State of Illinois
91st General Assembly
Final Senate Journal

SENATE JOURNAL

STATE OF ILLINOIS

NINETY-FIRST GENERAL ASSEMBLY

23RD LEGISLATIVE DAY

FRIDAY, MARCH 19, 1999

11:15 O'CLOCK A.M.

The Senate met pursuant to adjournment.
Honorable James "Pate" Philip, Wood Dale, Illinois, presiding.
Prayer by Reverend Dr. Gary Rhodes, Elliott Avenue Baptist Church, Springfield, Illinois.
Senator Sieben led the Senate in the Pledge of Allegiance.

The Journal of Tuesday, March 16, 1999, was being read when on motion of Senator Myers further reading of same was dispensed with and unless some Senator had corrections to offer, the Journal would stand approved. No corrections being offered, the Journal was ordered to stand approved.

Senator Myers moved that reading and approval of the Journals of Wednesday, March 17, 1999 and Thursday, March 18, 1999 be postponed pending arrival of the printed Journals.
The motion prevailed.

REPORT RECEIVED

The Secretary placed before the Senate the following report:

The 11th annual report on Nonhazardous Solid Waste Management and Landfill Capacity in Illinois: 1997, submitted by the Illinois Environmental Protection Agency.

The foregoing report was ordered received and placed on file in the Secretary's Office.

LEGISLATIVE MEASURES FILED

The following floor amendments to the Senate Bills listed below have been filed with the Secretary, and referred to the Committee on Rules:

Senate Amendment No. 2 to Senate Bill 149
Senate Amendment No. 2 to Senate Bill 188
Senate Amendment No. 1 to Senate Bill 230
Senate Amendment No. 2 to Senate Bill 376
Senate Amendment No. 2 to Senate Bill 458
Senate Amendment No. 2 to Senate Bill 728
Senate Amendment No. 2 to Senate Bill 756
Senate Amendment No. 1 to Senate Bill 759
Senate Amendment No. 2 to Senate Bill 834
Senate Amendment No. 2 to Senate Bill 880
Senate Amendment No. 2 to Senate Bill 897
Senate Amendment No. 2 to Senate Bill 1042
Senate Amendment No. 3 to Senate Bill 1082
Senate Amendment No. 2 to Senate Bill 1158

EXCUSED FROM ATTENDANCE

On motion of Senator Demuzio, Senator Shadid was excused from attendance due to legislative business.

On motion of Senator Demuzio, Senator Trotter was excused from attendance due to illness.

REPORT FROM STANDING COMMITTEE

Senator Syverson, Chairperson of the Committee on Public Health and Welfare to which was referred **Senate Bills numbered 561, 668, 677, 680, 774, 782, 783, 953, 1067, 1077, 1106, 1107, 1110, 1111, 1113, 1116 and 1117** reported the same back with the recommendation that the bills do pass.

Under the rules, the bills were ordered to a second reading.

Senator Syverson, Chairperson of the Committee on Public Health and Welfare to which was referred **Senate Bills numbered 1, 319, 320, 562, 818, 943, 949, 965, 1063, 1064, 1065, 1109 and 1114** reported the same back with amendments having been adopted thereto, with the recommendation that the bills, as amended, do pass.

Under the rules, the bills were ordered to a second reading.

REPORTS FROM RULES COMMITTEE

Senator Weaver, Chairperson of the Committee on Rules, during its March 19, 1999 meeting, reported the following Senate Resolutions have been assigned to the indicated Standing Committee of the Senate:

Commerce and Industry: **Senate Resolution No. 52.**
Executive: **Senate Resolutions numbered 57 and 64; Senate Joint Resolution No. 24; Senate Joint Resolution Constitutional Amendment No. 26.**
State Government Operations: **Senate Joint Resolution No. 25.**

Senator Weaver, Chairperson of the Committee on Rules, during its March 19, 1999 meeting, reported the following Legislative Measures have been assigned to the indicated Standing Committees of the Senate:

Commerce and Industry: **Senate Amendment No. 1 to Senate Bill 402.**

Education: **Senate Amendment No. 1 to Senate Bill 464; Senate Amendment No. 1 to Senate Bill 823; Senate Amendment No. 1 to Senate Bill 1075.**
Environment and Energy: **Senate Amendment No. 1 to Senate Bill 910.**
Executive: **Senate Amendment No. 1 to Senate Bill 32; Senate Amendment No. 2 to Senate Bill 336; Senate Amendment No. 1 to Senate Bill 1172.**
Insurance and Pensions: **Senate Amendments numbered 3 and 4 to Senate Bill 363.**
Judiciary: **Senate Amendment No. 4 to Senate Bill 7; Senate Amendment No. 3 to Senate Bill 109; Senate Amendment No. 1 to Senate Bill 202; Senate Amendment No. 1 to Senate Bill 223; Senate Amendment No. 1 to Senate Bill 465; Senate Amendment No. 3 to Senate Bill 644; Senate Amendment No. 2 to Senate Bill 673; Senate Amendment No. 1 to Senate Bill 729; Senate Amendment No. 1 to Senate Bill 748; Senate Amendment No. 1 to Senate Bill 749; Senate Amendment No. 1 to Senate Bill 753; Senate Amendment No. 2 to Senate Bill 784; Senate Amendment No. 2 to Senate Bill 845; Senate Amendment No. 1 to Senate Bill 1121.**
Licensed Activities: **Senate Amendment No. 1 to Senate Bill 287.**
Local Government: **Senate Amendments numered 1 and 2 to Senate Bill 6; Senate Amendment No. 1 to Senate Bill 171; Senate Amendment No. 1 to Senate Bill 286; Senate Amendment No. 1 to Senate Bill 906; Senate Amendment No. 1 to Senate Bill 1171.**
Public Health and Welfare: **Senate Amendment No. 1 to Senate Bill 323; Senate Amendment No. 3 to Senate Bill 541.**
State Government Operations: **Senate Amendment No. 1 to Senate Bill 1148.**
Transportation: **Senate Amendment No. 1 to Senate Bill 164; Senate Amendment No. 1 to Senate Bill 185; Senate Amendment No. 2 to**

Senate Bill 578; Senate Amendment No. 2 to Senate Bill 1059; Senate Amendment No. 1 to Senate Bill 1129.

Senator Weaver, Chairperson of the Committee on Rules, reported that the following Legislative Measures have been approved for consideration:

Amendment No. 2 to Senate Bill 25
Amendment No. 1 to Senate Bill 353
Amendment No. 1 to Senate Bill 496
Amendment No. 2 to Senate Bill 575
Amendment No. 2 to Senate Bill 775
Amendment No. 1 to Senate Bill 844
Amendment No. 2 to Senate Bill 958
Amendment No. 3 to Senate Bill 1141

The foregoing floor amendments were placed on the Secretary's Desk.

MESSAGES FROM THE HOUSE OF REPRESENTATIVES

A message from the House by
Mr. Rossi, Clerk:
Mr. President -- I am directed to inform the Senate that the House of Representatives has passed bills of the following titles, in the passage of which I am instructed to ask the concurrence of the Senate, to-wit:

HOUSE BILL NO. 189

A bill for AN ACT to amend the Illinois Insurance Code by changing Section 356s.

HOUSE BILL NO. 210

A bill for AN ACT concerning structural work.

HOUSE BILL NO. 279

A bill for AN ACT concerning State contracts.

HOUSE BILL NO. 649

A bill for AN ACT to amend the Criminal Proceeding Interpreter Act by changing Section 3.

HOUSE BILL NO. 1120

A bill for AN ACT to amend the Illinois Income Tax Act by changing Section 203.

HOUSE BILL NO. 1375

A bill for AN ACT in relation to prevailing rates of wages.

HOUSE BILL NO. 1837

A bill for AN ACT to amend the Interest Act by changing Section 2.

HOUSE BILL NO. 1959

A bill for AN ACT regarding certain contracts for the delivery of human services.

HOUSE BILL NO. 2266

A bill for AN ACT to create the Equal Pay Act of 1999.

HOUSE BILL NO. 2841

A bill for AN ACT to create the Patient Access to Treatment Act.

Passed the House, March 18, 1999.
ANTHONY D. ROSSI, Clerk of the House

The foregoing **House Bills numbered 189, 210, 279, 649, 1120, 1375, 1837, 1959, 2266 and 2841** were taken up, ordered printed and placed on first reading.

A message from the House by
Mr. Rossi, Clerk:
Mr. President -- I am directed to inform the Senate that the House of Representatives has passed bills of the following titles, in the passage of which I am instructed to ask the concurrence of the Senate, to-wit:

HOUSE BILL NO. 312

A bill for AN ACT to amend the Children and Family Services Act by changing Section 5c.

HOUSE BILL NO. 734

A bill for AN ACT in relation to gang control, amending named Acts.

HOUSE BILL NO. 999

A bill for AN ACT relating to education.

HOUSE BILL NO. 1208

A bill for AN ACT to amend the Illinois Educational Labor Relations Act by changing Section 2.

HOUSE BILL NO. 1325

A bill for AN ACT in relation to mental health facility reporting.

HOUSE BILL NO. 1954

A bill for AN ACT to amend the Minimum Wage Law by changing Section 4.

HOUSE BILL NO. 2733

A bill for AN ACT to amend the School Code by changing Section 18-8.05.

Passed the House, March 18, 1999.
ANTHONY D. ROSSI, Clerk of the House

The foregoing **House Bills numbered 312, 734, 999, 1208, 1325,**

1954 and 2733 were taken up, ordered printed and placed on first reading.

A message from the House by
Mr. Rossi, Clerk:
Mr. President -- I am directed to inform the Senate that the House of Representatives has passed a bill of the following title, in the passage of which I am instructed to ask the concurrence of the Senate, to-wit:

HOUSE BILL NO. 2315

A bill for AN ACT concerning employment.

Passed the House, March 18, 1999.

ANTHONY D. ROSSI, Clerk of the House

The foregoing **House Bill No. 2315** was taken up, ordered printed and placed on first reading.

At the hour of 11:30 o'clock a.m., Senator Dudycz presiding.

READING BILLS OF THE SENATE A SECOND TIME

On motion of Senator Jacobs, **Senate Bill No. 25** having been printed, was taken up and read by title a second time.

The following amendment was offered in the Committee on Commerce and Industry, adopted and ordered printed:

AMENDMENT NO. 1

AMENDMENT NO. 1. Amend Senate Bill 25 by replacing the title with the following:

"AN ACT concerning job training."; and

by replacing everything after the enacting clause with the following:

"Section 1. Short Title. This Act may be cited as the Illinois Industrial New Jobs Training Act.

Section 5. Definitions. As used in this Act, unless the context otherwise requires:

"Agreement" is the agreement between a new employer, an educational intermediary, and the Department of Commerce and Community Affairs.

"Community College" is a community college established under the Public Community College Act.

"Department" is the Department of Commerce and Community Affairs.

"Educational intermediary" means a school district, community college established under the Public Community College Act, a private business and vocational school certified by the State Board of Education as provided by the Private Business and Vocational Schools Act, the University of Illinois, Southern Illinois University, Chicago State University, Eastern Illinois University, Governors State University, Illinois State University, Northeastern Illinois University, Northern Illinois University, Western Illinois University, and any other private institution of higher education that offers degrees and instruction above the high school level that has a campus and related facilities located within the State.

"Employee" means a person employed in a new job.

"New Employer" is the business providing new jobs within the State and who has entered into an agreement with the Department.

"Industry" means a business engaged in interstate or intrastate commerce for the purpose of manufacturing, processing, or assembling products, conducting research and development, or providing services in interstate commerce, but excludes all health and professional

services and retail, except for retail or catalog distribution centers, retail or catalog warehousing, retail or credit facilities, retail or catalog operations offices, and retail or catalog

headquarters facilities. "Industry" does not include a business that closes or substantially reduces its operation in one area of the State and relocates substantially the same operation in another area of the State. This provision does not prohibit a business from expanding its operations in another area of the State provided that existing operations of a similar nature are not closed or substantially reduced in another area of the State.

"New job" means a job in a new or expanding industry but does not include jobs of recalled workers, or part-time, contractual, or temporary workers, replacement jobs or other jobs that formerly existed in the industry within the State of Illinois.

"New jobs training program" or "program" means the project or projects established by an educational intermediary for the creation of jobs by providing education and training of workers for new jobs for new or expanding industry within the State.

"Program costs" means all the necessary and incidental costs of providing program services and training.

"Program services and training" includes, but is not limited to the following:

(a) New jobs training and customized skill training;

(b) Adult basic education and job related instruction;

(c) Vocational and skill-assessment services and testing;

(d) Rental of training facilities and equipment and purchase of non-depreciable materials and supplies;

(e) On-the-job training, including quality improvement training;

(f) Administrative expenses for the new jobs training;

(g) Subcontracted services with other educational intermediaries, other federal, State or local agencies; and

(h) Contracted or professional services.

"Project" means a training arrangement that is the subject of an agreement entered into between the Department, an educational intermediary, and a new employer to provide program services.

Section 10. Supplemental support. Any funding for a project under this Act may be supplemental to any job training grants or programs offered by the Department to new employers as provided under the Civil Administrative Code of Illinois or any other Act the Department is authorized to administer for job training, except that funding under this Act shall not be provided if, in the opinion of the Department, the applicant has received or is likely to receive funding from a source other than through the provisions of this Act or if the funding under this Act is duplicative of any other source of funding that may be available to the applicant.

Section 15. Priority of educational intermediaries. For projects that are funded under this Act, the Department shall give priority to those projects involving community colleges established under the Public Community College Act.

Section 20. Agreements.

(a) Agreements entered into by the Department, an educational intermediary, and a new employer shall be subject to rules adopted by the Department. An agreement shall provide for program services to be provided by the educational intermediary for the job training of the employees of the new employer and the program costs for the training of employees for a new job. The funding of the training may be paid either in whole or part by the following:

(1) The Industrial New Jobs Training Fund;

(2) Tuition, fees, or special charges paid by the new

employer;

(3) Any supplemental funds provided by any other government agency, financial institution, or entity; or

(4) The incremental increase in property tax revenue received by the educational intermediary from an increase in the equalized assessed valuation of property attributable to the new jobs training program as determined by the Department from information provided by the county clerk.

(b) The agreement shall specify the program services to be offered by the educational intermediary.

(c) The agreement shall limit any administrative costs, including indirect costs, of the educational intermediary to no greater than 10% of the total cost of job training program. For the purposes of this subsection, "administrative costs" shall be the operational costs of administering a job training program by the educational intermediary, which shall include, but may not be limited to, record keeping, instructional oversight by a non-teaching administrator, and other activities not directly related to job training instruction.

(d) Prior to entering into an agreement, the Department and the new employer shall have the right to inspect and review the job training facilities of the educational intermediary to determine the capabilities of providing the training needed by the new employer.

(e) An agreement shall include the right of the Department to request from a new employer the following information prior to the approval of an agreement:

(1) how the new employer is legally organized, whether as a corporation, limited liability company, partnership, or other type of legal entity under the laws of this State, any other state, or a foreign nation;

(2) a listing of the officers and principal owners of the new employer;

(3) an audited financial statement of the new employer; and

(4) any other information that the Department may require consistent with the purposes of this Act.

(f) All agreements upon execution shall be public documents and available for public inspection. Any proprietary information affecting a product or service of the new employer, as relating to the agreement, may be exempt from the disclosure requirement upon approval of the Department.

Section 25. Worker protection. No agreement initiated under this Act shall in any way diminish or deny the rights of employees subject to an agreement to avail themselves of the Workers' Compensation Act, the Workers' Occupational Diseases Act, the Unemployment Insurance Act, the Minimum Wage Law, or any other law of this State or the federal government.

Section 30. Annual report. The Department shall report annually to the Governor and the General Assembly on the activities of the Department under this Act.

Section 35. Receipts and reimbursements. Any money received by the Department as reimbursement for training expenses, unused training funds, and any other receipts shall be deposited into the

Industrial New Jobs Training Fund.

Section 40. Funding. Funds shall be appropriated to the Department as may be necessary for administrative expenses related to the implementation of this Act.

Section 45. The Industrial New Jobs Training Fund. All amounts withheld from new employees, as provided in Section 701.2 of the Illinois Income Tax Act, shall be deposited into the Industrial New Jobs Training Fund, which is created as a special fund in the State treasury. The Fund shall be administered by the Department. The Department shall distribute to educational intermediaries the funds

necessary to implement an agreement as provided in Section 20 of this Act. Amounts deposited into the Fund in excess of $50,000,000 shall be transferred from the Fund to the General Revenue Fund. Any accrued interest on moneys in the Fund shall be deposited into the General Revenue Fund. A minimum balance of at least $10,000,000 shall be maintained in the Industrial New Jobs Training Fund at all times unless the Governor authorizes a transfer from the Fund to the General Revenue Fund. In a calendar year in which there is no increase in the number of new jobs or there is a decrease in the number of jobs from the previous calendar year, the Governor may transfer to the Fund from the General Revenue Fund an amount sufficient to conduct job training under this Act or may authorize a waiver of the minimum balance requirement.

Section 50. Notes. Subject to approval of the Governor, the Department of Commerce and Community Affairs may issue a maximum of $10,000,000 in notes for one year beginning January 1, 2000 for the purposes of this Act. The notes shall be retired with funds from the Industrial New Jobs Training Fund, and the debt payments on the notes shall have priority over any other expenditure made under the Act. The notes shall be payable within 10 years from their date of issue.

Section 105. The State Finance Act is amended by adding Section 5.490 as follows:

(30 ILCS 105/5.490 new)

Sec. 5.490. The Industrial New Jobs Training Fund.

Section 110. The Illinois Income Tax Act is amended by adding Section 701.2 as follows:

(35 ILCS 5/701.2 new)

Sec. 701.2. Withholding from new employees. Notwithstanding any provision of law to the contrary, the Department shall deposit into the Industrial New Jobs Training Fund an amount equal to all amounts withheld under Section 701 from a new employee of an existing or a new business for a period of up to 10 years after that employee is hired. For purposes of this Section, a "new employee" means an employee of a new employer and all additional employees hired by a new employer of an existing business that were not reported to the Department as of December 31 of the previous year. The Department shall adopt rules to implement the provisions of this Section and shall consult with the Department of Employment Security concerning the adoption of rules relating to the definition of a "new employee".

Section 99. Effective date. This Act takes effect January 1, 2000.".

Senator Jacobs offered the following amendment and moved its adoption:

AMENDMENT NO. 2

AMENDMENT NO. 2. Amend Senate Bill 25, AS AMENDED, with reference to page and line numbers of Senate Amendment No. 1, on page 4, line 12, by replacing "Act." with "Act, unless circumstances warrant otherwise."; and

on page 4, by replacing line 27 with the following:

"government agency, except any funds appropriated for adult education programs under Section 10-22.20 of the School Code, or any supplemental funds provided by any other financial institution or entity; or"; and

on page 7, line 22, after the period, by inserting the following:

"The Department shall file a report with the Secretary of the Senate and the Clerk of the House of Representatives in January of each year that details the amount of notes issued and the amount of debt payments on the notes for the previous calendar year.".

The motion prevailed and the amendment was adopted and ordered printed.

There being no further amendments, the foregoing Amendments numbered 1 and 2, were ordered engrossed; and the bill, as amended, was ordered to a third reading.

On motion of Senator Sieben, **Senate Bill No. 68** having been printed, was taken up and read by title a second time.

The following amendment was offered in the Committee on Licensed Activities, adopted and ordered printed:

AMENDMENT NO. 1

AMENDMENT NO. 1. Amend Senate Bill 68, on page 1, by deleting lines 6 through 30; and

by deleting pages 2 through 26.

There being no further amendments, the foregoing Amendment No. 1, was ordered engrossed; and the bill, as amended, was ordered to a third reading.

On motion of Senator Dillard, **Senate Bill No. 113** having been printed, was taken up, read by title a second time and ordered to a third reading.

On motion of Senator Lauzen, **Senate Bill No. 132** having been printed, was taken up and read by title a second time.

The following amendment was offered in the Committee on Revenue, adopted and ordered printed:

AMENDMENT NO. 1

AMENDMENT NO. 1. Amend Senate Bill 132 on page 1, lines 30 and 31, and on page 2, line 1, by deleting the following:

"The provisions of this amendatory Act of the 91st General Assembly are declarative of existing law and are not a new enactment.".

There being no further amendments, the foregoing Amendment No. 1, was ordered engrossed; and the bill, as amended, was ordered to a third reading.

On motion of Senator Klemm, **Senate Bill No. 171** having been printed, was taken up and read by title a second time.

Floor Amendment No. 1 was held in the Committee on Local Government.

There being no further amendments the bill was ordered to a third reading.

On motion of Senator Klemm, **Senate Bill No. 175** having been printed, was taken up and read by title a second time.

The following amendment was offered in the Committee on Education, adopted and ordered printed:

AMENDMENT NO. 1

AMENDMENT NO. 1. Amend Senate Bill 175 as follows:
on page 5, line 30, by replacing "1.00%" with "1.10%"; and
on page 11, line 24, by replacing "1.00%" with "1.10%".

There being no further amendments, the foregoing Amendment No. 1, was ordered engrossed; and the bill, as amended, was ordered to a third reading.

On motion of Senator Luechtefeld, **Senate Bill No. 211** having been

printed, was taken up, read by title a second time and ordered to a third reading.

On motion of Senator Halvorson, **Senate Bill No. 223** having been printed, was taken up and read by title a second time.

Floor Amendment No. 1 was held in the Committee on Judiciary.

There being no further amendments the bill was ordered to a third reading.

On motion of Senator L. Walsh, **Senate Bill No. 224** having been printed, was taken up and read by title a second time.

The following amendment was offered in the Committee on Judiciary, adopted and ordered printed:

AMENDMENT NO. 1

AMENDMENT NO. 1. Amend Senate Bill 224, on page 1, line 6, by changing "Sections 3-6" and 12-14.1" to "Section 3-6"; and
on page 2, line 24, by changing "10" to "5"; and
on page 3, by deleting lines 19 through 33; and
by deleting all of pages 4, 5, 6, 7, 8, 9, 10, 11, 12, and 13.

There being no further amendments, the foregoing Amendment No. 1, was ordered engrossed; and the bill, as amended, was ordered to a third reading.

On motion of Senator Jacobs, **Senate Bill No. 284** having been printed, was taken up, read by title a second time and ordered to a third reading.

On motion of Senator Link, **Senate Bill No. 373** having been printed, was taken up, read by title a second time and ordered to a third reading.

On motion of Senator Radogno, **Senate Bill No. 483** having been printed, was taken up, read by title a second time and ordered to a third reading.

On motion of Senator Lauzen, **Senate Bill No. 545** having been printed, was taken up, read by title a second time and ordered to a third reading.

On motion of Senator Lauzen, **Senate Bill No. 546** having been printed, was taken up, read by title a second time and ordered to a third reading.

On motion of Senator Lauzen, **Senate Bill No. 548** having been printed, was taken up, read by title a second time and ordered to a third reading.

On motion of Senator Munoz, **Senate Bill No. 642** having been printed, was taken up, read by title a second time and ordered to a third reading.

On motion of Senator Bomke, **Senate Bill No. 775** having been printed, was taken up and read by title a second time.

The following amendment was offered in the Committee on Executive, adopted and ordered printed:

AMENDMENT NO. 1

AMENDMENT NO. 1. Amend Senate Bill 775 as follows:
on page 1, line 7, by replacing "Conservation" with "Panther Creek Fish and Wildlife"; and
on page 1, line 10, by replacing "Conservation" with "Panther Creek Fish and Wildlife".

Senator Bomke offered the following amendment and moved its adoption:

AMENDMENT NO. 2

AMENDMENT NO. 2. Amend Senate Bill 775, AS AMENDED, as follows:
by replacing everything after the enacting clause with the following:

"Section 5. The State Parks Designation Act is amended by adding Section 3.5 as follows:

(20 ILCS 840/3.5 new)

Sec. 3.5. Jim Edgar Panther Creek State Fish and Wildlife Area. The area that has been commonly known as the Site M Fish and Wildlife Area in Cass County is designated a State Conservation Area and shall

be known as the Jim Edgar Panther Creek State Fish and Wildlife Area.".

The motion prevailed and the amendment was adopted and ordered printed.

There being no further amendments, the foregoing Amendments numbered 1 and 2, were ordered engrossed; and the bill, as amended, was ordered to a third reading.

On motion of Senator Peterson, **Senate Bill No. 778** having been printed, was taken up, read by title a second time and ordered to a third reading.

On motion of Senator Petka, **Senate Bill No. 794** having been printed, was taken up and read by title a second time.

The following amendment was offered in the Committee on Transportation, adopted and ordered printed:

AMENDMENT NO. 1

AMENDMENT NO. 1. Amend Senate Bill 794 by replacing the title with the following:

"AN ACT to amend the Illinois Vehicle Code by changing Sections 6-208.1 and 6-208.2."; and

by replacing everything after the enacting clause with the following:

"Section 5. The Illinois Vehicle Code is amended by changing Section 6-208.1 and 6-208.2 as follows:

(625 ILCS 5/6-208.1) (from Ch. 95 1/2, par. 6-208.1)

Sec. 6-208.1. Period of statutory summary alcohol, other drug, or intoxicating compound related suspension.

(a) Unless the statutory summary suspension has been rescinded, any person whose privilege to drive a motor vehicle on the public highways has been summarily suspended, pursuant to Section 11-501.1, shall not be eligible for restoration of the privilege until the expiration of:

1. Six months from the effective date of the statutory summary suspension for a refusal or failure to complete a test or tests to determine the alcohol, drug, or intoxicating compound concentration, pursuant to Section 11-501.1; or

2. Three months from the effective date of the statutory summary suspension imposed following the person's submission to a chemical test which disclosed an alcohol concentration of 0.08 or more, or any amount of a drug, substance, or intoxicating compound in such person's breath, blood, or urine resulting from the unlawful use or consumption of cannabis listed in the Cannabis Control Act, a controlled substance listed in the

Illinois Controlled Substances Act, or an intoxicating compound listed in the Use of Intoxicating Compounds Act, pursuant to Section 11-501.1; or

3. Three years from the effective date of the statutory summary suspension for any person other than a first offender who refuses or fails to complete a test or tests to determine the alcohol, drug, or intoxicating compound concentration pursuant to

Section 11-501.1; or

4. One year from the effective date of the summary suspension imposed for any person other than a first offender following submission to a chemical test which disclosed an alcohol concentration of 0.08 or more pursuant to Section 11-501.1 or any amount of a drug, substance or compound in such person's blood or urine resulting from the unlawful use or consumption of cannabis listed in the Cannabis Control Act, a controlled substance listed in the Illinois Controlled Substances Act, or an intoxicating compound listed in the Use of Intoxicating Compounds Act.

(b) Following a statutory summary suspension of the privilege to drive a motor vehicle under Section 11-501.1, full driving privileges shall be restored unless the person is otherwise disqualified by this Code. If the court has reason to believe that the person's driving privilege should not be restored, the court shall notify the Secretary of State prior to the expiration of the statutory summary suspension so appropriate action may be taken pursuant to this Code.

(c) The statutory summary suspension shall terminate as provided in subsection (a) of this Section, but full driving privileges may not be restored until all applicable reinstatement fees, as provided by this Code, have been paid to the Secretary of State and the appropriate entry made to the driver's record.

(d) Where a driving privilege has been summarily suspended under Section 11-501.1 and the person is subsequently convicted of violating Section 11-501, or a similar provision of a local ordinance, for the same incident, any period served on statutory summary suspension shall be credited toward the minimum period of revocation of driving privileges imposed pursuant to Section 6-205.

(e) Following a statutory summary suspension of driving privileges pursuant to Section 11-501.1, for a first offender, the circuit court may, after at least 30 days from the effective date of the statutory summary suspension, issue a judicial driving permit as provided in Section 6-206.1.

(f) Subsequent to an arrest of a first offender, for any offense as defined in Section 11-501 or a similar provision of a local ordinance, following a statutory summary suspension of driving privileges pursuant to Section 11-501.1, for a first offender, the circuit court may issue a court order directing the Secretary of State to issue a judicial driving permit as provided in Section 6-206.1. However, this JDP shall not be effective prior to the 31st day of the statutory summary suspension.

(g) Following a statutory summary suspension of driving privileges pursuant to Section 11-501.1 where the person was not a first offender, as defined in Section 11-500 and such person refused or failed to complete a test or tests to determine the alcohol, drug, or intoxicating compound concentration pursuant to Section 11-501.1, the Secretary of State may issue a restricted driving permit if at least 2 years have elapsed since the effective date of the statutory summary suspension.

(h) Following a statutory summary suspension of driving privileges pursuant to Section 11-501.1 where the person was not a first offender as defined in Section 11-500 and such person submitted to a chemical test which disclosed an alcohol concentration of 0.08

or more pursuant to Section 11-501.1, the Secretary of State may, after at least 90 days from the effective date of the statutory summary suspension, issue a restricted driving permit.
(Source: P.A. 89-203, eff. 7-21-95; 90-43, eff. 7-2-97; 90-738, eff. 1-1-99; 90-779, eff. 1-1-99; revised 9-21-98.)

(625 ILCS 5/6-208.2)

Sec. 6-208.2. Restoration of driving privileges; persons under age 21.

