SENATE JOURNAL

STATE OF ILLINOIS

ONE HUNDREDTH GENERAL ASSEMBLY

140TH LEGISLATIVE DAY

TUESDAY, NOVEMBER 13, 2018

12:39 O'CLOCK P.M.

NO. 140
[November 13, 2018]

SENATE
Daily Journal Index
140th Legislative Day

The Senate met pursuant to adjournment.
Senator Mattie Hunter, Chicago, Illinois, presiding.
Prayer by Pastor Keith Thomas, Mt. Olive Missionary Baptist Church, Champaign, Illinois.
Senator Cunningham led the Senate in the Pledge of Allegiance.

Senator Cunningham moved that reading and approval of the Journals of Thursday, May 31, 2018, Thursday, June 7, 2018, Wednesday, June 13, 2018, Wednesday, July 25, 2018 and Wednesday, November 7, 2018, be postponed, pending arrival of the printed Journals.
The motion prevailed.

REPORT RECEIVED

The Secretary placed before the Senate the following report:

Report on Compensable Sick Leave FY18, pursuant to 40 ILCS 5/15-158, submitted by the Illinois Board of Higher Education.

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

LEGISLATIVE MEASURES FILED

The following Committee amendment to the House Bill listed below has been filed with the Secretary and referred to the Committee on Assignments:

Amendment No. 1 to House Bill 3274

The following Floor amendments to the House Bills listed below have been filed with the Secretary and referred to the Committee on Assignments:

Amendment No. 1 to House Bill 200
Amendment No. 3 to House Bill 3452
Amendment No. 1 to House Bill 3538

The following Committee amendment to the Senate Bill listed below has been filed with the Secretary and referred to the Committee on Assignments:

Amendment No. 1 to Senate Bill 3640

The following Floor amendments to the Senate Bills listed below have been filed with the Secretary and referred to the Committee on Assignments:

Amendment No. 1 to Senate Bill 279
Amendment No. 1 to Senate Bill 407
Amendment No. 2 to Senate Bill 515

JOINT ACTION MOTIONS FILED

The following Joint Action Motions to the Senate Bills listed below have been filed with the Secretary and referred to the Committee on Assignments:

Motion to Concur in House Amendment 2 to Senate Bill 426
Motion to Concur in House Amendment 3 to Senate Bill 426
Motion to Concur in House Amendment 1 to Senate Bill 3445
Motion to Concur in House Amendment 2 to Senate Bill 3445
Motion to Concur in House Amendment 1 to Senate Bill 3550

MESSAGES FROM THE PRESIDENT

OFFICE OF THE SENATE PRESIDENT
STATE OF ILLINOIS

JOHN J. CULLERTON
SENATE PRESIDENT

327 STATE CAPITOL
SPRINGFIELD, IL 62706
217-782-2728

November 8, 2018

Mr. Tim Anderson
Secretary of the Senate
Room 401 State House
Springfield, IL 62706

Dear Mr. Secretary:

Pursuant to Rule 2-10, the Senate will convene at 12:30 pm on Tuesday, November 13th, 2018.

Sincerely,
s/John J. Cullerton
John J. Cullerton
Senate President

cc: Senate Minority Leader William Brady

OFFICE OF THE SENATE PRESIDENT
STATE OF ILLINOIS

JOHN J. CULLERTON
SENATE PRESIDENT

327 STATE CAPITOL
SPRINGFIELD, IL 62706
217-782-2728

November 13, 2018

Mr. Tim Anderson
Secretary of the Senate
Room 401 State House
Springfield, IL 62706

Dear Mr. Secretary:

Pursuant to Rule 3-2(c), I hereby appoint Senator Linda Holmes to temporarily replace Senator Kwame Raoul as a member of the Senate Executive Committee. This appointment is effective immediately and will automatically expire upon adjournment of the Senate Executive Committee.

Sincerely,
s/John J. Cullerton
John J. Cullerton
Senate President

cc: Senate Minority Leader William Brady

COMMUNICATION FROM THE MINORITY LEADER

SPRINGFIELD OFFICE: DISTRICT OFFICE

309G STATE HOUSE
SPRINGFIELD, ILLINOIS 62706
PHONE: 217/782-6216

2203 EASTLAND DRIVE, SUITE 3
BLOOMINGTON, ILLINOIS 61704
PHONE: 309/664-4440
FAX: 309/664-8597
BILLBRADY@SENATORBILLBRADY.COM

ILLINOIS STATE SENATE
BILL BRADY
SENATE REPUBLICAN LEADER
44th SENATE DISTRICT

November 13, 2018

Tim Anderson
Secretary, Illinois State Senate
401 State House
Springfield, IL 62706

Dear Mr. Secretary:

Pursuant to Senate Rule 3-5 (c), I hereby appoint **Senator Dave Syverson** as a member of the **Committee on Assignments.**

This appoint is effective immediately.

Sincerely,
s/Bill Brady
Bill Brady
Illinois Senate Republican Leader
44th District

cc: Senate President John Cullerton
Assistant Secretary of the Senate Scott Kaiser
Senator Dave Syverson

COMMUNICATION

ILLINOIS STATE SENATE
TIM BIVINS
STATE SENATOR · 45TH DISTRICT

November 2, 2018

Tim Anderson
Secretary of the Senate
401 State House
Springfield, IL 62706

Secretary Tim Anderson,

This letter is to inform you that my last day as Senator will be on December 4, 2018 as opposed to the end of the term January 8, 2019.

I have decided to retire early to give the new senator of the 45th District ample time to establish their district office and make the transition as smooth as possible.

It has been an honor and privilege to represent the citizens of the 45th District and to work with yourself and colleagues on both sides of the aisle.

Wishing all much success in the 101st session.

Respectfully,
s/Tim Bivins
Tim Bivins
State Senator
45th District
Dixon, IL

PRESENTATION OF RESOLUTIONS

SENATE RESOLUTION NO. 1986
Offered by Senator Manar and all Senators:
Mourns the death of Nola Bea (Crotchett) Campbell of Jerseyville.

SENATE RESOLUTION NO. 1987
Offered by Senator Manar and all Senators:
Mourns the death of Rudolph I "Rudy" Mrazek of Staunton.

SENATE RESOLUTION NO. 2147
Offered by Senator Morrison and all Senators:
Mourns the death of John C. Wood of Northbrook

SENATE RESOLUTION NO. 2148
Offered by Senator Bennett and all Senators:
Mourns the death of Gary R. Lietz of Champaign.

SENATE RESOLUTION NO. 2149
Offered by Senator Bennett and all Senators:
Mourns the death of John L. Criswell of Tilton.

SENATE RESOLUTION NO. 2151
Offered by Senator Brady and all Senators:
Mourns the death of Glen Dean Pittman, M.D. of Springfield.

SENATE RESOLUTION NO. 2153
Offered by Senator Haine and all Senators:
Mourns the death of Herbert A. Cope, Jr., of Alton.

SENATE RESOLUTION NO. 2154
Offered by Senator Haine and all Senators:
Mourns the death of Phyllis Ann Waters of Alton.

SENATE RESOLUTION NO. 2155
Offered by Senator Harmon and all Senators:
Mourns the death of Rosemary D. Juravic.

SENATE RESOLUTION NO. 2156
Offered by Senator Harmon and all Senators:
Mourns the death of Jean A. Omara.

SENATE RESOLUTION NO. 2157
Offered by Senator Harmon and all Senators:
Mourns the death of Mary Ann Eckstein of Boulder, Colorado, formerly of Oak Park and Wheaton.

SENATE RESOLUTION NO. 2158
Offered by Senator Harmon and all Senators:

Mourns the death of Lawrence “Larry” Robert Wilkinson.

SENATE RESOLUTION NO. 2159

Offered by Senator Harmon and all Senators:
Mourns the death of Marianne Hall.

SENATE RESOLUTION NO. 2160

Offered by Senator Hunter and all Senators:
Mourns the death of Elliott C. Satinover of Park Ridge.

By unanimous consent, the foregoing resolutions were referred to the Resolutions Consent Calendar.

Senator J. Cullerton offered the following Senate Resolution, which was referred to the Committee on Assignments:

SENATE RESOLUTION NO. 2150

WHEREAS, Senator Daniel Biss has represented the people of the 9th Senate District of Illinois since his election in 2012; and

WHEREAS, Senator Biss began his legislative career in the Illinois House of Representatives in 2011, representing the 17th District; and

WHEREAS, Senator Biss received an undergraduate degree in mathematics from Harvard University, graduating summa cum laude in 1998, and received a Ph.D. in mathematics from the Massachusetts Institute of Technology in 2002; and

WHEREAS, Senator Biss was a professor of mathematics at the University of Chicago from 2002 to 2008; and

WHEREAS, Senator Biss dedicated his tenure in the General Assembly to bettering the lives of working Illinois families and furthering progressive causes; and

WHEREAS, As a stalwart advocate of Illinoisans in the face of the complications posed by advances in technology, Senator Biss successfully fought for protections from new technologies, such as drones and GPS devices, and chaired the State's Digital Divide Elimination Advisory Committee; and

WHEREAS, To ensure fairness for Illinois college students in a time of growing student loan debt, Senator Biss passed the Student Loan Bill of Rights; and

WHEREAS, To protect Illinois youths from provably psychologically harmful practices, Senator Biss worked to ban gay conversion therapy; and

WHEREAS, To protect gay individuals from violence, Senator Biss helped make Illinois one of the first in the country to ban "gay panic" as a defense in cases of murder and manslaughter; and

WHEREAS, To create new opportunities for retiring citizens to safely plan for their future and become one of the first states to actively combat a looming retirement savings crisis, Senator Biss created the Secure Choice Savings Program; and

WHEREAS, Senator Biss was the Chair of the Senate Labor Committee during the 100th General Assembly, the Chair of the Senate Labor Committee during the 99th General Assembly, and has served on the Senate Committees of Education, Human Services, Environment and Conservation, Revenue, Executive Appointments, Financial Institutions, Appropriations I, Higher Education, Licensed Activity and Pensions, and Local Government at various times throughout his Senate career; and

WHEREAS, Senator Biss received the 2015 Alzheimer's Association Illinois Legislator of the Year Award, the 2016 Richard J. Phelan Profile in Courage Award from Planned Parenthood Illinois Action, the 2014 Community Investment Award from the Woodstock Institute, and the 2012 John W. Maitland Award from the Illinois Biotechnology Industry Organization; and

WHEREAS, Senator Biss currently lives in Evanston with his wife, Karin, and their two children; and

WHEREAS, Senator Biss' future endeavors will most certainly bring about the changes our modern society needs; and

WHEREAS, Senator Biss remains the only member of the Illinois legislature confirmed to be capable of juggling multiple flaming objects at once; and

WHEREAS, Senator Biss' retirement from the Senate of the State of Illinois will leave the Senate lacking his unique insight into current affairs; therefore, be it

RESOLVED, BY THE SENATE OF THE ONE HUNDREDTH GENERAL ASSEMBLY OF THE STATE OF ILLINOIS, that we thank Senator Daniel Biss for his years of service to the people of Illinois and honor him with this resolution; and be it further

RESOLVED, That a suitable copy of this resolution be presented to Senator Biss as a symbol of our gratitude and with our best wishes for his future endeavors.

Senator Castro offered the following Senate Joint Resolution, which was referred to the Committee on Assignments:

SENATE JOINT RESOLUTION NO. 82

WHEREAS, It is highly fitting that the Illinois General Assembly pays honor and respect to individuals who have given their lives in service to their communities; and

WHEREAS, Sergeant Marcos Leonardo Gudino was born in Elgin to Frank and Minerva Gudino on January 26, 1988; and

WHEREAS, Sergeant Gudino graduated from St. Edward High school in 2006 and then attended Elgin Community College; and

WHEREAS, Sergeant Gudino enlisted in August 2010 and served in the Illinois Army National Guard as a medic; and

WHEREAS, Sergeant Gudino was assigned to the Headquarters Company, 1st Battalion, 178th Infantry Regiment based at General Richard L. Jones Armory in Chicago; he earned the Army Service Ribbon and the National Defense Service Medal; and

WHEREAS, On March 25, 2018, Sergeant Gudino passed away from injuries sustained when his military ambulance crashed as he was returning home from a weekend training; and

WHEREAS, Sergeant Gudino also worked at McGrath Auto Sales in St. Charles and was recently offered a position as a police officer for the Village of Streamwood; and

WHEREAS, Sergeant Gudino was a member of St. Laurence Catholic Church in Elgin; and

WHEREAS, Sergeant Gudino was preceded in death by his grandmother, Josefa Gudino; and

WHEREAS, Sergeant Gudino is survived by his parents; his siblings, Troy Gudino and Mikel Palm; and his many aunts, uncles, nieces, nephews, family, and friends; therefore, be it

RESOLVED, BY THE SENATE OF THE ONE HUNDREDTH GENERAL ASSEMBLY OF THE STATE OF ILLINOIS, THE HOUSE OF REPRESENTATIVES CONCURRING HEREIN, that we designate the US 20 bridge over Illinois Route 31 as the "Sergeant Marcos Leonardo Gudino Memorial Bridge"; and be it further

RESOLVED, That the Illinois Department of Transportation is requested to erect at suitable locations, consistent with State and federal regulations, appropriate plaques or signs giving notice of the name "Sergeant Marcos Leonardo Gudino Memorial Bridge"; and be it further

RESOLVED, That suitable copies of this resolution be presented to the family of Sergeant Gudino and the Secretary of Transportation.

INTRODUCTION OF BILLS

SENATE BILL NO. 3645. Introduced by Senator Bertino-Tarrant, a bill for AN ACT concerning education.

The bill was taken up, read by title a first time, ordered printed and referred to the Committee on Assignments.

SENATE BILL NO. 3646. Introduced by Senator Bertino-Tarrant, a bill for AN ACT concerning regulation.

The bill was taken up, read by title a first time, ordered printed and referred to the Committee on Assignments.

MESSAGE FROM THE SECRETARY OF STATE

OFFICE OF THE SECRETARY OF STATE
JESSE WHITE • Secretary of State

November 13, 2018

To the Honorable President of the Senate:

In compliance with the provisions of the Constitution of the State of Illinois, I am forwarding herewith the enclosed Senate Bills from the 100th General Assembly as vetoed by the Governor together with his objections.

SENATE BILLS

0034	2546
0035	2572
0065	2589
0427	2619
1830	2629
2273	2662
2332	2830
2344	2892
2345	3052
2368	3103
2376	3220
2407	
2493	

Respectfully
s/Jesse White
JESSE WHITE
Secretary of State

STATE OF ILLINOIS
OFFICE OF THE GOVERNOR
CAPITOL BUILDING, 207 STATE HOUSE
SPRINGFIELD, ILLINOIS 62706

BRUCE RAUNER
GOVERNOR

August 24, 2018

To the Honorable Members of
The Illinois Senate,
100th General Assembly:

Today I veto Senate Bill 34 from the 100th General Assembly, which imposes problematic mandates and timelines on agencies that receive certain types of protective visa applications.

U and T visas are non-immigrant visas issued for law enforcement purposes to otherwise deportable persons who are victims of criminal exploitation or abuse, including human trafficking, and are willing to assist law enforcement and government officials in the investigation or prosecution of the perpetrators. The purpose of such visas is to encourage cooperation with law enforcement by alleviating fear of deportation, encourage strong relations between law enforcement and these especially vulnerable classes of immigrants, and prevent deportation of witnesses before investigations and trials can be completed.

SB 34 provides that upon receiving a request for completion of a U or T visa certification form, a certifying official in the receiving law enforcement agency or prosecution office must complete the certification form and provide it to the requesting person under an aggressive timeline, unless the certifying official, after a good faith inquiry, cannot determine that the applicant is a victim of qualifying criminal activity. This is a significant change of law concerning the obligations of law enforcement agencies. Both the mandatory response requirements and timelines will subject agencies and certifying officials to significant liability, even for good faith efforts to certify. Requiring certification within a tight timeline but also subjecting law enforcement to perjury if a mistake is made is an unacceptably risky position to put law enforcement in. Further, the agencies that may be required to certify go far beyond who should be making the legal determination necessary to certify the applicant's eligibility for the visa. This responsibility should lie with the states attorney in the jurisdiction where the implicated crime occurred.

Finally, the bill provides no funding for the additional personnel State and local law enforcement agencies would inevitably be required to hire to process a likely large increase in applications for U and T visas. The Illinois State Police, for example, anticipate that if enacted this legislation would require hiring additional attorneys and support staff, costing hundreds of thousands of dollars annually.

SB 34 constitutes an unfunded mandate upon already strained State, local, and federal law enforcement agencies beyond justifiable law enforcement need, allows for the legal determinations these applications require to be assigned to inappropriate agencies without the ability to accommodate the timelines in a responsible manner.

Therefore, pursuant to Section 9(b) of Article IV of the Illinois Constitution of 1970, I hereby return Senate Bill 34, entitled "AN ACT concerning government", with the foregoing objections, vetoed in its entirety.

Sincerely,

Bruce Rauner
GOVERNOR

STATE OF ILLINOIS
OFFICE OF THE GOVERNOR
CAPITOL BUILDING, 207 STATE HOUSE
SPRINGFIELD, ILLINOIS 62706

[November 13, 2018]

BRUCE RAUNER
GOVERNOR

August 24, 2018

To the Honorable Members of
The Illinois Senate,
100th General Assembly:

Today I veto Senate Bill 35 from the 100th General Assembly, which would require the Illinois Attorney General to publish model policies for limiting assistance to federal immigration officers by quasi-government entities such as public schools and libraries.

The bill directs the Attorney General to give guidance with the purpose of limiting cooperation with authorities "to the fullest extent possible consistent with federal and State law." The bill would also require removal of immigration status as a factor in granting public school or college assistance, and removal of any questions about immigration status in applications for state benefits, opportunities, or services, except as required by law.

Federal law (8 U.S. Code § 1373) prohibits any person or government entity from restricting in any way any government entity or official from sending to the Immigration and Naturalization Service information regarding the citizenship or immigration status of any individual, requesting or receiving such information, or exchanging such information with any other government entity.

It is the policy of this administration to comply with both the letter and spirit of that law, and this legislation demonstrates an intent to undermine the spirit of federal immigration law by guiding and encouraging government entities to restrict assistance to federal authorities.

Therefore, pursuant to Section 9(b) of Article IV of the Illinois Constitution of 1970, I hereby return Senate Bill 35, entitled "AN ACT concerning government," with the foregoing objections, vetoed in its entirety.

Sincerely,

Bruce Rauner
GOVERNOR

STATE OF ILLINOIS
OFFICE OF THE GOVERNOR
CAPITOL BUILDING, 207 STATE HOUSE
SPRINGFIELD, ILLINOIS 62706

BRUCE RAUNER
GOVERNOR

August 23, 2018

To the Honorable Members of
The Illinois Senate
100th General Assembly:

Today I veto Senate Bill 65 from the 100th General Assembly, which would harm consumers and prohibit free competition within the real estate industry.

This legislation attempts to force buyers of residential property in certain counties to get title insurance from the same company that the seller chooses, which is problematic on a number of fronts.

There is no compelling public policy rational for the General Assembly to have passed this legislation besides creating a new default within title insurance transactions that sends guaranteed business to one

side of an otherwise competitive industry. This will harm consumers, restrict choice, and prevent the downward pressure on prices currently being produced by bifurcated real estate transactions. Furthermore, this legislation will put Illinoisans at risk of violating federal law, as the Real Estate Settlement Procedures Act (RESPA) prohibits sellers directly or indirectly setting requirements on the buyers' choice of title insurance company. This federal statute preempts Illinois law on the issue and assesses fines to those who violate it. Finally, by restricting this limitation to the Chicago metro real estate market, the law creates an unnecessary patchwork of real estate regulation across Illinois.

This bill represents bad economics and bad public policy, and would put both Illinoisans engaging in these transactions and our regulatory agencies in a position to be violating either state or federal law by acting under its terms.

Therefore, pursuant to Section 9(b) of Article IV of the Illinois Constitution of 1970, I hereby return Senate Bill 65, entitled "AN ACT concerning regulation", with the foregoing objections, vetoed in its entirety.

Sincerely,

Bruce Rauner
GOVERNOR

STATE OF ILLINOIS
OFFICE OF THE GOVERNOR
CAPITOL BUILDING, 207 STATE HOUSE
SPRINGFIELD, ILLINOIS 62706

BRUCE RAUNER
GOVERNOR

August 17, 2018

To the Honorable Members of
The Illinois Senate,
100th General Assembly:

Today I veto Senate Bill 427 from the 100th General Assembly, which increases the number of terms that an individual can serve as a member of the Metropolitan Pier and Exposition Board.

I previously vetoed this legislation when Senate Bill 734 was passed by the General Assembly and maintain that this extension of term limits represents the wrong direction for Illinois. Illinoisans deserve to have their confidence restored in public servants, and we should be instituting more term limits on elected and appointed officials, not fewer.

Therefore, pursuant to Section 9(b) of Article IV of the Illinois Constitution of 1970, I hereby return Senate Bill 427, entitled "AN ACT concerning local government," with the foregoing objections, vetoed in its entirety.

Sincerely,

Bruce Rauner
GOVERNOR

STATE OF ILLINOIS
OFFICE OF THE GOVERNOR
CAPITOL BUILDING, 207 STATE HOUSE
SPRINGFIELD, ILLINOIS 62706

BRUCE RAUNER
GOVERNOR

[November 13, 2018]

July 20, 2018

To the Honorable Members of
The Illinois Senate
100th General Assembly:

Today I veto Senate Bill 1830 from the 100th General Assembly, which would expand the restrictions on the use of informant testimony to more types of criminal prosecutions.

Under current law, certain restrictions on the use of informant testimony were put in place for capital prosecutions that would require the State to provide information on an informant's background and require the court to hold a hearing on the informant's reliability unless waived. This bill would expand those rules to certain homicide, sexual assault, and arson cases, make changes to the scope of the term "informant" to include detained and incarcerated informants, put time restrictions on the State to identify and give notice of informants, and subject lawful recordings to potential reliability hearings.

The use of testimony is already regulated by rules of admissible evidence and courts have the procedural tools to protect against unreliable testimony. We should not further hinder the ability of our State's Attorneys to prosecute these serious crimes or curb the role of juries in appropriately weighing the testimony presented to them.

Therefore, pursuant to Section 9(b) of Article IV of the Illinois Constitution of 1970, I hereby return Senate Bill 1830, entitled "AN ACT concerning criminal law," with the foregoing objections, vetoed in its entirety.

Sincerely,

Bruce Rauner
GOVERNOR

STATE OF ILLINOIS
OFFICE OF THE GOVERNOR
CAPITOL BUILDING, 207 STATE HOUSE
SPRINGFIELD, ILLINOIS 62706

BRUCE RAUNER
GOVERNOR

July 17, 2018

To the Honorable Members of
The Illinois Senate,
100th General Assembly:

Today I veto Senate Bill 2273 from the 100th General Assembly, which would limit the State of Illinois to participation in a single, exclusive interstate voter registration program.

The right to vote is the bedrock of our society and system of government, and this administration has demonstrated a commitment to increasing access to the vote. Last year, I signed historic automatic voter registration legislation to remove barriers for eligible Illinois voters to exercise their rights and encourage robust participation in the democratic process. In pursuing this expansion of registration, I have also remained focused on ensuring the integrity of the electoral system and pursuing opportunities to identify and investigate potential voter fraud.

One major way that Illinois combats fraudulent voting is through participation in programs that allow cross-referencing voter information from various states to identify where individuals are and are not eligible to vote. This legislation would hinder that effort by prohibiting the State from utilizing any interstate voter registration program other than that provided by the Electronic Registration Information

Center (ERIC), except for limited opportunities to contract with our border states that do not use the ERIC program. This prohibition could result in inefficiencies and gaps in knowledge, as less than half of states currently participate in ERIC, many of which will not qualify for separate contractual data sharing agreements under this legislation.

There is no need to codify such a limitation in state law and hamstring Illinois' efforts to combat voter fraud when other safeguards are available to ensure the security, reliability, and appropriate use of any data being shared.

The security of Illinoisans' personal data is of utmost importance, but the law does not mandate that Illinois participate in any database or program other than ERIC. When other options are available, the State Board of Elections is best situated to determine the risks associated with a given data sharing program. Instead of legislating limitations on our options, we should empower and rely on the Board to determine what programs are appropriate for voting fraud identification in Illinois and to monitor those programs to ensure their transparent and accountable use.

Furthermore, voter registration data should never be used to curb the legitimate exercise of the right to vote. But completely prohibiting potential sources of information that could help identify fraud and abuse in our election system is the wrong solution. The law already protects against potential mistakes or misinterpretations of data that could risk an eligible voter's participation in an election. Before a voter's registration is removed from the rolls, election authorities are required to give notice under both state and federal law, which provides an opportunity to respond to and resolve disputed registration status. Beyond that, in the unlikely event that a voter's registration is inappropriately cancelled, Illinois' same day voter registration opportunities allow for voters to properly identify themselves and correct the error up to and including election day.

The importance of pursuing both access to legal voting and integrity of the system cannot be overstated, but structural protections are a more appropriate way for Illinois to continue balancing these priorities than blanket prohibitions on current and future options for mitigating fraud.

Therefore, pursuant to Section 9(b) of Article IV of the Illinois Constitution of 1970, I hereby return Senate Bill 2273, entitled "AN ACT concerning elections," with the foregoing objections, vetoed in its entirety.

Sincerely,

Bruce Rauner
GOVERNOR

STATE OF ILLINOIS
OFFICE OF THE GOVERNOR
CAPITOL BUILDING, 207 STATE HOUSE
SPRINGFIELD, ILLINOIS 62706

BRUCE RAUNER
GOVERNOR

August 21, 2018

To the Honorable Members of
The Illinois Senate
100th General Assembly:

Today I veto Senate Bill 2332 from the 100th General Assembly, which would raise the age for purchasing tobacco products to 21 and eliminate the penalty for minors possessing tobacco.

Smoking is detrimental to the health of Illinoisans of all ages. It is important that we address the issues caused by tobacco use, especially since many people begin using tobacco at a young age. Unfortunately, this legislation will inhibit the choice of consumers while also not helping keep tobacco products out of the hands of youth.

Raising the age people can purchase tobacco products will push residents to buy tobacco products from non-licensed vendors or in neighboring states. Since no neighboring state has raised the age for purchasing tobacco products, local businesses and the State will see decreased revenue while public health impacts continue.

Furthermore, the existing penalty that this legislation removes for minors possessing tobacco is reasonable, provides the opportunity for education on the harmful effects of tobacco products, and is a disincentive for tobacco use. Eliminating this penalty will make it harder for communities to effectively address the public health issues connected to tobacco products.

Therefore, pursuant to Section 9(b) of Article IV of the Illinois Constitution of 1970, I hereby return Senate Bill 2332, entitled "AN ACT concerning criminal law," with the foregoing objections, vetoed in its entirety.

Sincerely,

Bruce Rauner
GOVERNOR

STATE OF ILLINOIS
OFFICE OF THE GOVERNOR
CAPITOL BUILDING, 207 STATE HOUSE
SPRINGFIELD, ILLINOIS 62706

BRUCE RAUNER
GOVERNOR

August 26, 2018

To the Honorable Members of
The Illinois Senate,
100th General Assembly:

Today I veto Senate Bill 2344, which creates provisions in the event of a school district's withdrawal from a special education joint agreement.

This bill was drafted in response to a single occurrence of a specific local disagreement. Since this bill's proposal and subsequent passage in the General Assembly, the disputing parties have reached an agreement. This has rendered this bill unnecessary and has demonstrated that local issues do not inevitably require statutory solutions.

Therefore, pursuant to Section 9(b) of Article IV of the Illinois Constitution of 1970, I hereby return Senate Bill 2344, entitled "AN ACT concerning education," with the foregoing objections, vetoed in its entirety.

Sincerely,

Bruce Rauner
GOVERNOR

STATE OF ILLINOIS
OFFICE OF THE GOVERNOR
CAPITOL BUILDING, 207 STATE HOUSE
SPRINGFIELD, ILLINOIS 62706

BRUCE RAUNER
GOVERNOR

August 19, 2018

To the Honorable Members of
The Illinois Senate,
100th General Assembly:

Today I veto Senate Bill 2345 which mandates a school report card disclose whether a school has participated in the Illinois Youth Survey.

The Illinois Youth Survey is administered every two years and provides information regarding social and behavioral habits of students in grades 8, 10, and 12, including patterns of substance use. Participation in the survey comes at no cost to schools, is not mandated, and student responses are anonymous, confidential, and aggregated by grade level. Furthermore, the survey results are not public and school reports are only released to administrators upon request.

Mere disclosure of a school's participation in the Illinois Youth Survey will not reveal any substantive data findings, thus rendering the information useless. The information will make report card users no more informed about a school, as no additional data about academic performance or the school environment will be disclosed. This mandate will cause unnecessary confusion without providing any useful information to parents.

Therefore, pursuant to Section 9(b) of Article IV of the Illinois Constitution of 1970, I hereby return Senate Bill 2345, entitled "AN ACT concerning education," with the foregoing objections, vetoed in its entirety.

Sincerely,

Bruce Rauner
GOVERNOR

STATE OF ILLINOIS
OFFICE OF THE GOVERNOR
CAPITOL BUILDING, 207 STATE HOUSE
SPRINGFIELD, ILLINOIS 62706

BRUCE RAUNER
GOVERNOR

July 17, 2018

To the Honorable Members of
The Illinois Senate
100th General Assembly:

Today I veto Senate Bill 2368 from the 100th General Assembly, which would alter the composition of the Metro East Sanitary District's Board of Commissioners. There is no evidence that such a change would be in the best interests of the district at large.

As currently comprised, the District is being effectively managed and has made great strides toward financial stability that will allow it to better address the needs of those it serves going forward. This change to state law is both unnecessary and inappropriate as a politically-motivated maneuver that will undercut the good work of the Board of Commissioners.

Currently, the District's Board of Commissioners has five members with two appointed by the St. Clair County Board Chairman and three appointed by the Madison County Board Chairman, and the law already puts limits on appointees of the same political party. This legislation would unjustifiably strip Madison County of one appointee and designate the mayor of the largest city in the county with the highest equalized assessed valuation as an ex officio commissioner, granting a single municipality undue influence over decisions that affect a much broader population. In the immediate future, that position would be given to the mayor of Granite City, who already serves as the Chairman of the Granite City Regional Wastewater Treatment Board.

Therefore, pursuant to Section 9(b) of Article IV of the Illinois Constitution of 1970, I hereby return Senate Bill 2368, entitled "AN ACT concerning government", with the foregoing objections, vetoed in its entirety.

Sincerely,

Bruce Rauner
GOVERNOR

STATE OF ILLINOIS
OFFICE OF THE GOVERNOR
CAPITOL BUILDING, 207 STATE HOUSE
SPRINGFIELD, ILLINOIS 62706

BRUCE RAUNER
GOVERNOR

August 24, 2018

To the Honorable Members of
The Illinois Senate,
100th General Assembly:

Today I veto Senate Bill 2376 from the 100th General Assembly, which creates a new Cook County Water Infrastructure Grant Program to be administered by Illinois EPA to assist municipalities with accessing Lake Michigan water. While this grant program is currently unfunded, it is created with the expectation that in future years it will be.

The Illinois EPA already provides low-interest loans for Wastewater/Stormwater and Drinking Water infrastructure, for which communities from any part of the state can apply.

Local water infrastructure should be primarily paid by user fees from the customers who benefit from a specific project. It is inappropriate for the state of Illinois to take taxpayer dollars from the entire state for the explicit purpose of only funding water infrastructure for one county in the state.

Therefore, pursuant to Section 9(b) of Article IV of the Illinois Constitution of 1970, I hereby return Senate Bill 2376, entitled "AN ACT concerning local government," with the foregoing objections, vetoed in its entirety.

Sincerely,

Bruce Rauner
GOVERNOR

STATE OF ILLINOIS
OFFICE OF THE GOVERNOR
CAPITOL BUILDING, 207 STATE HOUSE
SPRINGFIELD, ILLINOIS 62706

BRUCE RAUNER
GOVERNOR

August 26, 2018

To the Honorable Members of
The Illinois Senate,
100th General Assembly:

Today I veto Senate Bill 2407, which removes the authority of the Director of the department of Children and Family Services to appoint the members of the Department's child death review teams.

This legislation would shift the appointment authority to the Department's Inspector General, who already serves as an ex officio member of the Child Death Review Executive Council. The Director is in the best position to be a neutral party for these appointments. Furthermore, this bill otherwise codifies support to the teams and the Executive Council that largely reflects existing practice by the Department and is duplicative.

The work of these teams remains of utmost importance, and this administration along with the Department is committed to supporting them as they examine incredibly difficult situations and help educate the State on how to avoid such tragedies in the future.

