) for taxable

1 years ending on or after December 31, 2008, to a person  
2 who would be a member of the same unitary business  
3 group but for the fact that the person is prohibited  
4 under Section 1501(a)(27) from being included in the  
5 unitary business group because he or she is ordinarily  
6 required to apportion business income under different  
7 subsections of Section 304. The addition modification  
8 required by this subparagraph shall be reduced to the  
9 extent that dividends were included in base income of  
10 the unitary group for the same taxable year and  
11 received by the taxpayer or by a member of the  
12 taxpayer's unitary business group (including amounts  
13 included in gross income pursuant to Sections 951  
14 through 964 of the Internal Revenue Code and amounts  
15 included in gross income under Section 78 of the  
16 Internal Revenue Code) with respect to the stock of the  
17 same person to whom the interest was paid, accrued, or  
18 incurred.

19 This paragraph shall not apply to the following:

20 (i) an item of interest paid, accrued, or  
21 incurred, directly or indirectly, to a person who  
22 is subject in a foreign country or state, other  
23 than a state which requires mandatory unitary  
24 reporting, to a tax on or measured by net income  
25 with respect to such interest; or

26 (ii) an item of interest paid, accrued, or

1           incurred, directly or indirectly, to a person if  
2           the taxpayer can establish, based on a  
3           preponderance of the evidence, both of the  
4           following:

5                   (a) the person, during the same taxable  
6                   year, paid, accrued, or incurred, the interest  
7                   to a person that is not a related member, and

8                   (b) the transaction giving rise to the  
9                   interest expense between the taxpayer and the  
10                  person did not have as a principal purpose the  
11                  avoidance of Illinois income tax, and is paid  
12                  pursuant to a contract or agreement that  
13                  reflects an arm's-length interest rate and  
14                  terms; or

15                  (iii) the taxpayer can establish, based on  
16                  clear and convincing evidence, that the interest  
17                  paid, accrued, or incurred relates to a contract or  
18                  agreement entered into at arm's-length rates and  
19                  terms and the principal purpose for the payment is  
20                  not federal or Illinois tax avoidance; or

21                  (iv) an item of interest paid, accrued, or  
22                  incurred, directly or indirectly, to a person if  
23                  the taxpayer establishes by clear and convincing  
24                  evidence that the adjustments are unreasonable; or  
25                  if the taxpayer and the Director agree in writing  
26                  to the application or use of an alternative method

1 of apportionment under Section 304(f).

2 Nothing in this subsection shall preclude the  
3 Director from making any other adjustment  
4 otherwise allowed under Section 404 of this Act for  
5 any tax year beginning after the effective date of  
6 this amendment provided such adjustment is made  
7 pursuant to regulation adopted by the Department  
8 and such regulations provide methods and standards  
9 by which the Department will utilize its authority  
10 under Section 404 of this Act;

11 (E-13) An amount equal to the amount of intangible  
12 expenses and costs otherwise allowed as a deduction in  
13 computing base income, and that were paid, accrued, or  
14 incurred, directly or indirectly, (i) for taxable  
15 years ending on or after December 31, 2004, to a  
16 foreign person who would be a member of the same  
17 unitary business group but for the fact that the  
18 foreign person's business activity outside the United  
19 States is 80% or more of that person's total business  
20 activity and (ii) for taxable years ending on or after  
21 December 31, 2008, to a person who would be a member of  
22 the same unitary business group but for the fact that  
23 the person is prohibited under Section 1501(a)(27)  
24 from being included in the unitary business group  
25 because he or she is ordinarily required to apportion  
26 business income under different subsections of Section



1           304. The addition modification required by this  
2           subparagraph shall be reduced to the extent that  
3           dividends were included in base income of the unitary  
4           group for the same taxable year and received by the  
5           taxpayer or by a member of the taxpayer's unitary  
6           business group (including amounts included in gross  
7           income pursuant to Sections 951 through 964 of the  
8           Internal Revenue Code and amounts included in gross  
9           income under Section 78 of the Internal Revenue Code)  
10          with respect to the stock of the same person to whom  
11          the intangible expenses and costs were directly or  
12          indirectly paid, incurred, or accrued. The preceding  
13          sentence shall not apply to the extent that the same  
14          dividends caused a reduction to the addition  
15          modification required under Section 203(b)(2)(E-12) of  
16          this Act. As used in this subparagraph, the term  
17          "intangible expenses and costs" includes (1) expenses,  
18          losses, and costs for, or related to, the direct or  
19          indirect acquisition, use, maintenance or management,  
20          ownership, sale, exchange, or any other disposition of  
21          intangible property; (2) losses incurred, directly or  
22          indirectly, from factoring transactions or discounting  
23          transactions; (3) royalty, patent, technical, and  
24          copyright fees; (4) licensing fees; and (5) other  
25          similar expenses and costs. For purposes of this  
26          subparagraph, "intangible property" includes patents,

1 patent applications, trade names, trademarks, service  
2 marks, copyrights, mask works, trade secrets, and  
3 similar types of intangible assets.

4 This paragraph shall not apply to the following:

5 (i) any item of intangible expenses or costs  
6 paid, accrued, or incurred, directly or  
7 indirectly, from a transaction with a person who is  
8 subject in a foreign country or state, other than a  
9 state which requires mandatory unitary reporting,  
10 to a tax on or measured by net income with respect  
11 to such item; or

12 (ii) any item of intangible expense or cost  
13 paid, accrued, or incurred, directly or  
14 indirectly, if the taxpayer can establish, based  
15 on a preponderance of the evidence, both of the  
16 following:

17 (a) the person during the same taxable  
18 year paid, accrued, or incurred, the  
19 intangible expense or cost to a person that is  
20 not a related member, and

21 (b) the transaction giving rise to the  
22 intangible expense or cost between the  
23 taxpayer and the person did not have as a  
24 principal purpose the avoidance of Illinois  
25 income tax, and is paid pursuant to a contract  
26 or agreement that reflects arm's-length terms;

1                   or

2                   (iii) any item of intangible expense or cost  
3                   paid, accrued, or incurred, directly or  
4                   indirectly, from a transaction with a person if the  
5                   taxpayer establishes by clear and convincing  
6                   evidence, that the adjustments are unreasonable;  
7                   or if the taxpayer and the Director agree in  
8                   writing to the application or use of an alternative  
9                   method of apportionment under Section 304(f);

10                   Nothing in this subsection shall preclude the  
11                   Director from making any other adjustment  
12                   otherwise allowed under Section 404 of this Act for  
13                   any tax year beginning after the effective date of  
14                   this amendment provided such adjustment is made  
15                   pursuant to regulation adopted by the Department  
16                   and such regulations provide methods and standards  
17                   by which the Department will utilize its authority  
18                   under Section 404 of this Act;

19                   (E-14) For taxable years ending on or after  
20                   December 31, 2008, an amount equal to the amount of  
21                   insurance premium expenses and costs otherwise allowed  
22                   as a deduction in computing base income, and that were  
23                   paid, accrued, or incurred, directly or indirectly, to  
24                   a person who would be a member of the same unitary  
25                   business group but for the fact that the person is  
26                   prohibited under Section 1501(a)(27) from being

1 included in the unitary business group because he or  
2 she is ordinarily required to apportion business  
3 income under different subsections of Section 304. The  
4 addition modification required by this subparagraph  
5 shall be reduced to the extent that dividends were  
6 included in base income of the unitary group for the  
7 same taxable year and received by the taxpayer or by a  
8 member of the taxpayer's unitary business group  
9 (including amounts included in gross income under  
10 Sections 951 through 964 of the Internal Revenue Code  
11 and amounts included in gross income under Section 78  
12 of the Internal Revenue Code) with respect to the stock  
13 of the same person to whom the premiums and costs were  
14 directly or indirectly paid, incurred, or accrued. The  
15 preceding sentence does not apply to the extent that  
16 the same dividends caused a reduction to the addition  
17 modification required under Section 203(b) (2) (E-12) or  
18 Section 203(b) (2) (E-13) of this Act;

19 (E-15) For taxable years beginning after December  
20 31, 2008, any deduction for dividends paid by a captive  
21 real estate investment trust that is allowed to a real  
22 estate investment trust under Section 857(b) (2) (B) of  
23 the Internal Revenue Code for dividends paid;

24 and by deducting from the total so obtained the sum of the  
25 following amounts:

26 (F) An amount equal to the amount of any tax

1 imposed by this Act which was refunded to the taxpayer  
2 and included in such total for the taxable year;

3 (G) An amount equal to any amount included in such  
4 total under Section 78 of the Internal Revenue Code;

5 (H) In the case of a regulated investment company,  
6 an amount equal to the amount of exempt interest  
7 dividends as defined in subsection (b) (5) of Section  
8 852 of the Internal Revenue Code, paid to shareholders  
9 for the taxable year;

10 (I) With the exception of any amounts subtracted  
11 under subparagraph (J), an amount equal to the sum of  
12 all amounts disallowed as deductions by (i) Sections  
13 171(a) (2), and 265(a) (2) and amounts disallowed as  
14 interest expense by Section 291(a) (3) of the Internal  
15 Revenue Code, as now or hereafter amended, and all  
16 amounts of expenses allocable to interest and  
17 disallowed as deductions by Section 265(a) (1) of the  
18 Internal Revenue Code, as now or hereafter amended; and  
19 (ii) for taxable years ending on or after August 13,  
20 1999, Sections 171(a) (2), 265, 280C, 291(a) (3), and  
21 832(b) (5) (B) (i) of the Internal Revenue Code; the  
22 provisions of this subparagraph are exempt from the  
23 provisions of Section 250;

24 (J) An amount equal to all amounts included in such  
25 total which are exempt from taxation by this State  
26 either by reason of its statutes or Constitution or by

1 reason of the Constitution, treaties or statutes of the  
2 United States; provided that, in the case of any  
3 statute of this State that exempts income derived from  
4 bonds or other obligations from the tax imposed under  
5 this Act, the amount exempted shall be the interest net  
6 of bond premium amortization;

7 (K) An amount equal to those dividends included in  
8 such total which were paid by a corporation which  
9 conducts business operations in an Enterprise Zone or  
10 zones created under the Illinois Enterprise Zone Act or  
11 a River Edge Redevelopment Zone or zones created under  
12 the River Edge Redevelopment Zone Act and conducts  
13 substantially all of its operations in an Enterprise  
14 Zone or zones or a River Edge Redevelopment Zone or  
15 zones. This subparagraph (K) is exempt from the  
16 provisions of Section 250;

17 (L) An amount equal to those dividends included in  
18 such total that were paid by a corporation that  
19 conducts business operations in a federally designated  
20 Foreign Trade Zone or Sub-Zone and that is designated a  
21 High Impact Business located in Illinois; provided  
22 that dividends eligible for the deduction provided in  
23 subparagraph (K) of paragraph 2 of this subsection  
24 shall not be eligible for the deduction provided under  
25 this subparagraph (L);

26 (M) For any taxpayer that is a financial

1 organization within the meaning of Section 304(c) of  
2 this Act, an amount included in such total as interest  
3 income from a loan or loans made by such taxpayer to a  
4 borrower, to the extent that such a loan is secured by  
5 property which is eligible for the Enterprise Zone  
6 Investment Credit or the River Edge Redevelopment Zone  
7 Investment Credit. To determine the portion of a loan  
8 or loans that is secured by property eligible for a  
9 Section 201(f) investment credit to the borrower, the  
10 entire principal amount of the loan or loans between  
11 the taxpayer and the borrower should be divided into  
12 the basis of the Section 201(f) investment credit  
13 property which secures the loan or loans, using for  
14 this purpose the original basis of such property on the  
15 date that it was placed in service in the Enterprise  
16 Zone or the River Edge Redevelopment Zone. The  
17 subtraction modification available to taxpayer in any  
18 year under this subsection shall be that portion of the  
19 total interest paid by the borrower with respect to  
20 such loan attributable to the eligible property as  
21 calculated under the previous sentence. This  
22 subparagraph (M) is exempt from the provisions of  
23 Section 250;

24 (M-1) For any taxpayer that is a financial  
25 organization within the meaning of Section 304(c) of  
26 this Act, an amount included in such total as interest

1 income from a loan or loans made by such taxpayer to a  
2 borrower, to the extent that such a loan is secured by  
3 property which is eligible for the High Impact Business  
4 Investment Credit. To determine the portion of a loan  
5 or loans that is secured by property eligible for a  
6 Section 201(h) investment credit to the borrower, the  
7 entire principal amount of the loan or loans between  
8 the taxpayer and the borrower should be divided into  
9 the basis of the Section 201(h) investment credit  
10 property which secures the loan or loans, using for  
11 this purpose the original basis of such property on the  
12 date that it was placed in service in a federally  
13 designated Foreign Trade Zone or Sub-Zone located in  
14 Illinois. No taxpayer that is eligible for the  
15 deduction provided in subparagraph (M) of paragraph  
16 (2) of this subsection shall be eligible for the  
17 deduction provided under this subparagraph (M-1). The  
18 subtraction modification available to taxpayers in any  
19 year under this subsection shall be that portion of the  
20 total interest paid by the borrower with respect to  
21 such loan attributable to the eligible property as  
22 calculated under the previous sentence;

23 (N) Two times any contribution made during the  
24 taxable year to a designated zone organization to the  
25 extent that the contribution (i) qualifies as a  
26 charitable contribution under subsection (c) of



1 Section 170 of the Internal Revenue Code and (ii) must,  
2 by its terms, be used for a project approved by the  
3 Department of Commerce and Economic Opportunity under  
4 Section 11 of the Illinois Enterprise Zone Act or under  
5 Section 10-10 of the River Edge Redevelopment Zone Act.  
6 This subparagraph (N) is exempt from the provisions of  
7 Section 250;

8 (O) An amount equal to: (i) 85% for taxable years  
9 ending on or before December 31, 1992, or, a percentage  
10 equal to the percentage allowable under Section  
11 243(a)(1) of the Internal Revenue Code of 1986 for  
12 taxable years ending after December 31, 1992, of the  
13 amount by which dividends included in taxable income  
14 and received from a corporation that is not created or  
15 organized under the laws of the United States or any  
16 state or political subdivision thereof, including, for  
17 taxable years ending on or after December 31, 1988,  
18 dividends received or deemed received or paid or deemed  
19 paid under Sections 951 through 964 of the Internal  
20 Revenue Code, exceed the amount of the modification  
21 provided under subparagraph (G) of paragraph (2) of  
22 this subsection (b) which is related to such dividends,  
23 and including, for taxable years ending on or after  
24 December 31, 2008, dividends received from a captive  
25 real estate investment trust; plus (ii) 100% of the  
26 amount by which dividends, included in taxable income

1 and received, including, for taxable years ending on or  
2 after December 31, 1988, dividends received or deemed  
3 received or paid or deemed paid under Sections 951  
4 through 964 of the Internal Revenue Code and including,  
5 for taxable years ending on or after December 31, 2008,  
6 dividends received from a captive real estate  
7 investment trust, from any such corporation specified  
8 in clause (i) that would but for the provisions of  
9 Section 1504 (b) (3) of the Internal Revenue Code be  
10 treated as a member of the affiliated group which  
11 includes the dividend recipient, exceed the amount of  
12 the modification provided under subparagraph (G) of  
13 paragraph (2) of this subsection (b) which is related  
14 to such dividends. This subparagraph (O) is exempt from  
15 the provisions of Section 250 of this Act;

16 (P) An amount equal to any contribution made to a  
17 job training project established pursuant to the Tax  
18 Increment Allocation Redevelopment Act;

19 (Q) An amount equal to the amount of the deduction  
20 used to compute the federal income tax credit for  
21 restoration of substantial amounts held under claim of  
22 right for the taxable year pursuant to Section 1341 of  
23 the Internal Revenue Code of 1986;

24 (R) On and after July 20, 1999, in the case of an  
25 attorney-in-fact with respect to whom an interinsurer  
26 or a reciprocal insurer has made the election under

1 Section 835 of the Internal Revenue Code, 26 U.S.C.  
2 835, an amount equal to the excess, if any, of the  
3 amounts paid or incurred by that interinsurer or  
4 reciprocal insurer in the taxable year to the  
5 attorney-in-fact over the deduction allowed to that  
6 interinsurer or reciprocal insurer with respect to the  
7 attorney-in-fact under Section 835(b) of the Internal  
8 Revenue Code for the taxable year; the provisions of  
9 this subparagraph are exempt from the provisions of  
10 Section 250;

11 (S) For taxable years ending on or after December  
12 31, 1997, in the case of a Subchapter S corporation, an  
13 amount equal to all amounts of income allocable to a  
14 shareholder subject to the Personal Property Tax  
15 Replacement Income Tax imposed by subsections (c) and  
16 (d) of Section 201 of this Act, including amounts  
17 allocable to organizations exempt from federal income  
18 tax by reason of Section 501(a) of the Internal Revenue  
19 Code. This subparagraph (S) is exempt from the  
20 provisions of Section 250;

21 (T) For taxable years 2001 and thereafter, for the  
22 taxable year in which the bonus depreciation deduction  
23 is taken on the taxpayer's federal income tax return  
24 under subsection (k) of Section 168 of the Internal  
25 Revenue Code and for each applicable taxable year  
26 thereafter, an amount equal to "x", where:

1           (1) "y" equals the amount of the depreciation  
2 deduction taken for the taxable year on the  
3 taxpayer's federal income tax return on property  
4 for which the bonus depreciation deduction was  
5 taken in any year under subsection (k) of Section  
6 168 of the Internal Revenue Code, but not including  
7 the bonus depreciation deduction;

8           (2) for taxable years ending on or before  
9 December 31, 2005, "x" equals "y" multiplied by 30  
10 and then divided by 70 (or "y" multiplied by  
11 0.429); and

12           (3) for taxable years ending after December  
13 31, 2005:

14           (i) for property on which a bonus  
15 depreciation deduction of 30% of the adjusted  
16 basis was taken, "x" equals "y" multiplied by  
17 30 and then divided by 70 (or "y" multiplied by  
18 0.429); and

19           (ii) for property on which a bonus  
20 depreciation deduction of 50% of the adjusted  
21 basis was taken, "x" equals "y" multiplied by  
22 1.0.

23           The aggregate amount deducted under this  
24 subparagraph in all taxable years for any one piece of  
25 property may not exceed the amount of the bonus  
26 depreciation deduction taken on that property on the

1 taxpayer's federal income tax return under subsection  
2 (k) of Section 168 of the Internal Revenue Code. This  
3 subparagraph (T) is exempt from the provisions of  
4 Section 250;

5 (U) If the taxpayer sells, transfers, abandons, or  
6 otherwise disposes of property for which the taxpayer  
7 was required in any taxable year to make an addition  
8 modification under subparagraph (E-10), then an amount  
9 equal to that addition modification.

10 If the taxpayer continues to own property through  
11 the last day of the last tax year for which the  
12 taxpayer may claim a depreciation deduction for  
13 federal income tax purposes and for which the taxpayer  
14 was required in any taxable year to make an addition  
15 modification under subparagraph (E-10), then an amount  
16 equal to that addition modification.

17 The taxpayer is allowed to take the deduction under  
18 this subparagraph only once with respect to any one  
19 piece of property.

20 This subparagraph (U) is exempt from the  
21 provisions of Section 250;

22 (V) The amount of: (i) any interest income (net of  
23 the deductions allocable thereto) taken into account  
24 for the taxable year with respect to a transaction with  
25 a taxpayer that is required to make an addition  
26 modification with respect to such transaction under

1           Section           203(a) (2) (D-17),           203(b) (2) (E-12),  
2           203(c) (2) (G-12), or 203(d) (2) (D-7), but not to exceed  
3           the amount of such addition modification, (ii) any  
4           income from intangible property (net of the deductions  
5           allocable thereto) taken into account for the taxable  
6           year with respect to a transaction with a taxpayer that  
7           is required to make an addition modification with  
8           respect to such transaction under Section  
9           203(a) (2) (D-18), 203(b) (2) (E-13), 203(c) (2) (G-13), or  
10          203(d) (2) (D-8), but not to exceed the amount of such  
11          addition modification, and (iii) any insurance premium  
12          income (net of deductions allocable thereto) taken  
13          into account for the taxable year with respect to a  
14          transaction with a taxpayer that is required to make an  
15          addition modification with respect to such transaction  
16          under           Section           203(a) (2) (D-19),           Section  
17          203(b) (2) (E-14), Section 203(c) (2) (G-14), or Section  
18          203(d) (2) (D-9), but not to exceed the amount of that  
19          addition modification. This subparagraph (V) is exempt  
20          from the provisions of Section 250;

21               (W) An amount equal to the interest income taken  
22               into account for the taxable year (net of the  
23               deductions allocable thereto) with respect to  
24               transactions with (i) a foreign person who would be a  
25               member of the taxpayer's unitary business group but for  
26               the fact that the foreign person's business activity

1 outside the United States is 80% or more of that  
2 person's total business activity and (ii) for taxable  
3 years ending on or after December 31, 2008, to a person  
4 who would be a member of the same unitary business  
5 group but for the fact that the person is prohibited  
6 under Section 1501(a)(27) from being included in the  
7 unitary business group because he or she is ordinarily  
8 required to apportion business income under different  
9 subsections of Section 304, but not to exceed the  
10 addition modification required to be made for the same  
11 taxable year under Section 203(b)(2)(E-12) for  
12 interest paid, accrued, or incurred, directly or  
13 indirectly, to the same person. This subparagraph (W)  
14 is exempt from the provisions of Section 250; and

15 (X) An amount equal to the income from intangible  
16 property taken into account for the taxable year (net  
17 of the deductions allocable thereto) with respect to  
18 transactions with (i) a foreign person who would be a  
19 member of the taxpayer's unitary business group but for  
20 the fact that the foreign person's business activity  
21 outside the United States is 80% or more of that  
22 person's total business activity and (ii) for taxable  
23 years ending on or after December 31, 2008, to a person  
24 who would be a member of the same unitary business  
25 group but for the fact that the person is prohibited  
26 under Section 1501(a)(27) from being included in the

1 unitary business group because he or she is ordinarily  
2 required to apportion business income under different  
3 subsections of Section 304, but not to exceed the  
4 addition modification required to be made for the same  
5 taxable year under Section 203(b)(2)(E-13) for  
6 intangible expenses and costs paid, accrued, or  
7 incurred, directly or indirectly, to the same foreign  
8 person. This subparagraph (X) is exempt from the  
9 provisions of Section 250. ~~(Y)~~

10 (3) Special rule. For purposes of paragraph (2) (A),  
11 "gross income" in the case of a life insurance company, for  
12 tax years ending on and after December 31, 1994, shall mean  
13 the gross investment income for the taxable year.

14 (c) Trusts and estates.

15 (1) In general. In the case of a trust or estate, base  
16 income means an amount equal to the taxpayer's taxable  
17 income for the taxable year as modified by paragraph (2).

18 (2) Modifications. Subject to the provisions of  
19 paragraph (3), the taxable income referred to in paragraph  
20 (1) shall be modified by adding thereto the sum of the  
21 following amounts:

22 (A) An amount equal to all amounts paid or accrued  
23 to the taxpayer as interest or dividends during the  
24 taxable year to the extent excluded from gross income  
25 in the computation of taxable income;



1           (B) In the case of (i) an estate, \$600; (ii) a  
2           trust which, under its governing instrument, is  
3           required to distribute all of its income currently,  
4           \$300; and (iii) any other trust, \$100, but in each such  
5           case, only to the extent such amount was deducted in  
6           the computation of taxable income;

7           (C) An amount equal to the amount of tax imposed by  
8           this Act to the extent deducted from gross income in  
9           the computation of taxable income for the taxable year;

10          (D) The amount of any net operating loss deduction  
11          taken in arriving at taxable income, other than a net  
12          operating loss carried forward from a taxable year  
13          ending prior to December 31, 1986;

14          (E) For taxable years in which a net operating loss  
15          carryback or carryforward from a taxable year ending  
16          prior to December 31, 1986 is an element of taxable  
17          income under paragraph (1) of subsection (e) or  
18          subparagraph (E) of paragraph (2) of subsection (e),  
19          the amount by which addition modifications other than  
20          those provided by this subparagraph (E) exceeded  
21          subtraction modifications in such taxable year, with  
22          the following limitations applied in the order that  
23          they are listed:

24                 (i) the addition modification relating to the  
25                 net operating loss carried back or forward to the  
26                 taxable year from any taxable year ending prior to

1           December 31, 1986 shall be reduced by the amount of  
2           addition modification under this subparagraph (E)  
3           which related to that net operating loss and which  
4           was taken into account in calculating the base  
5           income of an earlier taxable year, and

6           (ii) the addition modification relating to the  
7           net operating loss carried back or forward to the  
8           taxable year from any taxable year ending prior to  
9           December 31, 1986 shall not exceed the amount of  
10          such carryback or carryforward;

11          For taxable years in which there is a net operating  
12          loss carryback or carryforward from more than one other  
13          taxable year ending prior to December 31, 1986, the  
14          addition modification provided in this subparagraph  
15          (E) shall be the sum of the amounts computed  
16          independently under the preceding provisions of this  
17          subparagraph (E) for each such taxable year;

18          (F) For taxable years ending on or after January 1,  
19          1989, an amount equal to the tax deducted pursuant to  
20          Section 164 of the Internal Revenue Code if the trust  
21          or estate is claiming the same tax for purposes of the  
22          Illinois foreign tax credit under Section 601 of this  
23          Act;

24          (G) An amount equal to the amount of the capital  
25          gain deduction allowable under the Internal Revenue  
26          Code, to the extent deducted from gross income in the

1 computation of taxable income;

2 (G-5) For taxable years ending after December 31,  
3 1997, an amount equal to any eligible remediation costs  
4 that the trust or estate deducted in computing adjusted  
5 gross income and for which the trust or estate claims a  
6 credit under subsection (l) of Section 201;

7 (G-10) For taxable years 2001 and thereafter, an  
8 amount equal to the bonus depreciation deduction taken  
9 on the taxpayer's federal income tax return for the  
10 taxable year under subsection (k) of Section 168 of the  
11 Internal Revenue Code; and

12 (G-11) If the taxpayer sells, transfers, abandons,  
13 or otherwise disposes of property for which the  
14 taxpayer was required in any taxable year to make an  
15 addition modification under subparagraph (G-10), then  
16 an amount equal to the aggregate amount of the  
17 deductions taken in all taxable years under  
18 subparagraph (R) with respect to that property.