(a) Unless the suspension based upon consumption of alcohol by a minor or refusal to submit to testing has been rescinded by the Secretary of State in accordance with item (c)(3) of Section 6-206 of this Code, a person whose privilege to drive a motor vehicle on the public highways has been suspended under Section 11-501.8 is not eligible for restoration of the privilege until the expiration of:

1. Six months from the effective date of the suspension for a refusal or failure to complete a test or tests to determine the alcohol concentration under Section 11-501.8;

2. Three months from the effective date of the suspension imposed following the person's submission to a chemical test which disclosed an alcohol concentration greater than 0.00 under Section 11-501.8;

3. Two years from the effective date of the suspension for a person who has been previously suspended under Section 11-501.8 and who refuses or fails to complete a test or tests to determine the alcohol concentration under Section 11-501.8; or

4. One year from the effective date of the suspension imposed for a person who has been previously suspended under Section 11-501.8 following submission to a chemical test that disclosed an alcohol concentration greater than 0.00 under Section 11-501.8.

(b) Following a suspension of the privilege to drive a motor vehicle under Section 11-501.8, full driving privileges shall be restored unless the person is otherwise disqualified by this Code.

(c) The statutory summary suspension shall terminate as provided in subsection (a) of this Section, but full driving privileges may not be restored until all applicable reinstatement fees, as provided by this Code, have been paid to the Secretary of State and the appropriate entry made to the driver's record. The Secretary of State may also, as a condition of the reissuance of a driver's license or permit to an individual under the age of 18 years whose driving privileges have been suspended pursuant to Section 11-501.8, require the applicant to participate in a driver remedial education course and be retested under Section 6-109.

(d) Where a driving privilege has been suspended under Section 11-501.8 and the person is subsequently convicted of violating Section 11-501, or a similar provision of a local ordinance, for the same incident, any period served on that suspension shall be credited toward the minimum period of revocation of driving privileges imposed under Section 6-205.

(e) Following a suspension of driving privileges under Section 11-501.8 for a person who has not had his or her driving privileges previously suspended under that Section, the Secretary of State may issue a restricted driving permit after at least 30 days from the effective date of the suspension.

(f) Following a second or subsequent suspension of driving

privileges under Section 11-501.8 that is based upon the person having refused or failed to complete a test or tests to determine the alcohol concentration under Section 11-501.8, the Secretary of State may issue a restricted driving permit after at least 6 months from the effective date of the suspension.

(g) Following a second or subsequent suspension of driving

privileges under Section 11-501.8 that is based upon the person having submitted to a chemical test that disclosed an alcohol concentration greater than 0.00 under Section 11-501.8, the Secretary of State may issue a restricted driving permit after at least 90 days from the effective date of the suspension.

Any restricted driving permit considered under this Section is subject to the provisions of item (e) of Section 11-501.8.
(Source: P.A. 90-774, eff. 8-14-98.)".

There being no further amendments, the foregoing Amendment No. 1, was ordered engrossed; and the bill, as amended, was ordered to a third reading.

On motion of Senator Petka, **Senate Bill No. 795** having been printed, was taken up, read by title a second time and ordered to a third reading.

On motion of Senator Viverito, **Senate Bill No. 861** having been printed, was taken up and read by title a second time.

The following amendment was offered in the Committee on Revenue, adopted and ordered printed:

AMENDMENT NO. 1

AMENDMENT NO. 1. Amend Senate Bill 861 by replacing everything after the enacting clause with the following:

"Section 5. The Property Tax Code is amended by changing Section 15-172 as follows:

(35 ILCS 200/15-172)

Sec. 15-172. Senior Citizens Assessment Freeze Homestead Exemption.

(a) This Section may be cited as the Senior Citizens Assessment Freeze Homestead Exemption.

(b) As used in this Section:

"Applicant" means an individual who has filed an application under this Section.

"Base amount" means the base year equalized assessed value of the residence plus the first year's equalized assessed value of any added improvements which increased the assessed value of the residence after the base year.

"Base year" means the taxable year prior to the taxable year for which the applicant first qualifies and applies for the exemption provided that in the prior taxable year the property was improved with a permanent structure that was occupied as a residence by the applicant who was liable for paying real property taxes on the property and who was either (i) an owner of record of the property or had legal or equitable interest in the property as evidenced by a

written instrument or (ii) had a legal or equitable interest as a lessee in the parcel of property that was single family residence.

"Chief County Assessment Officer" means the County Assessor or Supervisor of Assessments of the county in which the property is located.

"Equalized assessed value" means the assessed value as equalized by the Illinois Department of Revenue.

"Household" means the applicant, the spouse of the applicant, and all persons using the residence of the applicant as their principal place of residence.

"Household income" means the combined income of the members of a household for the calendar year preceding the taxable year.

"Income" has the same meaning as provided in Section 3.07 of the Senior Citizens and Disabled Persons Property Tax Relief and Pharmaceutical Assistance Act.

"Internal Revenue Code of 1986" means the United States Internal Revenue Code of 1986 or any successor law or laws relating to federal income taxes in effect for the year preceding the taxable year.

"Life care facility that qualifies as a cooperative" means a facility as defined in Section 2 of the Life Care Facilities Act.

"Residence" means the principal dwelling place and appurtenant structures used for residential purposes in this State occupied on January 1 of the taxable year by a household and so much of the surrounding land, constituting the parcel upon which the dwelling place is situated, as is used for residential purposes. If the Chief County Assessment Officer has established a specific legal description for a portion of property constituting the residence, then that portion of property shall be deemed the residence for the purposes of this Section.

"Taxable year" means the calendar year during which ad valorem property taxes payable in the next succeeding year are levied.

(c) Beginning in taxable year 1994, a senior citizens assessment freeze homestead exemption is granted for real property that is improved with a permanent structure that is occupied as a residence by an applicant who (i) is 65 years of age or older during the taxable year, (ii) has a household income of $35,000 or less prior to taxable year 1999 or $40,000 or less in taxable year 1999 and thereafter, (iii) is liable for paying real property taxes on the property, and (iv) is an owner of record of the property or has a legal or equitable interest in the property as evidenced by a written instrument. This homestead exemption shall also apply to a leasehold interest in a parcel of property improved with a permanent structure that is a single family residence that is occupied as a residence by a person who (i) is 65 years of age or older during the taxable year, (ii) has a household income of $35,000 or less prior to taxable year 1999 or $40,000 or less in taxable year 1999 and thereafter, (iii) has a legal or equitable ownership interest in the property as lessee, and (iv) is liable for the payment of real property taxes on that property.

The amount of this exemption shall be the equalized assessed value of the residence in the taxable year for which application is made minus the base amount.

When the applicant is a surviving spouse of an applicant for a prior year for the same residence for which an exemption under this Section has been granted, the base year and base amount for that residence are the same as for the applicant for the prior year.

Each year at the time the assessment books are certified to the County Clerk, the Board of Review or Board of Appeals shall give to the County Clerk a list of the assessed values of improvements on each parcel qualifying for this exemption that were added after the base year for this parcel and that increased the assessed value of the property.

In the case of land improved with an apartment building owned and operated as a cooperative or a building that is a life care facility that qualifies as a cooperative, the maximum reduction from the equalized assessed value of the property is limited to the sum of the reductions calculated for each unit occupied as a residence by a person or persons 65 years of age or older with a household income of $35,000 or less prior to taxable year 1999 or $40,000 or less in taxable year 1999 and thereafter who is liable, by contract with the owner or owners of record, for paying real property taxes on the property and who is an owner of record of a legal or equitable interest in the cooperative apartment building, other than a leasehold interest. In the instance of a cooperative where a homestead exemption has been granted under this Section, the cooperative association or its management firm shall credit the

savings resulting from that exemption only to the apportioned tax liability of the owner who qualified for the exemption. Any person who willfully refuses to credit that savings to an owner who qualifies for the exemption is guilty of a Class B misdemeanor.

When a homestead exemption has been granted under this Section and an applicant then becomes a resident of a facility licensed under the Nursing Home Care Act, the exemption shall be granted in subsequent years so long as the residence (i) continues to be occupied by the qualified applicant's spouse or (ii) if remaining unoccupied, is still owned by the qualified applicant for the homestead exemption.

Beginning January 1, 1997, when an individual dies who would have qualified for an exemption under this Section, and the surviving spouse does not independently qualify for this exemption because of age, the exemption under this Section shall be granted to the surviving spouse for the taxable year preceding and the taxable year of the death, provided that, except for age, the surviving spouse meets all other qualifications for the granting of this exemption for those years.

When married persons maintain separate residences, the exemption provided for in this Section may be claimed by only one of such persons and for only one residence.

For taxable year 1994 only, in counties having less than 3,000,000 inhabitants, to receive the exemption, a person shall submit an application by February 15, 1995 to the Chief County Assessment Officer of the county in which the property is located. In counties having 3,000,000 or more inhabitants, for taxable year 1994 and all subsequent taxable years, to receive the exemption, a

person may submit an application to the Chief County Assessment Officer of the county in which the property is located during such period as may be specified by the Chief County Assessment Officer. The Chief County Assessment Officer in counties of 3,000,000 or more inhabitants shall annually give notice of the application period by mail or by publication. In counties having less than 3,000,000 inhabitants, beginning with taxable year 1995 and thereafter, to receive the exemption, a person shall submit an application by July 1 of each taxable year to the Chief County Assessment Officer of the county in which the property is located. A county may, by ordinance, establish a date for submission of applications that is different than July 1. The applicant shall submit with the application an affidavit of the applicant's total household income, age, marital status (and if married the name and address of the applicant's spouse, if known), and principal dwelling place of members of the household on January 1 of the taxable year. The Department shall establish, by rule, a method for verifying the accuracy of affidavits filed by applicants under this Section. The applications shall be clearly marked as applications for the Senior Citizens Assessment Freeze Homestead Exemption.

Notwithstanding any other provision to the contrary, in counties having fewer than 3,000,000 inhabitants, if an applicant fails to file the application required by this Section in a timely manner and this failure to file is due to a mental or physical condition sufficiently severe so as to render the applicant incapable of filing the application in a timely manner, the Chief County Assessment Officer may extend the filing deadline for a period of 30 days after the applicant regains the capability to file the application, but in no case may the filing deadline be extended beyond 3 months of the original filing deadline. In order to receive the extension provided in this paragraph, the applicant shall provide the Chief County Assessment Officer with a signed statement from the applicant's physician stating the nature and extent of the condition, that, in

the physician's opinion, the condition was so severe that it rendered the applicant incapable of filing the application in a timely manner, and the date on which the applicant regained the capability to file the application.

Beginning January 1, 1998, notwithstanding any other provision to the contrary, in counties having fewer than 3,000,000 inhabitants, if an applicant fails to file the application required by this Section in a timely manner and this failure to file is due to a mental or physical condition sufficiently severe so as to render the applicant incapable of filing the application in a timely manner, the Chief County Assessment Officer may extend the filing deadline for a period of 3 months. In order to receive the extension provided in this paragraph, the applicant shall provide the Chief County Assessment Officer with a signed statement from the applicant's physician stating the nature and extent of the condition, and that, in the physician's opinion, the condition was so severe that it rendered the applicant incapable of filing the application in a timely manner.

In counties having less than 3,000,000 inhabitants, if an applicant was denied an exemption in taxable year 1994 and the denial

occurred due to an error on the part of an assessment official, or his or her agent or employee, then beginning in taxable year 1997 the applicant's base year, for purposes of determining the amount of the exemption, shall be 1993 rather than 1994. In addition, in taxable year 1997, the applicant's exemption shall also include an amount equal to (i) the amount of any exemption denied to the applicant in taxable year 1995 as a result of using 1994, rather than 1993, as the base year, (ii) the amount of any exemption denied to the applicant in taxable year 1996 as a result of using 1994, rather than 1993, as the base year, and (iii) the amount of the exemption erroneously denied for taxable year 1994.

For purposes of this Section, a person who will be 65 years of age during the current taxable year shall be eligible to apply for the homestead exemption during that taxable year. Application shall be made during the application period in effect for the county of his or her residence.

The Chief County Assessment Officer may determine the eligibility of a life care facility that qualifies as a cooperative to receive the benefits provided by this Section by use of an affidavit, application, visual inspection, questionnaire, or other reasonable method in order to insure that the tax savings resulting from the exemption are credited by the management firm to the apportioned tax liability of each qualifying resident. The Chief County Assessment Officer may request reasonable proof that the management firm has so credited that exemption.

Except as provided in this Section, all information received by the chief county assessment officer or the Department from applications filed under this Section, or from any investigation conducted under the provisions of this Section, shall be confidential, except for official purposes or pursuant to official procedures for collection of any State or local tax or enforcement of any civil or criminal penalty or sanction imposed by this Act or by any statute or ordinance imposing a State or local tax. Any person who divulges any such information in any manner, except in accordance with a proper judicial order, is guilty of a Class A misdemeanor.

Nothing contained in this Section shall prevent the Director or chief county assessment officer from publishing or making available reasonable statistics concerning the operation of the exemption contained in this Section in which the contents of claims are grouped into aggregates in such a way that information contained in any individual claim shall not be disclosed.

(d) Each Chief County Assessment Officer shall annually publish

a notice of availability of the exemption provided under this Section. The notice shall be published at least 60 days but no more than 75 days prior to the date on which the application must be submitted to the Chief County Assessment Officer of the county in which the property is located. The notice shall appear in a newspaper of general circulation in the county.

(Source: P.A. 89-62, eff. 1-1-96; 89-426, eff. 6-1-96; 89-557, eff. 1-1-97; 89-581, eff. 1-1-97; 89-626, eff. 8-9-96; 90-14, eff. 7-1-97; 90-204, eff. 7-25-97; 90-523, eff. 11-13-97; 90-524, eff. 1-1-98; 90-531, eff. 1-1-98; 90-655, eff. 7-30-98.)

Section 90. The State Mandates Act is amended by adding Section 8.23 as follows:

(30 ILCS 805/8.23 new)

Sec. 8.23. Exempt mandate. Notwithstanding Sections 6 and 8 of this Act, no reimbursement by the State is required for the implementation of any mandate created by this amendatory Act of the 91st General Assembly.

Section 99. Effective date. This Act takes effect upon becoming law.".

There being no further amendments, the foregoing Amendment No. 1, was ordered engrossed; and the bill, as amended, was ordered to a third reading.

On motion of Senator Klemm, **Senate Bill No. 897** having been printed, was taken up and read by title a second time.

The following amendment was offered in the Committee on Judiciary, adopted and ordered printed:

AMENDMENT NO. 1

AMENDMENT NO. 1. Amend Senate Bill 897 by replacing the title with the following:

"AN ACT in relation to the posting of certain information on the Internet."; and

by replacing everything after the enacting clause with the following:

"Section 5. The Counties Code is amended by adding Section 3-6040 as follows:

(55 ILCS 5/3-6040 new)

Sec. 3-6040. Sheriff's office; posting Internet information.

(a) The office of the county sheriff may post on the Internet information about persons who are in arrears of child support ordered by a court or administrative agency for more than 6 months. The information that may be posted includes, but is not limited to, the name and address of the person in arrearage, date of birth of the person, photograph of the person, and the date of arrearage in child support payments. The information posted must be the most recent from the clerk of the circuit court or the Illinois Department of Public Aid.

(b) In this Section:

"Internet" means an interactive computer service or system or an information service, system, or access software provider that provides or enables computer access by multiple users to a computer server, and includes, but is not limited to, an information service, system, or access software provider that provides access to a network system commonly known as the Internet, or any comparable system or service and also includes, but is not limited to, a World Wide Web page, newsgroup, message board, mailing list, or chat area on any interactive computer service or system or other online service.

"Access" and "computer" have the meanings ascribed to them in Section 16D-2 of the Criminal Code of 1961.

Section 10. The Illinois Municipal Code is amended by adding

Division 5.6 to Article 11 as follows:

(65 ILCS 5/Art. 11, Div. 5.6 heading new)

DIVISION 5.6. INTERNET POSTING

(65 ILCS 5/11-5.6-5 new)

Sec. 11-5.6-5. Municipal police department; Internet posting.

(a) A municipal police department may post on the Internet information about persons who are in arrears of child support payments ordered by a court or administrative agency for more than 6 months. The information that may be posted includes, but is not limited to, the name and address of the person in arrearage, date of birth of the person, photograph of the person, and the date of arrearage in child support payments. The information posted must be the most recent from the clerk of the circuit court or the Illinois Department of Public Aid.

(b) In this Section:

"Internet" means an interactive computer service or system or an information service, system, or access software provider that provides or enables computer access by multiple users to a computer server, and includes, but is not limited to, an information service, system, or access software provider that provides access to a network system commonly known as the Internet, or any comparable system or service and also includes, but is not limited to, a World Wide Web page, newsgroup, message board, mailing list, or chat area on any interactive computer service or system or other online service.

"Access" and "computer" have the meanings ascribed to them in Section 16D-2 of the Criminal Code of 1961.

Section 15. The Illinois Public Aid Code is amended by adding Section 12-12.1 as follows:

(305 ILCS 5/12-12.1 new)

Sec. 12-12.1. World Wide Web page. The Illinois Department of Public Aid may create and maintain or cause to be created and maintained one or more World Wide Web pages containing information on selected individuals who are in arrears in their child support obligations under an Illinois court order or administrative order for more than 6 months. The information regarding each of the individuals may include the individual's name, a photograph if available, the amount of the child support arrearage, and any other information deemed appropriate by the Illinois Department in its discretion. The individuals may be chosen by the Illinois Department using criteria including, but not limited to, the amount of the arrearage, the effect of inclusion of an individual upon the likelihood of the individual's payment of an arrearage, the motivational effect that inclusion of an individual may have on the willingness of other individuals to pay their arrearages, or the need to locate a particular individual. The Illinois Department may make the page or pages accessible to Internet users through the World Wide Web. The Illinois Department, in its discretion, may change the contents of the page or pages from time to time.

The Illinois Department may, upon request, cooperate with and supply information to counties and municipalities wishing to create and maintain World Wide Web pages containing information on individuals who are in arrears in their child support obligations under an Illinois court order or administrative order.".

Floor Amendment No. 2 was filed earlier today and referred to the Committee on Rules.

There being no further amendments, the foregoing Amendment No. 1, was ordered engrossed; and the bill, as amended, was ordered to a

third reading.

On motion of Senator Bomke, **Senate Bill No. 945** having been

printed, was taken up, read by title a second time and ordered to a third reading.

On motion of Senator Luechtefeld, **Senate Bill No. 997** having been printed, was taken up and read by title a second time.

The following amendment was offered in the Committee on Executive, adopted and ordered printed:

AMENDMENT NO. 1

AMENDMENT NO. 1. Amend Senate Bill 997 by replacing everything after the enacting clause with the following:

"Section 5. The Illinois Promotion Act is amended by changing Section 4a as follows:

(20 ILCS 665/4a) (from Ch. 127, par. 200-24a)

Sec. 4a. Funds.

(1) As soon as possible after the first day of each month, beginning July 1, 1978 and ending June 30, 1997, upon certification of the Department of Revenue, the Comptroller shall order transferred and the Treasurer shall transfer from the General Revenue Fund to a special fund in the State Treasury, to be known as the "Tourism Promotion Fund", an amount equal to 10% of the net revenue realized from "The Hotel Operators' Occupation Tax Act", as now or hereafter amended, plus an amount equal to 10% of the net revenue realized from any tax imposed under Section 4.05 of the Chicago World's Fair - 1992 Authority Act, as now or hereafter amended, during the preceding month. Net revenue realized for a month shall be the revenue collected by the State pursuant to that Act during the previous month less the amount paid out during that same month as refunds to taxpayers for overpayment of liability under that Act.

All moneys deposited in the Tourism Promotion Fund pursuant to this subsection are allocated to the Department for utilization, as appropriated, in the performance of its powers under Section 4.

As soon as possible after the first day of each month, beginning July 1, 1997, upon certification of the Department of Revenue, the Comptroller shall order transferred and the Treasurer shall transfer from the General Revenue Fund to the Tourism Promotion Fund an amount equal to 13% of the net revenue realized from the Hotel Operators' Occupation Tax Act plus an amount equal to 13% of the net revenue realized from any tax imposed under Section 4.05 of the Chicago World's Fair-1992 Authority Act during the preceding month. "Net revenue realized for a month" means the revenue collected by the State under that Act during the previous month less the amount paid out during that same month as refunds to taxpayers for overpayment of liability under that Act.

(1.1) (Blank).

(2) As soon as possible after the first day of each month, beginning July 1, 1997, upon certification of the Department of Revenue, the Comptroller shall order transferred and the Treasurer shall transfer from the General Revenue Fund to the Tourism Promotion

Fund an amount equal to 8% of the net revenue realized from the Hotel Operators' Occupation Tax plus an amount equal to 8% of the net revenue realized from any tax imposed under Section 4.05 of the Chicago World's Fair-1992 Authority Act during the preceding month. "Net revenue realized for a month" means the revenue collected by the State under that Act during the previous month less the amount paid out during that same month as refunds to taxpayers for overpayment of liability under that Act.

All monies deposited in the Tourism Promotion Fund under this subsection (2) shall be used solely as provided in this subsection to advertise and promote tourism throughout Illinois. Appropriations of monies deposited in the Tourism Promotion Fund pursuant to this

subsection (2) shall be used solely for advertising to promote tourism, including but not limited to advertising production and direct advertisement costs, but shall not be used to employ any additional staff, finance any individual event, or lease, rent or purchase any physical facilities. The Department shall coordinate its advertising under this subsection (2) with other public and private entities in the State engaged in similar promotion activities. Print or electronic media production made pursuant to this subsection (2) for advertising promotion shall not contain or include the physical appearance of or reference to the name or position of any public officer. "Public officer" means a person who is elected to office pursuant to statute, or who is appointed to an office which is established, and the qualifications and duties of which are prescribed, by statute, to discharge a public duty for the State or any of its political subdivisions.

~~(3) Subject to appropriation, moneys shall be transferred from the Tourism Promotion Fund into the Grape and Wine Resources Fund pursuant to Article XII of the Liquor Control Act of 1934 and shall be used by the Department in accordance with the provisions of that Article.~~

(Source: P.A. 90-26, eff. 7-1-97; 90-77, eff. 7-8-97; 90-655, eff. 7-30-98.)

Section 10. The Liquor Control Act of 1934 is amended by adding Section 12-4 as follows:

(235 ILCS 5/12-4 new)

Sec. 12-4. Grape and Wine Resources Fund. Beginning July 1, 1999 and ending June 30, 2004, on the first day of each State fiscal year, or as soon thereafter as may be practical, the State Comptroller shall transfer the sum of $500,000 from the General Revenue Fund to the Grape and Wine Resources Fund, which is hereby continued as a special fund in the State Treasury. By January 1, 2004, the Department of Commerce and Community Affairs shall review the activities of the Council and report to the General Assembly and the Governor its recommendation of whether or not the funding under this Section should be continued.

The Grape and Wine Resources Fund shall be administered by the Department of Commerce and Community Affairs, which shall serve as the lead administrative agency for allocation and auditing of funds as well as monitoring program implementation. The Department shall make an annual grant of moneys from the Fund to the Council, which

shall be used to pay for the Council's operations and expenses. These moneys shall be used by the Council to achieve the Council's objectives and shall not be used for any political or legislative purpose. Money remaining in the Fund at the end of the fiscal year shall remain in the Fund for use during the following year and shall not be transferred to any other State fund.

(235 ILCS 5/12-3 rep.)

Section 15. The Liquor Control Act of 1934 is amended by repealing Section 12-3.

Section 99. Effective date. This Act takes effect July 1, 1999.".

There being no further amendments, the foregoing Amendment No. 1, was ordered engrossed; and the bill, as amended, was ordered to a third reading.

On motion of Senator Rauschenberger, **Senate Bill No. 1029** having been printed, was taken up, read by title a second time and ordered to a third reading.

On motion of Senator Rauschenberger, **Senate Bill No. 1030** having

been printed, was taken up, read by title a second time and ordered to a third reading.

On motion of Senator Rauschenberger, **Senate Bill No. 1031** having been printed, was taken up, read by title a second time and ordered to a third reading.

On motion of Senator Radogno, **Senate Bill No. 1032** having been printed, was taken up and read by title a second time.

The following amendment was offered in the Committee on Revenue, adopted and ordered printed:

AMENDMENT NO. 1

AMENDMENT NO. 1. Amend Senate Bill 1032 by replacing everything after the enacting clause with the following:

"Section 5. The Property Tax Code is amended by changing Section 18-185 as follows:

(35 ILCS 200/18-185)

Sec. 18-185. Short title; definitions. This Division 5 ~~Section and Sections 18-190 through 18-245~~ may be cited as the Property Tax Extension Limitation Law. As used in this Division 5 ~~Sections 18-190 through 18-245~~:

"Consumer Price Index" means the Consumer Price Index for All Urban Consumers for all items published by the United States Department of Labor.

"Extension limitation" means (a) the lesser of 5% or the percentage increase in the Consumer Price Index during the 12-month calendar year preceding the levy year or (b) the rate of increase approved by voters under Section 18-205.

"Affected county" means a county of 3,000,000 or more inhabitants or a county contiguous to a county of 3,000,000 or more inhabitants.

"Taxing district" has the same meaning provided in Section 1-150, except as otherwise provided in this Section. For the 1991 through 1994 levy years only, "taxing district" includes only each non-home rule taxing district having the majority of its 1990 equalized assessed value within any county or counties contiguous to a county with 3,000,000 or more inhabitants. Beginning with the 1995 levy year, "taxing district" includes only each non-home rule taxing district subject to this Law before the 1995 levy year and each non-home rule taxing district not subject to this Law before the 1995 levy year having the majority of its 1994 equalized assessed value in an affected county or counties. Beginning with the levy year in which this Law becomes applicable to a taxing district as provided in Section 18-213, "taxing district" also includes those taxing districts made subject to this Law as provided in Section 18-213.

"Aggregate extension" for taxing districts to which this Law applied before the 1995 levy year means the annual corporate extension for the taxing district and those special purpose extensions that are made annually for the taxing district, excluding special purpose extensions: (a) made for the taxing district to pay interest or principal on general obligation bonds that were approved by referendum; (b) made for any taxing district to pay interest or principal on general obligation bonds issued before October 1, 1991; (c) made for any taxing district to pay interest or principal on bonds issued to refund or continue to refund those bonds issued before October 1, 1991; (d) made for any taxing district to pay interest or principal on bonds issued to refund or continue to refund bonds issued after October 1, 1991 that were approved by referendum; (e) made for any taxing district to pay interest or principal on revenue bonds issued before October 1, 1991 for payment of which a property tax levy or the full faith and credit of the unit of local

government is pledged; however, a tax for the payment of interest or principal on those bonds shall be made only after the governing body of the unit of local government finds that all other sources for payment are insufficient to make those payments; (f) made for payments under a building commission lease when the lease payments are for the retirement of bonds issued by the commission before October 1, 1991, to pay for the building project; (g) made for payments due under installment contracts entered into before October 1, 1991; (h) made for payments of principal and interest on bonds issued under the Metropolitan Water Reclamation District Act to finance construction projects initiated before October 1, 1991; (i) made for payments of principal and interest on limited bonds, as defined in Section 3 of the Local Government Debt Reform Act, in an amount not to exceed the debt service extension base less the amount in items (b), (c), (e), and (h) of this definition for non-referendum obligations, except obligations initially issued pursuant to referendum; (j) made for payments of principal and interest on bonds issued under Section 15 of the Local Government Debt Reform Act; and (k) made by a school district that participates in the Special Education District of Lake County, created by special education joint agreement under Section 10-22.31 of the School Code, for payment of the school district's share of the amounts required to be contributed

by the Special Education District of Lake County to the Illinois Municipal Retirement Fund under Article 7 of the Illinois Pension Code; the amount of any extension under this item (k) shall be certified by the school district to the county clerk.

"Aggregate extension" for the taxing districts to which this Law did not apply before the 1995 levy year (except taxing districts subject to this Law in accordance with Section 18-213) means the annual corporate extension for the taxing district and those special purpose extensions that are made annually for the taxing district, excluding special purpose extensions: (a) made for the taxing district to pay interest or principal on general obligation bonds that were approved by referendum; (b) made for any taxing district to pay interest or principal on general obligation bonds issued before March 1, 1995; (c) made for any taxing district to pay interest or principal on bonds issued to refund or continue to refund those bonds issued before March 1, 1995; (d) made for any taxing district to pay interest or principal on bonds issued to refund or continue to refund bonds issued after March 1, 1995 that were approved by referendum; (e) made for any taxing district to pay interest or principal on revenue bonds issued before March 1, 1995 for payment of which a property tax levy or the full faith and credit of the unit of local government is pledged; however, a tax for the payment of interest or principal on those bonds shall be made only after the governing body of the unit of local government finds that all other sources for payment are insufficient to make those payments; (f) made for payments under a building commission lease when the lease payments are for the retirement of bonds issued by the commission before March 1, 1995 to pay for the building project; (g) made for payments due under installment contracts entered into before March 1, 1995; (h) made for payments of principal and interest on bonds issued under the Metropolitan Water Reclamation District Act to finance construction projects initiated before October 1, 1991; (i) made for payments of principal and interest on limited bonds, as defined in Section 3 of the Local Government Debt Reform Act, in an amount not to exceed the debt service extension base less the amount in items (b), (c), and (e) of this definition for non-referendum obligations, except obligations initially issued pursuant to referendum and bonds described in subsection (h) of this definition; (j) made for payments of principal and interest on bonds issued under Section 15 of the

Local Government Debt Reform Act; (k) made for payments of principal and interest on bonds authorized by Public Act 88-503 and issued under Section 20a of the Chicago Park District Act for aquarium or museum projects; and (l) made for payments of principal and interest on bonds authorized by Public Act 87-1191 and issued under Section 42 of the Cook County Forest Preserve District Act for zoological park projects.

