

SENATE JOURNAL

STATE OF ILLINOIS

NINETY-SECOND GENERAL ASSEMBLY

92ND LEGISLATIVE DAY

MONDAY, MAY 6, 2002

3:00 O'CLOCK P.M.

No. 92
[May 6, 2002]

The Senate met pursuant to adjournment.
 Honorable James "Pate" Philip, Wood Dale, Illinois, presiding.
 Prayer by Father Carl Kemme, Holy Family Catholic Church,
 Decatur, Illinois.

Senator Radogno led the Senate in the Pledge of Allegiance.

The Journal of Thursday, April 25, 2002, was being read when on motion of Senator W. Jones further reading of same was dispensed with and unless some Senator had corrections to offer, the Journal would stand approved. No corrections being offered, the Journal was ordered to stand approved.

REPORT RECEIVED

The Secretary placed before the Senate the following report:

The seventh annual report of the Child Endangerment Risk Assessment Protocol (CERAP), April 26, 2002, submitted by the Department of Children & Family Services in compliance with PA 88-614.

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

LEGISLATIVE MEASURES FILED

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

Senate Amendment No. 2 to House Bill 1081
 Senate Amendment No. 2 to House Bill 3713
 Senate Amendment No. 1 to House Bill 4220
 Senate Amendment No. 1 to House Bill 4411
 Senate Amendment No. 1 to House Bill 5140
 Senate Amendment No. 1 to House Bill 5255
 Senate Amendment No. 1 to House Bill 5596
 Senate Amendment No. 1 to House Bill 5608
 Senate Amendment No. 2 to House Bill 5610
 Senate Amendment No. 2 to House Bill 5625
 Senate Amendment No. 1 to House Bill 5961

MESSAGES FROM THE HOUSE OF REPRESENTATIVES

A message from the House by

Mr. Rossi, Clerk:

Mr. President -- I am directed to inform the Senate that the House of Representatives has concurred with the Senate in the passage of bills of the following titles, to-wit:

SENATE BILL NO 1569
 A bill for AN ACT concerning public utilities.
 SENATE BILL NO 1658
 A bill for AN ACT in relation to criminal law.
 SENATE BILL NO 1705
 A bill for AN ACT concerning civil procedure.
 SENATE BILL NO 1706

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A bill for AN ACT concerning freedom of information.

SENATE BILL NO 1730

A bill for AN ACT in relation to vehicles.

Passed the House, April 30, 2002.

ANTHONY D. ROSSI, Clerk of the House

A message from the House by

Mr. Rossi, Clerk:

Mr. President -- I am directed to inform the Senate that the House of Representatives has concurred with the Senate in the passage of a bill of the following title, to-wit:

SENATE BILL NO. 1543

A bill for AN ACT concerning taxes.

Together with the following amendment which is attached, in the adoption of which I am instructed to ask the concurrence of the Senate, to-wit:

House Amendment No. 1 to SENATE BILL NO. 1543

Passed the House, as amended, May 1, 2002.

ANTHONY D. ROSSI, Clerk of the House

AMENDMENT NO. 1 TO SENATE BILL 1543

AMENDMENT NO. 1. Amend Senate Bill 1543 on page 1, immediately below line 3, by inserting the following:

"Section 3. The Illinois Income Tax Act is amended by changing Section 203 as follows:

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

Sec. 203. Base income defined.

(a) Individuals.

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

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

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

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

(C) An amount equal to the amount received during the taxable year as a recovery or refund of real property taxes paid with respect to the taxpayer's principal residence under the Revenue Act of 1939 and for which a deduction was previously taken under subparagraph (L) of this paragraph (2) prior to July 1, 1991, the retrospective application date of Article 4 of Public Act 87-17. In the case of multi-unit or multi-use structures and farm dwellings, the taxes on the taxpayer's principal residence shall be that portion of the total taxes for the entire property which is attributable to such principal residence;

(D) An amount equal to the amount of the capital gain deduction allowable under the Internal Revenue Code, to the

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extent deducted from gross income in the computation of adjusted gross income;

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

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

(D-15) For taxable years 2001 and thereafter, an amount equal to the bonus depreciation deduction (30% of the adjusted basis of the qualified property) taken on the taxpayer's federal income tax return for the taxable year under subsection (k) of Section 168 of the Internal Revenue Code; and

(D-16) If the taxpayer reports a capital gain or loss on the taxpayer's federal income tax return for the taxable year based on a sale or transfer of property for which the taxpayer was required in any taxable year to make an addition modification under subparagraph (D-15), then an amount equal to the aggregate amount of the deductions taken in all taxable years under subparagraph (Z) with respect to that property;

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

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

(E) For taxable years ending before December 31, 2001, any amount included in such total in respect of any compensation (including but not limited to any compensation paid or accrued to a serviceman while a prisoner of war or missing in action) paid to a resident by reason of being on active duty in the Armed Forces of the United States and in respect of any compensation paid or accrued to a resident who as a governmental employee was a prisoner of war or missing in action, and in respect of any compensation paid to a resident in 1971 or thereafter for annual training performed pursuant to Sections 502 and 503, Title 32, United States Code as a member of the Illinois National Guard. For taxable years ending on or after December 31, 2001, any amount included in such total in respect of any compensation (including but not limited to any compensation paid or accrued to a serviceman while a prisoner of war or missing in action) paid to a resident by reason of being a member of any component of the Armed Forces of the United States and in respect of any compensation paid or accrued to a resident who as a governmental employee was a prisoner of war or missing in action, and in respect of any compensation paid to a resident in 2001 or thereafter by reason of being a member of the Illinois National Guard. The provisions of this amendatory Act of the 92nd General Assembly are exempt from the provisions of Section 250;

(F) An amount equal to all amounts included in such

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total pursuant to the provisions of Sections 402(a), 402(c), 403(a), 403(b), 406(a), 407(a), and 408 of the Internal Revenue Code, or included in such total as distributions under the provisions of any retirement or disability plan for employees of any governmental agency or unit, or retirement payments to retired partners, which payments are excluded in computing net earnings from self employment by Section 1402 of the Internal Revenue Code and regulations adopted pursuant thereto;

(G) The valuation limitation amount;

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

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

(J) An amount equal to those dividends included in such total which were paid by a corporation which conducts business operations in an Enterprise Zone or zones created under the Illinois Enterprise Zone Act, and conducts substantially all of its operations in an Enterprise Zone or zones;

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

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

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

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

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

(P) An amount equal to the amount of the deduction

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used to compute the federal income tax credit for restoration of substantial amounts held under claim of right for the taxable year pursuant to Section 1341 of the Internal Revenue Code of 1986;

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

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

(S) An amount, to the extent included in adjusted gross income, equal to the amount of a contribution made in the taxable year on behalf of the taxpayer to a medical care savings account established under the Medical Care Savings Account Act or the Medical Care Savings Account Act of 2000 to the extent the contribution is accepted by the account administrator as provided in that Act;

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

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

(V) Beginning with tax years ending on or after December 31, 1995 and ending with tax years ending on or before December 31, 2004, an amount equal to the amount paid by a taxpayer who is a self-employed taxpayer, a partner of a partnership, or a shareholder in a Subchapter S corporation for health insurance or long-term care insurance for that taxpayer or that taxpayer's spouse or dependents, to the extent that the amount paid for that health insurance or long-term care insurance may be deducted under Section 213 of the Internal Revenue Code of 1986, has not been deducted on the federal income tax return of the taxpayer, and does not exceed the taxable income attributable to that taxpayer's income, self-employment income, or Subchapter S corporation income; except that no deduction shall be allowed under this item (V) if the taxpayer is eligible to participate in any health insurance or long-term care insurance plan of an employer of the taxpayer or the taxpayer's spouse. The amount of the health insurance and long-term care insurance subtracted under this item (V) shall be determined by multiplying total health insurance and long-term care insurance premiums paid by the taxpayer times a number that represents the fractional percentage of eligible medical expenses under Section 213 of the Internal Revenue Code of 1986 not actually deducted on the taxpayer's federal income tax return;

(W) For taxable years beginning on or after January 1, 1998, all amounts included in the taxpayer's federal gross income in the taxable year from amounts converted from a regular IRA to a Roth IRA. This paragraph is exempt from the

provisions of Section 250;

(X) For taxable year 1999 and thereafter, an amount equal to the amount of any (i) distributions, to the extent includible in gross income for federal income tax purposes, made to the taxpayer because of his or her status as a victim of persecution for racial or religious reasons by Nazi Germany or any other Axis regime or as an heir of the victim and (ii) items of income, to the extent includible in gross income for federal income tax purposes, attributable to, derived from or in any way related to assets stolen from, hidden from, or otherwise lost to a victim of persecution for racial or religious reasons by Nazi Germany or any other Axis regime immediately prior to, during, and immediately after World War II, including, but not limited to, interest on the proceeds receivable as insurance under policies issued to a victim of persecution for racial or religious reasons by Nazi Germany or any other Axis regime by European insurance companies immediately prior to and during World War II; provided, however, this subtraction from federal adjusted gross income does not apply to assets acquired with such assets or with the proceeds from the sale of such assets; provided, further, this paragraph shall only apply to a taxpayer who was the first recipient of such assets after their recovery and who is a victim of persecution for racial or religious reasons by Nazi Germany or any other Axis regime or as an heir of the victim. The amount of and the eligibility for any public assistance, benefit, or similar entitlement is not affected by the inclusion of items (i) and (ii) of this paragraph in gross income for federal income tax purposes. This paragraph is exempt from the provisions of Section 250; and

(Y) For taxable years beginning on or after January 1, 2002, moneys contributed in the taxable year to a College Savings Pool account under Section 16.5 of the State Treasurer Act. This subparagraph (Y) is exempt from the provisions of Section 250;

(Z) For taxable years 2001 and thereafter, for the taxable year in which the bonus depreciation deduction (30% of the adjusted basis of the qualified property) is taken on the taxpayer's federal income tax return under subsection (k) of Section 168 of the Internal Revenue Code and for each applicable taxable year thereafter, an amount equal to "x", where:

(1) "y" equals the amount of the depreciation deduction taken for the taxable year on the taxpayer's federal income tax return on property for which the bonus depreciation deduction (30% of the adjusted basis of the qualified property) was taken in any year under subsection (k) of Section 168 of the Internal Revenue Code, but not including the bonus depreciation deduction; and

(2) "x" equals "y" multiplied by 30 and then divided by 70 (or "y" multiplied by 0.429).

The aggregate amount deducted under this subparagraph in all taxable years for any one piece of property may not exceed the amount of the bonus depreciation deduction (30% of the adjusted basis of the qualified property) taken on that property on the taxpayer's federal income tax return under subsection (k) of Section 168 of the Internal Revenue Code; and

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(AA) If the taxpayer reports a capital gain or loss on the taxpayer's federal income tax return for the taxable year based on a sale or transfer of property for which the taxpayer was required in any taxable year to make an addition modification under subparagraph (D-15), then an amount equal to that addition modification.

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

(b) Corporations.

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

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

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

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

(C) In the case of a regulated investment company, an amount equal to the excess of (i) the net long-term capital gain for the taxable year, over (ii) the amount of the capital gain dividends designated as such in accordance with Section 852(b)(3)(C) of the Internal Revenue Code and any amount designated under Section 852(b)(3)(D) of the Internal Revenue Code, attributable to the taxable year (this amendatory Act of 1995 (Public Act 89-89) is declarative of existing law and is not a new enactment);

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

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

(i) the addition modification relating to the net operating loss carried back or forward to the taxable year from any taxable year ending prior to December 31, 1986 shall be reduced by the amount of addition modification under this subparagraph (E) which related to that net operating loss and which was taken into account in calculating the base income of an earlier taxable year, and

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

For taxable years in which there is a net operating

loss carryback or carryforward from more than one other taxable year ending prior to December 31, 1986, the addition modification provided in this subparagraph (E) shall be the sum of the amounts computed independently under the preceding provisions of this subparagraph (E) for each such taxable year; and

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

(E-10) For taxable years 2001 and thereafter, an amount equal to the bonus depreciation deduction (30% of the adjusted basis of the qualified property) taken on the taxpayer's federal income tax return for the taxable year under subsection (k) of Section 168 of the Internal Revenue Code; and

(E-11) If the taxpayer reports a capital gain or loss on the taxpayer's federal income tax return for the taxable year based on a sale or transfer of property for which the taxpayer was required in any taxable year to make an addition modification under subparagraph (E-10), then an amount equal to the aggregate amount of the deductions taken in all taxable years under subparagraph (T) with respect to that property;

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

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

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

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

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

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

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

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(K) An amount equal to those dividends included in such total which were paid by a corporation which conducts business operations in an Enterprise Zone or zones created under the Illinois Enterprise Zone Act and conducts substantially all of its operations in an Enterprise Zone or zones;

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

(M) For any taxpayer that is a financial organization within the meaning of Section 304(c) of this Act, an amount included in such total as interest income from a loan or loans made by such taxpayer to a borrower, to the extent that such a loan is secured by property which is eligible for the Enterprise Zone Investment Credit. To determine the portion of a loan or loans that is secured by property eligible for a Section 201(f) investment credit to the borrower, the entire principal amount of the loan or loans between the taxpayer and the borrower should be divided into the basis of the Section 201(f) investment credit property which secures the loan or loans, using for this purpose the original basis of such property on the date that it was placed in service in the Enterprise Zone. The subtraction modification available to taxpayer in any year under this subsection shall be that portion of the total interest paid by the borrower with respect to such loan attributable to the eligible property as calculated under the previous sentence;

(M-1) For any taxpayer that is a financial organization within the meaning of Section 304(c) of this Act, an amount included in such total as interest income from a loan or loans made by such taxpayer to a borrower, to the extent that such a loan is secured by property which is eligible for the High Impact Business Investment Credit. To determine the portion of a loan or loans that is secured by property eligible for a Section 201(h) investment credit to the borrower, the entire principal amount of the loan or loans between the taxpayer and the borrower should be divided into the basis of the Section 201(h) investment credit property which secures the loan or loans, using for this purpose the original basis of such property on the date that it was placed in service in a federally designated Foreign Trade Zone or Sub-Zone located in Illinois. No taxpayer that is eligible for the deduction provided in subparagraph (M) of paragraph (2) of this subsection shall be eligible for the deduction provided under this subparagraph (M-1). The subtraction modification available to taxpayers in any year under this subsection shall be that portion of the total interest paid by the borrower with respect to such loan attributable to the eligible property as calculated under the previous sentence;

(N) Two times any contribution made during the taxable year to a designated zone organization to the extent that the contribution (i) qualifies as a charitable contribution under subsection (c) of Section 170 of the Internal Revenue

Code and (ii) must, by its terms, be used for a project approved by the Department of Commerce and Community Affairs under Section 11 of the Illinois Enterprise Zone Act;

(O) An amount equal to: (i) 85% for taxable years ending on or before December 31, 1992, or, a percentage equal to the percentage allowable under Section 243(a)(1) of the Internal Revenue Code of 1986 for taxable years ending after December 31, 1992, of the amount by which dividends included in taxable income and received from a corporation that is not created or organized under the laws of the United States or any state or political subdivision thereof, including, for taxable years ending on or after December 31, 1988, dividends received or deemed received or paid or deemed paid under Sections 951 through 964 of the Internal Revenue Code, exceed the amount of the modification provided under subparagraph (G) of paragraph (2) of this subsection (b) which is related to such dividends; plus (ii) 100% of the amount by which dividends, included in taxable income and received, including, for taxable years ending on or after December 31, 1988, dividends received or deemed received or paid or deemed paid under Sections 951 through 964 of the Internal Revenue Code, from any such corporation specified in clause (i) that would but for the provisions of Section 1504 (b) (3) of the Internal Revenue Code be treated as a member of the affiliated group which includes the dividend recipient, exceed the amount of the modification provided under subparagraph (G) of paragraph (2) of this subsection (b) which is related to such dividends;

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

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

(R) In the case of an attorney-in-fact with respect to whom an interinsurer or a reciprocal insurer has made the election under Section 835 of the Internal Revenue Code, 26 U.S.C. 835, an amount equal to the excess, if any, of the amounts paid or incurred by that interinsurer or reciprocal insurer in the taxable year to the attorney-in-fact over the deduction allowed to that interinsurer or reciprocal insurer with respect to the attorney-in-fact under Section 835(b) of the Internal Revenue Code for the taxable year; and

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

(T) For taxable years 2001 and thereafter, for the taxable year in which the bonus depreciation deduction (30% of the adjusted basis of the qualified property) is taken on the taxpayer's federal income tax return under subsection (k) of Section 168 of the Internal Revenue Code and for each applicable taxable year thereafter, an amount equal to "x",

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where:

(1) "y" equals the amount of the depreciation deduction taken for the taxable year on the taxpayer's federal income tax return on property for which the bonus depreciation deduction (30% of the adjusted basis of the qualified property) was taken in any year under subsection (k) of Section 168 of the Internal Revenue Code, but not including the bonus depreciation deduction; and

(2) "x" equals "y" multiplied by 30 and then divided by 70 (or "y" multiplied by 0.429).

The aggregate amount deducted under this subparagraph in all taxable years for any one piece of property may not exceed the amount of the bonus depreciation deduction (30% of the adjusted basis of the qualified property) taken on that property on the taxpayer's federal income tax return under subsection (k) of Section 168 of the Internal Revenue Code; and

(U) If the taxpayer reports a capital gain or loss on the taxpayer's federal income tax return for the taxable year based on a sale or transfer of property for which the taxpayer was required in any taxable year to make an addition modification under subparagraph (E-10), then an amount equal to that addition modification.

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

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

(c) Trusts and estates.