Therefore, pursuant to Section 9(b) of Article IV of the Illinois Constitution of 1970, I hereby return Senate Bill 2407, entitled "AN ACT concerning State government," with the foregoing objections, vetoed in its entirety.

Sincerely,

Bruce Rauner
GOVERNOR

STATE OF ILLINOIS
OFFICE OF THE GOVERNOR
CAPITOL BUILDING, 207 STATE HOUSE
SPRINGFIELD, ILLINOIS 62706

BRUCE RAUNER
GOVERNOR

September 25, 2018

To the Honorable Members of
The Illinois Senate,
100th General Assembly:

Today, I veto Senate Bill 2493, which would direct the University of Illinois Prairie Research Institute to conduct a study on the health and social effects of supplemental deer feeding on the wild deer population outside of deer hunting season.

There is significant controversy within the conservation and wildlife professions as well as among the general public over the real and perceived positive and negative impacts of supplemental feeding of wild animals, and the scale on which these practices are used.

However, this subject needs further discussion to better define the scope and aims of such a study. It should include more flexibility for experts to exercise their judgment and further involvement by the Department of Natural Resources. We should ensure that any research fully considers the health impacts on the Illinois deer population.

Therefore, pursuant to Section 9(b) of Article IV of the Illinois Constitution of 1970, I hereby return Senate Bill 2493, entitled "AN ACT concerning wildlife," with the foregoing objections, vetoed in its entirety.

Sincerely,

Bruce Rauner
GOVERNOR

STATE OF ILLINOIS
OFFICE OF THE GOVERNOR

CAPITOL BUILDING, 207 STATE HOUSE
SPRINGFIELD, ILLINOIS 62706

BRUCE RAUNER
GOVERNOR

August 24, 2018

To the Honorable Members of
The Illinois Senate,
100th General Assembly:

Today I veto Senate Bill 2546 from the 100th General Assembly, which amends the Illinois Educational Labor Relations Act (the "Act") by declaring that the term "student" excludes essentially all graduate students and instead includes graduate assistants within the definition of "educational employee" or "employee" as used in this Act.

Under this legislation, graduate students who are research assistants that primarily perform duties that involve research or who are primarily performing pre-professional duties would no longer be deemed students under the Act. By treating these graduate students as educational employees or employees, instead of as students, they would be permitted to unionize as a bargaining unit at State educational institutions.

Classifying them as employees would change the relationship between graduate students and professors, which is at the core of graduate education, from cooperative and mentoring to transactional. This change overlooks the pre-professional, career-building nature of the training that graduate research assistant and other graduate assistant positions provide. Treating graduate assistants as employees and not students ignores the personal nature of the graduate educational process, where individual students make choices in their best educational and career interests.

Therefore, pursuant to Section 9(b) of Article IV of the Illinois Constitution of 1970, I hereby return Senate Bill 2546, entitled "AN ACT concerning education," with the forgoing objections, vetoed in its entirety.

Sincerely,

Bruce Rauner
GOVERNOR

STATE OF ILLINOIS
OFFICE OF THE GOVERNOR
CAPITOL BUILDING, 207 STATE HOUSE
SPRINGFIELD, ILLINOIS 62706

BRUCE RAUNER
GOVERNOR

August 19, 2018

To the Honorable Members of
The Illinois Senate,
100th General Assembly:

Today I veto Senate Bill 2572 from the 100th General Assembly, which changes the mandate for students' physical education requirement from requiring 3 days a week to 150 minutes a week.

I fully support efforts to encourage our students to be active and healthy. However, this legislation represents an attempt to block reform of the many mandates on our schools that are inflexible and overly burdensome. Last year's school funding reform legislation included adjustments to the physical education mandate, changing it from requiring pupils to attend physical education daily to a minimum of 3 days per

5-day week. This was an attempt to recognize that students have a wide variety of needs that our school districts need to balance, and prioritizing one above all others was not always in the best interest of students, as determined at the local level.

The new standard in this legislation fails to recognize that depending on schools' scheduling, this minute-based mandate may result in the very daily requirement that was just rolled back last year. Further, this rigid requirement doesn't account for weeks where students are not in attendance for 5 days, and will further push out other subjects and priorities on the days they are at school to satisfy the PE mandate.

Therefore, pursuant to Section 9(b) of Article IV of the Illinois Constitution of 1970, I hereby return Senate Bill 2572, entitled "AN ACT concerning education," with the foregoing objections, vetoed in its entirety.

Sincerely,

Bruce Rauner
GOVERNOR

STATE OF ILLINOIS
OFFICE OF THE GOVERNOR
CAPITOL BUILDING, 207 STATE HOUSE
SPRINGFIELD, ILLINOIS 62706

BRUCE RAUNER
GOVERNOR

August 23, 2018

To the Honorable Members of
The Illinois Senate,
100th General Assembly:

Today I veto Senate Bill 2589 from the 100th General Assembly, which allows a $13 million local bond issuance by Midlothian Park District to be exempt from the restrictions of statutory debt limitations.

The purpose of a debt limitation is to restrict local governments from the type of debt-dependent spending that hides the impact of their spending, forces up property taxes over time, and pushes the local government towards financial distress in the long run. We should be very wary of exempting multimillion dollar projects from these limitations as exceptions will continue to erode the very purpose of the borrowing restriction.

Therefore, pursuant to Section 9(b) of Article IV of the Illinois Constitution of 1970, I hereby return Senate Bill 2589, entitled "AN ACT concerning local government," with the foregoing objections, vetoed in its entirety.

Sincerely,

Bruce Rauner
GOVERNOR

STATE OF ILLINOIS
OFFICE OF THE GOVERNOR
CAPITOL BUILDING, 207 STATE HOUSE
SPRINGFIELD, ILLINOIS 62706

BRUCE RAUNER
GOVERNOR

August 27, 2018

[November 13, 2018]

To the Honorable Members of
The Illinois Senate
100th General Assembly:

Today I veto Senate Bill 2619 from the 100th General Assembly, which mandates that home rule communities comply with increased eligibility criteria for the appointment of a fire chief, acting chief, the department head, or other positions responsible for day-to-day operations of a fire department.

This bill would preempt home rule authority and mandate the use of eligibility criteria for the appointment of a municipal department head. While local governments might value the type of experience and training this bill would require, it would force them to exclude qualified candidates coming from different backgrounds including leaders from other public safety disciplines.

Therefore, pursuant to Section 9(b) of Article IV of the Illinois Constitution of 1970, I hereby return Senate Bill 2619, entitled "AN ACT concerning local government," with the foregoing objections, vetoed in its entirety.

Sincerely,

Bruce Rauner
GOVERNOR

STATE OF ILLINOIS
OFFICE OF THE GOVERNOR
CAPITOL BUILDING, 207 STATE HOUSE
SPRINGFIELD, ILLINOIS 62706

BRUCE RAUNER
GOVERNOR

August 21, 2018

To the Honorable Members of
The Illinois Senate,
100th General Assembly:

Today I veto Senate Bill 2629 from the 100th General Assembly, which would undermine the free and transparent training the Attorney General's Office provides to bodies under the Open Meetings Act by placing it in competition with training conducted by an organization that represents fire protection districts.

The Attorney General's Office offers training to appointees to boards and commissions that follow the Open Meetings Act. This training is available online, and any member of the public can also take this training and see what requirements and principles guide their representatives. Senate Bill 2629 would instead permit appointees to the board of trustees of fire protection districts to take a different training, conducted by private organizations, in lieu of the more public and zero-cost training already available.

The Open Meetings Act is within the purview of the Attorney General's Office to administer and oversee. Senate Bill 2692 improperly gives the private sector the ability to opine on the legal requirements for open meetings and the applicability and procedures of the Act. The bill does not ensure that this training will be approved or reviewed by the State. This change therefore invites unpredictability and noncompliance with the Act.

Therefore, pursuant to Section 9(b) of Article IV of the Illinois Constitution of 1970, I hereby return Senate Bill 2629, entitled "AN ACT concerning government," with the foregoing objections, vetoed in its entirety.

Sincerely,

Bruce Rauner
GOVERNOR

STATE OF ILLINOIS
OFFICE OF THE GOVERNOR
CAPITOL BUILDING, 207 STATE HOUSE
SPRINGFIELD, ILLINOIS 62706

BRUCE RAUNER
GOVERNOR
GOVERNOR

August 27, 2018

To the Honorable Members of
The Illinois Senate
100th General Assembly:

Today I veto Senate Bill 2662 from the 100th General Assembly, which creates the Task Force on Human Services Contracting Act.

While the goal of the task force is important, creating a task force that will develop recommendations on how State departments and agencies interact will likely conflict with the Grant Accountability & Transparency Act (GATA). GATA already prescribes how the state and grantees interact. The State and grantees are still acclimating to the changes prescribed by GATA and to change things midstream would undo positive changes GATA has made.

Therefore, pursuant to Section 9(b) of Article IV of the Illinois Constitution of 1970, I hereby return Senate Bill 2662, entitled "AN ACT concerning State government", with the foregoing objections, vetoed in its entirety.

Sincerely,

Bruce Rauner
GOVERNOR

STATE OF ILLINOIS
OFFICE OF THE GOVERNOR
CAPITOL BUILDING, 207 STATE HOUSE
SPRINGFIELD, ILLINOIS 62706

BRUCE RAUNER
GOVERNOR

August 24, 2018

To the Honorable Members of
The Illinois Senate,
100th General Assembly:

Today I veto Senate Bill 2830 from the 100th General Assembly, which amends the Election Code to provide that trustees for the Fox Metro Water Reclamation District will be elected, rather than appointed.

Currently, the three water reclamation districts created under the Sanitary District Act of 1917 (70 ILCS 2405) - the Fox River Water Reclamation District, the Sanitary District of Decatur, and the Northern Moraine Wastewater Reclamation District - select their officials via appointments.

Passing a state law impacting only a single unit of local government is questionable practice subject to possible political motivations and should be avoided. The state should not be codifying in law carve-outs

and special solutions that only apply to an individual unit of local government. If the governance model introduced by this legislation represents good practice, then it should be applied to all reclamation districts uniformly.

Therefore, pursuant to Section 9(b) of Article IV of the Illinois Constitution of 1970, I hereby return Senate Bill 2376, entitled "AN ACT concerning local government," with the foregoing objections, vetoed in its entirety.

Sincerely,

Bruce Rauner
GOVERNOR

STATE OF ILLINOIS
OFFICE OF THE GOVERNOR
CAPITOL BUILDING, 207 STATE HOUSE
SPRINGFIELD, ILLINOIS 62706

BRUCE RAUNER
GOVERNOR

August 26, 2018

To the Honorable Members of
The Illinois Senate,
100th General Assembly:

Today I veto Senate Bill 2892, which would mandate that school boards throughout the state pay full-time teachers no less than $40,000 per year by the 2022-2023 school year.

Teachers are our greatest asset in ensuring the future of our youth and they deserve to be well-compensated for their hard work. However, minimum pay legislation is neither the most efficient nor the most effective way to compensate our teachers. Illinois is one of only 17 states that utilize statewide teacher salary schedules to guarantee some level of minimum pay for teachers. This approach to teacher compensation both limits a school district's local control and imposes a significant unfunded mandate on school districts. Furthermore, as is well exemplified by Illinois, a salary schedule needs to constantly be updated in order to remain relevant; legislative action is not the most efficient way to maintain relevance.

There are many innovative teacher compensation strategies that, if adopted and implemented at the school district level, would preserve local control and protect districts from the burden of even more unfunded mandates. Things like pay-for-performance, diversified pay for teachers in hard-to-staff schools or subjects, or pay incentives for teachers with prior work experience are all viable options to provide greater compensation for teachers. I highly encourage local school districts to adopt and implement the compensation structures that best suit their local needs.

Therefore, pursuant to Section 9(b) of Article IV of the Illinois Constitution of 1970, I hereby return Senate Bill 2892, entitled "AN ACT concerning education," with the foregoing objections, vetoed in its entirety.

Sincerely,

Bruce Rauner
GOVERNOR

STATE OF ILLINOIS
OFFICE OF THE GOVERNOR
CAPITOL BUILDING, 207 STATE HOUSE
SPRINGFIELD, ILLINOIS 62706

BRUCE RAUNER

GOVERNOR

August 24, 2018

To the Honorable Members of
The Illinois Senate,
100th General Assembly:

Today I veto Senate Bill 3052 from the 100th General Assembly, which would regulate private construction contracts by imposing rigid limits on retainage, a tool used by owners or contractors on construction projects to better guarantee on-time and high-quality project completion.

"Retainage" refers to an agreed-upon percentage of a contract amount that an owner or contractor withholds until the work is substantially complete or meets project milestones defined by the owner to ensure contractors or subcontractors satisfy obligations according to contract. The contracting entities negotiate and include the retainage percentage in their contracts.

This legislation severely restricts private entities' ability to negotiate retainage amounts by codifying a 10-percent retainage cap prior to 50-percent project completion, and a 5-percent cap thereafter on private construction contracts except those pertaining to single or multi-family homes with 12 or fewer units. The retainage restrictions aim to alleviate cash-flow issues for contractors and subcontractors, but they consequently deprive owners of the ability to negotiate and withhold appropriate retainage due to poor and non-performance. Furthermore, retainage amounts often differ by project and these caps may be too low for retainage to adequately "insure" investments on certain projects, which may ultimately end in fewer approved construction loans or higher financing costs – especially when partnering with firms with less established track records, such as startups.

Owners and contractors should withhold as retainage only reasonable amounts and release that retainage as promptly as possible to prevent abuses that can leave contractors or subcontractors waiting too long for payment and cause them undue financial strain. While I acknowledge that some unscrupulous owners and contractors sometimes engage in improper retainage practices, the State should not regulate with legislation what should instead be negotiated between private parties and may differ from project to project, particularly considering this approach could potentially discourage economic growth, harm existing businesses, increase financing costs, and leave owners with no recourse to address performance issues on construction projects. My position in no way precludes the private sector from doing everything that it can to root out unfair contracting practices that harm the state's most vulnerable small businesses and startups.

Our state could not prosper without our contractors and subcontractors, and we should encourage fair contracting practices in the public and private sectors. This governmental overreach, however, intrudes upon private entities' right to negotiate their own contracts, and it may constrain economic development.

Therefore, pursuant to Section 9(b) of Article IV of the Illinois Constitution of 1970, I hereby return Senate Bill 3052, entitled "AN ACT concerning business," with the foregoing objections, vetoed in its entirety.

Sincerely,

Bruce Rauner
GOVERNOR

STATE OF ILLINOIS
OFFICE OF THE GOVERNOR
CAPITOL BUILDING, 207 STATE HOUSE
SPRINGFIELD, ILLINOIS 62706

BRUCE RAUNER
GOVERNOR

August 24, 2018

[November 13, 2018]

To the Honorable Members of
The Illinois Senate
100th General Assembly:

Today I veto Senate Bill 3103 from the 100th General Assembly, which would restrict landlord reporting of undocumented immigrants to any immigration law enforcement agency.

Federal law (8 U.S. Code § 1373) prohibits any person or government entity from restricting in any way any government entity or official from sending to the Immigration and Naturalization Service information regarding the citizenship or immigration status of any individual, requesting or receiving such information, or exchanging such information with any other government entity.

Illinois continues to be a welcoming state for all and continuously strives to protect the rights of all residents. However, we must comply federal law.

Therefore, pursuant to Section 9(b) of Article IV of the Illinois Constitution of 1970, I hereby return Senate Bill 3103, entitled "AN ACT concerning civil law," with the foregoing objections, vetoed in its entirety.

Sincerely,

Bruce Rauner
GOVERNOR

STATE OF ILLINOIS
OFFICE OF THE GOVERNOR
CAPITOL BUILDING, 207 STATE HOUSE
SPRINGFIELD, ILLINOIS 62706

BRUCE RAUNER
GOVERNOR

August 26, 2018

To the Honorable Members of
The Illinois Senate,
100th General Assembly:

Today I veto Senate Bill 3220, which would allow higher education teacher preparation programs that are denied recognition by the State Educator Preparation and Licensure Board (SEPLB) to have a standalone hearing on their appeal before a meeting of the State Board of Education (ISBE)
.
This bill creates unnecessary statutory language as there is already an opportunity for denied programs to submit public comment at both ISBE and SEPLB meetings; a separate hearing would be duplicative. My administration has consistently prioritized the streamlining of governmental processes, not the addition of unnecessary bureaucratic requirements.

Therefore, pursuant to Section 9(b) of Article IV of the Illinois Constitution of 1970, I hereby return Senate Bill 3220, entitled "AN ACT concerning education," with the foregoing objections, vetoed in its entirety.

Sincerely,

Bruce Rauner
GOVERNOR

Pursuant to the rules, the foregoing Senate Bills, which were returned by the Governor, were placed on the Senate Calendar for Wednesday, November 14, 2018.

MESSAGE FROM THE SECRETARY OF STATE

OFFICE OF THE SECRETARY OF STATE
JESSE WHITE • Secretary of State

November 13, 2018

To the Honorable President of the Senate:

In compliance with the provisions of the Constitution of the State of Illinois, I am forwarding herewith the enclosed Senate Bills from the 100th General Assembly that are being returned by the Governor with specific recommendations for change.

SENATE BILLS

0904
1737
2297
2419
2481
2544
2641
2661
2857
2921
3009
3041
3136

Respectfully
s/Jesse White
JESSE WHITE
Secretary of State

STATE OF ILLINOIS
OFFICE OF THE GOVERNOR
CAPITOL BUILDING, 207 STATE HOUSE
SPRINGFIELD, ILLINOIS 62706

BRUCE RAUNER
GOVERNOR

August 28, 2018

To the Honorable Members of
The Illinois Senate
100th General Assembly:

Today I return Senate Bill 904 with specific recommendations for change.

SB 904, as approved by the General Assembly, proposes changes to the Workers' Compensation Act to: 1) provide to medical providers a mechanism for collection of the 1% per month interest penalty provided by Section 8.2 of the Act; and 2) provide penalties for the Department of Insurance enforcement of the electronic claims transaction requirements under the Act.

This Administration has advocated since taking office the need for reform of our workers' compensation system to provide relief to employers from the high costs of our system. Unfortunately, the majorities in the General Assembly have sent to me legislation that does not provide the changes needed to bring our

workers' compensation costs in line with other states. Failure to work with our business community, legislators supporting reform, and my office to enact meaningful reform has resulted in the maintaining of our high costs, which are driving high wage jobs with good benefits out of our state.

SB 904 is not reform, does nothing to assist injured workers and dramatically tips the balance in favor of medical providers in a system where Illinois has the second highest medical fee schedule in the country for overall professional services and the highest in the country for major surgery services. Furthermore, SB 904 diminishes an employer's ability to determine causation and whether an injury is work-related.

A much more balanced approach is necessary to meet the bill's purpose and to reduce the friction in the billing and payment of medical bills in our workers' compensation system. Rather than creating lengthy disputes in our court system, I propose a procedure through the Illinois Workers' Compensation Commission which would result in more timely determinations of interest payments for all concerned. Furthermore, this administration is dedicated to the proper enforcement of the Insurance Code, and the Department of Insurance will be issuing guidance on compliance with the relevant law.

Therefore, pursuant to Section 9(e) of Article IV of the Illinois Constitution of 1970, I hereby return Senate Bill 904, entitled "AN ACT concerning regulation," with the following specific recommendations for change:

On page 1 by replacing line 5 with:

"changing Sections 8.2, 8.2a, 8.7 and 19 as follows:"; and

On page 8, line 2, by inserting immediately after "(d)":

"Upon receipt of notice of injury, an employer or its designee shall provide to an injured worker or an injured worker's medical provider a mailing address and an electronic mail address to which medical bills should be sent.
A medical provider shall submit its bill to the employer or insurer within 90 days of the date on which the services were provided to the injured worker."; and

On page 8, by replacing line 15 with:

"receipt of the bills as long as the claim contains"; and

On page 8, by replacing line 18 with:

"(2) If the claim does not contain substantially"; and

On page 8, by replacing line 24 with":

"describing any additional necessary data elements~~, to the~~ required to adjudicate the bill"; and

On page 8, by deleting line 26; and

On page 9, by replacing lines 1-26 with:

"Commission shall adopt rules detailing the requirements for the explanation of benefits required under this subsection.

(3) In the case (i) of nonpayment to a provider within 30 days of receipt of an undisputed ~~the~~ bill which contained substantially all of the required data elements necessary to adjudicate the bill, (ii) of ~~or~~ nonpayment to a provider of ~~a~~ an undisputed portion of such a bill, or (iii) nonissuance to the provider of an explanation of benefits for such a bill ~~up to the lesser of the actual charge or the payment level set by the Commission in the fee schedule established in this Section~~, the undisputed bill, or the undisputed portion of the bill up to the lesser of the actual charge, the negotiated rate, or the payment level set by the Commission in the fee schedule established in this Section, shall incur interest at a rate of 1% per month payable by

the employer to the provider. Any required interest payments shall be made by the employer or its insurer to the provider not later than ~~within~~ 30 days after payment of the bill.

(4) If an employer or insurer has not paid interest on an undisputed medical bill within 30 days after payment of the bill, a medical provider may file a petition with the Commission to determine if interest is owed. Within 30 days of receipt of the petition, the employer or its designee may file a response to the petition. The Commission may hold a hearing and within 180 days of receipt of the medical provider's petition shall determine if interest is owed on the bills. If interest is owed, the Commission will order the interest paid to the provider."; and

On page 10, by deleting lines 1 through 5; and

On page 14, by deleting lines 20 through 25; and

On page 15, by replacing lines 1 through 10 with:

"(5) Provide that the Department of Insurance shall impose an administrative fine if it determines that an insurer has intentionally failed or demonstrates a repeated pattern of failing to comply with the electronic claims acceptance and response process. The amount of the administrative fine shall be no greater than $1,000 per each violation but shall not exceed $10,000 for violations found or determined during a calendar year."; and

On page 16 by inserting immediately after line 6 the following:

"(820 ILCS 305/8.7) Sec. 8.7. Utilization review programs.

(a) As used in this Section: "Utilization review" means the evaluation of proposed or provided health care services to determine the appropriateness of both the level of health care services medically necessary and the quality of health care services provided to a patient, including evaluation of their efficiency, efficacy, and appropriateness of treatment, hospitalization, or office visits based on medically accepted standards. The evaluation must be accomplished by means of a system that identifies the utilization of health care services based on standards of care of nationally recognized peer review guidelines as well as nationally recognized treatment guidelines and evidence-based medicine based upon standards as provided in this Act. Utilization techniques may include prospective review, second opinions, concurrent review, discharge planning, peer review, independent medical examinations, and retrospective review (for purposes of this sentence, retrospective review shall be applicable to services rendered on or after July 20, 2005). Nothing in this Section applies to prospective review of necessary first aid or emergency treatment.

(b) No person may conduct a utilization review program for workers' compensation services in this State unless once every 2 years the person registers the utilization review program with the Department of Insurance and certifies compliance with the Workers' Compensation Utilization Management standards or Health Utilization Management Standards of URAC sufficient to achieve URAC accreditation or submits evidence of accreditation by URAC for its Workers' Compensation Utilization Management Standards or Health Utilization Management Standards. Nothing in this Act shall be construed to require an employer or insurer or its subcontractors to become URAC accredited.

(c) In addition, the Director of Insurance may certify alternative utilization review standards of national accreditation organizations or entities in order for plans to comply with this Section. Any alternative utilization review standards shall meet or exceed those standards required under subsection (b).

(d) This registration shall include submission of all of the following information regarding utilization review program activities:

(1) The name, address, and telephone number of the utilization review programs. (2) The organization and governing structure of the utilization review programs. (3) The number of lives for which utilization review is conducted by each utilization review program.

(4) Hours of operation of each utilization review program.

(5) Description of the grievance process for each utilization review program.

(6) Number of covered lives for which utilization review was conducted for the previous calendar year for each utilization review program.

(7) Written policies and procedures for protecting confidential information according to applicable State and federal laws for each utilization review program.

(e) A utilization review program shall have written procedures to ensure that patient-specific information obtained during the process of utilization review will be:

(1) kept confidential in accordance with applicable State and federal laws; and

(2) shared only with the employee, the employee's designee, and the employee's health care provider, and those who are authorized by law to receive the information. Summary data shall not be considered confidential if it does not provide information to allow identification of individual patients or health care providers.

Only a health care professional may make determinations regarding the medical necessity of health care services during the course of utilization review. When making retrospective reviews, utilization review programs shall base reviews solely on the medical information available to the attending physician or ordering provider at the time the health care services were provided.

(f) If the Department of Insurance finds that a utilization review program is not in compliance with this Section, the Department shall issue a corrective action plan and allow a reasonable amount of time for compliance with the plan. If the utilization review program does not come into compliance, the Department may issue a cease and desist order. Before issuing a cease and desist order under this Section, the Department shall provide the utilization review program with a written notice of the reasons for the order and allow a reasonable amount of time to supply additional information demonstrating compliance with the requirements of this Section and to request a hearing. The hearing notice shall be sent by certified mail, return receipt requested, and the hearing shall be conducted in accordance with the Illinois Administrative Procedure Act.

(g) A utilization review program subject to a corrective action may continue to conduct business until a final decision has been issued by the Department.

(h) The Department of Insurance may by rule establish a registration fee for each person conducting a utilization review program.

(i) Upon receipt of written notice that the employer or the employer's agent or insurer wishes to invoke the utilization review process, the provider of medical, surgical, or hospital services shall submit to the utilization review, following accredited procedural guidelines.

(1) The provider shall make reasonable efforts to provide timely and complete reports of clinical information needed to support a request for treatment. If the provider fails to make such reasonable efforts, the charges for the treatment or service may not be compensable nor collectible by the provider or claimant from the employer, the employer's agent, or the employee. The reporting obligations of providers shall not be unreasonable or unduly burdensome.

(2) Written notice of utilization review decisions, including the clinical rationale for certification or non-certification and references to applicable standards of care or evidence-based medical guidelines, shall be furnished to the provider and employee.

(3) An employer may only deny payment of or refuse to authorize payment of medical services rendered or proposed to be rendered on the grounds that the extent and scope of medical treatment is excessive and unnecessary in compliance with an accredited utilization review program under this Section.

(4) When a payment for medical services has been denied or not authorized by an employer or when authorization for medical services is denied pursuant to utilization review, the employee has the burden of proof to show by a preponderance of the evidence that a variance from the standards of care used by the person or entity performing the utilization review pursuant to subsection (a) is reasonably required to cure or relieve the effects of his or her injury.

(5) The medical professional responsible for review in the final stage of utilization review or appeal must be available in this State for interview or deposition; or must be available for deposition by telephone, video conference, or other remote electronic means. A medical professional who works or resides in this State or outside of this State may comply with this requirement by making himself or herself available for an interview or deposition in person or by making himself or herself available by telephone, video conference, or other remote electronic means. The remote interview or deposition shall be conducted in a fair, open, and cost-effective manner. The expense of interview and the deposition method shall be paid by

the employer. The deponent shall be in the presence of the officer administering the oath and recording the deposition, unless otherwise agreed by the parties. Any exhibits or other demonstrative evidence to be presented to the deponent by any party at the deposition shall be provided to the officer administering the oath and all other parties within a reasonable period of time prior to the deposition. Nothing shall prohibit any party from being with the deponent during the deposition, at that party's expense; provided, however, that a party attending a deposition shall give written notice of that party's intention to appear at the deposition to all other parties within a reasonable time prior to the deposition.

An admissible utilization review shall be considered by the Commission, along with all other evidence and in the same manner as all other evidence, and must be addressed along with all other evidence in the determination of the reasonableness and necessity of the medical bills or treatment. Nothing in this Section shall be construed to diminish the rights of employees to reasonable and necessary medical treatment or employee choice of health care provider under Section 8(a) or the rights of employers to medical examinations under Section 12.

(j) When an employer denies payment of or refuses to authorize payment of first aid, medical, surgical, or hospital services under Section 8(a) of this Act, if that denial or refusal to authorize complies with a utilization review program registered under this Section and complies with all other requirements of this Section, then there shall be a rebuttable presumption that the employer shall not be responsible for payment of additional compensation pursuant to Section 19(k) of this Act or interest penalties provided in Section 8.2 of this Act and if that denial or refusal to authorize does not comply with a utilization review program registered under this Section and does not comply with all other requirements of this Section, then that will be considered by the Commission, along with all other evidence and in the same manner as all other evidence, in the determination of whether the employer may be responsible for the payment of additional compensation pursuant to Section 19(k) of this Act <u>or interest penalties provided in Section 8.2 of this Act</u>.

The changes to this Section made by this amendatory Act of the 97th General Assembly apply only to health care services provided or proposed to be provided on or after September 1, 2011.

(820 ILCS 305/19) (from Ch. 48, par. 138.19)

Sec. 19. Any disputed questions of law or fact shall be determined as herein provided.

(a) It shall be the duty of the Commission upon notification that the parties have failed to reach an agreement, to designate an Arbitrator.

1. Whenever any claimant misconceives his remedy and files an application for adjustment of claim under this Act and it is subsequently discovered, at any time before final disposition of such cause, that the claim for disability or death which was the basis for such application should properly have been made under the Workers' Occupational Diseases Act, then the provisions of Section 19, paragraph (a-1) of the Workers' Occupational Diseases Act having reference to such application shall apply.

2. Whenever any claimant misconceives his remedy and files an application for adjustment of claim under the Workers' Occupational Diseases Act and it is subsequently discovered, at any time before final disposition of such cause that the claim for injury or death which was the basis for such application should properly have been made under this Act, then the application so filed under the Workers' Occupational Diseases Act may be amended in form, substance or both to assert claim for such disability or death under this Act and it shall be deemed to have been so filed as amended on the date of the original filing thereof, and such compensation may be awarded as is warranted by the whole evidence pursuant to this Act. When such amendment is submitted, further or additional evidence may be heard by the Arbitrator or Commission when deemed necessary. Nothing in this Section contained shall be construed to be or permit a waiver of any provisions of this Act with reference to notice but notice if given shall be deemed to be a notice under the provisions of this Act if given within the time required herein.

(b) The Arbitrator shall make such inquiries and investigations as he or they shall deem necessary and may examine and inspect all books, papers, records, places, or premises relating to the questions in dispute and hear such proper evidence as the parties may submit.

The hearings before the Arbitrator shall be held in the vicinity where the injury occurred after 10 days' notice of the time and place of such hearing shall have been given to each of the parties or their attorneys of record.

The Arbitrator may find that the disabling condition is temporary and has not yet reached a permanent condition and may order the payment of compensation up to the date of the hearing, which award shall be reviewable and enforceable in the same manner as other awards, and in no instance be a bar to a further hearing and determination of a further amount of temporary total compensation or of compensation for permanent disability, but shall be conclusive as to all other questions except the nature and extent of said disability.

The decision of the Arbitrator shall be filed with the Commission which Commission shall immediately send to each party or his attorney a copy of such decision, together with a notification of the time when it was filed. As of the effective date of this amendatory Act of the 94th General Assembly, all decisions of the Arbitrator shall set forth in writing findings of fact and conclusions of law, separately stated, if requested by either party. Unless a petition for review is filed by either party within 30 days after the receipt by such party of the copy of the decision and notification of time when filed, and unless such party petitioning for a review shall within 35 days after the receipt by him of the copy of the decision, file with the Commission either an agreed statement of the facts appearing upon the hearing before the Arbitrator, or if such party shall so elect a correct transcript of evidence of the proceedings at such hearings, then the decision shall become the decision of the Commission and in the absence of fraud shall be conclusive. The Petition for Review shall contain a statement of the petitioning party's specific exceptions to the decision of the arbitrator. The jurisdiction of the Commission to review the decision of the arbitrator shall not be limited to the exceptions stated in the Petition for Review. The Commission, or any member thereof, may grant further time not exceeding 30 days, in which to file such agreed statement or transcript of evidence. Such agreed statement of facts or correct transcript of evidence, as the case may be, shall be authenticated by the signatures of the parties or their attorneys, and in the event they do not agree as to the correctness of the transcript of evidence it shall be authenticated by the signature of the Arbitrator designated by the Commission.

