



## 99TH GENERAL ASSEMBLY

### State of Illinois

2015 and 2016

HB3720

by Rep. Robert W. Pritchard

#### SYNOPSIS AS INTRODUCED:

- 5 ILCS 420/2-115 new
- 5 ILCS 420/3-202 from Ch. 127, par. 603-202
- 5 ILCS 420/3-203 rep.
- 5 ILCS 420/4A-102 from Ch. 127, par. 604A-102
- 5 ILCS 430/25-10
- 5 ILCS 430/25-15
- 5 ILCS 430/25-20

Amends the Illinois Governmental Ethics Act. Prohibits a legislator from participating, by voting or any other action, in the enactment or defeat of legislation in which he or she has a personal interest. Contains a penalty provision. Provides that a legislator should (currently, must) abstain from taking official action on a legislative matter as to which he has a conflict situation created by a personal, family, or client legislative interest. Repeals a provision concerning action despite the existence of a conflict situation. Provides that certain individuals who are required to list statements of economic interests must also list: (i) current economic interests of the person and members of the person's family; (ii) former economic interests; (iii) creditor information; and (iv) other offices and positions held by that person. Amends the State Officials and Employees Ethics Act to make conforming changes concerning the Legislative Inspector General and the Legislative Ethics Commission.

LRB099 10086 JLK 31427 b

CORRECTIONAL  
BUDGET AND  
IMPACT NOTE ACT  
MAY APPLY

A BILL FOR

1 AN ACT concerning government.

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

4 Section 5. The Illinois Governmental Ethics Act is amended  
5 by changing Section 3-202 and by adding Section 2-115 as  
6 follows:

7 (5 ILCS 420/2-115 new)

8 Sec. 2-115. Personal interests in legislation.

9 (a) No legislator shall participate, by voting or any other  
10 action, on the floor of the House of Representatives or the  
11 Senate, or in committee or elsewhere, in the enactment or  
12 defeat of legislation in which he or she has a personal  
13 interest.

14 (b) A legislator shall be deemed to have a personal  
15 interest in any legislation within the meaning of this Section  
16 if, by reason of his participation in the enactment or defeat  
17 of any legislation, he has reason to believe that he, or a  
18 member of his immediate family, will derive a direct monetary  
19 gain or suffer a direct monetary loss.

20 No legislator shall be deemed to have a personal interest  
21 in any legislation within the meaning of this Section if, by  
22 reason of his participation in the enactment or defeat of any  
23 legislation, no benefit or detriment could reasonably be

1 expected to accrue to him, or a member of his immediate family,  
2 as a member of a business, profession, occupation, or group, to  
3 any greater extent than any such benefit or detriment could  
4 reasonably be expected to accrue to any other member of such  
5 business, profession, occupation, or group.

6 (c) A violation of this Section is a Class A misdemeanor.

7 (5 ILCS 420/3-202) (from Ch. 127, par. 603-202)

8 Sec. 3-202. A ~~When a legislator should abstain from taking~~  
9 ~~must take~~ official action on a legislative matter as to which  
10 he has a conflict situation created by a personal, family, or  
11 client legislative interest. ~~, he should consider the~~  
12 ~~possibility of eliminating the interest creating the conflict~~  
13 ~~situation. If that is not feasible, he should consider the~~  
14 ~~possibility of abstaining from such official action. In making~~  
15 ~~his decision as to abstention, the following factors should be~~  
16 ~~considered;~~

17 ~~a. whether a substantial threat to his independence of~~  
18 ~~judgment has been created by the conflict situation;~~

19 ~~b. the effect of his participation on public confidence in~~  
20 ~~the integrity of the legislature;~~

21 ~~c. whether his participation is likely to have any~~  
22 ~~significant effect on the disposition of the matter;~~

23 ~~d. the need for his particular contribution, such as~~  
24 ~~special knowledge of the subject matter, to the effective~~  
25 ~~functioning of the legislature.~~

1           He need not abstain if he decides to participate in a  
2 manner contrary to the economic interest which creates the  
3 conflict situation.

4           If he does abstain, he should disclose that fact to his  
5 respective legislative body.

6           (Source: Laws 1967, p. 3401.)

7           (5 ILCS 420/3-203 rep.)