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

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

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

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

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

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

(E) For taxable years in which a net operating loss carryback or carryforward from a taxable year ending prior to December 31, 1986 is an element of taxable income under paragraph (1) of subsection (e) or subparagraph (E) of paragraph (2) of subsection (e), the amount by which

addition modifications other than those provided by this subparagraph (E) exceeded subtraction modifications in such taxable year, with the following limitations applied in the order that they are listed:

(i) the addition modification relating to the net operating loss carried back or forward to the taxable year from any taxable year ending prior to December 31, 1986 shall be reduced by the amount of addition modification under this subparagraph (E) which related to that net operating loss and which was taken into account in calculating the base income of an earlier taxable year, and

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

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

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

(G) An amount equal to the amount of the capital gain deduction allowable under the Internal Revenue Code, to the extent deducted from gross income in the computation of taxable income; and

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

(G-10) For taxable years 2001 and thereafter, an amount equal to the bonus depreciation deduction (30% of the adjusted basis of the qualified property) taken on the taxpayer's federal income tax return for the taxable year under subsection (k) of Section 168 of the Internal Revenue Code; and

(G-11) If the taxpayer reports a capital gain or loss on the taxpayer's federal income tax return for the taxable year based on a sale or transfer of property for which the taxpayer was required in any taxable year to make an addition modification under subparagraph (G-10), then an amount equal to the aggregate amount of the deductions taken in all taxable years under subparagraph (R) with respect to that property;

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

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

(H) An amount equal to all amounts included in such total pursuant to the provisions of Sections 402(a), 402(c), 403(a), 403(b), 406(a), 407(a) and 408 of the Internal

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Revenue Code or included in such total as distributions under the provisions of any retirement or disability plan for employees of any governmental agency or unit, or retirement payments to retired partners, which payments are excluded in computing net earnings from self employment by Section 1402 of the Internal Revenue Code and regulations adopted pursuant thereto;

(I) The valuation limitation amount;

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

(K) An amount equal to all amounts included in taxable income as modified by subparagraphs (A), (B), (C), (D), (E), (F) and (G) which are exempt from taxation by this State either by reason of its statutes or Constitution or by reason of the Constitution, treaties or statutes of the United States; provided that, in the case of any statute of this State that exempts income derived from bonds or other obligations from the tax imposed under this Act, the amount exempted shall be the interest net of bond premium amortization;

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

(M) An amount equal to those dividends included in such total which were paid by a corporation which conducts business operations in an Enterprise Zone or zones created under the Illinois Enterprise Zone Act and conducts substantially all of its operations in an Enterprise Zone or Zones;

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

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

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

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

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

(R) For taxable years 2001 and thereafter, for the taxable year in which the bonus depreciation deduction (30% of the adjusted basis of the qualified property) is taken on the taxpayer's federal income tax return under subsection (k) of Section 168 of the Internal Revenue Code and for each applicable taxable year thereafter, an amount equal to "x", where:

(1) "y" equals the amount of the depreciation deduction taken for the taxable year on the taxpayer's federal income tax return on property for which the bonus depreciation deduction (30% of the adjusted basis of the qualified property) was taken in any year under subsection (k) of Section 168 of the Internal Revenue Code, but not including the bonus depreciation deduction; and

(2) "x" equals "y" multiplied by 30 and then divided by 70 (or "y" multiplied by 0.429).

The aggregate amount deducted under this subparagraph in all taxable years for any one piece of property may not exceed the amount of the bonus depreciation deduction (30% of the adjusted basis of the qualified property) taken on that property on the taxpayer's federal income tax return under subsection (k) of Section 168 of the Internal Revenue Code; and

(S) If the taxpayer reports a capital gain or loss on the taxpayer's federal income tax return for the taxable year based on a sale or transfer of property for which the taxpayer was required in any taxable year to make an addition modification under subparagraph (G-10), then an amount equal to that addition modification.

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

(3) Limitation. The amount of any modification otherwise required under this subsection shall, under regulations prescribed by the Department, be adjusted by any amounts included

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therein which were properly paid, credited, or required to be distributed, or permanently set aside for charitable purposes pursuant to Internal Revenue Code Section 642(c) during the taxable year.

(d) Partnerships.

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

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

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

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

(C) The amount of deductions allowed to the partnership pursuant to Section 707 (c) of the Internal Revenue Code in calculating its taxable income; and

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

(D-5) For taxable years 2001 and thereafter, an amount equal to the bonus depreciation deduction (30% of the adjusted basis of the qualified property) taken on the taxpayer's federal income tax return for the taxable year under subsection (k) of Section 168 of the Internal Revenue Code; and

(D-6) If the taxpayer reports a capital gain or loss on the taxpayer's federal income tax return for the taxable year based on a sale or transfer of property for which the taxpayer was required in any taxable year to make an addition modification under subparagraph (D-5), then an amount equal to the aggregate amount of the deductions taken in all taxable years under subparagraph (D) with respect to that property;

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

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

(E) The valuation limitation amount;

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

(G) An amount equal to all amounts included in taxable income as modified by subparagraphs (A), (B), (C) and (D) which are exempt from taxation by this State either by reason of its statutes or Constitution or by reason of the Constitution, treaties or statutes of the United States; provided that, in the case of any statute of this State that exempts income derived from bonds or other obligations from the tax imposed under this Act, the amount exempted shall be the interest net of bond premium amortization;

(H) Any income of the partnership which constitutes personal service income as defined in Section 1348 (b) (1) of the Internal Revenue Code (as in effect December 31,

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1981) or a reasonable allowance for compensation paid or accrued for services rendered by partners to the partnership, whichever is greater;

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

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

(K) An amount equal to those dividends included in such total which were paid by a corporation which conducts business operations in an Enterprise Zone or zones created under the Illinois Enterprise Zone Act, enacted by the 82nd General Assembly, and which does not conduct such operations other than in an Enterprise Zone or Zones;

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

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

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

(O) For taxable years 2001 and thereafter, for the taxable year in which the bonus depreciation deduction (30% of the adjusted basis of the qualified property) is taken on the taxpayer's federal income tax return under subsection (k) of Section 168 of the Internal Revenue Code and for each applicable taxable year thereafter, an amount equal to "x", where:

(1) "y" equals the amount of the depreciation deduction taken for the taxable year on the taxpayer's federal income tax return on property for which the bonus depreciation deduction (30% of the adjusted basis of the qualified property) was taken in any year under subsection (k) of Section 168 of the Internal Revenue Code, but not including the bonus depreciation deduction; and

(2) "x" equals "y" multiplied by 30 and then divided by 70 (or "y" multiplied by 0.429).

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The aggregate amount deducted under this subparagraph in all taxable years for any one piece of property may not exceed the amount of the bonus depreciation deduction (30% of the adjusted basis of the qualified property) taken on that property on the taxpayer's federal income tax return under subsection (k) of Section 168 of the Internal Revenue Code; and

(P) If the taxpayer reports a capital gain or loss on the taxpayer's federal income tax return for the taxable year based on a sale or transfer of property for which the taxpayer was required in any taxable year to make an addition modification under subparagraph (D-5), then an amount equal to that addition modification.

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

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

(1) In general. Subject to the provisions of paragraph (2) and subsection (b) (3), for purposes of this Section and Section 803(e), a taxpayer's gross income, adjusted gross income, or taxable income for the taxable year shall mean the amount of gross income, adjusted gross income or taxable income properly reportable for federal income tax purposes for the taxable year under the provisions of the Internal Revenue Code. Taxable income may be less than zero. However, for taxable years ending on or after December 31, 1986, net operating loss carryforwards from taxable years ending prior to December 31, 1986, may not exceed the sum of federal taxable income for the taxable year before net operating loss deduction, plus the excess of addition modifications over subtraction modifications for the taxable year. For taxable years ending prior to December 31, 1986, taxable income may never be an amount in excess of the net operating loss for the taxable year as defined in subsections (c) and (d) of Section 172 of the Internal Revenue Code, provided that when taxable income of a corporation (other than a Subchapter S corporation), trust, or estate is less than zero and addition modifications, other than those provided by subparagraph (E) of paragraph (2) of subsection (b) for corporations or subparagraph (E) of paragraph (2) of subsection (c) for trusts and estates, exceed subtraction modifications, an addition modification must be made under those subparagraphs for any other taxable year to which the taxable income less than zero (net operating loss) is applied under Section 172 of the Internal Revenue Code or under subparagraph (E) of paragraph (2) of this subsection (e) applied in conjunction with Section 172 of the Internal Revenue Code.

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

(A) Certain life insurance companies. In the case of a life insurance company subject to the tax imposed by Section 801 of the Internal Revenue Code, life insurance company taxable income, plus the amount of distribution from pre-1984 policyholder surplus accounts as calculated under Section 815a of the Internal Revenue Code;

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

(C) Regulated investment companies. In the case of a

regulated investment company subject to the tax imposed by Section 852 of the Internal Revenue Code, investment company taxable income;

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

(E) Consolidated corporations. In the case of a corporation which is a member of an affiliated group of corporations filing a consolidated income tax return for the taxable year for federal income tax purposes, taxable income determined as if such corporation had filed a separate return for federal income tax purposes for the taxable year and each preceding taxable year for which it was a member of an affiliated group. For purposes of this subparagraph, the taxpayer's separate taxable income shall be determined as if the election provided by Section 243(b) (2) of the Internal Revenue Code had been in effect for all such years;

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

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

(H) Partnerships. In the case of a partnership, taxable income determined in accordance with Section 703 of the Internal Revenue Code, except that taxable income shall take into account those items which are required by Section 703(a)(1) to be separately stated but which would be taken into account by an individual in calculating his taxable income.

(f) Valuation limitation amount.

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

(A) The sum of the pre-August 1, 1969 appreciation amounts (to the extent consisting of gain reportable under the provisions of Section 1245 or 1250 of the Internal Revenue Code) for all property in respect of which such gain was reported for the taxable year; plus

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

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(2) (H).

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

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

(B) If the fair market value of property referred to in paragraph (1) was not readily ascertainable on August 1, 1969, the pre-August 1, 1969 appreciation amount for such property is that amount which bears the same ratio to the total gain reported in respect of the property for federal income tax purposes for the taxable year, as the number of full calendar months in that part of the taxpayer's holding period for the property ending July 31, 1969 bears to the number of full calendar months in the taxpayer's entire holding period for the property.

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

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

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

(Source: P.A. 91-192, eff. 7-20-99; 91-205, eff. 7-20-99; 91-357, eff. 7-29-99; 91-541, eff. 8-13-99; 91-676, eff. 12-23-99; 91-845, eff. 6-22-00; 91-913, eff. 1-1-01; 92-16, eff. 6-28-01; 92-244, eff. 8-3-01; 92-439, eff. 8-17-01; revised 9-21-01.)"

Under the rules, the foregoing Senate Bill No. 1543, with House Amendment No. 1, was referred to the Secretary's Desk.

A message from the House by

Mr. Rossi, Clerk:

Mr. President -- I am directed to inform the Senate that the House of Representatives has concurred with the Senate in the passage of a bill of the following title, to-wit:

SENATE BILL NO 2072

A bill for AN ACT concerning environmental protection.

Passed the House, May 1, 2002.

ANTHONY D. ROSSI, Clerk of the House

A message from the House by

Mr. Rossi, Clerk:

Mr. President -- I am directed to inform the Senate that the House of Representatives has concurred with the Senate in the passage

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of a bill of the following title, to-wit:

SENATE BILL NO. 2081
A bill for AN ACT concerning public utilities.

Together with the following amendments which are attached, in the adoption of which I am instructed to ask the concurrence of the Senate, to-wit:

House Amendment No. 1 to SENATE BILL NO. 2081
House Amendment No. 2 to SENATE BILL NO. 2081
House Amendment No. 5 to SENATE BILL NO. 2081

Passed the House, as amended, May 2, 2002.
ANTHONY D. ROSSI, Clerk of the House

AMENDMENT NO. 1 TO SENATE BILL 2081

AMENDMENT NO. 1. Amend Senate Bill 2081 on page 1, line 4, by changing "by" to "by changing Section 16-102 and"; and on page 1 by inserting immediately below line 5 the following:

"(220 ILCS 5/16-102)

Sec. 16-102. Definitions. For the purposes of this Article the following terms shall be defined as set forth in this Section.

"Alternative retail electric supplier" means every person, cooperative, corporation, municipal corporation, company, association, joint stock company or association, firm, partnership, individual, or other entity, their lessees, trustees, or receivers appointed by any court whatsoever, that offers electric power or energy for sale, lease or in exchange for other value received to one or more retail customers, or that engages in the delivery or furnishing of electric power or energy to such retail customers, and shall include, without limitation, resellers, aggregators and power marketers, but shall not include (i) electric utilities (or any agent of the electric utility to the extent the electric utility provides tariffed services to retail customers through that agent), (ii) any electric cooperative or municipal system as defined in Section 17-100 to the extent that the electric cooperative or municipal system is serving retail customers within any area in which it is or would be entitled to provide service under the law in effect immediately prior to the effective date of this amendatory Act of 1997, (iii) a public utility that is owned and operated by any public institution of higher education of this State, or a public utility that is owned by such public institution of higher education and operated by any of its lessees or operating agents, within any area in which it is or would be entitled to provide service under the law in effect immediately prior to the effective date of this amendatory Act of 1997, (iv) a retail customer to the extent that customer obtains its electric power and energy from that customer's own cogeneration or self-generation facilities, (v) an entity that owns, operates, sells, or arranges for the installation of a customer's own cogeneration or self-generation facilities, but only to the extent the entity is engaged in owning, selling or arranging for the installation of such facility, or operating the facility on behalf of such customer, provided however that any such third party owner or operator of a facility built after January 1, 1999, complies with the labor provisions of Section 16-128(a) as though such third party were an alternative retail electric supplier, or (vi) an industrial or manufacturing customer that owns its own distribution facilities, to the extent that the customer provides service from that distribution system to a third-party contractor located on the customer's premises that is integrally and predominantly engaged in the customer's

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industrial or manufacturing process; provided, that if the industrial or manufacturing customer has elected delivery services, the customer shall pay transition charges applicable to the electric power and energy consumed by the third-party contractor unless such charges are otherwise paid by the third party contractor, which shall be calculated based on the usage of, and the base rates or the contract rates applicable to, the third-party contractor in accordance with Section 16-102.

"Base rates" means the rates for those tariffed services that the electric utility is required to offer pursuant to subsection (a) of Section 16-103 and that were identified in a rate order for collection of the electric utility's base rate revenue requirement, excluding (i) separate automatic rate adjustment riders then in effect, (ii) special or negotiated contract rates, (iii) delivery services tariffs filed pursuant to Section 16-108, (iv) real-time pricing, or (v) tariffs that were in effect prior to October 1, 1996 and that based charges for services on an index or average of other utilities' charges, but including (vi) any subsequent redesign of such rates for tariffed services that is authorized by the Commission after notice and hearing.

"Competitive service" includes (i) any service that has been declared to be competitive pursuant to Section 16-113 of this Act, (ii) contract service, and (iii) services, other than tariffed services, that are related to, but not necessary for, the provision of electric power and energy or delivery services.

"Contract service" means (1) services, including the provision of electric power and energy or other services, that are provided by mutual agreement between an electric utility and a retail customer that is located in the electric utility's service area, provided that, delivery services shall not be a contract service until such services are declared competitive pursuant to Section 16-113; and also means (2) the provision of electric power and energy by an electric utility to retail customers outside the electric utility's service area pursuant to Section 16-116. Provided, however, contract service does not include electric utility services provided pursuant to (i) contracts that retail customers are required to execute as a condition of receiving tariffed services, or (ii) special or negotiated rate contracts for electric utility services that were entered into between an electric utility and a retail customer prior to the effective date of this amendatory Act of 1997 and filed with the Commission.

"Delivery services" means those services provided by the electric utility that are necessary in order for the transmission and distribution systems to function so that retail customers located in the electric utility's service area can receive electric power and energy from suppliers other than the electric utility, and shall include, without limitation, standard metering and billing services.

"Electric utility" means a public utility, as defined in Section 3-105 of this Act, that has a franchise, license, permit or right to furnish or sell electricity to retail customers within a service area.

"Mandatory transition period" means the period from the effective date of this amendatory Act of 1997 through January 1, 2007 2005.

"Municipal system" shall have the meaning set forth in Section 17-100.

"Real-time pricing" means charges for delivered electric power and energy that vary on an hour-to-hour basis for nonresidential retail customers and that vary on a periodic basis during the day for residential retail customers.

"Retail customer" means a single entity using electric power or

energy at a single premises and that (A) either (i) is receiving or is eligible to receive tariffed services from an electric utility, or (ii) that is served by a municipal system or electric cooperative within any area in which the municipal system or electric cooperative is or would be entitled to provide service under the law in effect immediately prior to the effective date of this amendatory Act of 1997, or (B) an entity which on the effective date of this Act was receiving electric service from a public utility and (i) was engaged in the practice of resale and redistribution of such electricity within a building prior to January 2, 1957, or (ii) was providing lighting services to tenants in a multi-occupancy building, but only to the extent such resale, redistribution or lighting service is authorized by the electric utility's tariffs that were on file with the Commission on the effective date of this Act.

"Service area" means (i) the geographic area within which an electric utility was lawfully entitled to provide electric power and energy to retail customers as of the effective date of this amendatory Act of 1997, and includes (ii) the location of any retail customer to which the electric utility was lawfully providing electric utility services on such effective date.

"Small commercial retail customer" means those nonresidential retail customers of an electric utility consuming 15,000 kilowatt-hours or less of electricity annually in its service area.

"Tariffed service" means services provided to retail customers by an electric utility as defined by its rates on file with the Commission pursuant to the provisions of Article IX of this Act, but shall not include competitive services.

"Transition charge" means a charge expressed in cents per kilowatt-hour that is calculated for a customer or class of customers as follows for each year in which an electric utility is entitled to recover transition charges as provided in Section 16-108:

(1) the amount of revenue that an electric utility would receive from the retail customer or customers if it were serving such customers' electric power and energy requirements as a tariffed service based on (A) all of the customers' actual usage during the 3 years ending 90 days prior to the date on which such customers were first eligible for delivery services pursuant to Section 16-104, and (B) on (i) the base rates in effect on October 1, 1996 (adjusted for the reductions required by subsection (b) of Section 16-111, for any reduction resulting from a rate decrease under Section 16-101(b), for any restatement of base rates made in conjunction with an elimination of the fuel adjustment clause pursuant to subsection (b), (d), or (f) of Section 9-220 and for any removal of decommissioning costs from base rates pursuant to Section 16-114) and any separate automatic rate adjustment riders (other than a decommissioning rate as defined in Section 16-114) under which the customers were receiving or, had they been customers, would have received electric power and energy from the electric utility during the year immediately preceding the date on which such customers were first eligible for delivery service pursuant to Section 16-104, or (ii) to the extent applicable, any contract rates, including contracts or rates for consolidated or aggregated billing, under which such customers were receiving electric power and energy from the electric utility during such year;

(2) less the amount of revenue, other than revenue from transition charges and decommissioning rates, that the electric utility would receive from such retail customers for delivery services provided by the electric utility, assuming such customers were taking delivery services for all of their usage,

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based on the delivery services tariffs in effect during the year for which the transition charge is being calculated and on the usage identified in paragraph (1);

(3) less the market value for the electric power and energy that the electric utility would have used to supply all of such customers' electric power and energy requirements, as a tariffed service, based on the usage identified in paragraph (1), with such market value determined in accordance with Section 16-112 of this Act;

(4) less the following amount which represents the amount to be attributed to new revenue sources and cost reductions by the electric utility through the end of the period for which transition costs are recovered pursuant to Section 16-108, referred to in this Article XVI as a "mitigation factor":

(A) for nonresidential retail customers, an amount equal to the greater of (i) 0.5 cents per kilowatt-hour during the period October 1, 1999 through December 31, 2004, 0.6 cents per kilowatt-hour in calendar year 2005, and 0.9 cents per kilowatt-hour in calendar year 2006, multiplied in each year by the usage identified in paragraph (1), or (ii) an amount equal to the following percentages of the amount produced by applying the applicable base rates (adjusted as described in subparagraph (1)(B)) or contract rate to the usage identified in paragraph (1): 8% for the period October 1, 1999 through December 31, 2002, 10% in calendar years 2003 and 2004, 11% in calendar year 2005 and 12% in calendar year 2006; and

(B) for residential retail customers, an amount equal to the following percentages of the amount produced by applying the base rates in effect on October 1, 1996 (adjusted as described in subparagraph (1)(B)) to the usage identified in paragraph (1): (i) 6% from May 1, 2002 through December 31, 2002, (ii) 7% in calendar years 2003 and 2004, (iii) 8% in calendar year 2005, and (iv) 10% in calendar year 2006;

(5) divided by the usage of such customers identified in paragraph (1), provided that the transition charge shall never be less than zero.