"Aggregate extension" for all taxing districts to which this Law applies in accordance with Section 18-213, except for those taxing districts subject to paragraph (2) of subsection (e) of Section 18-213, means the annual corporate extension for the taxing district and those special purpose extensions that are made annually for the taxing district, excluding special purpose extensions: (a) made for

the taxing district to pay interest or principal on general obligation bonds that were approved by referendum; (b) made for any taxing district to pay interest or principal on general obligation bonds issued before the date on which the referendum making this Law applicable to the taxing district is held; (c) made for any taxing district to pay interest or principal on bonds issued to refund or continue to refund those bonds issued before the date on which the referendum making this Law applicable to the taxing district is held; (d) made for any taxing district to pay interest or principal on bonds issued to refund or continue to refund bonds issued after the date on which the referendum making this Law applicable to the taxing district is held if the bonds were approved by referendum after the date on which the referendum making this Law applicable to the taxing district is held; (e) made for any taxing district to pay interest or principal on revenue bonds issued before the date on which the referendum making this Law applicable to the taxing district is held for payment of which a property tax levy or the full faith and credit of the unit of local government is pledged; however, a tax for the payment of interest or principal on those bonds shall be made only after the governing body of the unit of local government finds that all other sources for payment are insufficient to make those payments; (f) made for payments under a building commission lease when the lease payments are for the retirement of bonds issued by the commission before the date on which the referendum making this Law applicable to the taxing district is held to pay for the building project; (g) made for payments due under installment contracts entered into before the date on which the referendum making this Law applicable to the taxing district is held; (h) made for payments of principal and interest on limited bonds, as defined in Section 3 of the Local Government Debt Reform Act, in an amount not to exceed the debt service extension base less the amount in items (b), (c), and (e) of this definition for non-referendum obligations, except obligations initially issued pursuant to referendum; (i) made for payments of principal and interest on bonds issued under Section 15 of the Local Government Debt Reform Act; and (j) made for a qualified airport authority to pay interest or principal on general obligation bonds issued for the purpose of paying obligations due under, or financing airport facilities required to be acquired, constructed, installed or equipped pursuant to, contracts entered into before March 1, 1996 (but not including any amendments to such a contract taking effect on or after that date).

"Aggregate extension" for all taxing districts to which this Law applies in accordance with paragraph (2) of subsection (e) of Section 18-213 means the annual corporate extension for the taxing district and those special purpose extensions that are made annually for the taxing district, excluding special purpose extensions: (a) made for the taxing district to pay interest or principal on general obligation bonds that were approved by referendum; (b) made for any

taxing district to pay interest or principal on general obligation bonds issued before the effective date of this amendatory Act of 1997; (c) made for any taxing district to pay interest or principal on bonds issued to refund or continue to refund those bonds issued

before the effective date of this amendatory Act of 1997; (d) made for any taxing district to pay interest or principal on bonds issued to refund or continue to refund bonds issued after the effective date of this amendatory Act of 1997 if the bonds were approved by referendum after the effective date of this amendatory Act of 1997; (e) made for any taxing district to pay interest or principal on revenue bonds issued before the effective date of this amendatory Act of 1997 for payment of which a property tax levy or the full faith and credit of the unit of local government is pledged; however, a tax for the payment of interest or principal on those bonds shall be made only after the governing body of the unit of local government finds that all other sources for payment are insufficient to make those payments; (f) made for payments under a building commission lease when the lease payments are for the retirement of bonds issued by the commission before the effective date of this amendatory Act of 1997 to pay for the building project; (g) made for payments due under installment contracts entered into before the effective date of this amendatory Act of 1997; (h) made for payments of principal and interest on limited bonds, as defined in Section 3 of the Local Government Debt Reform Act, in an amount not to exceed the debt service extension base less the amount in items (b), (c), and (e) of this definition for non-referendum obligations, except obligations initially issued pursuant to referendum; (i) made for payments of principal and interest on bonds issued under Section 15 of the Local Government Debt Reform Act; and (j) made for a qualified airport authority to pay interest or principal on general obligation bonds issued for the purpose of paying obligations due under, or financing airport facilities required to be acquired, constructed, installed or equipped pursuant to, contracts entered into before March 1, 1996 (but not including any amendments to such a contract taking effect on or after that date).

"Debt service extension base" means an amount equal to that portion of the extension for a taxing district for the 1994 levy year, or for those taxing districts subject to this Law in accordance with Section 18-213, except for those subject to paragraph (2) of subsection (e) of Section 18-213, for the levy year in which the referendum making this Law applicable to the taxing district is held, or for those taxing districts subject to this Law in accordance with paragraph (2) of subsection (e) of Section 18-213 for the 1996 levy year, constituting an extension for payment of principal and interest on bonds issued by the taxing district without referendum, but not including (i) bonds authorized by Public Act 88-503 and issued under Section 20a of the Chicago Park District Act for aquarium and museum projects; (ii) bonds issued under Section 15 of the Local Government Debt Reform Act; or (iii) refunding obligations issued to refund or to continue to refund obligations initially issued pursuant to referendum. The debt service extension base may be established or increased as provided under Section 18-212.

"Special purpose extensions" include, but are not limited to, extensions for levies made on an annual basis for unemployment and workers' compensation, self-insurance, contributions to pension plans, and extensions made pursuant to Section 6-601 of the Illinois Highway Code for a road district's permanent road fund whether levied annually or not. The extension for a special service area is not included in the aggregate extension.

"Aggregate extension base" means the taxing district's last preceding aggregate extension as adjusted under Sections 18-215

through 18-230.

"Levy year" has the same meaning as "year" under Section 1-155.

"New property" means (i) the assessed value, after final board of review or board of appeals action, of new improvements or additions to existing improvements on any parcel of real property that increase the assessed value of that real property during the levy year multiplied by the equalization factor issued by the Department under Section 17-30 and (ii) the assessed value, after final board of review or board of appeals action, of real property not exempt from real estate taxation, which real property was exempt from real estate taxation for any portion of the immediately preceding levy year, multiplied by the equalization factor issued by the Department under Section 17-30. In addition, the county clerk in a county containing a population of 3,000,000 or more shall include in the 1997 recovered tax increment value for any school district, any recovered tax increment value that was applicable to the 1995 tax year calculations.

"Qualified airport authority" means an airport authority organized under the Airport Authorities Act and located in a county bordering on the State of Wisconsin and having a population in excess of 200,000 and not greater than 500,000.

"Recovered tax increment value" means, except as otherwise provided in this paragraph, the amount of the current year's equalized assessed value, in the first year after a municipality terminates the designation of an area as a redevelopment project area previously established under the Tax Increment Allocation Development Act in the Illinois Municipal Code, previously established under the Industrial Jobs Recovery Law in the Illinois Municipal Code, or previously established under the Economic Development Area Tax Increment Allocation Act, of each taxable lot, block, tract, or parcel of real property in the redevelopment project area over and above the initial equalized assessed value of each property in the redevelopment project area. For the taxes which are extended for the 1997 levy year, the recovered tax increment value for a non-home rule taxing district that first became subject to this Law for the 1995 levy year because a majority of its 1994 equalized assessed value was in an affected county or counties shall be increased if a municipality terminated the designation of an area in 1993 as a redevelopment project area previously established under the Tax Increment Allocation Development Act in the Illinois Municipal Code, previously established under the Industrial Jobs Recovery Law in the Illinois Municipal Code, or previously established under the Economic Development Area Tax Increment Allocation Act, by an amount equal to the 1994 equalized assessed value of each taxable lot, block, tract, or parcel of real property in the redevelopment project area over and above the initial equalized assessed value of each property in the redevelopment project area. In the first year after a municipality removes a taxable lot, block, tract, or parcel of real property from a redevelopment project area established under the Tax Increment Allocation Development Act in the Illinois Municipal Code, the Industrial Jobs Recovery Law in the Illinois Municipal Code, or the Economic Development Area Tax Increment Allocation Act, "recovered

tax increment value" means the amount of the current year's equalized assessed value of each taxable lot, block, tract, or parcel of real property removed from the redevelopment project area over and above the initial equalized assessed value of that real property before removal from the redevelopment project area.

Except as otherwise provided in this Section, "limiting rate" means a fraction the numerator of which is the last preceding aggregate extension base times an amount equal to one plus the extension limitation defined in this Section and the denominator of

which is the current year's equalized assessed value of all real property in the territory under the jurisdiction of the taxing district during the prior levy year. For those taxing districts that reduced their aggregate extension for the last preceding levy year, the highest aggregate extension in any of the last 3 preceding levy years shall be used for the purpose of computing the limiting rate. The denominator shall not include new property. The denominator shall not include the recovered tax increment value.

(Source: P.A. 89-1, eff. 2-12-95; 89-138, eff. 7-14-95; 89-385, eff. 8-18-95; 89-436, eff. 1-1-96; 89-449, eff. 6-1-96; 89-510, eff. 7-11-96; 89-718, eff. 3-7-97; 90-485, eff. 1-1-98; 90-511, eff. 8-22-97; 90-568, eff. 1-1-99; 90-616, eff. 7-10-98; 90-655, eff. 7-30-98; revised 10-28-98.)

Section 10. The Governmental Account Audit Act is amended by changing Section 3 as follows:

(50 ILCS 310/3) (from Ch. 85, par. 703)

Sec. 3. Financial report. Any governmental unit appropriating less than $200,000 for any fiscal year shall, in lieu of complying with the requirements of Section 2 for audits and audit reports, file with the Comptroller a financial report containing information required by the Comptroller. In addition, a governmental unit appropriating less than $200,000 may file with the Comptroller any audit reports which may have been prepared under any other law. Any governmental unit appropriating $200,000 or more for any fiscal year shall, in addition to complying with the requirements of Section 2 for audits and audit reports, file with the Comptroller the financial report required by this Section. The financial report filed under this Section shall include the information required by subsection (d) of Section 11-74.4-5 of the Tax Increment Allocation Redevelopment Act in the Illinois Municipal Code. Such financial reports shall be on forms so designed by the Comptroller as not to require professional accounting services for its preparation.

(Source: P.A. 90-104, eff. 7-11-97.)

Section 15. The Illinois Municipal Code is amended by changing Sections 11-74.4-3, 11-74.4-4, 11-74.4-4.1, 11-74.4-5, 11-74.4-6, 11-74.4-7, 11-74.4-7.1, 11-74.4-8, and 11-74.4-8a and adding Section 11-74.4-4.2 as follows:

(65 ILCS 5/11-74.4-3) (from Ch. 24, par. 11-74.4-3)

Sec. 11-74.4-3. Definitions. The following terms, wherever used or referred to in this Division 74.4 shall have the following respective meanings, unless in any case a different meaning clearly appears from the context.

(a) For any redevelopment project area that has been designated

pursuant to this Section by an ordinance adopted prior to the effective date of this amendatory Act of the 91st General Assembly, "blighted area" shall have the meaning set forth in this Section prior to the effective date of this amendatory Act of the 91st General Assembly.

On and after the effective date of this amendatory Act of the 91st General Assembly, "blighted area" means any improved or vacant area within the boundaries of a redevelopment project area located within the territorial limits of the municipality where:

(1) If improved, industrial, commercial, and residential buildings or improvements are detrimental to the public safety, health, or welfare because of a combination of 5 or more of the following factors, each of which is (i) present, with that presence documented, to a meaningful extent so that a municipality may reasonably find that the factor is clearly present within the intent of the Act and (ii) reasonably distributed throughout the improved part of the redevelopment project area:

(A) Dilapidation. An advanced state of disrepair or neglect of necessary repairs to the primary structural components of buildings or improvements in such a combination that a documented building condition analysis determines that major repair is required or the defects are so serious and so extensive that the buildings must be removed.

(B) Obsolescence. The condition or process of falling into disuse. Structures have become ill-suited for the original use.

(C) Deterioration. With respect to buildings, defects including, but not limited to, major defects in the secondary building components such as doors, windows, porches, gutters and downspouts, and fascia. With respect to surface improvements, that the condition of roadways, alleys, curbs, gutters, sidewalks, off-street parking, and surface storage areas evidence deterioration, including, but not limited to, surface cracking, crumbling, potholes, depressions, loose paving material, and weeds protruding through paved surfaces.

(D) Presence of structures below minimum code standards. All structures that do not meet the standards of zoning, subdivision, building, fire, and other governmental codes applicable to property, but not including housing and property maintenance codes.

(E) Illegal use of individual structures. The use of structures in violation of applicable federal, State, or local laws, exclusive of those applicable to the presence of structures below minimum code standards.

(F) Excessive vacancies. The presence of buildings that are unoccupied or under-utilized and that represent an adverse influence on the area because of the frequency, extent, or duration of the vacancies.

(G) Lack of ventilation, light, or sanitary

facilities. The absence of adequate ventilation for light or air circulation in spaces or rooms without windows, or that require the removal of dust, odor, gas, smoke, or other noxious airborne materials. Inadequate natural light and ventilation means the absence of skylights or windows for interior spaces or rooms and improper window sizes and amounts by room area to window area ratios. Inadequate sanitary facilities refers to the absence or inadequacy of garbage storage and enclosure, bathroom facilities, hot water and kitchens, and structural inadequacies preventing ingress and egress to and from all rooms and units within a building.

(H) Inadequate utilities. Underground and overhead utilities such as storm sewers and storm drainage, water lines, and gas, telephone, and electrical services that are shown to be inadequate. Inadequate utilities are those that are: (i) of insufficient capacity to serve the uses in the redevelopment project area, (ii) deteriorated, antiquated, obsolete, or in disrepair, or (iii) lacking within the redevelopment project area.

(I) Excessive land coverage and overcrowding of structures and community facilities. The over-intensive use of property and the crowding of buildings and accessory facilities onto a site. Examples of problem conditions warranting the designation of an area as one exhibiting excessive land coverage are: (i) the presence of buildings either improperly situated on parcels or located on parcels

of inadequate size and shape in relation to present-day standards of development for health and safety and (ii) the presence of multiple buildings on a single parcel. For there to be a finding of excessive land coverage, these parcels must exhibit one or more of the following conditions: insufficient provision for light and air within or around buildings, increased threat of spread of fire due to the close proximity of buildings, lack of adequate or proper access to a public right-of-way, lack of reasonably required off-street parking, or inadequate provision for loading and service.

(J) Deleterious land use or layout. The existence of incompatible land-use relationships, buildings occupied by inappropriate mixed-uses, or uses considered to be noxious, offensive, or unsuitable for the surrounding area.

(K) Environmental clean-up. The proposed redevelopment project area has incurred Illinois Environmental Protection Agency or United States Environmental Protection Agency remediation costs for, or a study conducted by an independent consultant recognized as having expertise in environmental remediation has determined a need for, the clean-up of hazardous waste, hazardous substances, or underground storage tanks required by State or federal law, provided that the remediation costs constitute a material impediment to the development or

redevelopment of the redevelopment project area.

(L) Lack of community planning. The proposed redevelopment project area was developed prior to or without the benefit or guidance of a community plan. This means that the development occurred prior to the adoption by the municipality of a comprehensive or other community plan or that the plan was not followed at the time of the area's development. This factor must be documented by evidence of adverse or incompatible land-use relationships, inadequate street layout, improper subdivision, parcels of inadequate shape and size to meet contemporary development standards, or other evidence demonstrating an absence of effective community planning.

(M) The total equalized assessed value of the proposed redevelopment project area has declined for 3 of the last 5 calendar years for which information is available or is increasing at an annual rate that is less than the balance of the municipality for 3 of the last 5 calendar years for which information is available or is increasing at an annual rate that is less than the Consumer Price Index for All Urban Consumers published by the United States Department of Labor or successor agency for 3 of the last 5 calendar years for which information is available.

(2) If vacant, the sound growth of the redevelopment project area is impaired by a combination of 2 or more of the following factors, each of which is (i) present, with that presence documented, to a meaningful extent so that a municipality may reasonably find that the factor is clearly present within the intent of the Act and (ii) reasonably distributed throughout the vacant part of the redevelopment project area:

(A) Obsolete platting of vacant land that results in parcels of limited or narrow size or configurations of parcels of irregular size or shape that would be difficult to develop on a planned basis and in a manner compatible with contemporary standards and requirements, or platting

that failed to create rights-of-ways for streets or alleys or that created inadequate right-of-way widths for streets, alleys, or other public rights-of-way or that omitted easements for public utilities.

(B) Diversity of ownership of parcels of vacant land sufficient in number to retard or impede the ability to assemble the land for development.

(C) Tax and special assessment delinquencies for an unreasonable period of time.

(D) Deterioration of structures or site improvements in neighboring areas adjacent to the vacant land.

(E) The area has incurred Illinois Environmental Protection Agency or United States Environmental Protection Agency remediation costs for, or a study conducted by an independent consultant recognized as having expertise in environmental remediation has determined a need for, the

clean-up of hazardous waste, hazardous substances, or underground storage tanks required by State or federal law, provided that the remediation costs constitute a material impediment to the development or redevelopment of the redevelopment project area.

(F) The total equalized assessed value of the proposed redevelopment project area has declined for 3 of the last 5 calendar years for which information is available or is increasing at an annual rate that is less than the balance of the municipality for 3 of the last 5 calendar years for which information is available or is increasing at an annual rate that is less than the Consumer Price Index for All Urban Consumers published by the United States Department of Labor or successor agency for 3 of the last 5 calendar years for which information is available.

(3) If vacant, the sound growth of the redevelopment project area is impaired by one of the following factors that (i) is present, with that presence documented, to a meaningful extent so that a municipality may reasonably find that the factor is clearly present within the intent of the Act and (ii) is reasonably distributed throughout the vacant part of the redevelopment project area:

(A) The area consists of one or more unused quarries, mines, or strip mine ponds.

(B) The area consists of unused railyards, rail tracks, or railroad rights-of-way.

(C) The area, prior to its designation, is subject to chronic flooding that adversely impacts on real property in the area as certified by a registered professional engineer or appropriate regulatory agency.

(D) The area consists of an unused or illegal disposal site containing earth, stone, building debris, or similar materials that were removed from construction, demolition, excavation, or dredge sites.

(E) Prior to the effective date of this amendatory Act of the 91st General Assembly, the area is not less than 50 nor more than 100 acres and 75% of which is vacant (notwithstanding that the area has been used for commercial agricultural purposes within 5 years prior to the designation of the redevelopment project area), and the area meets at least one of the factors itemized in paragraph (1) of this subsection, the area has been designated as a town or village center by ordinance or comprehensive plan adopted prior to January 1, 1982, and the area has not been developed for that designated purpose.

(F) The area qualified as a blighted improved area immediately prior to becoming vacant, unless there has been substantial private investment in the immediately surrounding area.~~, if improved, industrial, commercial and residential buildings or improvements, because of a combination of 5 or more of the following factors: age; dilapidation; obsolescence; deterioration; illegal use of~~

~~individual structures; presence of structures below minimum code standards; excessive vacancies; overcrowding of structures and community facilities; lack of ventilation, light or sanitary facilities; inadequate utilities; excessive land coverage; deleterious land use or layout; depreciation of physical maintenance; lack of community planning, is detrimental to the public safety, health, morals or welfare, or if vacant, the sound growth of the taxing districts is impaired by, (1) a combination of 2 or more of the following factors: obsolete platting of the vacant land; diversity of ownership of such land; tax and special assessment delinquencies on such land; flooding on all or part of such vacant land; deterioration of structures or site improvements in neighboring areas adjacent to the vacant land, or (2) the area immediately prior to becoming vacant qualified as a blighted improved area, or (3) the area consists of an unused quarry or unused quarries, or (4) the area consists of unused railyards, rail tracks or railroad rights-of-way, or (5) the area, prior to its designation, is subject to chronic flooding which adversely impacts on real property in the area and such flooding is substantially caused by one or more improvements in or in proximity to the area which improvements have been in existence for at least 5 years, or (6) the area consists of an unused disposal site, containing earth, stone, building debris or similar material, which were removed from construction, demolition, excavation or dredge sites, or (7) the area is not less than 50 nor more than 100 acres and 75% of which is vacant, notwithstanding the fact that such area has been used for commercial agricultural purposes within 5 years prior to the designation of the redevelopment project area, and which area meets at least one of the factors itemized in provision (1) of this subsection (a), and the area has been designated as a town or village center by ordinance or comprehensive plan adopted prior to January 1, 1982, and the area has not been developed for that designated purpose.~~

(b) For any redevelopment project area that has been designated pursuant to this Section by an ordinance adopted prior to the effective date of this amendatory Act of the 91st General Assembly, "conservation area" shall have the meaning set forth in this Section prior to the effective date of this amendatory Act of the 91st General Assembly.

On and after the effective date of this amendatory Act of the 91st General Assembly, "conservation area" means any improved area within the boundaries of a redevelopment project area located within the territorial limits of the municipality in which 50% or more of the structures in the area have an age of 35 years or more. Such an area is not yet a blighted area but because of a combination of 3 or more of the following factors ~~dilapidation; obsolescence; deterioration; illegal use of individual structures; presence of structures below minimum code standards; abandonment; excessive vacancies; overcrowding of structures and community facilities; lack of ventilation, light or sanitary facilities; inadequate utilities;~~

~~excessive land coverage; deleterious land use or layout; depreciation of physical maintenance; lack of community planning,~~ is detrimental to the public safety, health, morals or welfare and such an area may become a blighted area:~~.~~

(1) Dilapidation. An advanced state of disrepair or neglect of necessary repairs to the primary structural components of buildings or improvements in such a combination that a documented building condition analysis determines that major repair is required or the defects are so serious and so extensive that the buildings must be removed.

(2) Obsolescence. The condition or process of falling into disuse. Structures have become ill-suited for the original use.

(3) Deterioration. With respect to buildings, defects including, but not limited to, major defects in the secondary building components such as doors, windows, porches, gutters and downspouts, and fascia. With respect to surface improvements, that the condition of roadways, alleys, curbs, gutters, sidewalks, off-street parking, and surface storage areas evidence deterioration, including, but not limited to, surface cracking, crumbling, potholes, depressions, loose paving material, and weeds protruding through paved surfaces.

(4) Presence of structures below minimum code standards. All structures that do not meet the standards of zoning, subdivision, building, fire, and other governmental codes applicable to property, but not including housing and property maintenance codes.

(5) Illegal use of individual structures. The use of structures in violation of applicable federal, State, or local laws, exclusive of those applicable to the presence of structures below minimum code standards.

(6) Excessive vacancies. The presence of buildings that are unoccupied or under-utilized and that represent an adverse influence on the area because of the frequency, extent, or duration of the vacancies.

(7) Lack of ventilation, light, or sanitary facilities. The absence of adequate ventilation for light or air circulation in spaces or rooms without windows, or that require the removal of dust, odor, gas, smoke, or other noxious airborne materials. Inadequate natural light and ventilation means the absence or inadequacy of skylights or windows for interior spaces or rooms and improper window sizes and amounts by room area to window area ratios. Inadequate sanitary facilities refers to the absence or inadequacy of garbage storage and enclosure, bathroom facilities, hot water and kitchens, and structural inadequacies preventing ingress and egress to and from all rooms and units within a building.

(8) Inadequate utilities. Underground and overhead utilities such as storm sewers and storm drainage, water lines, and gas, telephone, and electrical services that are shown to be inadequate. Inadequate utilities are those that are: (i) of insufficient capacity to serve the uses in the redevelopment project area, (ii) deteriorated, antiquated, obsolete, or in disrepair, or (iii) lacking within the redevelopment project area.

(9) Excessive land coverage and overcrowding of structures

and community facilities. The over-intensive use of property and the crowding of buildings and accessory facilities onto a site. Examples of problem conditions warranting the designation of an area as one exhibiting excessive land coverage are: the presence of buildings either improperly situated on parcels or located on parcels of inadequate size and shape in relation to present-day

standards of development for health and safety and the presence of multiple buildings on a single parcel. For there to be a finding of excessive land coverage, these parcels must exhibit one or more of the following conditions: insufficient provision for light and air within or around buildings, increased threat of spread of fire due to the close proximity of buildings, lack of adequate or proper access to a public right-of-way, lack of reasonably required off-street parking, or inadequate provision for loading and service.

(10) Deleterious land use or layout. The existence of incompatible land-use relationships, buildings occupied by inappropriate mixed-uses, or uses considered to be noxious, offensive, or unsuitable for the surrounding area.

(11) Lack of community planning. The proposed redevelopment project area was developed prior to or without the benefit or guidance of a community plan. This means that the development occurred prior to the adoption by the municipality of a comprehensive or other community plan or that the plan was not followed at the time of the area's development. This factor must be documented by evidence of adverse or incompatible land-use relationships, inadequate street layout, improper subdivision, parcels of inadequate shape and size to meet contemporary development standards, or other evidence demonstrating an absence of effective community planning.

(12) The area has incurred Illinois Environmental Protection Agency or United States Environmental Protection Agency remediation costs for, or a study conducted by an independent consultant recognized as having expertise in environmental remediation has determined a need for, the clean-up of hazardous waste, hazardous substances, or underground storage tanks required by State or federal law, provided that the remediation costs constitute a material impediment to the development or redevelopment of the redevelopment project area.

(13) The total equalized assessed value of the proposed redevelopment project area has declined for 3 of the last 5 calendar years for which information is available or is increasing at an annual rate that is less than the balance of the municipality for 3 of the last 5 calendar years for which information is available or is increasing at an annual rate that is less than the Consumer Price Index for All Urban Consumers published by the United States Department of Labor or successor agency for 3 of the last 5 calendar years for which information is available.

(c) "Industrial park" means an area in a blighted or conservation area suitable for use by any manufacturing, industrial, research or transportation enterprise, of facilities to include but

not be limited to factories, mills, processing plants, assembly plants, packing plants, fabricating plants, industrial distribution centers, warehouses, repair overhaul or service facilities, freight terminals, research facilities, test facilities or railroad facilities.

(d) "Industrial park conservation area" means an area within the boundaries of a redevelopment project area located within the territorial limits of a municipality that is a labor surplus municipality or within 1 1/2 miles of the territorial limits of a municipality that is a labor surplus municipality if the area is annexed to the municipality; which area is zoned as industrial no later than at the time the municipality by ordinance designates the redevelopment project area, and which area includes both vacant land suitable for use as an industrial park and a blighted area or conservation area contiguous to such vacant land.

(e) "Labor surplus municipality" means a municipality in which, at any time during the 6 months before the municipality by ordinance designates an industrial park conservation area, the unemployment rate was over 6% and was also 100% or more of the national average unemployment rate for that same time as published in the United States Department of Labor Bureau of Labor Statistics publication entitled "The Employment Situation" or its successor publication. For the purpose of this subsection, if unemployment rate statistics for the municipality are not available, the unemployment rate in the municipality shall be deemed to be the same as the unemployment rate in the principal county in which the municipality is located.

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

(g) "Initial Sales Tax Amounts" means the amount of taxes paid under the Retailers' Occupation Tax Act, Use Tax Act, Service Use Tax Act, the Service Occupation Tax Act, the Municipal Retailers' Occupation Tax Act, and the Municipal Service Occupation Tax Act by retailers and servicemen on transactions at places located in a State Sales Tax Boundary during the calendar year 1985.

(g-1) "Revised Initial Sales Tax Amounts" means the amount of taxes paid under the Retailers' Occupation Tax Act, Use Tax Act, Service Use Tax Act, the Service Occupation Tax Act, the Municipal Retailers' Occupation Tax Act, and the Municipal Service Occupation Tax Act by retailers and servicemen on transactions at places located within the State Sales Tax Boundary revised pursuant to Section 11-74.4-8a(9) of this Act.