Whether the employee is working or not, if the employee is not receiving or has not received medical, surgical, or hospital services or other services or compensation as provided in paragraph (a) of Section 8, or compensation as provided in paragraph (b) of Section 8, the employee may at any time petition for an expedited hearing by an Arbitrator on the issue of whether or not he or she is entitled to receive payment of the services or compensation. Provided the employer continues to pay compensation pursuant to paragraph (b) of Section 8, the employer may at any time petition for an expedited hearing on the issue of whether or not the employee is entitled to receive medical, surgical, or hospital services or other services or compensation as provided in paragraph (a) of Section 8, or compensation as provided in paragraph (b) of Section 8. When an employer has petitioned for an expedited hearing, the employer shall continue to pay compensation as provided in paragraph (b) of Section 8 unless the arbitrator renders a decision that the employee is not entitled to the benefits that are the subject of the expedited hearing or unless the employee's treating physician has released the employee to return to work at his or her regular job with the employer or the employee actually returns to work at any other job. If the arbitrator renders a decision that the employee is not entitled to the benefits that are the subject of the expedited hearing, a petition for review filed by the employee shall receive the same priority as if the employee had filed a petition for an expedited hearing by an Arbitrator. Neither party shall be entitled to an expedited hearing when the employee has returned to work and the sole issue in dispute amounts to less than 12 weeks of unpaid compensation pursuant to paragraph (b) of Section 8.

Expedited hearings shall have priority over all other petitions and shall be heard by the Arbitrator and Commission with all convenient speed. Any party requesting an expedited hearing shall give notice of a request for an expedited hearing under this paragraph. A copy of the Application for Adjustment of Claim shall be attached to the notice. The Commission shall adopt rules and procedures under which the final decision of the Commission under this paragraph is filed not later than 180 days from the date that the Petition for Review is filed with the Commission.

Where 2 or more insurance carriers, private self-insureds, or a group workers' compensation pool under Article V 3/4 of the Illinois Insurance Code dispute coverage for the same injury, any such insurance carrier, private self-insured, or group workers' compensation

pool may request an expedited hearing pursuant to this paragraph to determine the issue of coverage, provided coverage is the only issue in dispute and all other issues are stipulated and agreed to and further provided that all compensation benefits including medical benefits pursuant to Section 8(a) continue to be paid to or on behalf of petitioner. Any insurance carrier, private self-insured, or group workers' compensation pool that is determined to be liable for coverage for the injury in issue shall reimburse any insurance carrier, private self-insured, or group workers' compensation pool that has paid benefits to or on behalf of petitioner for the injury.

(b-1) If the employee is not receiving medical, surgical or hospital services as provided in paragraph (a) of Section 8 or compensation as provided in paragraph (b) of Section 8, the employee, in accordance with Commission Rules, may file a petition for an emergency hearing by an Arbitrator on the issue of whether or not he is entitled to receive payment of such compensation or services as provided therein.

Such petition shall have priority over all other petitions and shall be heard by the Arbitrator and Commission with all convenient speed. Such petition shall contain the following information and shall be served on the employer at least 15 days before it is filed:

(i) the date and approximate time of accident;

(ii) the approximate location of the accident;

(iii) a description of the accident;

(iv) the nature of the injury incurred by the employee;

(v) the identity of the person, if known, to whom the accident was reported and the date on which it was reported;

(vi) the name and title of the person, if known, representing the employer with whom the employee conferred in any effort to obtain compensation pursuant to paragraph (b) of Section 8 of this Act or medical, surgical or hospital services pursuant to paragraph (a) of Section 8 of this Act and the date of such conference;

(vii) a statement that the employer has refused to pay compensation pursuant to paragraph (b) of Section 8 of this Act or for medical, surgical or hospital services pursuant to paragraph (a) of Section 8 of this Act;

(viii) the name and address, if known, of each witness to the accident and of each other person upon whom the employee will rely to support his allegations;

(ix) the dates of treatment related to the accident by medical practitioners, and the names and addresses of such practitioners, including the dates of treatment related to the accident at any hospitals and the names and addresses of such hospitals, and a signed authorization permitting the employer to examine all medical records of all practitioners and hospitals named pursuant to this paragraph;

(x) a copy of a signed report by a medical practitioner, relating to the employee's current inability to return to work because of the injuries incurred as a result of the accident or such other documents or affidavits which show that the employee is entitled to receive compensation pursuant to paragraph (b) of Section 8 of this Act or medical, surgical or hospital services pursuant to paragraph (a) of Section 8 of this Act. Such reports, documents or affidavits shall state, if possible, the history of the accident given by the employee, and describe the injury and medical diagnosis, the medical services for such injury which the employee has received and is receiving, the physical activities which the employee cannot currently perform as a result of any impairment or disability due to such injury, and the prognosis for recovery;

(xi) complete copies of any reports, records, documents and affidavits in the possession of the employee on which the employee will rely to support his allegations, provided that the employer shall pay the reasonable cost of reproduction thereof;

(xii) a list of any reports, records, documents and affidavits which the employee has demanded by subpoena and on which he intends to rely to support his allegations;

(xiii) a certification signed by the employee or his representative that the employer has received the petition with the required information 15 days before filing.

Fifteen days after receipt by the employer of the petition with the required information the employee may file said petition and required information and shall serve notice of the filing upon the employer. The employer may file a motion addressed to the sufficiency of the petition. If an objection has been filed to the sufficiency of the petition, the arbitrator shall rule on the objection within 2 working days. If such an objection is filed, the time for filing the final decision of the Commission as provided in this paragraph shall be tolled until the arbitrator has determined that the petition is sufficient.

The employer shall, within 15 days after receipt of the notice that such petition is filed, file with the Commission and serve on the employee or his representative a written response to each claim set forth in the petition, including the legal and factual basis for each disputed allegation and the following information: (i) complete copies of any reports, records, documents and affidavits in the possession of the employer on which the employer intends to rely in support of his response, (ii) a list of any reports, records, documents and affidavits which the employer has demanded by subpoena and on which the employer intends to rely in support of his response, (iii) the name and address of each witness on whom the employer will rely to support his response, and (iv) the names and addresses of any medical practitioners selected by the employer pursuant to Section 12 of this Act and the time and place of any examination scheduled to be made pursuant to such Section.

Any employer who does not timely file and serve a written response without good cause may not introduce any evidence to dispute any claim of the employee but may cross examine the employee or any witness brought by the employee and otherwise be heard.

No document or other evidence not previously identified by either party with the petition or written response, or by any other means before the hearing, may be introduced into evidence without good cause. If, at the hearing, material information is discovered which was not previously disclosed, the Arbitrator may extend the time for closing proof on the motion of a party for a reasonable period of time which may be more than 30 days. No evidence may be introduced pursuant to this paragraph as to permanent disability. No award may be entered for permanent disability pursuant to this paragraph. Either party may introduce into evidence the testimony taken by deposition of any medical practitioner.

The Commission shall adopt rules, regulations and procedures whereby the final decision of the Commission is filed not later than 90 days from the date the petition for review is filed but in no event later than 180 days from the date the petition for an emergency hearing is filed with the Illinois Workers' Compensation Commission.

All service required pursuant to this paragraph (b-1) must be by personal service or by certified mail and with evidence of receipt. In addition for the purposes of this paragraph, all service on the employer must be at the premises where the accident occurred if the premises are owned or operated by the employer. Otherwise service must be at the employee's principal place of employment by the employer. If service on the employer is not possible at either of the above, then service shall be at the employer's principal place of business. After initial service in each case, service shall be made on the employer's attorney or designated representative.

(c) (1) At a reasonable time in advance of and in connection with the hearing under Section 19(e) or 19(h), the Commission may on its own motion order an impartial physical or mental examination of a petitioner whose mental or physical condition is in issue, when in the Commission's discretion it appears that such an examination will materially aid in the just determination of the case. The examination shall be made by a member or members of a panel of physicians chosen for their special qualifications by the Illinois State Medical Society. The Commission shall establish procedures by which a physician shall be selected from such list.

(2) Should the Commission at any time during the hearing find that compelling considerations make it advisable to have an examination and report at that time, the commission may in its discretion so order.

(3) A copy of the report of examination shall be given to the Commission and to the attorneys for the parties.

(4) Either party or the Commission may call the examining physician or physicians to testify. Any physician so called shall be subject to cross-examination.

(5) The examination shall be made, and the physician or physicians, if called, shall testify, without cost to the parties. The Commission shall determine the compensation and the pay of the physician or physicians. The compensation for this service shall not exceed the usual and customary amount for such service.

(6) The fees and payment thereof of all attorneys and physicians for services authorized by the Commission under this Act shall, upon request of either the employer or the employee or the beneficiary affected, be subject to the review and decision of the Commission.

(d) If any employee shall persist in insanitary or injurious practices which tend to either imperil or retard his recovery or shall refuse to submit to such medical, surgical, or hospital treatment as is reasonably essential to promote his recovery, the Commission may, in its discretion, reduce or suspend the compensation of any such injured employee. However,

when an employer and employee so agree in writing, the foregoing provision shall not be construed to authorize the reduction or suspension of compensation of an employee who is relying in good faith, on treatment by prayer or spiritual means alone, in accordance with the tenets and practice of a recognized church or religious denomination, by a duly accredited practitioner thereof.

(e) This paragraph shall apply to all hearings before the Commission. Such hearings may be held in its office or elsewhere as the Commission may deem advisable. The taking of testimony on such hearings may be had before any member of the Commission. If a petition for review and agreed statement of facts or transcript of evidence is filed, as provided herein, the Commission shall promptly review the decision of the Arbitrator and all questions of law or fact which appear from the statement of facts or transcript of evidence.

In all cases in which the hearing before the arbitrator is held after December 18, 1989, no additional evidence shall be introduced by the parties before the Commission on review of the decision of the Arbitrator. In reviewing decisions of an arbitrator the Commission shall award such temporary compensation, permanent compensation and other payments as are due under this Act. The Commission shall file in its office its decision thereon, and shall immediately send to each party or his attorney a copy of such decision and a notification of the time when it was filed. Decisions shall be filed within 60 days after the Statement of Exceptions and Supporting Brief and Response thereto are required to be filed or oral argument whichever is later.

In the event either party requests oral argument, such argument shall be had before a panel of 3 members of the Commission (or before all available members pursuant to the determination of 7 members of the Commission that such argument be held before all available members of the Commission) pursuant to the rules and regulations of the Commission. A panel of 3 members, which shall be comprised of not more than one representative citizen of the employing class and not more than one representative citizen of the employee class, shall hear the argument; provided that if all the issues in dispute are solely the nature and extent of the permanent partial disability, if any, a majority of the panel may deny the request for such argument and such argument shall not be held; and provided further that 7 members of the Commission may determine that the argument be held before all available members of the Commission. A decision of the Commission shall be approved by a majority of Commissioners present at such hearing if any; provided, if no such hearing is held, a decision of the Commission shall be approved by a majority of a panel of 3 members of the Commission as described in this Section. The Commission shall give 10 days' notice to the parties or their attorneys of the time and place of such taking of testimony and of such argument.

In any case the Commission in its decision may find specially upon any question or questions of law or fact which shall be submitted in writing by either party whether ultimate or otherwise; provided that on issues other than nature and extent of the disability, if any, the Commission in its decision shall find specially upon any question or questions of law or fact, whether ultimate or otherwise, which are submitted in writing by either party; provided further that not more than 5 such questions may be submitted by either party. Any party may, within 20 days after receipt of notice of the Commission's decision, or within such further time, not exceeding 30 days, as the Commission may grant, file with the Commission either an agreed statement of the facts appearing upon the hearing, or, if such party shall so elect, a correct transcript of evidence of the additional proceedings presented before the Commission, in which report the party may embody a correct statement of such other proceedings in the case as such party may desire to have reviewed, such statement of facts or transcript of evidence to be authenticated by the signature of the parties or their attorneys, and in the event that they do not agree, then the authentication of such transcript of evidence shall be by the signature of any member of the Commission.

If a reporter does not for any reason furnish a transcript of the proceedings before the Arbitrator in any case for use on a hearing for review before the Commission, within the limitations of time as fixed in this Section, the Commission may, in its discretion, order a trial de novo before the Commission in such case upon application of either party. The applications for adjustment of claim and other documents in the nature of pleadings filed by either party, together with the decisions of the Arbitrator and of the Commission and the statement of facts or transcript of evidence hereinbefore provided for in paragraphs (b) and (c) shall be the record of the proceedings of the Commission, and shall be subject to review as hereinafter provided.

At the request of either party or on its own motion, the Commission shall set forth in writing the reasons for the decision, including findings of fact and conclusions of law separately stated. The Commission shall by rule adopt a format for written decisions for the Commission and arbitrators. The written decisions shall be concise and shall succinctly state the facts and reasons for the decision. The Commission may adopt in whole or in part, the decision of the arbitrator as the decision of the Commission. When the Commission does so adopt the decision of the arbitrator, it shall do so by order. Whenever the Commission adopts part of the arbitrator's decision, but not all, it shall include in the order the reasons for not adopting all of the arbitrator's decision. When a majority of a panel, after deliberation, has arrived at its decision, the decision shall be filed as provided in this Section without unnecessary delay, and without regard to the fact that a member of the panel has expressed an intention to dissent. Any member of the panel may file a dissent. Any dissent shall be filed no later than 10 days after the decision of the majority has been filed.

Decisions rendered by the Commission and dissents, if any, shall be published together by the Commission. The conclusions of law set out in such decisions shall be regarded as precedents by arbitrators for the purpose of achieving a more uniform administration of this Act.

(f) The decision of the Commission acting within its powers, according to the provisions of paragraph (e) of this Section shall, in the absence of fraud, be conclusive unless reviewed as in this paragraph hereinafter provided. However, the Arbitrator or the Commission may on his or its own motion, or on the motion of either party, correct any clerical error or errors in computation within 15 days after the date of receipt of any award by such Arbitrator or any decision on review of the Commission and shall have the power to recall the original award on arbitration or decision on review, and issue in lieu thereof such corrected award or decision. Where such correction is made the time for review herein specified shall begin to run from the date of the receipt of the corrected award or decision.

(1) Except in cases of claims against the State of Illinois other than those claims under Section 18.1, in which case the decision of the Commission shall not be subject to judicial review, the Circuit Court of the county where any of the parties defendant may be found, or if none of the parties defendant can be found in this State then the Circuit Court of the county where the accident occurred, shall by summons to the Commission have power to review all questions of law and fact presented by such record.

A proceeding for review shall be commenced within 20 days of the receipt of notice of the decision of the Commission. The summons shall be issued by the clerk of such court upon written request returnable on a designated return day, not less than 10 or more than 60 days from the date of issuance thereof, and the written request shall contain the last known address of other parties in interest and their attorneys of record who are to be served by summons. Service upon any member of the Commission or the Secretary or the Assistant Secretary thereof shall be service upon the Commission, and service upon other parties in interest and their attorneys of record shall be by summons, and such service shall be made upon the Commission and other parties in interest by mailing notices of the commencement of the proceedings and the return day of the summons to the office of the Commission and to the last known place of residence of other parties in interest or their attorney or attorneys of record. The clerk of the court issuing the summons shall on the day of issue mail notice of the commencement of the proceedings which shall be done by mailing a copy of the summons to the office of the Commission, and a copy of the summons to the other parties in interest or their attorney or attorneys of record and the clerk of the court shall make certificate that he has so sent said notices in pursuance of this Section, which shall be evidence of service on the Commission and other parties in interest.

The Commission shall not be required to certify the record of their proceedings to the Circuit Court, unless the party commencing the proceedings for review in the Circuit Court as above provided, shall file with the Commission notice of intent to file for review in Circuit Court. It shall be the duty of the Commission upon such filing of notice of intent to file for review in the Circuit Court to prepare a true and correct copy of such testimony and a true and correct copy of all other matters contained in such record and certified to by the Secretary or Assistant Secretary thereof. The changes made to this subdivision (f)(1) by this amendatory Act of the 98th General Assembly apply to any Commission decision entered after the effective date of this amendatory Act of the 98th General Assembly.

No request for a summons may be filed and no summons shall issue unless the party seeking to review the decision of the Commission shall exhibit to the clerk of the Circuit Court proof of filing with the Commission of the notice of the intent to file for review in the Circuit Court or an affidavit of the attorney setting forth that notice of intent to file for review in the Circuit Court has been given in writing to the Secretary or Assistant Secretary of the Commission.

(2) No such summons shall issue unless the one against whom the Commission shall have rendered an award for the payment of money shall upon the filing of his written request for such summons file with the clerk of the court a bond conditioned that if he shall not successfully prosecute the review, he will pay the award and the costs of the proceedings in the courts. The amount of the bond shall be fixed by any member of the Commission and the surety or sureties of the bond shall be approved by the clerk of the court. The acceptance of the bond by the clerk of the court shall constitute evidence of his approval of the bond.

Every county, city, town, township, incorporated village, school district, body politic or municipal corporation against whom the Commission shall have rendered an award for the payment of money shall not be required to file a bond to secure the payment of the award and the costs of the proceedings in the court to authorize the court to issue such summons.

The court may confirm or set aside the decision of the Commission. If the decision is set aside and the facts found in the proceedings before the Commission are sufficient, the court may enter such decision as is justified by law, or may remand the cause to the Commission for further proceedings and may state the questions requiring further hearing, and give such other instructions as may be proper. Appeals shall be taken to the Appellate Court in accordance with Supreme Court Rules 22(g) and 303. Appeals shall be taken from the Appellate Court to the Supreme Court in accordance with Supreme Court Rule 315.

It shall be the duty of the clerk of any court rendering a decision affecting or affirming an award of the Commission to promptly furnish the Commission with a copy of such decision, without charge.

The decision of a majority of the members of the panel of the Commission, shall be considered the decision of the Commission.

(g) Except in the case of a claim against the State of Illinois, either party or a medical provider receiving an award of interest under Section 8.2, may present a certified copy of the award of the Arbitrator, or a certified copy of the decision of the Commission when the same has become final, when no proceedings for review are pending, providing for the payment of compensation according to this Act, to the Circuit Court of the county in which such accident occurred or either of the parties are residents, whereupon the court shall enter a judgment in accordance therewith. In a case where the employer refuses to pay compensation according to such final award or such final decision upon which such judgment is entered the court shall in entering judgment thereon, tax as costs against him the reasonable costs and attorney fees in the arbitration proceedings and in the court entering the judgment for the person in whose favor the judgment is entered, which judgment and costs taxed as therein provided shall, until and unless set aside, have the same effect as though duly entered in an action duly tried and determined by the court, and shall with like effect, be entered and docketed. The Circuit Court shall have power at any time upon application to make any such judgment conform to any modification required by any subsequent decision of the Supreme Court upon appeal, or as the result of any subsequent proceedings for review, as provided in this Act.

Judgment shall not be entered until 15 days' notice of the time and place of the application for the entry of judgment shall be served upon the employer by filing such notice with the Commission, which Commission shall, in case it has on file the address of the employer or the name and address of its agent upon whom notices may be served, immediately send a copy of the notice to the employer or such designated agent.

(h) An agreement or award under this Act providing for compensation in installments, may at any time within 18 months after such agreement or award be reviewed by the Commission at the request of either the employer or the employee, on the ground that the disability of the employee has subsequently recurred, increased, diminished or ended.

However, as to accidents occurring subsequent to July 1, 1955, which are covered by any agreement or award under this Act providing for compensation in installments made as a result of such accident, such agreement or award may at any time within 30 months, or 60 months in the case of an award under Section 8(d)1, after such agreement or award be reviewed

by the Commission at the request of either the employer or the employee on the ground that the disability of the employee has subsequently recurred, increased, diminished or ended.

On such review, compensation payments may be re-established, increased, diminished or ended. The Commission shall give 15 days' notice to the parties of the hearing for review. Any employee, upon any petition for such review being filed by the employer, shall be entitled to one day's notice for each 100 miles necessary to be traveled by him in attending the hearing of the Commission upon the petition, and 3 days in addition thereto. Such employee shall, at the discretion of the Commission, also be entitled to 5 cents per mile necessarily traveled by him within the State of Illinois in attending such hearing, not to exceed a distance of 300 miles, to be taxed by the Commission as costs and deposited with the petition of the employer.

When compensation which is payable in accordance with an award or settlement contract approved by the Commission, is ordered paid in a lump sum by the Commission, no review shall be had as in this paragraph mentioned.

(i) Each party, upon taking any proceedings or steps whatsoever before any Arbitrator, Commission or court, shall file with the Commission his address, or the name and address of any agent upon whom all notices to be given to such party shall be served, either personally or by registered mail, addressed to such party or agent at the last address so filed with the Commission. In the event such party has not filed his address, or the name and address of an agent as above provided, service of any notice may be had by filing such notice with the Commission.

(j) Whenever in any proceeding testimony has been taken or a final decision has been rendered and after the taking of such testimony or after such decision has become final, the injured employee dies, then in any subsequent proceedings brought by the personal representative or beneficiaries of the deceased employee, such testimony in the former proceeding may be introduced with the same force and effect as though the witness having so testified were present in person in such subsequent proceedings and such final decision, if any, shall be taken as final adjudication of any of the issues which are the same in both proceedings.

(k) In case where there has been any unreasonable or vexatious delay of payment or intentional underpayment of compensation, or proceedings have been instituted or carried on by the one liable to pay the compensation, which do not present a real controversy, but are merely frivolous or for delay, then the Commission may award compensation additional to that otherwise payable under this Act equal to 50% of the amount payable at the time of such award. Failure to pay compensation in accordance with the provisions of Section 8, paragraph (b) of this Act, shall be considered unreasonable delay.

When determining whether this subsection (k) shall apply, the Commission shall consider whether an Arbitrator has determined that the claim is not compensable or whether the employer has made payments under Section 8(j).

(l) If the employee has made written demand for payment of benefits under Section 8(a) or Section 8(b), the employer shall have 14 days after receipt of the demand to set forth in writing the reason for the delay. In the case of demand for payment of medical benefits under Section 8(a), the time for the employer to respond shall not commence until the expiration of the allotted 30 days specified under Section 8.2(d). In case the employer or his or her insurance carrier shall without good and just cause fail, neglect, refuse, or unreasonably delay the payment of benefits under Section 8(a) or Section 8(b), the Arbitrator or the Commission shall allow to the employee additional compensation in the sum of $30 per day for each day that the benefits under Section 8(a) or Section 8(b) have been so withheld or refused, not to exceed $10,000. A delay in payment of 14 days or more shall create a rebuttable presumption of unreasonable delay.

(m) If the commission finds that an accidental injury was directly and proximately caused by the employer's wilful violation of a health and safety standard under the Health and Safety Act or the Occupational Safety and Health Act in force at the time of the accident, the arbitrator or the Commission shall allow to the injured employee or his dependents, as the case may be, additional compensation equal to 25% of the amount which otherwise would be payable under the provisions of this Act exclusive of this paragraph. The additional compensation herein provided shall be allowed by an appropriate increase in the applicable weekly compensation rate.

(n) After June 30, 1984, decisions of the Illinois Workers' Compensation Commission reviewing an award of an arbitrator of the Commission shall draw interest at a

rate equal to the yield on indebtedness issued by the United States Government with a 26-week maturity next previously auctioned on the day on which the decision is filed. Said rate of interest shall be set forth in the Arbitrator's Decision. Interest shall be drawn from the date of the arbitrator's award on all accrued compensation due the employee through the day prior to the date of payments. However, when an employee appeals an award of an Arbitrator or the Commission, and the appeal results in no change or a decrease in the award, interest shall not further accrue from the date of such appeal.

The employer or his insurance carrier may tender the payments due under the award to stop the further accrual of interest on such award notwithstanding the prosecution by either party of review, certiorari, appeal to the Supreme Court or other steps to reverse, vacate or modify the award.

(o) By the 15th day of each month each insurer providing coverage for losses under this Act shall notify each insured employer of any compensable claim incurred during the preceding month and the amounts paid or reserved on the claim including a summary of the claim and a brief statement of the reasons for compensability. A cumulative report of all claims incurred during a calendar year or continued from the previous year shall be furnished to the insured employer by the insurer within 30 days after the end of that calendar year.

The insured employer may challenge, in proceeding before the Commission, payments made by the insurer without arbitration and payments made after a case is determined to be noncompensable. If the Commission finds that the case was not compensable, the insurer shall purge its records as to that employer of any loss or expense associated with the claim, reimburse the employer for attorneys' fees arising from the challenge and for any payment required of the employer to the Rate Adjustment Fund or the Second Injury Fund, and may not reflect the loss or expense for rate making purposes. The employee shall not be required to refund the challenged payment. The decision of the Commission may be reviewed in the same manner as in arbitrated cases. No challenge may be initiated under this paragraph more than 3 years after the payment is made. An employer may waive the right of challenge under this paragraph on a case by case basis.

(p) After filing an application for adjustment of claim but prior to the hearing on arbitration the parties may voluntarily agree to submit such application for adjustment of claim for decision by an arbitrator under this subsection (p) where such application for adjustment of claim raises only a dispute over temporary total disability, permanent partial disability or medical expenses. Such agreement shall be in writing in such form as provided by the Commission. Applications for adjustment of claim submitted for decision by an arbitrator under this subsection (p) shall proceed according to rule as established by the Commission. The Commission shall promulgate rules including, but not limited to, rules to ensure that the parties are adequately informed of their rights under this subsection (p) and of the voluntary nature of proceedings under this subsection (p). The findings of fact made by an arbitrator acting within his or her powers under this subsection (p) in the absence of fraud shall be conclusive. However, the arbitrator may on his own motion, or the motion of either party, correct any clerical errors or errors in computation within 15 days after the date of receipt of such award of the arbitrator and shall have the power to recall the original award on arbitration, and issue in lieu thereof such corrected award. The decision of the arbitrator under this subsection (p) shall be considered the decision of the Commission and proceedings for review of questions of law arising from the decision may be commenced by either party pursuant to subsection (f) of Section 19. The Advisory Board established under Section 13.1 shall compile a list of certified Commission arbitrators, each of whom shall be approved by at least 7 members of the Advisory Board. The chairman shall select 5 persons from such list to serve as arbitrators under this subsection (p). By agreement, the parties shall select one arbitrator from among the 5 persons selected by the chairman except that if the parties do not agree on an arbitrator from among the 5 persons, the parties may, by agreement, select an arbitrator of the American Arbitration Association, whose fee shall be paid by the State in accordance with rules promulgated by the Commission. Arbitration under this subsection (p) shall be voluntary.".

With these changes, Senate Bill 904 will have my approval. I respectfully request your concurrence.

Sincerely,

[November 13, 2018]

Bruce Rauner
GOVERNOR

STATE OF ILLINOIS
OFFICE OF THE GOVERNOR
CAPITOL BUILDING, 207 STATE HOUSE
SPRINGFIELD, ILLINOIS 62706

BRUCE RAUNER
GOVERNOR

August 26, 2018

To the Honorable Members of
The Illinois Senate,
100th General Assembly:

Today I return Senate Bill 1737 with specific recommendations for change.

This omnibus bill overhauls the Illinois Insurance Code on a number of fronts, including reforming Illinois' handling of reinsurers to conform with best practices, updating our captive insurance law to be more attractive to companies that use this insurance option, and adds flexibility to the process of dividing domestic stock companies. However, it also would impose detrimental new limitations on certain types of health coverage upon Illinois consumers and would overregulate our competitive market for workers' compensation insurance.

Portions of this legislation are both necessary and wise, such as the provisions that bring Illinois in line with national and international accreditation standards for reinsurers. The changes in collateral requirements are based on a tested model and will bring Illinois in equivalence with international regulatory frameworks. Similarly, the updates to the captive insurance regulatory structure are in line with other states, and will help Illinois overcome its competitive disadvantage in attracting the companies that offer this product to Illinois businesses. It also further increases clarity for domestic stock companies undergoing corporate divisions. However, this legislation imposes concerning additional regulatory barriers to short-term limited-duration health plans (STLDs) and workers' compensation insurance.

STLDs have historically been utilized to cover individuals who may be experiencing a gap in longer term coverage options, such as between jobs with employer-sponsored plans. They are exempt from certain mandates under federal law, and often offer participants lower costs, more flexible coverage, and broader access to providers than traditional individual market plans.

This legislation would impose numerous restrictions on these plans, including strict maximum time frames and prohibitions on renewal. I recognize concerns that certain STLDs have not always been clear in their terms and coverage, but ultimately broad restrictions such as those contained in Senate Bill 1737 will reduce consumer plan choice as well as the availability of STLD options in Illinois. The scope of STLDs has recently been debated at the federal level, and we should look to be consistent with the regulatory structures of other states and the federal government, as further regulation will create barriers to Illinoisans' access to the health care plans that best fit their needs.

This legislation also includes unnecessary new restrictions on rate-setting in the Illinois workers' compensation insurance industry. Illinois has one of the country's most competitive markets for workers' compensation insurance, which has a history of modulating rates through market dynamics. This legislation, much like other workers' compensation legislation passed by the General Assembly in recent years, demonstrates a misunderstanding of the true cost drivers in our system and increases regulation to the detriment of Illinois businesses and individuals, to whom additional costs will inevitably be passed on. Therefore, pursuant to Section 9(e) of Article IV of the Illinois Constitution of 1970, I hereby return Senate Bill 1737, entitled "AN ACT concerning regulation," with the following recommendation for change:

By deleting Page 1, line 4 through Page 5, line 16; and

On page 5, by replacing line 17 through 22 with the following:

"Section 90. The Illinois Insurance Code is amended by adding Article IIB and Sections 123C-23, 123C-24, 123C-25, 123C-26, 123C-27, and 123C-28 and by changing Sections 121-2.08, 123C-1, 123C-2, 123C-3, 123C-9, 123C-11, 123C-12, 123C-13, 123C-16, 123C-17, 123C-19, 156, and 173.1 as follows:"; and

By deleting Page 99, Line 7 through page 107, line 15; and

By replacing page 107 lines 16 through 19 with:

"(215 ILCS 5/123C-4 rep.)
Section 95. The Illinois Insurance Code is amended by repealing Sections 123C-4."; and

On page 107, by replacing lines 20 through 24 with: "Section 99. Effective date. This Act takes effect upon becoming law.".

With these changes, Senate Bill 1737 will have my approval. I respectfully request your concurrence.

Sincerely,

Bruce Rauner
GOVERNOR

STATE OF ILLINOIS
OFFICE OF THE GOVERNOR
CAPITOL BUILDING, 207 STATE HOUSE
SPRINGFIELD, ILLINOIS 62706

BRUCE RAUNER
GOVERNOR

August 14, 2018

To the Honorable Members of

The Illinois Senate,

100th General Assembly:

Today, I return Senate Bill 2297 with specific recommendations for change.

This legislation provides for rescue squad districts to levy a new tax to fund ambulance services. I applaud that this tax is required to go to the electors of a district, as giving citizens' more control over their tax burdens is essential to combating the property tax and excessive local government crisis being experienced across Illinois and driving citizens out of our state.

However, the local and citizen control of taxes in legislation goes only in one direction, and there is no ability for overtaxed electors to vote to bring this property tax elevating levy—or any increase in their property taxes—back down.

Therefore, pursuant to Section 9(e) of Article IV of the Illinois Constitution of 1970, I hereby return Senate Bill 2297, entitled "AN ACT concerning local government", with the following specific recommendations for change:

On page 2, immediately after line 6, by inserting the following:

"A board of trustees of a rescue squad district where an ambulance service tax has been imposed under this Section pursuant to a referendum held on or after the effective date of this amendatory Act of the 100th General Assembly may submit the question at an election to the voters of the district of the question of reducing or discontinuing the tax. The board shall certify the question to the proper election authority. The election authority must submit the question in substantially the following form:

Shall the ambulance service tax currently imposed in (name of Rescue Squad District) at a rate of (insert rate) be (reduced to (insert rate))(discontinued)?

If a majority of the electors voting on the question vote in the affirmative, then, the tax shall be reduced or discontinued as set forth in the question.

Whenever a petition, subject to the petition requirements of Section 28-3 of the Election Code, is presented to the board of trustees of a rescue squad district where an ambulance service tax has been imposed under this Section requesting that the tax be reduced or discontinued, the board shall cause the proposition to be certified to the proper election officials who shall submit the proposition to the voters at the next appropriate election in accordance with this subsection and general election law. The ballot question shall be in substantially the following form on the ballot:

Shall the ambulance service tax currently imposed in (name of Rescue Squad District) at a rate of (insert rate) be (reduced to (insert rate))(discontinued)? YES NO

If a majority of the electors voting on the question vote in the affirmative, then, the tax shall be reduced or discontinued as set forth in the question.

Section 10. The Property Tax Code is amended by amending Section 18-205 as follows:

(35 ILCS 200/18-205)

Sec. 18-205. Referendum to increase the extension limitation.

(a) A taxing district is limited to an extension limitation of 5% or the percentage increase in the Consumer Price Index during the 12 month calendar year preceding the levy year, whichever is less. A taxing district may increase its extension limitation for one or more levy years if that taxing district holds a referendum before the levy date for the first levy year at which a majority of voters voting on the issue approves adoption of a higher extension limitation. Referenda shall be conducted at a regularly scheduled election in accordance with the Election Code.