"Unbundled service" means a component or constituent part of a tariffed service which the electric utility subsequently offers separately to its customers.

(Source: P.A. 90-561, eff. 12-16-97; 91-50, eff. 6-30-99.)".

AMENDMENT NO. 2 TO SENATE BILL 2081

AMENDMENT NO. 2. Amend Senate Bill 2081, AS AMENDED, in the introductory clause to Section 5 of the bill by changing "Section 16-102" to "Sections 16-102 and 16-111"; and in the body of Section 5 of the bill by inserting immediately below the last line of Sec. 16-102 the following:

"(220 ILCS 5/16-111)

Sec. 16-111. Rates and restructuring transactions during mandatory transition period.

(a) During the mandatory transition period, notwithstanding any provision of Article IX of this Act, and except as provided in subsections (b), (d), (e), and (f) of this Section, the Commission shall not (i) initiate, authorize or order any change by way of increase (other than in connection with a request for rate increase which was filed after September 1, 1997 but prior to October 15, 1997, by an electric utility serving less than 12,500 customers in this State), (ii) initiate or, unless requested by the electric

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utility, authorize or order any change by way of decrease, restructuring or unbundling (except as provided in Section 16-109A), in the rates of any electric utility that were in effect on October 1, 1996, or (iii) in any order approving any application for a merger pursuant to Section 7-204 that was pending as of May 16, 1997, impose any condition requiring any filing for an increase, decrease, or change in, or other review of, an electric utility's rates or enforce any such condition of any such order; provided, however, that this subsection shall not prohibit the Commission from:

(1) approving the application of an electric utility to implement an alternative to rate of return regulation or a regulatory mechanism that rewards or penalizes the electric utility through adjustment of rates based on utility performance, pursuant to Section 9-244;

(2) authorizing an electric utility to eliminate its fuel adjustment clause and adjust its base rate tariffs in accordance with subsection (b), (d), or (f) of Section 9-220 of this Act, to fix its fuel adjustment factor in accordance with subsection (c) of Section 9-220 of this Act, or to eliminate its fuel adjustment clause in accordance with subsection (e) of Section 9-220 of this Act;

(3) ordering into effect tariffs for delivery services and transition charges in accordance with Sections 16-104 and 16-108, for real-time pricing in accordance with Section 16-107, or the options required by Section 16-110 and subsection (n) of 16-112, allowing a billing experiment in accordance with Section 16-106, or modifying delivery services tariffs in accordance with Section 16-109; or

(4) ordering or allowing into effect any tariff to recover charges pursuant to Sections 9-201.5, 9-220.1, 9-221, 9-222 (except as provided in Section 9-222.1), 16-108, and 16-114 of this Act, Section 5-5 of the Electricity Infrastructure Maintenance Fee Law, Section 6-5 of the Renewable Energy, Energy Efficiency, and Coal Resources Development Law of 1997, and Section 13 of the Energy Assistance Act of 1989.

After December 31, 2004, the provisions of this subsection (a) shall not apply to an electric utility whose average residential retail rate was less than or equal to 90% of the average residential retail rate for the "Midwest Utilities", as that term is defined in subsection (b) of this Section, based on data reported on Form 1 to the Federal Energy Regulatory Commission for calendar year 1995, and which served between 150,000 and 250,000 retail customers in this State on January 1, 1995.

(b) Notwithstanding the provisions of subsection (a), each Illinois electric utility serving more than 12,500 customers in Illinois shall file tariffs (i) reducing, effective August 1, 1998, each component of its base rates to residential retail customers by 15% from the base rates in effect immediately prior to January 1, 1998 and (ii) if the public utility provides electric service to (A) more than 500,000 customers but less than 1,000,000 customers in this State on January 1, 1999, reducing, effective May 1, 2002, each component of its base rates to residential retail customers by an additional 5% from the base rates in effect immediately prior to January 1, 1998, or (B) at least 1,000,000 customers in this State on January 1, 1999, reducing, effective October 1, 2001, each component of its base rates to residential retail customers by an additional 5% from the base rates in effect immediately prior to January 1, 1998. Provided, however, that (A) if an electric utility's average residential retail rate is less than or equal to the average residential retail rate for a group of Midwest Utilities (consisting

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of all investor-owned electric utilities with annual system peaks in excess of 1000 megawatts in the States of Illinois, Indiana, Iowa, Kentucky, Michigan, Missouri, Ohio, and Wisconsin), based on data reported on Form 1 to the Federal Energy Regulatory Commission for calendar year 1995, then it shall only be required to file tariffs (i) reducing, effective August 1, 1998, each component of its base rates to residential retail customers by 5% from the base rates in effect immediately prior to January 1, 1998, (ii) reducing, effective October 1, 2000, each component of its base rates to residential retail customers by the lesser of 5% of the base rates in effect immediately prior to January 1, 1998 or the percentage by which the electric utility's average residential retail rate exceeds the average residential retail rate of the Midwest Utilities, based on data reported on Form 1 to the Federal Energy Regulatory Commission for calendar year 1999, and (iii) reducing, effective October 1, 2002, each component of its base rates to residential retail customers by an additional amount equal to the lesser of 5% of the base rates in effect immediately prior to January 1, 1998 or the percentage by which the electric utility's average residential retail rate exceeds the average residential retail rate of the Midwest Utilities, based on data reported on Form 1 to the Federal Energy Regulatory Commission for calendar year 2001; and (B) if the average residential retail rate of an electric utility serving between 150,000 and 250,000 retail customers in this State on January 1, 1995 is less than or equal to 90% of the average residential retail rate for the Midwest Utilities, based on data reported on Form 1 to the Federal Energy Regulatory Commission for calendar year 1995, then it shall only be required to file tariffs (i) reducing, effective August 1, 1998, each component of its base rates to residential retail customers by 2% from the base rates in effect immediately prior to January 1, 1998; (ii) reducing, effective October 1, 2000, each component of its base rates to residential retail customers by 2% from the base rate in effect immediately prior to January 1, 1998; and (iii) reducing, effective October 1, 2002, each component of its base rates to residential retail customers by 1% from the base rates in effect immediately prior to January 1, 1998. Provided, further, that any electric utility for which a decrease in base rates has been or is placed into effect between October 1, 1996 and the dates specified in the preceding sentences of this subsection, other than pursuant to the requirements of this subsection, shall be entitled to reduce the amount of any reduction or reductions in its base rates required by this subsection by the amount of such other decrease. The tariffs required under this subsection shall be filed 45 days in advance of the effective date. Notwithstanding anything to the contrary in Section 9-220 of this Act, no restatement of base rates in conjunction with the elimination of a fuel adjustment clause under that Section shall result in a lesser decrease in base rates than customers would otherwise receive under this subsection had the electric utility's fuel adjustment clause not been eliminated.

(c) Any utility reducing its base rates by 15% on August 1, 1998 pursuant to subsection (b) shall include the following statement on its bills for residential customers from August 1 through December 31, 1998: "Effective August 1, 1998, your rates have been reduced by 15% by the Electric Service Customer Choice and Rate Relief Law of 1997 passed by the Illinois General Assembly.". Any utility reducing its base rates by 5% on August 1, 1998, pursuant to subsection (b) shall include the following statement on its bills for residential customers from August 1 through December 31, 1998: "Effective August 1, 1998, your rates have been reduced by 5% by the Electric Service Customer Choice and Rate Relief Law of 1997 passed by the Illinois

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General Assembly."

Any utility reducing its base rates by 2% on August 1, 1998 pursuant to subsection (b) shall include the following statement on its bills for residential customers from August 1 through December 31, 1998: "Effective August 1, 1998, your rates have been reduced by 2% by the Electric Service Customer Choice and Rate Relief Law of 1997 passed by the Illinois General Assembly."

(d) During the mandatory transition period, but not before January 1, 2000, and notwithstanding the provisions of subsection (a), an electric utility may request an increase in its base rates if the electric utility demonstrates that the 2-year average of its earned rate of return on common equity, calculated as its net income applicable to common stock divided by the average of its beginning and ending balances of common equity using data reported in the electric utility's Form 1 report to the Federal Energy Regulatory Commission but adjusted to remove the effects of accelerated depreciation or amortization or other transition or mitigation measures implemented by the electric utility pursuant to subsection (g) of this Section and the effect of any refund paid pursuant to subsection (e) of this Section, is below the 2-year average for the same 2 years of the monthly average yields of 30-year U.S. Treasury bonds published by the Board of Governors of the Federal Reserve System in its weekly H.15 Statistical Release or successor publication. The Commission shall review the electric utility's request, and may review the justness and reasonableness of all rates for tariffed services, in accordance with the provisions of Article IX of this Act, provided that the Commission shall consider any special or negotiated adjustments to the revenue requirement agreed to between the electric utility and the other parties to the proceeding. In setting rates under this Section, the Commission shall exclude the costs and revenues that are associated with competitive services and any billing or pricing experiments conducted under Section 16-106.

(e) For the purposes of this subsection (e) all calculations and comparisons shall be performed for the Illinois operations of multijurisdictional utilities. During the mandatory transition period, notwithstanding the provisions of subsection (a), if the 2-year average of an electric utility's earned rate of return on common equity, calculated as its net income applicable to common stock divided by the average of its beginning and ending balances of common equity using data reported in the electric utility's Form 1 report to the Federal Energy Regulatory Commission but adjusted to remove the effect of any refund paid under this subsection (e), and further adjusted to include the annual amortization of any difference between the consideration received by an affiliated interest of the electric utility in the sale of an asset which had been sold or transferred by the electric utility to the affiliated interest subsequent to the effective date of this amendatory Act of 1997 and the consideration for which such asset had been sold or transferred to the affiliated interest, with such difference to be amortized ratably from the date of the sale by the affiliated interest to December 31, 2006, exceeds the 2-year average of the Index for the same 2 years by 1.5 or more percentage points, the electric utility shall make refunds to customers beginning the first billing day of April in the following year in the manner described in paragraph (3) of this subsection. For purposes of this subsection (e), the "Index" shall be the sum of (A) the average for the 12 months ended September 30 of the monthly average yields of 30-year U.S. Treasury bonds published by the Board of Governors of the Federal Reserve System in its weekly H.15 Statistical Release or successor publication for each

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year 1998 through 2004, and (B) (i) 4.00 percentage points for each of the 12-month periods ending September 30, 1998 through September 30, 1999 or 8.00 percentage points if the electric utility's average residential retail rate is less than or equal to 90% of the average residential retail rate for the "Midwest Utilities", as that term is defined in subsection (b) of this Section, based on data reported on Form 1 to the Federal Energy Regulatory Commission for calendar year 1995, and the electric utility served between 150,000 and 250,000 retail customers on January 1, 1995, (ii) 7.00 percentage points for each of the 12-month periods ending September 30, 2000 through September 30, 2004 if the electric utility was providing service to at least 1,000,000 customers in this State on January 1, 1999, or 9.00 percentage points if the electric utility's average residential retail rate is less than or equal to 90% of the average residential retail rate for the "Midwest Utilities", as that term is defined in subsection (b) of this Section, based on data reported on Form 1 to the Federal Energy Regulatory Commission for calendar year 1995 and the electric utility served between 150,000 and 250,000 retail customers in this State on January 1, 1995, (iii) 11.00 percentage points for each of the 12-month periods ending September 30, 2000 through September 30, 2004, but only if the electric utility's average residential retail rate is less than or equal to 90% of the average residential retail rate for the "Midwest Utilities", as that term is defined in subsection (b) of this Section, based on data reported on Form 1 to the Federal Energy Regulatory Commission for calendar year 1995, the electric utility served between 150,000 and 250,000 retail customers in this State on January 1, 1995, and the electric utility offers delivery services on or before June 1, 2000 to retail customers whose annual electric energy use comprises 33% of the kilowatt hour sales to that group of retail customers that are classified under Division D, Groups 20 through 39 of the Standard Industrial Classifications set forth in the Standard Industrial Classification Manual published by the United States Office of Management and Budget, excluding the kilowatt hour sales to those customers that are eligible for delivery services pursuant to Section 16-104(a)(1)(i), and offers delivery services to its remaining retail customers classified under Division D, Groups 20 through 39 on or before October 1, 2000, and, provided further, that the electric utility commits not to petition pursuant to Section 16-108(f) for entry of an order by the Commission authorizing the electric utility to implement transition charges for an additional period after December 31, 2006, or (iv) 5.00 percentage points for each of the 12-month periods ending September 30, 2000 through September 30, 2004 for all other electric utilities or 7.00 percentage points for such utilities for each of the 12-month periods ending September 30, 2000 through September 30, 2004 for any such utility that commits not to petition pursuant to Section 16-108(f) for entry of an order by the Commission authorizing the electric utility to implement transition charges for an additional period after December 31, 2006.

(1) For purposes of this subsection (e), "excess earnings" means the difference between (A) the 2-year average of the electric utility's earned rate of return on common equity, less (B) the 2-year average of the sum of (i) the Index applicable to each of the 2 years and (ii) 1.5 percentage points; provided, that "excess earnings" shall never be less than zero.

(2) On or before March 31 of each year 2000 through 2005 each electric utility shall file a report with the Commission showing its earned rate of return on common equity, calculated in accordance with this subsection, for the preceding calendar year and the average for the preceding 2 calendar years.

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(3) If an electric utility has excess earnings, determined in accordance with paragraphs (1) and (2) of this subsection, the refunds which the electric utility shall pay to its customers beginning the first billing day of April in the following year shall be calculated and applied as follows:

(i) The electric utility's excess earnings shall be multiplied by the average of the beginning and ending balances of the electric utility's common equity for the 2-year period in which excess earnings occurred.

(ii) The result of the calculation in (i) shall be multiplied by 0.50 and then divided by a number equal to 1 minus the electric utility's composite federal and State income tax rate.

(iii) The result of the calculation in (ii) shall be divided by the sum of the electric utility's projected total kilowatt-hour sales to retail customers plus projected kilowatt-hours to be delivered to delivery services customers over a one year period beginning with the first billing date in April in the succeeding year to determine a cents per kilowatt-hour refund factor.

(iv) The cents per kilowatt-hour refund factor calculated in (iii) shall be credited to the electric utility's customers by applying the factor on the customer's monthly bills to each kilowatt-hour sold or delivered until the total amount calculated in (ii) has been paid to customers.

(f) During the mandatory transition period, an electric utility may file revised tariffs reducing the price of any tariffed service offered by the electric utility for all customers taking that tariffed service, which shall be effective 7 days after filing.

(g) During the mandatory transition period, an electric utility may, without obtaining any approval of the Commission other than that provided for in this subsection and notwithstanding any other provision of this Act or any rule or regulation of the Commission that would require such approval:

(1) implement a reorganization, other than a merger of 2 or more public utilities as defined in Section 3-105 or their holding companies;

(2) retire generating plants from service;

(3) sell, assign, lease or otherwise transfer assets to an affiliated or unaffiliated entity and as part of such transaction enter into service agreements, power purchase agreements, or other agreements with the transferee; provided, however, that the prices, terms and conditions of any power purchase agreement must be approved or allowed into effect by the Federal Energy Regulatory Commission; or

(4) use any accelerated cost recovery method including accelerated depreciation, accelerated amortization or other capital recovery methods, or record reductions to the original cost of its assets.

In order to implement a reorganization, retire generating plants from service, or sell, assign, lease or otherwise transfer assets pursuant to this Section, the electric utility shall comply with subsections (c) and (d) of Section 16-128, if applicable, and subsection (k) of this Section, if applicable, and provide the Commission with at least 30 days notice of the proposed reorganization or transaction, which notice shall include the following information:

(i) a complete statement of the entries that the electric utility will make on its books and records of

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account to implement the proposed reorganization or transaction together with a certification from an independent certified public accountant that such entries are in accord with generally accepted accounting principles and, if the Commission has previously approved guidelines for cost allocations between the utility and its affiliates, a certification from the chief accounting officer of the utility that such entries are in accord with those cost allocation guidelines;

(ii) a description of how the electric utility will use proceeds of any sale, assignment, lease or transfer to retire debt or otherwise reduce or recover the costs of services provided by such electric utility;

(iii) a list of all federal approvals or approvals required from departments and agencies of this State, other than the Commission, that the electric utility has or will obtain before implementing the reorganization or transaction;

(iv) an irrevocable commitment by the electric utility that it will not, as a result of the transaction, impose any stranded cost charges that it might otherwise be allowed to charge retail customers under federal law or increase the transition charges that it is otherwise entitled to collect under this Article XVI; and

(v) if the electric utility proposes to sell, assign, lease or otherwise transfer a generating plant that brings the amount of net dependable generating capacity transferred pursuant to this subsection to an amount equal to or greater than 15% of the electric utility's net dependable capacity as of the effective date of this amendatory Act of 1997, and enters into a power purchase agreement with the entity to which such generating plant is sold, assigned, leased, or otherwise transferred, the electric utility also agrees, if its fuel adjustment clause has not already been eliminated, to eliminate its fuel adjustment clause in accordance with subsection (b) of Section 9-220 for a period of time equal to the length of any such power purchase agreement or successor agreement, or until January 1, 2005, whichever is longer; if the capacity of the generating plant so transferred and related power purchase agreement does not result in the elimination of the fuel adjustment clause under this subsection, and the fuel adjustment clause has not already been eliminated, the electric utility shall agree that the costs associated with the transferred plant that are included in the calculation of the rate per kilowatt-hour to be applied pursuant to the electric utility's fuel adjustment clause during such period shall not exceed the per kilowatt-hour cost associated with such generating plant included in the electric utility's fuel adjustment clause during the full calendar year preceding the transfer, with such limit to be adjusted each year thereafter by the Gross Domestic Product Implicit Price Deflator.