(h) "Municipal Sales Tax Increment" means an amount equal to the increase in the aggregate amount of taxes paid to a municipality from the Local Government Tax Fund arising from sales by retailers and servicemen within the redevelopment project area or State Sales Tax Boundary, as the case may be, for as long as the redevelopment project area or State Sales Tax Boundary, as the case may be, exist over and above the aggregate amount of taxes as certified by the Illinois Department of Revenue and paid under the Municipal Retailers' Occupation Tax Act and the Municipal Service Occupation Tax Act by retailers and servicemen, on transactions at places of business located in the redevelopment project area or State Sales Tax

Boundary, as the case may be, during the base year which shall be the calendar year immediately prior to the year in which the municipality adopted tax increment allocation financing. For purposes of computing the aggregate amount of such taxes for base years occurring prior to 1985, the Department of Revenue shall determine the Initial Sales Tax Amounts for such taxes and deduct therefrom an amount equal to 4% of the aggregate amount of taxes per year for each year the base year is prior to 1985, but not to exceed a total deduction of 12%. The amount so determined shall be known as the "Adjusted Initial Sales Tax Amounts". For purposes of determining the Municipal Sales Tax Increment, the Department of Revenue shall for each period subtract from the amount paid to the municipality from the Local Government Tax Fund arising from sales by retailers and servicemen on transactions located in the redevelopment project area or the State Sales Tax Boundary, as the case may be, the certified Initial Sales Tax Amounts, the Adjusted Initial Sales Tax Amounts or the Revised Initial Sales Tax Amounts for the Municipal Retailers' Occupation Tax Act and the Municipal Service Occupation Tax Act. For the State Fiscal Year 1989, this calculation shall be made by utilizing the calendar year 1987 to determine the tax amounts received. For the State Fiscal Year 1990, this calculation shall be made by utilizing the period from January 1, 1988, until September 30, 1988, to determine the tax amounts received from retailers and servicemen pursuant to the Municipal Retailers' Occupation Tax and

the Municipal Service Occupation Tax Act, which shall have deducted therefrom nine-twelfths of the certified Initial Sales Tax Amounts, the Adjusted Initial Sales Tax Amounts or the Revised Initial Sales Tax Amounts as appropriate. For the State Fiscal Year 1991, this calculation shall be made by utilizing the period from October 1, 1988, to June 30, 1989, to determine the tax amounts received from retailers and servicemen pursuant to the Municipal Retailers' Occupation Tax and the Municipal Service Occupation Tax Act which shall have deducted therefrom nine-twelfths of the certified Initial Sales Tax Amounts, Adjusted Initial Sales Tax Amounts or the Revised Initial Sales Tax Amounts as appropriate. For every State Fiscal Year thereafter, the applicable period shall be the 12 months beginning July 1 and ending June 30 to determine the tax amounts received which shall have deducted therefrom the certified Initial Sales Tax Amounts, the Adjusted Initial Sales Tax Amounts or the Revised Initial Sales Tax Amounts, as the case may be.

(i) "Net State Sales Tax Increment" means the sum of the following: (a) 80% of the first $100,000 of State Sales Tax Increment annually generated within a State Sales Tax Boundary; (b) 60% of the amount in excess of $100,000 but not exceeding $500,000 of State Sales Tax Increment annually generated within a State Sales Tax Boundary; and (c) 40% of all amounts in excess of $500,000 of State Sales Tax Increment annually generated within a State Sales Tax Boundary. If, however, a municipality established a tax increment financing district in a county with a population in excess of 3,000,000 before January 1, 1986, and the municipality entered into a contract or issued bonds after January 1, 1986, but before December 31, 1986, to finance redevelopment project costs within a State Sales

Tax Boundary, then the Net State Sales Tax Increment means, for the fiscal years beginning July 1, 1990, and July 1, 1991, 100% of the State Sales Tax Increment annually generated within a State Sales Tax Boundary; and notwithstanding any other provision of this Act, for those fiscal years the Department of Revenue shall distribute to those municipalities 100% of their Net State Sales Tax Increment before any distribution to any other municipality and regardless of whether or not those other municipalities will receive 100% of their Net State Sales Tax Increment. For Fiscal Year 1999, and every year thereafter until the year 2007, for any municipality that has not entered into a contract or has not issued bonds prior to June 1, 1988 to finance redevelopment project costs within a State Sales Tax Boundary, the Net State Sales Tax Increment shall be calculated as follows: By multiplying the Net State Sales Tax Increment by 90% in the State Fiscal Year 1999; 80% in the State Fiscal Year 2000; 70% in the State Fiscal Year 2001; 60% in the State Fiscal Year 2002; 50% in the State Fiscal Year 2003; 40% in the State Fiscal Year 2004; 30% in the State Fiscal Year 2005; 20% in the State Fiscal Year 2006; and 10% in the State Fiscal Year 2007. No payment shall be made for State Fiscal Year 2008 and thereafter.

Municipalities that issued bonds in connection with a redevelopment project in a redevelopment project area within the State Sales Tax Boundary prior to July 29, 1991, or that entered into contracts in connection with a redevelopment project in a redevelopment project area before June 1, 1988, shall continue to receive their proportional share of the Illinois Tax Increment Fund distribution until the date on which the redevelopment project is completed or terminated, or the date on which the bonds are retired or the contracts are completed, whichever date occurs first. Refunding of any bonds issued prior to July 29, 1991, shall not alter the Net State Sales Tax Increment.

(j) "State Utility Tax Increment Amount" means an amount equal to the aggregate increase in State electric and gas tax charges

imposed on owners and tenants, other than residential customers, of properties located within the redevelopment project area under Section 9-222 of the Public Utilities Act, over and above the aggregate of such charges as certified by the Department of Revenue and paid by owners and tenants, other than residential customers, of properties within the redevelopment project area during the base year, which shall be the calendar year immediately prior to the year of the adoption of the ordinance authorizing tax increment allocation financing.

(k) "Net State Utility Tax Increment" means the sum of the following: (a) 80% of the first $100,000 of State Utility Tax Increment annually generated by a redevelopment project area; (b) 60% of the amount in excess of $100,000 but not exceeding $500,000 of the State Utility Tax Increment annually generated by a redevelopment project area; and (c) 40% of all amounts in excess of $500,000 of State Utility Tax Increment annually generated by a redevelopment project area. For the State Fiscal Year 1999, and every year thereafter until the year 2007, for any municipality that has not entered into a contract or has not issued bonds prior to June 1, 1988

to finance redevelopment project costs within a redevelopment project area, the Net State Utility Tax Increment shall be calculated as follows: By multiplying the Net State Utility Tax Increment by 90% in the State Fiscal Year 1999; 80% in the State Fiscal Year 2000; 70% in the State Fiscal Year 2001; 60% in the State Fiscal Year 2002; 50% in the State Fiscal Year 2003; 40% in the State Fiscal Year 2004; 30% in the State Fiscal Year 2005; 20% in the State Fiscal Year 2006; and 10% in the State Fiscal Year 2007. No payment shall be made for the State Fiscal Year 2008 and thereafter.

Municipalities that issue bonds in connection with the redevelopment project during the period from June 1, 1988 until 3 years after the effective date of this Amendatory Act of 1988 shall receive the Net State Utility Tax Increment, subject to appropriation, for 15 State Fiscal Years after the issuance of such bonds. For the 16th through the 20th State Fiscal Years after issuance of the bonds, the Net State Utility Tax Increment shall be calculated as follows: By multiplying the Net State Utility Tax Increment by 90% in year 16; 80% in year 17; 70% in year 18; 60% in year 19; and 50% in year 20. Refunding of any bonds issued prior to June 1, 1988, shall not alter the revised Net State Utility Tax Increment payments set forth above.

(l) "Obligations" mean bonds, loans, debentures, notes, special certificates or other evidence of indebtedness issued by the municipality to carry out a redevelopment project or to refund outstanding obligations.

(m) "Payment in lieu of taxes" means those estimated tax revenues from real property in a redevelopment project area derived from real property that has been acquired by a municipality which according to the redevelopment project or plan is to be used for a private use which taxing districts would have received had a municipality not acquired the real property and adopted tax increment allocation financing and which would result from levies made after the time of the adoption of tax increment allocation financing to the time the current equalized value of real property in the redevelopment project area exceeds the total initial equalized value of real property in said area.

(n) "Redevelopment plan" means the comprehensive program of the municipality for development or redevelopment intended by the payment of redevelopment project costs to reduce or eliminate those conditions the existence of which qualified the redevelopment project area as a "blighted area" or "conservation area" or combination thereof or "industrial park conservation area," and thereby to

enhance the tax bases of the taxing districts which extend into the redevelopment project area. On and after the effective date of this amendatory Act of the 91st General Assembly, no redevelopment plan may be approved or amended that includes the development of vacant land (i) with a golf course and related clubhouse and other facilities or (ii) designated by federal, State, county, or municipal government as public land for outdoor recreational activities or for nature preserves and used for that purpose within 5 years prior to the adoption of the redevelopment plan. For the purpose of this subsection, "recreational activities" is limited to mean camping and

hunting. Each redevelopment plan shall set forth in writing the program to be undertaken to accomplish the objectives and shall include but not be limited to:

(A) an itemized list of estimated redevelopment project costs;

(B) evidence indicating that the redevelopment project area on the whole has not been subject to growth and development through investment by private enterprise;

(C) an assessment of any financial impact of the redevelopment project area on or any increased demand for services from any taxing district affected by the plan and any program to address such financial impact or increased demand;

(D) the sources of funds to pay costs;

(E) the nature and term of the obligations to be issued;

(F) the most recent equalized assessed valuation of the redevelopment project area;

(G) an estimate as to the equalized assessed valuation after redevelopment and the general land uses to apply in the redevelopment project area;

(H) a commitment to fair employment practices and an affirmative action plan;

(I) if it concerns an industrial park conservation area, the plan shall also include a general description of any proposed developer, user and tenant of any property, a description of the type, structure and general character of the facilities to be developed, a description of the type, class and number of new employees to be employed in the operation of the facilities to be developed; and

(J) if property is to be annexed to the municipality, the plan shall include the terms of the annexation agreement.

The provisions of items (B) and (C) of this subsection (n) shall not apply to a municipality that before March 14, 1994 (the effective date of Public Act 88-537) had fixed, either by its corporate authorities or by a commission designated under subsection (k) of Section 11-74.4-4, a time and place for a public hearing as required by subsection (a) of Section 11-74.4-5. No redevelopment plan shall be adopted unless a municipality complies with all of the following requirements:

(1) The municipality finds that the redevelopment project area on the whole has not been subject to growth and development through investment by private enterprise and would not reasonably be anticipated to be developed without the adoption of the redevelopment plan.

(2) The municipality finds that the redevelopment plan and project conform to the comprehensive plan for the development of the municipality as a whole, or, for municipalities with a population of 100,000 or more, regardless of when the redevelopment plan and project was adopted, the redevelopment plan and project either: (i) conforms to the strategic economic development or redevelopment plan issued by the designated planning authority of the municipality, or (ii) includes land

uses that have been approved by the planning commission of the

municipality.

(3) The redevelopment plan establishes the estimated dates of completion of the redevelopment project and retirement of obligations issued to finance redevelopment project costs. Those dates shall not be later than December 31 of the year in which the payment to the municipal treasurer as provided in subsection (b) of Section 11-74.4-8 of this Act is to be made with respect to ad valorem taxes levied in the twenty-third calendar year after the year in which the ordinance approving the redevelopment project area is adopted ~~more than 23 years from the adoption of the ordinance approving the redevelopment project area~~ if the ordinance was adopted on or after January 15, 1981, and not later than December 31 of the year in which the payment to the municipal treasurer as provided in subsection (b) of Section 11-74.4-8 of this Act is to be made with respect to ad valorem taxes levied in the thirty-fifth calendar year after the year in which the ordinance approving the redevelopment project area is adopted ~~not more than 35 years~~ if the ordinance was adopted before January 15, 1981, or if the ordinance was adopted in April 1984 or July 1985, or if the ordinance was adopted in December 1987 and the redevelopment project is located within one mile of Midway Airport, or if the municipality is subject to the Local Government Financial Planning and Supervision Act, or if the ordinance was adopted on December 31, 1986 by a municipality located in Clinton County for which at least $250,000 of tax increment bonds were authorized on June 17, 1997. However, for redevelopment project areas for which bonds were issued before July 29, 1991, or for which contracts were entered into before June 1, 1988, in connection with a redevelopment project in the area within the State Sales Tax Boundary, the estimated dates of completion of the redevelopment project and retirement of obligations to finance redevelopment project costs may be extended by municipal ordinance to December 31, 2013. The extension allowed by this amendatory Act of 1993 shall not apply to real property tax increment allocation financing under Section 11-74.4-8. A municipality may by municipal ordinance amend an existing redevelopment plan to conform to this paragraph (3) as amended by this amendatory Act of the 91st General Assembly, which municipal ordinance may be adopted without further hearing or notice and without complying with the procedures provided in this Act pertaining to an amendment to or the initial approval of a redevelopment plan and project and designation of a redevelopment project area.

Those dates, for purposes of real property tax increment allocation financing pursuant to Section 11-74.4-8 only, shall be not more than 35 years for redevelopment project areas that were adopted on or after December 16, 1986 and for which at least $8 million worth of municipal bonds were authorized on or after December 19, 1989 but before January 1, 1990; provided that the municipality elects to extend the life of the redevelopment project area to 35 years by the adoption of an ordinance after at least 14 but not more than 30 days' written notice to the taxing bodies, that would otherwise constitute the joint review board for the redevelopment project area, before the adoption of the ordinance.

Those dates, for purposes of real property tax increment allocation financing pursuant to Section 11-74.4-8 only, shall be

not more than 35 years for redevelopment project areas that were established on or after December 1, 1981 but before January 1, 1982 and for which at least $1,500,000 worth of tax increment

revenue bonds were authorized on or after September 30, 1990 but before July 1, 1991; provided that the municipality elects to extend the life of the redevelopment project area to 35 years by the adoption of an ordinance after at least 14 but not more than 30 days' written notice to the taxing bodies, that would otherwise constitute the joint review board for the redevelopment project area, before the adoption of the ordinance.

(3.5) ~~(4)~~ The municipality finds, in the case of an industrial park conservation area, also that the municipality is a labor surplus municipality and that the implementation of the redevelopment plan will reduce unemployment, create new jobs and by the provision of new facilities enhance the tax base of the taxing districts that extend into the redevelopment project area.

(4) ~~(5)~~ If any incremental revenues are being utilized under Section 8(a)(1) or 8(a)(2) of this Act in redevelopment project areas approved by ordinance after January 1, 1986, the municipality finds: (a) that the redevelopment project area would not reasonably be developed without the use of such incremental revenues, and (b) that such incremental revenues will be exclusively utilized for the development of the redevelopment project area.

(5) On and after the effective date of this amendatory Act of the 91st General Assembly, if the redevelopment plan will not result in displacement of residents from inhabited units, and the municipality certifies in the plan that displacement will not result from the plan, a housing impact study need not be performed. If, however, the redevelopment plan would result in the displacement of residents from 10 or more inhabited residential units, or if the redevelopment project area contains 75 or more inhabited residential units and no certification is made, then the municipality shall prepare, as part of the separate feasibility report required by subsection (a) of Section 11-74.4-5, a housing impact study.

Part I of the housing impact study shall include (i) data as to whether the residential units are single family or multi-family units, (ii) the number and type of rooms within the units, if that information is available, (iii) whether the units are inhabited or uninhabited, as determined not less than 45 days before the date that the ordinance or resolution required by subsection (a) of Section 11-74.4-5 is passed, and (iv) data as to the racial and ethnic composition of the residents in the inhabited residential units. The data requirement as to the racial and ethnic composition of the residents in the inhabited residential units shall be deemed to be fully satisfied by data from the most recent federal census.

Part II of the housing impact study shall identify the inhabited residential units in the proposed redevelopment project area that are to be or may be removed. If inhabited residential units are to be removed, then the housing impact study shall

identify (i) the number and location of those units that will or may be removed, (ii) the municipality's plans for relocation assistance for those residents in the proposed redevelopment project area whose residences are to be removed, (iii) the availability of replacement housing for those residents whose residences are to be removed, and shall identify the type, location, and cost of the housing, and (iv) the type and extent of relocation assistance to be provided.

(6) On and after the effective date of this amendatory Act of the 91st General Assembly, the housing impact study required by paragraph (5) shall be incorporated in the redevelopment plan for the redevelopment project area.

(7) On and after the effective date of this amendatory Act of the 91st General Assembly, no redevelopment plan shall be adopted, nor an existing plan amended, nor shall residential housing that is occupied by households of low-income and very low-income persons in currently existing redevelopment project areas be removed after the effective date of this amendatory Act of the 91st General Assembly unless the redevelopment plan provides, with respect to inhabited housing units that are to be removed for households of low-income and very low-income persons, affordable housing and relocation assistance not less than that which would be provided under the federal Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 and the regulations under that Act, including the eligibility criteria. Affordable housing may be either existing or newly constructed housing. For purposes of this paragraph (7), "low-income households", "very low-income households", and "affordable housing" have the meanings set forth in the Illinois Affordable Housing Act. The municipality shall make a good faith effort to ensure that this affordable housing is located in or near the redevelopment project area within the municipality.

(8) On and after the effective date of this amendatory Act of the 91st General Assembly, if, after the adoption of the redevelopment plan for the redevelopment project area, any municipality desires to amend its redevelopment plan to remove more inhabited residential units than specified in its original redevelopment plan, that increase in the number of units to be removed shall be deemed to be a change in the nature of the redevelopment plan as to require compliance with the procedures in this Act pertaining to the initial approval of a redevelopment plan.

(o) "Redevelopment project" means any public and private development project in furtherance of the objectives of a redevelopment plan. On and after the effective date of this amendatory Act of the 91st General Assembly, no redevelopment plan may be approved or amended that includes the development of vacant land (i) with a golf course and related clubhouse and other facilities or (ii) designated by federal, State, county, or municipal government as public land for outdoor recreational activities or for nature preserves and used for that purpose within 5 years prior to the adoption of the redevelopment plan. For the purpose of this

subsection, "recreational activities" is limited to mean camping and hunting.

(p) "Redevelopment project area" means an area designated by the municipality, which is not less in the aggregate than 1 1/2 acres and in respect to which the municipality has made a finding that there exist conditions which cause the area to be classified as an industrial park conservation area or a blighted area or a conservation area, or a combination of both blighted areas and conservation areas.

(q) "Redevelopment project costs" mean and include the sum total of all reasonable or necessary costs incurred or estimated to be incurred, and any such costs incidental to a redevelopment plan and a redevelopment project. Such costs include, without limitation, the following:

(1) Costs of studies, surveys, development of plans, and specifications, implementation and administration of the redevelopment plan including but not limited to staff and professional service costs for architectural, engineering, legal, ~~marketing,~~ financial, planning or other services, provided however that no charges for professional services may be based on a percentage of the tax increment collected; except that on and

after the effective date of this amendatory Act of the 91st General Assembly, no contracts for professional services, excluding architectural and engineering services, may be entered into if the terms of the contract extend beyond a period of 3 years. In addition, "redevelopment project costs" shall not include lobbying expenses. After consultation with the municipality, each tax increment consultant or advisor to a municipality that plans to designate or has designated a redevelopment project area shall inform the municipality in writing of any contracts that the consultant or advisor has entered into with entities or individuals that have received, or are receiving, payments financed by tax increment revenues produced by the redevelopment project area with respect to which the consultant or advisor has performed, or will be performing, service for the municipality. This requirement shall be satisfied by the consultant or advisor before the commencement of services for the municipality and thereafter whenever any other contracts with those individuals or entities are executed by the consultant or advisor;

(1.5) After July 1, 1999, annual administrative costs shall not include general overhead or administrative costs of the municipality that would still have been incurred by the municipality if the municipality had not designated a redevelopment project area or approved a redevelopment plan;

(1.6) The cost of marketing sites within the redevelopment project area to prospective businesses, developers, and investors;

(2) Property assembly costs, including but not limited to acquisition of land and other property, real or personal, or rights or interests therein, demolition of buildings, site preparation, and the clearing and grading of land;

(3) Costs of rehabilitation, reconstruction or repair or remodeling of existing public or private buildings and fixtures; and the cost of replacing an existing public building if pursuant to the implementation of a redevelopment project the existing public building is to be demolished to use the site for private investment or devoted to a different use requiring private investment;

(4) Costs of the construction of public works or improvements, except that on and after the effective date of this amendatory Act of the 91st General Assembly, redevelopment project costs shall not include the cost of constructing a new municipal public building principally used to provide offices, storage space, or conference facilities or vehicle storage, maintenance, or repair for administrative, public safety, or public works personnel and that is not intended to replace an existing public building as provided under paragraph (3) of subsection (q) of Section 11-74.4-3 unless either (i) the construction of the new municipal building implements a redevelopment project that was included in a redevelopment plan that was adopted by the municipality prior to the effective date of this amendatory Act of the 91st General Assembly or (ii) the municipality makes a reasonable determination in the redevelopment plan, supported by information that provides the basis for that determination, that the new municipal building is required to meet an increase in the need for public safety purposes anticipated to result from the implementation of the redevelopment plan;

(5) Costs of job training and retraining projects;

(6) Financing costs, including but not limited to all necessary and incidental expenses related to the issuance of

obligations and which may include payment of interest on any obligations issued hereunder including interest accruing during the estimated period of construction of any redevelopment project for which such obligations are issued and for not exceeding 36 months thereafter and including reasonable reserves related thereto;

(7) To the extent the municipality by written agreement accepts and approves the same, all or a portion of a taxing district's capital costs resulting from the redevelopment project necessarily incurred or to be incurred within a taxing district in furtherance of the objectives of the redevelopment plan and project.

(7.5) For redevelopment project areas designated (or redevelopment project areas amended to add or increase the number of tax-increment-financing assisted housing units) on or after the effective date of this amendatory Act of the 91st General Assembly, an elementary, secondary, or unit school district's increased costs attributable to assisted housing units located within the redevelopment project area for which the developer or redeveloper receives financial assistance through an agreement with the municipality or because the municipality incurs the cost of necessary infrastructure improvements within the boundaries of

the assisted housing sites necessary for the completion of that housing as authorized by this Act, and which costs shall be paid by the municipality from the Special Tax Allocation Fund when the tax increment revenue is received as a result of the assisted housing units and shall be calculated annually as follows:

(A) for foundation districts, excluding any school district in a municipality with a population in excess of 1,000,000, by multiplying the district's increase in attendance resulting from the net increase in new students enrolled in that school district who reside in housing units within the redevelopment project area that have received financial assistance through an agreement with the municipality or because the municipality incurs the cost of necessary infrastructure improvements within the boundaries of the housing sites necessary for the completion of that housing as authorized by this Act since the designation of the redevelopment project area by the most recently available per capita tuition cost as defined in Section 10-20.12a of the School Code less any increase in general State aid as defined in Section 18-8.05 of the School Code attributable to these added new students subject to the following annual limitations:

(i) for unit school districts with a district average 1995-96 Per Capita Tuition Charge of less than $5,900, no more than 25% of the total amount of property tax increment revenue produced by those housing units that have received tax increment finance assistance under this Act;

(ii) for elementary school districts with a district average 1995-96 Per Capita Tuition Charge of less than $5,900, no more than 17% of the total amount of property tax increment revenue produced by those housing units that have received tax increment finance assistance under this Act; and

(iii) for secondary school districts with a district average 1995-96 Per Capita Tuition Charge of less than $5,900, no more than 8% of the total amount of property tax increment revenue produced by those housing units that have received tax increment finance

assistance under this Act.

(B) For alternate method districts, flat grant districts, and foundation districts with a district average 1995-96 Per Capita Tuition Charge equal to or more than $5,900, excluding any school district with a population in excess of 1,000,000, by multiplying the district's increase in attendance resulting from the net increase in new students enrolled in that school district who reside in housing units within the redevelopment project area that have received financial assistance through an agreement with the municipality or because the municipality incurs the cost of necessary infrastructure improvements within the boundaries of the housing sites necessary for the completion

of that housing as authorized by this Act since the designation of the redevelopment project area by the most recently available per capita tuition cost as defined in Section 10-20.12a of the School Code less any increase in general state aid as defined in Section 18-8.05 of the School Code attributable to these added new students subject to the following annual limitations:

(i) for unit school districts, no more than 40% of the total amount of property tax increment revenue produced by those housing units that have received tax increment finance assistance under this Act;

(ii) for elementary school districts, no more than 27% of the total amount of property tax increment revenue produced by those housing units that have received tax increment finance assistance under this Act; and

(iii) for secondary school districts, no more than 13% of the total amount of property tax increment revenue produced by those housing units that have received tax increment finance assistance under this Act.

(C) For any school district in a municipality with a population in excess of 1,000,000, the following additional restrictions shall apply to the reimbursement of increased costs under this paragraph (7.5):

(i) no increased costs shall be reimbursed unless the school district certifies that each of the schools affected by the assisted housing project is at or over its student capacity;

(ii) the amount reimburseable shall be reduced by the value of any land donated to the school district by the municipality or developer, and by the value of any physical improvements made to the affected schools by the municipality or developer; and

(iii) the amount reimbursed may not affect amounts otherwise obligated by the terms of any bonds, notes, or other funding instruments, or the terms of any redevelopment agreement.

Any school district seeking payment under this paragraph (7.5) shall, after July 1 and before September 30 of each year, provide the municipality with reasonable evidence to support its claim for reimbursement before the municipality shall be required to approve or make the payment to the school district. If the school district fails to provide the information during this period in any year, it shall forfeit any claim to reimbursement for that year. School districts may adopt a resolution waiving the right to all or a portion of the reimbursement otherwise required by this

paragraph (7.5). By acceptance of this reimbursement the school district waives the right to directly or indirectly set aside, modify, or contest in any manner the establishment of the redevelopment project area or projects

~~All or a portion of a taxing district's capital costs resulting from the redevelopment project necessarily incurred or to be incurred in furtherance of the objectives of the redevelopment plan and project, to the extent the municipality by written agreement accepts and approves such costs~~;

(8) Relocation costs to the extent that a municipality determines that relocation costs shall be paid or is required to make payment of relocation costs by federal or State law or in order to satisfy subparagraph (7) of subsection (n);

(9) Payment in lieu of taxes;

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

(11) Interest cost incurred by a redeveloper related to the construction, renovation or rehabilitation of a redevelopment project provided that:

(A) such costs are to be paid directly from the special tax allocation fund established pursuant to this Act; ~~and~~

(B) such payments in any one year may not exceed 30% of the annual interest costs incurred by the redeveloper with regard to the redevelopment project during that year;

(C) if there are not sufficient funds available in the special tax allocation fund to make the payment pursuant to this paragraph (11) then the amounts so due shall accrue and be payable when sufficient funds are available in the special tax allocation fund; ~~and~~

(D) the total of such interest payments paid pursuant to this Act may not exceed 30% of the total (i) cost paid or incurred by the redeveloper for the redevelopment project plus (ii) redevelopment project costs excluding any property assembly costs and any relocation costs incurred by a municipality pursuant to this Act; and~~.~~

(E) the limits set forth in subparagraphs (B) and (D) of paragraph (11) shall be modified for the financing of rehabilitated or new housing units for low-income households and very low-income households, as defined in Section 3 of

the Illinois Affordable Housing Act. The percentage of 75% shall be substituted for 30% in subparagraphs (B) and (D) of paragraph (11).

Instead of the benefits provided by subparagraphs (B) and (D) of paragraph (11), as modified by this subparagraph, and notwithstanding any other provisions of this Act to the contrary, the municipality may pay from tax increment revenues up to 50% of the cost of construction of new housing units to be occupied by low-income households and very low-income households as defined in Section 3 of the Illinois Affordable Housing Act. The cost of construction of those units may be derived from the proceeds of bonds issued by the municipality under this Act or other constitutional or statutory authority or from other sources of municipal revenue that may be reimbursed from tax increment revenues or the proceeds of bonds issued to finance the construction of that housing.

The benefits provided under this subparagraph (E) of paragraph (11) shall be an eligible benefit for the construction, renovation, and rehabilitation of all low and very low-income housing units, as defined in Section 3 of the Illinois Affordable Housing Act, within the redevelopment project area. If the low and very low-income units are part of a residential redevelopment project that includes units not affordable to low and very low-income households, only the low and very low-income units shall be eligible for benefits under subparagraph (E) of paragraph (11). The standards for maintaining the occupancy by low-income households and very low-income households, as defined in Section 3 of the Illinois Affordable Housing Act, of those units constructed with benefits made available under the provisions of this subparagraph (E) of paragraph (11) shall be established by guidelines adopted by the municipality. The responsibility for annually documenting the initial occupancy of the units by low-income households and very low-income households, as defined in Section 3 of the Illinois Affordable Housing Act, shall be that of the then current owner of the property. For ownership units, the guidelines will provide, at a minimum, for a reasonable recapture of funds, or other appropriate methods designed to preserve the original affordability of the ownership units. For rental units, the guidelines will provide, at a minimum, for the affordability of rent to low and very low-income households. As units become available, they shall be rented to income-eligible tenants. The municipality may modify these guidelines from time to time; the guidelines, however, shall be in effect for as long as tax increment revenue is being used to pay for costs associated with the units or for the retirement of bonds issued to finance the units or for the life of the redevelopment project area, whichever is later.

(12) Unless explicitly stated herein the cost of

construction of new privately-owned buildings shall not be an eligible redevelopment project cost.

(13) After the effective date of this amendatory Act of the 91st General Assembly, none of the redevelopment project costs enumerated in this subsection shall be eligible redevelopment project costs if those costs would provide direct financial support to a retail entity initiating operations in the redevelopment project area while terminating operations at another Illinois location within 10 miles of the redevelopment

project area but outside the boundaries of the redevelopment project area municipality. For purposes of this paragraph, termination means a closing of a retail operation that is directly related to the opening of the same operation or like retail entity owned or operated by more than 50% of the original ownership in a redevelopment project area, but it does not mean closing an operation for reasons beyond the control of the retail entity, as documented by the retail entity, subject to a reasonable finding by the municipality that the current location contained inadequate space, had become economically obsolete, or was no longer a viable location for the retailer or serviceman.