8           Section 10. The Illinois Governmental Ethics Act is amended  
9 by repealing Section 3-203.

10           Section 15. The Illinois Governmental Ethics Act is amended  
11 by changing Section 4A-102 as follows:

12           (5 ILCS 420/4A-102) (from Ch. 127, par. 604A-102)

13           Sec. 4A-102. The statement of economic interests required  
14 by this Article shall include the economic interests of the  
15 person making the statement as provided in this Section. The  
16 interest (if constructively controlled by the person making the  
17 statement) of a spouse or any other party, shall be considered  
18 to be the same as the interest of the person making the  
19 statement. Campaign receipts shall not be included in this  
20 statement.

21           (a) The following interests shall be listed by all  
22 persons required to file:

23           (1) The name, address and type of practice of any

1 professional organization or individual professional  
2 practice in which the person making the statement was  
3 an officer, director, associate, partner or  
4 proprietor, or served in any advisory capacity, from  
5 which income in excess of \$1200 was derived during the  
6 preceding calendar year;

7 (2) The nature of professional services (other  
8 than services rendered to the unit or units of  
9 government in relation to which the person is required  
10 to file) and the nature of the entity to which they  
11 were rendered if fees exceeding \$5,000 were received  
12 during the preceding calendar year from the entity for  
13 professional services rendered by the person making  
14 the statement.

15 (3) The identity (including the address or legal  
16 description of real estate) of any capital asset from  
17 which a capital gain of \$5,000 or more was realized in  
18 the preceding calendar year.

19 (4) The name of any unit of government which has  
20 employed the person making the statement during the  
21 preceding calendar year other than the unit or units of  
22 government in relation to which the person is required  
23 to file.

24 (5) The name of any entity from which a gift or  
25 gifts, or honorarium or honoraria, valued singly or in  
26 the aggregate in excess of \$500, was received during

1 the preceding calendar year.

2 (b) The following interests shall also be listed by  
3 persons listed in items (a) through (f), item (l), item  
4 (n), and item (p) of Section 4A-101:

5 (1) Current economic interests of the person and  
6 members of the person's immediate family, whether in  
7 the form of stock, bond, dividend, interest, trust,  
8 realty, rent, certificate of deposit, deposit in any  
9 financial institution, pension plan, Keogh plan,  
10 Individual Retirement Account, equity or creditor  
11 interest in any corporation, proprietorship,  
12 partnership, instrument of indebtedness, or otherwise.  
13 Every source of non-investment income in the form of a  
14 fee, commission, compensation, compensation for  
15 personal service, royalty, pension, honorarium, or  
16 otherwise must also be listed. No reimbursement of  
17 expenses by any unit of government and no interest in  
18 deferred compensation under a plan administered by the  
19 State of Illinois need be listed. No amounts or account  
20 numbers need be listed in response to this paragraph  
21 (1). In listing his or her personal residence or  
22 residences in response to this paragraph (1), the  
23 person shall not state the address or addresses.  
24 Current economic interests shall be as of a date within  
25 30 days preceding the date of filing the statement. ~~The~~  
26 name and instrument of ownership in any entity doing

1 ~~business in the State of Illinois, in which an~~  
2 ~~ownership interest held by the person at the date of~~  
3 ~~filing is in excess of \$5,000 fair market value or from~~  
4 ~~which dividends of in excess of \$1,200 were derived~~  
5 ~~during the preceding calendar year. (In the case of~~  
6 ~~real estate, location thereof shall be listed by street~~  
7 ~~address, or if none, then by legal description). No~~  
8 ~~time or demand deposit in a financial institution, nor~~  
9 ~~any debt instrument need be listed;~~

10 (1.2) Former economic interests of the type  
11 required to be disclosed in response to paragraph (1)  
12 of this Section that were held by the person or any  
13 member of the person's immediate family during the year  
14 preceding the date of verification. Current economic  
15 interests listed in response to paragraph (1) of this  
16 Section need not be listed. No amounts or account  
17 numbers need be listed in response to this paragraph  
18 (2). In listing his or her personal residence or  
19 residences in response to this paragraph (2), the  
20 person shall not state the address or addresses.

21 (1.5) The names of all creditors to whom amounts in  
22 excess of \$500 are owed by the person or members of the  
23 person's immediate family, or were owed during the year  
24 preceding the date of verification. For each such  
25 obligation, there is to be listed the category for the  
26 amount owed as of the date of verification and the

1 maximum category for the amount of each such obligation  
2 during the year preceding the date of verification of  
3 the statement. The categories for reporting the amount  
4 of each such obligation are as follows:

5 (A) not more than \$5,000;

6 (B) greater than \$5,000 but not more than  
7 \$15,000;

8 (C) greater than \$15,000 but not more than  
9 \$50,000;

10 (D) greater than \$50,000 but not more than  
11 \$100,000;

12 (E) greater than \$100,000 but not more than  
13 \$250,000; and

14 (F) greater than \$250,000.