(vi) In addition, if the electric utility proposes to sell, assign, or lease, (A) either (1) an amount of generating plant that brings the amount of net dependable generating capacity transferred pursuant to this subsection to an amount equal to or greater than 15% of its net dependable capacity on the effective date of this amendatory Act of 1997, or (2) one or more generating plants with a

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total net dependable capacity of 1100 megawatts, or (B) transmission and distribution facilities that either (1) bring the amount of transmission and distribution facilities transferred pursuant to this subsection to an amount equal to or greater than 15% of the electric utility's total depreciated original cost investment in such facilities, or (2) represent an investment of \$25,000,000 in terms of total depreciated original cost, the electric utility shall provide, in addition to the information listed in subparagraphs (i) through (v), the following information: (A) a description of how the electric utility will meet its service obligations under this Act in a safe and reliable manner and (B) the electric utility's projected earned rate of return on common equity, calculated in accordance with subsection (d) of this Section, for each year from the date of the notice through December 31, 2004 both with and without the proposed transaction. If the Commission has not issued an order initiating a hearing on the proposed transaction within 30 days after the date the electric utility's notice is filed, the transaction shall be deemed approved. The Commission may, after notice and hearing, prohibit the proposed transaction if it makes either or both of the following findings: (1) that the proposed transaction will render the electric utility unable to provide its tariffed services in a safe and reliable manner, or (2) that there is a strong likelihood that consummation of the proposed transaction will result in the electric utility being entitled to request an increase in its base rates during the mandatory transition period pursuant to subsection (d) of this Section. Any hearing initiated by the Commission into the proposed transaction shall be completed, and the Commission's final order approving or prohibiting the proposed transaction shall be entered, within 90 days after the date the electric utility's notice was filed. Provided, however, that a sale, assignment, or lease of transmission facilities to an independent system operator that meets the requirements of Section 16-126 shall not be subject to Commission approval under this Section.

In any proceeding conducted by the Commission pursuant to this subparagraph (vi), intervention shall be limited to parties with a direct interest in the transaction which is the subject of the hearing and any statutory consumer protection agency as defined in subsection (d) of Section 9-102.1. Notwithstanding the provisions of Section 10-113 of this Act, any application seeking rehearing of an order issued under this subparagraph (vi), whether filed by the electric utility or by an intervening party, shall be filed within 10 days after service of the order.

The Commission shall not in any subsequent proceeding or otherwise, review such a reorganization or other transaction authorized by this Section, but shall retain the authority to allocate costs as stated in Section 16-111(i). An entity to which an electric utility sells, assigns, leases or transfers assets pursuant to this subsection (g) shall not, as a result of the transactions specified in this subsection (g), be deemed a public utility as defined in Section 3-105. Nothing in this subsection (g) shall change any requirement under the jurisdiction of the Illinois Department of Nuclear Safety including, but not limited to, the payment of fees. Nothing in this subsection (g) shall exempt a utility from obtaining a certificate pursuant to Section 8-406 of

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this Act for the construction of a new electric generating facility. Nothing in this subsection (g) is intended to exempt the transactions hereunder from the operation of the federal or State antitrust laws. Nothing in this subsection (g) shall require an electric utility to use the procedures specified in this subsection for any of the transactions specified herein. Any other procedure available under this Act may, at the electric utility's election, be used for any such transaction.

(h) During the mandatory transition period, the Commission shall not establish or use any rates of depreciation, which for purposes of this subsection shall include amortization, for any electric utility other than those established pursuant to subsection (c) of Section 5-104 of this Act or utilized pursuant to subsection (g) of this Section. Provided, however, that in any proceeding to review an electric utility's rates for tariffed services pursuant to Section 9-201, 9-202, 9-250 or 16-111(d) of this Act, the Commission may establish new rates of depreciation for the electric utility in the same manner provided in subsection (d) of Section 5-104 of this Act. An electric utility implementing an accelerated cost recovery method including accelerated depreciation, accelerated amortization or other capital recovery methods, or recording reductions to the original cost of its assets, pursuant to subsection (g) of this Section, shall file a statement with the Commission describing the accelerated cost recovery method to be implemented or the reduction in the original cost of its assets to be recorded. Upon the filing of such statement, the accelerated cost recovery method or the reduction in the original cost of assets shall be deemed to be approved by the Commission as though an order had been entered by the Commission.

(i) Subsequent to the mandatory transition period, the Commission, in any proceeding to establish rates and charges for tariffed services offered by an electric utility, shall consider only (1) the then current or projected revenues, costs, investments and cost of capital directly or indirectly associated with the provision of such tariffed services; (2) collection of transition charges in accordance with Sections 16-102 and 16-108 of this Act; (3) recovery of any employee transition costs as described in Section 16-128 which the electric utility is continuing to incur, including recovery of any unamortized portion of such costs previously incurred or committed, with such costs to be equitably allocated among bundled services, delivery services, and contracts with alternative retail electric suppliers; and (4) recovery of the costs associated with the electric utility's compliance with decommissioning funding requirements; and shall not consider any other revenues, costs, investments or cost of capital of either the electric utility or of any affiliate of the electric utility that are not associated with the provision of tariffed services. In setting rates for tariffed services, the Commission shall equitably allocate joint and common costs and investments between the electric utility's competitive and tariffed services. In determining the justness and reasonableness of the electric power and energy component of an electric utility's rates for tariffed services subsequent to the mandatory transition period and prior to the time that the provision of such electric power and energy is declared competitive, the Commission shall consider the extent to which the electric utility's tariffed rates for such component for each customer class exceed the market value determined pursuant to Section 16-112, and, if the electric power and energy component of such tariffed rate exceeds the market value by more than 10% for any customer class, may establish such electric power and energy component at a rate equal to the market value plus 10%. In any such case, the Commission may also elect to extend the

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provisions of Section 16-111(e) for any period in which the electric utility is collecting transition charges, using information applicable to such period.

(j) During the mandatory transition period, an electric utility may elect to transfer to a non-operating income account under the Commission's Uniform System of Accounts either or both of (i) an amount of unamortized investment tax credit that is in addition to the ratable amount which is credited to the electric utility's operating income account for the year in accordance with Section 46(f)(2) of the federal Internal Revenue Code of 1986, as in effect prior to P.L. 101-508, or (ii) "excess tax reserves", as that term is defined in Section 203(e)(2)(A) of the federal Tax Reform Act of 1986, provided that (A) the amount transferred may not exceed the amount of the electric utility's assets that were created pursuant to Statement of Financial Accounting Standards No. 71 which the electric utility has written off during the mandatory transition period, and (B) the transfer shall not be effective until approved by the Internal Revenue Service. An electric utility electing to make such a transfer shall file a statement with the Commission stating the amount and timing of the transfer for which it intends to request approval of the Internal Revenue Service, along with a copy of its proposed request to the Internal Revenue Service for a ruling. The Commission shall issue an order within 14 days after the electric utility's filing approving, subject to receipt of approval from the Internal Revenue Service, the proposed transfer.

(k) If an electric utility is selling or transferring to a single buyer 5 or more generating plants located in this State with a total net dependable capacity of 5000 megawatts or more pursuant to subsection (g) of this Section and has obtained a sale price or consideration that exceeds 200% of the book value of such plants, the electric utility must provide to the Governor, the President of the Illinois Senate, the Minority Leader of the Illinois Senate, the Speaker of the Illinois House of Representatives, and the Minority Leader of the Illinois House of Representatives no later than 15 days after filing its notice under subsection (g) of this Section or 5 days after the date on which this subsection (k) becomes law, whichever is later, a written commitment in which such electric utility agrees to expend \$2 billion outside the corporate limits of any municipality with 1,000,000 or more inhabitants within such electric utility's service area, over a 6-year period beginning with the calendar year in which the notice is filed, on projects, programs, and improvements within its service area relating to transmission and distribution including, without limitation, infrastructure expansion, repair and replacement, capital investments, operations and maintenance, and vegetation management. (Source: P.A. 90-561, eff. 12-16-97; 90-563, eff. 12-16-97; 91-50, eff. 6-30-99.)".

AMENDMENT NO. 5 TO SENATE BILL 2081

AMENDMENT NO. 5. Amend Senate Bill 2081, AS AMENDED, by replacing everything after the enacting clause with the following:

"Section 5. The Public Utilities Act is amended by changing Sections 9-220, 16-102, and 16-111 and adding Section 16-111.3 as follows:

(220 ILCS 5/9-220) (from Ch. 111 2/3, par. 9-220)

Sec. 9-220. Rate changes based on changes in fuel costs.

(a) Notwithstanding the provisions of Section 9-201, the Commission may authorize the increase or decrease of rates and charges based upon changes in the cost of fuel used in the generation or production of electric power, changes in the cost of purchased

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power, or changes in the cost of purchased gas through the application of fuel adjustment clauses or purchased gas adjustment clauses. The Commission may also authorize the increase or decrease of rates and charges based upon expenditures or revenues resulting from the purchase or sale of emission allowances created under the federal Clean Air Act Amendments of 1990, through such fuel adjustment clauses, as a cost of fuel. For the purposes of this paragraph, cost of fuel used in the generation or production of electric power shall include the amount of any fees paid by the utility for the implementation and operation of a process for the desulfurization of the flue gas when burning high sulfur coal at any location within the State of Illinois irrespective of the attainment status designation of such location; but shall not include transportation costs of coal (i) except to the extent that for contracts entered into on and after the effective date of this amendatory Act of 1997, the cost of the coal, including transportation costs, constitutes the lowest cost for adequate and reliable fuel supply reasonably available to the public utility in comparison to the cost, including transportation costs, of other adequate and reliable sources of fuel supply reasonably available to the public utility, or (ii) except as otherwise provided in the next 3 sentences of this paragraph. Such costs of fuel shall, when requested by a utility or at the conclusion of the utility's next general electric rate proceeding, whichever shall first occur, include transportation costs of coal purchased under existing coal purchase contracts. For purposes of this paragraph "existing coal purchase contracts" means contracts for the purchase of coal in effect on the effective date of this amendatory Act of 1991, as such contracts may thereafter be amended, but only to the extent that any such amendment does not increase the aggregate quantity of coal to be purchased under such contract. Nothing herein shall authorize an electric utility to recover through its fuel adjustment clause any amounts of transportation costs of coal that were included in the revenue requirement used to set base rates in its most recent general rate proceeding. Cost shall be based upon uniformly applied accounting principles. Annually, the Commission shall initiate public hearings to determine whether the clauses reflect actual costs of fuel, gas, power, or coal transportation purchased to determine whether such purchases were prudent, and to reconcile any amounts collected with the actual costs of fuel, power, gas, or coal transportation prudently purchased. In each such proceeding, the burden of proof shall be upon the utility to establish the prudence of its cost of fuel, power, gas, or coal transportation purchases and costs. The Commission shall issue its final order in each such annual proceeding for an electric utility by December 31 of the year immediately following the year to which the proceeding pertains, provided, that the Commission shall issue its final order with respect to such annual proceeding for the years 1996 and earlier by December 31, 1998.

(b) A public utility providing electric service, other than a public utility described in subsections (e) or (f) of this Section, may at any time during the mandatory transition period file with the Commission proposed tariff sheets that eliminate the public utility's fuel adjustment clause and adjust the public utility's base rate tariffs by the amount necessary for the base fuel component of the base rates to recover the public utility's average fuel and power supply costs per kilowatt-hour for the 2 most recent years for which the Commission has issued final orders in annual proceedings pursuant to subsection (a), where the average fuel and power supply costs per kilowatt-hour shall be calculated as the sum of the public utility's

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prudent and allowable fuel and power supply costs as found by the Commission in the 2 proceedings divided by the public utility's actual jurisdictional kilowatt-hour sales for those 2 years. Notwithstanding any contrary or inconsistent provisions in Section 9-201 of this Act, in subsection (a) of this Section or in any rules or regulations promulgated by the Commission pursuant to subsection (g) of this Section, the Commission shall review and shall by order approve, or approve as modified, the proposed tariff sheets within 60 days after the date of the public utility's filing. The Commission may modify the public utility's proposed tariff sheets only to the extent the Commission finds necessary to achieve conformance to the requirements of this subsection (b). During the 5 years following the date of the Commission's order, but in any event no earlier than January 1, 2007 2005, a public utility whose fuel adjustment clause has been eliminated pursuant to this subsection shall not file proposed tariff sheets seeking, or otherwise petition the Commission for, reinstatement of a fuel adjustment clause.

(c) Notwithstanding any contrary or inconsistent provisions in Section 9-201 of this Act, in subsection (a) of this Section or in any rules or regulations promulgated by the Commission pursuant to subsection (g) of this Section, a public utility providing electric service, other than a public utility described in subsection (e) or (f) of this Section, may at any time during the mandatory transition period file with the Commission proposed tariff sheets that establish the rate per kilowatt-hour to be applied pursuant to the public utility's fuel adjustment clause at the average value for such rate during the preceding 24 months, provided that such average rate results in a credit to customers' bills, without making any revisions to the public utility's base rate tariffs. The proposed tariff sheets shall establish the fuel adjustment rate for a specific time period of at least 3 years but not more than 5 years, provided that the terms and conditions for any reinstatement earlier than 5 years shall be set forth in the proposed tariff sheets and subject to modification or approval by the Commission. The Commission shall review and shall by order approve the proposed tariff sheets if it finds that the requirements of this subsection are met. The Commission shall not conduct the annual hearings specified in the last 3 sentences of subsection (a) of this Section for the utility for the period that the factor established pursuant to this subsection is in effect.

(d) A public utility providing electric service, or a public utility providing gas service may file with the Commission proposed tariff sheets that eliminate the public utility's fuel or purchased gas adjustment clause and adjust the public utility's base rate tariffs to provide for recovery of power supply costs or gas supply costs that would have been recovered through such clause; provided, that the provisions of this subsection (d) shall not be available to a public utility described in subsections (e) or (f) of this Section to eliminate its fuel adjustment clause. Notwithstanding any contrary or inconsistent provisions in Section 9-201 of this Act, in subsection (a) of this Section, or in any rules or regulations promulgated by the Commission pursuant to subsection (g) of this Section, the Commission shall review and shall by order approve, or approve as modified in the Commission's order, the proposed tariff sheets within 240 days after the date of the public utility's filing. The Commission's order shall approve rates and charges that the Commission, based on information in the public utility's filing or on the record if a hearing is held by the Commission, finds will recover the reasonable, prudent and necessary jurisdictional power supply costs or gas supply costs incurred or to be incurred by the public

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utility during a 12 month period found by the Commission to be appropriate for these purposes, provided, that such period shall be either (i) a 12 month historical period occurring during the 15 months ending on the date of the public utility's filing, or (ii) a 12 month future period ending no later than 15 months following the date of the public utility's filing. The public utility shall include with its tariff filing information showing both (1) its actual jurisdictional power supply costs or gas supply costs for a 12 month historical period conforming to (i) above and (2) its projected jurisdictional power supply costs or gas supply costs for a future 12 month period conforming to (ii) above. If the Commission's order requires modifications in the tariff sheets filed by the public utility, the public utility shall have 7 days following the date of the order to notify the Commission whether the public utility will implement the modified tariffs or elect to continue its fuel or purchased gas adjustment clause in force as though no order had been entered. The Commission's order shall provide for any reconciliation of power supply costs or gas supply costs, as the case may be, and associated revenues through the date that the public utility's fuel or purchased gas adjustment clause is eliminated. During the 5 years following the date of the Commission's order, a public utility whose fuel or purchased gas adjustment clause has been eliminated pursuant to this subsection shall not file proposed tariff sheets seeking, or otherwise petition the Commission for, reinstatement or adoption of a fuel or purchased gas adjustment clause. Nothing in this subsection (d) shall be construed as limiting the Commission's authority to eliminate a public utility's fuel adjustment clause or purchased gas adjustment clause in accordance with any other applicable provisions of this Act.

(e) Notwithstanding any contrary or inconsistent provisions in Section 9-201 of this Act, in subsection (a) of this Section, or in any rules promulgated by the Commission pursuant to subsection (g) of this Section, a public utility providing electric service to more than 1,000,000 customers in this State may, within the first 6 months after the effective date of this amendatory Act of 1997, file with the Commission proposed tariff sheets that eliminate, effective January 1, 1997, the public utility's fuel adjustment clause without adjusting its base rates, and such tariff sheets shall be effective upon filing. To the extent the application of the fuel adjustment clause had resulted in net charges to customers after January 1, 1997, the utility shall also file a tariff sheet that provides for a refund stated on a per kilowatt-hour basis of such charges over a period not to exceed 6 months; provided however, that such refund shall not include the proportional amounts of taxes paid under the Use Tax Act, Service Use Tax Act, Service Occupation Tax Act, and Retailers' Occupation Tax Act on fuel used in generation. The Commission shall issue an order within 45 days after the date of the public utility's filing approving or approving as modified such tariff sheet. If the fuel adjustment clause is eliminated pursuant to this subsection, the Commission shall not conduct the annual hearings specified in the last 3 sentences of subsection (a) of this Section for the utility for any period after December 31, 1996 and prior to any reinstatement of such clause. A public utility whose fuel adjustment clause has been eliminated pursuant to this subsection shall not file a proposed tariff sheet seeking, or otherwise petition the Commission for, reinstatement of the fuel adjustment clause prior to January 1, ~~2007~~ 2005.