If a special service area has been established pursuant to the Special Service Area Tax Act or Special Service Area Tax Law, then any tax increment revenues derived from the tax imposed pursuant to the Special Service Area Tax Act or Special Service Area Tax Law may be used within the redevelopment project area for the purposes permitted by that Act or Law as well as the purposes permitted by this Act.

(r) "State Sales Tax Boundary" means the redevelopment project area or the amended redevelopment project area boundaries which are determined pursuant to subsection (9) of Section 11-74.4-8a of this Act. The Department of Revenue shall certify pursuant to subsection (9) of Section 11-74.4-8a the appropriate boundaries eligible for the determination of State Sales Tax Increment.

(s) "State Sales Tax Increment" means an amount equal to the increase in the aggregate amount of taxes paid by retailers and servicemen, other than retailers and servicemen subject to the Public Utilities Act, on transactions at places of business located within a State Sales Tax Boundary pursuant to the Retailers' Occupation Tax Act, the Use Tax Act, the Service Use Tax Act, and the Service Occupation Tax Act, except such portion of such increase that is paid into the State and Local Sales Tax Reform Fund, the Local Government Distributive Fund, the Local Government Tax Fund and the County and Mass Transit District Fund, for as long as State participation exists, over and above the Initial Sales Tax Amounts, Adjusted Initial Sales Tax Amounts or the Revised Initial Sales Tax Amounts for such taxes as certified by the Department of Revenue and paid under those Acts by retailers and servicemen on transactions at places of business located within the State Sales Tax Boundary during the base year which shall be the calendar year immediately prior to the year in which the municipality adopted tax increment allocation financing, less 3.0% of such amounts generated under the Retailers' Occupation Tax Act, Use Tax Act and Service Use Tax Act and the

Service Occupation Tax Act, which sum shall be appropriated to the Department of Revenue to cover its costs of administering and enforcing this Section. For purposes of computing the aggregate amount of such taxes for base years occurring prior to 1985, the Department of Revenue shall compute the Initial Sales Tax Amount for such taxes and deduct therefrom an amount equal to 4% of the aggregate amount of taxes per year for each year the base year is prior to 1985, but not to exceed a total deduction of 12%. The amount so determined shall be known as the "Adjusted Initial Sales Tax Amount". For purposes of determining the State Sales Tax Increment the Department of Revenue shall for each period subtract from the tax amounts received from retailers and servicemen on transactions located in the State Sales Tax Boundary, the certified Initial Sales Tax Amounts, Adjusted Initial Sales Tax Amounts or Revised Initial Sales Tax Amounts for the Retailers' Occupation Tax Act, the Use Tax Act, the Service Use Tax Act and the Service Occupation Tax Act. For the State Fiscal Year 1989 this calculation shall be made by utilizing the calendar year 1987 to determine the

tax amounts received. For the State Fiscal Year 1990, this calculation shall be made by utilizing the period from January 1, 1988, until September 30, 1988, to determine the tax amounts received from retailers and servicemen, which shall have deducted therefrom nine-twelfths of the certified Initial Sales Tax Amounts, Adjusted Initial Sales Tax Amounts or the Revised Initial Sales Tax Amounts as appropriate. For the State Fiscal Year 1991, this calculation shall be made by utilizing the period from October 1, 1988, until June 30, 1989, to determine the tax amounts received from retailers and servicemen, which shall have deducted therefrom nine-twelfths of the certified Initial State Sales Tax Amounts, Adjusted Initial Sales Tax Amounts or the Revised Initial Sales Tax Amounts as appropriate. For every State Fiscal Year thereafter, the applicable period shall be the 12 months beginning July 1 and ending on June 30, to determine the tax amounts received which shall have deducted therefrom the certified Initial Sales Tax Amounts, Adjusted Initial Sales Tax Amounts or the Revised Initial Sales Tax Amounts. Municipalities intending to receive a distribution of State Sales Tax Increment must report a list of retailers to the Department of Revenue by October 31, 1988 and by July 31, of each year thereafter.

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

(u) "Taxing districts' capital costs" means those costs of taxing districts for capital improvements that are found by the municipal corporate authorities to be necessary and directly result from the redevelopment project.

(v) As used in subsection (a) of Section 11-74.4-3 of this Act, "vacant land" means any parcel or combination of parcels of real property without industrial, commercial, and residential buildings which has not been used for commercial agricultural purposes within 5 years prior to the designation of the redevelopment project area,

unless the parcel is included in an industrial park conservation area or the parcel has been subdivided; provided that if the parcel was part of a larger tract that has been divided into 3 or more smaller tracts that were accepted for recording during the period from 1950 to 1990, then the parcel shall be deemed to have been subdivided, and all proceedings and actions of the municipality taken in that connection with respect to any previously approved or designated redevelopment project area or amended redevelopment project area are hereby validated and hereby declared to be legally sufficient for all purposes of this Act. For purposes of this Section and only for land subject to the subdivision requirements of the Plat Act, land is subdivided when the original plat of the proposed Redevelopment Project Area or relevant portion thereof has been properly certified, acknowledged, approved, and recorded or filed in accordance with the Plat Act and a preliminary plat, if any, for any subsequent phases of the proposed Redevelopment Project Area or relevant portion thereof has been properly approved and filed in accordance with the applicable ordinance of the municipality.

(w) "Annual Total Increment" means the sum of each municipality's annual Net Sales Tax Increment and each municipality's annual Net Utility Tax Increment. The ratio of the Annual Total Increment of each municipality to the Annual Total Increment for all municipalities, as most recently calculated by the Department, shall determine the proportional shares of the Illinois Tax Increment Fund to be distributed to each municipality.

(Source: P.A. 89-235, eff. 8-4-95; 89-705, eff. 1-31-97; 90-379, eff. 8-14-97.)

(65 ILCS 5/11-74.4-4) (from Ch. 24, par. 11-74.4-4)

Sec. 11-74.4-4. Municipal powers and duties; redevelopment project areas. A municipality may:

(a) By ordinance introduced in the governing body of the municipality within 14 to 90 days from the completion of the hearing specified in Section 11-74.4-5 approve redevelopment plans and redevelopment projects, and designate redevelopment project areas pursuant to notice and hearing required by this Act. No redevelopment project area shall be designated unless a plan and project are approved prior to the designation of such area and such area shall include only those contiguous parcels of real property and improvements thereon substantially benefited by the proposed redevelopment project improvements. Upon adoption of the ordinances, the municipality shall forthwith transmit to the county clerk of the county or counties within which the redevelopment project area is located a certified copy of the ordinances, a legal description of the redevelopment project area, a map of the redevelopment project area, identification of the year that the county clerk shall use for determining the total initial equalized assessed value of the redevelopment project area consistent with subsection (a) of Section 11-74.4-9, and a list of the parcel or tax identification number of each parcel of property included in the redevelopment project area.

(b) Make and enter into all contracts with property owners, developers, tenants, overlapping taxing bodies, and others necessary or incidental to the implementation and furtherance of its

redevelopment plan and project.

(c) Within a redevelopment project area, acquire by purchase, donation, lease or eminent domain; own, convey, lease, mortgage or dispose of land and other property, real or personal, or rights or interests therein, and grant or acquire licenses, easements and options with respect thereto, all in the manner and at such price the municipality determines is reasonably necessary to achieve the objectives of the redevelopment plan and project. No conveyance, lease, mortgage, disposition of land or other property owned by a municipality, or agreement relating to the development of such municipal ~~the~~ property shall be made except upon the adoption of an ordinance by the corporate authorities of the municipality. Furthermore, no conveyance, lease, mortgage, or other disposition of land owned by a municipality or agreement relating to the development of such municipal property shall be made without making public disclosure of the terms of the disposition and all bids and proposals made in response to the municipality's request. The procedures for obtaining such bids and proposals shall provide reasonable opportunity for any person to submit alternative proposals or bids.

(d) Within a redevelopment project area, clear any area by demolition or removal of any existing buildings and structures.

(e) Within a redevelopment project area, renovate or rehabilitate or construct any structure or building, as permitted under this Act.

(f) Install, repair, construct, reconstruct or relocate streets, utilities and site improvements essential to the preparation of the redevelopment area for use in accordance with a redevelopment plan.

(g) Within a redevelopment project area, fix, charge and collect fees, rents and charges for the use of any building or property owned or leased by it or any part thereof, or facility therein.

(h) Accept grants, guarantees and donations of property, labor, or other things of value from a public or private source for use within a project redevelopment area.

(i) Acquire and construct public facilities within a redevelopment project area, as permitted under this Act.

(j) Incur project redevelopment costs; provided, however, that

on and after the effective date of this amendatory Act of the 91st General Assembly, no municipality shall incur redevelopment project costs (except for planning costs and any other eligible costs authorized by municipal ordinance or resolution that are subsequently included in the redevelopment plan for the area and are incurred by the municipality after the ordinance or resolution is adopted) that are not consistent with the program for accomplishing the objectives of the redevelopment plan as included in that plan and approved by the municipality until the municipality has amended the redevelopment plan as provided elsewhere in this Act.

(k) Create a commission of not less than 5 or more than 15 persons to be appointed by the mayor or president of the municipality with the consent of the majority of the governing board of the municipality. Members of a commission appointed after the effective date of this amendatory Act of 1987 shall be appointed for initial terms of 1, 2, 3, 4 and 5 years, respectively, in such numbers as to

provide that the terms of not more than 1/3 of all such members shall expire in any one year. Their successors shall be appointed for a term of 5 years. The commission, subject to approval of the corporate authorities may exercise the powers enumerated in this Section. The commission shall also have the power to hold the public hearings required by this division and make recommendations to the corporate authorities concerning the adoption of redevelopment plans, redevelopment projects and designation of redevelopment project areas.

(l) Make payment in lieu of taxes or a portion thereof to taxing districts. If payments in lieu of taxes or a portion thereof are made to taxing districts, those payments shall be made to all districts within a project redevelopment area on a basis which is proportional to the current collections of revenue which each taxing district receives from real property in the redevelopment project area.

(m) Exercise any and all other powers necessary to effectuate the purposes of this Act.

(n) If any member of the corporate authority, a member of a commission established pursuant to Section 11-74.4-4(k) of this Act, or an employee or consultant of the municipality involved in the planning and preparation of a redevelopment plan, or project for a redevelopment project area or proposed redevelopment project area, as defined in Sections 11-74.4-3(i) through (k) of this Act, owns or controls an interest, direct or indirect, in any property included in any redevelopment area, or proposed redevelopment area, he or she shall disclose the same in writing to the clerk of the municipality, and shall also so disclose the dates and terms and conditions of any disposition of any such interest, which disclosures shall be acknowledged by the corporate authorities and entered upon the minute books of the corporate authorities. If an individual holds such an interest then that individual shall refrain from any further official involvement in regard to such redevelopment plan, project or area, from voting on any matter pertaining to such redevelopment plan, project or area, or communicating with other members concerning corporate authorities, commission or employees concerning any matter pertaining to said redevelopment plan, project or area. Furthermore, no such member or employee shall acquire of any interest direct, or indirect, in any property in a redevelopment area or proposed redevelopment area after either (a) such individual obtains knowledge of such plan, project or area or (b) first public notice of such plan, project or area pursuant to Section 11-74.4-6 of this Division, whichever occurs first. For the purposes of this subsection, a month-to-month leasehold interest shall not be deemed to constitute an interest in any property included in any redevelopment area or

proposed redevelopment area.

(o) Create a Tax Increment Economic Development Advisory Committee to be appointed by the Mayor or President of the municipality with the consent of the majority of the governing board of the municipality, the members of which Committee shall be appointed for initial terms of 1, 2, 3, 4 and 5 years respectively, in such numbers as to provide that the terms of not more than 1/3 of

all such members shall expire in any one year. Their successors shall be appointed for a term of 5 years. The Committee shall have none of the powers enumerated in this Section. The Committee shall serve in an advisory capacity only. The Committee may advise the governing Board of the municipality and other municipal officials regarding development issues and opportunities within the redevelopment project area or the area within the State Sales Tax Boundary. The Committee may also promote and publicize development opportunities in the redevelopment project area or the area within the State Sales Tax Boundary.

(p) Municipalities may jointly undertake and perform redevelopment plans and projects and utilize the provisions of the Act wherever they have contiguous redevelopment project areas or they determine to adopt tax increment financing with respect to a redevelopment project area which includes contiguous real property within the boundaries of the municipalities, and in doing so, they may, by agreement between municipalities, issue obligations, separately or jointly, and expend revenues received under the Act for eligible expenses anywhere within contiguous redevelopment project areas or as otherwise permitted in the Act.

(q) Utilize revenues, other than State sales tax increment revenues, received under this Act from one redevelopment project area for eligible costs in another redevelopment project area that is either contiguous to, or is separated only by a public right of way from, the redevelopment project area from which the revenues are received. Utilize tax increment revenues for eligible costs that are received from a redevelopment project area created under the Industrial Jobs Recovery Law that is either contiguous to, or is separated only by a public right of way from, the redevelopment project area created under this Act which initially receives these revenues. Utilize revenues, other than State sales tax increment revenues, by transferring or loaning such revenues to a redevelopment project area created under the Industrial Jobs Recovery Law that is either contiguous to, or separated only by a public right of way from the redevelopment project area that initially produced and received those revenues.

(r) If no redevelopment project has been initiated in a redevelopment project area within 7 years after the area was designated by ordinance under subsection (a), the municipality shall adopt an ordinance repealing the area's designation as a redevelopment project area; provided, however, that if an area received its designation more than 3 years before the effective date of this amendatory Act of 1994 and no redevelopment project has been initiated within 4 years after the effective date of this amendatory Act of 1994, the municipality shall adopt an ordinance repealing its designation as a redevelopment project area. Initiation of a redevelopment project shall be evidenced by either a signed redevelopment agreement or expenditures on eligible redevelopment project costs associated with a redevelopment project.

(Source: P.A. 90-258, eff. 7-30-97.)

(65 ILCS 5/11-74.4-4.1)

Sec. 11-74.4-4.1. Feasibility study.

(a) If a municipality by its corporate authorities, or as it may determine by any commission designated under subsection (k) of

Section 11-74.4-4, adopts an ordinance or resolution providing for a feasibility study on the designation of an area as a redevelopment project area, a copy of the ordinance or resolution shall immediately be sent to all taxing districts that would be affected by the designation.

On and after the effective date of this amendatory Act of the 91st General Assembly, the ordinance or resolution shall include:

(1) The boundaries of the area to be studied for possible designation as a redevelopment project area.

(2) The purpose or purposes of the proposed redevelopment plan and project.

(3) A general description of tax increment allocation financing under this Act.

(4) The name, phone number, and address of the municipal officer who can be contacted for additional information about the proposed redevelopment project area and who should receive all comments and suggestions regarding the redevelopment of the area to be studied.

(b) If one of the purposes of the planned redevelopment project area should reasonably be expected to result in the displacement of residents from 10 or more inhabited residential units, the municipality shall adopt a resolution or ordinance providing for the feasibility study described in subsection (a). The ordinance or resolution shall also require that the feasibility study include the preparation of the housing impact study set forth in paragraph (5) of subsection (n) of Section 11-74.4-3. If the redevelopment plan will not result in displacement of residents from inhabited units, and the municipality certifies in the plan that displacement will not result from the plan, then a resolution or ordinance need not be adopted.

(Source: P.A. 88-537.)

(65 ILCS 5/11-74.4-4.2 new)

Sec. 11-74.4-4.2. Interested parties registry. On and after the effective date of this amendatory Act of the 91st General Assembly, the municipality shall by its corporate authority create an "interested parties" registry for activities related to the redevelopment project area. The municipality shall adopt reasonable registration rules and shall prescribe the necessary registration forms for residents and organizations active within the municipality that seek to be placed on the "interested parties" registry. At a minimum, the rules for registration shall provide for a renewable period of registration of not less than 3 years and notification to registered organizations and individuals by mail at the address provided upon registration prior to termination of their registration, unless the municipality decides that it will establish a policy of not terminating interested parties from the registry, in which case no notice will be required. Such rules shall not be used to prohibit or otherwise interfere with the ability of eligible organizations and individuals to register for receipt of information to which they are entitled under this statute, including the information required by:

(1) subsection (a) of Section 11-74.4-5;

(2) paragraph (9) of subsection (d) of Section 11-74.4-5; and

(3) subsection (e) of Section 11-74.4-6.

(65 ILCS 5/11-74.4-5) (from Ch. 24, par. 11-74.4-5)

Sec. 11-74.4-5. (a) Prior to the adoption of an ordinance

proposing the designation of a redevelopment project area, or approving a redevelopment plan or redevelopment project, the municipality by its corporate authorities, or as it may determine by any commission designated under subsection (k) of Section 11-74.4-4 shall adopt an ordinance or resolution fixing a time and place for public hearing. Prior to the adoption of the ordinance or resolution

establishing the time and place for the public hearing, the municipality shall make available for public inspection a redevelopment plan or a separate report that provides in reasonable detail the basis for the eligibility of the redevelopment project area ~~qualifying as a blighted area, conservation area, or an industrial park conservation area~~. The report along with the name of a person to contact for further information shall be sent within a reasonable time after the adoption of such ordinance or resolution to the affected taxing districts by certified mail. On and after the effective date of this amendatory Act of the 91st General Assembly, the municipality shall print in a newspaper of general circulation within the municipality a notice that interested persons may register with the municipality in order to receive information on the proposed designation of a redevelopment project area or the approval of a redevelopment plan. The notice shall state the place of registration and the operating hours of that place. The municipality shall have adopted reasonable rules to implement this registration process under Section 11-74.4-4.2. Notice of the availability of the redevelopment plan and eligibility report, including how to obtain this information, shall also be sent by mail within a reasonable time after the adoption of the ordinance or resolution to all residents within the postal zip code area or areas contained in whole or in part within the proposed redevelopment project area or organizations that operate in the municipality that have registered with the municipality for that information in accordance with the registration guidelines established by the municipality under Section 11-74.4-4.2.

At the public hearing any interested person or affected taxing district may file with the municipal clerk written objections to and may be heard orally in respect to any issues embodied in the notice. The municipality shall hear and determine all protests and objections at the hearing and the hearing may be adjourned to another date without further notice other than a motion to be entered upon the minutes fixing the time and place of the subsequent hearing. At the public hearing or at any time prior to the adoption by the municipality of an ordinance approving a redevelopment plan, the municipality may make changes in the redevelopment plan. Changes which (1) add additional parcels of property to the proposed redevelopment project area, (2) substantially affect the general land uses proposed in the redevelopment plan, (3) substantially change the nature of or extend the life of the redevelopment project, or (4) increase the number of low or very low income households to be displaced from the redevelopment project area, provided that measured from the time of creation of the redevelopment project area the total displacement of the households will exceed 10, shall be made only after the municipality gives notice, convenes a joint review board, and conducts a public hearing pursuant to the procedures set forth in

this Section and in Section 11-74.4-6 of this Act. Changes which do not (1) add additional parcels of property to the proposed redevelopment project area, (2) substantially affect the general land uses proposed in the redevelopment plan, (3) substantially change the nature of or extend the life of the redevelopment project, or (4) increase the number of low or very low income households to be displaced from the redevelopment project area, provided that measured from the time of creation of the redevelopment project area the total displacement of the households will exceed 10, may be made without further hearing, provided that the municipality shall give notice of any such changes by mail to each affected taxing district and registrant on the interested parties registry, provided for under Section 11-74.4-4.2, and by publication in a newspaper of general circulation within the affected taxing district. Such notice by mail and by publication shall each occur not later than 10 days following

the adoption by ordinance of such changes. ~~Prior to the adoption of an ordinance approving a redevelopment plan or redevelopment project, or designating a redevelopment project area, changes may be made in the redevelopment plan or project or area which changes do not alter the exterior boundaries, or do not substantially affect the general land uses established in the plan or substantially change the nature of the redevelopment project, without further hearing or notice, provided that notice of such changes is given by mail to each affected taxing district and by publication in a newspaper or newspapers of general circulation within the taxing districts not less than 10 days prior to the adoption of the changes by ordinance. After the adoption of an ordinance approving a redevelopment plan or project or designating a redevelopment project area, no ordinance shall be adopted altering the exterior boundaries, affecting the general land uses established pursuant to the plan or changing the nature of the redevelopment project without complying with the procedures provided in this division pertaining to the initial approval of a redevelopment plan project and designation of redevelopment project area.~~ Hearings with regard to a redevelopment project area, project or plan may be held simultaneously.

(b) Prior to holding a public hearing to approve or amend a redevelopment plan or to designate or add additional parcels of property to a ~~After the effective date of this amendatory Act of 1989, prior to the adoption of an ordinance proposing the designation of a redevelopment project area or amending the boundaries of an existing~~ redevelopment project area, the municipality shall convene a joint review board ~~to consider the proposal~~. The board shall consist of a representative selected by each community college district, local elementary school district and high school district or each local community unit school district, park district, library district, township, fire protection district, and county that will have the ~~has~~ authority to directly levy taxes on the property within the proposed redevelopment project area at the time that the proposed redevelopment project area is approved, a representative selected by the municipality and a public member. The public member shall first be selected and then the board's chairperson shall be selected by a majority of the ~~other~~ board members present and voting.

For redevelopment project areas with redevelopment plans or proposed redevelopment plans that would result in the displacement of residents from 10 or more inhabited residential units or that include 75 or more inhabited residential units, the public member shall be a person who resides in the redevelopment project area. If, as determined by the housing impact study provided for in paragraph (5) of subsection (n) of Section 11-74.4-3, or if no housing impact study is required then based on other reasonable data, the majority of residential units are occupied by very low, low, or moderate income households, as defined in Section 3 of the Illinois Affordable Housing Act, the public member shall be a person who resides in very low, low, or moderate income housing within the redevelopment project area. Municipalities with fewer than 15,000 residents shall not be required to select a person who lives in very low, low, or moderate income housing within the redevelopment project area, provided that the redevelopment plan or project will not result in displacement of residents from 10 or more inhabited units, and the municipality so certifies in the plan. If no person satisfying these requirements is available or if no qualified person will serve as the public member, then the joint review board is relieved of this paragraph's selection requirements for the public member.

Within 90 days of the effective date of this amendatory Act of the 91st General Assembly, each municipality that designated a redevelopment project area for which it was not required to convene a

joint review board under this Section shall ~~Municipalities that have designated redevelopment project areas prior to the effective date of this amendatory Act of 1989 may~~ convene a joint review board to perform the duties specified under paragraph (e) of this Section.

All board members shall be appointed and the first board meeting held ~~within 14 days~~ following at least 14 days after ~~the~~ notice by the municipality to all the taxing districts as required by Section 11-74.4-6(c) ~~11-74.4-6c~~. Such notice shall also advise the taxing bodies represented on the joint review board of the time and place of the first meeting of the board. Additional meetings of the board shall be held upon the call of any member. The municipality seeking designation of the redevelopment project area shall ~~may~~ provide administrative support to the board.

The board shall review (i) the public record, planning documents and proposed ordinances approving the redevelopment plan and project and (ii) proposed amendments to the redevelopment plan or additions of parcels of property to the redevelopment project area to be adopted by the municipality. As part of its deliberations, the board may hold additional hearings on the proposal. A board's recommendation shall be an advisory, non-binding recommendation. The recommendation shall be adopted by a majority of those members present and voting. The recommendations shall be ~~which recommendation shall be adopted by a majority vote of the board and~~ submitted to the municipality within 30 days after convening of the board. Failure of the board to submit its report on a timely basis shall not be cause to delay the public hearing or any other step in the process of designating ~~establishing~~ or amending the redevelopment project area but shall be deemed to constitute approval by the joint

review board of the matters before it.

The board shall base its recommendation to approve or disapprove the redevelopment plan and the designation of the redevelopment project area or the amendment of the redevelopment plan or addition of parcels of property to the redevelopment project area ~~decision to approve or deny the proposal~~ on the basis of the redevelopment project area and redevelopment plan satisfying the plan requirements, the eligibility criteria defined in Section 11-74.4-3, and the objectives of the Act ~~eligibility criteria defined in Section 11-74.4-3~~.

The board shall issue a written report describing why the redevelopment plan and project area or the amendment there of meets or fails to meet one or more of the objectives of this Act and both the plan requirements and the eligibility criteria defined in Section 11-74.4-3. In the event the Board does not file a report it shall be presumed that these taxing bodies find the redevelopment project area and redevelopment plan ~~to~~ satisfy the objectives of this Act and the plan requirements and eligibility criteria.

If the board recommends rejection of the matters before it, the municipality will have 30 days within which to resubmit the plan or amendment. During this period, the municipality will meet and confer with the board and attempt to resolve those issues set forth in the board's written report that lead to the rejection of the plan or amendment. In the event that the municipality and the board are unable to resolve these differences, or in the event that the resubmitted plan or amendment is rejected by the board, the municipality may proceed with the plan or amendment, but only upon a three-fifths vote of the corporate authority responsible for approval of the plan or amendment, excluding positions of members that are vacant and those members that are ineligible to vote because of conflicts of interest.

(c) After a municipality has by ordinance approved a redevelopment plan and designated a redevelopment project area, the

plan may be amended and additional properties may be added to the redevelopment project area only as herein provided. Amendments which (1) add additional parcels of property to the proposed redevelopment project area, (2) substantially affect the general land uses proposed in the redevelopment plan, (3) substantially change the nature of the redevelopment project, (4) increase the total estimated redevelopment project costs set out in the redevelopment plan by more than 5% after adjustment for inflation from the date the plan was adopted, (5) add additional redevelopment project costs to the itemized list of redevelopment project costs set out in the redevelopment plan, or (6) increase the number of low or very low income households to be displaced from the redevelopment project area, provided that measured from the time of creation of the redevelopment project area the total displacement of the households will exceed 10, shall be made only after the municipality gives notice, convenes a joint review board, and conducts a public hearing pursuant to the procedures set forth in this Section and in Section 11-74.4-6 of this Act. Changes which do not (1) add additional parcels of property to the proposed redevelopment project area, (2) substantially affect the general land

uses proposed in the redevelopment plan, (3) substantially change the nature of the redevelopment project, (4) increase the total estimated redevelopment project cost set out in the redevelopment plan by more than 5% after adjustment for inflation from the date the plan was adopted, (5) add additional redevelopment project costs to the itemized list of redevelopment project costs set out in the redevelopment plan, or (6) increase the number of low or very low income households to be displaced from the redevelopment project area, provided that measured from the time of creation of the redevelopment project area the total displacement of the households will exceed 10, may be made without further hearing, provided that the municipality shall give notice of any such changes by mail to each affected taxing district and registrant on the interested parties registry, provided for under Section 11-74.4-4.2, and by publication in a newspaper of general circulation within the affected taxing district. Such notice by mail and by publication shall each occur not later than 10 days following the adoption by ordinance of such changes. ~~After the adoption of an ordinance approving a redevelopment plan or project or designating a redevelopment project area, no ordinance shall be adopted altering the exterior boundaries, affecting the general land uses established pursuant to the plan or changing the nature of the redevelopment project without complying with the procedures provided in this division pertaining to the initial approval of a redevelopment plan project and designation of a redevelopment project area.~~

(d) After the effective date of this amendatory Act of the 91st General Assembly ~~1994 and adoption of an ordinance approving a redevelopment plan or project~~, a municipality ~~with a population of less than 1,000,000~~ shall submit the following information for each redevelopment project area (i) to the State Comptroller in the financial report required under Section 3 of the Governmental Account Audit Act and (ii) to all taxing districts overlapping the redevelopment project area ~~within 90 days after the close of each municipal fiscal year notify all taxing districts represented on the joint review board in which the redevelopment project area is located that any or all of the following information will be made available~~ no later than 180 days after the close of each municipal fiscal year or as soon thereafter as the audited financial statements become available and, in any case, shall be submitted before the annual meeting of the Joint Review Board to each of the taxing districts that overlap the redevelopment project area ~~upon receipt of a written request of a majority of such taxing districts for such information~~:

(1) Any amendments to the redevelopment plan, the redevelopment project area, or the State Sales Tax Boundary.

(1.5) A list of the redevelopment project areas administered by the municipality and, if applicable, the date each redevelopment project area was designated or terminated by the municipality.

(2) Audited financial statements of the special tax allocation fund once a cumulative total of $100,000 has been deposited in the fund.

(3) Certification of the Chief Executive Officer of the

municipality that the municipality has complied with all of the requirements of this Act during the preceding fiscal year.

(4) An opinion of legal counsel that the municipality is in compliance with this Act.

(5) An analysis of the special tax allocation fund which sets forth:

(A) the balance in the special tax allocation fund at the beginning of the fiscal year;

(B) all amounts deposited in the special tax allocation fund by source;

(C) an itemized list of all expenditures from the special tax allocation fund by category of permissible redevelopment project cost; and

(D) the balance in the special tax allocation fund at the end of the fiscal year including a breakdown of that balance by source and a breakdown of that balance identifying any portion of the balance that is required, pledged, earmarked, or otherwise designated for payment of or securing of obligations and anticipated redevelopment project costs. Any portion of such ending balance that has not been identified or is not identified as being required, pledged, earmarked, or otherwise designated for payment of or securing of obligations or anticipated redevelopment projects costs shall be designated as surplus ~~if it is not required for anticipated redevelopment project costs or to pay debt service on bonds issued to finance redevelopment project costs,~~ as set forth in Section 11-74.4-7 hereof.