19 If the taxpayer continues to own property through  
20 the last day of the last tax year for which the  
21 taxpayer may claim a depreciation deduction for  
22 federal income tax purposes and for which the taxpayer  
23 was allowed in any taxable year to make a subtraction  
24 modification under subparagraph (R), then an amount  
25 equal to that subtraction modification.

26 The taxpayer is required to make the addition

1           modification under this subparagraph only once with  
2           respect to any one piece of property;

3           (G-12) An amount equal to the amount otherwise  
4           allowed as a deduction in computing base income for  
5           interest paid, accrued, or incurred, directly or  
6           indirectly, (i) for taxable years ending on or after  
7           December 31, 2004, to a foreign person who would be a  
8           member of the same unitary business group but for the  
9           fact that the foreign person's business activity  
10          outside the United States is 80% or more of the foreign  
11          person's total business activity and (ii) for taxable  
12          years ending on or after December 31, 2008, to a person  
13          who would be a member of the same unitary business  
14          group but for the fact that the person is prohibited  
15          under Section 1501(a)(27) from being included in the  
16          unitary business group because he or she is ordinarily  
17          required to apportion business income under different  
18          subsections of Section 304. The addition modification  
19          required by this subparagraph shall be reduced to the  
20          extent that dividends were included in base income of  
21          the unitary group for the same taxable year and  
22          received by the taxpayer or by a member of the  
23          taxpayer's unitary business group (including amounts  
24          included in gross income pursuant to Sections 951  
25          through 964 of the Internal Revenue Code and amounts  
26          included in gross income under Section 78 of the

1 Internal Revenue Code) with respect to the stock of the  
2 same person to whom the interest was paid, accrued, or  
3 incurred.

4 This paragraph shall not apply to the following:

5 (i) an item of interest paid, accrued, or  
6 incurred, directly or indirectly, to a person who  
7 is subject in a foreign country or state, other  
8 than a state which requires mandatory unitary  
9 reporting, to a tax on or measured by net income  
10 with respect to such interest; or

11 (ii) an item of interest paid, accrued, or  
12 incurred, directly or indirectly, to a person if  
13 the taxpayer can establish, based on a  
14 preponderance of the evidence, both of the  
15 following:

16 (a) the person, during the same taxable  
17 year, paid, accrued, or incurred, the interest  
18 to a person that is not a related member, and

19 (b) the transaction giving rise to the  
20 interest expense between the taxpayer and the  
21 person did not have as a principal purpose the  
22 avoidance of Illinois income tax, and is paid  
23 pursuant to a contract or agreement that  
24 reflects an arm's-length interest rate and  
25 terms; or

26 (iii) the taxpayer can establish, based on

1 clear and convincing evidence, that the interest  
2 paid, accrued, or incurred relates to a contract or  
3 agreement entered into at arm's-length rates and  
4 terms and the principal purpose for the payment is  
5 not federal or Illinois tax avoidance; or

6 (iv) an item of interest paid, accrued, or  
7 incurred, directly or indirectly, to a person if  
8 the taxpayer establishes by clear and convincing  
9 evidence that the adjustments are unreasonable; or  
10 if the taxpayer and the Director agree in writing  
11 to the application or use of an alternative method  
12 of apportionment under Section 304(f).

13 Nothing in this subsection shall preclude the  
14 Director from making any other adjustment  
15 otherwise allowed under Section 404 of this Act for  
16 any tax year beginning after the effective date of  
17 this amendment provided such adjustment is made  
18 pursuant to regulation adopted by the Department  
19 and such regulations provide methods and standards  
20 by which the Department will utilize its authority  
21 under Section 404 of this Act;

22 (G-13) An amount equal to the amount of intangible  
23 expenses and costs otherwise allowed as a deduction in  
24 computing base income, and that were paid, accrued, or  
25 incurred, directly or indirectly, (i) for taxable  
26 years ending on or after December 31, 2004, to a

1 foreign person who would be a member of the same  
2 unitary business group but for the fact that the  
3 foreign person's business activity outside the United  
4 States is 80% or more of that person's total business  
5 activity and (ii) for taxable years ending on or after  
6 December 31, 2008, to a person who would be a member of  
7 the same unitary business group but for the fact that  
8 the person is prohibited under Section 1501(a)(27)  
9 from being included in the unitary business group  
10 because he or she is ordinarily required to apportion  
11 business income under different subsections of Section  
12 304. The addition modification required by this  
13 subparagraph shall be reduced to the extent that  
14 dividends were included in base income of the unitary  
15 group for the same taxable year and received by the  
16 taxpayer or by a member of the taxpayer's unitary  
17 business group (including amounts included in gross  
18 income pursuant to Sections 951 through 964 of the  
19 Internal Revenue Code and amounts included in gross  
20 income under Section 78 of the Internal Revenue Code)  
21 with respect to the stock of the same person to whom  
22 the intangible expenses and costs were directly or  
23 indirectly paid, incurred, or accrued. The preceding  
24 sentence shall not apply to the extent that the same  
25 dividends caused a reduction to the addition  
26 modification required under Section 203(c)(2)(G-12) of

1           this Act. As used in this subparagraph, the term  
2           "intangible expenses and costs" includes: (1)  
3           expenses, losses, and costs for or related to the  
4           direct or indirect acquisition, use, maintenance or  
5           management, ownership, sale, exchange, or any other  
6           disposition of intangible property; (2) losses  
7           incurred, directly or indirectly, from factoring  
8           transactions or discounting transactions; (3) royalty,  
9           patent, technical, and copyright fees; (4) licensing  
10          fees; and (5) other similar expenses and costs. For  
11          purposes of this subparagraph, "intangible property"  
12          includes patents, patent applications, trade names,  
13          trademarks, service marks, copyrights, mask works,  
14          trade secrets, and similar types of intangible assets.

15                 This paragraph shall not apply to the following:

16                 (i) any item of intangible expenses or costs  
17                 paid, accrued, or incurred, directly or  
18                 indirectly, from a transaction with a person who is  
19                 subject in a foreign country or state, other than a  
20                 state which requires mandatory unitary reporting,  
21                 to a tax on or measured by net income with respect  
22                 to such item; or

23                 (ii) any item of intangible expense or cost  
24                 paid, accrued, or incurred, directly or  
25                 indirectly, if the taxpayer can establish, based  
26                 on a preponderance of the evidence, both of the



1 following:

2 (a) the person during the same taxable  
3 year paid, accrued, or incurred, the  
4 intangible expense or cost to a person that is  
5 not a related member, and

6 (b) the transaction giving rise to the  
7 intangible expense or cost between the  
8 taxpayer and the person did not have as a  
9 principal purpose the avoidance of Illinois  
10 income tax, and is paid pursuant to a contract  
11 or agreement that reflects arm's-length terms;  
12 or

13 (iii) any item of intangible expense or cost  
14 paid, accrued, or incurred, directly or  
15 indirectly, from a transaction with a person if the  
16 taxpayer establishes by clear and convincing  
17 evidence, that the adjustments are unreasonable;  
18 or if the taxpayer and the Director agree in  
19 writing to the application or use of an alternative  
20 method of apportionment under Section 304(f);

21 Nothing in this subsection shall preclude the  
22 Director from making any other adjustment  
23 otherwise allowed under Section 404 of this Act for  
24 any tax year beginning after the effective date of  
25 this amendment provided such adjustment is made  
26 pursuant to regulation adopted by the Department

1           and such regulations provide methods and standards  
2           by which the Department will utilize its authority  
3           under Section 404 of this Act;

4           (G-14) For taxable years ending on or after  
5           December 31, 2008, an amount equal to the amount of  
6           insurance premium expenses and costs otherwise allowed  
7           as a deduction in computing base income, and that were  
8           paid, accrued, or incurred, directly or indirectly, to  
9           a person who would be a member of the same unitary  
10          business group but for the fact that the person is  
11          prohibited under Section 1501(a)(27) from being  
12          included in the unitary business group because he or  
13          she is ordinarily required to apportion business  
14          income under different subsections of Section 304. The  
15          addition modification required by this subparagraph  
16          shall be reduced to the extent that dividends were  
17          included in base income of the unitary group for the  
18          same taxable year and received by the taxpayer or by a  
19          member of the taxpayer's unitary business group  
20          (including amounts included in gross income under  
21          Sections 951 through 964 of the Internal Revenue Code  
22          and amounts included in gross income under Section 78  
23          of the Internal Revenue Code) with respect to the stock  
24          of the same person to whom the premiums and costs were  
25          directly or indirectly paid, incurred, or accrued. The  
26          preceding sentence does not apply to the extent that

1           the same dividends caused a reduction to the addition  
2           modification required under Section 203(c)(2)(G-12) or  
3           Section 203(c)(2)(G-13) of this Act.

4           and by deducting from the total so obtained the sum of the  
5           following amounts:

6                   (H) An amount equal to all amounts included in such  
7                   total pursuant to the provisions of Sections 402(a),  
8                   402(c), 403(a), 403(b), 406(a), 407(a) and 408 of the  
9                   Internal Revenue Code or included in such total as  
10                  distributions under the provisions of any retirement  
11                  or disability plan for employees of any governmental  
12                  agency or unit, or retirement payments to retired  
13                  partners, which payments are excluded in computing net  
14                  earnings from self employment by Section 1402 of the  
15                  Internal Revenue Code and regulations adopted pursuant  
16                  thereto;

17                   (I) The valuation limitation amount;

18                   (J) An amount equal to the amount of any tax  
19                   imposed by this Act which was refunded to the taxpayer  
20                   and included in such total for the taxable year;

21                   (K) An amount equal to all amounts included in  
22                   taxable income as modified by subparagraphs (A), (B),  
23                   (C), (D), (E), (F) and (G) which are exempt from  
24                   taxation by this State either by reason of its statutes  
25                   or Constitution or by reason of the Constitution,  
26                   treaties or statutes of the United States; provided

1           that, in the case of any statute of this State that  
2           exempts income derived from bonds or other obligations  
3           from the tax imposed under this Act, the amount  
4           exempted shall be the interest net of bond premium  
5           amortization;

6           (L) With the exception of any amounts subtracted  
7           under subparagraph (K), an amount equal to the sum of  
8           all amounts disallowed as deductions by (i) Sections  
9           171(a) (2) and 265(a) (2) of the Internal Revenue Code,  
10          as now or hereafter amended, and all amounts of  
11          expenses allocable to interest and disallowed as  
12          deductions by Section 265(1) of the Internal Revenue  
13          Code of 1954, as now or hereafter amended; and (ii) for  
14          taxable years ending on or after August 13, 1999,  
15          Sections 171(a) (2), 265, 280C, and 832(b) (5) (B) (i) of  
16          the Internal Revenue Code; the provisions of this  
17          subparagraph are exempt from the provisions of Section  
18          250;

19          (M) An amount equal to those dividends included in  
20          such total which were paid by a corporation which  
21          conducts business operations in an Enterprise Zone or  
22          zones created under the Illinois Enterprise Zone Act or  
23          a River Edge Redevelopment Zone or zones created under  
24          the River Edge Redevelopment Zone Act and conducts  
25          substantially all of its operations in an Enterprise  
26          Zone or Zones or a River Edge Redevelopment Zone or

1           zones. This subparagraph (M) is exempt from the  
2           provisions of Section 250;

3           (N) An amount equal to any contribution made to a  
4           job training project established pursuant to the Tax  
5           Increment Allocation Redevelopment Act;

6           (O) An amount equal to those dividends included in  
7           such total that were paid by a corporation that  
8           conducts business operations in a federally designated  
9           Foreign Trade Zone or Sub-Zone and that is designated a  
10          High Impact Business located in Illinois; provided  
11          that dividends eligible for the deduction provided in  
12          subparagraph (M) of paragraph (2) of this subsection  
13          shall not be eligible for the deduction provided under  
14          this subparagraph (O);

15          (P) An amount equal to the amount of the deduction  
16          used to compute the federal income tax credit for  
17          restoration of substantial amounts held under claim of  
18          right for the taxable year pursuant to Section 1341 of  
19          the Internal Revenue Code of 1986;

20          (Q) For taxable year 1999 and thereafter, an amount  
21          equal to the amount of any (i) distributions, to the  
22          extent includible in gross income for federal income  
23          tax purposes, made to the taxpayer because of his or  
24          her status as a victim of persecution for racial or  
25          religious reasons by Nazi Germany or any other Axis  
26          regime or as an heir of the victim and (ii) items of

1 income, to the extent includible in gross income for  
2 federal income tax purposes, attributable to, derived  
3 from or in any way related to assets stolen from,  
4 hidden from, or otherwise lost to a victim of  
5 persecution for racial or religious reasons by Nazi  
6 Germany or any other Axis regime immediately prior to,  
7 during, and immediately after World War II, including,  
8 but not limited to, interest on the proceeds receivable  
9 as insurance under policies issued to a victim of  
10 persecution for racial or religious reasons by Nazi  
11 Germany or any other Axis regime by European insurance  
12 companies immediately prior to and during World War II;  
13 provided, however, this subtraction from federal  
14 adjusted gross income does not apply to assets acquired  
15 with such assets or with the proceeds from the sale of  
16 such assets; provided, further, this paragraph shall  
17 only apply to a taxpayer who was the first recipient of  
18 such assets after their recovery and who is a victim of  
19 persecution for racial or religious reasons by Nazi  
20 Germany or any other Axis regime or as an heir of the  
21 victim. The amount of and the eligibility for any  
22 public assistance, benefit, or similar entitlement is  
23 not affected by the inclusion of items (i) and (ii) of  
24 this paragraph in gross income for federal income tax  
25 purposes. This paragraph is exempt from the provisions  
26 of Section 250;

1           (R) For taxable years 2001 and thereafter, for the  
2 taxable year in which the bonus depreciation deduction  
3 is taken on the taxpayer's federal income tax return  
4 under subsection (k) of Section 168 of the Internal  
5 Revenue Code and for each applicable taxable year  
6 thereafter, an amount equal to "x", where:

7           (1) "y" equals the amount of the depreciation  
8 deduction taken for the taxable year on the  
9 taxpayer's federal income tax return on property  
10 for which the bonus depreciation deduction was  
11 taken in any year under subsection (k) of Section  
12 168 of the Internal Revenue Code, but not including  
13 the bonus depreciation deduction;

14           (2) for taxable years ending on or before  
15 December 31, 2005, "x" equals "y" multiplied by 30  
16 and then divided by 70 (or "y" multiplied by  
17 0.429); and

18           (3) for taxable years ending after December  
19 31, 2005:

20           (i) for property on which a bonus  
21 depreciation deduction of 30% of the adjusted  
22 basis was taken, "x" equals "y" multiplied by  
23 30 and then divided by 70 (or "y" multiplied by  
24 0.429); and

25           (ii) for property on which a bonus  
26 depreciation deduction of 50% of the adjusted

1 basis was taken, "x" equals "y" multiplied by  
2 1.0.

3 The aggregate amount deducted under this  
4 subparagraph in all taxable years for any one piece of  
5 property may not exceed the amount of the bonus  
6 depreciation deduction taken on that property on the  
7 taxpayer's federal income tax return under subsection  
8 (k) of Section 168 of the Internal Revenue Code. This  
9 subparagraph (R) is exempt from the provisions of  
10 Section 250;

11 (S) If the taxpayer sells, transfers, abandons, or  
12 otherwise disposes of property for which the taxpayer  
13 was required in any taxable year to make an addition  
14 modification under subparagraph (G-10), then an amount  
15 equal to that addition modification.

16 If the taxpayer continues to own property through  
17 the last day of the last tax year for which the  
18 taxpayer may claim a depreciation deduction for  
19 federal income tax purposes and for which the taxpayer  
20 was required in any taxable year to make an addition  
21 modification under subparagraph (G-10), then an amount  
22 equal to that addition modification.

23 The taxpayer is allowed to take the deduction under  
24 this subparagraph only once with respect to any one  
25 piece of property.

26 This subparagraph (S) is exempt from the



1 provisions of Section 250;

2 (T) The amount of (i) any interest income (net of  
3 the deductions allocable thereto) taken into account  
4 for the taxable year with respect to a transaction with  
5 a taxpayer that is required to make an addition  
6 modification with respect to such transaction under  
7 Section 203(a)(2)(D-17), 203(b)(2)(E-12),  
8 203(c)(2)(G-12), or 203(d)(2)(D-7), but not to exceed  
9 the amount of such addition modification and (ii) any  
10 income from intangible property (net of the deductions  
11 allocable thereto) taken into account for the taxable  
12 year with respect to a transaction with a taxpayer that  
13 is required to make an addition modification with  
14 respect to such transaction under Section  
15 203(a)(2)(D-18), 203(b)(2)(E-13), 203(c)(2)(G-13), or  
16 203(d)(2)(D-8), but not to exceed the amount of such  
17 addition modification. This subparagraph (T) is exempt  
18 from the provisions of Section 250;

19 (U) An amount equal to the interest income taken  
20 into account for the taxable year (net of the  
21 deductions allocable thereto) with respect to  
22 transactions with (i) a foreign person who would be a  
23 member of the taxpayer's unitary business group but for  
24 the fact the foreign person's business activity  
25 outside the United States is 80% or more of that  
26 person's total business activity and (ii) for taxable

1 years ending on or after December 31, 2008, to a person  
2 who would be a member of the same unitary business  
3 group but for the fact that the person is prohibited  
4 under Section 1501(a)(27) from being included in the  
5 unitary business group because he or she is ordinarily  
6 required to apportion business income under different  
7 subsections of Section 304, but not to exceed the  
8 addition modification required to be made for the same  
9 taxable year under Section 203(c)(2)(G-12) for  
10 interest paid, accrued, or incurred, directly or  
11 indirectly, to the same person. This subparagraph (U)  
12 is exempt from the provisions of Section 250; and

13 (V) An amount equal to the income from intangible  
14 property taken into account for the taxable year (net  
15 of the deductions allocable thereto) with respect to  
16 transactions with (i) a foreign person who would be a  
17 member of the taxpayer's unitary business group but for  
18 the fact that the foreign person's business activity  
19 outside the United States is 80% or more of that  
20 person's total business activity and (ii) for taxable  
21 years ending on or after December 31, 2008, to a person  
22 who would be a member of the same unitary business  
23 group but for the fact that the person is prohibited  
24 under Section 1501(a)(27) from being included in the  
25 unitary business group because he or she is ordinarily  
26 required to apportion business income under different

1 subsections of Section 304, but not to exceed the  
2 addition modification required to be made for the same  
3 taxable year under Section 203(c)(2)(G-13) for  
4 intangible expenses and costs paid, accrued, or  
5 incurred, directly or indirectly, to the same foreign  
6 person. This subparagraph (V) is exempt from the  
7 provisions of Section 250. ~~(W)~~

8 (3) Limitation. The amount of any modification  
9 otherwise required under this subsection shall, under  
10 regulations prescribed by the Department, be adjusted by  
11 any amounts included therein which were properly paid,  
12 credited, or required to be distributed, or permanently set  
13 aside for charitable purposes pursuant to Internal Revenue  
14 Code Section 642(c) during the taxable year.

15 (d) Partnerships.

16 (1) In general. In the case of a partnership, base  
17 income means an amount equal to the taxpayer's taxable  
18 income for the taxable year as modified by paragraph (2).

19 (2) Modifications. The taxable income referred to in  
20 paragraph (1) shall be modified by adding thereto the sum  
21 of the following amounts:

22 (A) An amount equal to all amounts paid or accrued  
23 to the taxpayer as interest or dividends during the  
24 taxable year to the extent excluded from gross income  
25 in the computation of taxable income;

1 (B) An amount equal to the amount of tax imposed by  
2 this Act to the extent deducted from gross income for  
3 the taxable year;

4 (C) The amount of deductions allowed to the  
5 partnership pursuant to Section 707 (c) of the Internal  
6 Revenue Code in calculating its taxable income;  
7 provided that no addition shall be required under this  
8 subparagraph (C) for taxable years ending on or after  
9 December 31, 2009, for deductions allowed for  
10 guaranteed payments to an individual partner for  
11 personal services by that partner;

12 (D) An amount equal to the amount of the capital  
13 gain deduction allowable under the Internal Revenue  
14 Code, to the extent deducted from gross income in the  
15 computation of taxable income;

16 (D-5) For taxable years 2001 and thereafter, an  
17 amount equal to the bonus depreciation deduction taken  
18 on the taxpayer's federal income tax return for the  
19 taxable year under subsection (k) of Section 168 of the  
20 Internal Revenue Code;

21 (D-6) If the taxpayer sells, transfers, abandons,  
22 or otherwise disposes of property for which the  
23 taxpayer was required in any taxable year to make an  
24 addition modification under subparagraph (D-5), then  
25 an amount equal to the aggregate amount of the  
26 deductions taken in all taxable years under

1           subparagraph (O) with respect to that property.

2           If the taxpayer continues to own property through  
3           the last day of the last tax year for which the  
4           taxpayer may claim a depreciation deduction for  
5           federal income tax purposes and for which the taxpayer  
6           was allowed in any taxable year to make a subtraction  
7           modification under subparagraph (O), then an amount  
8           equal to that subtraction modification.

9           The taxpayer is required to make the addition  
10          modification under this subparagraph only once with  
11          respect to any one piece of property;

12          (D-7) An amount equal to the amount otherwise  
13          allowed as a deduction in computing base income for  
14          interest paid, accrued, or incurred, directly or  
15          indirectly, (i) for taxable years ending on or after  
16          December 31, 2004, to a foreign person who would be a  
17          member of the same unitary business group but for the  
18          fact the foreign person's business activity outside  
19          the United States is 80% or more of the foreign  
20          person's total business activity and (ii) for taxable  
21          years ending on or after December 31, 2008, to a person  
22          who would be a member of the same unitary business  
23          group but for the fact that the person is prohibited  
24          under Section 1501(a)(27) from being included in the  
25          unitary business group because he or she is ordinarily  
26          required to apportion business income under different

1 subsections of Section 304. The addition modification  
2 required by this subparagraph shall be reduced to the  
3 extent that dividends were included in base income of  
4 the unitary group for the same taxable year and  
5 received by the taxpayer or by a member of the  
6 taxpayer's unitary business group (including amounts  
7 included in gross income pursuant to Sections 951  
8 through 964 of the Internal Revenue Code and amounts  
9 included in gross income under Section 78 of the  
10 Internal Revenue Code) with respect to the stock of the  
11 same person to whom the interest was paid, accrued, or  
12 incurred.

13 This paragraph shall not apply to the following:

14 (i) an item of interest paid, accrued, or  
15 incurred, directly or indirectly, to a person who  
16 is subject in a foreign country or state, other  
17 than a state which requires mandatory unitary  
18 reporting, to a tax on or measured by net income  
19 with respect to such interest; or

20 (ii) an item of interest paid, accrued, or  
21 incurred, directly or indirectly, to a person if  
22 the taxpayer can establish, based on a  
23 preponderance of the evidence, both of the  
24 following:

25 (a) the person, during the same taxable  
26 year, paid, accrued, or incurred, the interest

1 to a person that is not a related member, and

2 (b) the transaction giving rise to the  
3 interest expense between the taxpayer and the  
4 person did not have as a principal purpose the  
5 avoidance of Illinois income tax, and is paid  
6 pursuant to a contract or agreement that  
7 reflects an arm's-length interest rate and  
8 terms; or

9 (iii) the taxpayer can establish, based on  
10 clear and convincing evidence, that the interest  
11 paid, accrued, or incurred relates to a contract or  
12 agreement entered into at arm's-length rates and  
13 terms and the principal purpose for the payment is  
14 not federal or Illinois tax avoidance; or

15 (iv) an item of interest paid, accrued, or  
16 incurred, directly or indirectly, to a person if  
17 the taxpayer establishes by clear and convincing  
18 evidence that the adjustments are unreasonable; or  
19 if the taxpayer and the Director agree in writing  
20 to the application or use of an alternative method  
21 of apportionment under Section 304(f).