15 Excluded from this requirement are obligations  
16 consisting of revolving charge accounts, with an  
17 outstanding liability equal to or less than \$5,000.

18 (2) Except for professional service entities, the  
19 name of any entity and any position held therein from  
20 which income of in excess of \$500 ~~1,200~~ was derived  
21 during the preceding calendar year, if the entity does  
22 business in the State of Illinois. No time or demand  
23 deposit in a financial institution, nor any debt  
24 instrument need be listed.

25 (2.5) A list of every office, directorship, and  
26 salaried employment of the person and members of the



1 person's immediate family. Exclude unsalaried  
2 positions in religious, social, or fraternal  
3 organizations, and honorary positions.

4 (2.7) Any fiduciary position, including  
5 executorships and trusteeships of the person or  
6 members of the person's immediate family.

7 (3) The identity of any compensated lobbyist with  
8 whom the person making the statement maintains a close  
9 economic association, including the name of the  
10 lobbyist and specifying the legislative matter or  
11 matters which are the object of the lobbying activity,  
12 and describing the general type of economic activity of  
13 the client or principal on whose behalf that person is  
14 lobbying.

15 (4) Any other economic interest or relationship of  
16 the person or of members of the person's immediate  
17 family that could create a conflict of interest for the  
18 person in his or her official capacity.

19 (c) The following interests shall also be listed by  
20 persons listed in items (g), (h), (i), and (o) of Section  
21 4A-101:

22 (1) The name and instrument of ownership in any  
23 entity doing business with a unit of local government  
24 in relation to which the person is required to file if  
25 the ownership interest of the person filing is greater  
26 than \$5,000 fair market value as of the date of filing

1 or if dividends in excess of \$1,200 were received from  
2 the entity during the preceding calendar year. (In the  
3 case of real estate, location thereof shall be listed  
4 by street address, or if none, then by legal  
5 description). No time or demand deposit in a financial  
6 institution, nor any debt instrument need be listed.

7 (2) Except for professional service entities, the  
8 name of any entity and any position held therein from  
9 which income in excess of \$1,200 was derived during the  
10 preceding calendar year if the entity does business  
11 with a unit of local government in relation to which  
12 the person is required to file. No time or demand  
13 deposit in a financial institution, nor any debt  
14 instrument need be listed.

15 (3) The name of any entity and the nature of the  
16 governmental action requested by any entity which has  
17 applied to a unit of local government in relation to  
18 which the person must file for any license, franchise  
19 or permit for annexation, zoning or rezoning of real  
20 estate during the preceding calendar year if the  
21 ownership interest of the person filing is in excess of  
22 \$5,000 fair market value at the time of filing or if  
23 income or dividends in excess of \$1,200 were received  
24 by the person filing from the entity during the  
25 preceding calendar year.

26 For the purposes of this Section, the unit of local

1 government in relation to which a person required to file under  
2 item (o) of Section 4A-101 shall be the unit of local  
3 government that contributes to the pension fund of which such  
4 person is a member of the board.

5 (d) As used in this Section, "immediate family" means a  
6 person's spouse and minor children residing with that  
7 person.

8 (Source: P.A. 96-6, eff. 4-3-09; 97-754, eff. 7-6-12.)

9 Section 20. The State Officials and Employees Ethics Act is  
10 amended by changing Sections 25-10, 25-15, and 25-20 as  
11 follows:

12 (5 ILCS 430/25-10)

13 Sec. 25-10. Office of Legislative Inspector General.

14 (a) The independent Office of the Legislative Inspector  
15 General is created. The Office shall be under the direction and  
16 supervision of the Legislative Inspector General and shall be a  
17 fully independent office with its own appropriation.

18 (b) The Legislative Inspector General shall be appointed  
19 without regard to political affiliation and solely on the basis  
20 of integrity and demonstrated ability. The Legislative Ethics  
21 Commission shall diligently search out qualified candidates  
22 for Legislative Inspector General and shall make  
23 recommendations to the General Assembly.

24 The Legislative Inspector General shall be appointed by a

1 joint resolution of the Senate and the House of  
2 Representatives, which may specify the date on which the  
3 appointment takes effect. A joint resolution, or other document  
4 as may be specified by the Joint Rules of the General Assembly,  
5 appointing the Legislative Inspector General must be certified  
6 by the Speaker of the House of Representatives and the  
7 President of the Senate as having been adopted by the  
8 affirmative vote of three-fifths of the members elected to each  
9 house, respectively, and be filed with the Secretary of State.  
10 The appointment of the Legislative Inspector General takes  
11 effect on the day the appointment is completed by the General  
12 Assembly, unless the appointment specifies a later date on  
13 which it is to become effective.