(6) A description of all property purchased by the municipality within the redevelopment project area including:

(A) Street address.

(B) Approximate size or description of property.

(C) Purchase price.

(D) Seller of property.

(7) A statement setting forth all activities undertaken in furtherance of the objectives of the redevelopment plan, including:

(A) Any project implemented in the preceding fiscal year.

(B) A description of the redevelopment activities undertaken.

(C) A description of any agreements entered into by the municipality with regard to the disposition or redevelopment of any property within the redevelopment project area or the area within the State Sales Tax Boundary.

(D) Additional information on the use of all funds received under this Division and steps taken by the municipality to achieve the objectives of the redevelopment plan.

(E) Information regarding contracts that the municipality's tax increment advisors or consultants have

entered into with entities or persons that have received, or

are receiving, payments financed by tax increment revenues produced by the same redevelopment project area.

(F) Any reports submitted to the municipality by the joint review board.

(G) A review of public and, to the extent possible, private investment actually undertaken to date after the effective date of this amendatory Act of the 91st General Assembly and estimated to be undertaken during the following year. This review shall, on a project-by-project basis, set forth the estimated amounts of public and private investment incurred after the effective date of this amendatory Act of the 91st General Assembly and provide the ratio of private investment to public investment to the date of the report and as estimated to the completion of the redevelopment project.

(8) With regard to any obligations issued by the municipality:

(A) copies of any official statements; and

(B) an analysis prepared by financial advisor or underwriter setting forth: (i) nature and term of obligation; and (ii) projected debt service including required reserves and debt coverage.

(9) For special tax allocation funds that have experienced cumulative deposits of incremental tax revenues of $100,000 or more, a certified audit report reviewing compliance with this Act performed by an independent public accountant certified and licensed by the authority of the State of Illinois. The financial portion of the audit must be conducted in accordance with Standards for Audits of Governmental Organizations, Programs, Activities, and Functions adopted by the Comptroller General of the United States (1981), as amended. The audit report shall contain a letter from the independent certified public accountant indicating compliance or noncompliance with the requirements of subsection (q) of Section 11-74.4-3. For redevelopment plans or projects that would result in the displacement of residents from 10 or more inhabited residential units or that contain 75 or more inhabited residential units, notice of the availability of the information, including how to obtain the report, required in this subsection shall also be sent by mail to all residents or organizations that operate in the municipality that register with the municipality for that information according to registration procedures adopted under Section 11-74.4-4.2. All municipalities are subject to this provision.

(d-1) Prior to the effective date of this amendatory Act of the 91st General Assembly, municipalities with populations of over 1,000,000 shall, after adoption of a redevelopment plan or project, make available upon request to any taxing district in which the redevelopment project area is located the following information:

(1) Any amendments to the redevelopment plan, the redevelopment project area, or the State Sales Tax Boundary; and

(2) In connection with any redevelopment project area for which the municipality has outstanding obligations issued to provide for redevelopment project costs pursuant to Section 11-74.4-7, audited financial statements of the special tax allocation fund.

(e) ~~One year, two years and at the end of every subsequent three~~

~~year period thereafter,~~ The joint review board shall meet annually 180 days after the close of the municipal fiscal year or as soon as the redevelopment project audit for that fiscal year becomes

available to review the effectiveness and status of the redevelopment project area up to that date.

(f) (Blank). ~~If the redevelopment project area has been in existence for at least 5 years and the municipality proposes a redevelopment project with a total redevelopment project cost exceeding 35% of the total amount budgeted in the redevelopment plan for all redevelopment projects, the municipality, in addition to any other requirements imposed by this Act, shall convene a meeting of the joint review board as provided in this Act for the purpose of reviewing the redevelopment project.~~

(g) In the event that a municipality has held a public hearing under this Section prior to March 14, 1994 (the effective date of Public Act 88-537), the requirements imposed by Public Act 88-537 relating to the method of fixing the time and place for public hearing, the materials and information required to be made available for public inspection, and the information required to be sent after adoption of an ordinance or resolution fixing a time and place for public hearing shall not be applicable.

(Source: P.A. 88-537; 88-688, eff. 1-24-95; revised 10-31-98.)

(65 ILCS 5/11-74.4-6) (from Ch. 24, par. 11-74.4-6)

Sec. 11-74.4-6. (a) Except as provided herein, notice of the public hearing shall be given by publication and mailing. Notice by publication shall be given by publication at least twice, the first publication to be not more than 30 nor less than 10 days prior to the hearing in a newspaper of general circulation within the taxing districts having property in the proposed redevelopment project area. Notice by mailing shall be given by depositing such notice in the United States mails by certified mail addressed to the person or persons in whose name the general taxes for the last preceding year were paid on each lot, block, tract, or parcel of land lying within the project redevelopment area. Said notice shall be mailed not less than 10 days prior to the date set for the public hearing. In the event taxes for the last preceding year were not paid, the notice shall also be sent to the persons last listed on the tax rolls within the preceding 3 years as the owners of such property. For redevelopment project areas with redevelopment plans or proposed redevelopment plans that would require removal of 10 or more inhabited residential units or that contain 75 or more inhabited residential units, the municipality shall make a good faith effort to notify by mail all residents of the redevelopment project area. At a minimum, the municipality shall mail a notice to each residential address located within the redevelopment project area. The municipality shall endeavor to ensure that all such notices are effectively communicated and shall include (in addition to notice in English) notice in the predominant language other than English when appropriate.

(b) The notices issued pursuant to this Section shall include the following:

(1) The time and place of public hearing;

(2) The boundaries of the proposed redevelopment project area by legal description and by street location where possible;

(3) A notification that all interested persons will be given an opportunity to be heard at the public hearing;

(4) A description of the redevelopment plan or redevelopment project for the proposed redevelopment project area if a plan or project is the subject matter of the hearing.

(5) Such other matters as the municipality may deem appropriate.

(c) Not less than 45 days prior to the date set for hearing, the municipality shall give notice by mail as provided in subsection (a) to all taxing districts of which taxable property is included in the

redevelopment project area, project or plan and to the Department of Commerce and Community Affairs, and in addition to the other requirements under subsection (b) the notice shall include an invitation to the Department of Commerce and Community Affairs and each taxing district to submit comments to the municipality concerning the subject matter of the hearing prior to the date of hearing.

(d) In the event that any municipality has by ordinance adopted tax increment financing prior to 1987, and has complied with the notice requirements of this Section, except that the notice has not included the requirements of subsection (b), paragraphs (2), (3) and (4), and within 90 days of the effective date of this amendatory Act of 1991, that municipality passes an ordinance which contains findings that: (1) all taxing districts prior to the time of the hearing required by Section 11-74.4-5 were furnished with copies of a map incorporated into the redevelopment plan and project substantially showing the legal boundaries of the redevelopment project area; (2) the redevelopment plan and project, or a draft thereof, contained a map substantially showing the legal boundaries of the redevelopment project area and was available to the public at the time of the hearing; and (3) since the adoption of any form of tax increment financing authorized by this Act, and prior to June 1, 1991, no objection or challenge has been made in writing to the municipality in respect to the notices required by this Section, then the municipality shall be deemed to have met the notice requirements of this Act and all actions of the municipality taken in connection with such notices as were given are hereby validated and hereby declared to be legally sufficient for all purposes of this Act.

(e) If a municipality desires to propose a redevelopment plan for a redevelopment project area that would result in the displacement of residents from 10 or more inhabited residential units or for a redevelopment project area that contains 75 or more inhabited residential units, the municipality shall hold a public meeting before the mailing of the notices of public hearing as provided in subsection (c) of this Section. The meeting shall be for the purpose of enabling the municipality to advise the public, taxing districts having real property in the redevelopment project area, taxpayers who own property in the proposed redevelopment project area, and residents in the area as to the municipality's possible intent to prepare a redevelopment plan and designate a redevelopment

project area and to receive public comment. The time and place for the meeting shall be set by the head of the municipality's Department of Planning or other department official designated by the mayor or city or village manager without the necessity of a resolution or ordinance of the municipality and may be held by a member of the staff of the Department of Planning of the municipality or by any other person, body, or commission designated by the corporate authorities. The meeting shall be held at least 14 business days before the mailing of the notice of public hearing provided for in subsection (c) of this Section.

Notice of the public meeting shall be given by mail. Notice by mail shall be not less than 15 days before the date of the meeting and shall be sent by certified mail to all taxing districts having real property in the proposed redevelopment project area and to all entities requesting that information that have registered with a person and department designated by the municipality in accordance with registration guidelines established by the municipality pursuant to Section 11-74.4-4.2. The municipality shall make a good faith effort to notify all residents and the last known persons who paid property taxes on real estate in a redevelopment project area. This requirement shall be deemed to be satisfied if the municipality

mails, by regular mail, a notice to each residential address and the person or persons in whose name property taxes were paid on real property for the last preceding year located within the redevelopment project area. Notice shall be in languages other than English when appropriate. The notices issued under this subsection shall include the following:

(1) The time and place of the meeting.

(2) The boundaries of the area to be studied for possible designation as a redevelopment project area by street and location.

(3) The purpose or purposes of establishing a redevelopment project area.

(4) A brief description of tax increment financing.

(5) The name, telephone number, and address of the person who can be contacted for additional information about the proposed redevelopment project area and who should receive all comments and suggestions regarding the development of the area to be studied.

(6) Notification that all interested persons will be given an opportunity to be heard at the public meeting.

(7) Such other matters as the municipality deems appropriate.

At the public meeting, any interested person or representative of an affected taxing district may be heard orally and may file, with the person conducting the meeting, statements that pertain to the subject matter of the meeting.

(Source: P.A. 86-142; 87-813.)

(65 ILCS 5/11-74.4-7) (from Ch. 24, par. 11-74.4-7)

Sec. 11-74.4-7. Obligations secured by the special tax allocation fund set forth in Section 11-74.4-8 for the redevelopment project area may be issued to provide for redevelopment project

costs. Such obligations, when so issued, shall be retired in the manner provided in the ordinance authorizing the issuance of such obligations by the receipts of taxes levied as specified in Section 11-74.4-9 against the taxable property included in the area, by revenues as specified by Section 11-74.4-8a and other revenue designated by the municipality. A municipality may in the ordinance pledge all or any part of the funds in and to be deposited in the special tax allocation fund created pursuant to Section 11-74.4-8 to the payment of the redevelopment project costs and obligations. Any pledge of funds in the special tax allocation fund shall provide for distribution to the taxing districts and to the Illinois Department of Revenue of moneys not required, pledged, earmarked, or otherwise designated for payment and securing of the obligations and anticipated redevelopment project costs and such excess funds shall be calculated annually and deemed to be "surplus" funds. In the event a municipality only applies or pledges a portion of the funds in the special tax allocation fund for the payment or securing of anticipated redevelopment project costs or of obligations, any such funds remaining in the special tax allocation fund after complying with the requirements of the application or pledge, shall also be calculated annually and deemed "surplus" funds. All surplus funds in the special tax allocation fund~~, subject to the provisions of (6.1) of Section 11-74.4-8a,~~ shall be distributed annually within 180 days after the close of the municipality's fiscal year by being paid by the municipal treasurer to the County Collector, to the Department of Revenue and to the municipality in direct proportion to the tax incremental revenue received as a result of an increase in the equalized assessed value of property in the redevelopment project area, tax incremental revenue received from the State and tax incremental revenue received from the municipality, but not to exceed

as to each such source the total incremental revenue received from that source. ~~Except that any special tax allocation fund subject to provision in (6.1) of Section 11-74.4-8a shall comply with the provisions in that Section.~~ The County Collector shall thereafter make distribution to the respective taxing districts in the same manner and proportion as the most recent distribution by the county collector to the affected districts of real property taxes from real property in the redevelopment project area.

Without limiting the foregoing in this Section, the municipality may in addition to obligations secured by the special tax allocation fund pledge for a period not greater than the term of the obligations towards payment of such obligations any part or any combination of the following: (a) net revenues of all or part of any redevelopment project; (b) taxes levied and collected on any or all property in the municipality; (c) the full faith and credit of the municipality; (d) a mortgage on part or all of the redevelopment project; or (e) any other taxes or anticipated receipts that the municipality may lawfully pledge.

Such obligations may be issued in one or more series bearing interest at such rate or rates as the corporate authorities of the municipality shall determine by ordinance. Such obligations shall bear such date or dates, mature at such time or times not exceeding

20 years from their respective dates, be in such denomination, carry such registration privileges, be executed in such manner, be payable in such medium of payment at such place or places, contain such covenants, terms and conditions, and be subject to redemption as such ordinance shall provide. Obligations issued pursuant to this Act may be sold at public or private sale at such price as shall be determined by the corporate authorities of the municipalities. No referendum approval of the electors shall be required as a condition to the issuance of obligations pursuant to this Division except as provided in this Section.

In the event the municipality authorizes issuance of obligations pursuant to the authority of this Division secured by the full faith and credit of the municipality, which obligations are other than obligations which may be issued under home rule powers provided by Article VII, Section 6 of the Illinois Constitution, or pledges taxes pursuant to (b) or (c) of the second paragraph of this section, the ordinance authorizing the issuance of such obligations or pledging such taxes shall be published within 10 days after such ordinance has been passed in one or more newspapers, with general circulation within such municipality. The publication of the ordinance shall be accompanied by a notice of (1) the specific number of voters required to sign a petition requesting the question of the issuance of such obligations or pledging taxes to be submitted to the electors; (2) the time in which such petition must be filed; and (3) the date of the prospective referendum. The municipal clerk shall provide a petition form to any individual requesting one.

If no petition is filed with the municipal clerk, as hereinafter provided in this Section, within 30 days after the publication of the ordinance, the ordinance shall be in effect. But, if within that 30 day period a petition is filed with the municipal clerk, signed by electors in the municipality numbering 10% or more of the number of registered voters in the municipality, asking that the question of issuing obligations using full faith and credit of the municipality as security for the cost of paying for redevelopment project costs, or of pledging taxes for the payment of such obligations, or both, be submitted to the electors of the municipality, the corporate authorities of the municipality shall call a special election in the manner provided by law to vote upon that question, or, if a general, State or municipal election is to be held within a period of not less

than 30 or more than 90 days from the date such petition is filed, shall submit the question at the next general, State or municipal election. If it appears upon the canvass of the election by the corporate authorities that a majority of electors voting upon the question voted in favor thereof, the ordinance shall be in effect, but if a majority of the electors voting upon the question are not in favor thereof, the ordinance shall not take effect.

The ordinance authorizing the obligations may provide that the obligations shall contain a recital that they are issued pursuant to this Division, which recital shall be conclusive evidence of their validity and of the regularity of their issuance.

In the event the municipality authorizes issuance of obligations pursuant to this Section secured by the full faith and credit of the

municipality, the ordinance authorizing the obligations may provide for the levy and collection of a direct annual tax upon all taxable property within the municipality sufficient to pay the principal thereof and interest thereon as it matures, which levy may be in addition to and exclusive of the maximum of all other taxes authorized to be levied by the municipality, which levy, however, shall be abated to the extent that monies from other sources are available for payment of the obligations and the municipality certifies the amount of said monies available to the county clerk.

A certified copy of such ordinance shall be filed with the county clerk of each county in which any portion of the municipality is situated, and shall constitute the authority for the extension and collection of the taxes to be deposited in the special tax allocation fund.

A municipality may also issue its obligations to refund in whole or in part, obligations theretofore issued by such municipality under the authority of this Act, whether at or prior to maturity, provided however, that the last maturity of the refunding obligations shall not be expressed to mature later than December 31 of the year in which the payment to the municipal treasurer as provided in subsection (b) of Section 11-74.4-8 of this Act is to be made with respect to ad valorem taxes levied in the twenty-third calendar year after the year in which the ordinance approving the redevelopment project area is adopted ~~23 years from the date of the ordinance approving the redevelopment project area~~ if the ordinance was adopted on or after January 15, 1981, and not later than December 31 of the year in which the payment to the municipal treasurer as provided in subsection (b) of Section 11-74.4-8 of this Act is to be made with respect to ad valorem taxes levied in the thirty-fifth calendar year after the year in which the ordinance approving the redevelopment project area is adopted ~~more than 35 years~~ if the ordinance was adopted before January 15, 1981, or if the ordinance was adopted in April, 1984, July, 1985, or if the ordinance was adopted in December, 1987 and the redevelopment project is located within one mile of Midway Airport, or if the municipality is subject to the Local Government Financial Planning and Supervision Act, or if the ordinance was adopted on December 31, 1986 by a municipality located in Clinton County for which at least $250,000 of tax increment bonds were authorized on June 17, 1997 and, for redevelopment project areas for which bonds were issued before July 29, 1991, in connection with a redevelopment project in the area within the State Sales Tax Boundary and which were extended by municipal ordinance under subsection (n) of Section 11-74.4-3, the last maturity of the refunding obligations shall not be expressed to mature later than the date on which the redevelopment project area is terminated or December 31, 2013, whichever date occurs first.

In the event a municipality issues obligations under home rule powers or other legislative authority the proceeds of which are

pledged to pay for redevelopment project costs, the municipality may, if it has followed the procedures in conformance with this division, retire said obligations from funds in the special tax allocation fund in amounts and in such manner as if such obligations had been issued

pursuant to the provisions of this division.

All obligations heretofore or hereafter issued pursuant to this Act shall not be regarded as indebtedness of the municipality issuing such obligations or any other taxing district for the purpose of any limitation imposed by law.

(Source: P.A. 89-357; eff. 8-17-95; 90-379, eff. 8-14-97.)

(65 ILCS 5/11-74.4-7.1)

Sec. 11-74.4-7.1. After the effective date of this amendatory Act of 1994 and prior to the effective date of this amendatory Act of the 91st General Assembly, a municipality with a population of less than 1,000,000, prior to construction of a new municipal public building that provides governmental services to be financed with tax increment revenues as authorized in paragraph (4) of subsection (q) of Section 11-74.4-3, shall agree with the affected taxing districts to pay them, to the extent tax increment finance revenues are available, over the life of the redevelopment project area, an amount equal to 25% of the cost of the building, such payments to be paid to the taxing districts in the same proportion as the most recent distribution by the county collector to the affected taxing districts of real property taxes from taxable real property in the redevelopment project area.

This Section does not apply to a municipality that, before March 14, 1994 (the effective date of Public Act 88-537), acquired or leased the land (i) upon which a new municipal public building is to be constructed and (ii) for which an existing redevelopment plan or a redevelopment agreement includes provisions for the construction of a new municipal public building.

(Source: P.A. 88-537; 88-688, eff. 1-24-95.)

(65 ILCS 5/11-74.4-8) (from Ch. 24, par. 11-74.4-8)

Sec. 11-74.4-8. A municipality may not adopt tax increment financing in a redevelopment project area after the effective date of this amendatory Act of 1997 that will encompass an area that is currently included in an enterprise zone created under the Illinois Enterprise Zone Act unless that municipality, pursuant to Section 5.4 of the Illinois Enterprise Zone Act, amends the enterprise zone designating ordinance to limit the eligibility for tax abatements as provided in Section 5.4.1 of the Illinois Enterprise Zone Act. A municipality, at the time a redevelopment project area is designated, may adopt tax increment allocation financing by passing an ordinance providing that the ad valorem taxes, if any, arising from the levies upon taxable real property in such redevelopment project area by taxing districts and tax rates determined in the manner provided in paragraph (c) of Section 11-74.4-9 each year after the effective date of the ordinance until redevelopment project costs and all municipal obligations financing redevelopment project costs incurred under this Division have been paid shall be divided as follows:

(a) That portion of taxes levied upon each taxable lot, block, tract or parcel of real property which is attributable to the lower of the current equalized assessed value or the initial equalized assessed value of each such taxable lot, block, tract or parcel of real property in the redevelopment project area shall be allocated to and when collected shall be paid by the county collector to the respective affected taxing districts in the manner required by law in the absence of the adoption of tax increment allocation financing.

(b) That portion, if any, of such taxes which is attributable to the increase in the current equalized assessed valuation of each taxable lot, block, tract or parcel of real property in the

redevelopment project area over and above the initial equalized assessed value of each property in the project area shall be allocated to and when collected shall be paid to the municipal treasurer who shall deposit said taxes into a special fund called the special tax allocation fund of the municipality for the purpose of paying redevelopment project costs and obligations incurred in the payment thereof. In any county with a population of 3,000,000 or more that has adopted a procedure for collecting taxes that provides for one or more of the installments of the taxes to be billed and collected on an estimated basis, the municipal treasurer shall be paid for deposit in the special tax allocation fund of the municipality, from the taxes collected from estimated bills issued for property in the redevelopment project area, the difference between the amount actually collected from each taxable lot, block, tract, or parcel of real property within the redevelopment project area and an amount determined by multiplying the rate at which taxes were last extended against the taxable lot, block, track, or parcel of real property in the manner provided in subsection (c) of Section 11-74.4-9 by the initial equalized assessed value of the property divided by the number of installments in which real estate taxes are billed and collected within the county; ~~,~~ provided that the payments on or before December 31, 1999 to a municipal treasurer shall be made only if each of the following conditions are met:

(1) The total equalized assessed value of the redevelopment project area as last determined was not less than 175% of the total initial equalized assessed value.

(2) Not more than 50% of the total equalized assessed value of the redevelopment project area as last determined is attributable to a piece of property assigned a single real estate index number.

(3) The municipal clerk has certified to the county clerk that the municipality has issued its obligations to which there has been pledged the incremental property taxes of the redevelopment project area or taxes levied and collected on any or all property in the municipality or the full faith and credit of the municipality to pay or secure payment for all or a portion of the redevelopment project costs. The certification shall be filed annually no later than September 1 for the estimated taxes to be distributed in the following year; however, for the year 1992 the certification shall be made at any time on or before March 31, 1992.

(4) The municipality has not requested that the total initial equalized assessed value of real property be adjusted as provided in subsection (b) of Section 11-74.4-9.

The conditions of paragraphs (1) through (4) do not apply after December 31, 1999 to payments to a municipal treasurer made by a county with 3,000,000 or more inhabitants that has adopted an estimated billing procedure for collecting taxes. If a county that has adopted the estimated billing procedure makes an erroneous overpayment of tax revenue to the municipal treasurer, then the county may seek a refund of that overpayment. The county shall send the municipal treasurer a notice of liability for the overpayment on

or before the mailing date of the next real estate tax bill within the county. The refund shall be limited to the amount of the overpayment.

It is the intent of this Division that after the effective date of this amendatory Act of 1988 a municipality's own ad valorem tax arising from levies on taxable real property be included in the determination of incremental revenue in the manner provided in paragraph (c) of Section 11-74.4-9. If the municipality does not extend such a tax, it shall annually deposit in the municipality's

Special Tax Increment Fund an amount equal to 10% of the total contributions to the fund from all other taxing districts in that year. The annual 10% deposit required by this paragraph shall be limited to the actual amount of municipally produced incremental tax revenues available to the municipality from taxpayers located in the redevelopment project area in that year if: (a) the plan for the area restricts the use of the property primarily to industrial purposes, (b) the municipality establishing the redevelopment project area is a home-rule community with a 1990 population of between 25,000 and 50,000, (c) the municipality is wholly located within a county with a 1990 population of over 750,000 and (d) the redevelopment project area was established by the municipality prior to June 1, 1990. This payment shall be in lieu of a contribution of ad valorem taxes on real property. If no such payment is made, any redevelopment project area of the municipality shall be dissolved.

If a municipality has adopted tax increment allocation financing by ordinance and the County Clerk thereafter certifies the "total initial equalized assessed value as adjusted" of the taxable real property within such redevelopment project area in the manner provided in paragraph (b) of Section 11-74.4-9, each year after the date of the certification of the total initial equalized assessed value as adjusted until redevelopment project costs and all municipal obligations financing redevelopment project costs have been paid the ad valorem taxes, if any, arising from the levies upon the taxable real property in such redevelopment project area by taxing districts and tax rates determined in the manner provided in paragraph (c) of Section 11-74.4-9 shall be divided as follows:

(1) That portion of the taxes levied upon each taxable lot, block, tract or parcel of real property which is attributable to the lower of the current equalized assessed value or "current equalized assessed value as adjusted" or the initial equalized assessed value of each such taxable lot, block, tract, or parcel of real property existing at the time tax increment financing was adopted, minus the total current homestead exemptions provided by Sections 15-170 and 15-175 of the Property Tax Code in the redevelopment project area shall be allocated to and when collected shall be paid by the county collector to the respective affected taxing districts in the manner required by law in the absence of the adoption of tax increment allocation financing.

(2) That portion, if any, of such taxes which is attributable to the increase in the current equalized assessed valuation of each taxable lot, block, tract, or parcel of real property in the redevelopment project area, over and above the

initial equalized assessed value of each property existing at the time tax increment financing was adopted, minus the total current homestead exemptions pertaining to each piece of property provided by Sections 15-170 and 15-175 of the Property Tax Code in the redevelopment project area, shall be allocated to and when collected shall be paid to the municipal Treasurer, who shall deposit said taxes into a special fund called the special tax allocation fund of the municipality for the purpose of paying redevelopment project costs and obligations incurred in the payment thereof.

The municipality may pledge in the ordinance the funds in and to be deposited in the special tax allocation fund for the payment of such costs and obligations. No part of the current equalized assessed valuation of each property in the redevelopment project area attributable to any increase above the total initial equalized assessed value, or the total initial equalized assessed value as adjusted, of such properties shall be used in calculating the general State school aid formula, provided for in Section 18-8 of the School

Code, until such time as all redevelopment project costs have been paid as provided for in this Section.

Whenever a municipality issues bonds for the purpose of financing redevelopment project costs, such municipality may provide by ordinance for the appointment of a trustee, which may be any trust company within the State, and for the establishment of such funds or accounts to be maintained by such trustee as the municipality shall deem necessary to provide for the security and payment of the bonds. If such municipality provides for the appointment of a trustee, such trustee shall be considered the assignee of any payments assigned by the municipality pursuant to such ordinance and this Section. Any amounts paid to such trustee as assignee shall be deposited in the funds or accounts established pursuant to such trust agreement, and shall be held by such trustee in trust for the benefit of the holders of the bonds, and such holders shall have a lien on and a security interest in such funds or accounts so long as the bonds remain outstanding and unpaid. Upon retirement of the bonds, the trustee shall pay over any excess amounts held to the municipality for deposit in the special tax allocation fund.

When such redevelopment projects costs, including without limitation all municipal obligations financing redevelopment project costs incurred under this Division, have been paid, all surplus funds then remaining in the special tax allocation fund shall be distributed by being paid by the municipal treasurer to the Department of Revenue, the municipality and the county collector; first to the Department of Revenue and the municipality in direct proportion to the tax incremental revenue received from the State and the municipality, but not to exceed the total incremental revenue received from the State or the municipality less any annual surplus distribution of incremental revenue previously made; with any remaining funds to be paid to the County Collector who shall immediately thereafter pay said funds to the taxing districts in the redevelopment project area in the same manner and proportion as the most recent distribution by the county collector to the affected

districts of real property taxes from real property in the redevelopment project area.

Upon the payment of all redevelopment project costs, retirement of obligations and the distribution of any excess monies pursuant to this Section, the municipality shall adopt an ordinance dissolving the special tax allocation fund for the redevelopment project area and terminating the designation of the redevelopment project area as a redevelopment project area. Municipalities shall notify affected taxing districts prior to November 1 if the redevelopment project area is to be terminated by December 31 of that same year. If a municipality extends estimated dates of completion of a redevelopment project and retirement of obligations to finance a redevelopment project, as allowed by this amendatory Act of 1993, that extension shall not extend the property tax increment allocation financing authorized by this Section. Thereafter the rates of the taxing districts shall be extended and taxes levied, collected and distributed in the manner applicable in the absence of the adoption of tax increment allocation financing.

Nothing in this Section shall be construed as relieving property in such redevelopment project areas from being assessed as provided in the Property Tax Code or as relieving owners of such property from paying a uniform rate of taxes, as required by Section 4 of Article 9 of the Illinois Constitution.

(Source: P.A. 90-258, eff. 7-30-97.)