22 Nothing in this subsection shall preclude the  
23 Director from making any other adjustment  
24 otherwise allowed under Section 404 of this Act for  
25 any tax year beginning after the effective date of  
26 this amendment provided such adjustment is made

1           pursuant to regulation adopted by the Department  
2           and such regulations provide methods and standards  
3           by which the Department will utilize its authority  
4           under Section 404 of this Act; and

5           (D-8) An amount equal to the amount of intangible  
6           expenses and costs otherwise allowed as a deduction in  
7           computing base income, and that were paid, accrued, or  
8           incurred, directly or indirectly, (i) for taxable  
9           years ending on or after December 31, 2004, to a  
10          foreign person who would be a member of the same  
11          unitary business group but for the fact that the  
12          foreign person's business activity outside the United  
13          States is 80% or more of that person's total business  
14          activity and (ii) for taxable years ending on or after  
15          December 31, 2008, to a person who would be a member of  
16          the same unitary business group but for the fact that  
17          the person is prohibited under Section 1501(a)(27)  
18          from being included in the unitary business group  
19          because he or she is ordinarily required to apportion  
20          business income under different subsections of Section  
21          304. The addition modification required by this  
22          subparagraph shall be reduced to the extent that  
23          dividends were included in base income of the unitary  
24          group for the same taxable year and received by the  
25          taxpayer or by a member of the taxpayer's unitary  
26          business group (including amounts included in gross



1 income pursuant to Sections 951 through 964 of the  
2 Internal Revenue Code and amounts included in gross  
3 income under Section 78 of the Internal Revenue Code)  
4 with respect to the stock of the same person to whom  
5 the intangible expenses and costs were directly or  
6 indirectly paid, incurred or accrued. The preceding  
7 sentence shall not apply to the extent that the same  
8 dividends caused a reduction to the addition  
9 modification required under Section 203(d)(2)(D-7) of  
10 this Act. As used in this subparagraph, the term  
11 "intangible expenses and costs" includes (1) expenses,  
12 losses, and costs for, or related to, the direct or  
13 indirect acquisition, use, maintenance or management,  
14 ownership, sale, exchange, or any other disposition of  
15 intangible property; (2) losses incurred, directly or  
16 indirectly, from factoring transactions or discounting  
17 transactions; (3) royalty, patent, technical, and  
18 copyright fees; (4) licensing fees; and (5) other  
19 similar expenses and costs. For purposes of this  
20 subparagraph, "intangible property" includes patents,  
21 patent applications, trade names, trademarks, service  
22 marks, copyrights, mask works, trade secrets, and  
23 similar types of intangible assets;

24 This paragraph shall not apply to the following:

25 (i) any item of intangible expenses or costs  
26 paid, accrued, or incurred, directly or

1 indirectly, from a transaction with a person who is  
2 subject in a foreign country or state, other than a  
3 state which requires mandatory unitary reporting,  
4 to a tax on or measured by net income with respect  
5 to such item; or

6 (ii) any item of intangible expense or cost  
7 paid, accrued, or incurred, directly or  
8 indirectly, if the taxpayer can establish, based  
9 on a preponderance of the evidence, both of the  
10 following:

11 (a) the person during the same taxable  
12 year paid, accrued, or incurred, the  
13 intangible expense or cost to a person that is  
14 not a related member, and

15 (b) the transaction giving rise to the  
16 intangible expense or cost between the  
17 taxpayer and the person did not have as a  
18 principal purpose the avoidance of Illinois  
19 income tax, and is paid pursuant to a contract  
20 or agreement that reflects arm's-length terms;  
21 or

22 (iii) any item of intangible expense or cost  
23 paid, accrued, or incurred, directly or  
24 indirectly, from a transaction with a person if the  
25 taxpayer establishes by clear and convincing  
26 evidence, that the adjustments are unreasonable;

1           or if the taxpayer and the Director agree in  
2           writing to the application or use of an alternative  
3           method of apportionment under Section 304(f);

4           Nothing in this subsection shall preclude the  
5           Director from making any other adjustment  
6           otherwise allowed under Section 404 of this Act for  
7           any tax year beginning after the effective date of  
8           this amendment provided such adjustment is made  
9           pursuant to regulation adopted by the Department  
10          and such regulations provide methods and standards  
11          by which the Department will utilize its authority  
12          under Section 404 of this Act;

13          (D-9) For taxable years ending on or after December  
14          31, 2008, an amount equal to the amount of insurance  
15          premium expenses and costs otherwise allowed as a  
16          deduction in computing base income, and that were paid,  
17          accrued, or incurred, directly or indirectly, to a  
18          person who would be a member of the same unitary  
19          business group but for the fact that the person is  
20          prohibited under Section 1501(a)(27) from being  
21          included in the unitary business group because he or  
22          she is ordinarily required to apportion business  
23          income under different subsections of Section 304. The  
24          addition modification required by this subparagraph  
25          shall be reduced to the extent that dividends were  
26          included in base income of the unitary group for the

1 same taxable year and received by the taxpayer or by a  
2 member of the taxpayer's unitary business group  
3 (including amounts included in gross income under  
4 Sections 951 through 964 of the Internal Revenue Code  
5 and amounts included in gross income under Section 78  
6 of the Internal Revenue Code) with respect to the stock  
7 of the same person to whom the premiums and costs were  
8 directly or indirectly paid, incurred, or accrued. The  
9 preceding sentence does not apply to the extent that  
10 the same dividends caused a reduction to the addition  
11 modification required under Section 203(d)(2)(D-7) or  
12 Section 203(d)(2)(D-8) of this Act.

13 and by deducting from the total so obtained the following  
14 amounts:

15 (E) The valuation limitation amount;

16 (F) An amount equal to the amount of any tax  
17 imposed by this Act which was refunded to the taxpayer  
18 and included in such total for the taxable year;

19 (G) An amount equal to all amounts included in  
20 taxable income as modified by subparagraphs (A), (B),  
21 (C) and (D) which are exempt from taxation by this  
22 State either by reason of its statutes or Constitution  
23 or by reason of the Constitution, treaties or statutes  
24 of the United States; provided that, in the case of any  
25 statute of this State that exempts income derived from  
26 bonds or other obligations from the tax imposed under

1           this Act, the amount exempted shall be the interest net  
2           of bond premium amortization;

3           (H) For taxable years ending before December 31,  
4           2009, Any income of the partnership which constitutes  
5           personal service income as defined in Section 1348 (b)  
6           (1) of the Internal Revenue Code (as in effect December  
7           31, 1981) or a reasonable allowance for compensation  
8           paid or accrued for services rendered by partners to  
9           the partnership, whichever is greater;

10          (I) An amount equal to all amounts of income  
11          distributable to an entity subject to the Personal  
12          Property Tax Replacement Income Tax imposed by  
13          subsections (c) and (d) of Section 201 of this Act  
14          including amounts distributable to organizations  
15          exempt from federal income tax by reason of Section  
16          501(a) of the Internal Revenue Code;

17          (J) With the exception of any amounts subtracted  
18          under subparagraph (G), an amount equal to the sum of  
19          all amounts disallowed as deductions by (i) Sections  
20          171(a) (2), and 265(2) of the Internal Revenue Code of  
21          1954, as now or hereafter amended, and all amounts of  
22          expenses allocable to interest and disallowed as  
23          deductions by Section 265(1) of the Internal Revenue  
24          Code, as now or hereafter amended; and (ii) for taxable  
25          years ending on or after August 13, 1999, Sections  
26          171(a) (2), 265, 280C, and 832(b) (5) (B) (i) of the

1 Internal Revenue Code; the provisions of this  
2 subparagraph are exempt from the provisions of Section  
3 250;

4 (K) An amount equal to those dividends included in  
5 such total which were paid by a corporation which  
6 conducts business operations in an Enterprise Zone or  
7 zones created under the Illinois Enterprise Zone Act,  
8 enacted by the 82nd General Assembly, or a River Edge  
9 Redevelopment Zone or zones created under the River  
10 Edge Redevelopment Zone Act and conducts substantially  
11 all of its operations in an Enterprise Zone or Zones or  
12 from a River Edge Redevelopment Zone or zones. This  
13 subparagraph (K) is exempt from the provisions of  
14 Section 250;

15 (L) An amount equal to any contribution made to a  
16 job training project established pursuant to the Real  
17 Property Tax Increment Allocation Redevelopment Act;

18 (M) An amount equal to those dividends included in  
19 such total that were paid by a corporation that  
20 conducts business operations in a federally designated  
21 Foreign Trade Zone or Sub-Zone and that is designated a  
22 High Impact Business located in Illinois; provided  
23 that dividends eligible for the deduction provided in  
24 subparagraph (K) of paragraph (2) of this subsection  
25 shall not be eligible for the deduction provided under  
26 this subparagraph (M);

1           (N) An amount equal to the amount of the deduction  
2           used to compute the federal income tax credit for  
3           restoration of substantial amounts held under claim of  
4           right for the taxable year pursuant to Section 1341 of  
5           the Internal Revenue Code of 1986;

6           (O) For taxable years 2001 and thereafter, for the  
7           taxable year in which the bonus depreciation deduction  
8           is taken on the taxpayer's federal income tax return  
9           under subsection (k) of Section 168 of the Internal  
10          Revenue Code and for each applicable taxable year  
11          thereafter, an amount equal to "x", where:

12                 (1) "y" equals the amount of the depreciation  
13                 deduction taken for the taxable year on the  
14                 taxpayer's federal income tax return on property  
15                 for which the bonus depreciation deduction was  
16                 taken in any year under subsection (k) of Section  
17                 168 of the Internal Revenue Code, but not including  
18                 the bonus depreciation deduction;

19                 (2) for taxable years ending on or before  
20                 December 31, 2005, "x" equals "y" multiplied by 30  
21                 and then divided by 70 (or "y" multiplied by  
22                 0.429); and

23                 (3) for taxable years ending after December  
24                 31, 2005:

25                         (i) for property on which a bonus  
26                         depreciation deduction of 30% of the adjusted

1 basis was taken, "x" equals "y" multiplied by  
2 30 and then divided by 70 (or "y" multiplied by  
3 0.429); and

4 (ii) for property on which a bonus  
5 depreciation deduction of 50% of the adjusted  
6 basis was taken, "x" equals "y" multiplied by  
7 1.0.

8 The aggregate amount deducted under this  
9 subparagraph in all taxable years for any one piece of  
10 property may not exceed the amount of the bonus  
11 depreciation deduction taken on that property on the  
12 taxpayer's federal income tax return under subsection  
13 (k) of Section 168 of the Internal Revenue Code. This  
14 subparagraph (O) is exempt from the provisions of  
15 Section 250;

16 (P) If the taxpayer sells, transfers, abandons, or  
17 otherwise disposes of property for which the taxpayer  
18 was required in any taxable year to make an addition  
19 modification under subparagraph (D-5), then an amount  
20 equal to that addition modification.

21 If the taxpayer continues to own property through  
22 the last day of the last tax year for which the  
23 taxpayer may claim a depreciation deduction for  
24 federal income tax purposes and for which the taxpayer  
25 was required in any taxable year to make an addition  
26 modification under subparagraph (D-5), then an amount



1 equal to that addition modification.

2 The taxpayer is allowed to take the deduction under  
3 this subparagraph only once with respect to any one  
4 piece of property.

5 This subparagraph (P) is exempt from the  
6 provisions of Section 250;

7 (Q) The amount of (i) any interest income (net of  
8 the deductions allocable thereto) taken into account  
9 for the taxable year with respect to a transaction with  
10 a taxpayer that is required to make an addition  
11 modification with respect to such transaction under  
12 Section 203(a)(2)(D-17), 203(b)(2)(E-12),  
13 203(c)(2)(G-12), or 203(d)(2)(D-7), but not to exceed  
14 the amount of such addition modification and (ii) any  
15 income from intangible property (net of the deductions  
16 allocable thereto) taken into account for the taxable  
17 year with respect to a transaction with a taxpayer that  
18 is required to make an addition modification with  
19 respect to such transaction under Section  
20 203(a)(2)(D-18), 203(b)(2)(E-13), 203(c)(2)(G-13), or  
21 203(d)(2)(D-8), but not to exceed the amount of such  
22 addition modification. This subparagraph (Q) is exempt  
23 from Section 250;

24 (R) An amount equal to the interest income taken  
25 into account for the taxable year (net of the  
26 deductions allocable thereto) with respect to

1 transactions with (i) a foreign person who would be a  
2 member of the taxpayer's unitary business group but for  
3 the fact that the foreign person's business activity  
4 outside the United States is 80% or more of that  
5 person's total business activity and (ii) for taxable  
6 years ending on or after December 31, 2008, to a person  
7 who would be a member of the same unitary business  
8 group but for the fact that the person is prohibited  
9 under Section 1501(a)(27) from being included in the  
10 unitary business group because he or she is ordinarily  
11 required to apportion business income under different  
12 subsections of Section 304, but not to exceed the  
13 addition modification required to be made for the same  
14 taxable year under Section 203(d)(2)(D-7) for interest  
15 paid, accrued, or incurred, directly or indirectly, to  
16 the same person. This subparagraph (R) is exempt from  
17 Section 250; and

18 (S) An amount equal to the income from intangible  
19 property taken into account for the taxable year (net  
20 of the deductions allocable thereto) with respect to  
21 transactions with (i) a foreign person who would be a  
22 member of the taxpayer's unitary business group but for  
23 the fact that the foreign person's business activity  
24 outside the United States is 80% or more of that  
25 person's total business activity and (ii) for taxable  
26 years ending on or after December 31, 2008, to a person

1           who would be a member of the same unitary business  
2           group but for the fact that the person is prohibited  
3           under Section 1501(a)(27) from being included in the  
4           unitary business group because he or she is ordinarily  
5           required to apportion business income under different  
6           subsections of Section 304, but not to exceed the  
7           addition modification required to be made for the same  
8           taxable year under Section 203(d)(2)(D-8) for  
9           intangible expenses and costs paid, accrued, or  
10          incurred, directly or indirectly, to the same person.  
11          This subparagraph (S) is exempt from Section 250. ~~(T)~~

12          (e) Gross income; adjusted gross income; taxable income.

13           (1) In general. Subject to the provisions of paragraph  
14          (2) and subsection (b) (3), for purposes of this Section  
15          and Section 803(e), a taxpayer's gross income, adjusted  
16          gross income, or taxable income for the taxable year shall  
17          mean the amount of gross income, adjusted gross income or  
18          taxable income properly reportable for federal income tax  
19          purposes for the taxable year under the provisions of the  
20          Internal Revenue Code. Taxable income may be less than  
21          zero. However, for taxable years ending on or after  
22          December 31, 1986, net operating loss carryforwards from  
23          taxable years ending prior to December 31, 1986, may not  
24          exceed the sum of federal taxable income for the taxable  
25          year before net operating loss deduction, plus the excess

1 of addition modifications over subtraction modifications  
2 for the taxable year. For taxable years ending prior to  
3 December 31, 1986, taxable income may never be an amount in  
4 excess of the net operating loss for the taxable year as  
5 defined in subsections (c) and (d) of Section 172 of the  
6 Internal Revenue Code, provided that when taxable income of  
7 a corporation (other than a Subchapter S corporation),  
8 trust, or estate is less than zero and addition  
9 modifications, other than those provided by subparagraph  
10 (E) of paragraph (2) of subsection (b) for corporations or  
11 subparagraph (E) of paragraph (2) of subsection (c) for  
12 trusts and estates, exceed subtraction modifications, an  
13 addition modification must be made under those  
14 subparagraphs for any other taxable year to which the  
15 taxable income less than zero (net operating loss) is  
16 applied under Section 172 of the Internal Revenue Code or  
17 under subparagraph (E) of paragraph (2) of this subsection  
18 (e) applied in conjunction with Section 172 of the Internal  
19 Revenue Code.

20 (2) Special rule. For purposes of paragraph (1) of this  
21 subsection, the taxable income properly reportable for  
22 federal income tax purposes shall mean:

23 (A) Certain life insurance companies. In the case  
24 of a life insurance company subject to the tax imposed  
25 by Section 801 of the Internal Revenue Code, life  
26 insurance company taxable income, plus the amount of

1 distribution from pre-1984 policyholder surplus  
2 accounts as calculated under Section 815a of the  
3 Internal Revenue Code;

4 (B) Certain other insurance companies. In the case  
5 of mutual insurance companies subject to the tax  
6 imposed by Section 831 of the Internal Revenue Code,  
7 insurance company taxable income;

8 (C) Regulated investment companies. In the case of  
9 a regulated investment company subject to the tax  
10 imposed by Section 852 of the Internal Revenue Code,  
11 investment company taxable income;

12 (D) Real estate investment trusts. In the case of a  
13 real estate investment trust subject to the tax imposed  
14 by Section 857 of the Internal Revenue Code, real  
15 estate investment trust taxable income;

16 (E) Consolidated corporations. In the case of a  
17 corporation which is a member of an affiliated group of  
18 corporations filing a consolidated income tax return  
19 for the taxable year for federal income tax purposes,  
20 taxable income determined as if such corporation had  
21 filed a separate return for federal income tax purposes  
22 for the taxable year and each preceding taxable year  
23 for which it was a member of an affiliated group. For  
24 purposes of this subparagraph, the taxpayer's separate  
25 taxable income shall be determined as if the election  
26 provided by Section 243(b) (2) of the Internal Revenue

1 Code had been in effect for all such years;

2 (F) Cooperatives. In the case of a cooperative  
3 corporation or association, the taxable income of such  
4 organization determined in accordance with the  
5 provisions of Section 1381 through 1388 of the Internal  
6 Revenue Code;

7 (G) Subchapter S corporations. In the case of: (i)  
8 a Subchapter S corporation for which there is in effect  
9 an election for the taxable year under Section 1362 of  
10 the Internal Revenue Code, the taxable income of such  
11 corporation determined in accordance with Section  
12 1363(b) of the Internal Revenue Code, except that  
13 taxable income shall take into account those items  
14 which are required by Section 1363(b)(1) of the  
15 Internal Revenue Code to be separately stated; and (ii)  
16 a Subchapter S corporation for which there is in effect  
17 a federal election to opt out of the provisions of the  
18 Subchapter S Revision Act of 1982 and have applied  
19 instead the prior federal Subchapter S rules as in  
20 effect on July 1, 1982, the taxable income of such  
21 corporation determined in accordance with the federal  
22 Subchapter S rules as in effect on July 1, 1982; and

23 (H) Partnerships. In the case of a partnership,  
24 taxable income determined in accordance with Section  
25 703 of the Internal Revenue Code, except that taxable  
26 income shall take into account those items which are

1           required by Section 703(a)(1) to be separately stated  
2           but which would be taken into account by an individual  
3           in calculating his taxable income.

4           (3) Recapture of business expenses on disposition of  
5           asset or business. Notwithstanding any other law to the  
6           contrary, if in prior years income from an asset or  
7           business has been classified as business income and in a  
8           later year is demonstrated to be non-business income, then  
9           all expenses, without limitation, deducted in such later  
10          year and in the 2 immediately preceding taxable years  
11          related to that asset or business that generated the  
12          non-business income shall be added back and recaptured as  
13          business income in the year of the disposition of the asset  
14          or business. Such amount shall be apportioned to Illinois  
15          using the greater of the apportionment fraction computed  
16          for the business under Section 304 of this Act for the  
17          taxable year or the average of the apportionment fractions  
18          computed for the business under Section 304 of this Act for  
19          the taxable year and for the 2 immediately preceding  
20          taxable years.

21          (f) Valuation limitation amount.

22                 (1) In general. The valuation limitation amount  
23                 referred to in subsections (a) (2) (G), (c) (2) (I) and  
24                 (d) (2) (E) is an amount equal to:

25                         (A) The sum of the pre-August 1, 1969 appreciation

1 amounts (to the extent consisting of gain reportable  
2 under the provisions of Section 1245 or 1250 of the  
3 Internal Revenue Code) for all property in respect of  
4 which such gain was reported for the taxable year; plus

5 (B) The lesser of (i) the sum of the pre-August 1,  
6 1969 appreciation amounts (to the extent consisting of  
7 capital gain) for all property in respect of which such  
8 gain was reported for federal income tax purposes for  
9 the taxable year, or (ii) the net capital gain for the  
10 taxable year, reduced in either case by any amount of  
11 such gain included in the amount determined under  
12 subsection (a) (2) (F) or (c) (2) (H).

13 (2) Pre-August 1, 1969 appreciation amount.

14 (A) If the fair market value of property referred  
15 to in paragraph (1) was readily ascertainable on August  
16 1, 1969, the pre-August 1, 1969 appreciation amount for  
17 such property is the lesser of (i) the excess of such  
18 fair market value over the taxpayer's basis (for  
19 determining gain) for such property on that date  
20 (determined under the Internal Revenue Code as in  
21 effect on that date), or (ii) the total gain realized  
22 and reportable for federal income tax purposes in  
23 respect of the sale, exchange or other disposition of  
24 such property.

25 (B) If the fair market value of property referred  
26 to in paragraph (1) was not readily ascertainable on



1 August 1, 1969, the pre-August 1, 1969 appreciation  
2 amount for such property is that amount which bears the  
3 same ratio to the total gain reported in respect of the  
4 property for federal income tax purposes for the  
5 taxable year, as the number of full calendar months in  
6 that part of the taxpayer's holding period for the  
7 property ending July 31, 1969 bears to the number of  
8 full calendar months in the taxpayer's entire holding  
9 period for the property.

10 (C) The Department shall prescribe such  
11 regulations as may be necessary to carry out the  
12 purposes of this paragraph.

13 (g) Double deductions. Unless specifically provided  
14 otherwise, nothing in this Section shall permit the same item  
15 to be deducted more than once.

16 (h) Legislative intention. Except as expressly provided by  
17 this Section there shall be no modifications or limitations on  
18 the amounts of income, gain, loss or deduction taken into  
19 account in determining gross income, adjusted gross income or  
20 taxable income for federal income tax purposes for the taxable  
21 year, or in the amount of such items entering into the  
22 computation of base income and net income under this Act for  
23 such taxable year, whether in respect of property values as of  
24 August 1, 1969 or otherwise.

1 (Source: P.A. 94-776, eff. 5-19-06; 94-789, eff. 5-19-06;  
2 94-1021, eff. 7-12-06; 94-1074, eff. 12-26-06; 95-23, eff.  
3 8-3-07; 95-233, eff. 8-16-07; 95-286, eff. 8-20-07; 95-331,  
4 eff. 8-21-07; 95-707, eff. 1-11-08; 95-876, eff. 8-21-08;  
5 revised 10-15-08.)

6 (35 ILCS 5/901) (from Ch. 120, par. 9-901)

7 Sec. 901. Collection Authority.

8 (a) In general.

9 The Department shall collect the taxes imposed by this Act.  
10 The Department shall collect certified past due child support  
11 amounts under Section 2505-650 of the Department of Revenue Law  
12 (20 ILCS 2505/2505-650). Except as provided in subsections (c)  
13 and (e) of this Section, money collected pursuant to  
14 subsections (a) and (b) of Section 201 of this Act shall be  
15 paid into the General Revenue Fund in the State treasury; money  
16 collected pursuant to subsections (c) and (d) of Section 201 of  
17 this Act shall be paid into the Personal Property Tax  
18 Replacement Fund, a special fund in the State Treasury; and  
19 money collected under Section 2505-650 of the Department of  
20 Revenue Law (20 ILCS 2505/2505-650) shall be paid into the  
21 Child Support Enforcement Trust Fund, a special fund outside  
22 the State Treasury, or to the State Disbursement Unit  
23 established under Section 10-26 of the Illinois Public Aid  
24 Code, as directed by the Department of Healthcare and Family  
25 Services.

1 (b) Local Government ~~Governmental~~ Distributive Fund.

