**Rule and Regulation Review Report**

**December 2021**

**Background**:

Public Act 99-370 requires all State agencies to “*scrutinize its rules, administrative regulations, and permitting processes as they pertain to small businesses in order to identify those rules, regulations, and processes that are unreasonable, unduly burdensome, duplicative, or onerous to small businesses”.*

State agencies must conduct a review every 5 years and issue a report containing the results of the review. The goals of the review include the following:

1. Recommend changes that will lessen the reporting and paperwork requirements on small businesses while still achieving the intent of the underlying statute;
2. Eliminate unnecessary or antiquated permit requirements;
3. Consolidate duplicative or overlapping permit requirements;
4. Simplify overly complex or lengthy application procedures; and
5. Expedite time-consuming agency review and approval procedures.

The Treasurer's Office first submitted a report in December 2016. This is the second report filed by the Treasurer's Office and includes actions taken since the last review.

**Review of Administrative Rules**:

The Treasurer’s Office regularly reviews all its administrative rules to continue updating them in order to eliminate or reduce procedures that are unduly burdensome. Below are some examples of rulemakings that have been adopted in the past 5 years or are currently underway that achieve these goals.

Technology Development Account (TDA) Program [74 IAC 719] - The Technology Development Account Program was created by the Technology Development Act [30 ILCS 265] in 2002 to allow the Treasurer’s Office to use a portion of the State’s Investment Portfolio to provide capital to technology funds in Illinois that finance technology businesses seeking to locate, expand, or remain in Illinois. This new rule provides guidance to interested parties and was adopted in 2019.

Secure Choice Savings Program [74 IAC 721] – The Secure Choice Savings Program Act (820 ILCS 80) established a retirement savings program to be administered by the Secure Choice Savings Board for the purpose of providing retirement savings options to over 1 million private-sector employees in Illinois. The rules, adopted in 2018, provide clarification for the implementation and administration of the Secure Choice Savings Program by the Treasurer’s Office and the Secure Choice Savings Board. The rules were adopted in 2018 and amended in 2020 to provide guidance for private employment organizations (PEO's).

Revised Uniform Unclaimed Property Act [74 IAC 760] – In 2018, the Illinois General Assembly repealed the Uniform Disposition of Unclaimed Property Act and replaced it with the Revised Uniform Unclaimed Property Act. This complete rewrite of the statute, the first comprehensive update since 1961, provided numerous updates and improvements to Illinois' unclaimed property process. The subsequent rewrite of administrative rules provided a more comprehensive, detailed, and easy to understand framework by:

1. providing guidance in determining when various types of properties are presumed abandoned;
2. providing details on what actions qualify as apparent owner interest;
3. providing specific instructions for reporting and remitting unclaimed property to the State Treasurer, including how to report early or request an extension;
4. explaining the process for claiming unclaimed property;
5. providing guidance and protections for persons subject to unclaimed property examinations; and
6. explaining the statute of limitations.

Significant attention was focused on the impact this rulemaking would have on small businesses, both during the legislative process, as well as during the rulemaking process. The Treasurer's Office voluntarily held a public hearing and responded to over 100 public comments as part of the rulemaking process. Additionally, this rule was revised in 2020 to increase the FastTrack threshold from $500 to $2,000 to further simplify the process and more efficiently return property to its rightful owners.

Public Information, Rulemaking and Organization [2 IAC 650] – This rule was amended in 2018 to provide procedures for administrative hearings and was again amended in 2021 to better reflect current practices and correct outdated information.

Rules for Charitable Trust Stabilization Committee [74 IAC 650] – This rule revision added criteria to be used for determining what is considered a "depressed area" when determining whether small not-for-profit organizations qualify for Charitable Trust grants. This rule was adopted in 2018.

College Savings Pool [23 IAC 2500] - This rule revision makes technical changes to the Treasurer’s College Savings Program, including updating processes to reflect technological advances that have occurred in recent years and adjusting the maximum contribution limit allowed under Section 529 of the Internal Revenue Code. This rule was adopted in 2017 and amended in 2021 to reflect recent statutory changes.

Achieving a Better Life Experience (ABLE) Account Program [74 IAC 722] NEW - The Achieving a Better Life Experience (ABLE) Account Program (15 ILCS 505/16.6) established a savings program to be administered by the Treasurer’s Office for the purpose of providing persons with disabilities the option to invest in tax-advantaged savings vehicles for disability-related expenses. This rule provides clarification for the implementation and administration of the program by the Treasurer’s Office. This rule was established in 2017 and was amended in 2018 and 2021 to reflect statutory changes that provide clarity for who may open an account.

E-Pay Program [74 IAC 735] NEW – Public Act 99-856 authorizes the State Treasurer to establish and administer the E-Pay program, which allows governmental agencies to accept payments 24 hours a day, seven days per week, utilizing credit card and electronic payment options. This rule provides clarification for the implementation and administration of the program by the Treasurer’s Office and was adopted in 2017.

The Office anticipates updating additional rules, such as those related to human resources, and the Americans with Disabilities Act, to further eliminate or reduce unnecessary and antiquated procedures.

**Findings/Conclusion**:

The State Treasurer’s Office has worked diligently over the past five years to streamline administrative functions and procedures. By lessening the paperwork requirements on small businesses, simplifying program filing requirements, and expediting the application and claims processes, we are improving the experience for individuals and businesses that interact with our office. Most notably, the office has prioritized updating antiquated laws, administrative rules and procedures, such as the Revised Uniform Unclaimed Property Act, as well as, creating administrative rules for new programs, such as the Achieving a Better Life Experience (ABLE) Program and the Secure Choice Savings Program. These new and revised administrative rules will simplify procedures, improve efficiencies and enhance transparency for individuals and businesses that interact with the State Treasurer’s Office.