(b) The question shall be presented in substantially the following manner:

Shall the extension limitation under the Property Tax Extension Limitation Law for (insert the legal name, number, if any, and county or counties of the taxing district and geographic or other common name by which a school or community college district is known and referred to), Illinois, be increased from the lesser of 5% or the percentage increase in the Consumer Price Index over the prior levy year to (insert the percentage of the proposed increase)% per year for (insert each levy year for which the increased extension limitation will apply)?

(c) Whenever a petition, subject to the petition requirements of Section 28-3 of the Election Code, is presented to the governing body of a taxing district requesting that the taxing district's aggregate extension be decreased by not more than 10% of its aggregate extension for the previous levy year, that governing body shall cause the proposition to be certified to the proper election officials who shall submit the proposition to the voters at the next appropriate election in accordance with this subsection and general election law. A petition under this subsection (c) shall include:

(1) the desired aggregate extension decrease;
(2) signatures by a number of registered voters equal to or greater than 5% of the total ballots cast in the taxing district at the last preceding general election; and
(3) an affidavit of publication, attesting that notice of the petition decrease the taxing district's aggregate extension was published in a newspaper of general circulation within the taxing district.

The parties filing a petition under this Section shall give notice in substantially the following form:

NOTICE OF PETITION TO (INCREASE/DECREASE) (TAXING DISTRICT'S) PROPERTY TAX.
Residents of (taxing district) are notified that a petition will be filed with (taxing district) requesting a referendum to decrease property tax by (amount of increase or decrease) % for (tax levy year(s)).

A petition that meets the requirements of this subsection shall be placed on the ballot at the general election next following. Failure to publish the required notice of petition shall render the petition, and the results of any referendum held on the petition, null and void.

The ballot question shall be in substantially the following form on the ballot:

Shall the property tax rate of (taxing district) be decreased by (insert amount) % in (tax levy year(s))? YES NO

The increase or decrease is approved when three-fifths of the electors of the taxing district approve and the decrease shall be applicable for each levy year specified.

(d) The votes under subsection (b) or (c) must be recorded as "Yes" or "No". Except as provided in subsection (c), if ~~If~~ a majority of voters voting on the issue approves the adoption of the increase, the increase shall be applicable for each levy year specified.

(e) The ballot for any question submitted pursuant to this Section shall have printed thereon, but not as a part of the question submitted, only the following supplemental information (which shall be supplied to the election authority by the taxing district) in substantially the following form:

(1) For the (insert the first levy year for which the increased or reduced extension limitation will be applicable) levy year the approximate amount of the additional or reduced tax extendable against property containing a single family residence and having a fair market value at the time of the referendum of $100,000 is estimated to be $ ....

(2) Based upon an average annual percentage increase (or decrease) in the market value of such property of ... % (insert percentage equal to the average annual percentage increase or decrease for the prior 3 levy years, at the time the submission of the question is initiated by the taxing district, in the amount of (A) the equalized assessed value of the taxable property in the taxing district less (B) the new property included in the equalized assessed value), the approximate amount of the additional or reduced tax extendable against such property for the levy year is estimated to be $ ... and for the ... levy year is estimated to be $ ....

Paragraph (2) shall be included only if the increased or reduced extension limitation will be applicable for more than one year and shall list each levy year for which the increased or reduced extension limitation will be applicable. The additional or reduced tax shown for each levy year shall be the approximate dollar amount of the increase or decrease over the amount of the most recently completed extension at the time the submission of the question is initiated by the taxing district. The approximate amount of the additional or reduced tax extendable shown in paragraphs (1) and (2) shall be calculated by multiplying $100,000 (the fair market value of the property without regard to any property tax exemptions) by (i) the percentage level of assessment prescribed for that property by statute, or by ordinance of the county board in counties that classify property for purposes of taxation in accordance with Section 4 of Article IX of the Illinois Constitution; (ii) the most recent final equalization factor certified to the county clerk by the Department of Revenue at the time the taxing district initiates the submission of the proposition to the electors; (iii) the last known aggregate extension base of the taxing district at the time the submission of the question is initiated by the taxing district; and (iv) the difference between the percentage increase or decrease proposed in the question and the lesser of 5% or the percentage increase in the Consumer Price Index for the prior levy year (or an estimate of the percentage increase or decrease for the prior levy year if the increase or decrease is unavailable at the time the submission of the question is initiated by the taxing district); and dividing the result by the last known equalized assessed value of the taxing district at the time the submission of the question is initiated by the taxing district. This amendatory Act of the 97th General Assembly is intended to clarify the existing requirements of this Section, and shall not be construed to validate any prior non-compliant referendum language. Any notice required to be published in connection with the submission of the question shall also contain this supplemental information and shall not contain any other supplemental information. Any error, miscalculation, or inaccuracy in computing any amount set forth on the ballot or in the notice that is not deliberate shall not invalidate or affect the validity of any proposition approved. Notice of the referendum shall be published and posted as otherwise required by law, and the submission of the question shall be initiated as provided by law."

With these changes, Senate Bill 2297 will have my approval. I respectfully request your concurrence.

Sincerely,

Bruce Rauner
GOVERNOR

STATE OF ILLINOIS
OFFICE OF THE GOVERNOR

[November 13, 2018]

CAPITOL BUILDING, 207 STATE HOUSE
SPRINGFIELD, ILLINOIS 62706

BRUCE RAUNER
GOVERNOR

August 17, 2018

To the Honorable Members of
The Illinois Senate,
100th General Assembly:

Today, I return Senate Bill 2419 with specific recommendations for change.

This legislation updates the certification standards for surgical assistants to become registered to practice in Illinois and adds additional certification requirements for the renewal of this registration.

Maintaining a safe and effective healthcare environment is of the utmost importance. However, this legislation only serves to needlessly expand bureaucratic requirements without any demonstrable improvements in patient safety.

The Department of Financial and Professional Regulation is well-equipped to regulate this profession in a way that protects the health and safety of Illinois patients without needing to enforce membership in a private association. There has been an average of less than 1 disciplinary action per year against this profession since 2010, and surgical assistants already operate under the direction supervision of licensed physicians. All this legislation will accomplish is increasing the direct costs for professionals seeking to renew their license, which will indirectly be passed on to consumers in the form of even higher healthcare costs, while supporting a private organization's certification program that may not even relate to the practice area of a given surgical assistant.

Specifically, this legislation will create at least 80,000 hours of additional unnecessary compliance work by members of this industry and over $1.2 million of indirect costs over the next 10 years, on top of further restricting entry into the labor market for new workers.

While the certification requirements in law may make sense for the initial registration of surgical assistants, the reality of the highly-regulated environments in which they work makes statutorily required maintenance of this paper certification redundant. Instead of perpetuating barriers to work like this, Illinois should be making our economy and workforce more agile and responsive to the actual needs of our workplaces.

Therefore, pursuant to Section 9(e) of Article IV of the Illinois Constitution of 1970, I hereby return Senate Bill 2419, entitled "AN ACT concerning regulation", with the following specific recommendations for change:

By deleting page 2, line 10 through page 3 line 23.

With these changes, Senate Bill 2419 will have my approval. I respectfully request your concurrence.

Sincerely,

Bruce Rauner
GOVERNOR

STATE OF ILLINOIS
OFFICE OF THE GOVERNOR
CAPITOL BUILDING, 207 STATE HOUSE
SPRINGFIELD, ILLINOIS 62706

BRUCE RAUNER

[November 13, 2018]

GOVERNOR

August 24, 2018

To the Honorable Members of
The Illinois Senate,
100th General Assembly:

Today, I return Senate Bill 2481 with specific recommendations for change. We need to balance the need for relieving citizens inadvertently harmed by the state with the burden to which the state and its taxpayers are subjected through litigation awards it cannot afford.

When citizens are inadvertently harmed by the State of Illinois or State employees performing their duties, they are granted statutory recourse to address those harms through the Illinois Court of Claims. There are approximately eight thousand cases filed against the State of Illinois each year, two hundred of which are for torts. Currently, these tort claims are subject to a cap of $100,000.

I recognize that the current law is outdated and in need of adjustment. However, this adjustment should reflect regional and national averages in order to properly compensate those who, once properly adjudicated, were found harmed by the State of Illinois.

This legislation raises the cap on awards from $100,000 to $2,000,000, effectively ignoring the impact of vastly expanded future litigation on the fiscal position of the State and its taxpayers.

The increase stands out when compared to other large states across America. Among the largest states in the nation, the cap averages about $350,000 for individual claims. As proposed, SB 2481 would make Illinois an extreme outlier when compared to our surrounding states. Wisconsin and Michigan are almost entirely immune from tort liability. Kentucky caps claims at $250,000; Indiana at $700,000 and Missouri at $300,000. Iowa has essentially no cap on tort claims. Further, the increase proposed far outpaces what would be a reasonable increase based on growth statistics available from the United States Department of Labor's Bureau of Labor Statistics. Finally, as proposed, this legislation could invite frivolous lawsuits and expose taxpayers to hundreds of millions of dollars of potential damages each year without adequate study or justification.

Understanding that, I am adjusting the cap to a more reasonable and justifiable $300,000.

Therefore, pursuant to Section 9(e) of Article IV of the Illinois Constitution of 1970, I hereby return Senate Bill 2481, entitled "AN ACT concerning courts," with the following recommendation for change:

On page 3, line 16, by replacing "$2,000,000" with "$300,000"; and

On page 3, line 17, by replacing "$2,000,000" with "$300,000".

With these changes, Senate Bill 2481 will have my approval. I respectfully request your concurrence.

Sincerely,

Bruce Rauner
GOVERNOR

STATE OF ILLINOIS
OFFICE OF THE GOVERNOR
CAPITOL BUILDING, 207 STATE HOUSE
SPRINGFIELD, ILLINOIS 62706

BRUCE RAUNER
GOVERNOR

August 27, 2018

To the Honorable Members of
The Illinois Senate
100th General Assembly:

Today, I return Senate Bill 2544 with specific recommendations for change.

This legislation would allow for a referendum to make the the Chief Assessor of Lake County, a position currently appointed by the Chairman of the county board, an elected position in the future. While this legislation promotes the accountability of property tax officials to the taxpayers they serve, it furthers a concerning practice of local carve-outs in state law. What is beneficial to Lake County taxpayers and voters may also be beneficial to citizens across the state, who should get the same opportunity to determine whether an elected county assessor would better serve their communities.

Therefore, pursuant to Section 9(e) of Article IV of the Illinois Constitution of 1970, I hereby return Senate Bill 2544, entitled "AN ACT concerning local government," with the following specific recommendations for change:

On page 4, by replacing line 15 with: "Sec. 3-47. Appointed Chief county assessment officer referendum; election."; and

On page 4, line 17 through 20 with: "the election authority for a county with an appointed Chief county assessment officer shall cause to be submitted to the voters of such county at the general election held on November 6, 2018 a referendum to convert the office of the Chief county assessment officer to an elected"; and

By replacing line 24 on page 4 through line 2 on page 5 with: "'"Shall the office of the Chief county assessment officer in (county) be an elected office beginning with the 2020 general election?"'"; and

On page 5, by replacing lines 8 through 10 with: "office of the Chief county assessment officer in the county where the referendum was approved shall become an elected office. The Chief county assessment officer in such county shall then be elected at the first general election"; and

On page 5 by replacing lines 12 through 15 with: "Chief county assessment officer under this Section, the office of the then-serving Chief county assessment officer shall become vacant, and the newly elected Chief county assessment officer shall assume that office."; and

On page 5, by replacing lines 16 and 17 with: "(c) Should the office of a Chief county assessment officer become an elected office as provided under".

With these changes, Senate Bill 2544 will have my approval. I respectfully request your concurrence.

Sincerely,

Bruce Rauner
GOVERNOR

STATE OF ILLINOIS
OFFICE OF THE GOVERNOR
CAPITOL BUILDING, 207 STATE HOUSE
SPRINGFIELD, ILLINOIS 62706

BRUCE RAUNER
GOVERNOR

August 28, 2018

To the Honorable Members of

The Illinois Senate
100th General Assembly:

Today, I return Senate Bill 2641 with specific recommendations for change.

Peer-to-peer car sharing is an innovative new service that simultaneously allows vehicle owners the freedom to realize additional income on an existing household asset, while also affording consumers a new service to meet their mobility needs. Illinoisans can expect to see this expansion result in lower prices and more choice.

There are meaningful and direct benefits to car sharing that Illinoisans will enjoy at every level; it will reduce congestion, lower the strain placed on scarce parking space inventory, and it will make it easier for people to afford vehicles while simultaneously lowering the cost of transportation for those who cannot afford full-time car ownership.

Oversight of this new industry is important to protect consumers; however, we should be careful not to unintentionally smother its growth before it has a chance to get off the ground.

Senate Bill 2641 was passed rapidly by the General Assembly in the final hours of the legislative session, potentially strangling a nascent new service industry while also adding a large tax increase on the millions of Illinoisans who desire to use this service as either car owners or car users; all without any meaningful time for public input or debate.

Many of the structures this sweeping legislation proposes are ill-suited to thoughtfully regulate this new industry. For example, it is unclear that the current car rental tax rate, which in some cases was meant to compensate for the benefits to the rental car industry derived from the positive spillover of conferences and tourism, has anything to do with Illinoisans providing a nominal service for their neighbor's trip to the grocery store or weekend vacation out of town. There could also be instances of redundant taxation where a user is taxed on a taxi, Uber or Lyft ride from the airport to a nearby household, just to be taxed again on the vehicle they reserved through a ride sharing platform. Further state and local regulatory burdens that make little or no sense placed on car sharing platforms include regulations regarding pamphlets and font sizes, print advertising, real estate design requirements, document inspection, and other restrictions that undermine the innovation in the platform.

In contrast, this recommended amendment was crafted in close coordination with the broader stakeholder community, with the guiding principle of ensuring maximum consumer choice and an equitable treatment under tax law.
Therefore, pursuant to Section 9(e) of Article IV of the Illinois Constitution of 1970, I hereby return Senate Bill 2641, entitled "AN ACT concerning transportation," with specific recommendations for change listed below.

On page 1, immediately after line 3, by inserting the following:

"Section 1. Short title. This Act may be cited as the Illinois Peer-to-Peer Car Sharing Act.

Section 5. Definitions. As used in this Chapter:

(a)"Car sharing period" means the period of time that commences at the car sharing start time and ends at the car sharing termination time.

(b) "Car sharing start time" means the time when a shared motor vehicle becomes subject to the control of the shared vehicle driver at or after the time the reservation of a shared motor vehicle is scheduled to begin as documented in the records of a peer-to-peer car sharing program.

(c)"Car sharing termination time" means the time when the shared motor vehicle is returned to the location designated by the shared vehicle owner or peer-to-peer car sharing company through a peer-to-peer car sharing program, and the earliest of the following occurs:

(1) the expiration of the agreed period of time established for the use of the shared motor vehicle;

(2) the intent to terminate the use of the shared motor vehicle is verifiably communicated to the peer-to-peer car sharing program; or

(3) the shared vehicle owner or the shared vehicle owner's authorized designee, takes possession and control of the shared motor vehicle.

(d) "Intentional or fraudulent material misrepresentation" means an affirmative statement or an omission by a shared vehicle owner that misrepresents material facts about the shared vehicle owner or the shared motor vehicle.

(e) "Peer-to-peer car sharing" means the authorized use of a motor vehicle by an individual other than the vehicle's owner through a peer-to-peer car sharing program.

(f) "Peer-to-peer car sharing transaction" has the meaning ascribed to in Sec. 1-110.06 of the Illinois Vehicle Code.

(g) "Peer-to-peer car sharing program" means a platform provided by a legal entity qualified to business in this State that is engaged in the business of connecting vehicle owners with drivers to enable the sharing of motor vehicles for financial consideration

(h) "Peer-to-peer car sharing program agreement" means the written terms and conditions applicable to a shared vehicle owner and a shared vehicle driver that govern the use of a shared vehicle through a peer-to-peer car sharing program under the provisions of this Section.

(i) "Shared motor vehicle" means a motor vehicle that is available for sharing through a peer-to-peer car sharing program.

(j) "Shared vehicle driver" means an individual who has:

(1) reserved the use of a shared motor vehicle through a peer-to peer car sharing program; and

(2) been authorized to drive the shared motor vehicle by the peer-to-peer car sharing program.

(k) "Shared vehicle owner" means the registered owner of a motor vehicle made available for sharing to shared vehicle drivers through a peer-to-peer car sharing program.

(l) "Vehicle Day" means any calendar day or portion thereof during which a vehicle is used in a Peer-to-peer car sharing transaction.

Section 10. Peer-to-Peer Car Sharing Program Liabilities and Obligations

(a) Except as provided in subparagraph (1) of this paragraph, a peer-to-peer car sharing program shall assume the liability of a shared vehicle owner for any bodily injury or property damage to third parties or uninsured and underinsured motorist or personal injury protection losses during the car sharing period in an amount stated in the peer-to-peer car sharing program agreement which amount may not be less than those set forth in Section 7-203 of the Illinois Insurance Code.

(1) The assumption of liability under Paragraph (a) of this Subsection does not apply if the shared vehicle owner made an intentional or fraudulent material misrepresentation to the peer-to-peer car sharing program before the car sharing period in which the loss occurred.

(b) Nothing in Paragraph (a) of this Subsection:

(1) Limits the liability of the peer-to-peer car sharing program for any act or omission of the peer-to-peer car sharing program itself that results in injury to any person as a result of the use of a shared motor vehicle through a peer-to-peer car sharing program; or

(2) Limits the ability of the peer-to-peer car sharing program to, by contract, seek indemnification from the shared vehicle owner or the shared vehicle driver for economic loss sustained by the peer-to-peer car sharing program resulting from a breach of the terms and conditions of the peer-to-peer car sharing program agreement.

(c) Each peer-to-peer car sharing program agreement made with respect to a car sharing arrangement in the State shall disclose to the shared vehicle owner and the shared vehicle driver:

(1) Any right of the peer-to-peer car sharing program to seek indemnification from the shared vehicle owner or the shared vehicle driver for economic loss sustained by the peer-to-peer car sharing program resulting from a breach of the terms and conditions of the peer-to-peer car sharing program agreement;

(2) That a motor vehicle liability insurance policy issued to the shared vehicle owner for the shared motor vehicle or to the shared vehicle driver does not provide a defense or indemnification for any claim asserted by the peer-to-peer car sharing program;

(3) That the peer-to-peer car sharing program's insurance coverage on the shared vehicle owner and the shared vehicle driver is in effect only during each car sharing period and that, for any use of the shared motor vehicle by the shared vehicle driver after the car sharing termination time, the shared vehicle driver and the shared vehicle owner should contact the shared vehicle driver's or the shared vehicle owner's insurer regarding insurance coverage;

(4) The daily rate, fees, and if applicable, any insurance or protection package costs that are charged to the shared vehicle owner or the shared vehicle driver.

(5) That the shared vehicle owner's motor vehicle liability insurance may not provide coverage for a shared motor vehicle.

(6) An emergency telephone number to personnel capable of fielding roadside assistance and other customer service inquiries.

(d) At the time when a vehicle owner registers as a shared vehicle owner on a peer-to-peer car sharing program and prior to the time when the shared vehicle owner makes a shared motor vehicle available for car sharing on the peer-to-peer car sharing program, the peer-to-peer car sharing program shall notify the shared vehicle owner that, if the shared motor vehicle has a lien against it, the use of the shared motor vehicle through a peer-to-peer car sharing program, including use without physical damage coverage, may violate the terms of the contract with the lienholder.

(e) A peer-to-peer car sharing program shall ensure that, during each car sharing period, the shared vehicle owner and the shared vehicle driver are insured under a motor vehicle liability insurance policy that:

(1) Recognizes that the vehicle insured under the policy is made available and used through a peer-to-peer car sharing program; and

(2) Provides insurance coverage in amounts no less than the minimum amounts set forth in Section 7-203 of the Illinois Insurance Code.

(f) The insurance described under paragraph (e) of this subsection may be satisfied by motor vehicle liability insurance maintained by:

1) A shared vehicle owner;

2) A shared vehicle driver;

3) A peer-to-peer car sharing program; or

4) Both a shared vehicle owner, a shared vehicle driver, and a peer-to-peer car sharing program.

The insurance described in this paragraph that is satisfying the insurance requirement of paragraph (e) shall be primary during each car sharing period.

(g) An authorized insurer that writes motor vehicle liability insurance in the State may exclude any and all coverage and the duty to defend or indemnify for any claim afforded under a shared vehicle owner's personal motor vehicle liability insurance policy. Nothing in this Act invalidates or limits an exclusion contained in a motor vehicle liability insurance policy, including any insurance policy in use or approved for use that excludes coverage for motor vehicles made available for rent, sharing, or hire or for any business use.

(h) No policy of personal private passenger automobile liability insurance shall be cancelled, voided, terminated, rescinded, or nonrenewed solely on the basis that the vehicle has been made available for car sharing pursuant to a car sharing program that is in compliance with the provisions of this section.

(i) A peer-to-peer car sharing company may not enter into a car sharing program agreement with a driver unless the driver who will operate the shared vehicle is duly licensed under Chapter 6 of the Illinois Vehicle Code or, in the case of a nonresident, then duly licensed under the laws of the State or country of his residence unless the State or country of his residence does not require that a driver be licensed.

(j) A peer-to-peer car sharing company shall keep a record of the registration number of the shared vehicle, the name and address of the shared vehicle driver, the number of the driver's license, if any, of the shared vehicle driver, and the place where the license, if any, was issued. Such record shall be open to inspection by any officer or designated agent of the Secretary of State.

(k) A peer-to-peer car sharing company shall have sole responsibility for any equipment, such as a GPS system or other special equipment that is put in or on the vehicle to monitor or facilitate the car sharing transaction, and shall agree to indemnify and hold harmless the vehicle owner for any damage to or theft of such equipment, except to the extent the damage or theft was caused directly by the vehicle's owner.

(l) The peer-to-peer car sharing company shall collect and verify records pertaining to the use of a vehicle, including, but not limited to, times used, fees paid by the shared vehicle driver, and revenues received by the shared vehicle owner and provide that information upon request to the shared vehicle owner, the shared

vehicle owner's insurer, or the shared vehicle driver's insurer to facilitate a claim coverage investigation. The peer-to-peer car sharing company shall retain the records for a reasonable period after the expiration of the applicable personal injury statute of limitations.

(m) A peer–to–peer car sharing program and a shared vehicle owner shall be exempt from vicarious liability in accordance with 49 14 U.S.C. § 30106 and under any state or local law that imposes liability solely based on vehicle ownership.

(n) A motor vehicle insurer that defends or indemnifies a claim against a shared motor vehicle that is excluded under the terms of its policy shall have the right to seek contribution against the motor vehicle insurer of the peer–to–peer car sharing program if the claim is: (i) made against the shared vehicle owner or the shared vehicle driver for loss or injury that occurs during the car sharing period; and (ii) excluded under the terms of its policy.

(o) A peer-to-peer car sharing program may not be considered to be a motor vehicle rental company under Illinois State or local law including but not limited to 625 ILCS 5/6-305.3

(p) Notwithstanding any other law, statute, rule or regulation to the contrary, a peer-to-peer car sharing program shall have an insurable interest in a shared motor vehicle during the car sharing period.

Section 15. Recall and Safety Provisions

(a) At the time when a vehicle owner registers as a shared vehicle owner with a peer-to-peer car sharing platform and prior to the time when the shared vehicle owner makes a shared vehicle available for car sharing on the car sharing platform, the peer-to-peer car sharing platform shall:
  (1) Verify that the shared vehicle does not have any safety recalls on the vehicle for which the repairs have not been made; and
  (2) Notify the shared vehicle owner of the requirements under subsection (b) of this section.

(b) If the shared vehicle owner has received an actual notice of a safety recall on the vehicle, a shared vehicle owner may not make a vehicle available as a shared vehicle on a peer-to-peer car sharing platform until the safety recall repair has been made.

(c) If a shared vehicle owner receives an actual notice of a safety recall on a shared vehicle while the shared vehicle is made available on the peer-to-peer car sharing platform, the shared vehicle owner shall remove the shared vehicle as available on the peer-to-peer car sharing platform, as soon as practicably possible but no later than 72 hours after receiving the notice of the safety recall and until the safety recall repair has been made.

(d) If a shared vehicle owner receives an actual notice of a safety recall while the shared vehicle is being used in the possession of a shared vehicle driver, as soon as practicably possible but no later than 72 hours after receiving the notice of the safety recall, the shared vehicle owner shall notify the peer-to-peer car sharing platform about the safety recall so that the shared vehicle owner may address the safety recall repair.

Section 20. Penalties

(a) A Uniform Traffic Citation issued under the Automated Traffic Control Systems in Highway Construction or Maintenance Zones Act to a peer-to-peer car sharing program, or, shared vehicle owner, shall be dismissed with respect to the peer-to-peer car sharing program, or, shared vehicle owner, if:
  (1) the peer-to-peer car sharing program or, shared vehicle owner responds to the Uniform Traffic Citation by submitting, within 30 days of the receipt of the citation, an affidavit or declaration of non-liability stating

that, at the time of the alleged speeding or other traffic violation, the vehicle was in the custody and control of a shared vehicle driver under the terms of a peer-to-peer car sharing program agreement; and

(2) the driver's license number, name, and last known address of the shared vehicle driver is provided.

(b) A Uniform Traffic Citation dismissed with respect to a peer-to-peer car sharing program or, shared vehicle owner in accordance with subsection (1) may then be issued and delivered by mail or other means to the shared vehicle driver identified in the affidavit of non-liability.

Section 905. The Use Tax Act is amended by changing Section 3-5 as follows:

(35 ILCS 105/3-5)

(Text of Section from P.A. 100-22)

Sec. 3-5. Exemptions. Use of the following tangible personal property is exempt from the tax imposed by this Act:

(1) Personal property purchased from a corporation, society, association, foundation, institution, or organization, other than a limited liability company, that is organized and operated as a not-for-profit service enterprise for the benefit of persons 65 years of age or older if the personal property was not purchased by the enterprise for the purpose of resale by the enterprise.

(2) Personal property purchased by a not-for-profit Illinois county fair association for use in conducting, operating, or promoting the county fair.

(3) Personal property purchased by a not-for-profit arts or cultural organization that establishes, by proof required by the Department by rule, that it has received an exemption under Section 501(c)(3) of the Internal Revenue Code and that is organized and operated primarily for the presentation or support of arts or cultural programming, activities, or services. These organizations include, but are not limited to, music and dramatic arts organizations such as symphony orchestras and theatrical groups, arts and cultural service organizations, local arts councils, visual arts organizations, and media arts organizations. On and after the effective date of this amendatory Act of the 92nd General Assembly, however, an entity otherwise eligible for this exemption shall not make tax-free purchases unless it has an active identification number issued by the Department.

(4) Personal property purchased by a governmental body, by a corporation, society, association, foundation, or institution organized and operated exclusively for charitable, religious, or educational purposes, or by a not-for-profit corporation, society, association, foundation, institution, or organization that has no compensated officers or employees and that is organized and operated primarily for the recreation of persons 55 years of age or older. A limited liability company may qualify for the exemption under this paragraph only if the limited liability company is organized and operated exclusively for educational purposes. On and after July 1, 1987, however, no entity otherwise eligible for this exemption shall make tax-free purchases unless it has an active exemption identification number issued by the Department.

(5) Until July 1, 2003, a passenger car that is a replacement vehicle to the extent that the purchase price of the car is subject to the Replacement Vehicle Tax.

(6) Until July 1, 2003 and beginning again on September 1, 2004 through August 30, 2014, graphic arts machinery and equipment, including repair and replacement parts, both new and used, and including that manufactured on special order, certified by the purchaser to be used primarily for graphic arts production, and including machinery and equipment purchased for lease. Equipment includes chemicals or chemicals acting as catalysts but only if the chemicals or chemicals acting as catalysts effect a direct and immediate change upon a graphic arts product. Beginning on July 1, 2017, graphic arts machinery and equipment is included in the manufacturing and assembling machinery and equipment exemption under paragraph (18).

(7) Farm chemicals.

(8) Legal tender, currency, medallions, or gold or silver coinage issued by the State of Illinois, the government of the United States of America, or the government of any foreign country, and bullion.

(9) Personal property purchased from a teacher-sponsored student organization affiliated with an elementary or secondary school located in Illinois.

(10) A motor vehicle that is used for automobile renting, as defined in the Automobile Renting Occupation and Use Tax Act. This exemption does not include a motor vehicle that is used in a peer-to-peer car sharing transaction, as defined in Section 1-110.06 of the Illinois Vehicle Code, unless the motor vehicle is used exclusively in peer-to-peer car sharing transactions.

(11) Farm machinery and equipment, both new and used, including that manufactured on special order, certified by the purchaser to be used primarily for production agriculture or State or federal agricultural programs, including individual replacement parts for the machinery and equipment, including machinery and equipment purchased for lease, and including implements of husbandry defined in Section 1-130 of the Illinois Vehicle Code, farm machinery and agricultural chemical and fertilizer spreaders, and nurse wagons required to be registered under Section 3-809 of the Illinois Vehicle Code, but excluding other motor vehicles required to be registered under the Illinois Vehicle Code. Horticultural polyhouses or hoop houses used for propagating, growing, or overwintering plants shall be considered farm machinery and equipment under this item (11). Agricultural chemical tender tanks and dry boxes shall include units sold separately from a motor vehicle required to be licensed and units sold mounted on a motor vehicle required to be licensed if the selling price of the tender is separately stated.

Farm machinery and equipment shall include precision farming equipment that is installed or purchased to be installed on farm machinery and equipment including, but not limited to, tractors, harvesters, sprayers, planters, seeders, or spreaders. Precision farming equipment includes, but is not limited to, soil testing sensors, computers, monitors, software, global positioning and mapping systems, and other such equipment.

Farm machinery and equipment also includes computers, sensors, software, and related equipment used primarily in the computer-assisted operation of production agriculture facilities, equipment, and activities such as, but not limited to, the collection, monitoring, and correlation of animal and crop data for the purpose of formulating animal diets and agricultural chemicals. This item (11) is exempt from the provisions of Section 3-90.

(12) Until June 30, 2013, fuel and petroleum products sold to or used by an air common carrier, certified by the carrier to be used for consumption, shipment, or storage in the conduct of its business as an air common carrier, for a flight destined for or returning from a location or locations outside the United States without regard to previous or subsequent domestic stopovers.

Beginning July 1, 2013, fuel and petroleum products sold to or used by an air carrier, certified by the carrier to be used for consumption, shipment, or storage in the conduct of its business as an air common carrier, for a flight that (i) is engaged in foreign trade or is engaged in trade between the United States and any of its possessions and (ii) transports at least one individual or package for hire from the city of origination to the city of final destination on the same aircraft, without regard to a change in the flight number of that aircraft.

(13) Proceeds of mandatory service charges separately stated on customers' bills for the purchase and consumption of food and beverages purchased at retail from a retailer, to the extent that the proceeds of the service charge are in fact turned over as tips or as a substitute for tips to the employees who participate directly in preparing, serving, hosting or cleaning up the food or beverage function with respect to which the service charge is imposed.

(14) Until July 1, 2003, oil field exploration, drilling, and production equipment, including (i) rigs and parts of rigs, rotary rigs, cable tool rigs, and workover rigs, (ii) pipe and tubular goods, including casing and drill strings, (iii) pumps and pump-jack units, (iv) storage tanks and flow lines, (v) any individual replacement part for oil field exploration, drilling, and production equipment, and (vi) machinery and

equipment purchased for lease; but excluding motor vehicles required to be registered under the Illinois Vehicle Code.

(15) Photoprocessing machinery and equipment, including repair and replacement parts, both new and used, including that manufactured on special order, certified by the purchaser to be used primarily for photoprocessing, and including photoprocessing machinery and equipment purchased for lease.

(16) Coal and aggregate exploration, mining, off-highway hauling, processing, maintenance, and reclamation equipment, including replacement parts and equipment, and including equipment purchased for lease, but excluding motor vehicles required to be registered under the Illinois Vehicle Code. The changes made to this Section by Public Act 97-767 apply on and after July 1, 2003, but no claim for credit or refund is allowed on or after August 16, 2013 (the effective date of Public Act 98-456) for such taxes paid during the period beginning July 1, 2003 and ending on August 16, 2013 (the effective date of Public Act 98-456).

(17) Until July 1, 2003, distillation machinery and equipment, sold as a unit or kit, assembled or installed by the retailer, certified by the user to be used only for the production of ethyl alcohol that will be used for consumption as motor fuel or as a component of motor fuel for the personal use of the user, and not subject to sale or resale.