(f) Notwithstanding any contrary or inconsistent provisions in Section 9-201 of this Act, in subsection (a) of this Section, or in any rules or regulations promulgated by the Commission pursuant to

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subsection (g) of this Section, a public utility providing electric service to more than 500,000 customers but fewer than 1,000,000 customers in this State may, within the first 6 months after the effective date of this amendatory Act of 1997, file with the Commission proposed tariff sheets that eliminate, effective January 1, 1997, the public utility's fuel adjustment clause and adjust its base rates by the amount necessary for the base fuel component of the base rates to recover 91% of the public utility's average fuel and power supply costs for the 2 most recent years for which the Commission, as of January 1, 1997, has issued final orders in annual proceedings pursuant to subsection (a), where the average fuel and power supply costs per kilowatt-hour shall be calculated as the sum of the public utility's prudent and allowable fuel and power supply costs as found by the Commission in the 2 proceedings divided by the public utility's actual jurisdictional kilowatt-hour sales for those 2 years, provided, that such tariff sheets shall be effective upon filing. To the extent the application of the fuel adjustment clause had resulted in net charges to customers after January 1, 1997, the utility shall also file a tariff sheet that provides for a refund stated on a per kilowatt-hour basis of such charges over a period not to exceed 6 months. Provided however, that such refund shall not include the proportional amounts of taxes paid under the Use Tax Act, Service Use Tax Act, Service Occupation Tax Act, and Retailers' Occupation Tax Act on fuel used in generation. The Commission shall issue an order within 45 days after the date of the public utility's filing approving or approving as modified such tariff sheet. If the fuel adjustment clause is eliminated pursuant to this subsection, the Commission shall not conduct the annual hearings specified in the last 3 sentences of subsection (a) of this Section for the utility for any period after December 31, 1996 and prior to any reinstatement of such clause. A public utility whose fuel adjustment clause has been eliminated pursuant to this subsection shall not file a proposed tariff sheet seeking, or otherwise petition the Commission for, reinstatement of the fuel adjustment clause prior to January 1, 2007 2005.

(g) The Commission shall have authority to promulgate rules and regulations to carry out the provisions of this Section.

(Source: P.A. 90-561, eff. 12-16-97.)

(220 ILCS 5/16-102)

Sec. 16-102. Definitions. For the purposes of this Article the following terms shall be defined as set forth in this Section.

"Alternative retail electric supplier" means every person, cooperative, corporation, municipal corporation, company, association, joint stock company or association, firm, partnership, individual, or other entity, their lessees, trustees, or receivers appointed by any court whatsoever, that offers electric power or energy for sale, lease or in exchange for other value received to one or more retail customers, or that engages in the delivery or furnishing of electric power or energy to such retail customers, and shall include, without limitation, resellers, aggregators and power marketers, but shall not include (i) electric utilities (or any agent of the electric utility to the extent the electric utility provides tariffed services to retail customers through that agent), (ii) any electric cooperative or municipal system as defined in Section 17-100 to the extent that the electric cooperative or municipal system is serving retail customers within any area in which it is or would be entitled to provide service under the law in effect immediately prior to the effective date of this amendatory Act of 1997, (iii) a public utility that is owned and operated by any public institution of higher education of this State, or a public utility that is owned by

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such public institution of higher education and operated by any of its lessees or operating agents, within any area in which it is or would be entitled to provide service under the law in effect immediately prior to the effective date of this amendatory Act of 1997, (iv) a retail customer to the extent that customer obtains its electric power and energy from that customer's own cogeneration or self-generation facilities, (v) an entity that owns, operates, sells, or arranges for the installation of a customer's own cogeneration or self-generation facilities, but only to the extent the entity is engaged in owning, selling or arranging for the installation of such facility, or operating the facility on behalf of such customer, provided however that any such third party owner or operator of a facility built after January 1, 1999, complies with the labor provisions of Section 16-128(a) as though such third party were an alternative retail electric supplier, or (vi) an industrial or manufacturing customer that owns its own distribution facilities, to the extent that the customer provides service from that distribution system to a third-party contractor located on the customer's premises that is integrally and predominantly engaged in the customer's industrial or manufacturing process; provided, that if the industrial or manufacturing customer has elected delivery services, the customer shall pay transition charges applicable to the electric power and energy consumed by the third-party contractor unless such charges are otherwise paid by the third party contractor, which shall be calculated based on the usage of, and the base rates or the contract rates applicable to, the third-party contractor in accordance with Section 16-102.

"Base rates" means the rates for those tariffed services that the electric utility is required to offer pursuant to subsection (a) of Section 16-103 and that were identified in a rate order for collection of the electric utility's base rate revenue requirement, excluding (i) separate automatic rate adjustment riders then in effect, (ii) special or negotiated contract rates, (iii) delivery services tariffs filed pursuant to Section 16-108, (iv) real-time pricing, or (v) tariffs that were in effect prior to October 1, 1996 and that based charges for services on an index or average of other utilities' charges, but including (vi) any subsequent redesign of such rates for tariffed services that is authorized by the Commission after notice and hearing.

"Competitive service" includes (i) any service that has been declared to be competitive pursuant to Section 16-113 of this Act, (ii) contract service, and (iii) services, other than tariffed services, that are related to, but not necessary for, the provision of electric power and energy or delivery services.

"Contract service" means (1) services, including the provision of electric power and energy or other services, that are provided by mutual agreement between an electric utility and a retail customer that is located in the electric utility's service area, provided that, delivery services shall not be a contract service until such services are declared competitive pursuant to Section 16-113; and also means (2) the provision of electric power and energy by an electric utility to retail customers outside the electric utility's service area pursuant to Section 16-116. Provided, however, contract service does not include electric utility services provided pursuant to (i) contracts that retail customers are required to execute as a condition of receiving tariffed services, or (ii) special or negotiated rate contracts for electric utility services that were entered into between an electric utility and a retail customer prior to the effective date of this amendatory Act of 1997 and filed with the Commission.

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"Delivery services" means those services provided by the electric utility that are necessary in order for the transmission and distribution systems to function so that retail customers located in the electric utility's service area can receive electric power and energy from suppliers other than the electric utility, and shall include, without limitation, standard metering and billing services.

"Electric utility" means a public utility, as defined in Section 3-105 of this Act, that has a franchise, license, permit or right to furnish or sell electricity to retail customers within a service area.

"Mandatory transition period" means the period from the effective date of this amendatory Act of 1997 through January 1, ~~2007~~ 2005.

"Municipal system" shall have the meaning set forth in Section 17-100.

"Real-time pricing" means charges for delivered electric power and energy that vary on an hour-to-hour basis for nonresidential retail customers and that vary on a periodic basis during the day for residential retail customers.

"Retail customer" means a single entity using electric power or energy at a single premises and that (A) either (i) is receiving or is eligible to receive tariffed services from an electric utility, or (ii) that is served by a municipal system or electric cooperative within any area in which the municipal system or electric cooperative is or would be entitled to provide service under the law in effect immediately prior to the effective date of this amendatory Act of 1997, or (B) an entity which on the effective date of this Act was receiving electric service from a public utility and (i) was engaged in the practice of resale and redistribution of such electricity within a building prior to January 2, 1957, or (ii) was providing lighting services to tenants in a multi-occupancy building, but only to the extent such resale, redistribution or lighting service is authorized by the electric utility's tariffs that were on file with the Commission on the effective date of this Act.

"Service area" means (i) the geographic area within which an electric utility was lawfully entitled to provide electric power and energy to retail customers as of the effective date of this amendatory Act of 1997, and includes (ii) the location of any retail customer to which the electric utility was lawfully providing electric utility services on such effective date.

"Small commercial retail customer" means those nonresidential retail customers of an electric utility consuming 15,000 kilowatt-hours or less of electricity annually in its service area.

"Tariffed service" means services provided to retail customers by an electric utility as defined by its rates on file with the Commission pursuant to the provisions of Article IX of this Act, but shall not include competitive services.

"Transition charge" means a charge expressed in cents per kilowatt-hour that is calculated for a customer or class of customers as follows for each year in which an electric utility is entitled to recover transition charges as provided in Section 16-108:

- (1) the amount of revenue that an electric utility would receive from the retail customer or customers if it were serving such customers' electric power and energy requirements as a tariffed service based on (A) all of the customers' actual usage during the 3 years ending 90 days prior to the date on which such customers were first eligible for delivery services pursuant to Section 16-104, and (B) on (i) the base rates in effect on October 1, 1996 (adjusted for the reductions required by subsection (b) of Section 16-111, for any reduction resulting from a rate decrease under Section 16-101(b), for any restatement

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of base rates made in conjunction with an elimination of the fuel adjustment clause pursuant to subsection (b), (d), or (f) of Section 9-220 and for any removal of decommissioning costs from base rates pursuant to Section 16-114) and any separate automatic rate adjustment riders (other than a decommissioning rate as defined in Section 16-114) under which the customers were receiving or, had they been customers, would have received electric power and energy from the electric utility during the year immediately preceding the date on which such customers were first eligible for delivery service pursuant to Section 16-104, or (ii) to the extent applicable, any contract rates, including contracts or rates for consolidated or aggregated billing, under which such customers were receiving electric power and energy from the electric utility during such year;

(2) less the amount of revenue, other than revenue from transition charges and decommissioning rates, that the electric utility would receive from such retail customers for delivery services provided by the electric utility, assuming such customers were taking delivery services for all of their usage, based on the delivery services tariffs in effect during the year for which the transition charge is being calculated and on the usage identified in paragraph (1);

(3) less the market value for the electric power and energy that the electric utility would have used to supply all of such customers' electric power and energy requirements, as a tariffed service, based on the usage identified in paragraph (1), with such market value determined in accordance with Section 16-112 of this Act;

(4) less the following amount which represents the amount to be attributed to new revenue sources and cost reductions by the electric utility through the end of the period for which transition costs are recovered pursuant to Section 16-108, referred to in this Article XVI as a "mitigation factor":

(A) for nonresidential retail customers, an amount equal to the greater of (i) 0.5 cents per kilowatt-hour during the period October 1, 1999 through December 31, 2004, 0.6 cents per kilowatt-hour in calendar year 2005, and 0.9 cents per kilowatt-hour in calendar year 2006, multiplied in each year by the usage identified in paragraph (1), or (ii) an amount equal to the following percentages of the amount produced by applying the applicable base rates (adjusted as described in subparagraph (1)(B)) or contract rate to the usage identified in paragraph (1): 8% for the period October 1, 1999 through December 31, 2002, 10% in calendar years 2003 and 2004, 11% in calendar year 2005 and 12% in calendar year 2006; and

(B) for residential retail customers, an amount equal to the following percentages of the amount produced by applying the base rates in effect on October 1, 1996 (adjusted as described in subparagraph (1)(B)) to the usage identified in paragraph (1): (i) 6% from May 1, 2002 through December 31, 2002, (ii) 7% in calendar years 2003 and 2004, (iii) 8% in calendar year 2005, and (iv) 10% in calendar year 2006;

(5) divided by the usage of such customers identified in paragraph (1), provided that the transition charge shall never be less than zero.

"Unbundled service" means a component or constituent part of a tariffed service which the electric utility subsequently offers separately to its customers.

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(Source: P.A. 90-561, eff. 12-16-97; 91-50, eff. 6-30-99.)

(220 ILCS 5/16-111)

Sec. 16-111. Rates and restructuring transactions during mandatory transition period.

(a) During the mandatory transition period, notwithstanding any provision of Article IX of this Act, and except as provided in subsections (b), (d), (e), and (f) of this Section, the Commission shall not (i) initiate, authorize or order any change by way of increase (other than in connection with a request for rate increase which was filed after September 1, 1997 but prior to October 15, 1997, by an electric utility serving less than 12,500 customers in this State), (ii) initiate or, unless requested by the electric utility, authorize or order any change by way of decrease, restructuring or unbundling (except as provided in Section 16-109A), in the rates of any electric utility that were in effect on October 1, 1996, or (iii) in any order approving any application for a merger pursuant to Section 7-204 that was pending as of May 16, 1997, impose any condition requiring any filing for an increase, decrease, or change in, or other review of, an electric utility's rates or enforce any such condition of any such order; provided, however, that this subsection shall not prohibit the Commission from:

(1) approving the application of an electric utility to implement an alternative to rate of return regulation or a regulatory mechanism that rewards or penalizes the electric utility through adjustment of rates based on utility performance, pursuant to Section 9-244;

(2) authorizing an electric utility to eliminate its fuel adjustment clause and adjust its base rate tariffs in accordance with subsection (b), (d), or (f) of Section 9-220 of this Act, to fix its fuel adjustment factor in accordance with subsection (c) of Section 9-220 of this Act, or to eliminate its fuel adjustment clause in accordance with subsection (e) of Section 9-220 of this Act;

(3) ordering into effect tariffs for delivery services and transition charges in accordance with Sections 16-104 and 16-108, for real-time pricing in accordance with Section 16-107, or the options required by Section 16-110 and subsection (n) of 16-112, allowing a billing experiment in accordance with Section 16-106, or modifying delivery services tariffs in accordance with Section 16-109; or

(4) ordering or allowing into effect any tariff to recover charges pursuant to Sections 9-201.5, 9-220.1, 9-221, 9-222 (except as provided in Section 9-222.1), 16-108, and 16-114 of this Act, Section 5-5 of the Electricity Infrastructure Maintenance Fee Law, Section 6-5 of the Renewable Energy, Energy Efficiency, and Coal Resources Development Law of 1997, and Section 13 of the Energy Assistance Act of 1989.

After December 31, 2004, the provisions of this subsection (a) shall not apply to an electric utility whose average residential retail rate was less than or equal to 90% of the average residential retail rate for the "Midwest Utilities", as that term is defined in subsection (b) of this Section, based on data reported on Form 1 to the Federal Energy Regulatory Commission for calendar year 1995, and which served between 150,000 and 250,000 retail customers in this State on January 1, 1995 unless the electric utility or its holding company has been acquired by or merged with an affiliate of another electric utility subsequent to January 1, 2002. This exemption shall be limited to this subsection (a) and shall not extend to any other provisions of this Act.

(b) Notwithstanding the provisions of subsection (a), each

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Illinois electric utility serving more than 12,500 customers in Illinois shall file tariffs (i) reducing, effective August 1, 1998, each component of its base rates to residential retail customers by 15% from the base rates in effect immediately prior to January 1, 1998 and (ii) if the public utility provides electric service to (A) more than 500,000 customers but less than 1,000,000 customers in this State on January 1, 1999, reducing, effective May 1, 2002, each component of its base rates to residential retail customers by an additional 5% from the base rates in effect immediately prior to January 1, 1998, or (B) at least 1,000,000 customers in this State on January 1, 1999, reducing, effective October 1, 2001, each component of its base rates to residential retail customers by an additional 5% from the base rates in effect immediately prior to January 1, 1998. Provided, however, that (A) if an electric utility's average residential retail rate is less than or equal to the average residential retail rate for a group of Midwest Utilities (consisting of all investor-owned electric utilities with annual system peaks in excess of 1000 megawatts in the States of Illinois, Indiana, Iowa, Kentucky, Michigan, Missouri, Ohio, and Wisconsin), based on data reported on Form 1 to the Federal Energy Regulatory Commission for calendar year 1995, then it shall only be required to file tariffs (i) reducing, effective August 1, 1998, each component of its base rates to residential retail customers by 5% from the base rates in effect immediately prior to January 1, 1998, (ii) reducing, effective October 1, 2000, each component of its base rates to residential retail customers by the lesser of 5% of the base rates in effect immediately prior to January 1, 1998 or the percentage by which the electric utility's average residential retail rate exceeds the average residential retail rate of the Midwest Utilities, based on data reported on Form 1 to the Federal Energy Regulatory Commission for calendar year 1999, and (iii) reducing, effective October 1, 2002, each component of its base rates to residential retail customers by an additional amount equal to the lesser of 5% of the base rates in effect immediately prior to January 1, 1998 or the percentage by which the electric utility's average residential retail rate exceeds the average residential retail rate of the Midwest Utilities, based on data reported on Form 1 to the Federal Energy Regulatory Commission for calendar year 2001; and (B) if the average residential retail rate of an electric utility serving between 150,000 and 250,000 retail customers in this State on January 1, 1995 is less than or equal to 90% of the average residential retail rate for the Midwest Utilities, based on data reported on Form 1 to the Federal Energy Regulatory Commission for calendar year 1995, then it shall only be required to file tariffs (i) reducing, effective August 1, 1998, each component of its base rates to residential retail customers by 2% from the base rates in effect immediately prior to January 1, 1998; (ii) reducing, effective October 1, 2000, each component of its base rates to residential retail customers by 2% from the base rate in effect immediately prior to January 1, 1998; and (iii) reducing, effective October 1, 2002, each component of its base rates to residential retail customers by 1% from the base rates in effect immediately prior to January 1, 1998. Provided, further, that any electric utility for which a decrease in base rates has been or is placed into effect between October 1, 1996 and the dates specified in the preceding sentences of this subsection, other than pursuant to the requirements of this subsection, shall be entitled to reduce the amount of any reduction or reductions in its base rates required by this subsection by the amount of such other decrease. The tariffs required under this subsection shall be filed 45 days in advance of the effective date. Notwithstanding anything to the

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contrary in Section 9-220 of this Act, no restatement of base rates in conjunction with the elimination of a fuel adjustment clause under that Section shall result in a lesser decrease in base rates than customers would otherwise receive under this subsection had the electric utility's fuel adjustment clause not been eliminated.

(c) Any utility reducing its base rates by 15% on August 1, 1998 pursuant to subsection (b) shall include the following statement on its bills for residential customers from August 1 through December 31, 1998: "Effective August 1, 1998, your rates have been reduced by 15% by the Electric Service Customer Choice and Rate Relief Law of 1997 passed by the Illinois General Assembly.". Any utility reducing its base rates by 5% on August 1, 1998, pursuant to subsection (b) shall include the following statement on its bills for residential customers from August 1 through December 31, 1998: "Effective August 1, 1998, your rates have been reduced by 5% by the Electric Service Customer Choice and Rate Relief Law of 1997 passed by the Illinois General Assembly.".

Any utility reducing its base rates by 2% on August 1, 1998 pursuant to subsection (b) shall include the following statement on its bills for residential customers from August 1 through December 31, 1998: "Effective August 1, 1998, your rates have been reduced by 2% by the Electric Service Customer Choice and Rate Relief Law of 1997 passed by the Illinois General Assembly.".

(d) During the mandatory transition period, but not before January 1, 2000, and notwithstanding the provisions of subsection (a), an electric utility may request an increase in its base rates if the electric utility demonstrates that the 2-year average of its earned rate of return on common equity, calculated as its net income applicable to common stock divided by the average of its beginning and ending balances of common equity using data reported in the electric utility's Form 1 report to the Federal Energy Regulatory Commission but adjusted to remove the effects of accelerated depreciation or amortization or other transition or mitigation measures implemented by the electric utility pursuant to subsection (g) of this Section and the effect of any refund paid pursuant to subsection (e) of this Section, is below the 2-year average for the same 2 years of the monthly average yields of 30-year U.S. Treasury bonds published by the Board of Governors of the Federal Reserve System in its weekly H.15 Statistical Release or successor publication. The Commission shall review the electric utility's request, and may review the justness and reasonableness of all rates for tariffed services, in accordance with the provisions of Article IX of this Act, provided that the Commission shall consider any special or negotiated adjustments to the revenue requirement agreed to between the electric utility and the other parties to the proceeding. In setting rates under this Section, the Commission shall exclude the costs and revenues that are associated with competitive services and any billing or pricing experiments conducted under Section 16-106.