(65 ILCS 5/11-74.4-8a) (from Ch. 24, par. 11-74.4-8a)

Sec. 11-74.4-8a. (1) Until June 1, 1988, a municipality which has adopted tax increment allocation financing prior to January 1,

1987, may by ordinance (1) authorize the Department of Revenue, subject to appropriation, to annually certify and cause to be paid from the Illinois Tax Increment Fund to such municipality for deposit in the municipality's special tax allocation fund an amount equal to the Net State Sales Tax Increment and (2) authorize the Department of Revenue to annually notify the municipality of the amount of the Municipal Sales Tax Increment which shall be deposited by the municipality in the municipality's special tax allocation fund. Provided that for purposes of this Section no amendments adding additional area to the redevelopment project area which has been certified as the State Sales Tax Boundary shall be taken into account if such amendments are adopted by the municipality after January 1, 1987. If an amendment is adopted which decreases the area of a State Sales Tax Boundary, the municipality shall update the list required by subsection (3)(a) of this Section. The Retailers' Occupation Tax liability, Use Tax liability, Service Occupation Tax liability and Service Use Tax liability for retailers and servicemen located within the disconnected area shall be excluded from the base from which tax increments are calculated and the revenue from any such retailer or serviceman shall not be included in calculating incremental revenue payable to the municipality. A municipality adopting an ordinance under this subsection (1) of this Section for a redevelopment project area which is certified as a State Sales Tax Boundary shall not be entitled to payments of State taxes authorized under subsection (2) of this Section for the same redevelopment project area. Nothing

herein shall be construed to prevent a municipality from receiving payment of State taxes authorized under subsection (2) of this Section for a separate redevelopment project area that does not overlap in any way with the State Sales Tax Boundary receiving payments of State taxes pursuant to subsection (1) of this Section.

A certified copy of such ordinance shall be submitted by the municipality to the Department of Commerce and Community Affairs and the Department of Revenue not later than 30 days after the effective date of the ordinance. Upon submission of the ordinances, and the information required pursuant to subsection 3 of this Section, the Department of Revenue shall promptly determine the amount of such taxes paid under the Retailers' Occupation Tax Act, Use Tax Act, Service Use Tax Act, the Service Occupation Tax Act, the Municipal Retailers' Occupation Tax Act and the Municipal Service Occupation Tax Act by retailers and servicemen on transactions at places located in the redevelopment project area during the base year, and shall certify all the foregoing "initial sales tax amounts" to the municipality within 60 days of submission of the list required of subsection (3)(a) of this Section.

If a retailer or serviceman with a place of business located within a redevelopment project area also has one or more other places of business within the municipality but outside the redevelopment project area, the retailer or serviceman shall, upon request of the Department of Revenue, certify to the Department of Revenue the amount of taxes paid pursuant to the Retailers' Occupation Tax Act, the Municipal Retailers' Occupation Tax Act, the Service Occupation Tax Act and the Municipal Service Occupation Tax Act at each place of business which is located within the redevelopment project area in the manner and for the periods of time requested by the Department of Revenue.

When the municipality determines that a portion of an increase in the aggregate amount of taxes paid by retailers and servicemen under the Retailers' Occupation Tax Act, Use Tax Act, Service Use Tax Act, or the Service Occupation Tax Act is the result of a retailer or serviceman initiating retail or service operations in the redevelopment project area by such retailer or serviceman with a

resulting termination of retail or service operations by such retailer or serviceman at another location in Illinois in the standard metropolitan statistical area of such municipality, the Department of Revenue shall be notified that the retailers occupation tax liability, use tax liability, service occupation tax liability, or service use tax liability from such retailer's or serviceman's terminated operation shall be included in the base Initial Sales Tax Amounts from which the State Sales Tax Increment is calculated for purposes of State payments to the affected municipality; provided, however, for purposes of this paragraph "termination" shall mean a closing of a retail or service operation which is directly related to the opening of the same retail or service operation in a redevelopment project area which is included within a State Sales Tax Boundary, but it shall not include retail or service operations closed for reasons beyond the control of the retailer or serviceman, as determined by the Department. If the municipality makes the

determination referred to in the prior paragraph and notifies the Department and if the relocation is from a location within the municipality, the Department, at the request of the municipality, shall adjust the certified aggregate amount of taxes that constitute the Municipal Sales Tax Increment paid by retailers and servicemen on transactions at places of business located within the State Sales Tax Boundary during the base year using the same procedures as are employed to make the adjustment referred to in the prior paragraph. The adjusted Municipal Sales Tax Increment calculated by the Department shall be sufficient to satisfy the requirements of subsection (1) of this Section.

When a municipality which has adopted tax increment allocation financing in 1986 determines that a portion of the aggregate amount of taxes paid by retailers and servicemen under the Retailers Occupation Tax Act, Use Tax Act, Service Use Tax Act, or Service Occupation Tax Act, the Municipal Retailers' Occupation Tax Act and the Municipal Service Occupation Tax Act, includes revenue of a retailer or serviceman which terminated retailer or service operations in 1986, prior to the adoption of tax increment allocation financing, the Department of Revenue shall be notified by such municipality that the retailers' occupation tax liability, use tax liability, service occupation tax liability or service use tax liability, from such retailer's or serviceman's terminated operations shall be excluded from the Initial Sales Tax Amounts for such taxes. The revenue from any such retailer or serviceman which is excluded from the base year under this paragraph, shall not be included in calculating incremental revenues if such retailer or serviceman reestablishes such business in the redevelopment project area.

For State fiscal year 1992, the Department of Revenue shall budget, and the Illinois General Assembly shall appropriate from the Illinois Tax Increment Fund in the State treasury, an amount not to exceed $18,000,000 to pay to each eligible municipality the Net State Sales Tax Increment to which such municipality is entitled.

Beginning on January 1, 1993, each municipality's proportional share of the Illinois Tax Increment Fund shall be determined by adding the annual Net State Sales Tax Increment and the annual Net Utility Tax Increment to determine the Annual Total Increment. The ratio of the Annual Total Increment of each municipality to the Annual Total Increment for all municipalities, as most recently calculated by the Department, shall determine the proportional shares of the Illinois Tax Increment Fund to be distributed to each municipality.

Beginning in October, 1993, and each January, April, July and October thereafter, the Department of Revenue shall certify to the Treasurer and the Comptroller the amounts payable quarter annually

during the fiscal year to each municipality under this Section. The Comptroller shall promptly then draw warrants, ordering the State Treasurer to pay such amounts from the Illinois Tax Increment Fund in the State treasury.

The Department of Revenue shall utilize the same periods established for determining State Sales Tax Increment to determine the Municipal Sales Tax Increment for the area within a State Sales

Tax Boundary and certify such amounts to such municipal treasurer who shall transfer such amounts to the special tax allocation fund.

The provisions of this subsection (1) do not apply to additional municipal retailers' occupation or service occupation taxes imposed by municipalities using their home rule powers or imposed pursuant to Sections 8-11-1.3, 8-11-1.4 and 8-11-1.5 of this Act. A municipality shall not receive from the State any share of the Illinois Tax Increment Fund unless such municipality deposits all its Municipal Sales Tax Increment and the local incremental real property tax revenues, as provided herein, into the appropriate special tax allocation fund. A municipality located within an economic development project area created under the County Economic Development Project Area Property Tax Allocation Act which has abated any portion of its property taxes which otherwise would have been deposited in its special tax allocation fund shall not receive from the State the Net Sales Tax Increment.

(2) A municipality which has adopted tax increment allocation financing with regard to an industrial park or industrial park conservation area, prior to January 1, 1988, may by ordinance authorize the Department of Revenue to annually certify and pay from the Illinois Tax Increment Fund to such municipality for deposit in the municipality's special tax allocation fund an amount equal to the Net State Utility Tax Increment. Provided that for purposes of this Section no amendments adding additional area to the redevelopment project area shall be taken into account if such amendments are adopted by the municipality after January 1, 1988. Municipalities adopting an ordinance under this subsection (2) of this Section for a redevelopment project area shall not be entitled to payment of State taxes authorized under subsection (1) of this Section for the same redevelopment project area which is within a State Sales Tax Boundary. Nothing herein shall be construed to prevent a municipality from receiving payment of State taxes authorized under subsection (1) of this Section for a separate redevelopment project area within a State Sales Tax Boundary that does not overlap in any way with the redevelopment project area receiving payments of State taxes pursuant to subsection (2) of this Section.

A certified copy of such ordinance shall be submitted to the Department of Commerce and Community Affairs and the Department of Revenue not later than 30 days after the effective date of the ordinance.

When a municipality determines that a portion of an increase in the aggregate amount of taxes paid by industrial or commercial facilities under the Public Utilities Act, is the result of an industrial or commercial facility initiating operations in the redevelopment project area with a resulting termination of such operations by such industrial or commercial facility at another location in Illinois, the Department of Revenue shall be notified by such municipality that such industrial or commercial facility's liability under the Public Utility Tax Act shall be included in the base from which tax increments are calculated for purposes of State payments to the affected municipality.

After receipt of the calculations by the public utility as required by subsection (4) of this Section, the Department of Revenue shall annually budget and the Illinois General Assembly shall

annually appropriate from the General Revenue Fund through State Fiscal Year 1989, and thereafter from the Illinois Tax Increment Fund, an amount sufficient to pay to each eligible municipality the amount of incremental revenue attributable to State electric and gas taxes as reflected by the charges imposed on persons in the project area to which such municipality is entitled by comparing the preceding calendar year with the base year as determined by this Section. Beginning on January 1, 1993, each municipality's proportional share of the Illinois Tax Increment Fund shall be determined by adding the annual Net State Utility Tax Increment and the annual Net Utility Tax Increment to determine the Annual Total Increment. The ratio of the Annual Total Increment of each municipality to the Annual Total Increment for all municipalities, as most recently calculated by the Department, shall determine the proportional shares of the Illinois Tax Increment Fund to be distributed to each municipality.

A municipality shall not receive any share of the Illinois Tax Increment Fund from the State unless such municipality imposes the maximum municipal charges authorized pursuant to Section 9-221 of the Public Utilities Act and deposits all municipal utility tax incremental revenues as certified by the public utilities, and all local real estate tax increments into such municipality's special tax allocation fund.

(3) Within 30 days after the adoption of the ordinance required by either subsection (1) or subsection (2) of this Section, the municipality shall transmit to the Department of Commerce and Community Affairs and the Department of Revenue the following:

(a) if applicable, a certified copy of the ordinance required by subsection (1) accompanied by a complete list of street names and the range of street numbers of each street located within the redevelopment project area for which payments are to be made under this Section in both the base year and in the year preceding the payment year; and the addresses of persons registered with the Department of Revenue; and, the name under which each such retailer or serviceman conducts business at that address, if different from the corporate name; and the Illinois Business Tax Number of each such person (The municipality shall update this list in the event of a revision of the redevelopment project area, or the opening or closing or name change of any street or part thereof in the redevelopment project area, or if the Department of Revenue informs the municipality of an addition or deletion pursuant to the monthly updates given by the Department.);

(b) if applicable, a certified copy of the ordinance required by subsection (2) accompanied by a complete list of street names and range of street numbers of each street located within the redevelopment project area, the utility customers in the project area, and the utilities serving the redevelopment project areas;

(c) certified copies of the ordinances approving the redevelopment plan and designating the redevelopment project area;

(d) a copy of the redevelopment plan as approved by the municipality;

(e) an opinion of legal counsel that the municipality had

complied with the requirements of this Act; and

(f) a certification by the chief executive officer of the municipality that with regard to a redevelopment project area: (1) the municipality has committed all of the municipal tax increment created pursuant to this Act for deposit in the special tax allocation fund, (2) the redevelopment projects described in

the redevelopment plan would not be completed without the use of State incremental revenues pursuant to this Act, (3) the municipality will pursue the implementation of the redevelopment plan in an expeditious manner, (4) the incremental revenues created pursuant to this Section will be exclusively utilized for the development of the redevelopment project area, and (5) the increased revenue created pursuant to this Section shall be used exclusively to pay redevelopment project costs as defined in this Act.

(4) The Department of Revenue upon receipt of the information set forth in paragraph (b) of subsection (3) shall immediately forward such information to each public utility furnishing natural gas or electricity to buildings within the redevelopment project area. Upon receipt of such information, each public utility shall promptly:

(a) provide to the Department of Revenue and the municipality separate lists of the names and addresses of persons within the redevelopment project area receiving natural gas or electricity from such public utility. Such list shall be updated as necessary by the public utility. Each month thereafter the public utility shall furnish the Department of Revenue and the municipality with an itemized listing of charges imposed pursuant to Sections 9-221 and 9-222 of the Public Utilities Act on persons within the redevelopment project area.

(b) determine the amount of charges imposed pursuant to Sections 9-221 and 9-222 of the Public Utilities Act on persons in the redevelopment project area during the base year, both as a result of municipal taxes on electricity and gas and as a result of State taxes on electricity and gas and certify such amounts both to the municipality and the Department of Revenue; and

(c) determine the amount of charges imposed pursuant to Sections 9-221 and 9-222 of the Public Utilities Act on persons in the redevelopment project area on a monthly basis during the base year, both as a result of State and municipal taxes on electricity and gas and certify such separate amounts both to the municipality and the Department of Revenue.

After the determinations are made in paragraphs (b) and (c), the public utility shall monthly during the existence of the redevelopment project area notify the Department of Revenue and the municipality of any increase in charges over the base year determinations made pursuant to paragraphs (b) and (c).

(5) The payments authorized under this Section shall be deposited by the municipal treasurer in the special tax allocation fund of the municipality, which for accounting purposes shall identify the sources of each payment as: municipal receipts from the State retailers occupation, service occupation, use and service use

taxes; and municipal public utility taxes charged to customers under the Public Utilities Act and State public utility taxes charged to customers under the Public Utilities Act.

(6) Before the effective date of this amendatory Act of the 91st General Assembly, any municipality receiving payments authorized under this Section for any redevelopment project area or area within a State Sales Tax Boundary within the municipality shall submit to the Department of Revenue and to the taxing districts which are sent the notice required by Section 6 of this Act annually within 180 days after the close of each municipal fiscal year the following information for the immediately preceding fiscal year:

(a) Any amendments to the redevelopment plan, the redevelopment project area, or the State Sales Tax Boundary.

(b) Audited financial statements of the special tax allocation fund.

(c) Certification of the Chief Executive Officer of the municipality that the municipality has complied with all of the requirements of this Act during the preceding fiscal year.

(d) An opinion of legal counsel that the municipality is in compliance with this Act.

(e) An analysis of the special tax allocation fund which sets forth:

(1) the balance in the special tax allocation fund at the beginning of the fiscal year;

(2) all amounts deposited in the special tax allocation fund by source;

(3) all expenditures from the special tax allocation fund by category of permissible redevelopment project cost; and

(4) the balance in the special tax allocation fund at the end of the fiscal year including a breakdown of that balance by source. Such ending balance shall be designated as surplus if it is not required for anticipated redevelopment project costs or to pay debt service on bonds issued to finance redevelopment project costs, as set forth in Section 11-74.4-7 hereof.

(f) A description of all property purchased by the municipality within the redevelopment project area including

1. Street address
2. Approximate size or description of property
3. Purchase price
4. Seller of property.

(g) A statement setting forth all activities undertaken in furtherance of the objectives of the redevelopment plan, including:

1. Any project implemented in the preceding fiscal year

2. A description of the redevelopment activities undertaken

3. A description of any agreements entered into by the municipality with regard to the disposition or redevelopment of any property within the redevelopment project area or the

area within the State Sales Tax Boundary.

(h) With regard to any obligations issued by the municipality:

1. copies of bond ordinances or resolutions

2. copies of any official statements

3. an analysis prepared by financial advisor or underwriter setting forth: (a) nature and term of obligation; and (b) projected debt service including required reserves and debt coverage.

(i) A certified audit report reviewing compliance with this statute performed by an independent public accountant certified and licensed by the authority of the State of Illinois. The financial portion of the audit must be conducted in accordance with Standards for Audits of Governmental Organizations, Programs, Activities, and Functions adopted by the Comptroller General of the United States (1981), as amended. The audit report shall contain a letter from the independent certified public accountant indicating compliance or noncompliance with the requirements of subsection (q) of Section 11-74.4-3. If the audit indicates that expenditures are not in compliance with the law, the Department of Revenue shall withhold State sales and utility tax increment payments to the municipality until compliance has been reached, and an amount equal to the ineligible expenditures has been returned to the Special Tax

Allocation Fund.

(6.1) After July 29, 1988 and before the effective date of this amendatory Act of the 91st General Assembly, any funds which have not been designated for use in a specific development project in the annual report shall be designated as surplus. No funds may be held in the Special Tax Allocation Fund for more than 36 months from the date of receipt unless the money is required for payment of contractual obligations for specific development project costs. If held for more than 36 months in violation of the preceding sentence, such funds shall be designated as surplus. Any funds designated as surplus must first be used for early redemption of any bond obligations. Any funds designated as surplus which are not disposed of as otherwise provided in this paragraph, shall be distributed as surplus as provided in Section 11-74.4-7.

(7) Any appropriation made pursuant to this Section for the 1987 State fiscal year shall not exceed the amount of $7 million and for the 1988 State fiscal year the amount of $10 million. The amount which shall be distributed to each municipality shall be the incremental revenue to which each municipality is entitled as calculated by the Department of Revenue, unless the requests of the municipality exceed the appropriation, then the amount to which each municipality shall be entitled shall be prorated among the municipalities in the same proportion as the increment to which the municipality would be entitled bears to the total increment which all municipalities would receive in the absence of this limitation, provided that no municipality may receive an amount in excess of 15% of the appropriation. For the 1987 Net State Sales Tax Increment payable in Fiscal Year 1989, no municipality shall receive more than

7.5% of the total appropriation; provided, however, that any of the appropriation remaining after such distribution shall be prorated among municipalities on the basis of their pro rata share of the total increment. Beginning on January 1, 1993, each municipality's proportional share of the Illinois Tax Increment Fund shall be determined by adding the annual Net State Sales Tax Increment and the annual Net Utility Tax Increment to determine the Annual Total Increment. The ratio of the Annual Total Increment of each municipality to the Annual Total Increment for all municipalities, as most recently calculated by the Department, shall determine the proportional shares of the Illinois Tax Increment Fund to be distributed to each municipality.

(7.1) No distribution of Net State Sales Tax Increment to a municipality for an area within a State Sales Tax Boundary shall exceed in any State Fiscal Year an amount equal to 3 times the sum of the Municipal Sales Tax Increment, the real property tax increment and deposits of funds from other sources, excluding state and federal funds, as certified by the city treasurer to the Department of Revenue for an area within a State Sales Tax Boundary. After July 29, 1988, for those municipalities which issue bonds between June 1, 1988 and 3 years from July 29, 1988 to finance redevelopment projects within the area in a State Sales Tax Boundary, the distribution of Net State Sales Tax Increment during the 16th through 20th years from the date of issuance of the bonds shall not exceed in any State Fiscal Year an amount equal to 2 times the sum of the Municipal Sales Tax Increment, the real property tax increment and deposits of funds from other sources, excluding State and federal funds.

(8) Any person who knowingly files or causes to be filed false information for the purpose of increasing the amount of any State tax incremental revenue commits a Class A misdemeanor.

(9) The following procedures shall be followed to determine whether municipalities have complied with the Act for the purpose of receiving distributions after July 1, 1989 pursuant to subsection (1)

of this Section 11-74.4-8a.

(a) The Department of Revenue shall conduct a preliminary review of the redevelopment project areas and redevelopment plans pertaining to those municipalities receiving payments from the State pursuant to subsection (1) of Section 8a of this Act for the purpose of determining compliance with the following standards:

(1) For any municipality with a population of more than 12,000 as determined by the 1980 U.S. Census: (a) the redevelopment project area, or in the case of a municipality which has more than one redevelopment project area, each such area, must be contiguous and the total of all such areas shall not comprise more than 25% of the area within the municipal boundaries nor more than 20% of the equalized assessed value of the municipality; (b) the aggregate amount of 1985 taxes in the redevelopment project area, or in the case of a municipality which has more than one redevelopment project area, the total of all such areas, shall be not more than 25% of the total base year taxes paid by retailers and

servicemen on transactions at places of business located within the municipality under the Retailers' Occupation Tax Act, the Use Tax Act, the Service Use Tax Act, and the Service Occupation Tax Act. Redevelopment project areas created prior to 1986 are not subject to the above standards if their boundaries were not amended in 1986.

(2) For any municipality with a population of 12,000 or less as determined by the 1980 U.S. Census: (a) the redevelopment project area, or in the case of a municipality which has more than one redevelopment project area, each such area, must be contiguous and the total of all such areas shall not comprise more than 35% of the area within the municipal boundaries nor more than 30% of the equalized assessed value of the municipality; (b) the aggregate amount of 1985 taxes in the redevelopment project area, or in the case of a municipality which has more than one redevelopment project area, the total of all such areas, shall not be more than 35% of the total base year taxes paid by retailers and servicemen on transactions at places of business located within the municipality under the Retailers' Occupation Tax Act, the Use Tax Act, the Service Use Tax Act, and the Service Occupation Tax Act. Redevelopment project areas created prior to 1986 are not subject to the above standards if their boundaries were not amended in 1986.

(3) Such preliminary review of the redevelopment project areas applying the above standards shall be completed by November 1, 1988, and on or before November 1, 1988, the Department shall notify each municipality by certified mail, return receipt requested that either (1) the Department requires additional time in which to complete its preliminary review; or (2) the Department is issuing either (a) a Certificate of Eligibility or (b) a Notice of Review. If the Department notifies a municipality that it requires additional time to complete its preliminary investigation, it shall complete its preliminary investigation no later than February 1, 1989, and by February 1, 1989 shall issue to each municipality either (a) a Certificate of Eligibility or (b) a Notice of Review. A redevelopment project area for which a Certificate of Eligibility has been issued shall be deemed a "State Sales Tax Boundary."

(4) The Department of Revenue shall also issue a Notice of Review if the Department has received a request by

November 1, 1988 to conduct such a review from taxpayers in the municipality, local taxing districts located in the municipality or the State of Illinois, or if the redevelopment project area has more than 5 retailers and has had growth in State sales tax revenue of more than 15% from calendar year 1985 to 1986.

(b) For those municipalities receiving a Notice of Review, the Department will conduct a secondary review consisting of: (i) application of the above standards contained in subsection (9)(a)(1)(a) and (b) or (9)(a)(2)(a) and (b), and (ii) the

definitions of blighted and conservation area provided for in Section 11-74.4-3. Such secondary review shall be completed by July 1, 1989.

Upon completion of the secondary review, the Department will issue (a) a Certificate of Eligibility or (b) a Preliminary Notice of Deficiency. Any municipality receiving a Preliminary Notice of Deficiency may amend its redevelopment project area to meet the standards and definitions set forth in this paragraph (b). This amended redevelopment project area shall become the "State Sales Tax Boundary" for purposes of determining the State Sales Tax Increment.

(c) If the municipality advises the Department of its intent to comply with the requirements of paragraph (b) of this subsection outlined in the Preliminary Notice of Deficiency, within 120 days of receiving such notice from the Department, the municipality shall submit documentation to the Department of the actions it has taken to cure any deficiencies. Thereafter, within 30 days of the receipt of the documentation, the Department shall either issue a Certificate of Eligibility or a Final Notice of Deficiency. If the municipality fails to advise the Department of its intent to comply or fails to submit adequate documentation of such cure of deficiencies the Department shall issue a Final Notice of Deficiency that provides that the municipality is ineligible for payment of the Net State Sales Tax Increment.

(d) If the Department issues a final determination of ineligibility, the municipality shall have 30 days from the receipt of determination to protest and request a hearing. Such hearing shall be conducted in accordance with Sections 10-25, 10-35, 10-40, and 10-50 of the Illinois Administrative Procedure Act. The decision following the hearing shall be subject to review under the Administrative Review Law.

(e) Any Certificate of Eligibility issued pursuant to this subsection 9 shall be binding only on the State for the purposes of establishing municipal eligibility to receive revenue pursuant to subsection (1) of this Section 11-74.4-8a.

(f) It is the intent of this subsection that the periods of time to cure deficiencies shall be in addition to all other periods of time permitted by this Section, regardless of the date by which plans were originally required to be adopted. To cure said deficiencies, however, the municipality shall be required to follow the procedures and requirements pertaining to amendments, as provided in Sections 11-74.4-5 and 11-74.4-6 of this Act.

(10) If a municipality adopts a State Sales Tax Boundary in accordance with the provisions of subsection (9) of this Section, such boundaries shall subsequently be utilized to determine Revised Initial Sales Tax Amounts and the Net State Sales Tax Increment; provided, however, that such revised State Sales Tax Boundary shall not have any effect upon the boundary of the redevelopment project area established for the purposes of determining the ad valorem taxes on real property pursuant to Sections 11-74.4-7 and 11-74.4-8 of this

Act nor upon the municipality's authority to implement the

redevelopment plan for that redevelopment project area. For any redevelopment project area with a smaller State Sales Tax Boundary within its area, the municipality may annually elect to deposit the Municipal Sales Tax Increment for the redevelopment project area in the special tax allocation fund and shall certify the amount to the Department prior to receipt of the Net State Sales Tax Increment. Any municipality required by subsection (9) to establish a State Sales Tax Boundary for one or more of its redevelopment project areas shall submit all necessary information required by the Department concerning such boundary and the retailers therein, by October 1, 1989, after complying with the procedures for amendment set forth in Sections 11-74.4-5 and 11-74.4-6 of this Act. Net State Sales Tax Increment produced within the State Sales Tax Boundary shall be spent only within that area. However expenditures of all municipal property tax increment and municipal sales tax increment in a redevelopment project area are not required to be spent within the smaller State Sales Tax Boundary within such redevelopment project area.

(11) The Department of Revenue shall have the authority to issue rules and regulations for purposes of this Section. and regulations for purposes of this Section.

(12) If, under Section 5.4.1 of the Illinois Enterprise Zone Act, a municipality determines that property that lies within a State Sales Tax Boundary has an improvement, rehabilitation, or renovation that is entitled to a property tax abatement, then that property along with any improvements, rehabilitation, or renovations shall be immediately removed from any State Sales Tax Boundary. The municipality that made the determination shall notify the Department of Revenue within 30 days after the determination. Once a property is removed from the State Sales Tax Boundary because of the existence of a property tax abatement resulting from an enterprise zone, then that property shall not be permitted to be amended into a State Sales Tax Boundary.

(Source: P.A. 90-258, eff. 7-30-97.)

Section 90. The State Mandates Act is amended by adding Section 8.23 as follows:

(30 ILCS 805/8.23 new)

Sec. 8.23. Exempt mandate. Notwithstanding Sections 6 and 8 of this Act, no reimbursement by the State is required for the implementation of any mandate created by this amendatory Act of the 91st General Assembly.

Section 99. Effective date. This Act takes effect on the first day of the third month after becoming law.".

There being no further amendments, the foregoing Amendment No. 1, was ordered engrossed; and the bill, as amended, was ordered to a third reading.

On motion of Senator T. Walsh, **Senate Bill No. 1033** having been printed, was taken up and read by title a second time.

The following amendment was offered in the Committee on Executive, adopted and ordered printed:

AMENDMENT NO. 1

AMENDMENT NO. 1. Amend Senate Bill 1033 by replacing the title with the following:

"AN ACT to amend the Illinois Vehicle Code by adding Sections 3-704.2 and 6-306.7."; and

by replacing everything after the enacting clause with the following:

"Section 5. The Illinois Vehicle Code is amended by adding Sections 3-704.2 and 6-306.7 as follows:

(625 ILCS 5/3-704.2 new)

Sec. 3-704.2. Failure to satisfy fines or penalties for toll violations or evasions; suspension of vehicle registration.

(a) Upon receipt of a certified report, as prescribed by subsection (c) of this Section, from the Authority stating that the owner of a registered vehicle has failed to satisfy any fine or penalty resulting from a final order issued by the Authority relating directly or indirectly to 5 or more toll violations, toll evasions, or both, the Secretary of State shall suspend the vehicle registration of the person in accordance with the procedures set forth in this Section.

(b) Following receipt of the certified report of the Authority as specified in the Section, the Secretary of State shall notify the person whose name appears on the certified report that the person's vehicle registration will be suspended at the end of a specified period unless the Secretary of State is presented with a notice from the Authority certifying that the fines or penalties owing the Authority have been satisfied or that inclusion of that person's name on the certified report was in error. The Secretary's notice shall state in substance the information contained in the Authority's certified report to the Secretary, and shall be effective as specified by subsection (c) of Section 6-211 of this Code.

(c) The report from the Authority notifying the Secretary of unsatisfied fines or penalties pursuant to this Section shall be certified and shall contain the following:

(1) The name, last known address, and driver's license number of the person who failed to satisfy the fines or penalties and the registration number of any vehicle known to be registered in this State to that person.

(2) A statement that the Authority sent a notice of impending suspension of the person's driver's license, vehicle registration, or both, as prescribed by rules enacted pursuant to subsection (a-5) of Section 10 of the Toll Highway Act, to the person named in the report at the address recorded with the Secretary of State; the date on which the notice was sent; and the address to which the notice was sent.

(d) The Authority, after making a certified report to the Secretary pursuant to this Section, shall notify the Secretary, on a form prescribed by the Secretary, whenever a person named in the certified report has satisfied the previously reported fines or penalties or whenever the Authority determines that the original report was in error. A certified copy of the notification shall also be given upon request and at no additional charge to the person named therein. Upon receipt of the Authority's notification or presentation of a certified copy of the notification, the Secretary shall terminate the suspension.

(e) The Authority shall, by rule, establish procedures for persons to challenge the accuracy of the certified report made pursuant to this Section. The rule shall also provide the grounds

for a challenge, which may be limited to:

(1) the person not having been the owner or lessee of the vehicle or vehicles receiving 5 or more toll violation or toll evasion notices on the date or dates the notices were issued; or

(2) the person having already satisfied the fines or penalties for the 5 or more toll violations or toll evasions indicated on the certified report.