(18) Manufacturing and assembling machinery and equipment used primarily in the process of manufacturing or assembling tangible personal property for wholesale or retail sale or lease, whether that sale or lease is made directly by the manufacturer or by some other person, whether the materials used in the process are owned by the manufacturer or some other person, or whether that sale or lease is made apart from or as an incident to the seller's engaging in the service occupation of producing machines, tools, dies, jigs, patterns, gauges, or other similar items of no commercial value on special order for a particular purchaser. The exemption provided by this paragraph (18) does not include machinery and equipment used in (i) the generation of electricity for wholesale or retail sale; (ii) the generation or treatment of natural or artificial gas for wholesale or retail sale that is delivered to customers through pipes, pipelines, or mains; or (iii) the treatment of water for wholesale or retail sale that is delivered to customers through pipes, pipelines, or mains. The provisions of Public Act 98-583 are declaratory of existing law as to the meaning and scope of this exemption. Beginning on July 1, 2017, the exemption provided by this paragraph (18) includes, but is not limited to, graphic arts machinery and equipment, as defined in paragraph (6) of this Section.

(19) Personal property delivered to a purchaser or purchaser's donee inside Illinois when the purchase order for that personal property was received by a florist located outside Illinois who has a florist located inside Illinois deliver the personal property.

(20) Semen used for artificial insemination of livestock for direct agricultural production.

(21) Horses, or interests in horses, registered with and meeting the requirements of any of the Arabian Horse Club Registry of America, Appaloosa Horse Club, American Quarter Horse Association, United States Trotting Association, or Jockey Club, as appropriate, used for purposes of breeding or racing for prizes. This item (21) is exempt from the provisions of Section 3-90, and the exemption provided for under this item (21) applies for all periods beginning May 30, 1995, but no claim for credit or refund is allowed on or after January 1, 2008 for such taxes paid during the period beginning May 30, 2000 and ending on January 1, 2008.

(22) Computers and communications equipment utilized for any hospital purpose and equipment used in the diagnosis, analysis, or treatment of hospital patients purchased by a lessor who leases the equipment, under a lease of one year or longer executed or in effect at the time the lessor would otherwise be subject to the tax imposed by this Act, to a hospital that has been issued an active tax exemption identification number by the Department under Section 1g of the Retailers' Occupation Tax Act. If the equipment is leased in a manner that does not qualify for this exemption or is used in any other non-exempt manner, the lessor shall be liable for the tax imposed under this Act or the Service Use Tax Act, as the case may be, based on the fair market value of the property at the time the non-qualifying use occurs. No lessor shall collect

or attempt to collect an amount (however designated) that purports to reimburse that lessor for the tax imposed by this Act or the Service Use Tax Act, as the case may be, if the tax has not been paid by the lessor. If a lessor improperly collects any such amount from the lessee, the lessee shall have a legal right to claim a refund of that amount from the lessor. If, however, that amount is not refunded to the lessee for any reason, the lessor is liable to pay that amount to the Department.

(23) Personal property purchased by a lessor who leases the property, under a lease of one year or longer executed or in effect at the time the lessor would otherwise be subject to the tax imposed by this Act, to a governmental body that has been issued an active sales tax exemption identification number by the Department under Section 1g of the Retailers' Occupation Tax Act. If the property is leased in a manner that does not qualify for this exemption or used in any other non-exempt manner, the lessor shall be liable for the tax imposed under this Act or the Service Use Tax Act, as the case may be, based on the fair market value of the property at the time the non-qualifying use occurs. No lessor shall collect or attempt to collect an amount (however designated) that purports to reimburse that lessor for the tax imposed by this Act or the Service Use Tax Act, as the case may be, if the tax has not been paid by the lessor. If a lessor improperly collects any such amount from the lessee, the lessee shall have a legal right to claim a refund of that amount from the lessor. If, however, that amount is not refunded to the lessee for any reason, the lessor is liable to pay that amount to the Department.

(24) Beginning with taxable years ending on or after December 31, 1995 and ending with taxable years ending on or before December 31, 2004, personal property that is donated for disaster relief to be used in a State or federally declared disaster area in Illinois or bordering Illinois by a manufacturer or retailer that is registered in this State to a corporation, society, association, foundation, or institution that has been issued a sales tax exemption identification number by the Department that assists victims of the disaster who reside within the declared disaster area.

(25) Beginning with taxable years ending on or after December 31, 1995 and ending with taxable years ending on or before December 31, 2004, personal property that is used in the performance of infrastructure repairs in this State, including but not limited to municipal roads and streets, access roads, bridges, sidewalks, waste disposal systems, water and sewer line extensions, water distribution and purification facilities, storm water drainage and retention facilities, and sewage treatment facilities, resulting from a State or federally declared disaster in Illinois or bordering Illinois when such repairs are initiated on facilities located in the declared disaster area within 6 months after the disaster.

(26) Beginning July 1, 1999, game or game birds purchased at a "game breeding and hunting preserve area" as that term is used in the Wildlife Code. This paragraph is exempt from the provisions of Section 3-90.

(27) A motor vehicle, as that term is defined in Section 1-146 of the Illinois Vehicle Code, that is donated to a corporation, limited liability company, society, association, foundation, or institution that is determined by the Department to be organized and operated exclusively for educational purposes. For purposes of this exemption, "a corporation, limited liability company, society, association, foundation, or institution organized and operated exclusively for educational purposes" means all tax-supported public schools, private schools that offer systematic instruction in useful branches of learning by methods common to public schools and that compare favorably in their scope and intensity with the course of study presented in tax-supported schools, and vocational or technical schools or institutes organized and operated exclusively to provide a course of study of not less than 6 weeks duration and designed to prepare individuals to follow a trade or to pursue a manual, technical, mechanical, industrial, business, or commercial occupation.

(28) Beginning January 1, 2000, personal property, including food, purchased through fundraising events for the benefit of a public or private elementary or secondary school, a group of those schools, or one or more school districts if the events are sponsored by an entity recognized by the school district that consists primarily of volunteers and includes parents and teachers of the school children. This paragraph does not apply to fundraising events (i) for the benefit of private home instruction or

(ii) for which the fundraising entity purchases the personal property sold at the events from another individual or entity that sold the property for the purpose of resale by the fundraising entity and that profits from the sale to the fundraising entity. This paragraph is exempt from the provisions of Section 3-90.

(29) Beginning January 1, 2000 and through December 31, 2001, new or used automatic vending machines that prepare and serve hot food and beverages, including coffee, soup, and other items, and replacement parts for these machines. Beginning January 1, 2002 and through June 30, 2003, machines and parts for machines used in commercial, coin-operated amusement and vending business if a use or occupation tax is paid on the gross receipts derived from the use of the commercial, coin-operated amusement and vending machines. This paragraph is exempt from the provisions of Section 3-90.

(30) Beginning January 1, 2001 and through June 30, 2016, food for human consumption that is to be consumed off the premises where it is sold (other than alcoholic beverages, soft drinks, and food that has been prepared for immediate consumption) and prescription and nonprescription medicines, drugs, medical appliances, and insulin, urine testing materials, syringes, and needles used by diabetics, for human use, when purchased for use by a person receiving medical assistance under Article V of the Illinois Public Aid Code who resides in a licensed long-term care facility, as defined in the Nursing Home Care Act, or in a licensed facility as defined in the ID/DD Community Care Act, the MC/DD Act, or the Specialized Mental Health Rehabilitation Act of 2013.

(31) Beginning on the effective date of this amendatory Act of the 92nd General Assembly, computers and communications equipment utilized for any hospital purpose and equipment used in the diagnosis, analysis, or treatment of hospital patients purchased by a lessor who leases the equipment, under a lease of one year or longer executed or in effect at the time the lessor would otherwise be subject to the tax imposed by this Act, to a hospital that has been issued an active tax exemption identification number by the Department under Section 1g of the Retailers' Occupation Tax Act. If the equipment is leased in a manner that does not qualify for this exemption or is used in any other nonexempt manner, the lessor shall be liable for the tax imposed under this Act or the Service Use Tax Act, as the case may be, based on the fair market value of the property at the time the nonqualifying use occurs. No lessor shall collect or attempt to collect an amount (however designated) that purports to reimburse that lessor for the tax imposed by this Act or the Service Use Tax Act, as the case may be, if the tax has not been paid by the lessor. If a lessor improperly collects any such amount from the lessee, the lessee shall have a legal right to claim a refund of that amount from the lessor. If, however, that amount is not refunded to the lessee for any reason, the lessor is liable to pay that amount to the Department. This paragraph is exempt from the provisions of Section 3-90.

(32) Beginning on the effective date of this amendatory Act of the 92nd General Assembly, personal property purchased by a lessor who leases the property, under a lease of one year or longer executed or in effect at the time the lessor would otherwise be subject to the tax imposed by this Act, to a governmental body that has been issued an active sales tax exemption identification number by the Department under Section 1g of the Retailers' Occupation Tax Act. If the property is leased in a manner that does not qualify for this exemption or used in any other nonexempt manner, the lessor shall be liable for the tax imposed under this Act or the Service Use Tax Act, as the case may be, based on the fair market value of the property at the time the nonqualifying use occurs. No lessor shall collect or attempt to collect an amount (however designated) that purports to reimburse that lessor for the tax imposed by this Act or the Service Use Tax Act, as the case may be, if the tax has not been paid by the lessor. If a lessor improperly collects any such amount from the lessee, the lessee shall have a legal right to claim a refund of that amount from the lessor. If, however, that amount is not refunded to the lessee for any reason, the lessor is liable to pay that amount to the Department. This paragraph is exempt from the provisions of Section 3-90.

(33) On and after July 1, 2003 and through June 30, 2004, the use in this State of motor vehicles of the second division with a gross vehicle weight in excess of 8,000 pounds and that are subject to the commercial distribution fee imposed under Section

3-815.1 of the Illinois Vehicle Code. Beginning on July 1, 2004 and through June 30, 2005, the use in this State of motor vehicles of the second division: (i) with a gross vehicle weight rating in excess of 8,000 pounds; (ii) that are subject to the commercial distribution fee imposed under Section 3-815.1 of the Illinois Vehicle Code; and (iii) that are primarily used for commercial purposes. Through June 30, 2005, this exemption applies to repair and replacement parts added after the initial purchase of such a motor vehicle if that motor vehicle is used in a manner that would qualify for the rolling stock exemption otherwise provided for in this Act. For purposes of this paragraph, the term "used for commercial purposes" means the transportation of persons or property in furtherance of any commercial or industrial enterprise, whether for-hire or not.

(34) Beginning January 1, 2008, tangible personal property used in the construction or maintenance of a community water supply, as defined under Section 3.145 of the Environmental Protection Act, that is operated by a not-for-profit corporation that holds a valid water supply permit issued under Title IV of the Environmental Protection Act. This paragraph is exempt from the provisions of Section 3-90.

(35) Beginning January 1, 2010, materials, parts, equipment, components, and furnishings incorporated into or upon an aircraft as part of the modification, refurbishment, completion, replacement, repair, or maintenance of the aircraft. This exemption includes consumable supplies used in the modification, refurbishment, completion, replacement, repair, and maintenance of aircraft, but excludes any materials, parts, equipment, components, and consumable supplies used in the modification, replacement, repair, and maintenance of aircraft engines or power plants, whether such engines or power plants are installed or uninstalled upon any such aircraft. "Consumable supplies" include, but are not limited to, adhesive, tape, sandpaper, general purpose lubricants, cleaning solution, latex gloves, and protective films. This exemption applies only to the use of qualifying tangible personal property by persons who modify, refurbish, complete, repair, replace, or maintain aircraft and who (i) hold an Air Agency Certificate and are empowered to operate an approved repair station by the Federal Aviation Administration, (ii) have a Class IV Rating, and (iii) conduct operations in accordance with Part 145 of the Federal Aviation Regulations. The exemption does not include aircraft operated by a commercial air carrier providing scheduled passenger air service pursuant to authority issued under Part 121 or Part 129 of the Federal Aviation Regulations. The changes made to this paragraph (35) by Public Act 98-534 are declarative of existing law.

(36) Tangible personal property purchased by a public-facilities corporation, as described in Section 11-65-10 of the Illinois Municipal Code, for purposes of constructing or furnishing a municipal convention hall, but only if the legal title to the municipal convention hall is transferred to the municipality without any further consideration by or on behalf of the municipality at the time of the completion of the municipal convention hall or upon the retirement or redemption of any bonds or other debt instruments issued by the public-facilities corporation in connection with the development of the municipal convention hall. This exemption includes existing public-facilities corporations as provided in Section 11-65-25 of the Illinois Municipal Code. This paragraph is exempt from the provisions of Section 3-90.

(37) Beginning January 1, 2017, menstrual pads, tampons, and menstrual cups.
(Source: P.A. 99-180, eff. 7-29-15; 99-855, eff. 8-19-16; 100-22, eff. 7-6-17.)

Section 910. The Retailers' Occupation Tax Act is amended by changing Section 2-5 as follows:

(35 ILCS 120/2-5)
(Text of Section from P.A. 100-22)

Sec. 2-5. Exemptions. Gross receipts from proceeds from the sale of the following tangible personal property are exempt from the tax imposed by this Act:

(1) Farm chemicals.

(2) Farm machinery and equipment, both new and used, including that manufactured on special order, certified by the purchaser to be used primarily for production agriculture or State or federal agricultural programs, including individual replacement parts for the machinery and equipment, including machinery and equipment purchased for lease, and including implements of husbandry defined in Section 1-130 of the Illinois Vehicle Code, farm machinery and agricultural chemical and fertilizer spreaders, and nurse wagons required to be registered under Section 3-809 of the Illinois Vehicle Code, but excluding other motor vehicles required to be registered under the Illinois Vehicle Code. Horticultural polyhouses or hoop houses used for propagating, growing, or overwintering plants shall be considered farm machinery and equipment under this item (2). Agricultural chemical tender tanks and dry boxes shall include units sold separately from a motor vehicle required to be licensed and units sold mounted on a motor vehicle required to be licensed, if the selling price of the tender is separately stated.

Farm machinery and equipment shall include precision farming equipment that is installed or purchased to be installed on farm machinery and equipment including, but not limited to, tractors, harvesters, sprayers, planters, seeders, or spreaders. Precision farming equipment includes, but is not limited to, soil testing sensors, computers, monitors, software, global positioning and mapping systems, and other such equipment.

Farm machinery and equipment also includes computers, sensors, software, and related equipment used primarily in the computer-assisted operation of production agriculture facilities, equipment, and activities such as, but not limited to, the collection, monitoring, and correlation of animal and crop data for the purpose of formulating animal diets and agricultural chemicals. This item (2) is exempt from the provisions of Section 2-70.

(3) Until July 1, 2003, distillation machinery and equipment, sold as a unit or kit, assembled or installed by the retailer, certified by the user to be used only for the production of ethyl alcohol that will be used for consumption as motor fuel or as a component of motor fuel for the personal use of the user, and not subject to sale or resale.

(4) Until July 1, 2003 and beginning again September 1, 2004 through August 30, 2014, graphic arts machinery and equipment, including repair and replacement parts, both new and used, and including that manufactured on special order or purchased for lease, certified by the purchaser to be used primarily for graphic arts production. Equipment includes chemicals or chemicals acting as catalysts but only if the chemicals or chemicals acting as catalysts effect a direct and immediate change upon a graphic arts product. Beginning on July 1, 2017, graphic arts machinery and equipment is included in the manufacturing and assembling machinery and equipment exemption under paragraph (14).

(5) A motor vehicle that is used for automobile renting, as defined in the Automobile Renting Occupation and Use Tax Act. <u>This exemption does not include a motor vehicle that is used in a peer-to-peer car sharing transaction, as defined in Section 1-110.06 of the Illinois Vehicle Code, unless the motor vehicle is used exclusively in peer-to-peer car sharing transactions.</u> This paragraph is exempt from the provisions of Section 2-70.

(6) Personal property sold by a teacher-sponsored student organization affiliated with an elementary or secondary school located in Illinois.

(7) Until July 1, 2003, proceeds of that portion of the selling price of a passenger car the sale of which is subject to the Replacement Vehicle Tax.

(8) Personal property sold to an Illinois county fair association for use in conducting, operating, or promoting the county fair.

(9) Personal property sold to a not-for-profit arts or cultural organization that establishes, by proof required by the Department by rule, that it has received an exemption under Section 501(c)(3) of the Internal Revenue Code and that is organized and operated primarily for the presentation or support of arts or cultural programming, activities, or services. These organizations include, but are not limited to, music and dramatic arts organizations such as symphony orchestras and theatrical groups, arts and cultural service organizations, local arts councils, visual arts organizations, and media arts organizations. On and after the effective date of this amendatory Act of the 92nd General Assembly, however, an entity otherwise eligible for this exemption shall not make tax-free purchases unless it has an active identification number issued by the Department.

(10) Personal property sold by a corporation, society, association, foundation, institution, or organization, other than a limited liability company, that is organized and operated as a not-for-profit service enterprise for the benefit of persons 65 years of age or older if the personal property was not purchased by the enterprise for the purpose of resale by the enterprise.

(11) Personal property sold to a governmental body, to a corporation, society, association, foundation, or institution organized and operated exclusively for charitable, religious, or educational purposes, or to a not-for-profit corporation, society, association, foundation, institution, or organization that has no compensated officers or employees and that is organized and operated primarily for the recreation of persons 55 years of age or older. A limited liability company may qualify for the exemption under this paragraph only if the limited liability company is organized and operated exclusively for educational purposes. On and after July 1, 1987, however, no entity otherwise eligible for this exemption shall make tax-free purchases unless it has an active identification number issued by the Department.

(12) Tangible personal property sold to interstate carriers for hire for use as rolling stock moving in interstate commerce or to lessors under leases of one year or longer executed or in effect at the time of purchase by interstate carriers for hire for use as rolling stock moving in interstate commerce and equipment operated by a telecommunications provider, licensed as a common carrier by the Federal Communications Commission, which is permanently installed in or affixed to aircraft moving in interstate commerce.

(12-5) On and after July 1, 2003 and through June 30, 2004, motor vehicles of the second division with a gross vehicle weight in excess of 8,000 pounds that are subject to the commercial distribution fee imposed under Section 3-815.1 of the Illinois Vehicle Code. Beginning on July 1, 2004 and through June 30, 2005, the use in this State of motor vehicles of the second division: (i) with a gross vehicle weight rating in excess of 8,000 pounds; (ii) that are subject to the commercial distribution fee imposed under Section 3-815.1 of the Illinois Vehicle Code; and (iii) that are primarily used for commercial purposes. Through June 30, 2005, this exemption applies to repair and replacement parts added after the initial purchase of such a motor vehicle if that motor vehicle is used in a manner that would qualify for the rolling stock exemption otherwise provided for in this Act. For purposes of this paragraph, "used for commercial purposes" means the transportation of persons or property in furtherance of any commercial or industrial enterprise whether for-hire or not.

(13) Proceeds from sales to owners, lessors, or shippers of tangible personal property that is utilized by interstate carriers for hire for use as rolling stock moving in interstate commerce and equipment operated by a telecommunications provider, licensed as a common carrier by the Federal Communications Commission, which is permanently installed in or affixed to aircraft moving in interstate commerce.

(14) Machinery and equipment that will be used by the purchaser, or a lessee of the purchaser, primarily in the process of manufacturing or assembling tangible personal property for wholesale or retail sale or lease, whether the sale or lease is made directly by the manufacturer or by some other person, whether the materials used in the process are owned by the manufacturer or some other person, or whether the sale or lease is made apart from or as an incident to the seller's engaging in the service occupation of producing machines, tools, dies, jigs, patterns, gauges, or other similar items of no commercial value on special order for a particular purchaser. The exemption provided by this paragraph (14) does not include machinery and equipment used in (i) the generation of electricity for wholesale or retail sale; (ii) the generation or treatment of natural or artificial gas for wholesale or retail sale that is delivered to customers through pipes, pipelines, or mains; or (iii) the treatment of water for wholesale or retail sale that is delivered to customers through pipes, pipelines, or mains. The provisions of Public Act 98-583 are declaratory of existing law as to the meaning and scope of this exemption. Beginning on July 1, 2017, the exemption provided by this paragraph (14) includes, but is not limited to, graphic arts machinery and equipment, as defined in paragraph (4) of this Section.

(15) Proceeds of mandatory service charges separately stated on customers' bills for purchase and consumption of food and beverages, to the extent that the proceeds of the service charge are in fact turned over as tips or as a substitute for tips to the employees who participate directly in preparing, serving, hosting or cleaning up the food or beverage function with respect to which the service charge is imposed.

(16) Petroleum products sold to a purchaser if the seller is prohibited by federal law from charging tax to the purchaser.

(17) Tangible personal property sold to a common carrier by rail or motor that receives the physical possession of the property in Illinois and that transports the property, or shares with another common carrier in the transportation of the property, out of Illinois on a standard uniform bill of lading showing the seller of the property as the shipper or consignor of the property to a destination outside Illinois, for use outside Illinois.

(18) Legal tender, currency, medallions, or gold or silver coinage issued by the State of Illinois, the government of the United States of America, or the government of any foreign country, and bullion.

(19) Until July 1 2003, oil field exploration, drilling, and production equipment, including (i) rigs and parts of rigs, rotary rigs, cable tool rigs, and workover rigs, (ii) pipe and tubular goods, including casing and drill strings, (iii) pumps and pump-jack units, (iv) storage tanks and flow lines, (v) any individual replacement part for oil field exploration, drilling, and production equipment, and (vi) machinery and equipment purchased for lease; but excluding motor vehicles required to be registered under the Illinois Vehicle Code.

(20) Photoprocessing machinery and equipment, including repair and replacement parts, both new and used, including that manufactured on special order, certified by the purchaser to be used primarily for photoprocessing, and including photoprocessing machinery and equipment purchased for lease.

(21) Coal and aggregate exploration, mining, off-highway hauling, processing, maintenance, and reclamation equipment, including replacement parts and equipment, and including equipment purchased for lease, but excluding motor vehicles required to be registered under the Illinois Vehicle Code. The changes made to this Section by Public Act 97-767 apply on and after July 1, 2003, but no claim for credit or refund is allowed on or after August 16, 2013 (the effective date of Public Act 98-456) for such taxes paid during the period beginning July 1, 2003 and ending on August 16, 2013 (the effective date of Public Act 98-456).

(22) Until June 30, 2013, fuel and petroleum products sold to or used by an air carrier, certified by the carrier to be used for consumption, shipment, or storage in the conduct of its business as an air common carrier, for a flight destined for or returning from a location or locations outside the United States without regard to previous or subsequent domestic stopovers.

Beginning July 1, 2013, fuel and petroleum products sold to or used by an air carrier, certified by the carrier to be used for consumption, shipment, or storage in the conduct of its business as an air common carrier, for a flight that (i) is engaged in foreign trade or is engaged in trade between the United States and any of its possessions and (ii) transports at least one individual or package for hire from the city of origination to the city of final destination on the same aircraft, without regard to a change in the flight number of that aircraft.

(23) A transaction in which the purchase order is received by a florist who is located outside Illinois, but who has a florist located in Illinois deliver the property to the purchaser or the purchaser's donee in Illinois.

(24) Fuel consumed or used in the operation of ships, barges, or vessels that are used primarily in or for the transportation of property or the conveyance of persons for hire on rivers bordering on this State if the fuel is delivered by the seller to the purchaser's barge, ship, or vessel while it is afloat upon that bordering river.

(25) Except as provided in item (25-5) of this Section, a motor vehicle sold in this State to a nonresident even though the motor vehicle is delivered to the nonresident in this State, if the motor vehicle is not to be titled in this State, and if a drive-away permit is issued to the motor vehicle as provided in Section 3-603 of the Illinois Vehicle Code or if the nonresident purchaser has vehicle registration plates to transfer to the motor vehicle upon returning to his or her home state. The issuance of the drive-away permit or having the out-of-state registration plates to be transferred is prima facie evidence that the motor vehicle will not be titled in this State.

(25-5) The exemption under item (25) does not apply if the state in which the motor vehicle will be titled does not allow a reciprocal exemption for a motor vehicle sold and delivered in that state to an Illinois resident but titled in Illinois. The tax collected under this Act on the sale of a motor vehicle in this State to a resident of another state that does not allow a reciprocal exemption shall be imposed at a rate equal to the state's rate of tax on taxable property in the state in which the purchaser is a resident, except that the tax shall not exceed the tax that would otherwise be imposed under this Act. At the time of the sale, the purchaser shall execute a statement, signed under penalty of perjury, of his or her intent to title the vehicle in the state in which the purchaser is a resident within 30 days after the sale and of the fact of the payment to the State of Illinois of tax in an amount equivalent to the state's rate of tax on taxable property in his or her state of residence and shall submit the statement to the appropriate tax collection agency in his or her state of residence. In addition, the retailer must retain a signed copy of the statement in his or her records. Nothing in this item shall be construed to require the removal of the vehicle from this state following the filing of an intent to title the vehicle in the purchaser's state of residence if the purchaser titles the vehicle in his or her state of residence within 30 days after the date of sale. The tax collected under this Act in accordance with

this item (25-5) shall be proportionately distributed as if the tax were collected at the 6.25% general rate imposed under this Act.

(25-7) Beginning on July 1, 2007, no tax is imposed under this Act on the sale of an aircraft, as defined in Section 3 of the Illinois Aeronautics Act, if all of the following conditions are met:

(1) the aircraft leaves this State within 15 days after the later of either the issuance of the final billing for the sale of the aircraft, or the authorized approval for return to service, completion of the maintenance record entry, and completion of the test flight and ground test for inspection, as required by 14 C.F.R. 91.407;

(2) the aircraft is not based or registered in this State after the sale of the aircraft; and

(3) the seller retains in his or her books and records and provides to the Department a signed and dated certification from the purchaser, on a form prescribed by the Department, certifying that the requirements of this item (25-7) are met. The certificate must also include the name and address of the purchaser, the address of the location where the aircraft is to be titled or registered, the address of the primary physical location of the aircraft, and other information that the Department may reasonably require.

For purposes of this item (25-7):

"Based in this State" means hangared, stored, or otherwise used, excluding post-sale customizations as defined in this Section, for 10 or more days in each 12-month period immediately following the date of the sale of the aircraft.

"Registered in this State" means an aircraft registered with the Department of Transportation, Aeronautics Division, or titled or registered with the Federal Aviation Administration to an address located in this State.

This paragraph (25-7) is exempt from the provisions of Section 2-70.

(26) Semen used for artificial insemination of livestock for direct agricultural production.

(27) Horses, or interests in horses, registered with and meeting the requirements of any of the Arabian Horse Club Registry of America, Appaloosa Horse Club, American Quarter Horse Association, United States Trotting Association, or Jockey Club, as appropriate, used for purposes of breeding or racing for prizes. This item (27) is exempt from the provisions of Section 2-70, and the exemption provided for under this item (27) applies for all periods beginning May 30, 1995, but no claim for credit or refund is allowed on or after January 1, 2008 (the effective date of Public Act 95-88) for such taxes paid during the period beginning May 30, 2000 and ending on January 1, 2008 (the effective date of Public Act 95-88).

(28) Computers and communications equipment utilized for any hospital purpose and equipment used in the diagnosis, analysis, or treatment of hospital patients sold to a lessor who leases the equipment, under a lease of one year or longer executed or in effect at the time of the purchase, to a hospital that has been issued an active tax exemption identification number by the Department under Section 1g of this Act.

(29) Personal property sold to a lessor who leases the property, under a lease of one year or longer executed or in effect at the time of the purchase, to a governmental body that has been issued an active tax exemption identification number by the Department under Section 1g of this Act.

(30) Beginning with taxable years ending on or after December 31, 1995 and ending with taxable years ending on or before December 31, 2004, personal property that is donated for disaster relief to be used in a State or federally declared disaster area in Illinois or bordering Illinois by a manufacturer or retailer that is registered in this State to a corporation, society, association, foundation, or institution that has been issued a sales tax exemption identification number by the Department that assists victims of the disaster who reside within the declared disaster area.

(31) Beginning with taxable years ending on or after December 31, 1995 and ending with taxable years ending on or before December 31, 2004, personal property that is used in the performance of infrastructure repairs in this State, including but not limited to municipal roads and streets, access roads, bridges, sidewalks, waste disposal systems, water and sewer line extensions, water distribution and purification facilities, storm water drainage and retention facilities, and sewage treatment facilities, resulting from a State or federally declared disaster in Illinois or bordering Illinois when such repairs are initiated on facilities located in the declared disaster area within 6 months after the disaster.

(32) Beginning July 1, 1999, game or game birds sold at a "game breeding and hunting preserve area" as that term is used in the Wildlife Code. This paragraph is exempt from the provisions of Section 2-70.

(33) A motor vehicle, as that term is defined in Section 1-146 of the Illinois Vehicle Code, that is donated to a corporation, limited liability company, society, association, foundation, or institution that is determined by the Department to be organized and operated exclusively for educational purposes. For purposes of this exemption, "a corporation, limited liability company, society, association, foundation, or institution organized and operated exclusively for educational purposes" means all tax-supported public schools, private schools that offer systematic instruction in useful branches of learning by methods common to public schools and that compare favorably in their scope and intensity with the course of study presented in tax-supported schools, and vocational or technical schools or institutes organized and operated exclusively to provide a course of study of not less than 6 weeks duration and designed to prepare individuals to follow a trade or to pursue a manual, technical, mechanical, industrial, business, or commercial occupation.

(34) Beginning January 1, 2000, personal property, including food, purchased through fundraising events for the benefit of a public or private elementary or secondary school, a group of those schools, or one or more school districts if the events are sponsored by an entity recognized by the school district that consists primarily of volunteers and includes parents and teachers of the school children. This paragraph does not apply to fundraising events (i) for the benefit of private home instruction or (ii) for which the fundraising entity purchases the personal property sold at the events from another individual or entity that sold the property for the purpose of resale by the fundraising entity and that profits from the sale to the fundraising entity. This paragraph is exempt from the provisions of Section 2-70.

(35) Beginning January 1, 2000 and through December 31, 2001, new or used automatic vending machines that prepare and serve hot food and beverages, including coffee, soup, and other items, and replacement parts for these machines. Beginning January 1, 2002 and through June 30, 2003, machines and parts for machines used in commercial, coin-operated amusement and vending business if a use or occupation tax is paid on the gross receipts derived from the use of the commercial, coin-operated amusement and vending machines. This paragraph is exempt from the provisions of Section 2-70.

(35-5) Beginning August 23, 2001 and through June 30, 2016, food for human consumption that is to be consumed off the premises where it is sold (other than alcoholic beverages, soft drinks, and food that has been prepared for immediate consumption) and prescription and nonprescription medicines, drugs, medical appliances, and insulin, urine testing materials, syringes, and needles used by diabetics, for human use, when purchased for use by a person receiving medical assistance under Article V of the Illinois Public Aid Code who resides in a licensed long-term care facility, as defined in the Nursing Home Care Act, or a licensed facility as defined in the ID/DD Community Care Act, the MC/DD Act, or the Specialized Mental Health Rehabilitation Act of 2013.

(36) Beginning August 2, 2001, computers and communications equipment utilized for any hospital purpose and equipment used in the diagnosis, analysis, or treatment of hospital patients sold to a lessor who leases the equipment, under a lease of one year or longer executed or in effect at the time of the purchase, to a hospital that has been issued an active tax exemption identification number by the Department under Section 1g of this Act. This paragraph is exempt from the provisions of Section 2-70.

(37) Beginning August 2, 2001, personal property sold to a lessor who leases the property, under a lease of one year or longer executed or in effect at the time of the purchase, to a governmental body that has been issued an active tax exemption identification number by the Department under Section 1g of this Act. This paragraph is exempt from the provisions of Section 2-70.

(38) Beginning on January 1, 2002 and through June 30, 2016, tangible personal property purchased from an Illinois retailer by a taxpayer engaged in centralized purchasing activities in Illinois who will, upon receipt of the property in Illinois, temporarily store the property in Illinois (i) for the purpose of subsequently transporting it outside this State for use or consumption thereafter solely outside this State or (ii) for the purpose of being processed, fabricated, or manufactured into, attached to, or incorporated into other tangible personal property to be transported outside this State and thereafter used or consumed solely outside this State. The Director of Revenue shall, pursuant to rules adopted in accordance with the Illinois Administrative Procedure Act, issue a permit to any taxpayer in good standing with the Department who is eligible for the exemption under this paragraph (38). The permit issued under this paragraph (38) shall authorize the holder, to the extent and in the manner specified in the rules adopted under this Act, to purchase tangible personal property from a retailer exempt from the taxes imposed by this Act. Taxpayers shall maintain all necessary books and records to substantiate the use and consumption of all such tangible personal property outside of the State of Illinois.