(e) For the purposes of this subsection (e) all calculations and comparisons shall be performed for the Illinois operations of multijurisdictional utilities. During the mandatory transition period, notwithstanding the provisions of subsection (a), if the 2-year average of an electric utility's earned rate of return on common equity, calculated as its net income applicable to common stock divided by the average of its beginning and ending balances of common equity using data reported in the electric utility's Form 1 report to the Federal Energy Regulatory Commission but adjusted to remove the effect of any refund paid under this subsection (e), and further adjusted to include the annual amortization of any difference

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between the consideration received by an affiliated interest of the electric utility in the sale of an asset which had been sold or transferred by the electric utility to the affiliated interest subsequent to the effective date of this amendatory Act of 1997 and the consideration for which such asset had been sold or transferred to the affiliated interest, with such difference to be amortized ratably from the date of the sale by the affiliated interest to December 31, 2006, exceeds the 2-year average of the Index for the same 2 years by 1.5 or more percentage points, the electric utility shall make refunds to customers beginning the first billing day of April in the following year in the manner described in paragraph (3) of this subsection. For purposes of this subsection (e), the "Index" shall be the sum of (A) the average for the 12 months ended September 30 of the monthly average yields of 30-year U.S. Treasury bonds published by the Board of Governors of the Federal Reserve System in its weekly H.15 Statistical Release or successor publication for each year 1998 through ~~2006~~ 2004, and (B) (i) 4.00 percentage points for each of the 12-month periods ending September 30, 1998 through September 30, 1999 or 8.00 percentage points if the electric utility's average residential retail rate is less than or equal to 90% of the average residential retail rate for the "Midwest Utilities", as that term is defined in subsection (b) of this Section, based on data reported on Form 1 to the Federal Energy Regulatory Commission for calendar year 1995, and the electric utility served between 150,000 and 250,000 retail customers on January 1, 1995, (ii) 7.00 percentage points for each of the 12-month periods ending September 30, 2000 through September 30, ~~2006~~ 2004 if the electric utility was providing service to at least 1,000,000 customers in this State on January 1, 1999, or 9.00 percentage points if the electric utility's average residential retail rate is less than or equal to 90% of the average residential retail rate for the "Midwest Utilities", as that term is defined in subsection (b) of this Section, based on data reported on Form 1 to the Federal Energy Regulatory Commission for calendar year 1995 and the electric utility served between 150,000 and 250,000 retail customers in this State on January 1, 1995, (iii) 11.00 percentage points for each of the 12-month periods ending September 30, 2000 through September 30, ~~2006~~ 2004, but only if the electric utility's average residential retail rate is less than or equal to 90% of the average residential retail rate for the "Midwest Utilities", as that term is defined in subsection (b) of this Section, based on data reported on Form 1 to the Federal Energy Regulatory Commission for calendar year 1995, the electric utility served between 150,000 and 250,000 retail customers in this State on January 1, 1995, and the electric utility offers delivery services on or before June 1, 2000 to retail customers whose annual electric energy use comprises 33% of the kilowatt hour sales to that group of retail customers that are classified under Division D, Groups 20 through 39 of the Standard Industrial Classifications set forth in the Standard Industrial Classification Manual published by the United States Office of Management and Budget, excluding the kilowatt hour sales to those customers that are eligible for delivery services pursuant to Section 16-104(a)(1)(i), and offers delivery services to its remaining retail customers classified under Division D, Groups 20 through 39 on or before October 1, 2000, and, provided further, that the electric utility commits not to petition pursuant to Section 16-108(f) for entry of an order by the Commission authorizing the electric utility to implement transition charges for an additional period after December 31, 2006, or (iv) 5.00 percentage points for each of the 12-month periods ending September 30, 2000 through September 30, ~~2006~~ 2004 for all other electric utilities or

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7.00 percentage points for such utilities for each of the 12-month periods ending September 30, 2000 through September 30, ~~2006~~ 2004 for any such utility that commits not to petition pursuant to Section 16-108(f) for entry of an order by the Commission authorizing the electric utility to implement transition charges for an additional period after December 31, 2006 or 11.00 percentage points for each of the 12-month periods ending September 30, 2005 and September 30, 2006 for each electric utility providing service to fewer than 6,500, or between 75,000 and 150,000, electric retail customers in this State on January 1, 1995 if such utility commits not to petition pursuant to Section 16-108(f) for entry of an order by the Commission authorizing the electric utility to implement transition charges for an additional period after December 31, 2006.

(1) For purposes of this subsection (e), "excess earnings" means the difference between (A) the 2-year average of the electric utility's earned rate of return on common equity, less (B) the 2-year average of the sum of (i) the Index applicable to each of the 2 years and (ii) 1.5 percentage points; provided, that "excess earnings" shall never be less than zero.

(2) On or before March 31 of each year 2000 through 2007 2005 each electric utility shall file a report with the Commission showing its earned rate of return on common equity, calculated in accordance with this subsection, for the preceding calendar year and the average for the preceding 2 calendar years.

(3) If an electric utility has excess earnings, determined in accordance with paragraphs (1) and (2) of this subsection, the refunds which the electric utility shall pay to its customers beginning the first billing day of April in the following year shall be calculated and applied as follows:

(i) The electric utility's excess earnings shall be multiplied by the average of the beginning and ending balances of the electric utility's common equity for the 2-year period in which excess earnings occurred.

(ii) The result of the calculation in (i) shall be multiplied by 0.50 and then divided by a number equal to 1 minus the electric utility's composite federal and State income tax rate.

(iii) The result of the calculation in (ii) shall be divided by the sum of the electric utility's projected total kilowatt-hour sales to retail customers plus projected kilowatt-hours to be delivered to delivery services customers over a one year period beginning with the first billing date in April in the succeeding year to determine a cents per kilowatt-hour refund factor.

(iv) The cents per kilowatt-hour refund factor calculated in (iii) shall be credited to the electric utility's customers by applying the factor on the customer's monthly bills to each kilowatt-hour sold or delivered until the total amount calculated in (ii) has been paid to customers.

(f) During the mandatory transition period, an electric utility may file revised tariffs reducing the price of any tariffed service offered by the electric utility for all customers taking that tariffed service, which shall be effective 7 days after filing.

(g) During the mandatory transition period, an electric utility may, without obtaining any approval of the Commission other than that provided for in this subsection and notwithstanding any other provision of this Act or any rule or regulation of the Commission that would require such approval:

(1) implement a reorganization, other than a merger of 2 or

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more public utilities as defined in Section 3-105 or their holding companies;

(2) retire generating plants from service;

(3) sell, assign, lease or otherwise transfer assets to an affiliated or unaffiliated entity and as part of such transaction enter into service agreements, power purchase agreements, or other agreements with the transferee; provided, however, that the prices, terms and conditions of any power purchase agreement must be approved or allowed into effect by the Federal Energy Regulatory Commission; or

(4) use any accelerated cost recovery method including accelerated depreciation, accelerated amortization or other capital recovery methods, or record reductions to the original cost of its assets.

In order to implement a reorganization, retire generating plants from service, or sell, assign, lease or otherwise transfer assets pursuant to this Section, the electric utility shall comply with subsections (c) and (d) of Section 16-128, if applicable, and subsection (k) of this Section, if applicable, and provide the Commission with at least 30 days notice of the proposed reorganization or transaction, which notice shall include the following information:

(i) a complete statement of the entries that the electric utility will make on its books and records of account to implement the proposed reorganization or transaction together with a certification from an independent certified public accountant that such entries are in accord with generally accepted accounting principles and, if the Commission has previously approved guidelines for cost allocations between the utility and its affiliates, a certification from the chief accounting officer of the utility that such entries are in accord with those cost allocation guidelines;

(ii) a description of how the electric utility will use proceeds of any sale, assignment, lease or transfer to retire debt or otherwise reduce or recover the costs of services provided by such electric utility;

(iii) a list of all federal approvals or approvals required from departments and agencies of this State, other than the Commission, that the electric utility has or will obtain before implementing the reorganization or transaction;

(iv) an irrevocable commitment by the electric utility that it will not, as a result of the transaction, impose any stranded cost charges that it might otherwise be allowed to charge retail customers under federal law or increase the transition charges that it is otherwise entitled to collect under this Article XVI; and

(v) if the electric utility proposes to sell, assign, lease or otherwise transfer a generating plant that brings the amount of net dependable generating capacity transferred pursuant to this subsection to an amount equal to or greater than 15% of the electric utility's net dependable capacity as of the effective date of this amendatory Act of 1997, and enters into a power purchase agreement with the entity to which such generating plant is sold, assigned, leased, or otherwise transferred, the electric utility also agrees, if its fuel adjustment clause has not already been eliminated, to eliminate its fuel adjustment clause in accordance with subsection (b) of Section 9-220 for a period of time equal

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to the length of any such power purchase agreement or successor agreement, or until January 1, 2005, whichever is longer; if the capacity of the generating plant so transferred and related power purchase agreement does not result in the elimination of the fuel adjustment clause under this subsection, and the fuel adjustment clause has not already been eliminated, the electric utility shall agree that the costs associated with the transferred plant that are included in the calculation of the rate per kilowatt-hour to be applied pursuant to the electric utility's fuel adjustment clause during such period shall not exceed the per kilowatt-hour cost associated with such generating plant included in the electric utility's fuel adjustment clause during the full calendar year preceding the transfer, with such limit to be adjusted each year thereafter by the Gross Domestic Product Implicit Price Deflator.

(vi) In addition, if the electric utility proposes to sell, assign, or lease, (A) either (1) an amount of generating plant that brings the amount of net dependable generating capacity transferred pursuant to this subsection to an amount equal to or greater than 15% of its net dependable capacity on the effective date of this amendatory Act of 1997, or (2) one or more generating plants with a total net dependable capacity of 1100 megawatts, or (B) transmission and distribution facilities that either (1) bring the amount of transmission and distribution facilities transferred pursuant to this subsection to an amount equal to or greater than 15% of the electric utility's total depreciated original cost investment in such facilities, or (2) represent an investment of \$25,000,000 in terms of total depreciated original cost, the electric utility shall provide, in addition to the information listed in subparagraphs (i) through (v), the following information: (A) a description of how the electric utility will meet its service obligations under this Act in a safe and reliable manner and (B) the electric utility's projected earned rate of return on common equity, calculated in accordance with subsection (d) of this Section, for each year from the date of the notice through December 31, ~~2006~~ 2004 both with and without the proposed transaction. If the Commission has not issued an order initiating a hearing on the proposed transaction within 30 days after the date the electric utility's notice is filed, the transaction shall be deemed approved. The Commission may, after notice and hearing, prohibit the proposed transaction if it makes either or both of the following findings: (1) that the proposed transaction will render the electric utility unable to provide its tariffed services in a safe and reliable manner, or (2) that there is a strong likelihood that consummation of the proposed transaction will result in the electric utility being entitled to request an increase in its base rates during the mandatory transition period pursuant to subsection (d) of this Section. Any hearing initiated by the Commission into the proposed transaction shall be completed, and the Commission's final order approving or prohibiting the proposed transaction shall be entered, within 90 days after the date the electric utility's notice was filed. Provided, however, that a sale, assignment, or lease of transmission facilities to an independent system

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operator that meets the requirements of Section 16-126 shall not be subject to Commission approval under this Section.

In any proceeding conducted by the Commission pursuant to this subparagraph (vi), intervention shall be limited to parties with a direct interest in the transaction which is the subject of the hearing and any statutory consumer protection agency as defined in subsection (d) of Section 9-102.1. Notwithstanding the provisions of Section 10-113 of this Act, any application seeking rehearing of an order issued under this subparagraph (vi), whether filed by the electric utility or by an intervening party, shall be filed within 10 days after service of the order.

The Commission shall not in any subsequent proceeding or otherwise, review such a reorganization or other transaction authorized by this Section, but shall retain the authority to allocate costs as stated in Section 16-111(i). An entity to which an electric utility sells, assigns, leases or transfers assets pursuant to this subsection (g) shall not, as a result of the transactions specified in this subsection (g), be deemed a public utility as defined in Section 3-105. Nothing in this subsection (g) shall change any requirement under the jurisdiction of the Illinois Department of Nuclear Safety including, but not limited to, the payment of fees. Nothing in this subsection (g) shall exempt a utility from obtaining a certificate pursuant to Section 8-406 of this Act for the construction of a new electric generating facility. Nothing in this subsection (g) is intended to exempt the transactions hereunder from the operation of the federal or State antitrust laws. Nothing in this subsection (g) shall require an electric utility to use the procedures specified in this subsection for any of the transactions specified herein. Any other procedure available under this Act may, at the electric utility's election, be used for any such transaction.

(h) During the mandatory transition period, the Commission shall not establish or use any rates of depreciation, which for purposes of this subsection shall include amortization, for any electric utility other than those established pursuant to subsection (c) of Section 5-104 of this Act or utilized pursuant to subsection (g) of this Section. Provided, however, that in any proceeding to review an electric utility's rates for tariffed services pursuant to Section 9-201, 9-202, 9-250 or 16-111(d) of this Act, the Commission may establish new rates of depreciation for the electric utility in the same manner provided in subsection (d) of Section 5-104 of this Act. An electric utility implementing an accelerated cost recovery method including accelerated depreciation, accelerated amortization or other capital recovery methods, or recording reductions to the original cost of its assets, pursuant to subsection (g) of this Section, shall file a statement with the Commission describing the accelerated cost recovery method to be implemented or the reduction in the original cost of its assets to be recorded. Upon the filing of such statement, the accelerated cost recovery method or the reduction in the original cost of assets shall be deemed to be approved by the Commission as though an order had been entered by the Commission.

(i) Subsequent to the mandatory transition period, the Commission, in any proceeding to establish rates and charges for tariffed services offered by an electric utility, shall consider only (1) the then current or projected revenues, costs, investments and cost of capital directly or indirectly associated with the provision of such tariffed services; (2) collection of transition charges in accordance with Sections 16-102 and 16-108 of this Act; (3) recovery of any employee transition costs as described in Section 16-128 which

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the electric utility is continuing to incur, including recovery of any unamortized portion of such costs previously incurred or committed, with such costs to be equitably allocated among bundled services, delivery services, and contracts with alternative retail electric suppliers; and (4) recovery of the costs associated with the electric utility's compliance with decommissioning funding requirements; and shall not consider any other revenues, costs, investments or cost of capital of either the electric utility or of any affiliate of the electric utility that are not associated with the provision of tariffed services. In setting rates for tariffed services, the Commission shall equitably allocate joint and common costs and investments between the electric utility's competitive and tariffed services. In determining the justness and reasonableness of the electric power and energy component of an electric utility's rates for tariffed services subsequent to the mandatory transition period and prior to the time that the provision of such electric power and energy is declared competitive, the Commission shall consider the extent to which the electric utility's tariffed rates for such component for each customer class exceed the market value determined pursuant to Section 16-112, and, if the electric power and energy component of such tariffed rate exceeds the market value by more than 10% for any customer class, may establish such electric power and energy component at a rate equal to the market value plus 10%. In any such case, the Commission may also elect to extend the provisions of Section 16-111(e) for any period in which the electric utility is collecting transition charges, using information applicable to such period.

(j) During the mandatory transition period, an electric utility may elect to transfer to a non-operating income account under the Commission's Uniform System of Accounts either or both of (i) an amount of unamortized investment tax credit that is in addition to the ratable amount which is credited to the electric utility's operating income account for the year in accordance with Section 46(f)(2) of the federal Internal Revenue Code of 1986, as in effect prior to P.L. 101-508, or (ii) "excess tax reserves", as that term is defined in Section 203(e)(2)(A) of the federal Tax Reform Act of 1986, provided that (A) the amount transferred may not exceed the amount of the electric utility's assets that were created pursuant to Statement of Financial Accounting Standards No. 71 which the electric utility has written off during the mandatory transition period, and (B) the transfer shall not be effective until approved by the Internal Revenue Service. An electric utility electing to make such a transfer shall file a statement with the Commission stating the amount and timing of the transfer for which it intends to request approval of the Internal Revenue Service, along with a copy of its proposed request to the Internal Revenue Service for a ruling. The Commission shall issue an order within 14 days after the electric utility's filing approving, subject to receipt of approval from the Internal Revenue Service, the proposed transfer.

(k) If an electric utility is selling or transferring to a single buyer 5 or more generating plants located in this State with a total net dependable capacity of 5000 megawatts or more pursuant to subsection (g) of this Section and has obtained a sale price or consideration that exceeds 200% of the book value of such plants, the electric utility must provide to the Governor, the President of the Illinois Senate, the Minority Leader of the Illinois Senate, the Speaker of the Illinois House of Representatives, and the Minority Leader of the Illinois House of Representatives no later than 15 days after filing its notice under subsection (g) of this Section or 5 days after the date on which this subsection (k) becomes law,

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whichever is later, a written commitment in which such electric utility agrees to expend \$2 billion outside the corporate limits of any municipality with 1,000,000 or more inhabitants within such electric utility's service area, over a 6-year period beginning with the calendar year in which the notice is filed, on projects, programs, and improvements within its service area relating to transmission and distribution including, without limitation, infrastructure expansion, repair and replacement, capital investments, operations and maintenance, and vegetation management. (Source: P.A. 90-561, eff. 12-16-97; 90-563, eff. 12-16-97; 91-50, eff. 6-30-99.)

(220 ILCS 5/16-111.3 new)

Sec. 16-111.3. Transition period earnings calculations. At such time as the Board of Governors of the Federal Reserve System ceases to include the monthly average yields of 30-year U.S. Treasury bonds in its weekly H.15 Statistical Release or successor publication, the Monthly Treasury Long-Term Average Rates (25 years and above) published by the Board of Governors of the Federal Reserve System in its weekly H.15 Statistical Release or successor publication shall instead be used to establish a rate for the purpose of calculating the Index defined in subsection (e) of Section 16-111 of this Act, and at such time, such Monthly Treasury Long-Term Average Rates (25 years and above) shall also be used in place of the monthly average yields of 30-year U.S. Treasury bonds in the rate of return calculation required by subsection (d) of Section 16-111. An electric utility shall also remove the effects, if any, of any impairment due to the application of Statement of Financial Accounting Standards No. 142, which was issued in June 2001, when making the calculations required by this Section or by subsections (d) and (e) of Section 16-111.