2 Beginning August 1, 1969, and continuing through June 30,  
3 1994, the Treasurer shall transfer each month from the General  
4 Revenue Fund to a special fund in the State treasury, to be  
5 known as the "Local Government Distributive Fund", an amount  
6 equal to 1/12 of the net revenue realized from the tax imposed  
7 by subsections (a) and (b) of Section 201 of this Act during  
8 the preceding month. Beginning July 1, 1994, and continuing  
9 through June 30, 1995, the Treasurer shall transfer each month  
10 from the General Revenue Fund to the Local Government  
11 Distributive Fund an amount equal to 1/11 of the net revenue  
12 realized from the tax imposed by subsections (a) and (b) of  
13 Section 201 of this Act during the preceding month. Beginning  
14 July 1, 1995, the Treasurer shall transfer each month from the  
15 General Revenue Fund to the Local Government Distributive Fund  
16 an amount equal to the net of (i) 1/10 of the net revenue  
17 realized from the tax imposed by subsections (a) and (b) of  
18 Section 201 of the Illinois Income Tax Act during the preceding  
19 month (ii) minus, beginning July 1, 2003 and ending June 30,  
20 2004, \$6,666,666, and beginning July 1, 2004, zero. Net revenue  
21 realized for a month shall be defined as the revenue from the  
22 tax imposed by subsections (a) and (b) of Section 201 of this  
23 Act which is deposited in the General Revenue Fund, the  
24 Educational Assistance Fund and the Income Tax Surcharge Local  
25 Government Distributive Fund during the month minus the amount  
26 paid out of the General Revenue Fund in State warrants during

1 that same month as refunds to taxpayers for overpayment of  
2 liability under the tax imposed by subsections (a) and (b) of  
3 Section 201 of this Act.

4 (c) Deposits Into Income Tax Refund Fund.

5 (1) Beginning on January 1, 1989 and thereafter, the  
6 Department shall deposit a percentage of the amounts  
7 collected pursuant to subsections (a) and (b) (1), (2), and  
8 (3), of Section 201 of this Act into a fund in the State  
9 treasury known as the Income Tax Refund Fund. The  
10 Department shall deposit 6% of such amounts during the  
11 period beginning January 1, 1989 and ending on June 30,  
12 1989. Beginning with State fiscal year 1990 and for each  
13 fiscal year thereafter, the percentage deposited into the  
14 Income Tax Refund Fund during a fiscal year shall be the  
15 Annual Percentage. For fiscal years 1999 through 2001, the  
16 Annual Percentage shall be 7.1%. For fiscal year 2003, the  
17 Annual Percentage shall be 8%. For fiscal year 2004, the  
18 Annual Percentage shall be 11.7%. Upon the effective date  
19 of this amendatory Act of the 93rd General Assembly, the  
20 Annual Percentage shall be 10% for fiscal year 2005. For  
21 fiscal year 2006, the Annual Percentage shall be 9.75%. For  
22 fiscal year 2007, the Annual Percentage shall be 9.75%. For  
23 fiscal year 2008, the Annual Percentage shall be 7.75%. For  
24 fiscal year 2009, the Annual Percentage shall be 9.75%. For  
25 fiscal year 2010, the Annual Percentage shall be 9.75%. For  
26 all other fiscal years, the Annual Percentage shall be

1           calculated as a fraction, the numerator of which shall be  
2           the amount of refunds approved for payment by the  
3           Department during the preceding fiscal year as a result of  
4           overpayment of tax liability under subsections (a) and  
5           (b) (1), (2), and (3) of Section 201 of this Act plus the  
6           amount of such refunds remaining approved but unpaid at the  
7           end of the preceding fiscal year, minus the amounts  
8           transferred into the Income Tax Refund Fund from the  
9           Tobacco Settlement Recovery Fund, and the denominator of  
10          which shall be the amounts which will be collected pursuant  
11          to subsections (a) and (b) (1), (2), and (3) of Section 201  
12          of this Act during the preceding fiscal year; except that  
13          in State fiscal year 2002, the Annual Percentage shall in  
14          no event exceed 7.6%. The Director of Revenue shall certify  
15          the Annual Percentage to the Comptroller on the last  
16          business day of the fiscal year immediately preceding the  
17          fiscal year for which it is to be effective.

18               (2) Beginning on January 1, 1989 and thereafter, the  
19               Department shall deposit a percentage of the amounts  
20               collected pursuant to subsections (a) and (b) (6), (7), and  
21               (8), (c) and (d) of Section 201 of this Act into a fund in  
22               the State treasury known as the Income Tax Refund Fund. The  
23               Department shall deposit 18% of such amounts during the  
24               period beginning January 1, 1989 and ending on June 30,  
25               1989. Beginning with State fiscal year 1990 and for each  
26               fiscal year thereafter, the percentage deposited into the

1       Income Tax Refund Fund during a fiscal year shall be the  
2       Annual Percentage. For fiscal years 1999, 2000, and 2001,  
3       the Annual Percentage shall be 19%. For fiscal year 2003,  
4       the Annual Percentage shall be 27%. For fiscal year 2004,  
5       the Annual Percentage shall be 32%. Upon the effective date  
6       of this amendatory Act of the 93rd General Assembly, the  
7       Annual Percentage shall be 24% for fiscal year 2005. For  
8       fiscal year 2006, the Annual Percentage shall be 20%. For  
9       fiscal year 2007, the Annual Percentage shall be 17.5%. For  
10      fiscal year 2008, the Annual Percentage shall be 15.5%. For  
11      fiscal year 2009, the Annual Percentage shall be 17.5%. For  
12      fiscal year 2010, the Annual Percentage shall be 17.5%. For  
13      all other fiscal years, the Annual Percentage shall be  
14      calculated as a fraction, the numerator of which shall be  
15      the amount of refunds approved for payment by the  
16      Department during the preceding fiscal year as a result of  
17      overpayment of tax liability under subsections (a) and  
18      (b)(6), (7), and (8), (c) and (d) of Section 201 of this  
19      Act plus the amount of such refunds remaining approved but  
20      unpaid at the end of the preceding fiscal year, and the  
21      denominator of which shall be the amounts which will be  
22      collected pursuant to subsections (a) and (b)(6), (7), and  
23      (8), (c) and (d) of Section 201 of this Act during the  
24      preceding fiscal year; except that in State fiscal year  
25      2002, the Annual Percentage shall in no event exceed 23%.  
26      The Director of Revenue shall certify the Annual Percentage

1 to the Comptroller on the last business day of the fiscal  
2 year immediately preceding the fiscal year for which it is  
3 to be effective.

4 (3) The Comptroller shall order transferred and the  
5 Treasurer shall transfer from the Tobacco Settlement  
6 Recovery Fund to the Income Tax Refund Fund (i) \$35,000,000  
7 in January, 2001, (ii) \$35,000,000 in January, 2002, and  
8 (iii) \$35,000,000 in January, 2003.

9 (d) Expenditures from Income Tax Refund Fund.

10 (1) Beginning January 1, 1989, money in the Income Tax  
11 Refund Fund shall be expended exclusively for the purpose  
12 of paying refunds resulting from overpayment of tax  
13 liability under Section 201 of this Act, for paying rebates  
14 under Section 208.1 in the event that the amounts in the  
15 Homeowners' Tax Relief Fund are insufficient for that  
16 purpose, and for making transfers pursuant to this  
17 subsection (d).

18 (2) The Director shall order payment of refunds  
19 resulting from overpayment of tax liability under Section  
20 201 of this Act from the Income Tax Refund Fund only to the  
21 extent that amounts collected pursuant to Section 201 of  
22 this Act and transfers pursuant to this subsection (d) and  
23 item (3) of subsection (c) have been deposited and retained  
24 in the Fund.

25 (3) As soon as possible after the end of each fiscal  
26 year, the Director shall order transferred and the State

1           Treasurer and State Comptroller shall transfer from the  
2           Income Tax Refund Fund to the Personal Property Tax  
3           Replacement Fund an amount, certified by the Director to  
4           the Comptroller, equal to the excess of the amount  
5           collected pursuant to subsections (c) and (d) of Section  
6           201 of this Act deposited into the Income Tax Refund Fund  
7           during the fiscal year over the amount of refunds resulting  
8           from overpayment of tax liability under subsections (c) and  
9           (d) of Section 201 of this Act paid from the Income Tax  
10          Refund Fund during the fiscal year.

11           (4) As soon as possible after the end of each fiscal  
12          year, the Director shall order transferred and the State  
13          Treasurer and State Comptroller shall transfer from the  
14          Personal Property Tax Replacement Fund to the Income Tax  
15          Refund Fund an amount, certified by the Director to the  
16          Comptroller, equal to the excess of the amount of refunds  
17          resulting from overpayment of tax liability under  
18          subsections (c) and (d) of Section 201 of this Act paid  
19          from the Income Tax Refund Fund during the fiscal year over  
20          the amount collected pursuant to subsections (c) and (d) of  
21          Section 201 of this Act deposited into the Income Tax  
22          Refund Fund during the fiscal year.

23           (4.5) As soon as possible after the end of fiscal year  
24          1999 and of each fiscal year thereafter, the Director shall  
25          order transferred and the State Treasurer and State  
26          Comptroller shall transfer from the Income Tax Refund Fund



1 to the General Revenue Fund any surplus remaining in the  
2 Income Tax Refund Fund as of the end of such fiscal year;  
3 excluding for fiscal years 2000, 2001, and 2002 amounts  
4 attributable to transfers under item (3) of subsection (c)  
5 less refunds resulting from the earned income tax credit.

6 (5) This Act shall constitute an irrevocable and  
7 continuing appropriation from the Income Tax Refund Fund  
8 for the purpose of paying refunds upon the order of the  
9 Director in accordance with the provisions of this Section.

10 (e) Deposits into the Education Assistance Fund and the  
11 Income Tax Surcharge Local Government Distributive Fund.

12 On July 1, 1991, and thereafter, of the amounts collected  
13 pursuant to subsections (a) and (b) of Section 201 of this Act,  
14 minus deposits into the Income Tax Refund Fund, the Department  
15 shall deposit 7.3% into the Education Assistance Fund in the  
16 State Treasury. Beginning July 1, 1991, and continuing through  
17 January 31, 1993, of the amounts collected pursuant to  
18 subsections (a) and (b) of Section 201 of the Illinois Income  
19 Tax Act, minus deposits into the Income Tax Refund Fund, the  
20 Department shall deposit 3.0% into the Income Tax Surcharge  
21 Local Government Distributive Fund in the State Treasury.  
22 Beginning February 1, 1993 and continuing through June 30,  
23 1993, of the amounts collected pursuant to subsections (a) and  
24 (b) of Section 201 of the Illinois Income Tax Act, minus  
25 deposits into the Income Tax Refund Fund, the Department shall  
26 deposit 4.4% into the Income Tax Surcharge Local Government

1 Distributive Fund in the State Treasury. Beginning July 1,  
2 1993, and continuing through June 30, 1994, of the amounts  
3 collected under subsections (a) and (b) of Section 201 of this  
4 Act, minus deposits into the Income Tax Refund Fund, the  
5 Department shall deposit 1.475% into the Income Tax Surcharge  
6 Local Government Distributive Fund in the State Treasury.  
7 (Source: P.A. 94-91, eff. 7-1-05; 94-839, eff. 6-6-06; 95-707,  
8 eff. 1-11-08; 95-744, eff. 7-18-08; revised 10-23-08.)

9 Section 5-50. The Motor Fuel Tax Law is amended by changing  
10 Section 8 as follows:

11 (35 ILCS 505/8) (from Ch. 120, par. 424)

12 Sec. 8. Except as provided in Section 8a, subdivision  
13 (h) (1) of Section 12a, Section 13a.6, and items 13, 14, 15, and  
14 16 of Section 15, all money received by the Department under  
15 this Act, including payments made to the Department by member  
16 jurisdictions participating in the International Fuel Tax  
17 Agreement, shall be deposited in a special fund in the State  
18 treasury, to be known as the "Motor Fuel Tax Fund", and shall  
19 be used as follows:

20 (a) 2 1/2 cents per gallon of the tax collected on special  
21 fuel under paragraph (b) of Section 2 and Section 13a of this  
22 Act shall be transferred to the State Construction Account Fund  
23 in the State Treasury;

24 (b) \$420,000 shall be transferred each month to the State

1 Boating Act Fund to be used by the Department of Natural  
2 Resources for the purposes specified in Article X of the Boat  
3 Registration and Safety Act;

4 (c) \$2,250,000 shall be transferred each month to the Grade  
5 Crossing Protection Fund to be used as follows: not less than  
6 \$6,000,000 each fiscal year shall be used for the construction  
7 or reconstruction of rail highway grade separation structures;  
8 \$2,250,000 in fiscal year 2004 and each fiscal year thereafter  
9 shall be transferred to the Transportation Regulatory Fund and  
10 shall be accounted for as part of the rail carrier portion of  
11 such funds and shall be used to pay the cost of administration  
12 of the Illinois Commerce Commission's railroad safety program  
13 in connection with its duties under subsection (3) of Section  
14 18c-7401 of the Illinois Vehicle Code, with the remainder to be  
15 used by the Department of Transportation upon order of the  
16 Illinois Commerce Commission, to pay that part of the cost  
17 apportioned by such Commission to the State to cover the  
18 interest of the public in the use of highways, roads, streets,  
19 or pedestrian walkways in the county highway system, township  
20 and district road system, or municipal street system as defined  
21 in the Illinois Highway Code, as the same may from time to time  
22 be amended, for separation of grades, for installation,  
23 construction or reconstruction of crossing protection or  
24 reconstruction, alteration, relocation including construction  
25 or improvement of any existing highway necessary for access to  
26 property or improvement of any grade crossing including the

1 necessary highway approaches thereto of any railroad across the  
2 highway or public road, or for the installation, construction,  
3 reconstruction, or maintenance of a pedestrian walkway over or  
4 under a railroad right-of-way, as provided for in and in  
5 accordance with Section 18c-7401 of the Illinois Vehicle Code.  
6 The Commission shall not order more than \$2,000,000 per year in  
7 Grade Crossing Protection Fund moneys for pedestrian walkways.  
8 In entering orders for projects for which payments from the  
9 Grade Crossing Protection Fund will be made, the Commission  
10 shall account for expenditures authorized by the orders on a  
11 cash rather than an accrual basis. For purposes of this  
12 requirement an "accrual basis" assumes that the total cost of  
13 the project is expended in the fiscal year in which the order  
14 is entered, while a "cash basis" allocates the cost of the  
15 project among fiscal years as expenditures are actually made.  
16 To meet the requirements of this subsection, the Illinois  
17 Commerce Commission shall develop annual and 5-year project  
18 plans of rail crossing capital improvements that will be paid  
19 for with moneys from the Grade Crossing Protection Fund. The  
20 annual project plan shall identify projects for the succeeding  
21 fiscal year and the 5-year project plan shall identify projects  
22 for the 5 directly succeeding fiscal years. The Commission  
23 shall submit the annual and 5-year project plans for this Fund  
24 to the Governor, the President of the Senate, the Senate  
25 Minority Leader, the Speaker of the House of Representatives,  
26 and the Minority Leader of the House of Representatives on the

1 first Wednesday in April of each year;

2 (d) of the amount remaining after allocations provided for  
3 in subsections (a), (b) and (c), a sufficient amount shall be  
4 reserved to pay all of the following:

5 (1) the costs of the Department of Revenue in  
6 administering this Act;

7 (2) the costs of the Department of Transportation in  
8 performing its duties imposed by the Illinois Highway Code  
9 for supervising the use of motor fuel tax funds apportioned  
10 to municipalities, counties and road districts;

11 (3) refunds provided for in Section 13 of this Act and  
12 under the terms of the International Fuel Tax Agreement  
13 referenced in Section 14a;

14 (4) from October 1, 1985 until June 30, 1994, the  
15 administration of the Vehicle Emissions Inspection Law,  
16 which amount shall be certified monthly by the  
17 Environmental Protection Agency to the State Comptroller  
18 and shall promptly be transferred by the State Comptroller  
19 and Treasurer from the Motor Fuel Tax Fund to the Vehicle  
20 Inspection Fund, and for the period July 1, 1994 through  
21 June 30, 2000, one-twelfth of \$25,000,000 each month, for  
22 the period July 1, 2000 through June 30, 2003, one-twelfth  
23 of \$30,000,000 each month, and \$15,000,000 on July 1, 2003,  
24 and \$15,000,000 on January 1, 2004, and \$15,000,000 on each  
25 July 1 and October 1, or as soon thereafter as may be  
26 practical, during the period July 1, 2004 through June 30,

1           2010 ~~2009~~, for the administration of the Vehicle Emissions  
2           Inspection Law of 2005, to be transferred by the State  
3           Comptroller and Treasurer from the Motor Fuel Tax Fund into  
4           the Vehicle Inspection Fund;

5           (5) amounts ordered paid by the Court of Claims; and

6           (6) payment of motor fuel use taxes due to member  
7           jurisdictions under the terms of the International Fuel Tax  
8           Agreement. The Department shall certify these amounts to  
9           the Comptroller by the 15th day of each month; the  
10          Comptroller shall cause orders to be drawn for such  
11          amounts, and the Treasurer shall administer those amounts  
12          on or before the last day of each month;

13          (e) after allocations for the purposes set forth in  
14          subsections (a), (b), (c) and (d), the remaining amount shall  
15          be apportioned as follows:

16               (1) Until January 1, 2000, 58.4%, and beginning January  
17               1, 2000, 45.6% shall be deposited as follows:

18                       (A) 37% into the State Construction Account Fund,  
19                       and

20                       (B) 63% into the Road Fund, \$1,250,000 of which  
21                       shall be reserved each month for the Department of  
22                       Transportation to be used in accordance with the  
23                       provisions of Sections 6-901 through 6-906 of the  
24                       Illinois Highway Code;

25               (2) Until January 1, 2000, 41.6%, and beginning January  
26               1, 2000, 54.4% shall be transferred to the Department of

1           Transportation to be distributed as follows:

2                   (A) 49.10% to the municipalities of the State,

3                   (B) 16.74% to the counties of the State having  
4           1,000,000 or more inhabitants,

5                   (C) 18.27% to the counties of the State having less  
6           than 1,000,000 inhabitants,

7                   (D) 15.89% to the road districts of the State.

8           As soon as may be after the first day of each month the  
9   Department of Transportation shall allot to each municipality  
10   its share of the amount apportioned to the several  
11   municipalities which shall be in proportion to the population  
12   of such municipalities as determined by the last preceding  
13   municipal census if conducted by the Federal Government or  
14   Federal census. If territory is annexed to any municipality  
15   subsequent to the time of the last preceding census the  
16   corporate authorities of such municipality may cause a census  
17   to be taken of such annexed territory and the population so  
18   ascertained for such territory shall be added to the population  
19   of the municipality as determined by the last preceding census  
20   for the purpose of determining the allotment for that  
21   municipality. If the population of any municipality was not  
22   determined by the last Federal census preceding any  
23   apportionment, the apportionment to such municipality shall be  
24   in accordance with any census taken by such municipality. Any  
25   municipal census used in accordance with this Section shall be  
26   certified to the Department of Transportation by the clerk of

1 such municipality, and the accuracy thereof shall be subject to  
2 approval of the Department which may make such corrections as  
3 it ascertains to be necessary.

4 As soon as may be after the first day of each month the  
5 Department of Transportation shall allot to each county its  
6 share of the amount apportioned to the several counties of the  
7 State as herein provided. Each allotment to the several  
8 counties having less than 1,000,000 inhabitants shall be in  
9 proportion to the amount of motor vehicle license fees received  
10 from the residents of such counties, respectively, during the  
11 preceding calendar year. The Secretary of State shall, on or  
12 before April 15 of each year, transmit to the Department of  
13 Transportation a full and complete report showing the amount of  
14 motor vehicle license fees received from the residents of each  
15 county, respectively, during the preceding calendar year. The  
16 Department of Transportation shall, each month, use for  
17 allotment purposes the last such report received from the  
18 Secretary of State.

19 As soon as may be after the first day of each month, the  
20 Department of Transportation shall allot to the several  
21 counties their share of the amount apportioned for the use of  
22 road districts. The allotment shall be apportioned among the  
23 several counties in the State in the proportion which the total  
24 mileage of township or district roads in the respective  
25 counties bears to the total mileage of all township and  
26 district roads in the State. Funds allotted to the respective



1 counties for the use of road districts therein shall be  
2 allocated to the several road districts in the county in the  
3 proportion which the total mileage of such township or district  
4 roads in the respective road districts bears to the total  
5 mileage of all such township or district roads in the county.  
6 After July 1 of any year, no allocation shall be made for any  
7 road district unless it levied a tax for road and bridge  
8 purposes in an amount which will require the extension of such  
9 tax against the taxable property in any such road district at a  
10 rate of not less than either .08% of the value thereof, based  
11 upon the assessment for the year immediately prior to the year  
12 in which such tax was levied and as equalized by the Department  
13 of Revenue or, in DuPage County, an amount equal to or greater  
14 than \$12,000 per mile of road under the jurisdiction of the  
15 road district, whichever is less. If any road district has  
16 levied a special tax for road purposes pursuant to Sections  
17 6-601, 6-602 and 6-603 of the Illinois Highway Code, and such  
18 tax was levied in an amount which would require extension at a  
19 rate of not less than .08% of the value of the taxable property  
20 thereof, as equalized or assessed by the Department of Revenue,  
21 or, in DuPage County, an amount equal to or greater than  
22 \$12,000 per mile of road under the jurisdiction of the road  
23 district, whichever is less, such levy shall, however, be  
24 deemed a proper compliance with this Section and shall qualify  
25 such road district for an allotment under this Section. If a  
26 township has transferred to the road and bridge fund money

1 which, when added to the amount of any tax levy of the road  
2 district would be the equivalent of a tax levy requiring  
3 extension at a rate of at least .08%, or, in DuPage County, an  
4 amount equal to or greater than \$12,000 per mile of road under  
5 the jurisdiction of the road district, whichever is less, such  
6 transfer, together with any such tax levy, shall be deemed a  
7 proper compliance with this Section and shall qualify the road  
8 district for an allotment under this Section.

9 In counties in which a property tax extension limitation is  
10 imposed under the Property Tax Extension Limitation Law, road  
11 districts may retain their entitlement to a motor fuel tax  
12 allotment if, at the time the property tax extension limitation  
13 was imposed, the road district was levying a road and bridge  
14 tax at a rate sufficient to entitle it to a motor fuel tax  
15 allotment and continues to levy the maximum allowable amount  
16 after the imposition of the property tax extension limitation.  
17 Any road district may in all circumstances retain its  
18 entitlement to a motor fuel tax allotment if it levied a road  
19 and bridge tax in an amount that will require the extension of  
20 the tax against the taxable property in the road district at a  
21 rate of not less than 0.08% of the assessed value of the  
22 property, based upon the assessment for the year immediately  
23 preceding the year in which the tax was levied and as equalized  
24 by the Department of Revenue or, in DuPage County, an amount  
25 equal to or greater than \$12,000 per mile of road under the  
26 jurisdiction of the road district, whichever is less.

1           As used in this Section the term "road district" means any  
2 road district, including a county unit road district, provided  
3 for by the Illinois Highway Code; and the term "township or  
4 district road" means any road in the township and district road  
5 system as defined in the Illinois Highway Code. For the  
6 purposes of this Section, "road district" also includes park  
7 districts, forest preserve districts and conservation  
8 districts organized under Illinois law and "township or  
9 district road" also includes such roads as are maintained by  
10 park districts, forest preserve districts and conservation  
11 districts. The Department of Transportation shall determine  
12 the mileage of all township and district roads for the purposes  
13 of making allotments and allocations of motor fuel tax funds  
14 for use in road districts.

15           Payment of motor fuel tax moneys to municipalities and  
16 counties shall be made as soon as possible after the allotment  
17 is made. The treasurer of the municipality or county may invest  
18 these funds until their use is required and the interest earned  
19 by these investments shall be limited to the same uses as the  
20 principal funds.

21           (Source: P.A. 94-839, eff. 6-6-06; 95-744, eff. 7-18-08.)

22           Section 5-50.5. The Illinois Pension Code is amended by  
23 changing Section 14-131 as follows:

24           (40 ILCS 5/14-131) (from Ch. 108 1/2, par. 14-131)

1           Sec. 14-131. Contributions by State.

2           (a) The State shall make contributions to the System by  
3 appropriations of amounts which, together with other employer  
4 contributions from trust, federal, and other funds, employee  
5 contributions, investment income, and other income, will be  
6 sufficient to meet the cost of maintaining and administering  
7 the System on a 90% funded basis in accordance with actuarial  
8 recommendations.

9           For the purposes of this Section and Section 14-135.08,  
10 references to State contributions refer only to employer  
11 contributions and do not include employee contributions that  
12 are picked up or otherwise paid by the State or a department on  
13 behalf of the employee.

14           (b) The Board shall determine the total amount of State  
15 contributions required for each fiscal year on the basis of the  
16 actuarial tables and other assumptions adopted by the Board,  
17 using the formula in subsection (e).