(39) Beginning January 1, 2008, tangible personal property used in the construction or maintenance of a community water supply, as defined under Section 3.145 of the Environmental Protection Act, that is operated by a not-for-profit corporation that holds a valid water supply permit issued under Title IV of the Environmental Protection Act. This paragraph is exempt from the provisions of Section 2-70.

(40) Beginning January 1, 2010, materials, parts, equipment, components, and furnishings incorporated into or upon an aircraft as part of the modification, refurbishment, completion, replacement, repair, or maintenance of the aircraft. This exemption includes consumable supplies used in the modification, refurbishment, completion, replacement, repair, and maintenance of aircraft, but excludes any materials, parts, equipment, components, and consumable supplies used in the modification, replacement, repair, and maintenance of aircraft engines or power plants, whether such engines or power plants are installed or uninstalled upon any such aircraft. "Consumable supplies" include, but are not limited to, adhesive, tape, sandpaper, general purpose lubricants, cleaning solution, latex gloves, and protective films. This exemption applies only to the sale of qualifying tangible personal property to persons who modify, refurbish, complete, replace, or maintain an aircraft and who (i) hold an Air Agency Certificate and are empowered to operate an approved repair station by the Federal Aviation Administration, (ii) have a Class IV Rating, and (iii) conduct operations in accordance with Part 145 of the Federal Aviation Regulations. The exemption does not include aircraft operated by a commercial air carrier providing scheduled passenger air service pursuant to authority issued under Part 121 or Part 129 of the Federal Aviation Regulations. The changes made to this paragraph (40) by Public Act 98-534 are declarative of existing law.

(41) Tangible personal property sold to a public-facilities corporation, as described in Section 11-65-10 of the Illinois Municipal Code, for purposes of constructing or furnishing a municipal convention hall, but only if the legal title to the municipal convention hall is transferred to the municipality without any further consideration by or on behalf of the municipality at the time of the completion of the municipal convention hall or upon the retirement or redemption of any bonds or other debt instruments issued by the public-facilities corporation in connection with the development of the municipal convention hall. This exemption includes existing public-facilities corporations as provided in Section 11-65-25 of the Illinois Municipal Code. This paragraph is exempt from the provisions of Section 2-70.

(42) Beginning January 1, 2017, menstrual pads, tampons, and menstrual cups. (Source: P.A. 99-180, eff. 7-29-15; 99-855, eff. 8-19-16; 100-22, eff. 7-6-17.)"; and

On page 1, by replacing lines 4 and 5 with:

Section 915. The Automobile Renting Occupation and Use Tax Act is amended by changing Sections 2 and 3 as follows:"; and

On page 1, by replacing lines 10 through 13 with:

"excluding the facilitation of the use of an individually-owned passenger motor vehicle by persons other than the vehicle's registered owner as a part of a peer-to-peer car sharing transaction, as defined in Section 1-110.06 of the Illinois Vehicle Code."; and

On page 2, by inserting immediately after line 2:

"Peer-to-peer car sharing transaction" has the meaning ascribed to in Sec. 1-110.06 of the Illinois Vehicle Code."

On page 2, by replacing line 24 with:

"business. "Rentor" excludes a person, firm, corporation or association that facilitates the use of an individually-owned passenger motor vehicle by a person other than the vehicle's registered owner as part of a peer-to-peer car sharing transaction, as defined in Section 1-110.06 of the Illinois Vehicle Code.

"Peer-to-peer car sharing program" means a person, firm, corporation or association that facilitates the use of an individually-owned passenger motor vehicle by a person other than the vehicle's registered owner as part of a peer-to-peer car sharing transaction, as defined in Section 1-110.06 of the Illinois Vehicle Code."; and

On page 4, immediately after line 11, by inserting:

"(35 ILCS 155/3) (from Ch. 120, par. 1703)
Sec. 3. A tax is imposed upon persons engaged in this State in the business of renting automobiles in Illinois and on persons engaged in the business of a peer-to-peer car sharing program at the rate of 5% of the gross receipts received from such business. The tax herein imposed does not apply to the renting of automobiles, or to peer-to-peer car sharing transactions, to any governmental body, nor to any corporation, society, association, foundation or institution organized and operated exclusively for charitable, religious or educational purposes, nor to any not for profit corporation, society, association, foundation, institution or organization which has no compensated officers or employees and which is organized and operated primarily for the recreation of persons 55 years of age or older. Every person engaged in this State in the business of renting automobiles and every person engaged in the business of a peer-to-peer car sharing program shall apply to the Department (upon a form prescribed and furnished by the Department) for a certificate of registration under this Act. The certificate of registration which is issued by the Department to a retailer under the Retailers' Occupation Tax Act shall permit such rentor to engage in a business which is taxable under this Section without registering separately with the Department.

The Department shall have full power to administer and enforce this Section, to collect all taxes and penalties due hereunder, to dispose of taxes and penalties so collected in the manner hereinafter provided, and to determine all rights to credit memoranda, arising on account of the erroneous payment of tax or penalty hereunder. In the administration of, and compliance with, this Section, the Department and persons who are subject to this Section shall have the same rights, remedies, privileges, immunities, powers and duties, and be subject to the same conditions, restrictions, limitations, penalties and definitions of terms, and employ the same modes of procedure, as are prescribed in Sections 1, 1a, 2 through 2-65 (in respect to all provisions therein other than the State rate of tax), 2a, 2b, 2c, 3 (except provisions relating to transaction returns, electronic filing of returns, and quarter monthly payments), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5i, 5j, 6, 6a, 6b, 6c, 7, 8, 9, 10, 11, 11a, 12 and 13 of the Retailers' Occupation Tax Act and Section 3-7 of the Uniform Penalty and Interest Act as fully as if those provisions were set forth herein.
(Source: P.A. 100-303, eff. 8-24-17.)"; and

On page 4, by replacing lines 12 and 13 with:
"Section 920. The Counties Code is amended by changing Section 5-1032 and adding Section 5-1032.1 as follows:"; and

By replacing page 4, line 20 through page 5, line 1 with:

"purposes of imposing a tax under this Section, the facilitation of the use of an individually-owned passenger motor vehicle by a person other than the vehicle's registered owner as a part of a peer-to-peer car sharing transaction, as defined in Section 1-110.06 of the Illinois Vehicle Code, does not constitute engaging in the business of renting automobiles in the county. Notwithstanding the foregoing, when the owner of an individually-owned passenger motor vehicle or vehicles used in peer-to-peer car sharing transactions, as defined in Section 1-110.06 of the Illinois Vehicle Code, has shared such vehicle or vehicles in the aggregate for more than 1,825 vehicle days, as defined in Section 5 of the Illinois Peer-to-Peer Car Sharing Act, during a calendar year, an equivalent tax may be imposed under this Section. The tax imposed by a"; and

On page 9, by inserting immediately after line 3 the following:

"(55 ILCS 5/5-1032.1 new)
Sec. 5-1032.1. No home rule county has the authority to impose, pursuant to its home rule authority, any tax on the sharing of individually-owned passenger motor vehicles used in peer-to-peer car sharing transactions, as defined in Section 1-110.06 of the Illinois Vehicle Code, until the owner of such vehicle or vehicles has shared such vehicle or vehicles in the aggregate for more than 1,825 vehicle days, as defined in Section 5 of the Illinois Peer-to-Peer Car

Sharing Act, in a calendar year. This limitation does not preclude taxation under Section 5-1008 of this Code of individually-owned passenger motor vehicles used in peer-to-peer car sharing transactions. This section is a limitation, pursuant to subsection (g) of Section 6 of Article VII of the Illinois Constitution, on the power of home rule units to tax."; and

On page 9, by replacing lines 4 and 5 with:

"Section 925. The Illinois Municipal Code is amended by changing Sections 8-11-7 and 8-11-11 and adding Section 8-11-8.1 as follows:"; and

On page 9, by replacing lines 11 through 16 with the following:

"purposes of imposing a tax under this Section, the facilitation of the use of an individually-owned passenger motor vehicle or vehicles by a person other than the vehicle's registered owner as a part of a peer-to-peer car sharing transaction, as defined in Section 1-110.06 of the Illinois Vehicle Code, does not constitute engaging in the business of renting automobiles in the municipality. Notwithstanding the foregoing, when the owner of an individually-owned passenger motor vehicle or vehicles used in peer-to-peer car sharing transactions, as defined in Section 1-110.06 of the Illinois Vehicle Code, has shared such vehicle or vehicles in the aggregate for more than 1,825 vehicle days, as defined in Section 5 of the Illinois Peer-to-Peer Car Sharing Act, in a calendar year, an equivalent tax shall not be imposed under this Section. The tax imposed by"; and

On page 13, by inserting immediately after line 22 the following:

"(65 ILCS 5/8-11-8.1. new)

No home rule municipality has the authority to impose, pursuant to its home rule authority, any tax on the rental or sharing of individually-owned passenger motor vehicles used in peer-to-peer car sharing transactions, as defined in Section 1-110.06 of the Illinois Vehicle Code, until the owner of such vehicle or vehicles has shared such vehicle or vehicles in the aggregate for more than 1,825 vehicle days, as defined in Section 5 of the Illinois Peer-to-Peer Car Sharing Act, in a calendar year. This limitation does not preclude taxation under Section 8-11-6(a) of this Code of individually-owned passenger motor vehicles used in peer-to-peer car sharing transactions. This section is a limitation, pursuant to subsection (g) of Section 6 of Article VII of the Illinois Constitution, on the power of home rule units to tax.

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

Sec. 8-11-11. In addition to any other taxes authorized by law, the corporate authorities of a municipality may impose a tax upon the privilege of leasing motor vehicles within the municipality to a lessee on a daily or weekly basis in an amount not to exceed $2.75 per vehicle per rental period specified in the lease agreement. The tax may be stated separately in such lease agreement, invoice or bill. Until the owner of an individually-owned passenger motor vehicle or vehicles used in peer-to-peer car sharing transactions, as defined in Section 1-110.06 of the Illinois Vehicle Code, has shared such vehicle or vehicles in the aggregate for more than 1,825 vehicle days, as defined in Section 5 of the Illinois Peer-to-Peer Car Sharing Act, in a calendar year, tax shall not be imposed under this Section.

The ordinance or resolution imposing any such tax shall provide for the means of its administration, collection and enforcement by the municipality.

As used in this Section, "municipality" means a city, village or incorporated town, including an incorporated town which has superseded a civil township, and "motor vehicle" has the meaning ascribed to it in Section 1-146 of The Illinois Vehicle Code.

(Source: P.A. 84-1479.

Section 930. The Metropolitan Pier and Exposition Authority Act is amended by changing Section 13 as follows:

(70 ILCS 210/13)

(Text of Section from P.A. 100-23, Article 35, Section 35-25)

Sec. 13. (a) The Authority shall not have power to levy taxes for any purpose, except as provided in subsections (b), (c), (d), (e), and (f).

(b) By ordinance the Authority shall, as soon as practicable after the effective date of this amendatory Act of 1991, impose a Metropolitan Pier and Exposition Authority Retailers' Occupation Tax upon all persons engaged in the business of selling tangible personal property at retail within the territory described in this subsection at the rate of 1.0% of the gross receipts (i) from the sale of food, alcoholic beverages, and soft drinks sold for consumption on the premises where sold and (ii) from the sale of food, alcoholic beverages, and soft drinks sold for consumption off the premises where sold by a retailer whose principal source of gross receipts is from the sale of food, alcoholic beverages, and soft drinks prepared for immediate consumption.

The tax imposed under this subsection and all civil penalties that may be assessed as an incident to that tax shall be collected and enforced by the Illinois Department of Revenue. The Department shall have full power to administer and enforce this subsection, to collect all taxes and penalties so collected in the manner provided in this subsection, and to determine all rights to credit memoranda arising on account of the erroneous payment of tax or penalty under this subsection. In the administration of and compliance with this subsection, the Department and persons who are subject to this subsection shall have the same rights, remedies, privileges, immunities, powers, and duties, shall be subject to the same conditions, restrictions, limitations, penalties, exclusions, exemptions, and definitions of terms, and shall employ the same modes of procedure applicable to this Retailers' Occupation Tax as are prescribed in Sections 1, 2 through 2-65 (in respect to all provisions of those Sections other than the State rate of taxes), 2c, 2h, 2i, 3 (except as to the disposition of taxes and penalties collected), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5i, 5j, 6, 6a, 6b, 6c, 7, 8, 9, 10, 11, 12, 13, and, until January 1, 1994, 13.5 of the Retailers' Occupation Tax Act, and, on and after January 1, 1994, all applicable provisions of the Uniform Penalty and Interest Act that are not inconsistent with this Act, as fully as if provisions contained in those Sections of the Retailers' Occupation Tax Act were set forth in this subsection.

Persons subject to any tax imposed under the authority granted in this subsection may reimburse themselves for their seller's tax liability under this subsection by separately stating that tax as an additional charge, which charge may be stated in combination, in a single amount, with State taxes that sellers are required to collect under the Use Tax Act, pursuant to bracket schedules as the Department may prescribe. The retailer filing the return shall, at the time of filing the return, pay to the Department the amount of tax imposed under this subsection, less a discount of 1.75%, which is allowed to reimburse the retailer for the expenses incurred in keeping records, preparing and filing returns, remitting the tax, and supplying data to the Department on request.

Whenever the Department determines that a refund should be made under this subsection to a claimant instead of issuing a credit memorandum, the Department shall notify the State Comptroller, who shall cause a warrant to be drawn for the amount specified and to the person named in the notification from the Department. The refund shall be paid by the State Treasurer out of the Metropolitan Pier and Exposition Authority trust fund held by the State Treasurer as trustee for the Authority.

Nothing in this subsection authorizes the Authority to impose a tax upon the privilege of engaging in any business that under the Constitution of the United States may not be made the subject of taxation by this State.

The Department shall forthwith pay over to the State Treasurer, ex officio, as trustee for the Authority, all taxes and penalties collected under this subsection for deposit into a trust fund held outside of the State Treasury.

As soon as possible after the first day of each month, beginning January 1, 2011, upon certification of the Department of Revenue, the Comptroller shall order transferred, and the Treasurer shall transfer, to the STAR Bonds Revenue Fund the local sales tax increment, as defined in the Innovation Development and Economy Act, collected under this subsection during the second preceding calendar month for sales within a STAR bond district.

After the monthly transfer to the STAR Bonds Revenue Fund, on or before the 25th day of each calendar month, the Department shall prepare and certify to the Comptroller the amounts to be paid under subsection (g) of this Section, which shall be the amounts, not including credit memoranda, collected under this subsection during the second preceding calendar month by

the Department, less any amounts determined by the Department to be necessary for the payment of refunds, less 2% of such balance, which sum shall be deposited by the State Treasurer into the Tax Compliance and Administration Fund in the State Treasury from which it shall be appropriated to the Department to cover the costs of the Department in administering and enforcing the provisions of this subsection, and less any amounts that are transferred to the STAR Bonds Revenue Fund. Within 10 days after receipt by the Comptroller of the certification, the Comptroller shall cause the orders to be drawn for the remaining amounts, and the Treasurer shall administer those amounts as required in subsection (g).

A certificate of registration issued by the Illinois Department of Revenue to a retailer under the Retailers' Occupation Tax Act shall permit the registrant to engage in a business that is taxed under the tax imposed under this subsection, and no additional registration shall be required under the ordinance imposing the tax or under this subsection.

A certified copy of any ordinance imposing or discontinuing any tax under this subsection or effecting a change in the rate of that tax shall be filed with the Department, whereupon the Department shall proceed to administer and enforce this subsection on behalf of the Authority as of the first day of the third calendar month following the date of filing.

The tax authorized to be levied under this subsection may be levied within all or any part of the following described portions of the metropolitan area:

(1) that portion of the City of Chicago located within the following area: Beginning at the point of intersection of the Cook County - DuPage County line and York Road, then North along York Road to its intersection with Touhy Avenue, then east along Touhy Avenue to its intersection with the Northwest Tollway, then southeast along the Northwest Tollway to its intersection with Lee Street, then south along Lee Street to Higgins Road, then south and east along Higgins Road to its intersection with Mannheim Road, then south along Mannheim Road to its intersection with Irving Park Road, then west along Irving Park Road to its intersection with the Cook County - DuPage County line, then north and west along the county line to the point of beginning; and

(2) that portion of the City of Chicago located within the following area: Beginning at the intersection of West 55th Street with Central Avenue, then east along West 55th Street to its intersection with South Cicero Avenue, then south along South Cicero Avenue to its intersection with West 63rd Street, then west along West 63rd Street to its intersection with South Central Avenue, then north along South Central Avenue to the point of beginning; and

(3) that portion of the City of Chicago located within the following area: Beginning at the point 150 feet west of the intersection of the west line of North Ashland Avenue and the north line of West Diversey Avenue, then north 150 feet, then east along a line 150 feet north of the north line of West Diversey Avenue extended to the shoreline of Lake Michigan, then following the shoreline of Lake Michigan (including Navy Pier and all other improvements fixed to land, docks, or piers) to the point where the shoreline of Lake Michigan and the Adlai E. Stevenson Expressway extended east to that shoreline intersect, then west along the Adlai E. Stevenson Expressway to a point 150 feet west of the west line of South Ashland Avenue, then north along a line 150 feet west of the west line of South and North Ashland Avenue to the point of beginning.

The tax authorized to be levied under this subsection may also be levied on food, alcoholic beverages, and soft drinks sold on boats and other watercraft departing from and returning to the shoreline of Lake Michigan (including Navy Pier and all other improvements fixed to land, docks, or piers) described in item (3).

(c) By ordinance the Authority shall, as soon as practicable after the effective date of this amendatory Act of 1991, impose an occupation tax upon all persons engaged in the corporate limits of the City of Chicago in the business of renting, leasing, or letting rooms in a hotel, as defined in the Hotel Operators' Occupation Tax Act, at a rate of 2.5% of the gross rental receipts from the renting, leasing, or letting of hotel rooms within the City of Chicago, excluding, however, from gross rental receipts the proceeds of renting, leasing, or letting to permanent residents of a hotel, as defined in that Act. Gross rental receipts shall not include charges that are added on account of the liability arising from any tax imposed by the State or any governmental agency on the occupation of renting, leasing, or letting rooms in a hotel.

The tax imposed by the Authority under this subsection and all civil penalties that may be assessed as an incident to that tax shall be collected and enforced by the Illinois Department of Revenue. The certificate of registration that is issued by the Department to a lessor under the Hotel Operators' Occupation Tax Act shall permit that registrant to engage in a business that is

taxable under any ordinance enacted under this subsection without registering separately with the Department under that ordinance or under this subsection. The Department shall have full power to administer and enforce this subsection, to collect all taxes and penalties due under this subsection, to dispose of taxes and penalties so collected in the manner provided in this subsection, and to determine all rights to credit memoranda arising on account of the erroneous payment of tax or penalty under this subsection. In the administration of and compliance with this subsection, the Department and persons who are subject to this subsection shall have the same rights, remedies, privileges, immunities, powers, and duties, shall be subject to the same conditions, restrictions, limitations, penalties, and definitions of terms, and shall employ the same modes of procedure as are prescribed in the Hotel Operators' Occupation Tax Act (except where that Act is inconsistent with this subsection), as fully as if the provisions contained in the Hotel Operators' Occupation Tax Act were set out in this subsection.

Whenever the Department determines that a refund should be made under this subsection to a claimant instead of issuing a credit memorandum, the Department shall notify the State Comptroller, who shall cause a warrant to be drawn for the amount specified and to the person named in the notification from the Department. The refund shall be paid by the State Treasurer out of the Metropolitan Pier and Exposition Authority trust fund held by the State Treasurer as trustee for the Authority.

Persons subject to any tax imposed under the authority granted in this subsection may reimburse themselves for their tax liability for that tax by separately stating that tax as an additional charge, which charge may be stated in combination, in a single amount, with State taxes imposed under the Hotel Operators' Occupation Tax Act, the municipal tax imposed under Section 8-3-13 of the Illinois Municipal Code, and the tax imposed under Section 19 of the Illinois Sports Facilities Authority Act.

The person filing the return shall, at the time of filing the return, pay to the Department the amount of tax, less a discount of 2.1% or $25 per calendar year, whichever is greater, which is allowed to reimburse the operator for the expenses incurred in keeping records, preparing and filing returns, remitting the tax, and supplying data to the Department on request.

Except as otherwise provided in this paragraph, the Department shall forthwith pay over to the State Treasurer, ex officio, as trustee for the Authority, all taxes and penalties collected under this subsection for deposit into a trust fund held outside the State Treasury. On or before the 25th day of each calendar month, the Department shall certify to the Comptroller the amounts to be paid under subsection (g) of this Section, which shall be the amounts (not including credit memoranda) collected under this subsection during the second preceding calendar month by the Department, less any amounts determined by the Department to be necessary for payment of refunds, less 2% of the remainder, which the Department shall transfer into the Tax Compliance and Administration Fund. The Department, at the time of each monthly disbursement to the Authority, shall prepare and certify to the State Comptroller the amount to be transferred into the Tax Compliance and Administration Fund under this subsection. Within 10 days after receipt by the Comptroller of the Department's certification, the Comptroller shall cause the orders to be drawn for such amounts, and the Treasurer shall administer the amounts distributed to the Authority as required in subsection (g).

A certified copy of any ordinance imposing or discontinuing a tax under this subsection or effecting a change in the rate of that tax shall be filed with the Illinois Department of Revenue, whereupon the Department shall proceed to administer and enforce this subsection on behalf of the Authority as of the first day of the third calendar month following the date of filing.

(d) By ordinance the Authority shall, as soon as practicable after the effective date of this amendatory Act of 1991, impose a tax upon all persons engaged in the business of renting automobiles in the metropolitan area at the rate of 6% of the gross receipts from that business, except that no tax shall be imposed on the business of renting automobiles for use as taxicabs or in livery service. Until the owner of an individually-owned passenger motor vehicle or vehicles used in peer-to-peer car sharing transactions, as defined in Section 1-110.06 of the Illinois Vehicle Code, has shared such vehicle or vehicles in the aggregate for more than 1,825 vehicle days, as defined in Section 5 of the Illinois Peer-to-Peer Car Sharing Act, in a calendar year, tax shall not be imposed under this Section.

The tax imposed under this subsection and all civil penalties that may be assessed as an incident to that tax shall be collected and enforced by the Illinois Department of Revenue. The certificate of registration issued by the Department to a retailer under the Retailers' Occupation Tax Act or under the Automobile Renting Occupation and Use Tax Act shall permit that person to engage

in a business that is taxable under any ordinance enacted under this subsection without registering separately with the Department under that ordinance or under this subsection. The Department shall have full power to administer and enforce this subsection, to collect all taxes and penalties due under this subsection, to dispose of taxes and penalties so collected in the manner provided in this subsection, and to determine all rights to credit memoranda arising on account of the erroneous payment of tax or penalty under this subsection. In the administration of and compliance with this subsection, the Department and persons who are subject to this subsection shall have the same rights, remedies, privileges, immunities, powers, and duties, be subject to the same conditions, restrictions, limitations, penalties, and definitions of terms, and employ the same modes of procedure as are prescribed in Sections 2 and 3 (in respect to all provisions of those Sections other than the State rate of tax; and in respect to the provisions of the Retailers' Occupation Tax Act referred to in those Sections, except as to the disposition of taxes and penalties collected, except for the provision allowing retailers a deduction from the tax to cover certain costs, and except that credit memoranda issued under this subsection may not be used to discharge any State tax liability) of the Automobile Renting Occupation and Use Tax Act, as fully as if provisions contained in those Sections of that Act were set forth in this subsection.

Persons subject to any tax imposed under the authority granted in this subsection may reimburse themselves for their tax liability under this subsection by separately stating that tax as an additional charge, which charge may be stated in combination, in a single amount, with State tax that sellers are required to collect under the Automobile Renting Occupation and Use Tax Act, pursuant to bracket schedules as the Department may prescribe.

Whenever the Department determines that a refund should be made under this subsection to a claimant instead of issuing a credit memorandum, the Department shall notify the State Comptroller, who shall cause a warrant to be drawn for the amount specified and to the person named in the notification from the Department. The refund shall be paid by the State Treasurer out of the Metropolitan Pier and Exposition Authority trust fund held by the State Treasurer as trustee for the Authority.

Except as otherwise provided in this paragraph, the Department shall forthwith pay over to the State Treasurer, ex officio, as trustee, all taxes and penalties collected under this subsection for deposit into a trust fund held outside the State Treasury. On or before the 25th day of each calendar month, the Department shall certify to the Comptroller the amounts to be paid under subsection (g) of this Section (not including credit memoranda) collected under this subsection during the second preceding calendar month by the Department, less any amount determined by the Department to be necessary for payment of refunds, less 2% of the remainder, which the Department shall transfer into the Tax Compliance and Administration Fund. The Department, at the time of each monthly disbursement to the Authority, shall prepare and certify to the State Comptroller the amount to be transferred into the Tax Compliance and Administration Fund under this subsection. Within 10 days after receipt by the Comptroller of the Department's certification, the Comptroller shall cause the orders to be drawn for such amounts, and the Treasurer shall administer the amounts distributed to the Authority as required in subsection (g).

Nothing in this subsection authorizes the Authority to impose a tax upon the privilege of engaging in any business that under the Constitution of the United States may not be made the subject of taxation by this State.

A certified copy of any ordinance imposing or discontinuing a tax under this subsection or effecting a change in the rate of that tax shall be filed with the Illinois Department of Revenue, whereupon the Department shall proceed to administer and enforce this subsection on behalf of the Authority as of the first day of the third calendar month following the date of filing.

(e) By ordinance the Authority shall, as soon as practicable after the effective date of this amendatory Act of 1991, impose a tax upon the privilege of using in the metropolitan area an automobile that is rented from a rentor outside Illinois and is titled or registered with an agency of this State's government at a rate of 6% of the rental price of that automobile, except that no tax shall be imposed on the privilege of using automobiles rented for use as taxicabs or in livery service. The tax shall be collected from persons whose Illinois address for titling or registration purposes is given as being in the metropolitan area. The tax shall be collected by the Department of Revenue for the Authority. The tax must be paid to the State or an exemption determination must be obtained from the Department of Revenue before the title or certificate of registration for the property may be issued. The tax or proof of exemption may be transmitted to the Department by way of the State agency with which or State officer with whom the tangible

personal property must be titled or registered if the Department and that agency or State officer determine that this procedure will expedite the processing of applications for title or registration.

The Department shall have full power to administer and enforce this subsection, to collect all taxes, penalties, and interest due under this subsection, to dispose of taxes, penalties, and interest so collected in the manner provided in this subsection, and to determine all rights to credit memoranda or refunds arising on account of the erroneous payment of tax, penalty, or interest under this subsection. In the administration of and compliance with this subsection, the Department and persons who are subject to this subsection shall have the same rights, remedies, privileges, immunities, powers, and duties, be subject to the same conditions, restrictions, limitations, penalties, and definitions of terms, and employ the same modes of procedure as are prescribed in Sections 2 and 4 (except provisions pertaining to the State rate of tax; and in respect to the provisions of the Use Tax Act referred to in that Section, except provisions concerning collection or refunding of the tax by retailers, except the provisions of Section 19 pertaining to claims by retailers, except the last paragraph concerning refunds, and except that credit memoranda issued under this subsection may not be used to discharge any State tax liability) of the Automobile Renting Occupation and Use Tax Act, as fully as if provisions contained in those Sections of that Act were set forth in this subsection.

Whenever the Department determines that a refund should be made under this subsection to a claimant instead of issuing a credit memorandum, the Department shall notify the State Comptroller, who shall cause a warrant to be drawn for the amount specified and to the person named in the notification from the Department. The refund shall be paid by the State Treasurer out of the Metropolitan Pier and Exposition Authority trust fund held by the State Treasurer as trustee for the Authority.

Except as otherwise provided in this paragraph, the Department shall forthwith pay over to the State Treasurer, ex officio, as trustee, all taxes, penalties, and interest collected under this subsection for deposit into a trust fund held outside the State Treasury. On or before the 25th day of each calendar month, the Department shall certify to the State Comptroller the amounts to be paid under subsection (g) of this Section, which shall be the amounts (not including credit memoranda) collected under this subsection during the second preceding calendar month by the Department, less any amounts determined by the Department to be necessary for payment of refunds, less 2% of the remainder, which the Department shall transfer into the Tax Compliance and Administration Fund. The Department, at the time of each monthly disbursement to the Authority, shall prepare and certify to the State Comptroller the amount to be transferred into the Tax Compliance and Administration Fund under this subsection. Within 10 days after receipt by the State Comptroller of the Department's certification, the Comptroller shall cause the orders to be drawn for such amounts, and the Treasurer shall administer the amounts distributed to the Authority as required in subsection (g).

A certified copy of any ordinance imposing or discontinuing a tax or effecting a change in the rate of that tax shall be filed with the Illinois Department of Revenue, whereupon the Department shall proceed to administer and enforce this subsection on behalf of the Authority as of the first day of the third calendar month following the date of filing.

(f) By ordinance the Authority shall, as soon as practicable after the effective date of this amendatory Act of 1991, impose an occupation tax on all persons, other than a governmental agency, engaged in the business of providing ground transportation for hire to passengers in the metropolitan area at a rate of (i) $4 per taxi or livery vehicle departure with passengers for hire from commercial service airports in the metropolitan area, (ii) for each departure with passengers for hire from a commercial service airport in the metropolitan area in a bus or van operated by a person other than a person described in item (iii): $18 per bus or van with a capacity of 1-12 passengers, $36 per bus or van with a capacity of 13-24 passengers, and $54 per bus or van with a capacity of over 24 passengers, and (iii) for each departure with passengers for hire from a commercial service airport in the metropolitan area in a bus or van operated by a person regulated by the Interstate Commerce Commission or Illinois Commerce Commission, operating scheduled service from the airport, and charging fares on a per passenger basis: $2 per passenger for hire in each bus or van. The term "commercial service airports" means those airports receiving scheduled passenger service and enplaning more than 100,000 passengers per year.

In the ordinance imposing the tax, the Authority may provide for the administration and enforcement of the tax and the collection of the tax from persons subject to the tax as the Authority determines to be necessary or practicable for the effective administration of the tax. The Authority may enter into agreements as it deems appropriate with any governmental agency

providing for that agency to act as the Authority's agent to collect the tax.

In the ordinance imposing the tax, the Authority may designate a method or methods for persons subject to the tax to reimburse themselves for the tax liability arising under the ordinance (i) by separately stating the full amount of the tax liability as an additional charge to passengers departing the airports, (ii) by separately stating one-half of the tax liability as an additional charge to both passengers departing from and to passengers arriving at the airports, or (iii) by some other method determined by the Authority.

All taxes, penalties, and interest collected under any ordinance adopted under this subsection, less any amounts determined to be necessary for the payment of refunds and less the taxes, penalties, and interest attributable to any increase in the rate of tax authorized by Public Act 96-898, shall be paid forthwith to the State Treasurer, ex officio, for deposit into a trust fund held outside the State Treasury and shall be administered by the State Treasurer as provided in subsection (g) of this Section. All taxes, penalties, and interest attributable to any increase in the rate of tax authorized by Public Act 96-898 shall be paid by the State Treasurer as follows: 25% for deposit into the Convention Center Support Fund, to be used by the Village of Rosemont for the repair, maintenance, and improvement of the Donald E. Stephens Convention Center and for debt service on debt instruments issued for those purposes by the village and 75% to the Authority to be used for grants to an organization meeting the qualifications set out in Section 5.6 of this Act, provided the Metropolitan Pier and Exposition Authority has entered into a marketing agreement with such an organization.

(g) Amounts deposited from the proceeds of taxes imposed by the Authority under subsections (b), (c), (d), (e), and (f) of this Section and amounts deposited under Section 19 of the Illinois Sports Facilities Authority Act shall be held in a trust fund outside the State Treasury and, other than the amounts transferred into the Tax Compliance and Administration Fund under subsections (b), (c), (d), and (e), shall be administered by the Treasurer as follows:

(1) An amount necessary for the payment of refunds with respect to those taxes shall be retained in the trust fund and used for those payments.

(2) On July 20 and on the 20th of each month thereafter, provided that the amount requested in the annual certificate of the Chairman of the Authority filed under Section 8.25f of the State Finance Act has been appropriated for payment to the Authority, 1/8 of the local tax transfer amount, together with any cumulative deficiencies in the amounts transferred into the McCormick Place Expansion Project Fund under this subparagraph (2) during the fiscal year for which the certificate has been filed, shall be transferred from the trust fund into the McCormick Place Expansion Project Fund in the State treasury until 100% of the local tax transfer amount has been so transferred. "Local tax transfer amount" shall mean the amount requested in the annual certificate, minus the reduction amount. "Reduction amount" shall mean $41.7 million in fiscal year 2011, $36.7 million in fiscal year 2012, $36.7 million in fiscal year 2013, $36.7 million in fiscal year 2014, and $31.7 million in each fiscal year thereafter until 2032, provided that the reduction amount shall be reduced by (i) the amount certified by the Authority to the State Comptroller and State Treasurer under Section 8.25 of the State Finance Act, as amended, with respect to that fiscal year and (ii) in any fiscal year in which the amounts deposited in the trust fund under this Section exceed $318.3 million, exclusive of amounts set aside for refunds and for the reserve account, one dollar for each dollar of the deposits in the trust fund above $318.3 million with respect to that year, exclusive of amounts set aside for refunds and for the reserve account.