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

Under the rules, the foregoing Senate Bill No. 2081, with House Amendments numbered 1, 2 and 5, was referred to the Secretary's Desk.

A message from the House by

Mr. Rossi, Clerk:

Mr. President -- I am directed to inform the Senate that the House of Representatives has concurred with the Senate in the passage of a bill of the following title, to-wit:

SENATE BILL NO 2160

A bill for AN ACT concerning business practices.

Passed the House, May 2, 2002.

ANTHONY D. ROSSI, Clerk of the House

PRESENTATION OF RESOLUTIONS

Senator Radogno offered the following Senate Joint Resolution, which was referred to the Committee on Rules:

SENATE JOINT RESOLUTION NO. 71

WHEREAS, The hiring of minors as umpires to officiate summer sports has been a common practice by many park districts and not-for-profit youth clubs throughout the State of Illinois; and

WHEREAS, Allowing minors to officiate the games gives the minors an opportunity to participate in an all-American sport, interact with

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the younger children, practice important decision making skills, and develop a sense of responsibility and commitment for the work experience; and

WHEREAS, Many of the park districts and not-for-profit youth clubs restrict the amount of hours that a minor may work during a given day or season; and

WHEREAS, The Illinois Child Labor Law currently prohibits minors under the age of 16 from being compensated for employment unless the minor fits one of the limited exceptions under the law; there are exceptions for other summer employment of youths such as caddying at a golf course; and

WHEREAS, The Cook County Board of Commissioners, the DuPage County Board, and the Darien Youth Club have indicated their strong support for the creation of an exemption in the Child Labor Law to allow minors to officiate in youth sports leagues and programs; therefore, be it

RESOLVED, BY THE SENATE OF THE NINETY-SECOND GENERAL ASSEMBLY OF THE STATE OF ILLINOIS, THE HOUSE OF REPRESENTATIVES CONCURRING HEREIN, that we urge the Department of Labor to work with the General Assembly to permit the hiring of minors who are at least 12 years of age to officiate youth sports leagues and programs; and be it further

RESOLVED, that a suitable copy of this resolution be presented to the Director of Labor.

Senator Philip offered the following Senate Joint Resolution, which was referred to the Committee on Rules:

SENATE JOINT RESOLUTION NO. 72

RESOLVED, BY THE SENATE OF THE NINETY-SECOND GENERAL ASSEMBLY OF THE STATE OF ILLINOIS, THE HOUSE OF REPRESENTATIVES CONCURRING HEREIN, that copies of this resolution be presented to all members of the Illinois General Assembly.

Senator Philip offered the following Senate Joint Resolution, which was referred to the Committee on Rules:

SENATE JOINT RESOLUTION NO. 73

RESOLVED, BY THE SENATE OF THE NINETY-SECOND GENERAL ASSEMBLY OF THE STATE OF ILLINOIS, THE HOUSE OF REPRESENTATIVES CONCURRING HEREIN, that copies of this resolution be presented to all members of the Illinois General Assembly.

Senator Philip offered the following Senate Joint Resolution, which was referred to the Committee on Rules:

SENATE JOINT RESOLUTION NO. 74

RESOLVED, BY THE SENATE OF THE NINETY-SECOND GENERAL ASSEMBLY OF THE STATE OF ILLINOIS, THE HOUSE OF REPRESENTATIVES CONCURRING HEREIN, that copies of this resolution be presented to all members of the Illinois General Assembly.

Senator Cronin offered the following Senate Joint Resolution, which was referred to the Committee on Rules:

SENATE JOINT RESOLUTION NO. 75

WHEREAS, The State Board of Education has filed its Report on Waiver of School Code Mandates, dated May 1, 2002, with the Senate, the House of Representatives, and the Secretary of State of Illinois as required by Section 2-3.25g of the School Code; therefore, be it

RESOLVED, BY THE SENATE OF THE NINETY-SECOND GENERAL ASSEMBLY OF

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THE STATE OF ILLINOIS, THE HOUSE OF REPRESENTATIVES CONCURRING HEREIN, that the General Assembly is encouraged to promptly review and evaluate the Report and determine whether to disapprove, in whole or in part, the Report or any waiver request or appealed request outlined in the Report.

SENATE RESOLUTION NO. 411

Offered by Senator Geo-Karis and all Senators:
Mourns the death of Ardsley Pihl "Ardy" Congdon of Winthrop Harbor.

SENATE RESOLUTION NO. 412

Offered by Senator Lauzen and all Senators:
Mourns the death of Stuart R. Paddock, Jr. of Rolling Meadows.

SENATE RESOLUTION NO. 413

Offered by Senator Lauzen and all Senators:
Mourns the death of Matthias F. Laurich of Aurora.

SENATE RESOLUTION NO. 414

Offered by Senator Noland and all Senators:
Mourns the death of Todd A. Brown of Blue Mound.

SENATE RESOLUTION NO. 415

Offered by Senator Noland and all Senators:
Mourns the death of Dr. Ronald M. "Ron" Shelton of Decatur.

SENATE RESOLUTION NO. 416

Offered by Senator Link and all Senators:
Mourns the death of Eugene C. Bzdawka of Lindenhurst.

SENATE RESOLUTION NO. 417

Offered by Senator Dudycz and all Senators:
Mourns the death of Vincent W. Erickson of Norwood Park.

SENATE RESOLUTION NO. 418

Offered by Senator E. Jones and all Senators:
Mourns the death of Anthony A. "Tony" Peeples.

The foregoing resolutions were referred to the Resolutions Consent Calendar.

Senator Madigan offered the following Senate Resolution, which was referred to the Committee on Rules:

SENATE RESOLUTION NO. 419

WHEREAS, According to recently released statistics, 231 federal, state, and local law enforcement officers were killed in the line of duty nationwide in 2001; and

WHEREAS, Such figures represent a 53 per cent increase in the number of peace officers killed in the line of duty from 2000; and

WHEREAS, The National Institute for Occupational Safety and Health has determined that a deputy sheriff or police officer has the second highest risk of being murdered on the job; and

WHEREAS, Often, the dangers and risks that peace officers are subject to in order to protect the freedom of the citizens of this nation are overlooked; and

WHEREAS, By Act of Congress, May 15th of each year is National

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Peace Officers Memorial Day, and the first Sunday in May is the Chicago Police Department's St. Jude Police League Memorial March; and

WHEREAS, The nation pays tribute to the federal, state, and local law enforcement officers who have paid the supreme price of their lives at a National Law Enforcement Officers Memorial in Washington, D.C., with blue and gray marble walls displaying the names of more than 15,000 officers killed in the line of duty since 1792; and

WHEREAS, In 1990, the State of Illinois completed a memorial to honor law enforcement officers who made the supreme sacrifice of behalf of the people of Illinois, with a six-foot-tall statue of male and female law enforcement officers atop a seven-foot-tall, six-sided base; and

WHEREAS, In 2000, the City of Chicago dedicated the Gold Star Families Memorial Park along Chicago's lakefront, with 460 trees planted, one honoring each Chicago police officer killed in the line of duty; and

WHEREAS, The Cook County Board of Commissioners has designated May 10 as Peace Officers Day of Remembrance and Recognition in Cook County to provide a lasting memorial to all peace officers killed in the line of duty within Cook County and to pay tribute to those who currently serve in such positions; therefore, be it

RESOLVED, BY THE SENATE OF THE NINETY-SECOND GENERAL ASSEMBLY OF THE STATE OF ILLINOIS, that we hereby remember and honor the memories of all peace officers, whether they be sheriffs, correctional guards, police officers, or any other such service officer killed in the line of duty, and do recognize and appreciate the dedication of those who currently so serve by designating May 10th as Peace Officer Day of Remembrance and Recognition in Cook County, Illinois, beginning in the year 2002, and each year thereafter; and be it further

RESOLVED, That a suitable copy of this resolution be presented to the Co-Chairmen of the Cook County Peace Officer Memorial Foundation, Edward T. Sajdak and Jason H. Watson.

Senator Karpriel offered the following Senate Resolution, which was referred to the Committee on Rules:

SENATE RESOLUTION NO. 420

WHEREAS, Good health is essential to every citizen of the world and access to the highest standards of health information and services is necessary to improve public health; and

WHEREAS, The World Health Organization (WHO) set forth in the first chapter of its charter the objective of attaining the highest possible level of health for all people; and

WHEREAS, The Republic of China (Taiwan) was one of the founding members of the WHO, but was forced out in 1972 upon the admission of the People's Republic of China to the United Nations; and

WHEREAS, The United States Centers for Disease Control and Prevention and its Taiwanese counterpart have enjoyed close collaboration on a wide range of public health issues; and

WHEREAS, In recent years the Republic of China (Taiwan) has expressed a willingness to assist financially and technically with international aid and health activities supported by the WHO; and

WHEREAS, The Republic of China's (Taiwan) population of twenty-three million is larger than that of seventy-five percent of the WHO member states; and

WHEREAS, The Republic of China's (Taiwan) achievements in the field of health are substantial, including one of the highest life expectancy levels in Asia, and maternal and infant mortality rates comparable to western countries; and

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WHEREAS, The World Health Assembly has allowed observers to participate in the activities of the organization, including the Palestine Liberation Organization in 1974, the Order of Maltz, and the Holy See in the early 1950s; and

WHEREAS, The World Health Assembly will open a 5-day summit in Geneva, Switzerland on May 13, 2002 that the Republic of China (Taiwan) will not be able to attend or even sit as an observer; and

WHEREAS, The United States, in the 1994 Taiwan Policy review, declared its intention to support Taiwan's participation in appropriate international organizations; and

WHEREAS, The State of Illinois and the Republic of China (Taiwan) have maintained a friendly and fruitful sister-state relationship since 1992; therefore, be it

RESOLVED, BY THE SENATE OF THE NINETY-SECOND GENERAL ASSEMBLY OF THE STATE OF ILLINOIS, that we express our belief that the Republic of China (Taiwan) should be permitted to participate in a meaningful and appropriate way in the World Health Organization; and be it further

RESOLVED, That we express our support for the Republic of China (Taiwan) to be granted admission as an observer to the World Health Organization; and be it further

RESOLVED, That a copy of this resolution be forwarded to the World Health Organization and to the Taipei Economic and Cultural Office in Chicago.

Senator Radogno offered the following Senate Resolution, which was referred to the Committee on Rules:

SENATE RESOLUTION NO. 421

WHEREAS, Approximately 100,000 Illinoisans qualify for Medicaid only by first spending down their monthly income on medical bills to the Medicaid eligibility level (currently \$608 per month for a single adult and \$822 per month for a married couple); and

WHEREAS, The process of verifying that these Illinoisans have spent down their monthly income on medical bills to the Medicaid eligibility level is often cumbersome and time-consuming for both recipients and local office staff of the Department of Human Services; and

WHEREAS, Federal law permits the Department of Public Aid to give Illinoisans enrolled in Medicaid spenddown the option of pre-paying their spenddown amount in a manner similar to a monthly insurance premium; and

WHEREAS, Having the option of pre-paying their Medicaid spenddown amount is likely to benefit many Illinoisans on Medicaid spenddown, who would then be able to receive a Medicaid card each month without delay and without having to present bills and receipts to their local Department of Human Services office each month; and

WHEREAS, Several states have established successful Medicaid spenddown pre-payment programs; therefore, be it

RESOLVED, BY THE SENATE OF THE NINETY-SECOND GENERAL ASSEMBLY OF THE STATE OF ILLINOIS, that the Department of Public Aid is directed to:

(1) Conduct a study of the feasibility of establishing a Medicaid spenddown pre-payment program in Illinois, including, but not limited to, (i) an analysis of spenddown pre-payment programs in other states, (ii) an estimate of the number of Illinoisans who would be eligible to participate in a spenddown pre-payment program, (iii) the projected number of eligible individuals who are likely to participate in a spenddown pre-payment program, (iv) an analysis of how Medicaid spenddown recipients may or may not benefit from a

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spenddown pre-payment program, (v) a description of administrative and policy changes that would be necessary to implement a spenddown pre-payment program, and (vi) projected cost increases and cost savings that would result from the implementation of a spenddown pre-payment program;

(2) Collaborate with the Department of Human Services, advocates for Medicaid spenddown recipients, and other interested parties in designing and conducting the feasibility study; and

(3) File a written report with the Senate on or before December 31, 2002, regarding the feasibility of implementing a Medicaid spenddown pre-payment program in Illinois; and be it further

RESOLVED, That the Department of Human Services shall cooperate in executing the requirements of this Resolution; and be it further

RESOLVED, That a copy of this Resolution be sent to the Director of Public Aid and to the Secretary of Human Services.

REPORT RECEIVED

MEMORANDUM

TO: The Honorable James "Pate" Philip, Senate President
The Honorable Emil Jones, Senate Democratic Leader
The Honorable Michael J. Madigan, Speaker of the House
The Honorable Lee A. Daniels, House Republican Leader

FROM: Respicio F. Vazquez
State Superintendent of Education

DATE: April 30, 2002

RE: Waivers of School Code Mandates: Spring 2002 Summary Report

As required by Section 2-3.25g of the School Code (105 ILCS 5/2-3.25g), the following report provides summaries of requests for waivers of School Code mandates being transmitted to the Illinois General Assembly for its consideration. Also included are summaries of requests for waivers and modifications acted on by the State Board of Education and of applications that have been returned to school districts or other eligible applicants.

If you have any questions or comments, please contact Harry A. Blackburn, Acting General Counsel, at 217/782-8535.

cc: The Honorable George H. Ryan, Governor
Tony Rossi, Clerk of the House
Jim Harry, Secretary of the Senate
Legislative Research Unit
State Government Report Center

Executive Summary

The following report outlines waivers of School Code mandates that school districts, regional offices of education, or special education or vocational education cooperatives have requested since the last report, which was transmitted in October 2001. Pursuant to Section 2-3.25g of the School Code (105 ILCS 5/2-3.25g), these requests must be sent to the General Assembly for its consideration before May 1, 2002.

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The report is organized by subject area and by school district, regional office, or special education or vocational education cooperative. The General Assembly may disapprove the report in whole or in part within 30 calendar days after each chamber next convenes once the report is filed. This is done by a joint resolution. If either chamber fails to reject a waiver request, then that request is deemed granted.

Section I summarizes the 57 requests received for waivers of School Code mandates for consideration by the General Assembly, which are presented alphabetically by topic area. The largest number of applications received seeks waivers from Section 17-1.5 of the School Code regarding administrative cost limitation (15 requests), followed by those addressing the requirement of Section 27-6 of the School Code to provide daily physical education (13 requests). Other waiver requests address driver education fees (eight requests), school improvement (six requests), parent-teacher conferences (four requests), and substitute teachers (three requests). Two petitions each were received for evaluation plans, general state aid, and non-resident tuition, while the remaining two petitions address the state assessment and tax levies.

The requests dealing with substitute teacher certificates seek authorization to employ substitutes for longer than the 90 days allowed under Section 21-9 of the School Code (see pages 9 and 10 of the report). None of the petitions submitted proposes to restrict substitutes who also hold a teaching certificate to 120 days of employment nor to limit their waiver requests to the next two school years, both of which are requirements imposed by P.A. 92-184, effective July 27, 2001. Therefore, the State Board of Education must continue to send these types of petitions to the General Assembly for action.

This document also contains three additional sections beyond what is required under Section 2-3.25g of the School Code. Section II of the report lists the 140 requests for modifications or waivers of State Board of Education rules and modifications of School Code mandates that the State Board has approved. Of those, 97 address legal school holidays, 14 involve physical education and block scheduling, 28 pertain to instructional time and the Prairie State Achievement Test, and one concerns health-life safety.

Section III describes the 21 requests that have been returned to or withdrawn by the petitioning entities. Section IV shows all the requests submitted, organized by Senate and House district.

In addition, the requests received are summarized by subject area in a table following this Executive Summary. Complete copies of the waiver requests for the General Assembly's consideration have been made available to legislative staff.

This is the fourteenth report submitted pursuant to Section 2-3.25g of the School Code, which requires that the State Board of Education compile and submit requests for waivers of School Code mandates to the General Assembly before May 1 and October 1 of each year.

Summary of Applications for Waivers and Modifications
Volume 14 - Spring 2002

Withdrawn

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<u>Topic</u>	<u>Approved</u>	<u>Denied by SBE</u>	<u>Transmitted to GA</u>	<u>or Returned</u>
Assessment	0	0	1	1
Certificates	0	0	0	1
Content of Evaluation Plans	0	0	2	0
Driver Education	0	0	8	0
General State Aid	0	0	2	0
Health-Life Safety	1	0	0	1
Legal School Holidays	97	0	0	9
Limitation of Administrative Costs	0	0	15	3
Non-Resident Tuition	0	0	2	1
Parent-Teacher Conferences	0	0	4	0
Physical Education	14	0	13	2
PSAE - Instructional Time	28	0	0	2
School Improvement/ Inservice Training	0	0	6	1
Substitute Certificates	0	0	3	0
Tax Levies	0	0	1	0
Petition Summary	140	0	57	21
TOTAL NUMBER OF APPLICATIONS:		218		

SECTION I

Applications to be Transmitted to the General Assembly

Assessment - Prairie State Achievement Examination

Antioch CHSD 117 - Lake (SD 31/HD 62) / Expiration: 2006-07 school year WM100-2184 - Waiver of School Code (Section 2-3.64) request to allow the district to replace two of the three required components of the Prairie State Achievement Examination (PSAE) - the ACT Assessment and the WorkKeys portions - with the Comprehensive Testing Program III (CTP III).

Content of Evaluation Plans

Queen Bee SD 16 - DuPage (SD 23/HD 45) / Expiration: 2006-07 school year WM100-2270 - Waiver of School Code (Section 24A-5) request to allow the district to replace the current rating scale of "excellent, satisfactory, and unsatisfactory" with one that includes "meets expectations" or "does not meet expectations/unsatisfactory."

Pekin PSD 108 - Tazewell (SD 46/HD 91) / Expiration: 2006-07 school year WM100-2308 - Waiver of School Code (Section 24A-5) request to allow the district to replace the current rating scale of "excellent, satisfactory, and unsatisfactory" with one that includes "exceeds/meets expectations" or "does not meet expectations." The district also wishes to add two performance expectations: learning environment and collaborative worker.

Driver Education

Riverside Brookfield THSD 208 - Cook (SD 22/HD 43) / Expiration: 2006-07 school year WM100-2196 (renewal) - Waiver of School Code (Section 27-23) request to allow the district to charge a reasonable fee not to exceed \$300 of students who participate in driver

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education courses.