18           The Board shall also determine a State contribution rate  
19 for each fiscal year, expressed as a percentage of payroll,  
20 based on the total required State contribution for that fiscal  
21 year (less the amount received by the System from  
22 appropriations under Section 8.12 of the State Finance Act and  
23 Section 1 of the State Pension Funds Continuing Appropriation  
24 Act, if any, for the fiscal year ending on the June 30  
25 immediately preceding the applicable November 15 certification  
26 deadline), the estimated payroll (including all forms of

1 compensation) for personal services rendered by eligible  
2 employees, and the recommendations of the actuary.

3 For the purposes of this Section and Section 14.1 of the  
4 State Finance Act, the term "eligible employees" includes  
5 employees who participate in the System, persons who may elect  
6 to participate in the System but have not so elected, persons  
7 who are serving a qualifying period that is required for  
8 participation, and annuitants employed by a department as  
9 described in subdivision (a) (1) or (a) (2) of Section 14-111.

10 (c) Contributions shall be made by the several departments  
11 for each pay period by warrants drawn by the State Comptroller  
12 against their respective funds or appropriations based upon  
13 vouchers stating the amount to be so contributed. These amounts  
14 shall be based on the full rate certified by the Board under  
15 Section 14-135.08 for that fiscal year. From the effective date  
16 of this amendatory Act of the 93rd General Assembly through the  
17 payment of the final payroll from fiscal year 2004  
18 appropriations, the several departments shall not make  
19 contributions for the remainder of fiscal year 2004 but shall  
20 instead make payments as required under subsection (a-1) of  
21 Section 14.1 of the State Finance Act. The several departments  
22 shall resume those contributions at the commencement of fiscal  
23 year 2005.

24 (c-1) Notwithstanding subsection (c) of this Section, for  
25 fiscal year 2010 only, contributions by the several departments  
26 are not required to be made for General Revenue Funds payrolls

1 processed by the Comptroller. Payrolls paid by the several  
2 departments from all other State funds must continue to be  
3 processed pursuant to subsection (c) of this Section.

4 (c-2) For State fiscal year 2010 only, on or as soon as  
5 possible after the 15th day of each month the Board shall  
6 submit vouchers for payment of State contributions to the  
7 System, in a total monthly amount of one-twelfth of the fiscal  
8 year 2010 General Revenue Fund appropriation to the System.

9 (d) If an employee is paid from trust funds or federal  
10 funds, the department or other employer shall pay employer  
11 contributions from those funds to the System at the certified  
12 rate, unless the terms of the trust or the federal-State  
13 agreement preclude the use of the funds for that purpose, in  
14 which case the required employer contributions shall be paid by  
15 the State. From the effective date of this amendatory Act of  
16 the 93rd General Assembly through the payment of the final  
17 payroll from fiscal year 2004 appropriations, the department or  
18 other employer shall not pay contributions for the remainder of  
19 fiscal year 2004 but shall instead make payments as required  
20 under subsection (a-1) of Section 14.1 of the State Finance  
21 Act. The department or other employer shall resume payment of  
22 contributions at the commencement of fiscal year 2005.

23 (e) For State fiscal years 2011 through 2045, the minimum  
24 contribution to the System to be made by the State for each  
25 fiscal year shall be an amount determined by the System to be  
26 sufficient to bring the total assets of the System up to 90% of

1 the total actuarial liabilities of the System by the end of  
2 State fiscal year 2045. In making these determinations, the  
3 required State contribution shall be calculated each year as a  
4 level percentage of payroll over the years remaining to and  
5 including fiscal year 2045 and shall be determined under the  
6 projected unit credit actuarial cost method.

7 For State fiscal years 1996 through 2005, the State  
8 contribution to the System, as a percentage of the applicable  
9 employee payroll, shall be increased in equal annual increments  
10 so that by State fiscal year 2011, the State is contributing at  
11 the rate required under this Section; except that (i) for State  
12 fiscal year 1998, for all purposes of this Code and any other  
13 law of this State, the certified percentage of the applicable  
14 employee payroll shall be 5.052% for employees earning eligible  
15 creditable service under Section 14-110 and 6.500% for all  
16 other employees, notwithstanding any contrary certification  
17 made under Section 14-135.08 before the effective date of this  
18 amendatory Act of 1997, and (ii) in the following specified  
19 State fiscal years, the State contribution to the System shall  
20 not be less than the following indicated percentages of the  
21 applicable employee payroll, even if the indicated percentage  
22 will produce a State contribution in excess of the amount  
23 otherwise required under this subsection and subsection (a):  
24 9.8% in FY 1999; 10.0% in FY 2000; 10.2% in FY 2001; 10.4% in FY  
25 2002; 10.6% in FY 2003; and 10.8% in FY 2004.

26 Notwithstanding any other provision of this Article, the

1 total required State contribution to the System for State  
2 fiscal year 2006 is \$203,783,900.

3 Notwithstanding any other provision of this Article, the  
4 total required State contribution to the System for State  
5 fiscal year 2007 is \$344,164,400.

6 For each of State fiscal years 2008 through 2010, the State  
7 contribution to the System, as a percentage of the applicable  
8 employee payroll, shall be increased in equal annual increments  
9 from the required State contribution for State fiscal year  
10 2007, so that by State fiscal year 2011, the State is  
11 contributing at the rate otherwise required under this Section.

12 Beginning in State fiscal year 2046, the minimum State  
13 contribution for each fiscal year shall be the amount needed to  
14 maintain the total assets of the System at 90% of the total  
15 actuarial liabilities of the System.

16 Amounts received by the System pursuant to Section 25 of  
17 the Budget Stabilization Act or Section 8.12 of the State  
18 Finance Act in any fiscal year do not reduce and do not  
19 constitute payment of any portion of the minimum State  
20 contribution required under this Article in that fiscal year.  
21 Such amounts shall not reduce, and shall not be included in the  
22 calculation of, the required State contributions under this  
23 Article in any future year until the System has reached a  
24 funding ratio of at least 90%. A reference in this Article to  
25 the "required State contribution" or any substantially similar  
26 term does not include or apply to any amounts payable to the



1 System under Section 25 of the Budget Stabilization Act.

2 Notwithstanding any other provision of this Section, the  
3 required State contribution for State fiscal year 2005 and for  
4 fiscal year 2008 and each fiscal year thereafter, as calculated  
5 under this Section and certified under Section 14-135.08, shall  
6 not exceed an amount equal to (i) the amount of the required  
7 State contribution that would have been calculated under this  
8 Section for that fiscal year if the System had not received any  
9 payments under subsection (d) of Section 7.2 of the General  
10 Obligation Bond Act, minus (ii) the portion of the State's  
11 total debt service payments for that fiscal year on the bonds  
12 issued for the purposes of that Section 7.2, as determined and  
13 certified by the Comptroller, that is the same as the System's  
14 portion of the total moneys distributed under subsection (d) of  
15 Section 7.2 of the General Obligation Bond Act. In determining  
16 this maximum for State fiscal years 2008 through 2010, however,  
17 the amount referred to in item (i) shall be increased, as a  
18 percentage of the applicable employee payroll, in equal  
19 increments calculated from the sum of the required State  
20 contribution for State fiscal year 2007 plus the applicable  
21 portion of the State's total debt service payments for fiscal  
22 year 2007 on the bonds issued for the purposes of Section 7.2  
23 of the General Obligation Bond Act, so that, by State fiscal  
24 year 2011, the State is contributing at the rate otherwise  
25 required under this Section.

26 (f) After the submission of all payments for eligible

1 employees from personal services line items in fiscal year 2004  
2 have been made, the Comptroller shall provide to the System a  
3 certification of the sum of all fiscal year 2004 expenditures  
4 for personal services that would have been covered by payments  
5 to the System under this Section if the provisions of this  
6 amendatory Act of the 93rd General Assembly had not been  
7 enacted. Upon receipt of the certification, the System shall  
8 determine the amount due to the System based on the full rate  
9 certified by the Board under Section 14-135.08 for fiscal year  
10 2004 in order to meet the State's obligation under this  
11 Section. The System shall compare this amount due to the amount  
12 received by the System in fiscal year 2004 through payments  
13 under this Section and under Section 6z-61 of the State Finance  
14 Act. If the amount due is more than the amount received, the  
15 difference shall be termed the "Fiscal Year 2004 Shortfall" for  
16 purposes of this Section, and the Fiscal Year 2004 Shortfall  
17 shall be satisfied under Section 1.2 of the State Pension Funds  
18 Continuing Appropriation Act. If the amount due is less than  
19 the amount received, the difference shall be termed the "Fiscal  
20 Year 2004 Overpayment" for purposes of this Section, and the  
21 Fiscal Year 2004 Overpayment shall be repaid by the System to  
22 the Pension Contribution Fund as soon as practicable after the  
23 certification.

24 (g) After the submission of all payments for eligible  
25 employees from personal services line items paid from the  
26 General Revenue Fund in fiscal year 2010 have been made, the

1 Comptroller shall provide to the System a certification of the  
2 sum of all fiscal year 2010 expenditures for personal services  
3 that would have been covered by payments to the System under  
4 this Section if the provisions of this amendatory Act of the  
5 96th General Assembly had not been enacted. Upon receipt of the  
6 certification, the System shall determine the amount due to the  
7 System based on the full rate certified by the Board under  
8 Section 14-135.08 for fiscal year 2010 in order to meet the  
9 State's obligation under this Section. The System shall compare  
10 this amount due to the amount received by the System in fiscal  
11 year 2010 through payments under this Section. If the amount  
12 due is more than the amount received, the difference shall be  
13 termed the "Fiscal Year 2010 Shortfall" for purposes of this  
14 Section, and the Fiscal Year 2010 Shortfall shall be satisfied  
15 under Section 1.2 of the State Pension Funds Continuing  
16 Appropriation Act. If the amount due is less than the amount  
17 received, the difference shall be termed the "Fiscal Year 2010  
18 Overpayment" for purposes of this Section, and the Fiscal Year  
19 2010 Overpayment shall be repaid by the System to the General  
20 Revenue Fund as soon as practicable after the certification.

21 (Source: P.A. 94-4, eff. 6-1-05; 94-839, eff. 6-6-06; 95-950,  
22 eff. 8-29-08.)

23 Section 5-50.6. The State Pension Funds Continuing  
24 Appropriation Act is amended by changing Section 1.2 as  
25 follows:

1 (40 ILCS 15/1.2)

2 Sec. 1.2. Appropriations for the State Employees'  
3 Retirement System.

4 (a) From each fund from which an amount is appropriated for  
5 personal services to a department or other employer under  
6 Article 14 of the Illinois Pension Code, there is hereby  
7 appropriated to that department or other employer, on a  
8 continuing annual basis for each State fiscal year, an  
9 additional amount equal to the amount, if any, by which (1) an  
10 amount equal to the percentage of the personal services line  
11 item for that department or employer from that fund for that  
12 fiscal year that the Board of Trustees of the State Employees'  
13 Retirement System of Illinois has certified under Section  
14 14-135.08 of the Illinois Pension Code to be necessary to meet  
15 the State's obligation under Section 14-131 of the Illinois  
16 Pension Code for that fiscal year, exceeds (2) the amounts  
17 otherwise appropriated to that department or employer from that  
18 fund for State contributions to the State Employees' Retirement  
19 System for that fiscal year. From the effective date of this  
20 amendatory Act of the 93rd General Assembly through the final  
21 payment from a department or employer's personal services line  
22 item for fiscal year 2004, payments to the State Employees'  
23 Retirement System that otherwise would have been made under  
24 this subsection (a) shall be governed by the provisions in  
25 subsection (a-1).

1 (a-1) If a Fiscal Year 2004 Shortfall is certified under  
2 subsection (f) of Section 14-131 of the Illinois Pension Code,  
3 there is hereby appropriated to the State Employees' Retirement  
4 System of Illinois on a continuing basis from the General  
5 Revenue Fund an additional aggregate amount equal to the Fiscal  
6 Year 2004 Shortfall.

7 (a-2) If a Fiscal Year 2010 Shortfall is certified under  
8 subsection (g) of Section 14-131 of the Illinois Pension Code,  
9 there is hereby appropriated to the State Employees' Retirement  
10 System of Illinois on a continuing basis from the General  
11 Revenue Fund an additional aggregate amount equal to the Fiscal  
12 Year 2010 Shortfall.

13 (b) The continuing appropriations provided for by this  
14 Section shall first be available in State fiscal year 1996.

15 (c) Beginning in Fiscal Year 2005, any continuing  
16 appropriation under this Section arising out of an  
17 appropriation for personal services from the Road Fund to the  
18 Department of State Police or the Secretary of State shall be  
19 payable from the General Revenue Fund rather than the Road  
20 Fund.

21 (Source: P.A. 93-665, eff. 3-5-04; 93-1067, eff. 1-15-05.)

22 Section 5-51. The School Code is amended by changing  
23 Section 18-8.05 as follows:

24 (105 ILCS 5/18-8.05)

1           Sec. 18-8.05. Basis for apportionment of general State  
2 financial aid and supplemental general State aid to the common  
3 schools for the 1998-1999 and subsequent school years.

4           (A) General Provisions.

5           (1) The provisions of this Section apply to the 1998-1999  
6 and subsequent school years. The system of general State  
7 financial aid provided for in this Section is designed to  
8 assure that, through a combination of State financial aid and  
9 required local resources, the financial support provided each  
10 pupil in Average Daily Attendance equals or exceeds a  
11 prescribed per pupil Foundation Level. This formula approach  
12 imputes a level of per pupil Available Local Resources and  
13 provides for the basis to calculate a per pupil level of  
14 general State financial aid that, when added to Available Local  
15 Resources, equals or exceeds the Foundation Level. The amount  
16 of per pupil general State financial aid for school districts,  
17 in general, varies in inverse relation to Available Local  
18 Resources. Per pupil amounts are based upon each school  
19 district's Average Daily Attendance as that term is defined in  
20 this Section.

21           (2) In addition to general State financial aid, school  
22 districts with specified levels or concentrations of pupils  
23 from low income households are eligible to receive supplemental  
24 general State financial aid grants as provided pursuant to  
25 subsection (H). The supplemental State aid grants provided for

1 school districts under subsection (H) shall be appropriated for  
2 distribution to school districts as part of the same line item  
3 in which the general State financial aid of school districts is  
4 appropriated under this Section.

5 (3) To receive financial assistance under this Section,  
6 school districts are required to file claims with the State  
7 Board of Education, subject to the following requirements:

8 (a) Any school district which fails for any given  
9 school year to maintain school as required by law, or to  
10 maintain a recognized school is not eligible to file for  
11 such school year any claim upon the Common School Fund. In  
12 case of nonrecognition of one or more attendance centers in  
13 a school district otherwise operating recognized schools,  
14 the claim of the district shall be reduced in the  
15 proportion which the Average Daily Attendance in the  
16 attendance center or centers bear to the Average Daily  
17 Attendance in the school district. A "recognized school"  
18 means any public school which meets the standards as  
19 established for recognition by the State Board of  
20 Education. A school district or attendance center not  
21 having recognition status at the end of a school term is  
22 entitled to receive State aid payments due upon a legal  
23 claim which was filed while it was recognized.

24 (b) School district claims filed under this Section are  
25 subject to Sections 18-9 and 18-12, except as otherwise  
26 provided in this Section.

1 (c) If a school district operates a full year school  
2 under Section 10-19.1, the general State aid to the school  
3 district shall be determined by the State Board of  
4 Education in accordance with this Section as near as may be  
5 applicable.

6 (d) (Blank).

7 (4) Except as provided in subsections (H) and (L), the  
8 board of any district receiving any of the grants provided for  
9 in this Section may apply those funds to any fund so received  
10 for which that board is authorized to make expenditures by law.

11 School districts are not required to exert a minimum  
12 Operating Tax Rate in order to qualify for assistance under  
13 this Section.

14 (5) As used in this Section the following terms, when  
15 capitalized, shall have the meaning ascribed herein:

16 (a) "Average Daily Attendance": A count of pupil  
17 attendance in school, averaged as provided for in  
18 subsection (C) and utilized in deriving per pupil financial  
19 support levels.

20 (b) "Available Local Resources": A computation of  
21 local financial support, calculated on the basis of Average  
22 Daily Attendance and derived as provided pursuant to  
23 subsection (D).

24 (c) "Corporate Personal Property Replacement Taxes":  
25 Funds paid to local school districts pursuant to "An Act in  
26 relation to the abolition of ad valorem personal property



1 tax and the replacement of revenues lost thereby, and  
2 amending and repealing certain Acts and parts of Acts in  
3 connection therewith", certified August 14, 1979, as  
4 amended (Public Act 81-1st S.S.-1).

5 (d) "Foundation Level": A prescribed level of per pupil  
6 financial support as provided for in subsection (B).

7 (e) "Operating Tax Rate": All school district property  
8 taxes extended for all purposes, except Bond and Interest,  
9 Summer School, Rent, Capital Improvement, and Vocational  
10 Education Building purposes.

11 (B) Foundation Level.

12 (1) The Foundation Level is a figure established by the  
13 State representing the minimum level of per pupil financial  
14 support that should be available to provide for the basic  
15 education of each pupil in Average Daily Attendance. As set  
16 forth in this Section, each school district is assumed to exert  
17 a sufficient local taxing effort such that, in combination with  
18 the aggregate of general State financial aid provided the  
19 district, an aggregate of State and local resources are  
20 available to meet the basic education needs of pupils in the  
21 district.

22 (2) For the 1998-1999 school year, the Foundation Level of  
23 support is \$4,225. For the 1999-2000 school year, the  
24 Foundation Level of support is \$4,325. For the 2000-2001 school  
25 year, the Foundation Level of support is \$4,425. For the

1 2001-2002 school year and 2002-2003 school year, the Foundation  
2 Level of support is \$4,560. For the 2003-2004 school year, the  
3 Foundation Level of support is \$4,810. For the 2004-2005 school  
4 year, the Foundation Level of support is \$4,964. For the  
5 2005-2006 school year, the Foundation Level of support is  
6 \$5,164. For the 2006-2007 school year, the Foundation Level of  
7 support is \$5,334. For the 2007-2008 school year, the  
8 Foundation Level of support is \$5,734. For the 2008-2009 school  
9 year, the Foundation Level of support is \$5,959.

10 (3) For the 2009-2010 ~~2008-2009~~ school year and each school  
11 year thereafter, the Foundation Level of support is \$6,119  
12 ~~\$5,959~~ or such greater amount as may be established by law by  
13 the General Assembly.

14 (C) Average Daily Attendance.

15 (1) For purposes of calculating general State aid pursuant  
16 to subsection (E), an Average Daily Attendance figure shall be  
17 utilized. The Average Daily Attendance figure for formula  
18 calculation purposes shall be the monthly average of the actual  
19 number of pupils in attendance of each school district, as  
20 further averaged for the best 3 months of pupil attendance for  
21 each school district. In compiling the figures for the number  
22 of pupils in attendance, school districts and the State Board  
23 of Education shall, for purposes of general State aid funding,  
24 conform attendance figures to the requirements of subsection  
25 (F).

1           (2) The Average Daily Attendance figures utilized in  
2 subsection (E) shall be the requisite attendance data for the  
3 school year immediately preceding the school year for which  
4 general State aid is being calculated or the average of the  
5 attendance data for the 3 preceding school years, whichever is  
6 greater. The Average Daily Attendance figures utilized in  
7 subsection (H) shall be the requisite attendance data for the  
8 school year immediately preceding the school year for which  
9 general State aid is being calculated.

10       (D) Available Local Resources.

11           (1) For purposes of calculating general State aid pursuant  
12 to subsection (E), a representation of Available Local  
13 Resources per pupil, as that term is defined and determined in  
14 this subsection, shall be utilized. Available Local Resources  
15 per pupil shall include a calculated dollar amount representing  
16 local school district revenues from local property taxes and  
17 from Corporate Personal Property Replacement Taxes, expressed  
18 on the basis of pupils in Average Daily Attendance. Calculation  
19 of Available Local Resources shall exclude any tax amnesty  
20 funds received as a result of Public Act 93-26.

21           (2) In determining a school district's revenue from local  
22 property taxes, the State Board of Education shall utilize the  
23 equalized assessed valuation of all taxable property of each  
24 school district as of September 30 of the previous year. The  
25 equalized assessed valuation utilized shall be obtained and

1 determined as provided in subsection (G).

2 (3) For school districts maintaining grades kindergarten  
3 through 12, local property tax revenues per pupil shall be  
4 calculated as the product of the applicable equalized assessed  
5 valuation for the district multiplied by 3.00%, and divided by  
6 the district's Average Daily Attendance figure. For school  
7 districts maintaining grades kindergarten through 8, local  
8 property tax revenues per pupil shall be calculated as the  
9 product of the applicable equalized assessed valuation for the  
10 district multiplied by 2.30%, and divided by the district's  
11 Average Daily Attendance figure. For school districts  
12 maintaining grades 9 through 12, local property tax revenues  
13 per pupil shall be the applicable equalized assessed valuation  
14 of the district multiplied by 1.05%, and divided by the  
15 district's Average Daily Attendance figure.

16 For partial elementary unit districts created pursuant to  
17 Article 11E of this Code, local property tax revenues per pupil  
18 shall be calculated as the product of the equalized assessed  
19 valuation for property within the partial elementary unit  
20 district for elementary purposes, as defined in Article 11E of  
21 this Code, multiplied by 2.06% and divided by the district's  
22 Average Daily Attendance figure, plus the product of the  
23 equalized assessed valuation for property within the partial  
24 elementary unit district for high school purposes, as defined  
25 in Article 11E of this Code, multiplied by 0.94% and divided by  
26 the district's Average Daily Attendance figure.

1           (4) The Corporate Personal Property Replacement Taxes paid  
2 to each school district during the calendar year 2 years before  
3 the calendar year in which a school year begins, divided by the  
4 Average Daily Attendance figure for that district, shall be  
5 added to the local property tax revenues per pupil as derived  
6 by the application of the immediately preceding paragraph (3).  
7 The sum of these per pupil figures for each school district  
8 shall constitute Available Local Resources as that term is  
9 utilized in subsection (E) in the calculation of general State  
10 aid.

11       (E) Computation of General State Aid.

12           (1) For each school year, the amount of general State aid  
13 allotted to a school district shall be computed by the State  
14 Board of Education as provided in this subsection.

15           (2) For any school district for which Available Local  
16 Resources per pupil is less than the product of 0.93 times the  
17 Foundation Level, general State aid for that district shall be  
18 calculated as an amount equal to the Foundation Level minus  
19 Available Local Resources, multiplied by the Average Daily  
20 Attendance of the school district.

21           (3) For any school district for which Available Local  
22 Resources per pupil is equal to or greater than the product of  
23 0.93 times the Foundation Level and less than the product of  
24 1.75 times the Foundation Level, the general State aid per  
25 pupil shall be a decimal proportion of the Foundation Level

1 derived using a linear algorithm. Under this linear algorithm,  
2 the calculated general State aid per pupil shall decline in  
3 direct linear fashion from 0.07 times the Foundation Level for  
4 a school district with Available Local Resources equal to the  
5 product of 0.93 times the Foundation Level, to 0.05 times the  
6 Foundation Level for a school district with Available Local  
7 Resources equal to the product of 1.75 times the Foundation  
8 Level. The allocation of general State aid for school districts  
9 subject to this paragraph 3 shall be the calculated general  
10 State aid per pupil figure multiplied by the Average Daily  
11 Attendance of the school district.

12 (4) For any school district for which Available Local  
13 Resources per pupil equals or exceeds the product of 1.75 times  
14 the Foundation Level, the general State aid for the school  
15 district shall be calculated as the product of \$218 multiplied  
16 by the Average Daily Attendance of the school district.

17 (5) The amount of general State aid allocated to a school  
18 district for the 1999-2000 school year meeting the requirements  
19 set forth in paragraph (4) of subsection (G) shall be increased  
20 by an amount equal to the general State aid that would have  
21 been received by the district for the 1998-1999 school year by  
22 utilizing the Extension Limitation Equalized Assessed  
23 Valuation as calculated in paragraph (4) of subsection (G) less  
24 the general State aid allotted for the 1998-1999 school year.  
25 This amount shall be deemed a one time increase, and shall not  
26 affect any future general State aid allocations.

1 (F) Compilation of Average Daily Attendance.

2 (1) Each school district shall, by July 1 of each year,  
3 submit to the State Board of Education, on forms prescribed by  
4 the State Board of Education, attendance figures for the school  
5 year that began in the preceding calendar year. The attendance  
6 information so transmitted shall identify the average daily  
7 attendance figures for each month of the school year. Beginning  
8 with the general State aid claim form for the 2002-2003 school  
9 year, districts shall calculate Average Daily Attendance as  
10 provided in subdivisions (a), (b), and (c) of this paragraph  
11 (1).