(3) On July 20, 2010, the Comptroller shall certify to the Governor, the Treasurer, and the Chairman of the Authority the 2010 deficiency amount, which means the cumulative amount of transfers that were due from the trust fund to the McCormick Place Expansion Project Fund in fiscal years 2008, 2009, and 2010 under Section 13(g) of this Act, as it existed prior to May 27, 2010 (the effective date of Public Act 96-898), but not made. On July 20, 2011 and on July 20 of each year through July 20, 2014, the Treasurer shall calculate for the previous fiscal year the surplus revenues in the trust fund and pay that amount to the Authority. On July 20, 2015 and on July 20 of each year thereafter, as long as bonds and notes issued under Section 13.2 or bonds and notes issued to refund those bonds and notes are outstanding, the Treasurer shall calculate for the previous fiscal year the surplus revenues in the trust fund and pay one-half of that amount to the State Treasurer for deposit into the General Revenue Fund until the 2010 deficiency amount has been paid and shall pay the balance of the surplus revenues to the Authority. "Surplus revenues" means the amounts remaining in the trust fund on June 30 of the previous fiscal year (A) after the State Treasurer has set aside in the trust fund (i) amounts retained for refunds under

subparagraph (1) and (ii) any amounts necessary to meet the reserve account amount and (B) after the State Treasurer has transferred from the trust fund to the General Revenue Fund 100% of any post-2010 deficiency amount. "Reserve account amount" means $15 million in fiscal year 2011 and $30 million in each fiscal year thereafter. The reserve account amount shall be set aside in the trust fund and used as a reserve to be transferred to the McCormick Place Expansion Project Fund in the event the proceeds of taxes imposed under this Section 13 are not sufficient to fund the transfer required in subparagraph (2). "Post-2010 deficiency amount" means any deficiency in transfers from the trust fund to the McCormick Place Expansion Project Fund with respect to fiscal years 2011 and thereafter. It is the intention of this subparagraph (3) that no surplus revenues shall be paid to the Authority with respect to any year in which a post-2010 deficiency amount has not been satisfied by the Authority.

Moneys received by the Authority as surplus revenues may be used (i) for the purposes of paying debt service on the bonds and notes issued by the Authority, including early redemption of those bonds or notes, (ii) for the purposes of repair, replacement, and improvement of the grounds, buildings, and facilities of the Authority, and (iii) for the corporate purposes of the Authority in fiscal years 2011 through 2015 in an amount not to exceed $20,000,000 annually or $80,000,000 total, which amount shall be reduced $0.75 for each dollar of the receipts of the Authority in that year from any contract entered into with respect to naming rights at McCormick Place under Section 5(m) of this Act. When bonds and notes issued under Section 13.2, or bonds or notes issued to refund those bonds and notes, are no longer outstanding, the balance in the trust fund shall be paid to the Authority.

(h) The ordinances imposing the taxes authorized by this Section shall be repealed when bonds and notes issued under Section 13.2 or bonds and notes issued to refund those bonds and notes are no longer outstanding.

(Source: P.A. 100-23, Article 35, Section 35-25, eff. 7-6-17.)

Section 935. The Local Mass Transit District Act is amended by changing Section 3610/5.02 as follows:

(70 ILCS 3610/5.02) (from Ch. 111 2/3, par. 355.02)

Sec. 5.02. (a) The Board of Trustees of any Metro East Mass Transit District may impose a tax upon all persons engaged in the business of renting automobiles in the district at the rate of not to exceed 1% of the gross receipts from such business. The tax imposed by a district pursuant to this paragraph and all civil penalties that may be assessed as an incident thereof shall be collected and enforced by the State Department of Revenue. The certificate of registration which is issued by the Department to a retailer under the Retailers' Occupation Tax Act, or under the Automobile Renting Occupation and Use Tax Act shall permit such person to engage in a business which is taxable under any ordinance or resolution enacted pursuant to this paragraph without registering separately with the Department under such ordinance or resolution or under this paragraph. The Department shall have full power to administer and enforce this paragraph; to collect all taxes and penalties due hereunder; to dispose of taxes and penalties so collected in the manner hereinafter provided, and to determine all rights to credit memoranda, arising on account of the erroneous payment of tax or penalty hereunder. In the administration of, and compliance with, this paragraph, the Department and persons who are subject to this paragraph shall have the same rights, remedies, privileges, immunities, powers and duties, and be subject to the same conditions, restrictions, limitations, penalties and definitions of terms, and employ the same modes of procedure, as are prescribed in Sections 2 and 3 (in respect to all provisions therein other than the State rate of tax; and with relation to the provisions of the Retailers' Occupation Tax referred to therein, except as to the disposition of taxes and penalties collected, and except for the provision allowing retailers a deduction from the tax to cover certain costs, and except that credit memoranda issued hereunder may not be used to discharge any State tax liability) of the Automobile Renting Occupation and Use Tax Act and Section 3-7 of the Uniform Penalty and Interest Act as fully as if provisions contained in those Sections were set forth herein. Persons subject to any tax imposed pursuant to the authority granted in this paragraph may reimburse themselves for their tax liability hereunder by separately stating such tax as an additional charge, which charge may be stated in combination, in a single amount with State tax which sellers are required to collect under the Automobile Renting Occupation and Use Tax Act

pursuant to such bracket schedules as the Department may prescribe. Nothing in this paragraph shall be construed to authorize district to impose a tax upon the privilege of engaging in any business which under the constitution of the United States may not be made the subject of taxation by this State. Until the owner of an individually-owned passenger motor vehicle or vehicles used in peer-to-peer car sharing transactions, as defined in Section 1-110.06 of the Illinois Vehicle Code, has shared such vehicle or vehicles in the aggregate for more than 1,825 vehicle days, as defined in Section 5 of the Illinois Peer-to-Peer Car Sharing Act, in a calendar year, tax shall not be imposed under this Section.

(b) The Board of Trustees of any Metro East Mass Transit District may impose a tax upon the privilege of using, in such district, an automobile which is rented from a rentor outside Illinois, and which is titled or registered with an agency of this State's government, at a rate not to exceed 1% of the rental price of such automobile. Such tax shall be collected from persons whose Illinois address for titling or registration purposes is given as being in such district. Such tax shall be collected by the Department of Revenue for any district imposing such tax. Such tax must be paid to the State, or an exemption determination must be obtained from the Department of Revenue, before the title or certificate of registration for the property may be issued. The tax or proof of exemption may be transmitted to the Department by way of the State agency with which, or State officer with whom, the tangible personal property must be titled or registered if the Department and such agency or State officer determine that this procedure will expedite the processing of applications for title or registration. The Department shall have full power to administer and enforce this paragraph to collect all taxes, penalties and interest due hereunder; to dispose of taxes, penalties and interest so collected in the manner hereinafter provided, and to determine all rights to credit memoranda or refunds arising on account of the erroneous payment of tax, penalty or interest hereunder. In the administration of and compliance with this paragraph, the Department and persons who are subject to this paragraph shall have the same rights, remedies, privileges, immunities, powers and duties, and be subject to the same conditions, restrictions, limitations, penalties and definitions of terms, and employ the same modes of procedure, as are prescribed in Sections 2 and 4 (except provisions pertaining to the State rate off tax; and, with relation to the provisions of the Use Tax Act referred to therein, except provisions concerning collection or refunding of the tax by retailers, and except the provisions of Section 19 pertaining to claims by retailers and except that last paragraph concerning refunds, and except that credit memoranda issued hereunder may not be used to discharge any State tax liability) of the Automobile Renting Occupation and Use Tax Act and Section 3-7 of the Uniform Penalty and Interest Act, which are not inconsistent with this paragraph, as fully as if provisions contained in those Sections were set forth herein.

(c) Whenever the Department determines that a refund should be made under this Section to a claimant instead of issuing a credit memorandum, the Department shall notify the State Comptroller, who shall cause the order to be drawn for the amount specified, and to the person named, in such notification from the Department. Such refunds shall be paid by the State Treasurer out of the Metro East Mass Transit District tax fund created pursuant to Section 5.01 of this Act.

(d) The Department shall forth with pay over to the State Treasurer, ex-officio, as trustee, all taxes, penalties and interest collected under this Section. On or before the 25th day of each calendar month, the Department shall prepare and certify to the State Comptroller the disbursement of stated sums of money to named districts from which the Department, during the second preceding calendar month, collected taxes imposed pursuant to this Section. The amount to be paid to each district shall be the amount (not including credit memoranda) collected hereunder during the second preceding calendar month by the Department, and not including an amount equal to the amount of refunds made during the second preceding calendar month by the Department on behalf of such district, less 2% of such balance, which sum shall be retained by the State Treasurer to cover the costs incurred by the Department in administering and enforcing this Section as provided herein. The Department at the time of each monthly disbursement to the districts shall prepare and certify to the State Comptroller the amount, so retained by the State Treasurer, to be paid into the General Revenue Fund of the State Treasury. Within 10 days after receipt, by the State Comptroller, of the disbursement certification to the districts and the General Revenue Fund, provided for in this Section to be given to the

State Comptroller by the Department, the State comptroller shall cause the orders to be drawn for the respective amounts in accordance with the directions contained in such certification.

(e) An ordinance or resolution imposing a tax hereunder or effecting a change in the rate thereof shall be effective on the first day of the calendar month next following the month in which such ordinance or resolution is passed. The Board of Trustees of any district which levies a tax authorized by this Section shall transmit to the Department of Revenue on or not later than 5 days after passage of the ordinance or resolution a certified copy of the ordinance or resolution imposing such tax whereupon the Department of Revenue shall proceed to administer and enforce this Section on behalf of such district of the effective date of the ordinance or resolution. Upon a change in rate of a tax levied hereunder, or upon the discontinuance of the tax, the board of trustees shall, on or not later than 5 days after passage of the ordinance or resolution discontinuing the tax or effecting a change in rate, transmit to the Department of Revenue a certified copy of the ordinance or resolution effecting such change or discontinuance. (Source: P.A. 87-205.)

Section 940. The Regional Transportation Authority Act is amended by changing Section 3615/4.03.1 as follows:

(70 ILCS 3615/4.03.1) (from Ch. 111 2/3, par. 704.03.1)

Sec. 4.03.1. (a) The Board may impose a tax upon all persons engaged in the business of renting automobiles in the metropolitan region at the rate of not to exceed 1% of the gross receipts from such business within Cook County and not to exceed 1/4% of the gross receipts from such business within the Counties of DuPage, Kane, Lake, McHenry and Will. The tax imposed pursuant to this paragraph and all civil penalties that may be assessed as an incident thereof shall be collected and enforced by the State Department of Revenue. The certificate of registration which is issued by the Department to a retailer under the Retailers' Occupation Tax Act or under the Automobile Renting Occupation and Use Tax Act shall permit such person to engage in a business which is taxable under any ordinance or resolution enacted pursuant to this paragraph without registering separately with the Department under such ordinance or resolution or under this paragraph. The Department shall have full power to administer and enforce this paragraph; to collect all taxes and penalties due hereunder; to dispose of taxes and penalties so collected in the manner hereinafter provided, and to determine all rights to credit memoranda, arising on account of the erroneous payment of tax or penalty hereunder. In the administration of, and compliance with, this paragraph, the Department and persons who are subject to this paragraph shall have the same rights, remedies, privileges, immunities, powers and duties, and be subject to the same conditions, restrictions, limitations, penalties and definitions of terms, and employ the same modes of procedure, as are prescribed in Sections 2 and 3 (in respect to all provisions therein other than the State rate of tax; and with relation to the provisions of the Retailers' Occupation Tax referred to therein, except as to the disposition of taxes and penalties collected, and except for the provision allowing retailers a deduction from the tax cover certain costs, and except that credit memoranda issued hereunder may not be used to discharge any State tax liability) of the Automobile Renting Occupation and Use Tax Act as fully as if provisions contained in those Sections of said Act were set forth herein. Persons subject to any tax imposed pursuant to the authority granted in this paragraph may reimburse themselves for their tax liability hereunder by separately stating such tax as an additional charge, which charge may be stated in combination, in a single amount, with State tax which sellers are required to collect under the Automobile Renting Occupation and Use Tax Act pursuant to such bracket schedules as the Department may prescribe. Nothing in this paragraph shall be construed to authorize the Authority to impose a tax upon the privilege of engaging in any business which under the Constitution of the United States may not be made the subject of taxation by this State. Until the owner of an individually-owned passenger motor vehicle or vehicles used in peer-to-peer car sharing transactions, as defined in Section 1-110.06 of the Illinois Vehicle Code, has shared such vehicle or vehicles in the aggregate for more than 1,825 vehicle days, as defined in Section 5 of the Illinois Peer-to-Peer Car Sharing Act, in a calendar year, an equivalent tax shall not be imposed under this Section.

(b) The Board may impose a tax upon the privilege of using, in the metropolitan region an automobile which is rented from a renter outside Illinois, and which is titled or registered with an agency of this State's government, at a rate not to exceed 1% of the rental price of such automobile within the County of Cook, and not to exceed 1/4% of the rental price within the counties of DuPage, Kane, Lake, McHenry and Will. Such tax shall be collected from persons whose Illinois address for titling or registration purposes is given as being in the metropolitan region. Such tax shall be collected by the Department of Revenue for the Regional Transportation Authority. Such tax must be paid to the State, or an exemption determination must be obtained from the Department of Revenue, before the title or certificate of registration for the property may be issued. The tax or proof of exemption may be transmitted to the Department by way of the State agency with which, or State officer with whom, the tangible personal property must be titled or registered if the Department and such agency or State officer determine that this procedure will expedite the processing of applications for title or registration. The Department shall have full power to administer and enforce this paragraph; to collect all taxes, penalties and interest due hereunder; to dispose of taxes, penalties and interest so collected in the manner hereinafter provided, and to determine all rights to credit memoranda or refunds arising on account of the erroneous payment of tax, penalty or interest hereunder. In the administration of, and compliance with, this paragraph, the Department and persons who are subject to this paragraph shall have the same rights, remedies, privileges, immunities, powers and duties, and be subject to the same conditions, restrictions, limitations, penalties and definitions of terms, and employ the same modes of procedure, as are prescribed in Sections 2 and 4 (except provisions pertaining to the State rate of tax; and with relation to the provisions of the Use Tax Act referred to therein, except provisions concerning collection or refunding of the tax by retailers, and except the provisions of Section 19 pertaining to claims by retailers and except the last paragraph concerning refunds, and except that credit memoranda issued hereunder may not be used to discharge any State tax liability) of the Automobile Renting Occupation and Use Tax Act which are not inconsistent with this paragraph, as fully as if provisions contained in those Sections of said Act were set forth herein.

(c) Whenever the Department determines that a refund should be made under this Section to a claimant instead of issuing a credit memorandum, the Department shall notify the State Comptroller, who shall cause the order to be drawn for the amount specified, and to the person named, in such notification from the Department. Such refund shall be paid by the State Treasurer out of the Regional Transportation Authority tax fund created pursuant to Section 4.03 of this Act.

(d) The Department shall forthwith pay over to the State Treasurer, ex-officio, as trustee, all taxes, penalties and interest collected under this Section. On or before the 25th day of each calendar month, the Department shall prepare and certify to the State Comptroller the amount to be paid to the Authority. The State Department of Revenue shall also certify to the Authority the amount of taxes collected in each County other than Cook County in the metropolitan region less the amount necessary for the payment of refunds to taxpayers in such County. With regard to the County of Cook, the certification shall specify the amount of taxes collected within the City of Chicago less the amount necessary for the payment of refunds to taxpayers in the City of Chicago and the amount collected in that portion of Cook County outside of Chicago less the amount necessary for the payment of refunds to taxpayers in that portion of Cook County outside of Chicago. The amount to be paid to the Authority shall be the amount (not including credit memoranda) collected hereunder during the second preceding calendar month by the Department, and not including an amount equal to the amount of refunds made during the second preceding calendar month by the Department on behalf of the Authority. Within 10 days after receipt, by the State Comptroller, of the disbursement certification to the Authority, the State Comptroller shall cause the orders to be drawn in accordance with the directions contained in such certification.

(e) An ordinance imposing a tax hereunder or effecting a change in the rate thereof shall be effective on the first day of the calendar month next following the month in which such ordinance is passed. The Board shall transmit to the Department of Revenue on or not later than 5 days after passage of the ordinance a certified copy of the ordinance imposing such tax whereupon the Department of Revenue shall proceed to administer and enforce this Section on behalf of the Authority as of the effective date of the ordinance. Upon a change in rate of a tax levied hereunder, or upon the discontinuance of the tax, the Board shall, on or not later than 5 days after passage of the ordinance discontinuing the tax or effecting a change in rate, transmit to the

Department of Revenue a certified copy of the ordinance effecting such change or discontinuance.

(Source: P.A. 91-357, eff. 7-29-99.)"; and

On page 13, by replacing lines 23 through 25 with:

"Section 945. The Illinois Vehicle Code is amended by adding Section 1-110.06 as follows:"; and

On page 14, by deleting lines 1 through 9; and

On page 14, by replacing lines 10 through 14 with:

"(625 ILCS 5/1-110.06 new)

Sec. 1-110.06. Peer-to-peer car sharing transaction. The use of an individually-owned passenger motor vehicle or vehicles by a person other than the vehicle's registered owner that is facilitated through a peer-to-peer car sharing program, as defined in Section 5 of the Illinois Peer-to-Peer Car Sharing Act."; and

By deleting page 14, line 15 through page 28, line 5.

With these changes, Senate Bill 2641 will have my approval. I respectfully request your concurrence.

Sincerely,

Bruce Rauner
GOVERNOR

STATE OF ILLINOIS
OFFICE OF THE GOVERNOR
CAPITOL BUILDING, 207 STATE HOUSE
SPRINGFIELD, ILLINOIS 62706

BRUCE RAUNER
GOVERNOR

August 21, 2018

To the Honorable Members of
The Illinois Senate,
100th General Assembly:

Today, I return Senate Bill 2661 with specific recommendations for change.

This legislation adjusts the Treasurer's ability to deposit state money and securities in more types financial institutions and expand his investment authority over certain funds. I am concerned that this legislation adds a new option for the treasurer to invest in riskier assets without the necessary oversight of the Executive branch that is consistent with the rest of this statute.

Therefore, pursuant to Section 9(e) of Article IV of the Illinois Constitution of 1970, I hereby return Senate Bill 2661, entitled "AN ACT concerning state government", with the following specific recommendations for change:

On page 7, replace line 9 with: "The State Treasurer may, with the approval of the Governor, invest or reinvest up to 5% of the".

With these changes, Senate Bill 2661 will have my approval. I respectfully request your concurrence.

Sincerely,

Bruce Rauner
GOVERNOR

STATE OF ILLINOIS
OFFICE OF THE GOVERNOR
CAPITOL BUILDING, 207 STATE HOUSE
SPRINGFIELD, ILLINOIS 62706

BRUCE RAUNER
GOVERNOR

August 21, 2018

To the Honorable Members of
The Illinois Senate,
100th General Assembly:

Today, I return Senate Bill 2857 with specific recommendations for change.

Under this proposed legislation, the State Treasurer is seeking to impose up to $12 million annually in undisclosed and unsupervised administrative fees on the rest of the State government to perform his already prescribed constitutional duty of safekeeping and investing State funds.

This bill will leave the Treasurer less accountable and less transparent during the annual budget process, undermining the legislature's responsibility to budget and the public's right to control the process via public input. As we strive to improve government accountability and budgeting accuracy through efforts such as ending offshoring of employees, it would be inconsistent and detrimental to these objectives to allow the Treasurer new power to garnish his own self-set fees from funds that don't receive the same scrutiny as the General Revenue Fund. Furthermore, this bill far exceeds the original purpose of the statute, which narrowly allowed the Treasurer to impose an administrative charge with respect to certain deposits by circuit clerks, county clerks, and other entities. The intention was never to allow charges to other state agencies to fulfill the Treasurer's basic constitutionally mandated functions.

Therefore, pursuant to Section 9(e) of Article IV of the Illinois Constitution of 1970, I hereby return Senate Bill 2857, entitled "AN ACT concerning state government", with the following specific recommendations for change:

By replacing page 1, line 6 through page 3, line 8 with the following:

"Sec. 20. State Treasurer administrative charge. The State Treasurer may retain an administrative charge for the costs of services associated with the deposit of moneys that are remitted directly to the State Treasurer. The administrative charge collected under this Section shall be deposited into the State Treasurer's Administrative Fund. The amount of the administrative charge shall be determined by the General Assembly ~~may be determined by the State Treasurer~~ and shall not exceed 2% of the amount deposited.

This Section shall apply to fines, fees, or other amounts remitted directly to the State Treasurer by circuit clerks, county clerks, and other entities for deposit into a fund in the State treasury. This Section does not apply to amounts remitted by State agencies or certified collection specialists as defined in 74 Ill. Admin. Code 1200.50. This Section shall apply only to any form of fines, fees, or other collections created on or after the effective date of this amendatory Act of the 98th General Assembly.

Moneys in the State Treasurer's Administrative Fund are subject to appropriation by the General Assembly.

(Source: P.A. 98-965, eff. 8-15-14.)".

With these changes, Senate Bill 2857 will have my approval. I respectfully request your concurrence.

Sincerely,

Bruce Rauner
GOVERNOR

STATE OF ILLINOIS
OFFICE OF THE GOVERNOR
CAPITOL BUILDING, 207 STATE HOUSE
SPRINGFIELD, ILLINOIS 62706

BRUCE RAUNER
GOVERNOR

August 28, 2018

To the Honorable Members of
The Illinois House of Representatives,
100th General Assembly:

Today I return Senate Bill 2921 with specific recommendations for change.

This legislation amends the State Treasurer Act to authorize the Treasurer to purchase and renovate a building and amends The State Finance Act to divert funds collected from Illinois businesses under the deeply flawed Revised Uniform Unclaimed Property Act ("RUUPA") enacted last year over my veto of SB 9. Under existing law, these moneys are dedicated for the funding of the unfunded liabilities of the State retirement systems and Senate Bill 2921 would divert a portion of the funds earmarked for the pension systems.

RUUPA is problematic in a number of ways. It is improperly retroactive, has a statute of limitations that is illusory, includes estimation provisions that will lead to unrealistic and inflated assessments, authorizes the Treasurer to utilize third-party contingent fee auditors to harm the business community, and in combination with the foregoing imposes a stealth tax increase on Illinois businesses by eliminating the longstanding business-to-business exemption.

The business community should not be subjected to a hidden tax and the Treasurer should not be spending funds improperly diverted from Illinois businesses to purchase and renovate a building. As we reconsider the scope of the Treasurer's Authority pursuant to RUUPA, we should be looking to minimize the negative impact of this Act, as opposed to allowing it to be used as a mechanism to fund the Treasurer's building projects.

Therefore, pursuant to Section 9(e) of Article IV of the Illinois Constitution of 1970, I hereby return Senate Bill 2921, entitled "AN ACT concerning State government," with the following specific recommendations for change:

By deleting page 1, line 4 through page 6 line 21; and

On page 1, immediately after line 3, by inserting the following:

"Section 5. The Revised Uniform Unclaimed Property Act is amended by changing Sections 15-201, 15-610, 15-1006, 15-1009, and 15-1503 as follows:
(765 ILCS 1026/15-201)
Sec. 15-201. When property presumed abandoned.
a) Subject to Section 15-210, the following property is presumed abandoned if it is unclaimed by the apparent owner during the period specified below:
(1) a traveler's check, 15 years after issuance;
(2) a money order, 7 years after issuance;
(3) any instrument on which a financial organization or business association is directly liable, 3 years after issuance;

(4) a state or municipal bond, bearer bond, or original-issue-discount bond, 3 years after the earliest of the date the bond matures or is called or the obligation to pay the principal of the bond arises;

(5) a debt of a business association, 3 years after the obligation to pay arises;

(6) a demand, savings, or time deposit, 3 years after the later of maturity or the date of the last indication of interest in the property by the apparent owner, except for a deposit that is automatically renewable, 3 years after its initial date of maturity unless the apparent owner consented in a record on file with the holder to renewal at or about the time of the renewal;

(7) money or a credit owed to a customer as a result of a retail business transaction, other than in-store credit for returned merchandise, 3 years after the obligation arose;

(8) an amount owed by an insurance company on a life or endowment insurance policy or an annuity contract that has matured or terminated, 3 years after the obligation to pay arose under the terms of the policy or contract or, if a policy or contract for which an amount is owed on proof of death has not matured by proof of the death of the insured or annuitant, as follows:

(A) with respect to an amount owed on a life or endowment insurance policy, the earlier of:
(i) 3 years after the death of the insured; or
(ii) 2 years after the insured has attained, or would have attained if living, the limiting age under the mortality table on which the reserve for the policy is based; and

(B) with respect to an amount owed on an annuity contract, 3 years after the death of the annuitant.

(9) funds on deposit or held in trust pursuant to the Illinois Funeral or Burial Funds Act, the earliest of:

(A) 2 years after the date of death of the beneficiary;

(B) one year after the date the beneficiary has attained, or would have attained if living, the age of 105 where the holder does not know whether the beneficiary is deceased;

(C) 40 years after the contract for prepayment was executed;

(10) property distributable by a business association in the course of dissolution or distributions from the termination of a retirement plan, one year after the property becomes distributable;

(11) property held by a court, including property received as proceeds of a class action, 3 years after the property becomes distributable;

(12) property held by a government or governmental subdivision, agency, or instrumentality, including municipal bond interest and unredeemed principal under the administration of a paying agent or indenture trustee, 3 years after the property becomes distributable;

(13) wages, commissions, bonuses, or reimbursements to which an employee is entitled, or other compensation for personal services, including amounts held on a payroll card, one year after the amount becomes payable;

(14) a deposit or refund owed to a subscriber by a utility, one year after the deposit or refund becomes payable, except that any capital credits or patronage capital retired, returned, refunded or tendered to a member of an electric cooperative, as defined in Section 3.4 of the Electric Supplier Act, or a telephone or telecommunications cooperative, as defined in Section 13-212 of the Public Utilities Act, that has remained unclaimed by the person appearing on the records of the entitled cooperative for more than 2 years, shall not be subject to, or governed by, any other provisions of this Act, but rather shall be used by the cooperative for the benefit of the general membership of the cooperative; and

(15) property not specified in this Section or Sections 15-202 through 15-208, the earlier of 3 years after the owner first has a right to demand the property or the obligation to pay or distribute the property arises.

b) Notwithstanding anything to the contrary in this Section 15-201, and subject to Section 15-210, a deceased owner cannot indicate interest in his or her property. If the owner is deceased and the abandonment period for the owner's property specified in this Section 15-201 is greater than 2 years, then the property, other than an amount owed by an insurance company on a life or endowment insurance policy or an annuity contract that has matured or terminated, shall instead be presumed abandoned 2 years from the date of the owner's last indication of interest in the property.

c) Notwithstanding anything to the contrary in this Section, any property due or owed by a business association resulting from a transaction occurring in the normal and ordinary course of business is exempt from this Act.

(765 ILCS 1026/15-610)

Sec. 15-610. Periods of limitation and repose.

(a) Expiration, before, on, or after the effective date of this Act, of a period of limitation on an owner's right to receive or recover property, whether specified by contract, statute, or court order, does not prevent the property from being presumed abandoned or affect the duty of a holder under this Act to file a report or pay or deliver property to the administrator.

(b) An action or proceeding may not be maintained by the administrator to enforce this Act in regard to the reporting, delivery, or payment of property more than 5 10 years after the holder filed a non-fraudulent report with the administrator. The parties may agree to extend the limitation period in this subsection ~~specifically identified the property in a report filed with the administrator or gave express notice to the administrator of a dispute regarding the property. In the absence of such a report or other express notice, the period of limitation is tolled. The period of limitation is also tolled by the filing of a report that is fraudulent~~.

(c) The administrator may not commence an action, proceeding, or examination with respect to a duty of a holder under this Act more than 10 years after the duty arose.

(765 ILCS 1026/15-1006)

Sec. 15-1006. Failure of person examined to retain records.

(a) If a person subject to examination under Section 15-1002 does not retain the records required by Section 15-404, the administrator may use estimation techniques that conform to either generally accepted auditing standards or generally accepted accounting principles to determine the amount of unclaimed property. In the conduct of an examination, the State shall not request of a holder any records that relate to property that is not subject to this Act. Estimation techniques used shall incorporate a "net" method to extrapolation, meaning the numerator shall consist of only property located in Illinois or Illinois-sourced property and the denominator shall be a reasonable surrogate, such as sales or payroll ~~determine the value of property due using a reasonable method of estimation based on all information available to the administrator, including extrapolation and use of statistical sampling when appropriate and necessary~~, consistent with examination procedures and standards adopted under Section 15-1003. ~~A payment made based on estimation under this Section is a penalty for failure to maintain the records required by Section 15-404 and does not relieve a person from an obligation to report and deliver property to a State in which the holder is domiciled.~~

(b) Within 60 business days of the receipt of a final examination report, a holder may request a hearing to contest the use or validity of estimation techniques. The examination shall become final upon the failure of the holder to request a hearing as provided in this Section. If a hearing

is held, the State Treasurer shall issue an order approving or disapproving the use or validity of the estimation techniques. The order shall be a final order under the Administrative Review Law.

(765 ILCS 1026/15-1009)

Sec. 15-1009. Administrator's contract with another to conduct examination.

(a) The administrator may contract with a person to conduct an examination under this Article. The contract shall be awarded pursuant to a request for proposals issued in compliance with the procurement rules of the administrator.

(b) If the administrator contracts with a person under subsection (a):

(1) the contract may provide for compensation of the person based on a fixed fee, or hourly fee, ~~or contingent fee~~; and

(2)(Blank) ~~a contingent fee arrangement may not provide for a payment that exceeds 15% of the amount or value of property paid or delivered as a result of the examination; and~~

(3) as authorized in the State Officers and Employees Money Disposition Act, the administrator may permit the deduction of fees from property recovered during an examination under this Article prior to depositing funds received under this Act into the Unclaimed Property Trust Fund.

(4)

(c) A contract under subsection (a) is a public record under the Freedom of Information Act.

(765 ILCS 1026/15-1503)

Sec. 15-1503. Transitional provision.

(a) (Blank) ~~An initial report filed under this Act for property that was not required to be reported before the effective date of this Act, but that is required to be reported under this Act, must include all items of property that would have been presumed abandoned during the 5-year period preceding the effective date of this Act as if this Act had been in effect during that period.~~

(b) This Act does not relieve a holder of a duty that arose before the effective date of this Act to report, pay, or deliver property. ~~Subject to subsection (b) of Section 15-610, a~~ A holder that did not comply with the law governing unclaimed property before the effective date of this Act is subject to applicable provisions for enforcement and penalties in effect before the effective date of this Act.

With these changes, Senate Bill 2921 will have my approval. I respectfully request your concurrence.

Sincerely,

Bruce Rauner
GOVERNOR

STATE OF ILLINOIS
OFFICE OF THE GOVERNOR
CAPITOL BUILDING, 207 STATE HOUSE
SPRINGFIELD, ILLINOIS 62706

BRUCE RAUNER
GOVERNOR

[November 13, 2018]

August 17, 2018

To the Honorable Members of
The Illinois Senate,
100th General Assembly:

Today, I return Senate Bill 3009 with specific recommendations for change.

This legislation transfers the authority to appoint trustees of cemetery boards in certain counties to township supervisors, as opposed to the county board. This represents an effort to consolidate the appointment authority at a level of government closer to the body it is appointing. However, the legislation explicitly only applies to DuPage, Kane, Kendall, Lake, McHenry, and Will counties.

In an effort to create greater consistency across Illinois law and eliminate the countless carve-outs that litter our statutes where they do not serve a compelling purpose. I am therefore recommending an amendment to transfer the appointing authority to townships in any instance where the affected cemetery is located in a township, no matter what county it resides in.

Therefore, pursuant to Section 9(e) of Article IV of the Illinois Constitution of 1970, I hereby return Senate Bill 3009, entitled "AN ACT concerning business", with the following specific recommendations for change:

On page 2, by replacing lines 8 and 9 with the following: "of such vacancy in writing, except that when said cemetery is located in a township the".