(f) All notices sent by the Authority to persons involved in administrative adjudications, hearings, and final orders issued pursuant to rules implementing subsection (a-5) of Section 10 of the Toll Highway Act shall state that failure to satisfy any fine or penalty imposed by the Authority shall result in the Secretary of

State suspending the driving privileges, vehicle registration, or both, of the person failing to satisfy the fines or penalties imposed by the Authority.

(g) A person may request an administrative hearing to contest an impending suspension or a suspension made pursuant to this Section upon filing a written request with the Secretary. The filing fee for this hearing is $20, to be paid at the time of the request. The Authority shall reimburse the Secretary for all reasonable costs incurred by the Secretary as a result of the filing of a certified report pursuant to this Section, including, but not limited to, the costs of providing notice required pursuant to subsection (b) and the costs incurred by the Secretary in any hearing conducted with respect to the report pursuant to this subsection and any appeal from that hearing.

(h) The Secretary and the Authority may promulgate rules to enable them to carry out their duties under this Section.

(i) The Authority shall cooperate with the Secretary in the administration of this Section and shall provide the Secretary with any information the Secretary may deem necessary for these purposes, including regular and timely access to toll violation enforcement records.

The Secretary shall cooperate with the Authority in the administration of this Section and shall provide the Authority with any information the Authority may deem necessary for the purposes of this Section, including regular and timely access to vehicle registration records. Section 2-123 of this Code shall not apply to the provision of this information, but the Secretary shall be reimbursed for the cost of providing this information.

(j) For purposes of this Section, the term "Authority" means the Illinois State Toll Highway Authority.

(625 ILCS 5/6-306.7 new)

Sec. 6-306.7. Failure to satisfy fines or penalties for toll violations or evasions; suspension of driving privileges.

(a) Upon receipt of a certified report, as prescribed by subsection (c) of this Section, from the Authority stating that the owner of a registered vehicle has failed to satisfy any fine or penalty resulting from a final order issued by the Authority relating directly or indirectly to 5 or more toll violations, toll evasions, or both, the Secretary of State shall suspend the driving privileges of the person in accordance with the procedures set forth in this

Section.

(b) Following receipt of the certified report of the Authority as specified in the Section, the Secretary of State shall notify the person whose name appears on the certified report that the person's driver's license will be suspended at the end of a specified period unless the Secretary of State is presented with a notice from the Authority certifying that the fines or penalties owing the Authority have been satisfied or that inclusion of that person's name on the certified report was in error. The Secretary's notice shall state in substance the information contained in the Authority's certified report to the Secretary, and shall be effective as specified by subsection (c) of Section 6-211 of this Code.

(c) The report from the Authority notifying the Secretary of unsatisfied fines or penalties pursuant to this Section shall be certified and shall contain the following:

(1) The name, last known address, and driver's license number of the person who failed to satisfy the fines or penalties and the registration number of any vehicle known to be registered in this State to that person.

(2) A statement that the Authority sent a notice of impending suspension of the person's driver's license, vehicle

registration, or both, as prescribed by rules enacted pursuant to subsection (a-5) of Section 10 of the Toll Highway Act, to the person named in the report at the address recorded with the Secretary of State; the date on which the notice was sent; and the address to which the notice was sent.

(d) The Authority, after making a certified report to the Secretary pursuant to this Section, shall notify the Secretary, on a form prescribed by the Secretary, whenever a person named in the certified report has satisfied the previously reported fines or penalties or whenever the Authority determines that the original report was in error. A certified copy of the notification shall also be given upon request and at no additional charge to the person named therein. Upon receipt of the Authority's notification or presentation of a certified copy of the notification, the Secretary shall terminate the suspension.

(e) The Authority shall, by rule, establish procedures for persons to challenge the accuracy of the certified report made pursuant to this Section. The rule shall also provide the grounds for a challenge, which may be limited to:

(1) the person not having been the owner or lessee of the vehicle or vehicles receiving 5 or more toll violation or toll evasion notices on the date or dates the notices were issued; or

(2) the person having already satisfied the fines or penalties for the 5 or more toll violations or toll evasions indicated on the certified report.

(f) All notices sent by the Authority to persons involved in administrative adjudications, hearings, and final orders issued pursuant to rules implementing subsection (a-5) of Section 10 of the Toll Highway Act shall state that failure to satisfy any fine or penalty imposed by the Authority shall result in the Secretary of State suspending the driving privileges, vehicle registration, or

both, of the person failing to satisfy the fines or penalties imposed by the Authority.

(g) A person may request an administrative hearing to contest an impending suspension or a suspension made pursuant to this Section upon filing a written request with the Secretary. The filing fee for this hearing is $20, to be paid at the time of the request. The Authority shall reimburse the Secretary for all reasonable costs incurred by the Secretary as a result of the filing of a certified report pursuant to this Section, including, but not limited to, the costs of providing notice required pursuant to subsection (b) and the costs incurred by the Secretary in any hearing conducted with respect to the report pursuant to this subsection and any appeal from that hearing.

(h) The Secretary and the Authority may promulgate rules to enable them to carry out their duties under this Section.

(i) The Authority shall cooperate with the Secretary in the administration of this Section and shall provide the Secretary with any information the Secretary may deem necessary for these purposes, including regular and timely access to toll violation enforcement records.

The Secretary shall cooperate with the Authority in the administration of this Section and shall provide the Authority with any information the Authority may deem necessary for the purposes of this Section, including regular and timely access to vehicle registration records. Section 2-123 of this Code shall not apply to the provision of this information, but the Secretary shall be reimbursed for the cost of providing this information.

(j) For purposes of this Section, the term "Authority" means the Illinois State Toll Highway Authority.

Section 99. Effective date. This Act takes effect on January 1,

2000.".

There being no further amendments, the foregoing Amendment No. 1, was ordered engrossed; and the bill, as amended, was ordered to a third reading.

On motion of Senator Cullerton, **Senate Bill No. 1047** having been printed, was taken up, read by title a second time and ordered to a third reading.

On motion of Senator Peterson, **Senate Bill No. 1082** having been printed, was taken up and read by title a second time.

The following amendments were offered in the Committee on Revenue, adopted and ordered printed:

AMENDMENT NO. 1

AMENDMENT NO. 1. Amend Senate Bill 1082 on page 49, line 16, by replacing "operated," with "operated"; and
on page 49, line 23, by replacing "license" with "license,".

AMENDMENT NO. 2

AMENDMENT NO. 2. Amend Senate Bill 1082 on page 5, by replacing

lines 25 through 34 with the following:
"into a storage tank that is located at a facility that has withdrawal facilities that are readily accessible to and are capable of dispensing 1-K kerosene into the fuel supply tanks of motor vehicles.

~~Any sales, except as provided in paragraph (e), items in (1) or (2) of this Section, of 1-K kerosene that are delivered into a storage tank that is located at a facility that has withdrawal facilities which are readily accessible to, and are capable of dispensing 1-K kerosene into the fuel supply tanks of motor vehicles must be supported by documentation affirming that the 1-K kerosene will not be sold for use in highway vehicles.~~ Any person~~,~~ who ~~after submitting~~"; and
on page 6, by replacing lines 1 through 3 with the following:
"~~documentation,~~ sells or uses 1-K kerosene for use in motor vehicles upon which the tax imposed by this Law has not been paid shall be liable for any tax due on the sales or use of 1-K kerosene."; and
on page 6, by replacing lines 20 and 21 with "of this Law."; and
on page 22, by replacing lines 20 and 21 with "other than a licensed distribution or a~~,~~ licensed supplier~~, or a licensed bulk user,~~ for a use other than in motor"; and
on page 23, line 27, by replacing "distributor" with "supplier"; and
on page 41, by replacing lines 10 through 14 with the following:
"No claim based upon the use of undyed diesel fuel shall be allowed except for undyed diesel fuel used by a commercial vehicle, as that term is defined in Section 1-111.8 of the Illinois Vehicle Code, for any purpose other than operating the commercial vehicle upon the public highways and unlicensed commercial vehicles operating on private property. Claims shall be limited to commercial"; and
on page 42, by replacing lines 5 through 8 with the following:
"the operator is guilty of a petty offense and must pay a minimum of $75. For each subsequent occurrence, the operator must pay a minimum of $150."; and
on page 42, by replacing lines 19 and 20 with the following:
"person required to obtain a license or permit under Section 13a.4 or 13a.5 of this Law ~~operator~~ must pay a minimum of $1,000 as a penalty. For each subsequent occurrence, the person must pay a minimum of"; and
on page 49, immediately below line 11, by inserting the following:

"Section 12. The Environmental Impact Fee Law is amended by changing Section 315 as follows:
(415 ILCS 125/315)
(Section scheduled to be repealed on January 1, 2003)
Sec. 315. Fee on receivers of fuel for sale or use; collection and reporting. A person that is required to pay the fee imposed by this Law shall pay the fee to the Department by return showing all fuel purchased, acquired, or received and sold, distributed or used during the preceding calendar month, including losses of fuel as the result of evaporation or shrinkage due to temperature variations. Losses of fuel as the result of evaporation or shrinkage due to temperature variations may not exceed one percent of the total gallons in storage at the beginning of the month, plus the receipts

of gallonage during the month, minus the gallonage remaining in storage at the end of the month. Any loss reported that is in excess of this amount shall be subject to the fee imposed by Section 310 of this Law.

The return shall be prescribed by the Department and shall be filed between the 1st and 20th days of each calendar month. The Department may, in its discretion, combine the return filed under this Law with the return filed under Section 2b of the Motor Fuel Tax Law. If the return is timely filed, the receiver may take a discount of 2% to reimburse himself for the expenses incurred in keeping records, preparing and filing returns, collecting and remitting the fee, and supplying data to the Department on request. However, the 2% discount applies only to the amount of the fee payment that accompanies a return that is timely filed in accordance with this Section.

(Source: P.A. 89-428, eff. 1-1-96; 89-457, eff. 5-22-96.)".

Floor Amendment No. 3 was filed earlier today and referred to the Committee on Rules.

There being no further amendments, the foregoing Amendments numbered 1 and 2, were ordered engrossed; and the bill, as amended, was ordered to a third reading.

On motion of Senator Sullivan, **Senate Bill No. 1088** having been printed, was taken up, read by title a second time and ordered to a third reading.

On motion of Senator Peterson, **Senate Bill No. 1118** having been printed, was taken up and read by title a second time.

The following amendment was offered in the Committee on Revenue, adopted and ordered printed:

AMENDMENT NO. 1

AMENDMENT NO. 1. Amend Senate Bill 1118 on page 4, by replacing lines 16 through 29 with the following:

"(M) With the exception of any amounts subtracted under subparagraph (N), an amount equal to the sum of all amounts disallowed as deductions by (i) Sections 171(a)(2), and 265(2) of the Internal Revenue Code of 1954, as now or hereafter amended, and all amounts of expenses allocable to interest and disallowed as deductions by Section 265(1) of the Internal Revenue Code of 1954, as now or hereafter amended; and (ii) for taxable years beginning on or after January 1, 2000, Sections 171(a)(2), 265, 280C, and 832(b)(5)(B)(i) of the Internal Revenue Code; the provisions of this subparagraph are exempt from the provisions of Section 250;"; and

on page 9, by replacing lines 29 through 34 with the following:

"(I) With the exception of any amounts subtracted under subparagraph (J), an amount equal to the sum of all amounts disallowed as deductions by (i) Sections 171(a)(2), and 265(a)(2) and amounts disallowed as interest expense by

Section 291(a)(3) of the Internal Revenue Code, as now or hereafter amended, and all amounts of expenses allocable to interest and disallowed as deductions by Section 265(a)(1) of the Internal Revenue Code, as now or hereafter amended; and (ii) for taxable years beginning on or after January 1, 2000, Sections 171(a)(2), 265, 280C, and 832(b)(5)(B)(i) of the Internal Revenue Code; the provisions of this subparagraph are exempt from the provisions of Section 250;"; and

on page 10, by deleting lines 1 through 9; and

on page 17, by replacing lines 5 through 18 with the following:

"(L) With the exception of any amounts subtracted under subparagraph (K), an amount equal to the sum of all amounts disallowed as deductions by (i) Sections 171(a)(2) and 265(a)(2) of the Internal Revenue Code, as now or hereafter amended, and all amounts of expenses allocable to interest and disallowed as deductions by Section 265(1) of the Internal Revenue Code of 1954, as now or hereafter amended; and (ii) for taxable years beginning on or after January 1, 2000, Sections 171(a)(2), 265, 280C, and 832(b)(5)(B)(i) of the Internal Revenue Code; the provisions of this subparagraph are exempt from the provisions of Section 250;"; and

on page 20, by replacing lines 3 through 16 with the following:

"(J) With the exception of any amounts subtracted under subparagraph (G), an amount equal to the sum of all amounts disallowed as deductions by (i) Sections 171(a)(2), and 265(2) of the Internal Revenue Code of 1954, as now or hereafter amended, and all amounts of expenses allocable to interest and disallowed as deductions by Section 265(1) of the Internal Revenue Code, as now or hereafter amended; and (ii) for taxable years beginning on or after January 1, 2000, Sections 171(a)(2), 265, 280C, and 832(b)(5)(B)(i) of the Internal Revenue Code; the provisions of this subparagraph are exempt from the provisions of Section 250;".

There being no further amendments, the foregoing Amendment No. 1, was ordered engrossed; and the bill, as amended, was ordered to a third reading.

On motion of Senator Klemm, **Senate Bill No. 1129** having been printed, was taken up and read by title a second time.

Floor Amendment No. 1 was held in the Committee on Transportation.

There being no further amendments the bill was ordered to a third reading.

On motion of Senator L. Walsh, **Senate Bill No. 1142** having been printed, was taken up and read by title a second time.

The following amendment was offered in the Committee on Judiciary, adopted and ordered printed:

AMENDMENT NO. 1

AMENDMENT NO. 1. Amend Senate Bill 1142, on page 1, lines 2 and 6, by changing "Sections 3-6 and 12-14.1" wherever it appears to "Section 12-14.1"; and

on page 1, by deleting lines 7 through 31; and
by deleting all of page 2; and
on page 3, by deleting lines 1 through 18.

There being no further amendments, the foregoing Amendment No. 1, was ordered engrossed; and the bill, as amended, was ordered to a third reading.

On motion of Senator L. Walsh, **Senate Bill No. 1143** having been printed, was taken up and read by title a second time.

The following amendment was offered in the Committee on Judiciary, adopted and ordered printed:

AMENDMENT NO. 1

AMENDMENT NO. 1. Amend Senate Bill 1143 on page 1, by replacing line 2 with the following:
"changing Sections 5-8-1, 5-8A-3, and 5-8A-5."; and
on page 1, by replacing line 6 with the following:
"changing Sections 5-8-1, 5-8A-3, and 5-8A-5 as follows:"; and
on page 5, line 22, by deleting "and"; and
on page 5, by deleting line 23; and
on page 5, line 24, by deleting "(d)"; and
on page 6, lines 4 and 5, by deleting "and a term of natural life imprisonment is not imposed"; and
on page 6, line 7, by inserting "at least" after "5 years,"; and
on page 6, lines 11 and 12, by deleting "and a term of natural life imprisonment is not imposed"; and
on page 6, line 14, by inserting "at least" after "4 years,"; and
on page 9, line 2, by inserting "at least" after "for"; and
on page 9, by inserting below line 6 the following:

"(730 ILCS 5/5-8A-5) (from Ch. 38, par. 1005-8A-5)

Sec. 5-8A-5. Consent of the participant. Before entering an order for commitment for electronic home detention, the supervising authority shall inform the participant and other persons residing in the home of the nature and extent of the approved electronic monitoring devices by doing the following:

(A) Securing the written consent of the participant in the program to comply with the rules and regulations of the program as stipulated in subsections (A) through (I) of Section 5-8A-4.

(B) Where possible, securing the written consent of other persons residing in the home of the participant, including the person in whose name the telephone is registered, at the time of the order or commitment for electronic home detention is entered and acknowledge the nature and extent of approved electronic monitoring devices.

(C) Insure that the approved electronic devices be minimally intrusive upon the privacy of the participant and other persons residing in the home while remaining in compliance with subsections (B) through (D) of Section 5-8A-4.

(D) This Section does not apply to persons subject to Electronic Home Monitoring as a term or condition of parole or mandatory supervised release under subsection (d) of Section 5-8-1 of this

Code.
(Source: P.A. 90-399, eff. 1-1-98.)".

There being no further amendments, the foregoing Amendment No. 1, was ordered engrossed; and the bill, as amended, was ordered to a third reading.

On motion of Senator Sullivan, **Senate Bill No. 1144** having been printed, was taken up, read by title a second time and ordered to a

third reading.

On motion of Senator Rauschenberger, **Senate Bill No. 1158** having been printed, was taken up and read by title a second time.

The following amendment was offered in the Committee on State Government Operations, adopted and ordered printed:

AMENDMENT NO. 1

AMENDMENT NO. 1. Amend Senate Bill 1158 by replacing everything after the enacting clause with the following:

"Section 5. The Illinois Administrative Procedure Act is amended by changing Section 5-40 as follows:

(5 ILCS 100/5-40) (from Ch. 127, par. 1005-40)

Sec. 5-40. General rulemaking.

(a) In all rulemaking to which Sections 5-45 and 5-50 do not apply, each agency shall comply with this Section.

(b) Each agency shall give at least 60 ~~45~~ days' notice of its intended action to the general public. This first notice period shall commence on the first day the notice appears in the Illinois Register. The first notice shall include all the following:

(1) The text of the proposed rule, the old and new materials of a proposed amendment, or the text of the provision to be repealed.

(2) The specific statutory citation upon which the proposed rule, the proposed amendment to a rule, or the proposed repeal of a rule is based and by which it is authorized.

(3) A complete description of the subjects and issues involved.

(4) For all proposed rules and proposed amendments to rules, an initial regulatory flexibility analysis containing a description of the types of small businesses subject to the rule; a brief description of the proposed reporting, bookkeeping, and other procedures required for compliance with the rule; and a description of the types of professional skills necessary for compliance.

(5) The time, place, and manner in which interested persons may present their views and comments concerning the proposed rulemaking.

During the first notice period, the agency shall accept from any interested persons data, views, arguments, or comments. These may, in the discretion of the agency, be submitted either orally or in writing or both. The notice published in the Illinois Register shall indicate the manner selected by the agency for the submissions. The

agency shall consider all submissions received.

The agency shall hold a public hearing on the proposed rulemaking during the first notice period if (i) during the first notice period, the agency finds that a public hearing would facilitate the submission of views and comments that might not otherwise be submitted or (ii) the agency receives a request for a public hearing, within the first 14 days after publication of the notice of proposed rulemaking in the Illinois Register, from 25 interested persons, an association representing at least 100 interested persons, the Governor, the Joint Committee on Administrative Rules, or a unit of local government that may be affected. At the public hearing, the agency shall allow interested persons to present views and comments on the proposed rulemaking. A public hearing in response to a request for a hearing may not be held less than 20 days after the publication of the notice of proposed rulemaking in the Illinois Register unless notice of the public hearing is included in the notice of proposed rulemaking. A public hearing on proposed rulemaking may not be held less than 5 days before submission of the

notice required under subsection (c) of this Section to the Joint Committee on Administrative Rules. Each agency may prescribe reasonable rules for the conduct of public hearings on proposed rulemaking to prevent undue repetition at the hearings. The hearings must be open to the public and recorded by stenographic or mechanical means. At least one agency representative shall be present during the hearing who is qualified to respond to general questions from the public regarding the agency's proposal and the rulemaking process.

(c) Each agency shall provide a second ~~additional~~ notice of the proposed rulemaking to the Joint Committee on Administrative Rules and the general public. The second notice period shall commence on the first day the second notice appears in the Illinois Register ~~The period commencing on the day written notice is received by the Joint Committee shall be known as the second notice period~~ and shall expire 60 ~~45~~ days thereafter unless before that time the agency and the Joint Committee have agreed to extend the second notice period beyond 60 ~~45~~ days for a period not to exceed an additional 60 ~~45~~ days or unless the agency has received a statement of objection from the Joint Committee or notification from the Joint Committee that no objection will be issued. Before the expiration of the 60-day extended notice period, the agency and the Joint Committee may agree to a subsequent extension not to exceed an additional 60 days. The second written notice to the Joint Committee will be revised by the Joint Committee for publication in the Illinois Register and shall include (i) the text and location of any changes made to the proposed rulemaking during the first notice period in a form prescribed by the Joint Committee; (ii) for all proposed rules and proposed amendments to rules, a final regulatory flexibility analysis containing a summary of issues raised by small businesses during the first notice period and a description of actions taken on any alternatives to the proposed rule suggested by small businesses during the first notice period, including reasons for rejecting any alternatives not utilized; and (iii) if a written request has been made by the Joint Committee within 30 days after initial notice appears in the Illinois

Register under subsection (b) of this Section, an analysis of the economic and budgetary effects of the proposed rulemaking. After commencement of the second notice period, no substantive change may be made to a proposed rulemaking unless it is made in response to an objection or suggestion of the Joint Committee. The agency shall also send a copy of the final regulatory flexibility analysis to each small business that has presented views or comments on the proposed rulemaking during the first notice period and to any other interested person who requests a copy. The agency may charge a reasonable fee for providing the copies to cover postage and handling costs.

(d) After the expiration of the second notice period, after notification from the Joint Committee that no objection will be issued, or after a response by the agency to a statement of objections issued by the Joint Committee, whichever is applicable, the agency shall file, under Section 5-65, a certified copy of each rule, modification, or repeal of any rule adopted by it. The copy shall be published in the Illinois Register. Each rule hereafter adopted under this Section is effective upon filing unless a later effective date is required by statute or is specified in the rulemaking.

(e) No rule or modification or repeal of any rule may be adopted, or filed with the Secretary of State, more than one year after the date the first notice period for the rulemaking under subsection (b) commenced. Any period during which the rulemaking is prohibited from being filed under Section 5-115 shall not be considered in calculating this one-year time period.
(Source: P.A. 87-823; 88-667, eff. 9-16-94.)".

Floor Amendment No. 2 was filed earlier today and referred to the Committee on Rules.

There being no further amendments, the foregoing Amendment No. 1, was ordered engrossed; and the bill, as amended, was ordered to a third reading.

On motion of Senator Philip, **Senate Bill No. 1163** having been printed, was taken up, read by title a second time and ordered to a third reading.

On motion of Senator Lightford, **Senate Bill No. 1174** having been printed, was taken up and read by title a second time.

The following amendment was offered in the Committee on State Government Operations, adopted and ordered printed:

AMENDMENT NO. 1

AMENDMENT NO. 1. Amend Senate Bill 1174 on page 4, line 5 by deleting "layoffs, reorganizations,"; and
on page 6, by inserting after line 15 the following:

"(6) Notify the Department 30 days before effecting any layoff. Once notice is given, the following shall occur:

(a) No layoff may be effective earlier than 10 working days after notice to the Department, unless an emergency layoff situation exists.

(b) The State executive department, State agency,

board, commission, or instrumentality in which the layoffs are to occur must notify each employee targeted for layoff, the employee's union representative (if applicable), and the State Dislocated Worker Unit at the Department of Commerce and Community Affairs.

(c) The State executive department, State agency, board, commission, or instrumentality in which the layoffs are to occur must conform to applicable collective bargaining agreements.

(d) The State executive department, State agency, board, commission, or instrumentality in which the layoffs are to occur should notify each employee targeted for layoff that transitional assistance may be available to him or her under the Economic Dislocation and Worker Adjustment Assistance Act administered by the Department of Commerce and Community Affairs. Failure to give such notice shall not invalidate the layoff or postpone its effective date.".

There being no further amendments, the foregoing Amendment No. 1, was ordered engrossed; and the bill, as amended, was ordered to a third reading.

On motion of Senator Philip, **Senate Bill No. 1227** having been printed, was taken up, read by title a second time and ordered to a third reading.

RESOLUTIONS CONSENT CALENDAR

SENATE RESOLUTION NO. 60
Offered by Senator Lauzen and all Senators:
Mourns the death of William McConnaughay, of Geneva.

SENATE RESOLUTION NO. 61
Offered by Senator E. Jones and all Senators:
Mourns the death of Mrs. Mary L. Chick of Chicago.

SENATE RESOLUTION NO. 62
Offered by Senator Halvorson and all Senators:
Mourns the death of Annie Mae Tobias of Liberty, Mississippi.

SENATE RESOLUTION NO. 63
Offered by Senator Link and all Senators:
Mourns the death of Charles M. Palmer of Lincolnshire.

SENATE RESOLUTION NO. 65
Offered by Senator Geo-Karis and all Senators:
Mourns the death of Christine H. Kyritsis of Wadsworth.

SENATE RESOLUTION NO. 66
Offered by Senators Hawkinson - Shadid and all Senators:
Mourns the death of John William Stevens of Hanna City.

SENATE RESOLUTION NO. 67

Offered by Senator Clayborne and all Senators:

Mourns the death of Bruce E. Miller.

Senator Dudycz moved the adoption of the foregoing resolutions.

The motion prevailed.

And the resolutions were adopted.

READING BILLS FROM THE HOUSE OF REPRESENTATIVES A FIRST TIME

House Bill No. 4, sponsored by Senator Cullerton was taken up, read by title a first time and referred to the Committee on Rules.

House Bill No. 39, sponsored by Senator Parker was taken up, read by title a first time and referred to the Committee on Rules.

House Bill No. 67, sponsored by Senator Lauzen was taken up, read by title a first time and referred to the Committee on Rules.

House Bill No. 77, sponsored by Senator Geo-Karis was taken up, read by title a first time and referred to the Committee on Rules.

House Bill No. 210, sponsored by Senator E. Jones was taken up, read by title a first time and referred to the Committee on Rules.

House Bill No. 215, sponsored by Senator Petka was taken up, read by title a first time and referred to the Committee on Rules.

House Bill No. 279, sponsored by Senator T. Walsh was taken up, read by title a first time and referred to the Committee on Rules.

House Bill No. 440, sponsored by Senator Halvorson was taken up, read by title a first time and referred to the Committee on Rules.

House Bill No. 449, sponsored by Senator Karpiel was taken up, read by title a first time and referred to the Committee on Rules.

House Bill No. 463, sponsored by Senator L. Walsh was taken up, read by title a first time and referred to the Committee on Rules.

House Bill No. 497, sponsored by Senator Syverson was taken up, read by title a first time and referred to the Committee on Rules.

House Bill No. 604, sponsored by Senator Fawell was taken up, read by title a first time and referred to the Committee on Rules.

House Bill No. 669, sponsored by Senator O'Daniel was taken up, read by title a first time and referred to the Committee on Rules.

House Bill No. 731, sponsored by Senator Karpiel was taken up, read by title a first time and referred to the Committee on Rules.

House Bill No. 832, sponsored by Senator Karpiel was taken up, read by title a first time and referred to the Committee on Rules.

House Bill No. 912, sponsored by Senator Sullivan was taken up, read by title a first time and referred to the Committee on Rules.

House Bill No. 999, sponsored by Senator Cronin was taken up, read by title a first time and referred to the Committee on Rules.

House Bill No. 1120, sponsored by Senator Peterson was taken up, read by title a first time and referred to the Committee on Rules.

House Bill No. 1291, sponsored by Senator Radogno was taken up, read by title a first time and referred to the Committee on Rules.

House Bill No. 1196, sponsored by Senator Cullerton was taken up, read by title a first time and referred to the Committee on Rules.

House Bill No. 1790, sponsored by Senators Dillard - L. Madigan was taken up, read by title a first time and referred to the Committee on Rules.

House Bill No. 1831, sponsored by Senators Parker - Obama - L. Walsh was taken up, read by title a first time and referred to the Committee on Rules.

House Bill No. 1833, sponsored by Senators Obama - Parker - L. Walsh was taken up, read by title a first time and referred to the Committee on Rules.

House Bill No. 1893, sponsored by Senator Mahar was taken up, read by title a first time and referred to the Committee on Rules.

House Bill No. 1978, sponsored by Senator Berman was taken up, read by title a first time and referred to the Committee on Rules.

House Bill No. 2217, sponsored by Senator Myers was taken up, read by title a first time and referred to the Committee on Rules.

House Bill No. 2266, sponsored by Senator Halvorson was taken up, read by title a first time and referred to the Committee on Rules.

House Bill No. 2330, sponsored by Senator Klemm was taken up, read by title a first time and referred to the Committee on Rules.

House Bill No. 2677, sponsored by Senator Fawell was taken up, read by title a first time and referred to the Committee on Rules.

House Bill No. 1153, sponsored by Senator Lauzen was taken up, read by title a first time and referred to the Committee on Rules.

House Bill No. 1168, sponsored by Senators Klemm - Luechtefeld

was taken up, read by title a first time and referred to the Committee on Rules.

House Bill No. 1832, sponsored by Senator Syverson was taken up, read by title a first time and referred to the Committee on Rules.

House Bill No. 1959, sponsored by Senator Halvorson was taken up, read by title a first time and referred to the Committee on Rules.

At the hour of 12:05 o'clock p.m., on motion of Senator Radogno, the Senate stood adjourned until Monday, March 22, 1999 at 4:00 o'clock p.m.