12 (a) In districts that do not hold year-round classes,  
13 days of attendance in August shall be added to the month of  
14 September and any days of attendance in June shall be added  
15 to the month of May.

16 (b) In districts in which all buildings hold year-round  
17 classes, days of attendance in July and August shall be  
18 added to the month of September and any days of attendance  
19 in June shall be added to the month of May.

20 (c) In districts in which some buildings, but not all,  
21 hold year-round classes, for the non-year-round buildings,  
22 days of attendance in August shall be added to the month of  
23 September and any days of attendance in June shall be added  
24 to the month of May. The average daily attendance for the  
25 year-round buildings shall be computed as provided in

1 subdivision (b) of this paragraph (1). To calculate the  
2 Average Daily Attendance for the district, the average  
3 daily attendance for the year-round buildings shall be  
4 multiplied by the days in session for the non-year-round  
5 buildings for each month and added to the monthly  
6 attendance of the non-year-round buildings.

7 Except as otherwise provided in this Section, days of  
8 attendance by pupils shall be counted only for sessions of not  
9 less than 5 clock hours of school work per day under direct  
10 supervision of: (i) teachers, or (ii) non-teaching personnel or  
11 volunteer personnel when engaging in non-teaching duties and  
12 supervising in those instances specified in subsection (a) of  
13 Section 10-22.34 and paragraph 10 of Section 34-18, with pupils  
14 of legal school age and in kindergarten and grades 1 through  
15 12.

16 Days of attendance by tuition pupils shall be accredited  
17 only to the districts that pay the tuition to a recognized  
18 school.

19 (2) Days of attendance by pupils of less than 5 clock hours  
20 of school shall be subject to the following provisions in the  
21 compilation of Average Daily Attendance.

22 (a) Pupils regularly enrolled in a public school for  
23 only a part of the school day may be counted on the basis  
24 of 1/6 day for every class hour of instruction of 40  
25 minutes or more attended pursuant to such enrollment,  
26 unless a pupil is enrolled in a block-schedule format of 80



1 minutes or more of instruction, in which case the pupil may  
2 be counted on the basis of the proportion of minutes of  
3 school work completed each day to the minimum number of  
4 minutes that school work is required to be held that day.

5 (b) Days of attendance may be less than 5 clock hours  
6 on the opening and closing of the school term, and upon the  
7 first day of pupil attendance, if preceded by a day or days  
8 utilized as an institute or teachers' workshop.

9 (c) A session of 4 or more clock hours may be counted  
10 as a day of attendance upon certification by the regional  
11 superintendent, and approved by the State Superintendent  
12 of Education to the extent that the district has been  
13 forced to use daily multiple sessions.

14 (d) A session of 3 or more clock hours may be counted  
15 as a day of attendance (1) when the remainder of the school  
16 day or at least 2 hours in the evening of that day is  
17 utilized for an in-service training program for teachers,  
18 up to a maximum of 5 days per school year of which a  
19 maximum of 4 days of such 5 days may be used for  
20 parent-teacher conferences, provided a district conducts  
21 an in-service training program for teachers which has been  
22 approved by the State Superintendent of Education; or, in  
23 lieu of 4 such days, 2 full days may be used, in which  
24 event each such day may be counted as a day of attendance;  
25 and (2) when days in addition to those provided in item (1)  
26 are scheduled by a school pursuant to its school

1 improvement plan adopted under Article 34 or its revised or  
2 amended school improvement plan adopted under Article 2,  
3 provided that (i) such sessions of 3 or more clock hours  
4 are scheduled to occur at regular intervals, (ii) the  
5 remainder of the school days in which such sessions occur  
6 are utilized for in-service training programs or other  
7 staff development activities for teachers, and (iii) a  
8 sufficient number of minutes of school work under the  
9 direct supervision of teachers are added to the school days  
10 between such regularly scheduled sessions to accumulate  
11 not less than the number of minutes by which such sessions  
12 of 3 or more clock hours fall short of 5 clock hours. Any  
13 full days used for the purposes of this paragraph shall not  
14 be considered for computing average daily attendance. Days  
15 scheduled for in-service training programs, staff  
16 development activities, or parent-teacher conferences may  
17 be scheduled separately for different grade levels and  
18 different attendance centers of the district.

19 (e) A session of not less than one clock hour of  
20 teaching hospitalized or homebound pupils on-site or by  
21 telephone to the classroom may be counted as 1/2 day of  
22 attendance, however these pupils must receive 4 or more  
23 clock hours of instruction to be counted for a full day of  
24 attendance.

25 (f) A session of at least 4 clock hours may be counted  
26 as a day of attendance for first grade pupils, and pupils

1 in full day kindergartens, and a session of 2 or more hours  
2 may be counted as 1/2 day of attendance by pupils in  
3 kindergartens which provide only 1/2 day of attendance.

4 (g) For children with disabilities who are below the  
5 age of 6 years and who cannot attend 2 or more clock hours  
6 because of their disability or immaturity, a session of not  
7 less than one clock hour may be counted as 1/2 day of  
8 attendance; however for such children whose educational  
9 needs so require a session of 4 or more clock hours may be  
10 counted as a full day of attendance.

11 (h) A recognized kindergarten which provides for only  
12 1/2 day of attendance by each pupil shall not have more  
13 than 1/2 day of attendance counted in any one day. However,  
14 kindergartens may count 2 1/2 days of attendance in any 5  
15 consecutive school days. When a pupil attends such a  
16 kindergarten for 2 half days on any one school day, the  
17 pupil shall have the following day as a day absent from  
18 school, unless the school district obtains permission in  
19 writing from the State Superintendent of Education.  
20 Attendance at kindergartens which provide for a full day of  
21 attendance by each pupil shall be counted the same as  
22 attendance by first grade pupils. Only the first year of  
23 attendance in one kindergarten shall be counted, except in  
24 case of children who entered the kindergarten in their  
25 fifth year whose educational development requires a second  
26 year of kindergarten as determined under the rules and

1 regulations of the State Board of Education.

2 (i) On the days when the Prairie State Achievement  
3 Examination is administered under subsection (c) of  
4 Section 2-3.64 of this Code, the day of attendance for a  
5 pupil whose school day must be shortened to accommodate  
6 required testing procedures may be less than 5 clock hours  
7 and shall be counted towards the 176 days of actual pupil  
8 attendance required under Section 10-19 of this Code,  
9 provided that a sufficient number of minutes of school work  
10 in excess of 5 clock hours are first completed on other  
11 school days to compensate for the loss of school work on  
12 the examination days.

13 (G) Equalized Assessed Valuation Data.

14 (1) For purposes of the calculation of Available Local  
15 Resources required pursuant to subsection (D), the State Board  
16 of Education shall secure from the Department of Revenue the  
17 value as equalized or assessed by the Department of Revenue of  
18 all taxable property of every school district, together with  
19 (i) the applicable tax rate used in extending taxes for the  
20 funds of the district as of September 30 of the previous year  
21 and (ii) the limiting rate for all school districts subject to  
22 property tax extension limitations as imposed under the  
23 Property Tax Extension Limitation Law.

24 The Department of Revenue shall add to the equalized  
25 assessed value of all taxable property of each school district

1 situated entirely or partially within a county that is or was  
2 subject to the provisions of Section 15-176 or 15-177 of the  
3 Property Tax Code (a) an amount equal to the total amount by  
4 which the homestead exemption allowed under Section 15-176 or  
5 15-177 of the Property Tax Code for real property situated in  
6 that school district exceeds the total amount that would have  
7 been allowed in that school district if the maximum reduction  
8 under Section 15-176 was (i) \$4,500 in Cook County or \$3,500 in  
9 all other counties in tax year 2003 or (ii) \$5,000 in all  
10 counties in tax year 2004 and thereafter and (b) an amount  
11 equal to the aggregate amount for the taxable year of all  
12 additional exemptions under Section 15-175 of the Property Tax  
13 Code for owners with a household income of \$30,000 or less. The  
14 county clerk of any county that is or was subject to the  
15 provisions of Section 15-176 or 15-177 of the Property Tax Code  
16 shall annually calculate and certify to the Department of  
17 Revenue for each school district all homestead exemption  
18 amounts under Section 15-176 or 15-177 of the Property Tax Code  
19 and all amounts of additional exemptions under Section 15-175  
20 of the Property Tax Code for owners with a household income of  
21 \$30,000 or less. It is the intent of this paragraph that if the  
22 general homestead exemption for a parcel of property is  
23 determined under Section 15-176 or 15-177 of the Property Tax  
24 Code rather than Section 15-175, then the calculation of  
25 Available Local Resources shall not be affected by the  
26 difference, if any, between the amount of the general homestead

1 exemption allowed for that parcel of property under Section  
2 15-176 or 15-177 of the Property Tax Code and the amount that  
3 would have been allowed had the general homestead exemption for  
4 that parcel of property been determined under Section 15-175 of  
5 the Property Tax Code. It is further the intent of this  
6 paragraph that if additional exemptions are allowed under  
7 Section 15-175 of the Property Tax Code for owners with a  
8 household income of less than \$30,000, then the calculation of  
9 Available Local Resources shall not be affected by the  
10 difference, if any, because of those additional exemptions.

11 This equalized assessed valuation, as adjusted further by  
12 the requirements of this subsection, shall be utilized in the  
13 calculation of Available Local Resources.

14 (2) The equalized assessed valuation in paragraph (1) shall  
15 be adjusted, as applicable, in the following manner:

16 (a) For the purposes of calculating State aid under  
17 this Section, with respect to any part of a school district  
18 within a redevelopment project area in respect to which a  
19 municipality has adopted tax increment allocation  
20 financing pursuant to the Tax Increment Allocation  
21 Redevelopment Act, Sections 11-74.4-1 through 11-74.4-11  
22 of the Illinois Municipal Code or the Industrial Jobs  
23 Recovery Law, Sections 11-74.6-1 through 11-74.6-50 of the  
24 Illinois Municipal Code, no part of the current equalized  
25 assessed valuation of real property located in any such  
26 project area which is attributable to an increase above the

1 total initial equalized assessed valuation of such  
2 property shall be used as part of the equalized assessed  
3 valuation of the district, until such time as all  
4 redevelopment project costs have been paid, as provided in  
5 Section 11-74.4-8 of the Tax Increment Allocation  
6 Redevelopment Act or in Section 11-74.6-35 of the  
7 Industrial Jobs Recovery Law. For the purpose of the  
8 equalized assessed valuation of the district, the total  
9 initial equalized assessed valuation or the current  
10 equalized assessed valuation, whichever is lower, shall be  
11 used until such time as all redevelopment project costs  
12 have been paid.

13 (b) The real property equalized assessed valuation for  
14 a school district shall be adjusted by subtracting from the  
15 real property value as equalized or assessed by the  
16 Department of Revenue for the district an amount computed  
17 by dividing the amount of any abatement of taxes under  
18 Section 18-170 of the Property Tax Code by 3.00% for a  
19 district maintaining grades kindergarten through 12, by  
20 2.30% for a district maintaining grades kindergarten  
21 through 8, or by 1.05% for a district maintaining grades 9  
22 through 12 and adjusted by an amount computed by dividing  
23 the amount of any abatement of taxes under subsection (a)  
24 of Section 18-165 of the Property Tax Code by the same  
25 percentage rates for district type as specified in this  
26 subparagraph (b).

1           (3) For the 1999-2000 school year and each school year  
2 thereafter, if a school district meets all of the criteria of  
3 this subsection (G) (3), the school district's Available Local  
4 Resources shall be calculated under subsection (D) using the  
5 district's Extension Limitation Equalized Assessed Valuation  
6 as calculated under this subsection (G) (3).

7           For purposes of this subsection (G) (3) the following terms  
8 shall have the following meanings:

9           "Budget Year": The school year for which general State  
10 aid is calculated and awarded under subsection (E).

11           "Base Tax Year": The property tax levy year used to  
12 calculate the Budget Year allocation of general State aid.

13           "Preceding Tax Year": The property tax levy year  
14 immediately preceding the Base Tax Year.

15           "Base Tax Year's Tax Extension": The product of the  
16 equalized assessed valuation utilized by the County Clerk  
17 in the Base Tax Year multiplied by the limiting rate as  
18 calculated by the County Clerk and defined in the Property  
19 Tax Extension Limitation Law.

20           "Preceding Tax Year's Tax Extension": The product of  
21 the equalized assessed valuation utilized by the County  
22 Clerk in the Preceding Tax Year multiplied by the Operating  
23 Tax Rate as defined in subsection (A).

24           "Extension Limitation Ratio": A numerical ratio,  
25 certified by the County Clerk, in which the numerator is  
26 the Base Tax Year's Tax Extension and the denominator is



1 the Preceding Tax Year's Tax Extension.

2 "Operating Tax Rate": The operating tax rate as defined  
3 in subsection (A).

4 If a school district is subject to property tax extension  
5 limitations as imposed under the Property Tax Extension  
6 Limitation Law, the State Board of Education shall calculate  
7 the Extension Limitation Equalized Assessed Valuation of that  
8 district. For the 1999-2000 school year, the Extension  
9 Limitation Equalized Assessed Valuation of a school district as  
10 calculated by the State Board of Education shall be equal to  
11 the product of the district's 1996 Equalized Assessed Valuation  
12 and the district's Extension Limitation Ratio. For the  
13 2000-2001 school year and each school year thereafter, the  
14 Extension Limitation Equalized Assessed Valuation of a school  
15 district as calculated by the State Board of Education shall be  
16 equal to the product of the Equalized Assessed Valuation last  
17 used in the calculation of general State aid and the district's  
18 Extension Limitation Ratio. If the Extension Limitation  
19 Equalized Assessed Valuation of a school district as calculated  
20 under this subsection (G)(3) is less than the district's  
21 equalized assessed valuation as calculated pursuant to  
22 subsections (G)(1) and (G)(2), then for purposes of calculating  
23 the district's general State aid for the Budget Year pursuant  
24 to subsection (E), that Extension Limitation Equalized  
25 Assessed Valuation shall be utilized to calculate the  
26 district's Available Local Resources under subsection (D).

1 Partial elementary unit districts created in accordance  
2 with Article 11E of this Code shall not be eligible for the  
3 adjustment in this subsection (G)(3) until the fifth year  
4 following the effective date of the reorganization.

5 (4) For the purposes of calculating general State aid for  
6 the 1999-2000 school year only, if a school district  
7 experienced a triennial reassessment on the equalized assessed  
8 valuation used in calculating its general State financial aid  
9 apportionment for the 1998-1999 school year, the State Board of  
10 Education shall calculate the Extension Limitation Equalized  
11 Assessed Valuation that would have been used to calculate the  
12 district's 1998-1999 general State aid. This amount shall equal  
13 the product of the equalized assessed valuation used to  
14 calculate general State aid for the 1997-1998 school year and  
15 the district's Extension Limitation Ratio. If the Extension  
16 Limitation Equalized Assessed Valuation of the school district  
17 as calculated under this paragraph (4) is less than the  
18 district's equalized assessed valuation utilized in  
19 calculating the district's 1998-1999 general State aid  
20 allocation, then for purposes of calculating the district's  
21 general State aid pursuant to paragraph (5) of subsection (E),  
22 that Extension Limitation Equalized Assessed Valuation shall  
23 be utilized to calculate the district's Available Local  
24 Resources.

25 (5) For school districts having a majority of their  
26 equalized assessed valuation in any county except Cook, DuPage,

1 Kane, Lake, McHenry, or Will, if the amount of general State  
2 aid allocated to the school district for the 1999-2000 school  
3 year under the provisions of subsection (E), (H), and (J) of  
4 this Section is less than the amount of general State aid  
5 allocated to the district for the 1998-1999 school year under  
6 these subsections, then the general State aid of the district  
7 for the 1999-2000 school year only shall be increased by the  
8 difference between these amounts. The total payments made under  
9 this paragraph (5) shall not exceed \$14,000,000. Claims shall  
10 be prorated if they exceed \$14,000,000.

11 (H) Supplemental General State Aid.

12 (1) In addition to the general State aid a school district  
13 is allotted pursuant to subsection (E), qualifying school  
14 districts shall receive a grant, paid in conjunction with a  
15 district's payments of general State aid, for supplemental  
16 general State aid based upon the concentration level of  
17 children from low-income households within the school  
18 district. Supplemental State aid grants provided for school  
19 districts under this subsection shall be appropriated for  
20 distribution to school districts as part of the same line item  
21 in which the general State financial aid of school districts is  
22 appropriated under this Section. If the appropriation in any  
23 fiscal year for general State aid and supplemental general  
24 State aid is insufficient to pay the amounts required under the  
25 general State aid and supplemental general State aid

1 calculations, then the State Board of Education shall ensure  
2 that each school district receives the full amount due for  
3 general State aid and the remainder of the appropriation shall  
4 be used for supplemental general State aid, which the State  
5 Board of Education shall calculate and pay to eligible  
6 districts on a prorated basis.

7 (1.5) This paragraph (1.5) applies only to those school  
8 years preceding the 2003-2004 school year. For purposes of this  
9 subsection (H), the term "Low-Income Concentration Level"  
10 shall be the low-income eligible pupil count from the most  
11 recently available federal census divided by the Average Daily  
12 Attendance of the school district. If, however, (i) the  
13 percentage decrease from the 2 most recent federal censuses in  
14 the low-income eligible pupil count of a high school district  
15 with fewer than 400 students exceeds by 75% or more the  
16 percentage change in the total low-income eligible pupil count  
17 of contiguous elementary school districts, whose boundaries  
18 are coterminous with the high school district, or (ii) a high  
19 school district within 2 counties and serving 5 elementary  
20 school districts, whose boundaries are coterminous with the  
21 high school district, has a percentage decrease from the 2 most  
22 recent federal censuses in the low-income eligible pupil count  
23 and there is a percentage increase in the total low-income  
24 eligible pupil count of a majority of the elementary school  
25 districts in excess of 50% from the 2 most recent federal  
26 censuses, then the high school district's low-income eligible

1 pupil count from the earlier federal census shall be the number  
2 used as the low-income eligible pupil count for the high school  
3 district, for purposes of this subsection (H). The changes made  
4 to this paragraph (1) by Public Act 92-28 shall apply to  
5 supplemental general State aid grants for school years  
6 preceding the 2003-2004 school year that are paid in fiscal  
7 year 1999 or thereafter and to any State aid payments made in  
8 fiscal year 1994 through fiscal year 1998 pursuant to  
9 subsection 1(n) of Section 18-8 of this Code (which was  
10 repealed on July 1, 1998), and any high school district that is  
11 affected by Public Act 92-28 is entitled to a recomputation of  
12 its supplemental general State aid grant or State aid paid in  
13 any of those fiscal years. This recomputation shall not be  
14 affected by any other funding.

15 (1.10) This paragraph (1.10) applies to the 2003-2004  
16 school year and each school year thereafter. For purposes of  
17 this subsection (H), the term "Low-Income Concentration Level"  
18 shall, for each fiscal year, be the low-income eligible pupil  
19 count as of July 1 of the immediately preceding fiscal year (as  
20 determined by the Department of Human Services based on the  
21 number of pupils who are eligible for at least one of the  
22 following low income programs: Medicaid, the Children's Health  
23 Insurance Program ~~KidCare~~, TANF, or Food Stamps, excluding  
24 pupils who are eligible for services provided by the Department  
25 of Children and Family Services, averaged over the 2  
26 immediately preceding fiscal years for fiscal year 2004 and

1 over the 3 immediately preceding fiscal years for each fiscal  
2 year thereafter) divided by the Average Daily Attendance of the  
3 school district.

4 (2) Supplemental general State aid pursuant to this  
5 subsection (H) shall be provided as follows for the 1998-1999,  
6 1999-2000, and 2000-2001 school years only:

7 (a) For any school district with a Low Income  
8 Concentration Level of at least 20% and less than 35%, the  
9 grant for any school year shall be \$800 multiplied by the  
10 low income eligible pupil count.

11 (b) For any school district with a Low Income  
12 Concentration Level of at least 35% and less than 50%, the  
13 grant for the 1998-1999 school year shall be \$1,100  
14 multiplied by the low income eligible pupil count.

15 (c) For any school district with a Low Income  
16 Concentration Level of at least 50% and less than 60%, the  
17 grant for the 1998-99 school year shall be \$1,500  
18 multiplied by the low income eligible pupil count.

19 (d) For any school district with a Low Income  
20 Concentration Level of 60% or more, the grant for the  
21 1998-99 school year shall be \$1,900 multiplied by the low  
22 income eligible pupil count.

23 (e) For the 1999-2000 school year, the per pupil amount  
24 specified in subparagraphs (b), (c), and (d) immediately  
25 above shall be increased to \$1,243, \$1,600, and \$2,000,  
26 respectively.

1           (f) For the 2000-2001 school year, the per pupil  
2 amounts specified in subparagraphs (b), (c), and (d)  
3 immediately above shall be \$1,273, \$1,640, and \$2,050,  
4 respectively.

5           (2.5) Supplemental general State aid pursuant to this  
6 subsection (H) shall be provided as follows for the 2002-2003  
7 school year:

8           (a) For any school district with a Low Income  
9 Concentration Level of less than 10%, the grant for each  
10 school year shall be \$355 multiplied by the low income  
11 eligible pupil count.

12           (b) For any school district with a Low Income  
13 Concentration Level of at least 10% and less than 20%, the  
14 grant for each school year shall be \$675 multiplied by the  
15 low income eligible pupil count.

16           (c) For any school district with a Low Income  
17 Concentration Level of at least 20% and less than 35%, the  
18 grant for each school year shall be \$1,330 multiplied by  
19 the low income eligible pupil count.

20           (d) For any school district with a Low Income  
21 Concentration Level of at least 35% and less than 50%, the  
22 grant for each school year shall be \$1,362 multiplied by  
23 the low income eligible pupil count.

24           (e) For any school district with a Low Income  
25 Concentration Level of at least 50% and less than 60%, the  
26 grant for each school year shall be \$1,680 multiplied by

1 the low income eligible pupil count.

2 (f) For any school district with a Low Income  
3 Concentration Level of 60% or more, the grant for each  
4 school year shall be \$2,080 multiplied by the low income  
5 eligible pupil count.

6 (2.10) Except as otherwise provided, supplemental general  
7 State aid pursuant to this subsection (H) shall be provided as  
8 follows for the 2003-2004 school year and each school year  
9 thereafter:

10 (a) For any school district with a Low Income  
11 Concentration Level of 15% or less, the grant for each  
12 school year shall be \$355 multiplied by the low income  
13 eligible pupil count.

14 (b) For any school district with a Low Income  
15 Concentration Level greater than 15%, the grant for each  
16 school year shall be \$294.25 added to the product of \$2,700  
17 and the square of the Low Income Concentration Level, all  
18 multiplied by the low income eligible pupil count.

19 For the 2003-2004 school year and each school year  
20 thereafter through the 2008-2009 school year only, the grant  
21 shall be no less than the grant for the 2002-2003 school year.  
22 For the 2009-2010 school year only, the grant shall be no less  
23 than the grant for the 2002-2003 school year multiplied by  
24 0.66. For the 2010-2011 school year only, the grant shall be no  
25 less than the grant for the 2002-2003 school year multiplied by  
26 0.33. Notwithstanding the provisions of this paragraph to the



1 contrary, if for any school year supplemental general State aid  
2 grants are prorated as provided in paragraph (1) of this  
3 subsection (H), then the grants under this paragraph shall be  
4 prorated.

5 For the 2003-2004 school year only, the grant shall be no  
6 greater than the grant received during the 2002-2003 school  
7 year added to the product of 0.25 multiplied by the difference  
8 between the grant amount calculated under subsection (a) or (b)  
9 of this paragraph (2.10), whichever is applicable, and the  
10 grant received during the 2002-2003 school year. For the  
11 2004-2005 school year only, the grant shall be no greater than  
12 the grant received during the 2002-2003 school year added to  
13 the product of 0.50 multiplied by the difference between the  
14 grant amount calculated under subsection (a) or (b) of this  
15 paragraph (2.10), whichever is applicable, and the grant  
16 received during the 2002-2003 school year. For the 2005-2006  
17 school year only, the grant shall be no greater than the grant  
18 received during the 2002-2003 school year added to the product  
19 of 0.75 multiplied by the difference between the grant amount  
20 calculated under subsection (a) or (b) of this paragraph  
21 (2.10), whichever is applicable, and the grant received during  
22 the 2002-2003 school year.

23 (3) School districts with an Average Daily Attendance of  
24 more than 1,000 and less than 50,000 that qualify for  
25 supplemental general State aid pursuant to this subsection  
26 shall submit a plan to the State Board of Education prior to

1 October 30 of each year for the use of the funds resulting from  
2 this grant of supplemental general State aid for the  
3 improvement of instruction in which priority is given to  
4 meeting the education needs of disadvantaged children. Such  
5 plan shall be submitted in accordance with rules and  
6 regulations promulgated by the State Board of Education.