With these changes, House Bill 3009 will have my approval. I respectfully request your concurrence.

Sincerely,

Bruce Rauner
GOVERNOR

STATE OF ILLINOIS
OFFICE OF THE GOVERNOR
CAPITOL BUILDING, 207 STATE HOUSE
SPRINGFIELD, ILLINOIS 62706

BRUCE RAUNER
GOVERNOR

August 21, 2018

To the Honorable Members of
The Illinois Senate,
100th General Assembly:

Today I return Senate Bill 3041 with specific recommendations for change.

This legislation extends the types of local governments that can levy an additional property tax for purposes of funding facilities and services for residents with developmental disabilities from exclusively counties to municipalities and townships. Although I recognize the unique needs and funding challenges of the mental health and developmental disability communities, increasing property taxes across various layers of local government without any mechanism for taxpayers to reduce their tax burdens is untenable in Illinois' current property tax crisis. When Illinoisans are able to impose taxes via referendum, citizens should also be fully empowered to vote to bring down levies raised for special purposes such as this, as well as their property taxes more generally.

Therefore, pursuant to Section 9(e) of Article IV of the Illinois Constitution of 1970, I hereby return Senate Bill 3041, entitled "AN ACT concerning local government", with the following specific recommendations for change:

On page 1, by replacing line 5 with: "Sections 18-195 and 18-205 as follows:"; and

On page 6, immediately after line 19, by inserting the following:

"(35 ILCS 200/18-205)
Sec. 18-205. Referendum to increase the extension limitation.

(a) A taxing district is limited to an extension limitation of 5% or the percentage increase in the Consumer Price Index during the 12 month calendar year preceding the levy year, whichever is less. A taxing district may increase its extension limitation for one or more levy years if that taxing district holds a referendum before the levy date for the first levy year at which a majority of voters voting on the issue approves adoption of a higher extension limitation. Referenda shall be conducted at a regularly scheduled election in accordance with the Election Code.
(b) The question shall be presented in substantially the following manner:
Shall the extension limitation under the Property Tax Extension Limitation Law for (insert the legal name, number, if any, and county or counties of the taxing district and geographic or other common name by which a school or community college district is known and referred to), Illinois, be increased from the lesser of 5% or the percentage increase in the Consumer Price Index over the prior levy year to (insert the percentage of the proposed increase)% per year for (insert each levy year for which the increased extension limitation will apply)?
(c) Whenever a petition, subject to the petition requirements of Section 28-3 of the Election Code, is presented to the governing body of a taxing district requesting that the taxing district's aggregate extension be decreased by not more than 10% of its aggregate extension for the previous levy year, that governing body shall cause the proposition to be certified to the proper election officials who shall submit the proposition to the voters at the next appropriate election in accordance with this subsection and general election law. A petition under this subsection (c) shall include:
(1) the desired aggregate extension decrease;
(2) signatures by a number of registered voters equal to or greater than 5% of the total ballots cast in the taxing district at the last preceding general election; and
(3) an affidavit of publication, attesting that notice of the petition decrease the taxing district's aggregate extension was published in a newspaper of general circulation within the taxing district.
The parties filing a petition under this Section shall give notice in substantially the following form:
NOTICE OF PETITION TO (INCREASE/DECREASE) (TAXING DISTRICT'S) PROPERTY TAX.
Residents of (taxing district) are notified that a petition will be filed with (taxing district) requesting a referendum to decrease property tax by (amount of increase or decrease) % for (tax levy year(s)).
A petition that meets the requirements of this subsection shall be placed on the ballot at the general election next following. Failure to publish the required notice of petition shall render the petition, and the results of any referendum held on the petition, null and void.
The ballot question shall be in substantially the following form on the ballot:

Shall the property tax rate of (taxing district) be decreased by (insert amount) % in (tax levy year(s))? YES NO

The increase or decrease is approved when three-fifths of the electors of the taxing district approve and the decrease shall be applicable for each levy year specified.
(d) The votes under subsection (b) or (c) must be recorded as "Yes" or "No". Except as provided in subsection (c), if ~~If~~ a majority of voters voting on the issue approves the adoption of the increase, the increase shall be applicable for each levy year specified.
(e) The ballot for any question submitted pursuant to this Section shall have printed thereon, but not as a part of the question submitted, only the following supplemental information (which shall be supplied to the election authority by the taxing district) in substantially the following form:
(1) For the (insert the first levy year for which the increased or reduced extension limitation will be applicable) levy year the approximate amount of the additional or reduced tax extendable against

property containing a single family residence and having a fair market value at the time of the referendum of $100,000 is estimated to be $ ....

(2) Based upon an average annual percentage increase (or decrease) in the market value of such property of ... % (insert percentage equal to the average annual percentage increase or decrease for the prior 3 levy years, at the time the submission of the question is initiated by the taxing district, in the amount of (A) the equalized assessed value of the taxable property in the taxing district less (B) the new property included in the equalized assessed value), the approximate amount of the additional or reduced tax extendable against such property for the levy year is estimated to be $ ... and for the ... levy year is estimated to be $ ....

Paragraph (2) shall be included only if the increased or reduced extension limitation will be applicable for more than one year and shall list each levy year for which the increased or reduced extension limitation will be applicable. The additional or reduced tax shown for each levy year shall be the approximate dollar amount of the increase or decrease over the amount of the most recently completed extension at the time the submission of the question is initiated by the taxing district. The approximate amount of the additional or reduced tax extendable shown in paragraphs (1) and (2) shall be calculated by multiplying $100,000 (the fair market value of the property without regard to any property tax exemptions) by (i) the percentage level of assessment prescribed for that property by statute, or by ordinance of the county board in counties that classify property for purposes of taxation in accordance with Section 4 of Article IX of the Illinois Constitution; (ii) the most recent final equalization factor certified to the county clerk by the Department of Revenue at the time the taxing district initiates the submission of the proposition to the electors; (iii) the last known aggregate extension base of the taxing district at the time the submission of the question is initiated by the taxing district; and (iv) the difference between the percentage increase or decrease proposed in the question and the lesser of 5% or the percentage increase in the Consumer Price Index for the prior levy year (or an estimate of the percentage increase or decrease for the prior levy year if the increase or decrease is unavailable at the time the submission of the question is initiated by the taxing district); and dividing the result by the last known equalized assessed value of the taxing district at the time the submission of the question is initiated by the taxing district. This amendatory Act of the 97th General Assembly is intended to clarify the existing requirements of this Section, and shall not be construed to validate any prior non-compliant referendum language. Any notice required to be published in connection with the submission of the question shall also contain this supplemental information and shall not contain any other supplemental information. Any error, miscalculation, or inaccuracy in computing any amount set forth on the ballot or in the notice that is not deliberate shall not invalidate or affect the validity of any proposition approved. Notice of the referendum shall be published and posted as otherwise required by law, and the submission of the question shall be initiated as provided by law."; and

On page 17, by inserting immediately after line 15 the following:

"(c) If the governmental unit's county board passes an ordinance or resolution as asking that an annual tax levied for the purpose of providing facilities or services set forth in this Section be reduced or discontinued and so instructs the county clerk, the clerk shall certify the proposition to the proper election officials for submission at the governmental unit's next general county election. The proposition shall be in substantially the following form:

Shall the tax currently imposed in (governmental unit) for the purposes of providing facilities or services for the benefit of its residents who are persons with intellectual or developmental disabilities at a rate of (insert rate) be (reduced to (insert rate))(discontinued)?

(d) If a majority of the votes cast upon the proposition are in favor thereof, such tax levy shall be reduced or discontinued as set forth in the proposition."; and

On page 18, by inserting immediately after line 25 the following:

"(c) Whenever a petition for submission to referendum by the electors which requests the reduction or discontinuance of a tax levied pursuant to this Section is signed by electors of the governmental unit county equal in number to at least 10% of the total votes cast for the office that received the greatest total number of votes at the last preceding general county election of the governmental unit and is presented to the county clerk, the clerk shall certify the proposition to the proper election authorities for submission at the governmental unit's next general county election. The proposition shall be in substantially the following form:

Shall the tax currently imposed in (governmental unit) for the purposes of providing facilities or services for the benefit of its residents who are persons with intellectual or developmental disabilities at a rate of (insert rate) be (reduced to (insert rate))(discontinued)?

(d) If a majority of the votes cast upon the proposition are in favor thereof, such tax levy shall be reduced or discontinued as set forth in the proposition.".

With these changes, Senate Bill 3041 will have my approval. I respectfully request your concurrence.

Sincerely,

Bruce Rauner
GOVERNOR

STATE OF ILLINOIS
OFFICE OF THE GOVERNOR
CAPITOL BUILDING, 207 STATE HOUSE
SPRINGFIELD, ILLINOIS 62706

BRUCE RAUNER
GOVERNOR

August 24, 2018

To the Honorable Members of
The Illinois Senate,
100th General Assembly:

Today, I return Senate Bill 3136 with specific recommendations for change.

This legislation would give the State Police Merit Board and Department of Corrections more discretion in determining what circumstances merit termination when a state police or corrections officer tests positive for cannabis use. Current law mandates that an officer must be discharged from employment if they test positive for marijuana in a drug test. However, in the changing legal landscape surrounding marijuana use, legal use of marijuana for medical purposes pursuant to a prescription may justify an officer keeping their job despite a positive drug test.

These new circumstances form a compelling reason to give more discretion to the Merit Board in determining when the termination of an officer for marijuana use is warranted. However, any use of marijuana for other than legally authorized medical use is illegal in the State of Illinois and our law enforcement and corrections officers should be held to the highest standards of behavior outside of the narrow situations where use was legal and medically justifiable.

Therefore, pursuant to Section 9(e) of Article IV of the Illinois Constitution of 1970, I hereby return Senate Bill 3136, entitled "AN ACT concerning State government," with the following specific recommendations for change:

On page 1, replace lines 10-17 with the following:

"procedures for any substance prohibited by the Cannabis Control Act, the Illinois Controlled Substances Act, or the Methamphetamine Control and Community Protection Act shall be discharged from employment unless the positive test result was due solely to use or consumption of a substance controlled by the Cannabis Control Act but authorized for use by the person for medical purposes pursuant to applicable Illinois law. Refusal to submit to a drug test,"; and

On page 2, by replacing lines 8 through 15 with the following:

"drug testing procedures for any substance prohibited by the Cannabis Control Act, the Illinois Controlled Substances Act, or the Methamphetamine Control and Community Protection Act shall be discharged from employment unless the positive test result was due solely to use or consumption of a substance controlled by the Cannabis Control Act but authorized for use by

the person for medical purposes pursuant to applicable Illinois law. Refusal to submit to a drug test,".

With these changes, Senate Bill 3136 will have my approval. I respectfully request your concurrence.

Sincerely,

Bruce Rauner
GOVERNOR

Pursuant to the rules, the foregoing Senate Bills, which were returned by the Governor, were placed on the Senate Calendar for Wednesday, November 14, 2018.

MESSAGE FROM THE SECRETARY OF STATE

OFFICE OF THE SECRETARY OF STATE
JESSE WHITE • Secretary of State

September 4, 2018

Honorable Tim Anderson
Secretary of the Senate
Room 401
Capitol Building
Springfield, IL 62706

Dear Mr. Anderson:

This office is forwarding herewith a copy of a Notice of Vacancy from the Legislative Committee of the Republican Party of the 33rd Legislative District, declaring the existence of a vacancy in the Office of State Senator for the 33rd Legislative District, as a result of the resignation of **Senator Karen McConnaughay**, effective September 3, 2018.

Also enclosed is the copy of the Legislative Committee's Certificate of Appointment to Fill Vacancy In Office in the 33rd Legislative District, **Donald P. DeWitte** of St. Charles, Illinois, who was appointed to fill the vacancy in the Office of State Senator in the 33rd Legislative District of Illinois, effective September 4, 2018.

Yours truly,
s/Jesse White
JESSE WHITE
Secretary of State

NOTICE

Changes in the **100th** General Assembly

SENATE

Appointment
Donald P. DeWitte
33rd Legislative District
Appointed: September 1, 2018
Effective: September 4, 2018
Filed: September 4, 2018

Vacancy
Karen McConnaughay
33rd Legislative District
Resigned-effective: September 3, 2018

NOTIFICATION OF VACANCY

Legislative Committee of the)

Republican Party of the)

33rd Legislative District)
)
STATE OF ILLINOIS)

WHEREAS, State Senator Karen McConnaughay, a member of the Republican Party, has resigned as Senator in the General Assembly for the 33rd Legislative District, and

WHEREAS, Senator McConnaughay was the duly elected State Senator for the 33rd Legislative District for the 100th General Assembly; and

WHEREAS, Senator McConnaughay's resignation was effective September 3, 2018 at midnight;

NOW THEREFORE, the Legislative Committee of the Republican Party of the 33rd Legislative District does hereby find and declare that the office of State Senator for the 33rd Legislative District is vacant for the remainder of the 100th General Assembly.

s/Kenneth Shepro
Kenneth Shepro, Chairman

s/Diane Evertsen
Diane Evertsen, Secretary

DATE: September 1, 2018

CERTIFICATE OF APPOINTENT TO FILL VACANCY IN OFFICE IN THE 33RD LEGISLATIVE DISTRICT OFFICE

WHEREAS, a vacancy has occurred in the office of State Senator in the 33rd Legislative District of Illinois by reason of the resignation of Karen McConnaughay, which was submitted on August 31, 2018 and is effective on September 3, 2018 at midnight, a duly elected officer of the Republican Party from the 33rd Legislative District of Illinois; and

WHEREAS, the Legislative Committee of the Republican Party of the 33rd Legislative District has met and voted to fill the vacancy in said office, as required by 10 ILCS 5/25-6.

BE IT RESOLVED that the Legislative Committee of the Republican Party of the 33rd Legislative District of Illinois hereby appoints

Donald P. DeWitte of St Charles, Illinois, a member of the Republican Party, to the office of State Senator in the 33rd Legislative District of Illinois, effective September 4, 2018 at 12:01 am

s/Kenneth Shepro	34,799	
Kenneth Shepro, CHAIRMAN	Vote Cast	
Legislative Committee of the 33rd Legislative District		Total: 54,102
s/Diane Evertsen	19,303	s/DE
Diane Evertsen, SECRETARY	Vote Cast	s/KCS

DATED September 1, 2018

NOTE: This certificate must be filed with the Secretary of State and with the House of Representatives or the Secretary of the Senate, whichever is applicable.

STATE OF ILLINOIS

I, Donald P. DeWitte, do solemnly swear that I will support of the Constitution of the United States, and the Constitution of the State of Illinois, and that I will faithfully discharge the duties of the office of State Senator to the best of my abilities.

s/Donald P. DeWitte
Donald P. DeWitte

Subscribed and sworn to before me, this 4th day of September 2018

s/Thomas Clinton Hull
Judge Thomas Clinton Hull
Circuit Court Judge
16th Judicial Circuit

MESSAGE FROM THE SECRETARY OF STATE

OFFICE OF THE SECRETARY OF STATE
JESSE WHITE • Secretary of State

October 1, 2018

Honorable Tim Anderson
Secretary of the Senate
Capitol Building, Room 401
Springfield, IL 62706

Dear Mr. Anderson:

This office is forwarding herewith a copy of a Notice of Vacancy from the Legislative Committee of the Republican Party of the 32nd Legislative District, declaring the existence of a vacancy in the Office of State Senator for the 32nd Legislative District, as a result of the resignation of **Senator Pamela J. Althoff**, effective September 30, 2018.

Also enclosed is the copy of the Legislative Committee's Certificate of Appointment To Fill Vacancy In Office in the 32nd Legislative District, **Craig Wilcox** of 5908 Whiting Drive, McHenry, McHenry county, Illinois 60050, who was appointed to fill the vacancy in the Office of State Senator in the 32nd Legislative District of Illinois, effective October 1, 2018.

Yours truly,
s/Jesse White
JESSE WHITE
Secretary of State

NOTICE

Changes in the **100th** General Assembly

SENATE

Appointment
Craig Wilcox
32nd Legislative District
Appointed: September 30, 2018
Effective: October 1, 2018
Filed: October 1, 2018

Vacancy
Pamela J. Althoff
32nd Legislative District
Resigned-Effect: September 30, 2018
Filed: October 1, 2018

NOTIFICATION OF VACANCY

Legislative Committee of the)

Republican Party of the)

32nd Legislative District)
)
STATE OF ILLINOIS)

WHEREAS, State Senator Pamela Althoff, a member of the Republican Party, has resigned as Senator in the General Assembly for the 32nd Legislative District, and

WHEREAS, Senator Althoff was the duly elected State Senator for the 32nd Legislative District for the 100th General Assembly; and

WHEREAS, Senator Althoff's resignation was effective August 28, 2018 and is effective September 30, 2018 at 5 pm;

NOW THEREFORE, the Legislative Committee of the Republican Party of the 32nd Legislative District does hereby find and declare that the office of State Senator for the 32nd District is vacant for the remainder of the 100th General Assembly.

s/Diane Evertsen
Chairman Diane Evertsen

s/Mark Shaw
Secretary :Mark Shaw

DATE: September 30, 2018
TIME: 6:37 PM

CERTIFICATE OF APPOINTENT TO FILL VACANCY IN

32nd LEGISLATIVE DISTRICT OFFICE

WHEREAS, a vacancy has occurred in the office of State Senator in the 32nd Legislative District of Illinois by reason of the resignation of **Pamela Althoff**, which was submitted on **August 28, 2018** and is effective on **September 30, 2018 at 5 pm**, a duly elected officer of the Republican Party from the 32nd Legislative District of Illinois; and

WHEREAS, the Legislative Committee of the Republican Party of the 32nd Legislative District has met and voted to fill the vacancy in said office, as required by 10 ILCS 5/25-6.

BE IT RESOLVED that the Legislative Committee of the Republican Party of the 32nd Legislative District of Illinois hereby appoints **Craig Wilcox** of **5908 Whiting Drive, McHenry, McHenry County, Illinois, 60050** a member of the Republican Party, to the office of State Senator in the 32nd Legislative District of Illinois, effective **October 1, 2018**.

s/Diane Evertsen — 50,086
CHAIRMAN: Diane Evertsen — Vote Cast
Legislative Committee of the 32nd Legislative District
McHenry County Republican Central Committee Chairman

s/Mark Shaw — 15,064
SECRETARY: Mark Shaw — Vote Cast
Lake County Republican Central Committee Chairman

DATED: September 30, 2018

NOTE: This certificate must be filed with the Secretary of State and with the House of Representatives or the Secretary of the Senate, whichever is applicable.

STATE OF ILLINOIS

I, Craig Wilcox, do solemnly swear that I will support of the Constitution of the United States, and the Constitution of the State of Illinois, and that I will faithfully discharge the duties of the office of State Senator to the best of my abilities.

s/Craig Wilcox
Craig Wilcox

Subscribed and sworn to before me, this 30th day of September. 2018

s/Michael Sullivan, Judge
Michael Sullivan, Judge
22nd Judicial Circuit Court
McHenry County, Illinois

MOTIONS IN WRITING

Senator J. Cullerton submitted the following Motion in Writing:

I move that Senate Bill 34 do pass, notwithstanding the veto of the Governor.

11-13-18 — DATE
s/John Cullerton — SENATOR

Senator Hastings submitted the following Motion in Writing:

I move that Senate Bill 65 do pass, notwithstanding the veto of the Governor.

11/13/18 — DATE
s/Michael Hastings — SENATOR

Senator Hastings submitted the following Motion in Writing:

I move that Senate Bill 1830 do pass, notwithstanding the veto of the Governor.

11/13/18 — DATE
s/Michael Hastings — SENATOR

Senator Haine submitted the following Motion in Writing:

I move that Senate Bill 2368 do pass, notwithstanding the veto of the Governor.

13 NOV 2018 — DATE
s/William R. Haine — SENATOR

Senator Holmes submitted the following Motion in Writing:

I move that Senate Bill 2572 do pass, notwithstanding the veto of the Governor.

11/13/2018 — DATE
s/Linda Holmes — SENATOR

Senator Holmes submitted the following Motion in Writing:

I move that Senate Bill 2830 do pass, notwithstanding the veto of the Governor.

11/13/2018	s/Linda Holmes
DATE	SENATOR

Senator Hastings submitted the following Motion in Writing:

I move that Senate Bill 904 do pass, notwithstanding the specific recommendations of the Governor.

11/13/18	s/Michael Hastings
DATE	SENATOR

Senator Munóz submitted the following Motion in Writing:

I move that Senate Bill 1737 do pass, notwithstanding the specific recommendations of the Governor.

11/13/18	s/Antonio Munóz
DATE	SENATOR

Senator Hastings submitted the following Motion in Writing:

I move that Senate Bill 2481 do pass, notwithstanding the specific recommendations of the Governor.

11/13/18	s/Michael Hastings
DATE	SENATOR

Senator Munóz submitted the following Motion in Writing:

I move that Senate Bill 2641 do pass, notwithstanding the specific recommendations of the Governor.

11/13/18	s/Antonio Munóz
DATE	SENATOR

Senator J. Cullerton submitted the following Motion in Writing:

I move that Senate Bill 3136 do pass, notwithstanding the specific recommendations of the Governor.

11-13-18	s/John Cullerton
DATE	SENATOR

The foregoing Motions in Writing were filed with the Secretary and ordered placed on the Senate Calendar.

At the hour of 1:30 o'clock p.m., the Chair announced that the Senate stand at ease.

AT EASE

At the hour of 1:46 o'clock p.m., the Senate resumed consideration of business.
Senator Hunter, presiding.

REPORTS FROM COMMITTEE ON ASSIGNMENTS

Senator Clayborne, Chairperson of the Committee on Assignments, during its November 13, 2018 meeting, reported the following Joint Action Motions have been assigned to the indicated Standing Committees of the Senate:

Environment and Conservation: **Motion to Concur in House Amendment 1 to Senate Bill 3550**

Local Government: **Motion to Concur in House Amendment 2 to Senate Bill 426**
Motion to Concur in House Amendment 3 to Senate Bill 426

Senator Clayborne, Chairperson of the Committee on Assignments, during its November 13, 2018 meeting, reported the following Legislative Measures have been assigned to the indicated Standing Committee of the Senate:

Judiciary: **HOUSE BILL 3274**; **Floor Amendment No. 3 to House Bill 3452**.

Senator Clayborne, Chairperson of the Committee on Assignments, during its November 13, 2018 meeting, to which was referred **Senate Bill No. 279** on April 25, 2017, reported that the Committee recommends that the bill be approved for consideration and returned to the calendar in its former position.

The report of the Committee was concurred in.

And **Senate Bill No. 279** was returned to the order of third reading.

Senator Clayborne, Chairperson of the Committee on Assignments, during its November 13, 2018 meeting, to which was referred **Senate Bill No. 407** on August 4, 2017, pursuant to Rule 3-9(b), reported that the Committee recommends that the bill be approved for consideration and returned to the calendar in its former position.

The report of the Committee was concurred in.

And **Senate Bill No. 407** was returned to the order of third reading.

Senator Clayborne, Chairperson of the Committee on Assignments, during its November 13, 2018 meeting, to which was referred **Senate Bill No. 3415** on July 1, 2018, pursuant to Rule 3-9(b), reported that the Committee recommends that the bill be approved for consideration and returned to the calendar in its former position.

The report of the Committee was concurred in.

And **Senate Bill No. 3415** was returned to the order of consideration postponed.

Senator Clayborne, Chairperson of the Committee on Assignments, during its November 13, 2018 meeting, to which was referred **House Bill No. 200** on August 4, 2017, pursuant to Rule 3-9(b), reported that the Committee recommends that the bill be approved for consideration and returned to the calendar in its former position.

The report of the Committee was concurred in.

And **House Bill No. 200** was returned to the order of third reading.

Senator Clayborne, Chairperson of the Committee on Assignments, during its November 13, 2018 meeting, to which was referred **House Bill No. 3538**, reported the same back with the recommendation that the bill be placed on the order of second reading without recommendation to committee.

Senator Clayborne, Chairperson of the Committee on Assignments, during its November 13, 2018 meeting, reported the following Legislative Measures have been assigned to the indicated Standing Committees of the Senate:

Executive: **Floor Amendment No. 1 to Senate Bill 407**.

Judiciary: **Floor Amendment No. 1 to House Bill 200; Committee Amendment No. 1 to House Bill 3274**.

State Government: **Floor Amendment No. 1 to Senate Bill 279; Floor Amendment No. 1 to House Bill 3538**.

At the hour of 1:48 o'clock p.m., Senator Clayborne, presiding.

COMMITTEE MEETING ANNOUNCEMENT FOR NOVEMBER 14, 2018

The Chair announced the following committee to meet at 10:30 o'clock a.m.:

Local Government in Room 409

POSTING NOTICE WAIVED

Senator Fowler moved to waive the six-day posting requirement on **House Bill No. 3274** so that the measure may be heard in the Committee on Judiciary that is scheduled to meet November 14, 2018.

The motion prevailed.

At the hour of 1:50 o'clock p.m., Senator Hunter, presiding.

READING BILLS FROM THE HOUSE OF REPRESENTATIVES A SECOND TIME

On motion of Senator Koehler, **House Bill No. 3538** was taken up, read by title a second time.
Floor Amendment No. 1 was referred to the Committee on State Government earlier today.
There being no further amendments, the bill was ordered to a third reading.

On motion of Senator Syverson, **House Bill No. 4560** was taken up, read by title a second time.
Floor Amendment No. 1 was held in the Committee on Revenue.
There being no further amendments, the bill was ordered to a third reading.

PRESENTATION OF RESOLUTIONS

Senator John J. Cullerton, President of the Senate, offered the following Senate Resolution:

SENATE RESOLUTION NO. 2152

WHEREAS, Fifty years ago, Bill Haine, a recent graduate from St. Louis University, enlisted in the United States Army and went to war in Vietnam, where he was a member of the 1st Cavalry Division Airmobile from 1967 until 1969; enlisting was the first step in a lifetime of distinguished public service that also includes a Bronze Star for combat services, election to the Madison County Board, 14 years as Madison County State's Attorney, and service in the Illinois Senate since 2002; and

WHEREAS, In 2017, Senator Haine announced that this would be his final term in the Illinois Senate, where he has loyally represented the 56th Senate District, which includes the communities of Caseyville, East Alton, Edwardsville, Granite City, Wood River, and his beloved hometown of Alton; and

WHEREAS, Senator Haine has battled multiple myeloma, a form of blood cancer, and treatments kept him away from the Capitol for most of the 2017 legislative session; however, he returned to cast the deciding votes on a balanced budget, which ended the state's two-year financial impasse, and the Senate's override of the governor's veto of a historic school funding overhaul; and

WHEREAS, Senator Haine is a true historian, who often sprinkles legislative debates with rhetorical lessons and anecdotes from the works of Roman emperors, a litany of popes spanning civilized history, and the founding fathers; he has long been an advocate for the genius of American democracy and for what James Madison described as the ordered liberty of the legislative process as a constitutional foil to the corrupting evils of demagoguery and mob rule; and

WHEREAS, Senator Haine's tenure in Springfield has been marked by practical politics rather than political agendas; at times, his focus has been big; and

WHEREAS, Senator Haine was the legislative architect of a sweeping plan to modernize the levee system in the Metro East region, an effort that has helped protect homes and businesses from flood damage in recent years; and

WHEREAS, Senator Haine helped win state investment in maintaining and expanding the growing Edwardsville campus of Southern Illinois University and other key infrastructures, including I-255; and

WHEREAS, Senator Haine worked to keep the Wood River Refinery expansion on track and similarly led successful efforts to approve a Constitutional Amendment protecting the State's Road Fund from being raided for non-transportation-related spending; and

WHEREAS, Senator Haine drew upon his distinguished, award-winning law enforcement background from his time as Madison County State's Attorney to sponsor, negotiate, and win approval of the state's medical marijuana law that balanced compassionate use with stringent standards and regulations; and

WHEREAS, At the same time, Senator Haine kept an eye out for injustice at any level; in response to media reports of motorists being forced to pay outrageous fees to have towed vehicles released from impound lots, he sponsored and passed consumer protections limiting those charges and ending abuse; and

WHEREAS, To protect jobs at the US Steel plant in Granite City, Senator Haine rallied the Illinois Senate to protest China's dumping of low quality, cheap steel into the U.S. market; and

WHEREAS, Despite Senator Haine's many awards and accomplishments, he considers the crowning achievement of his life to be his marriage to his wife, Anna, whom he met in college, and the family they have built together; and

WHEREAS, Senator Haine and Anna have seven children, Cecilia, Elizabeth, Mary, Margaret, Alice, Thomas, and Joseph; at the time of this reading, they have 33 grandchildren, Alexander, Madeleine, Eleanor, Gabriel, Xavier, Leo, Helen, Emil, Karol, Mary, William, Margaret, Judith Anna, Rosaria, James, Stella, Faith, Edward, John, Peter, Agnes, Joseph, Jude, Mercea, Anna, Mary, James, Lucia, Peter, Cecilia, Anselm, Joseph, and Gabriel; they have one great-grandchild, Julian; and

WHEREAS, Senator Haine's future plans include spending time with all of them; therefore, be it

RESOLVED, BY THE SENATE OF THE ONE HUNDREDTH GENERAL ASSEMBLY OF THE STATE OF ILLINOIS, that we thank Senator Bill Haine for his dedicated service to the people of Illinois and honor him with this resolution; and be it further

RESOLVED, That a suitable copy of this resolution be presented to Senator Haine as an expression of our esteem and respect, and we send our best wishes as he sets forth on his next adventure.

Senator J. Cullerton, having asked and obtained unanimous consent to suspend the rules for the immediate consideration of the foregoing resolution, moved its adoption.

The motion prevailed.

And the resolution was adopted.

SENATE RESOLUTION NO. 2161

Offered by Senator Harmon and all Senators:

Mourns the death of Marvin "Marv" Harold Abrahamson.

SENATE RESOLUTION NO. 2162

Offered by Senator Harmon and all Senators:
Mourns the death of Richard P. Frisbie.

By unanimous consent, the foregoing resolutions were referred to the Resolutions Consent Calendar.

MOTIONS IN WRITING

Senator Morrison submitted the following Motion in Writing:

I move that Senate Bill 2332 do pass, notwithstanding the veto of the Governor.

11/13/18 — DATE
s/Julie Morrison — SENATOR

Senator Harris submitted the following Motion in Writing:

I move that Senate Bill 2376 do pass, notwithstanding the veto of the Governor.

11-13-18 — DATE
s/Napoleon Harris — SENATOR

Senator Clayborne submitted the following Motion in Writing:

I move that Senate Bill 2407 do pass, notwithstanding the veto of the Governor.

11/13/18 — DATE
s/James F. Clayborne — SENATOR

Senator Rose submitted the following Motion in Writing:

I move that Senate Bill 2493 do pass, notwithstanding the veto of the Governor.

11/13/18 — DATE
s/Chapin Rose — SENATOR

Senator Harris submitted the following Motion in Writing:

I move that Senate Bill 2589 do pass, notwithstanding the veto of the Governor.

11-13-18 — DATE
s/Napoleon Harris — SENATOR

Senator Anderson submitted the following Motion in Writing:

I move that Senate Bill 2619 do pass, notwithstanding the veto of the Governor.

11/13/18 — DATE
s/Neil Anderson — SENATOR

Senator T. Cullerton submitted the following Motion in Writing:

I move that Senate Bill 2629 do pass, notwithstanding the veto of the Governor.

11-13-18
s/Tom Cullerton

DATE SENATOR

Senator Aquino submitted the following Motion in Writing:

I move that Senate Bill 3220 do pass, notwithstanding the veto of the Governor.

11/13/18 s/Omar Aquino
DATE SENATOR

Senator Hutchinson submitted the following Motion in Writing:

I move that Senate Bill 2297 do pass, notwithstanding the specific recommendations of the Governor.

NOV 13 2018 s/Toi Hutchinson
DATE SENATOR

Senator Martinez submitted the following Motion in Writing:

I move that Senate Bill 2419 do pass, notwithstanding the specific recommendations of the Governor.

11/13/18 s/Iris Y. Martinez
DATE SENATOR

Senator Link submitted the following Motion in Writing:

I move that Senate Bill 2544 do pass, notwithstanding the specific recommendations of the Governor.

11-13-18 s/Terry Link
DATE SENATOR

The foregoing Motions in Writing were filed with the Secretary and ordered placed on the Senate Calendar.

COMMITTEE MEETING ANNOUNCEMENTs

The Chair announced that the following committees shall meet immediately upon adjournment:

Executive in Room 212
State Government in Room 409

At the hour of 3:33 o'clock p.m., the Chair announced that the Senate stands adjourned until Wednesday, November 14, 2018, at 12:30 o'clock p.m.