14 The Legislative Inspector General shall have the following  
15 qualifications:

16 (1) has not been convicted of any felony under the laws  
17 of this State, another state, or the United States;

18 (2) has earned a baccalaureate degree from an  
19 institution of higher education; and

20 (3) has 5 or more years of cumulative service (A) with  
21 a federal, State, or local law enforcement agency, at least  
22 2 years of which have been in a progressive investigatory  
23 capacity; (B) as a federal, State, or local prosecutor; (C)  
24 as a senior manager or executive of a federal, State, or  
25 local agency; (D) as a member, an officer, or a State or  
26 federal judge; or (E) representing any combination of (A)

1 through (D).

2 The Legislative Inspector General may not be a relative of  
3 a commissioner.

4 The term of the initial Legislative Inspector General shall  
5 commence upon qualification and shall run through June 30,  
6 2008.

7 After the initial term, the Legislative Inspector General  
8 shall serve for 5-year terms commencing on July 1 of the year  
9 of appointment and running through June 30 of the fifth  
10 following year. The Legislative Inspector General may be  
11 reappointed to one or more subsequent terms.

12 A vacancy occurring other than at the end of a term shall  
13 be filled in the same manner as an appointment only for the  
14 balance of the term of the Legislative Inspector General whose  
15 office is vacant. If the Office is vacant, or if a Legislative  
16 Inspector General resigns, the Commission shall designate an  
17 Acting Legislative Inspector General who shall serve until the  
18 vacancy is filled. The Commission shall file the designation in  
19 writing with the Secretary of State.

20 Terms shall run regardless of whether the position is  
21 filled.

22 (c) The Legislative Inspector General shall have  
23 jurisdiction over the members of the General Assembly and all  
24 State employees whose ultimate jurisdictional authority is (i)  
25 a legislative leader, (ii) the Senate Operations Commission, or  
26 (iii) the Joint Committee on Legislative Support Services.

1           The jurisdiction of each Legislative Inspector General is  
2 to investigate allegations of fraud, waste, abuse,  
3 mismanagement, misconduct, nonfeasance, misfeasance,  
4 malfeasance, or violations of this Act, violations of Article 2  
5 or Part 1 of Article 3 of the Illinois Governmental Ethics Act,  
6 or violations of other related laws and rules.

7           (d) The compensation of the Legislative Inspector General  
8 shall be the greater of an amount (i) determined by the  
9 Commission or (ii) by joint resolution of the General Assembly  
10 passed by a majority of members elected in each chamber.  
11 Subject to Section 25-45 of this Act, the Legislative Inspector  
12 General has full authority to organize the Office of the  
13 Legislative Inspector General, including the employment and  
14 determination of the compensation of staff, such as deputies,  
15 assistants, and other employees, as appropriations permit.  
16 Employment of staff is subject to the approval of at least 3 of  
17 the 4 legislative leaders.

18           (e) No Legislative Inspector General or employee of the  
19 Office of the Legislative Inspector General may, during his or  
20 her term of appointment or employment:

21                 (1) become a candidate for any elective office;

22                 (2) hold any other elected or appointed public office  
23 except for appointments on governmental advisory boards or  
24 study commissions or as otherwise expressly authorized by  
25 law;

26                 (3) be actively involved in the affairs of any

1 political party or political organization; or

2 (4) actively participate in any campaign for any  
3 elective office.

4 In this subsection an appointed public office means a  
5 position authorized by law that is filled by an appointing  
6 authority as provided by law and does not include employment by  
7 hiring in the ordinary course of business.

8 (e-1) No Legislative Inspector General or employee of the  
9 Office of the Legislative Inspector General may, for one year  
10 after the termination of his or her appointment or employment:

11 (1) become a candidate for any elective office;

12 (2) hold any elected public office; or

13 (3) hold any appointed State, county, or local judicial  
14 office.

15 (e-2) The requirements of item (3) of subsection (e-1) may  
16 be waived by the Legislative Ethics Commission.

17 (f) The Commission may remove the Legislative Inspector  
18 General only for cause. At the time of the removal, the  
19 Commission must report to the General Assembly the  
20 justification for the removal.

21 (Source: P.A. 98-631, eff. 5-29-14.)