7 (4) School districts with an Average Daily Attendance of  
8 50,000 or more that qualify for supplemental general State aid  
9 pursuant to this subsection shall be required to distribute  
10 from funds available pursuant to this Section, no less than  
11 \$261,000,000 in accordance with the following requirements:

12 (a) The required amounts shall be distributed to the  
13 attendance centers within the district in proportion to the  
14 number of pupils enrolled at each attendance center who are  
15 eligible to receive free or reduced-price lunches or  
16 breakfasts under the federal Child Nutrition Act of 1966  
17 and under the National School Lunch Act during the  
18 immediately preceding school year.

19 (b) The distribution of these portions of supplemental  
20 and general State aid among attendance centers according to  
21 these requirements shall not be compensated for or  
22 contravened by adjustments of the total of other funds  
23 appropriated to any attendance centers, and the Board of  
24 Education shall utilize funding from one or several sources  
25 in order to fully implement this provision annually prior  
26 to the opening of school.

1           (c) Each attendance center shall be provided by the  
2 school district a distribution of noncategorical funds and  
3 other categorical funds to which an attendance center is  
4 entitled under law in order that the general State aid and  
5 supplemental general State aid provided by application of  
6 this subsection supplements rather than supplants the  
7 noncategorical funds and other categorical funds provided  
8 by the school district to the attendance centers.

9           (d) Any funds made available under this subsection that  
10 by reason of the provisions of this subsection are not  
11 required to be allocated and provided to attendance centers  
12 may be used and appropriated by the board of the district  
13 for any lawful school purpose.

14           (e) Funds received by an attendance center pursuant to  
15 this subsection shall be used by the attendance center at  
16 the discretion of the principal and local school council  
17 for programs to improve educational opportunities at  
18 qualifying schools through the following programs and  
19 services: early childhood education, reduced class size or  
20 improved adult to student classroom ratio, enrichment  
21 programs, remedial assistance, attendance improvement, and  
22 other educationally beneficial expenditures which  
23 supplement the regular and basic programs as determined by  
24 the State Board of Education. Funds provided shall not be  
25 expended for any political or lobbying purposes as defined  
26 by board rule.

1           (f) Each district subject to the provisions of this  
2           subdivision (H) (4) shall submit an acceptable plan to meet  
3           the educational needs of disadvantaged children, in  
4           compliance with the requirements of this paragraph, to the  
5           State Board of Education prior to July 15 of each year.  
6           This plan shall be consistent with the decisions of local  
7           school councils concerning the school expenditure plans  
8           developed in accordance with part 4 of Section 34-2.3. The  
9           State Board shall approve or reject the plan within 60 days  
10          after its submission. If the plan is rejected, the district  
11          shall give written notice of intent to modify the plan  
12          within 15 days of the notification of rejection and then  
13          submit a modified plan within 30 days after the date of the  
14          written notice of intent to modify. Districts may amend  
15          approved plans pursuant to rules promulgated by the State  
16          Board of Education.

17           Upon notification by the State Board of Education that  
18          the district has not submitted a plan prior to July 15 or a  
19          modified plan within the time period specified herein, the  
20          State aid funds affected by that plan or modified plan  
21          shall be withheld by the State Board of Education until a  
22          plan or modified plan is submitted.

23           If the district fails to distribute State aid to  
24          attendance centers in accordance with an approved plan, the  
25          plan for the following year shall allocate funds, in  
26          addition to the funds otherwise required by this

1 subsection, to those attendance centers which were  
2 underfunded during the previous year in amounts equal to  
3 such underfunding.

4 For purposes of determining compliance with this  
5 subsection in relation to the requirements of attendance  
6 center funding, each district subject to the provisions of  
7 this subsection shall submit as a separate document by  
8 December 1 of each year a report of expenditure data for  
9 the prior year in addition to any modification of its  
10 current plan. If it is determined that there has been a  
11 failure to comply with the expenditure provisions of this  
12 subsection regarding contravention or supplanting, the  
13 State Superintendent of Education shall, within 60 days of  
14 receipt of the report, notify the district and any affected  
15 local school council. The district shall within 45 days of  
16 receipt of that notification inform the State  
17 Superintendent of Education of the remedial or corrective  
18 action to be taken, whether by amendment of the current  
19 plan, if feasible, or by adjustment in the plan for the  
20 following year. Failure to provide the expenditure report  
21 or the notification of remedial or corrective action in a  
22 timely manner shall result in a withholding of the affected  
23 funds.

24 The State Board of Education shall promulgate rules and  
25 regulations to implement the provisions of this  
26 subsection. No funds shall be released under this

1 subdivision (H) (4) to any district that has not submitted a  
2 plan that has been approved by the State Board of  
3 Education.

4 (I) (Blank).

5 (J) Supplementary Grants in Aid.

6 (1) Notwithstanding any other provisions of this Section,  
7 the amount of the aggregate general State aid in combination  
8 with supplemental general State aid under this Section for  
9 which each school district is eligible shall be no less than  
10 the amount of the aggregate general State aid entitlement that  
11 was received by the district under Section 18-8 (exclusive of  
12 amounts received under subsections 5(p) and 5(p-5) of that  
13 Section) for the 1997-98 school year, pursuant to the  
14 provisions of that Section as it was then in effect. If a  
15 school district qualifies to receive a supplementary payment  
16 made under this subsection (J), the amount of the aggregate  
17 general State aid in combination with supplemental general  
18 State aid under this Section which that district is eligible to  
19 receive for each school year shall be no less than the amount  
20 of the aggregate general State aid entitlement that was  
21 received by the district under Section 18-8 (exclusive of  
22 amounts received under subsections 5(p) and 5(p-5) of that  
23 Section) for the 1997-1998 school year, pursuant to the  
24 provisions of that Section as it was then in effect.

1           (2) If, as provided in paragraph (1) of this subsection  
2           (J), a school district is to receive aggregate general State  
3           aid in combination with supplemental general State aid under  
4           this Section for the 1998-99 school year and any subsequent  
5           school year that in any such school year is less than the  
6           amount of the aggregate general State aid entitlement that the  
7           district received for the 1997-98 school year, the school  
8           district shall also receive, from a separate appropriation made  
9           for purposes of this subsection (J), a supplementary payment  
10          that is equal to the amount of the difference in the aggregate  
11          State aid figures as described in paragraph (1).

12          (3) (Blank).

13          (K) Grants to Laboratory and Alternative Schools.

14           In calculating the amount to be paid to the governing board  
15           of a public university that operates a laboratory school under  
16           this Section or to any alternative school that is operated by a  
17           regional superintendent of schools, the State Board of  
18           Education shall require by rule such reporting requirements as  
19           it deems necessary.

20           As used in this Section, "laboratory school" means a public  
21           school which is created and operated by a public university and  
22           approved by the State Board of Education. The governing board  
23           of a public university which receives funds from the State  
24           Board under this subsection (K) may not increase the number of  
25           students enrolled in its laboratory school from a single

1 district, if that district is already sending 50 or more  
2 students, except under a mutual agreement between the school  
3 board of a student's district of residence and the university  
4 which operates the laboratory school. A laboratory school may  
5 not have more than 1,000 students, excluding students with  
6 disabilities in a special education program.

7 As used in this Section, "alternative school" means a  
8 public school which is created and operated by a Regional  
9 Superintendent of Schools and approved by the State Board of  
10 Education. Such alternative schools may offer courses of  
11 instruction for which credit is given in regular school  
12 programs, courses to prepare students for the high school  
13 equivalency testing program or vocational and occupational  
14 training. A regional superintendent of schools may contract  
15 with a school district or a public community college district  
16 to operate an alternative school. An alternative school serving  
17 more than one educational service region may be established by  
18 the regional superintendents of schools of the affected  
19 educational service regions. An alternative school serving  
20 more than one educational service region may be operated under  
21 such terms as the regional superintendents of schools of those  
22 educational service regions may agree.

23 Each laboratory and alternative school shall file, on forms  
24 provided by the State Superintendent of Education, an annual  
25 State aid claim which states the Average Daily Attendance of  
26 the school's students by month. The best 3 months' Average



1 Daily Attendance shall be computed for each school. The general  
2 State aid entitlement shall be computed by multiplying the  
3 applicable Average Daily Attendance by the Foundation Level as  
4 determined under this Section.

5 (L) Payments, Additional Grants in Aid and Other Requirements.

6 (1) For a school district operating under the financial  
7 supervision of an Authority created under Article 34A, the  
8 general State aid otherwise payable to that district under this  
9 Section, but not the supplemental general State aid, shall be  
10 reduced by an amount equal to the budget for the operations of  
11 the Authority as certified by the Authority to the State Board  
12 of Education, and an amount equal to such reduction shall be  
13 paid to the Authority created for such district for its  
14 operating expenses in the manner provided in Section 18-11. The  
15 remainder of general State school aid for any such district  
16 shall be paid in accordance with Article 34A when that Article  
17 provides for a disposition other than that provided by this  
18 Article.

19 (2) (Blank).

20 (3) Summer school. Summer school payments shall be made as  
21 provided in Section 18-4.3.

22 (M) Education Funding Advisory Board.

23 The Education Funding Advisory Board, hereinafter in this  
24 subsection (M) referred to as the "Board", is hereby created.

1 The Board shall consist of 5 members who are appointed by the  
2 Governor, by and with the advice and consent of the Senate. The  
3 members appointed shall include representatives of education,  
4 business, and the general public. One of the members so  
5 appointed shall be designated by the Governor at the time the  
6 appointment is made as the chairperson of the Board. The  
7 initial members of the Board may be appointed any time after  
8 the effective date of this amendatory Act of 1997. The regular  
9 term of each member of the Board shall be for 4 years from the  
10 third Monday of January of the year in which the term of the  
11 member's appointment is to commence, except that of the 5  
12 initial members appointed to serve on the Board, the member who  
13 is appointed as the chairperson shall serve for a term that  
14 commences on the date of his or her appointment and expires on  
15 the third Monday of January, 2002, and the remaining 4 members,  
16 by lots drawn at the first meeting of the Board that is held  
17 after all 5 members are appointed, shall determine 2 of their  
18 number to serve for terms that commence on the date of their  
19 respective appointments and expire on the third Monday of  
20 January, 2001, and 2 of their number to serve for terms that  
21 commence on the date of their respective appointments and  
22 expire on the third Monday of January, 2000. All members  
23 appointed to serve on the Board shall serve until their  
24 respective successors are appointed and confirmed. Vacancies  
25 shall be filled in the same manner as original appointments. If  
26 a vacancy in membership occurs at a time when the Senate is not

1 in session, the Governor shall make a temporary appointment  
2 until the next meeting of the Senate, when he or she shall  
3 appoint, by and with the advice and consent of the Senate, a  
4 person to fill that membership for the unexpired term. If the  
5 Senate is not in session when the initial appointments are  
6 made, those appointments shall be made as in the case of  
7 vacancies.

8 The Education Funding Advisory Board shall be deemed  
9 established, and the initial members appointed by the Governor  
10 to serve as members of the Board shall take office, on the date  
11 that the Governor makes his or her appointment of the fifth  
12 initial member of the Board, whether those initial members are  
13 then serving pursuant to appointment and confirmation or  
14 pursuant to temporary appointments that are made by the  
15 Governor as in the case of vacancies.

16 The State Board of Education shall provide such staff  
17 assistance to the Education Funding Advisory Board as is  
18 reasonably required for the proper performance by the Board of  
19 its responsibilities.

20 For school years after the 2000-2001 school year, the  
21 Education Funding Advisory Board, in consultation with the  
22 State Board of Education, shall make recommendations as  
23 provided in this subsection (M) to the General Assembly for the  
24 foundation level under subdivision (B)(3) of this Section and  
25 for the supplemental general State aid grant level under  
26 subsection (H) of this Section for districts with high

1 concentrations of children from poverty. The recommended  
2 foundation level shall be determined based on a methodology  
3 which incorporates the basic education expenditures of  
4 low-spending schools exhibiting high academic performance. The  
5 Education Funding Advisory Board shall make such  
6 recommendations to the General Assembly on January 1 of odd  
7 numbered years, beginning January 1, 2001.

8 (N) (Blank).

9 (O) References.

10 (1) References in other laws to the various subdivisions of  
11 Section 18-8 as that Section existed before its repeal and  
12 replacement by this Section 18-8.05 shall be deemed to refer to  
13 the corresponding provisions of this Section 18-8.05, to the  
14 extent that those references remain applicable.

15 (2) References in other laws to State Chapter 1 funds shall  
16 be deemed to refer to the supplemental general State aid  
17 provided under subsection (H) of this Section.

18 (P) Public Act 93-838 and Public Act 93-808 make inconsistent  
19 changes to this Section. Under Section 6 of the Statute on  
20 Statutes there is an irreconcilable conflict between Public Act  
21 93-808 and Public Act 93-838. Public Act 93-838, being the last  
22 acted upon, is controlling. The text of Public Act 93-838 is  
23 the law regardless of the text of Public Act 93-808.

1 (Source: P.A. 94-69, eff. 7-1-05; 94-438, eff. 8-4-05; 94-835,  
2 eff. 6-6-06; 94-1019, eff. 7-10-06; 94-1105, eff. 6-1-07;  
3 95-331, eff. 8-21-07; 95-644, eff. 10-12-07; 95-707, eff.  
4 1-11-08; 95-744, eff. 7-18-08; 95-903, eff. 8-25-08; revised  
5 9-5-08.)

6 Section 5-52. The Illinois Public Aid Code is amended by  
7 changing Sections 5-5.4, 5A-8, and 12-10.3 as follows:

8 (305 ILCS 5/5-5.4) (from Ch. 23, par. 5-5.4)

9 Sec. 5-5.4. Standards of Payment - Department of Healthcare  
10 and Family Services. The Department of Healthcare and Family  
11 Services shall develop standards of payment of skilled nursing  
12 and intermediate care services in facilities providing such  
13 services under this Article which:

14 (1) Provide for the determination of a facility's payment  
15 for skilled nursing and intermediate care services on a  
16 prospective basis. The amount of the payment rate for all  
17 nursing facilities certified by the Department of Public Health  
18 under the Nursing Home Care Act as Intermediate Care for the  
19 Developmentally Disabled facilities, Long Term Care for Under  
20 Age 22 facilities, Skilled Nursing facilities, or Intermediate  
21 Care facilities under the medical assistance program shall be  
22 prospectively established annually on the basis of historical,  
23 financial, and statistical data reflecting actual costs from  
24 prior years, which shall be applied to the current rate year

1 and updated for inflation, except that the capital cost element  
2 for newly constructed facilities shall be based upon projected  
3 budgets. The annually established payment rate shall take  
4 effect on July 1 in 1984 and subsequent years. No rate increase  
5 and no update for inflation shall be provided on or after July  
6 1, 1994 and before July 1, 2010 ~~2009~~, unless specifically  
7 provided for in this Section. The changes made by Public Act  
8 93-841 extending the duration of the prohibition against a rate  
9 increase or update for inflation are effective retroactive to  
10 July 1, 2004.

11 For facilities licensed by the Department of Public Health  
12 under the Nursing Home Care Act as Intermediate Care for the  
13 Developmentally Disabled facilities or Long Term Care for Under  
14 Age 22 facilities, the rates taking effect on July 1, 1998  
15 shall include an increase of 3%. For facilities licensed by the  
16 Department of Public Health under the Nursing Home Care Act as  
17 Skilled Nursing facilities or Intermediate Care facilities,  
18 the rates taking effect on July 1, 1998 shall include an  
19 increase of 3% plus \$1.10 per resident-day, as defined by the  
20 Department. For facilities licensed by the Department of Public  
21 Health under the Nursing Home Care Act as Intermediate Care  
22 Facilities for the Developmentally Disabled or Long Term Care  
23 for Under Age 22 facilities, the rates taking effect on January  
24 1, 2006 shall include an increase of 3%. For facilities  
25 licensed by the Department of Public Health under the Nursing  
26 Home Care Act as Intermediate Care Facilities for the

1 Developmentally Disabled or Long Term Care for Under Age 22  
2 facilities, the rates taking effect on January 1, 2009 shall  
3 include an increase sufficient to provide a \$0.50 per hour wage  
4 increase for non-executive staff.

5 For facilities licensed by the Department of Public Health  
6 under the Nursing Home Care Act as Intermediate Care for the  
7 Developmentally Disabled facilities or Long Term Care for Under  
8 Age 22 facilities, the rates taking effect on July 1, 1999  
9 shall include an increase of 1.6% plus \$3.00 per resident-day,  
10 as defined by the Department. For facilities licensed by the  
11 Department of Public Health under the Nursing Home Care Act as  
12 Skilled Nursing facilities or Intermediate Care facilities,  
13 the rates taking effect on July 1, 1999 shall include an  
14 increase of 1.6% and, for services provided on or after October  
15 1, 1999, shall be increased by \$4.00 per resident-day, as  
16 defined by the Department.

17 For facilities licensed by the Department of Public Health  
18 under the Nursing Home Care Act as Intermediate Care for the  
19 Developmentally Disabled facilities or Long Term Care for Under  
20 Age 22 facilities, the rates taking effect on July 1, 2000  
21 shall include an increase of 2.5% per resident-day, as defined  
22 by the Department. For facilities licensed by the Department of  
23 Public Health under the Nursing Home Care Act as Skilled  
24 Nursing facilities or Intermediate Care facilities, the rates  
25 taking effect on July 1, 2000 shall include an increase of 2.5%  
26 per resident-day, as defined by the Department.

1           For facilities licensed by the Department of Public Health  
2 under the Nursing Home Care Act as skilled nursing facilities  
3 or intermediate care facilities, a new payment methodology must  
4 be implemented for the nursing component of the rate effective  
5 July 1, 2003. The Department of Public Aid (now Healthcare and  
6 Family Services) shall develop the new payment methodology  
7 using the Minimum Data Set (MDS) as the instrument to collect  
8 information concerning nursing home resident condition  
9 necessary to compute the rate. The Department shall develop the  
10 new payment methodology to meet the unique needs of Illinois  
11 nursing home residents while remaining subject to the  
12 appropriations provided by the General Assembly. A transition  
13 period from the payment methodology in effect on June 30, 2003  
14 to the payment methodology in effect on July 1, 2003 shall be  
15 provided for a period not exceeding 3 years and 184 days after  
16 implementation of the new payment methodology as follows:

17           (A) For a facility that would receive a lower nursing  
18 component rate per patient day under the new system than  
19 the facility received effective on the date immediately  
20 preceding the date that the Department implements the new  
21 payment methodology, the nursing component rate per  
22 patient day for the facility shall be held at the level in  
23 effect on the date immediately preceding the date that the  
24 Department implements the new payment methodology until a  
25 higher nursing component rate of reimbursement is achieved  
26 by that facility.



1           (B) For a facility that would receive a higher nursing  
2           component rate per patient day under the payment  
3           methodology in effect on July 1, 2003 than the facility  
4           received effective on the date immediately preceding the  
5           date that the Department implements the new payment  
6           methodology, the nursing component rate per patient day for  
7           the facility shall be adjusted.

8           (C) Notwithstanding paragraphs (A) and (B), the  
9           nursing component rate per patient day for the facility  
10          shall be adjusted subject to appropriations provided by the  
11          General Assembly.

12          For facilities licensed by the Department of Public Health  
13          under the Nursing Home Care Act as Intermediate Care for the  
14          Developmentally Disabled facilities or Long Term Care for Under  
15          Age 22 facilities, the rates taking effect on March 1, 2001  
16          shall include a statewide increase of 7.85%, as defined by the  
17          Department.

18          Notwithstanding any other provision of this Section, for  
19          facilities licensed by the Department of Public Health under  
20          the Nursing Home Care Act as skilled nursing facilities or  
21          intermediate care facilities, the numerator of the ratio used  
22          by the Department of Healthcare and Family Services to compute  
23          the rate payable under this Section using the Minimum Data Set  
24          (MDS) methodology shall incorporate the following annual  
25          amounts as the additional funds appropriated to the Department  
26          specifically to pay for rates based on the MDS nursing

1 component methodology in excess of the funding in effect on  
2 December 31, 2006:

3 (i) For rates taking effect January 1, 2007,  
4 \$60,000,000.

5 (ii) For rates taking effect January 1, 2008,  
6 \$110,000,000.

7 (iii) For rates taking effect January 1, 2009,  
8 \$194,000,000.

9 Notwithstanding any other provision of this Section, for  
10 facilities licensed by the Department of Public Health under  
11 the Nursing Home Care Act as skilled nursing facilities or  
12 intermediate care facilities, the support component of the  
13 rates taking effect on January 1, 2008 shall be computed using  
14 the most recent cost reports on file with the Department of  
15 Healthcare and Family Services no later than April 1, 2005,  
16 updated for inflation to January 1, 2006.

17 For facilities licensed by the Department of Public Health  
18 under the Nursing Home Care Act as Intermediate Care for the  
19 Developmentally Disabled facilities or Long Term Care for Under  
20 Age 22 facilities, the rates taking effect on April 1, 2002  
21 shall include a statewide increase of 2.0%, as defined by the  
22 Department. This increase terminates on July 1, 2002; beginning  
23 July 1, 2002 these rates are reduced to the level of the rates  
24 in effect on March 31, 2002, as defined by the Department.

25 For facilities licensed by the Department of Public Health  
26 under the Nursing Home Care Act as skilled nursing facilities

1 or intermediate care facilities, the rates taking effect on  
2 July 1, 2001 shall be computed using the most recent cost  
3 reports on file with the Department of Public Aid no later than  
4 April 1, 2000, updated for inflation to January 1, 2001. For  
5 rates effective July 1, 2001 only, rates shall be the greater  
6 of the rate computed for July 1, 2001 or the rate effective on  
7 June 30, 2001.

8 Notwithstanding any other provision of this Section, for  
9 facilities licensed by the Department of Public Health under  
10 the Nursing Home Care Act as skilled nursing facilities or  
11 intermediate care facilities, the Illinois Department shall  
12 determine by rule the rates taking effect on July 1, 2002,  
13 which shall be 5.9% less than the rates in effect on June 30,  
14 2002.

15 Notwithstanding any other provision of this Section, for  
16 facilities licensed by the Department of Public Health under  
17 the Nursing Home Care Act as skilled nursing facilities or  
18 intermediate care facilities, if the payment methodologies  
19 required under Section 5A-12 and the waiver granted under 42  
20 CFR 433.68 are approved by the United States Centers for  
21 Medicare and Medicaid Services, the rates taking effect on July  
22 1, 2004 shall be 3.0% greater than the rates in effect on June  
23 30, 2004. These rates shall take effect only upon approval and  
24 implementation of the payment methodologies required under  
25 Section 5A-12.

26 Notwithstanding any other provisions of this Section, for

1 facilities licensed by the Department of Public Health under  
2 the Nursing Home Care Act as skilled nursing facilities or  
3 intermediate care facilities, the rates taking effect on  
4 January 1, 2005 shall be 3% more than the rates in effect on  
5 December 31, 2004.

6 Notwithstanding any other provision of this Section, for  
7 facilities licensed by the Department of Public Health under  
8 the Nursing Home Care Act as skilled nursing facilities or  
9 intermediate care facilities, effective January 1, 2009, the  
10 per diem support component of the rates effective on January 1,  
11 2008, computed using the most recent cost reports on file with  
12 the Department of Healthcare and Family Services no later than  
13 April 1, 2005, updated for inflation to January 1, 2006, shall  
14 be increased to the amount that would have been derived using  
15 standard Department of Healthcare and Family Services methods,  
16 procedures, and inflators.

17 Notwithstanding any other provisions of this Section, for  
18 facilities licensed by the Department of Public Health under  
19 the Nursing Home Care Act as intermediate care facilities that  
20 are federally defined as Institutions for Mental Disease, a  
21 socio-development component rate equal to 6.6% of the  
22 facility's nursing component rate as of January 1, 2006 shall  
23 be established and paid effective July 1, 2006. The  
24 socio-development component of the rate shall be increased by a  
25 factor of 2.53 on the first day of the month that begins at  
26 least 45 days after January 11, 2008 (the effective date of

1 Public Act 95-707). As of August 1, 2008, the socio-development  
2 component rate shall be equal to 6.6% of the facility's nursing  
3 component rate as of January 1, 2006, multiplied by a factor of  
4 3.53. The Illinois Department may by rule adjust these  
5 socio-development component rates, but in no case may such  
6 rates be diminished.

7 For facilities licensed by the Department of Public Health  
8 under the Nursing Home Care Act as Intermediate Care for the  
9 Developmentally Disabled facilities or as long-term care  
10 facilities for residents under 22 years of age, the rates  
11 taking effect on July 1, 2003 shall include a statewide  
12 increase of 4%, as defined by the Department.

13 For facilities licensed by the Department of Public Health  
14 under the Nursing Home Care Act as Intermediate Care for the  
15 Developmentally Disabled facilities or Long Term Care for Under  
16 Age 22 facilities, the rates taking effect on the first day of  
17 the month that begins at least 45 days after the effective date  
18 of this amendatory Act of the 95th General Assembly shall  
19 include a statewide increase of 2.5%, as defined by the  
20 Department.

21 Notwithstanding any other provision of this Section, for  
22 facilities licensed by the Department of Public Health under  
23 the Nursing Home Care Act as skilled nursing facilities or  
24 intermediate care facilities, effective January 1, 2005,  
25 facility rates shall be increased by the difference between (i)  
26 a facility's per diem property, liability, and malpractice

1 insurance costs as reported in the cost report filed with the  
2 Department of Public Aid and used to establish rates effective  
3 July 1, 2001 and (ii) those same costs as reported in the  
4 facility's 2002 cost report. These costs shall be passed  
5 through to the facility without caps or limitations, except for  
6 adjustments required under normal auditing procedures.

7 Rates established effective each July 1 shall govern  
8 payment for services rendered throughout that fiscal year,  
9 except that rates established on July 1, 1996 shall be  
10 increased by 6.8% for services provided on or after January 1,  
11 1997. Such rates will be based upon the rates calculated for  
12 the year beginning July 1, 1990, and for subsequent years  
13 thereafter until June 30, 2001 shall be based on the facility  
14 cost reports for the facility fiscal year ending at any point  
15 in time during the previous calendar year, updated to the  
16 midpoint of the rate year. The cost report shall be on file  
17 with the Department no later than April 1 of the current rate  
18 year. Should the cost report not be on file by April 1, the  
19 Department shall base the rate on the latest cost report filed  
20 by each skilled care facility and intermediate care facility,  
21 updated to the midpoint of the current rate year. In  
22 determining rates for services rendered on and after July 1,  
23 1985, fixed time shall not be computed at less than zero. The  
24 Department shall not make any alterations of regulations which  
25 would reduce any component of the Medicaid rate to a level  
26 below what that component would have been utilizing in the rate

1 effective on July 1, 1984.

2 (2) Shall take into account the actual costs incurred by  
3 facilities in providing services for recipients of skilled  
4 nursing and intermediate care services under the medical  
5 assistance program.

6 (3) Shall take into account the medical and psycho-social  
7 characteristics and needs of the patients.

8 (4) Shall take into account the actual costs incurred by  
9 facilities in meeting licensing and certification standards  
10 imposed and prescribed by the State of Illinois, any of its  
11 political subdivisions or municipalities and by the U.S.  
12 Department of Health and Human Services pursuant to Title XIX  
13 of the Social Security Act.

14 The Department of Healthcare and Family Services shall  
15 develop precise standards for payments to reimburse nursing  
16 facilities for any utilization of appropriate rehabilitative  
17 personnel for the provision of rehabilitative services which is  
18 authorized by federal regulations, including reimbursement for  
19 services provided by qualified therapists or qualified  
20 assistants, and which is in accordance with accepted  
21 professional practices. Reimbursement also may be made for  
22 utilization of other supportive personnel under appropriate  
23 supervision.

24 (Source: P.A. 94-48, eff. 7-1-05; 94-85, eff. 6-28-05; 94-697,  
25 eff. 11-21-05; 94-838, eff. 6-6-06; 94-964, eff. 6-28-06;  
26 95-12, eff. 7-2-07; 95-331, eff. 8-21-07; 95-707, eff. 1-11-08;

1 95-744, eff. 7-18-08.)

2 (305 ILCS 5/5A-8) (from Ch. 23, par. 5A-8)

3 Sec. 5A-8. Hospital Provider Fund.

4 (a) There is created in the State Treasury the Hospital  
5 Provider Fund. Interest earned by the Fund shall be credited to  
6 the Fund. The Fund shall not be used to replace any moneys  
7 appropriated to the Medicaid program by the General Assembly.

8 (b) The Fund is created for the purpose of receiving moneys  
9 in accordance with Section 5A-6 and disbursing moneys only for  
10 the following purposes, notwithstanding any other provision of  
11 law:

12 (1) For making payments to hospitals as required under  
13 Articles V, V-A, VI, and XIV of this Code, under the  
14 Children's Health Insurance Program Act, and under the  
15 Covering ALL KIDS Health Insurance Act.

16 (2) For the reimbursement of moneys collected by the  
17 Illinois Department from hospitals or hospital providers  
18 through error or mistake in performing the activities  
19 authorized under this Article and Article V of this Code.

20 (3) For payment of administrative expenses incurred by  
21 the Illinois Department or its agent in performing the  
22 activities authorized by this Article.

23 (4) For payments of any amounts which are reimbursable  
24 to the federal government for payments from this Fund which  
25 are required to be paid by State warrant.



1           (5) For making transfers, as those transfers are  
2 authorized in the proceedings authorizing debt under the  
3 Short Term Borrowing Act, but transfers made under this  
4 paragraph (5) shall not exceed the principal amount of debt  
5 issued in anticipation of the receipt by the State of  
6 moneys to be deposited into the Fund.

7           (6) For making transfers to any other fund in the State  
8 treasury, but transfers made under this paragraph (6) shall  
9 not exceed the amount transferred previously from that  
10 other fund into the Hospital Provider Fund.

11           (7) For State fiscal years 2004 and 2005 for making  
12 transfers to the Health and Human Services Medicaid Trust  
13 Fund, including 20% of the moneys received from hospital  
14 providers under Section 5A-4 and transferred into the  
15 Hospital Provider Fund under Section 5A-6. For State fiscal  
16 year 2006 for making transfers to the Health and Human  
17 Services Medicaid Trust Fund of up to \$130,000,000 per year  
18 of the moneys received from hospital providers under  
19 Section 5A-4 and transferred into the Hospital Provider  
20 Fund under Section 5A-6. Transfers under this paragraph  
21 shall be made within 7 days after the payments have been  
22 received pursuant to the schedule of payments provided in  
23 subsection (a) of Section 5A-4.

24           (7.5) For State fiscal year 2007 for making transfers  
25 of the moneys received from hospital providers under  
26 Section 5A-4 and transferred into the Hospital Provider

1 Fund under Section 5A-6 to the designated funds not  
2 exceeding the following amounts in that State fiscal year:

3 Health and Human Services

4	Medicaid Trust Fund .....	\$20,000,000
5	Long-Term Care Provider Fund .....	\$30,000,000
6	General Revenue Fund .....	\$80,000,000.

7 Transfers under this paragraph shall be made within 7  
8 days after the payments have been received pursuant to the  
9 schedule of payments provided in subsection (a) of Section  
10 5A-4.

11 (7.8) For State fiscal year 2008, for making transfers  
12 of the moneys received from hospital providers under  
13 Section 5A-4 and transferred into the Hospital Provider  
14 Fund under Section 5A-6 to the designated funds not  
15 exceeding the following amounts in that State fiscal year:

16 Health and Human Services

17	Medicaid Trust Fund .....	\$40,000,000
18	Long-Term Care Provider Fund .....	\$60,000,000
19	General Revenue Fund .....	\$160,000,000.

20 Transfers under this paragraph shall be made within 7  
21 days after the payments have been received pursuant to the  
22 schedule of payments provided in subsection (a) of Section  
23 5A-4.

24 (7.9) For State fiscal years 2009 through 2013, for  
25 making transfers of the moneys received from hospital  
26 providers under Section 5A-4 and transferred into the

1 Hospital Provider Fund under Section 5A-6 to the designated  
2 funds not exceeding the following amounts in that State  
3 fiscal year:

4	Health and Human Services	
5	Medicaid Trust Fund .....	\$20,000,000
6	Long Term Care Provider Fund .....	\$30,000,000
7	General Revenue Fund .....	\$80,000,000.

8 Except as provided under this paragraph, transfers  
9 under this paragraph shall be made within 7 business days  
10 after the payments have been received pursuant to the  
11 schedule of payments provided in subsection (a) of Section  
12 5A-4. For State fiscal year 2009, transfers to the General  
13 Revenue Fund under this paragraph shall be made on or  
14 before June 30, 2009, as sufficient funds become available  
15 in the Hospital Provider Fund to both make the transfers  
16 and continue hospital payments.

17 (8) For making refunds to hospital providers pursuant  
18 to Section 5A-10.

19 Disbursements from the Fund, other than transfers  
20 authorized under paragraphs (5) and (6) of this subsection,  
21 shall be by warrants drawn by the State Comptroller upon  
22 receipt of vouchers duly executed and certified by the Illinois  
23 Department.

24 (c) The Fund shall consist of the following:

25 (1) All moneys collected or received by the Illinois  
26 Department from the hospital provider assessment imposed

1 by this Article.

2 (2) All federal matching funds received by the Illinois  
3 Department as a result of expenditures made by the Illinois  
4 Department that are attributable to moneys deposited in the  
5 Fund.

6 (3) Any interest or penalty levied in conjunction with  
7 the administration of this Article.

8 (4) Moneys transferred from another fund in the State  
9 treasury.

10 (5) All other moneys received for the Fund from any  
11 other source, including interest earned thereon.

12 (d) (Blank).

13 (Source: P.A. 95-707, eff. 1-11-08; 95-859, eff. 8-19-08; 96-3,  
14 eff. 2-27-09.)

15 (305 ILCS 5/12-10.3) (from Ch. 23, par. 12-10.3)

16 Sec. 12-10.3. Employment and Training Fund; uses.

17 (a) The Employment and Training Fund is hereby created in  
18 the State Treasury for the purpose of receiving and disbursing  
19 moneys in accordance with the provisions of Title IV-A of the  
20 federal Social Security Act; the Food Stamp Act, Title 7 of the  
21 United States Code; and related rules and regulations governing  
22 the use of those moneys for the purposes of providing  
23 employment and training services, supportive services, cash  
24 assistance payments, short-term non-recurrent payments, and  
25 other related social services.

1 (b) All federal funds received by the Illinois Department  
2 as reimbursement for expenditures for employment and training  
3 programs made by the Illinois Department from grants, gifts, or  
4 legacies as provided in Section 12-4.18 or by an entity other  
5 than the Department, and all federal funds received from the  
6 Emergency Contingency Fund for State Temporary Assistance for  
7 Needy Families Programs established by the American Recovery  
8 and Reinvestment Act of 2009 ~~except as a result of~~  
9 ~~appropriations made for the costs of providing adult education~~  
10 ~~to public assistance recipients,~~ shall be deposited into the  
11 Employment and Training Fund; ~~provided, however, that all~~  
12 ~~funds, except those that are specified in the interagency~~  
13 ~~agreement between the Illinois Community College Board and the~~  
14 ~~Department, that are received by the Department as~~  
15 ~~reimbursement under Title IV-A of the federal Social Security~~  
16 ~~Act for expenditures that are made by the Illinois Community~~  
17 ~~College Board or by any public community college of this State~~  
18 ~~shall be credited to a special account that the State Treasurer~~  
19 ~~shall establish and maintain within the Employment and Training~~  
20 ~~Fund for the purpose and in the manner provided in Section~~  
21 ~~12-5.~~

22 (c) Except as provided in subsection (d) of this Section,  
23 the Employment and Training Fund shall be administered by the  
24 Illinois Department, and the Illinois Department may make  
25 payments from the Employment and Training Fund to clients or to  
26 public and private entities on behalf of clients for employment

1 and training services, ~~for~~ supportive services, cash  
2 assistance payments, short-term non-recurrent payments, and  
3 other related social services consistent with the purposes  
4 authorized under this Code. ~~or to public and private entities~~  
5 ~~for employment and training services. Such payments shall not~~  
6 ~~include any funds generated by Illinois community colleges as~~  
7 ~~part of the Opportunities Program.~~

8 (d) (Blank). ~~On or before the 10th day of August, 1992, and~~  
9 ~~on or before the 10th day of each month thereafter, the State~~  
10 ~~Treasurer and State Comptroller shall automatically transfer~~  
11 ~~to the TANF Opportunities Fund of the Illinois Community~~  
12 ~~College Board from the special account established and~~  
13 ~~maintained in the Employment and Training Fund all amounts~~  
14 ~~credited to that special account as provided in Section 12-5~~  
15 ~~during the preceding month as reimbursement for expenditures~~  
16 ~~under Title IV A of the federal Social Security Act made by the~~  
17 ~~Illinois Community College Board or any public community~~  
18 ~~college of this State.~~

19 (e) The Illinois Department shall execute a written  
20 contract when purchasing employment and training services from  
21 entities qualified to provide services under the programs. The  
22 contract shall be filed with the Illinois Department and the  
23 State Comptroller.

24 (Source: P.A. 92-111, eff. 1-1-02.)

25 Section 5-53. The Veterans' Health Insurance Program Act of

1 2008 is amended by changing Sections 3, 5, 15, 20, 30, 40, and  
2 45 as follows:

3 (330 ILCS 126/3)

4 (Section scheduled to be repealed on January 1, 2012)

5 Sec. 3. Legislative intent. The General Assembly finds that  
6 those who have served their country honorably in military  
7 service and who are residing in this State deserve access to  
8 affordable, comprehensive health insurance. Many veterans are  
9 uninsured and unable to afford healthcare. This lack of  
10 healthcare, including preventative care, often exacerbates  
11 health conditions. The effects of lack of insurance negatively  
12 impact those residents of the State who are insured because the  
13 cost of paying for care to the uninsured is often shifted to  
14 those who have insurance in the form of higher health insurance  
15 premiums. It is, therefore, the intent of this legislation to  
16 provide access to affordable health insurance for veterans and  
17 their spouses residing in Illinois who are unable to afford  
18 such coverage. However, the State has only a limited amount of  
19 resources, and the General Assembly therefore declares that  
20 while it intends to cover as many such veterans and spouses as  
21 possible, the State may not be able to cover every eligible  
22 person who qualifies for this Program as a matter of  
23 entitlement due to limited funding.

24 (Source: P.A. 95-755, eff. 7-25-08.)

1 (330 ILCS 126/5)

2 (Section scheduled to be repealed on January 1, 2012)

3 Sec. 5. Definitions. The following words have the following  
4 meanings:

5 "Department" means the Department of Healthcare and Family  
6 Services, or any successor agency.

7 "Director" means the Director of Healthcare and Family  
8 Services, or any successor agency.

9 "Medical assistance" means health care benefits provided  
10 under Article V of the Illinois Public Aid Code.

11 "Program" means the Veterans' Health Insurance Program.

12 "Resident" means an individual who has an Illinois  
13 residence, as provided in Section 5-3 of the Illinois Public  
14 Aid Code.

15 "Spouse" means the person who is the person who, under the  
16 laws of the State of Illinois, is married to an eligible  
17 veteran at the time of application and subsequent  
18 re-determinations for the Program and includes enrolled  
19 spouses surviving the death of veteran spouses.

20 "Veteran" means any person who has served in a branch of  
21 the United States military for greater than 180 ~~consecutive~~  
22 days after initial training.

23 "Veterans' Affairs" or "VA" means the United States  
24 Department of Veterans' Affairs.

25 (Source: P.A. 95-755, eff. 7-25-08.)



1 (330 ILCS 126/15)

2 (Section scheduled to be repealed on January 1, 2012)

3 Sec. 15. Eligibility.

4 (a) To be eligible for the Program, a person must:

5 (1) be a veteran who is not on active duty and who has  
6 not been dishonorably discharged from service or the spouse  
7 of such a veteran;

8 (2) be a resident of the State of Illinois;

9 (3) be at least 19 years of age and no older than 64  
10 years of age;

11 (4) be uninsured, as defined by the Department by rule,  
12 for a period of time established by the Department by rule,  
13 which shall be no less than 3 ~~6~~ months;

14 (5) not be eligible for medical assistance under the  
15 Illinois Public Aid Code or healthcare benefits under the  
16 Children's Health Insurance Program Act or the Covering ALL  
17 KIDS Health Insurance Act;

18 (6) not be eligible for medical benefits through the  
19 Veterans Health Administration; and

20 (7) have a household income no greater than the sum of  
21 (i) an amount equal to 25% of the federal poverty level  
22 plus (ii) an amount equal to the Veterans Administration  
23 means test income threshold at the initiation of the  
24 Program; depending on the availability of funds, this level  
25 may be increased to an amount equal to the sum of (iii) an  
26 amount equal to 50% of the federal poverty level plus (iv)

1 an amount equal to the Veterans Administration means test  
2 income threshold. This means test income threshold is  
3 subject to alteration by the Department as set forth in  
4 subsection (b) of Section 10.

5 (b) A veteran or spouse who is determined eligible for the  
6 Program shall remain eligible for 12 months, provided the  
7 veteran or spouse remains a resident of the State and is not  
8 excluded under subsection (c) of this Section and provided the  
9 Department has not limited the enrollment period as set forth  
10 in subsection (b) of Section 10.

11 (c) A veteran or spouse is not eligible for coverage under  
12 the Program if:

13 (1) the premium required under Section 35 of this Act  
14 has not been timely paid; if the required premiums are not  
15 paid, the liability of the Program shall be limited to  
16 benefits incurred under the Program for the time period for  
17 which premiums have been paid and for grace periods as  
18 established under subsection (d); if the required monthly  
19 premium is not paid, the veteran or spouse is ineligible  
20 for re-enrollment for a minimum period of 3 months; or

21 (2) the veteran or spouse is a resident of a nursing  
22 facility or an inmate of a public institution, as defined  
23 by 42 CFR 435.1009.

24 (d) The Department shall adopt rules for the Program,  
25 including, but not limited to, rules relating to eligibility,  
26 re-enrollment, grace periods, notice requirements, hearing

1 procedures, cost-sharing, covered services, and provider  
2 requirements.

3 (Source: P.A. 95-755, eff. 7-25-08.)

4 (330 ILCS 126/20)

5 (Section scheduled to be repealed on January 1, 2012)

6 Sec. 20. Notice of decisions to terminate eligibility.  
7 Whenever the Department decides to either deny or terminate  
8 eligibility under this Act, the veteran or spouse shall have a  
9 right to notice and a hearing, as provided by the Department by  
10 rule.

11 (Source: P.A. 95-755, eff. 7-25-08.)

12 (330 ILCS 126/30)

13 (Section scheduled to be repealed on January 1, 2012)

14 Sec. 30. Health care benefits.

15 (a) For veterans or spouses eligible and enrolled, the  
16 Department shall purchase or provide health care benefits for  
17 eligible veterans or spouses that are identical to the benefits  
18 provided to adults under the State's approved plan under Title  
19 XIX of the Social Security Act, except for nursing facility  
20 services and non-emergency transportation.

21 (b) Providers shall be subject to approval by the  
22 Department to provide health care under the Illinois Public Aid  
23 Code and shall be reimbursed at the same rates as providers  
24 reimbursed under the State's approved plan under Title XIX of

1 the Social Security Act.

2 (c) As an alternative to the benefits set forth in  
3 subsection (a) of this Section, and when cost-effective, the  
4 Department may offer veterans or spouses subsidies toward the  
5 cost of privately sponsored health insurance, including  
6 employer-sponsored health insurance.

7 (Source: P.A. 95-755, eff. 7-25-08.)

8 (330 ILCS 126/40)

9 (Section scheduled to be repealed on January 1, 2012)

10 Sec. 40. Charge upon claims and causes of action; right of  
11 subrogation; recoveries. Sections 11-22, 11-22a, 11-22b, and  
12 11-22c of the Illinois Public Aid Code apply to health benefits  
13 provided to veterans or spouses under this Act, as provided in  
14 those Sections.

15 (Source: P.A. 95-755, eff. 7-25-08.)

16 (330 ILCS 126/45)

17 (Section scheduled to be repealed on January 1, 2012)

18 Sec. 45. Reporting. The Department shall prepare an annual  
19 report for submission to the General Assembly. The report shall  
20 be due to the General Assembly by January 1 of each year  
21 beginning in 2009. This report shall include information  
22 regarding implementation of the Program, including the number  
23 of veterans or spouses enrolled and any available information  
24 regarding other benefits derived from the Program, including

1 screening for and acquisition of other veterans' benefits  
2 through the Veterans' Service Officers and the Veterans'  
3 Assistance Commissions. This report may also include  
4 recommendations regarding improvements that may be made to the  
5 Program and regarding the extension of the repeal date set  
6 forth in Section 85 of this Act.

7 (Source: P.A. 95-755, eff. 7-25-08.)

8 Section 5-55. The Environmental Protection Act is amended  
9 by changing Section 58.13 as follows:

10 (415 ILCS 5/58.13)

11 Sec. 58.13. Municipal Brownfields Redevelopment Grant  
12 Program.

13 (a) (1) The Agency shall establish and administer a program  
14 of grants, to be known as the Municipal Brownfields  
15 Redevelopment Grant Program, to provide municipalities in  
16 Illinois with financial assistance to be used for  
17 coordination of activities related to brownfields  
18 redevelopment, including but not limited to identification  
19 of brownfields sites, including those sites within River  
20 Edge Redevelopment Zones, site investigation and  
21 determination of remediation objectives and related plans  
22 and reports, development of remedial action plans, and  
23 implementation of remedial action plans and remedial  
24 action completion reports. The plans and reports shall be

1 developed in accordance with Title XVII of this Act.

2 (2) Grants shall be awarded on a competitive basis  
3 subject to availability of funding. Criteria for awarding  
4 grants shall include, but shall not be limited to the  
5 following:

6 (A) problem statement and needs assessment;

7 (B) community-based planning and involvement;

8 (C) implementation planning; and

9 (D) long-term benefits and sustainability.

10 (3) The Agency may give weight to geographic location  
11 to enhance geographic distribution of grants across this  
12 State.

13 (4) Except for grants to municipalities with  
14 designated River Edge Redevelopment Zones, grants shall be  
15 limited to a maximum of \$240,000, and no municipality shall  
16 receive more than this amount under this Section. For  
17 grants to municipalities with designated River Edge  
18 Redevelopment Zones and grants to municipalities awarded  
19 from funds provided under the American Recovery and  
20 Reinvestment Act of 2009, grants shall be limited to a  
21 maximum of \$2,000,000 and no municipality shall receive  
22 more than this amount under this Section. For grants to  
23 municipalities awarded from funds provided under the  
24 American Recovery and Reinvestment Act of 2009, grants  
25 shall be limited to a maximum of \$1,000,000 and no  
26 municipality shall receive more than this amount under this

1           Section.

2           (5) Grant amounts shall not exceed 70% of the project  
3           amount, with the remainder to be provided by the  
4           municipality as local matching funds.

5           (b) The Agency shall have the authority to enter into any  
6           contracts or agreements that may be necessary to carry out its  
7           duties or responsibilities under this Section. The Agency shall  
8           have the authority to adopt rules setting forth procedures and  
9           criteria for administering the Municipal Brownfields  
10          Redevelopment Grant Program. The rules adopted by the Agency  
11          may include but shall not be limited to the following:

12                 (1) purposes for which grants are available;

13                 (2) application periods and content of applications;

14                 (3) procedures and criteria for Agency review of grant  
15          applications, grant approvals and denials, and grantee  
16          acceptance;

17                 (4) grant payment schedules;

18                 (5) grantee responsibilities for work schedules, work  
19          plans, reports, and record keeping;

20                 (6) evaluation of grantee performance, including but  
21          not limited to auditing and access to sites and records;

22                 (7) requirements applicable to contracting and  
23          subcontracting by the grantee;

24                 (8) penalties for noncompliance with grant  
25          requirements and conditions, including stop-work orders,  
26          termination of grants, and recovery of grant funds;

1 (9) indemnification of this State and the Agency by the  
2 grantee; and

3 (10) manner of compliance with the Local Government  
4 Professional Services Selection Act.

5 (c) Moneys in the Brownfields Redevelopment Fund may be  
6 used by the Agency to take whatever preventive or corrective  
7 action, including but not limited to removal or remedial  
8 action, is necessary or appropriate in response to a release or  
9 substantial threat of a release of:

10 (1) a hazardous substance or pesticide; or

11 (2) petroleum from an underground storage tank.

12 The State, the Director, and any State employee shall be  
13 indemnified for any damages or injury arising out of or  
14 resulting from any action taken pursuant to this subsection (c)  
15 and subsection (d) (2) of Section 4 of this Act. The Agency has  
16 the authority to enter into such contracts and agreements as  
17 may be necessary, and as expeditiously as necessary, to carry  
18 out preventive or corrective action pursuant to this subsection  
19 (c) and subsection (d) (2) of Section 4 of this Act.

20 (Source: P.A. 94-1021, eff. 7-12-06.)

21 ARTICLE 99. SEVERABILITY; EFFECTIVE DATE

22 Section 99-95. Severability. The provisions of this Act are  
23 severable under Section 1.31 of the Statute on Statutes.

24 Section 99-99. Effective date. This Act takes effect upon



1 becoming law.