22 (5 ILCS 430/25-15)

23 Sec. 25-15. Duties of the Legislative Ethics Commission. In  
24 addition to duties otherwise assigned by law, the Legislative  
25 Ethics Commission shall have the following duties:

1           (1) To promulgate rules governing the performance of  
2 its duties and the exercise of its powers and governing the  
3 investigations of the Legislative Inspector General.

4           (2) To conduct administrative hearings and rule on  
5 matters brought before the Commission only upon the receipt  
6 of pleadings filed by the Legislative Inspector General and  
7 not upon its own prerogative, but may appoint special  
8 Legislative Inspectors General as provided in Section  
9 25-21. Any other allegations of misconduct received by the  
10 Commission from a person other than the Legislative  
11 Inspector General shall be referred to the Office of the  
12 Legislative Inspector General.

13           (3) To prepare and publish manuals and guides and,  
14 working with the Office of the Attorney General, oversee  
15 training of employees under its jurisdiction that explains  
16 their duties.

17           (4) To prepare public information materials to  
18 facilitate compliance, implementation, and enforcement of  
19 this Act.

20           (5) To submit reports as required by this Act.

21           (6) To the extent authorized by this Act, to make  
22 rulings, issue recommendations, and impose administrative  
23 fines, if appropriate, in connection with the  
24 implementation and interpretation of this Act, or of  
25 Article 2 or Part 1 of Article 3 of the Illinois  
26 Governmental Ethics Act. ~~The powers and duties of the~~



1 ~~Commission are limited to matters clearly within the~~  
2 ~~purview of this Act.~~

3 (7) To issue subpoenas with respect to matters pending  
4 before the Commission, subject to the provisions of this  
5 Article and in the discretion of the Commission, to compel  
6 the attendance of witnesses for purposes of testimony and  
7 the production of documents and other items for inspection  
8 and copying.

9 (8) To appoint special Legislative Inspectors General  
10 as provided in Section 25-21.

11 (Source: P.A. 93-617, eff. 12-9-03.)

12 (5 ILCS 430/25-20)

13 Sec. 25-20. Duties of the Legislative Inspector General. In  
14 addition to duties otherwise assigned by law, the Legislative  
15 Inspector General shall have the following duties:

16 (1) To receive and investigate allegations of  
17 violations of this Act, or of Article 2 or Part 1 of  
18 Article 3 of the Illinois Governmental Ethics Act. An  
19 investigation may not be initiated more than one year after  
20 the most recent act of the alleged violation or of a series  
21 of alleged violations except where there is reasonable  
22 cause to believe that fraudulent concealment has occurred.  
23 To constitute fraudulent concealment sufficient to toll  
24 this limitations period, there must be an affirmative act  
25 or representation calculated to prevent discovery of the

1 fact that a violation has occurred. The Legislative  
2 Inspector General shall have the discretion to determine  
3 the appropriate means of investigation as permitted by law.

4 (2) To request information relating to an  
5 investigation from any person when the Legislative  
6 Inspector General deems that information necessary in  
7 conducting an investigation.

8 (3) To issue subpoenas, with the advance approval of  
9 the Commission, to compel the attendance of witnesses for  
10 the purposes of testimony and production of documents and  
11 other items for inspection and copying and to make service  
12 of those subpoenas and subpoenas issued under item (7) of  
13 Section 25-15.

14 (4) To submit reports as required by this Act.

15 (5) To file pleadings in the name of the Legislative  
16 Inspector General with the Legislative Ethics Commission,  
17 through the Attorney General, as provided in this Article  
18 if the Attorney General finds that reasonable cause exists  
19 to believe that a violation has occurred.

20 (6) To assist and coordinate the ethics officers for  
21 State agencies under the jurisdiction of the Legislative  
22 Inspector General and to work with those ethics officers.

23 (7) To participate in or conduct, when appropriate,  
24 multi-jurisdictional investigations.

25 (8) To request, as the Legislative Inspector General  
26 deems appropriate, from ethics officers of State agencies

1 under his or her jurisdiction, reports or information on  
2 (i) the content of a State agency's ethics training program  
3 and (ii) the percentage of new officers and employees who  
4 have completed ethics training.

5 (9) To establish a policy that ensures the appropriate  
6 handling and correct recording of all investigations of  
7 allegations and to ensure that the policy is accessible via  
8 the Internet in order that those seeking to report those  
9 allegations are familiar with the process and that the  
10 subjects of those allegations are treated fairly.

11 (Source: P.A. 96-555, eff. 8-18-09.)