McHenry CUSD 156 - McHenry (SD 32/HD 63) / Expiration: 2006-07 school year WM100-2217 (renewal) - Waiver of School Code (Section 27-23) request to allow the district to charge a reasonable fee not to exceed \$202 of students who participate in driver education courses.

Carpentersville CUSD 300 - Kane (SD 33/HD 65) / Expiration: 2006-07 school year WM100-2258 - Waiver of School Code (Section 27-23) request to allow the district to charge a reasonable fee not to exceed \$300 of students who participate in driver education courses.

Ball-Chatham SD 5 - Sangamon (SD 50/HD 100) / Expiration: 2006-07 school year WM100-2266 - Waiver of School Code (Section 27-23) request to allow the district to charge a reasonable fee not to exceed \$100 of students who participate in driver education courses.

Glenbard THSD 87 - DuPage (SD 20/HD 39) / Expiration: 2006-07 school year WM100-2271 - Waiver of School Code (Section 27-23) request to allow the district to charge a reasonable fee not to exceed \$200 of students who participate in driver education courses.

Mundelein CHSD 120 - Lake (SD 26/HD 52) / Expiration: 2006-07 school year WM100-2272 (renewal) - Waiver of School Code (Section 27-23) request to allow the district to charge a reasonable fee not to exceed \$300 of students who participate in driver education courses.

Lockport THSD 205 - Will (SD 42/HD 83) / Expiration: 2003-04 school year WM100-2301 (renewal) - Waiver of School Code (Section 27-23) request to allow the district to charge a reasonable fee not to exceed \$100 of students who participate in driver education courses.

Lake Forest CHSD 115 - Lake (SD 30/HD 59) / Expiration: 2006-07 school year WM100-2328-1 - Waiver of School Code Section 27-23) request to allow the district to charge a reasonable fee not to exceed \$350 of students who participate in driver education courses.

General State Aid Calculation

Savanna CUSD 300 - Carroll (SD 37/HD 74) / Expiration: 2006-07 school year WM100-2297 (renewal) - Waiver of School Code (Section 18-8.05(F)(1)) request to allow the district to receive General State Aid reimbursement for a full day when students in an alternative school established pursuant to Article 13A of the School Code participate in three and a half hours of school work each day. The shorter day is necessary due to the learning styles of the students, who the district indicates have been able to make "significant academic progress" by participating in concentrated computer-assisted instruction. In addition, the cost of providing instructional and support services to these students is higher than in the regular school setting. Without full reimbursement, the program would be cost-prohibitive for many districts that send students to the alternative school.

Freeport CUSD 145 - Stephenson (SD 37/HD 74) / Expiration: 2006-07 school year WM100-2336 (renewal) - Waiver of School Code (Section 18-8.05(F)(1)) request to allow the district to receive General State Aid reimbursement for a full day when students in an alternative school established pursuant to Article 13A of the School Code

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participate in three and a half hours of school work each day. The shorter day is necessary due to the learning styles of the students, who the district indicates have been able to make "significant academic progress" by participating in concentrated computer-assisted instruction. In addition, the cost of providing instructional and support services to these students is higher than in the regular school setting. Without full reimbursement, the program would be cost-prohibitive for many districts that send students to the alternative school.

Limitation of Administrative Cost

Argo/Summit Bedford Park SD 104 - Cook (SD 24/HD 47) / **Expiration:** 2001-02 school year WM100-2167 (renewal) - **Waiver of School Code** (Section 17-1.5) request to allow the district to waive the limitation of administrative costs due to circumstances beyond its control. The district has experienced an overall increase of 20 percent in its health care costs.

Mendota THSD 280 - LaSalle (SD 38/HD 76) / **Expiration:** 2001-02 school year WM100-2209 - **Waiver of School Code** (Section 17-1.5) request to allow the district to waive the limitation of administrative costs due to circumstances beyond its control. Administrative costs were below normal for the 2001-02 school year due to the mid-year resignation of the superintendent and the employment of an interim superintendent. This decrease in actual expenditures, coupled with the hiring of a new superintendent, has increased the budget by nearly 65 percent over costs for the preceding year.

Lyons ESD 103 - Cook (SD 24/HD 47) / **Expiration:** 2001-02 school year WM100-2211 - **Waiver of School Code** (Section 17-1.5) request to allow the district to waive the limitation of administrative costs due to circumstances beyond its control. The district hired an administrative staff member to deal with recertification issues and employee applications; the superintendent's retirement contract provided a 20 percent raise, in accordance to a long-standing board policy; and medical insurance premiums increased by 30 percent over the preceding year.

Princeville CUSD 326 - Peoria (SD 47/HD 93) / **Expiration:** 2001-02 school year WM100-2215 - **Waiver of School Code** (Section 17-1.5) request to allow the district to waive the limitation of administrative costs due to circumstances beyond its control. In order for the district to attract a qualified superintendent, the annual salary was increased. In addition, the salary schedule for the unit office secretary required a 6.2 percent increase.

Shiloh CUSD 1 - Edgar (SD 53/HD 106) / **Expiration:** 2001-02 school year WM100-2219 - **Waiver of School Code** (Section 17-1.5) request to allow the district to waive the limitation of administrative costs due to circumstances beyond its control. The superintendent employed in 2000-2001 retired and administrative costs were lower than budgeted for that year. In order for the district to attract a qualified superintendent, the annual salary was increased.

Greenview CUSD 200 - Menard (SD 50/HD 99) / **Expiration:** 2001-02 school year WM100-2225 - **Waiver of School Code** (Section 17-1.5) request to allow the district to waive the limitation of administrative costs due to circumstances beyond its control.

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Previously, the district did not include health insurance and Medicare costs as part of the superintendent's and administrative secretary's compensation packages. While the salary for the new superintendent was lower than that of his predecessor, the added costs for the benefit packages caused the district to exceed the 5 percent administrative cost cap.

Hiawatha CUSD 426 - DeKalb (SD 34/HD 68) / **Expiration:** 2001-02 school year WM100-2232 - Waiver of School Code (Section 17-1.5) request to allow the district to waive the limitation of administrative costs due to circumstances beyond its control. During the 2000-01 school year, the district's superintendent also served part of the time as the principal of one the district's two schools. The district has returned to employing a full-time superintendent and two full-time principals in order to provide needed leadership.

Tower Hill CUSD 6 - Shelby (SD 51/HD 102) / **Expiration:** 2001-02 school year WM100-2235 (renewal) - Waiver of School Code (Section 17-1.5) request to allow the district to waive the limitation of administrative costs due to circumstances beyond its control. The district's proposed budget for the 2001-02 school year was based on the estimated budget from the previous year. The district, however, actually spent less in the 2000-01 school year than it had anticipated, causing the current year budget to exceed the 5 percent administrative cost cap.

Pleasant Hill CUSD 3 - Pike (SD 48/HD 96) / **Expiration:** 2001-02 school year WM100-2244 - Waiver of School Code (Section 17-1.5) request to allow the district to waive the limitation of administrative costs due to circumstances beyond its control. The superintendent resigned in 2001, and the salary for the position had been kept low while the district was on the financial watch list. In order for the district to attract a qualified candidate, the annual salary was increased.

Deerfield SD 109 - Lake (SD 30/HD 60) / **Expiration:** 2001-02 school year WM100-2265 - Waiver of School Code (Section 17-1.5) request to allow the district to waive the limitation of administrative costs due to circumstances beyond its control. This request is necessary due to a 9.9 percent increase in medical premiums for FY2002; the restoration of an administrative position eliminated a number of years ago; and the need to replace obsolete fiscal management software.

Richmond-Burton CHSD 157 - McHenry & Lake (SD 32/HD 63) / **Expiration:** 2001-02 school year WM100-2302 - Waiver of School Code (Section 17-1.5) request to allow the district to waive the limitation of administrative costs due to circumstances beyond its control. The district's bookkeeper has recently completed her degree and has obtained a Type 75 certification. For this reason, she has been promoted from bookkeeper (a support staff position) to director of business services (administrative position). No new staff have been added, but the bookkeeper's increase in salary and benefits in her new position has caused the district to exceed the 5 percent administrative cost cap.

River Grove SD 85.5 - Cook (SD 39/HD 77) / **Expiration:** 2001-02 school year WM100-2322 - Waiver of School Code (Section 17-1.5) request to allow the district to waive the limitation of administrative costs due to circumstances beyond its control. The secretary to the

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district superintendent resigned just before the start of FY2001. The position remained vacant for seven months and the superintendent assumed many of the duties, causing her not to attend a national conference. Due to these cost-savings, the FY2001 actual expenses were lower than budgeted, causing the FY2002 budget to exceed the 5 percent administrative cost cap.

Dallas City CUSD 336 - Hancock/Henderson (SD 48/HD 95) / **Expiration:** 2001-02 school year WM100-2323 - Waiver of School Code (Section 17-1.5) request to allow the district to waive the limitation of administrative costs due to circumstances beyond its control. The district received a three-year federal 21st Century Community Center Program grant, starting in July 2001. Since the superintendent worked to secure the grant and will serve as administrator for the program, the board of education awarded him an additional stipend (to be paid through grant proceeds) for the 2001-02 school year, causing the FY2002 budget to exceed the 5 percent administrative cost cap.

Lena-Winslow CUSD 202 - Stephenson (SD 37/HD 74) / **Expiration:** 2001-02 school year WM100-2326 - Waiver of School Code (Section 17-1.5) request to allow the district to waive the limitation of administrative costs due to circumstances beyond its control. The district has used a comparison of the proposed FY2001 budget to the proposed FY2002 budget. The district has been keeping costs down due to being on the financial watch list, so FY2001 expenditures were less than what had been budgeted, causing the FY2002 budget to exceed the 5 percent administrative cost cap.

Huntley CSD 158 - McHenry (SD 32/HD 64) / **Expiration:** 2001-02 school year WM100-2337-2 (renewal) - Waiver of School Code (Section 17-1.5) request to allow the district to waive the limitation of administrative costs due to circumstances beyond its control. The district has experienced an annual enrollment growth of 20 percent. This enrollment increase has necessitated hiring 108 new employees during the current school year (including administrative staff), with an expectation that 60 additional employees will be hired at the start of the 2002-03 school year.

Non-Resident Tuition

Egyptian CUSD 5 - Alexander (SD 59/HD 118) / **Expiration:** 2005-06 school year WM100-2161 - Waiver of School Code (Section 10-20.12a) request to allow the district to charge less than 110 percent of per capita tuition for certain students. In accordance with an intergovernmental agreement with Cairo Community Unit School District 5, the Egyptian district has agreed to allow students who are residents of the Cairo district but who live on the border between the two districts to attend Egyptian for an amount not to exceed Egyptian's per capita tuition cost of the preceding year.

Huntley CSD 158 - McHenry (SD 32/HD 64) / **Expiration:** 2006-07 school year WM100-2337-1 - Waiver of School Code (Section 10-20.12a) request to allow the district to charge less than 110 percent in tuition for students who live outside of the district but whose parents are employed by the district. In lieu of per capita tuition, the district will not claim the non-resident students for the purposes of calculating General State Aid. The students will be admitted on a case-by-case basis, without prejudice to the rights of resident pupils.

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Parent-Teacher Conferences

Arthur CUSD 305 - Douglas (SD 51/HD 101) / Expiration: 2006-07 school year WM100-2241 (renewal) - Waiver of School Code (Section 18-8.05(F)(2)(d)(1)) request to allow the district the option of scheduling a parent-teacher conference in the evening following a day when students are in attendance for at least five clock-hours, provided that the evening session and the next morning session constitute a full day of instructional time and that the morning session is at least three clock hours. The evening and morning sessions will be counted as one of the 176 days of pupil attendance required by Section 10-19.

Murphysboro CUSD 186 - Jackson (SD 58/HD 115) / Expiration: 2004-05 school year WM100-2299 (renewal) - Waiver of School Code (Section 18-8.05(F)(2)(d)(1)) request to allow the district the option of scheduling four parent-teacher conferences following full days of student attendance, and to count those conferences among the 176 days of pupil attendance required by Section 10-19. Two days during the year would be non-attendance days for students and staff.

Kinnikinnick CCSD 131 - Winnebago (SD 34/HD 68) / Expiration: 2007-08 school year WM100-2325 (renewal) - Waiver of School Code (Section 18-8.05(F)(2)(d)(1)) request to allow the district the option of scheduling four parent-teacher conferences following full days of student attendance, and to count those conferences among the 176 days of pupil attendance required by Section 10-19. If approved, this waiver begins in the 2003-04 school year.

Woodstock CUSD 200 - McHenry (SD 32/HD 64) / Expiration: 2006-07 school year WM100-2329-1 (renewal) - Waiver of School Code (Section 18-8.05(F)(2)(d)(1)) request to allow the district the option of scheduling two consecutive parent-teacher conferences, one following a full day of student attendance and the other following a full day of parent-teacher conferences, and to count those conferences among the 176 days of pupil attendance required by Section 10-19. The day following the second evening conference would be a non-attendance day for students and staff.

Physical Education

River Bend CUSD 2 - Whiteside (SD 36/HD 71) / Expiration: 2006-07 school year WM100-2147 (renewal) - Waiver of School Code (Section 27-6) request to allow the district to provide physical education four days a week for students in grades 6 through 8, with the fifth day devoted to art, computer, music, library skills and keyboarding classes. The district also would provide physical education three days a week for students in grades kindergarten through 5, with the other two days used for computer, art, music and library classes. The district has an eight-period schedule and only one gymnasium. Extended lunch periods with built-in time for structured recess activities will help to compensate for the lack of daily physical education.

Alden-Hebron SD 19 - McHenry (SD 32/HD 63) / Expiration: 2006-07 school year WM100-2152 (renewal) - Waiver of School Code (Section 27-6) request to allow the district to excuse students in grades 9 through 12 from daily physical education to participate in cheerleading. This request will allow students who currently cannot schedule a study hall to do so, in order to better balance the

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demands of the students' academic load and extracurricular activities, thereby leading to improved student performance.

Highland CUSD 5 - Madison (SD 55/HD 110) / **Expiration:** 2006-07 school year WM100-2158 (renewal) - Waiver of School Code (Section 27-6) request to allow the district to permit students in grades kindergarten through 6 to take physical education twice a week for 25 minutes due to inadequate facilities. Since the gymnasium must be used for other classes, there is insufficient space to schedule daily physical education classes for all grades. In addition to the two periods of physical education each week, students will participate in 30 minutes of daily recess time.

Riverside Brookfield THSD 208 - Cook (SD 22/HD 43) / **Expiration:** 2006-07 school year WM100-2197 (renewal) - Waiver of School Code (Section 27-6) request to allow the district to excuse students in grades 10 through 12 who are participating in an interscholastic athletic program from daily physical education for one semester in order to take an academic course. The district also wishes to be allowed to excuse students in grades 9 through 12 from daily physical education in order to participate in marching band, which is not offered for credit. Students not enrolled in daily physical education will be enrolled in other academic courses necessary to improve student performance.

Warsaw CUSD 316 - Hancock (SD 48/HD 96) / **Expiration:** 2002-03 school year WM100-2198 (renewal) - Waiver of School Code (Section 27-6) request to allow the district to permit students in grades 1 through 6 to take physical education three days per week due to inadequate facilities. The elementary gymnasium serves as a cafeteria for grades kindergarten through 12 for two and a half hours each day. The district anticipates that the smaller class sizes resulting from less than daily physical education will provide students with a higher quality physical education program. The district anticipates completion of an additional gymnasium in fall 2003, after which time students in grades 1 through 6 will resume participation in daily physical education classes.

Tri-City CUSD 1 - Sangamon (SD 50/HD 99) / **Expiration:** 2006-07 school year WM100-2202 (renewal) - Waiver of School Code (Section 27-6) request to allow the district to excuse students from daily physical education when they are participating in driver education classes. The request is being made due to inadequate facilities. The district, which also has approval for eight-block scheduling, states that since the elementary school shares the gymnasium with the high school, reducing class size will allow for more individual instruction to better assist students in meeting the state physical development standards.

McHenry CHSD 156 - McHenry (SD 32/HD 63) / **Expiration:** 2002-03 school year WM100-2242 (renewal) - Waiver of School Code (Section 27-6) request to allow the district to excuse students in grade 10 from daily physical education in order to participate in an interscholastic athletics program, marching band (which is not offered for credit), cheerleading or pom-poms. The request is being made due to inadequate facilities. The district anticipates completing construction on an additional space for physical education by the start of the 2003-04 school year.

Aurora West SD 129 - Kane (SD 21/HD 42) / **Expiration:** 2006-07 school

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year WM100-2260 - Waiver of School Code (Section 27-6) request to allow the district to permit students in grades 1 through 5 to participate in physical education two times a week for 25 minutes due to inadequate facilities. The district has grown by nearly 600 pupils during the last year and the elementary gymnasiums must double as cafeterias each day. Efforts to pass a building bond referendum were unsuccessful last year, and the referendum passed this spring will do little to improve the overcrowded situation in the gymnasiums. The district will also offer after-school sports, structured recess programs and daily calisthenics in the classroom.

Rome CCSD 2 - Jefferson (SD 54/HD 107) / **Expiration:** 2006-07 school year WM100-2279-1 (renewal) - Waiver of School Code (Section 27-6) request to allow the district to permit students in grades kindergarten through 8 to take physical education at least twice a week for 30 to 40 minutes in order to provide for computer instruction and to allow more class time for reading, language arts, math, social science, science and the fine arts, leading to an improvement in student performance in these other academic areas.

Richmond-Burton CHSD 157 - McHenry & Lake (SD 32/HD 63) / **Expiration:** 2006-07 school year WM100-2310 - Waiver of School Code (Section 27-6) request to allow the district to excuse students in grades 11 and 12 who are participating in cheerleading from daily physical education. The district states that cheerleading develops a high level of leadership, physical conditioning, and school pride for those who participate.

Lake Forest CHSD 115 - Lake (SD 30/HD 59) / **Expiration:** 2006-07 school year WM100-2328-2 (renewal) - Waiver of School Code (Section 27-6) request to allow the district to excuse students in grades 9 and 10 from daily physical education for ongoing participation in an interscholastic athletic program. The district states that the interscholastic athletic programs parallel the district's physical education program in promoting physical fitness and good physical education. Students who choose to be excused from physical education will have the opportunity to take additional academic courses.

City of Chicago SD 299 - Cook (SD 11/HD 21) / **Expiration:** 2006-07 school year WM100-2332-1 (renewal) - Waiver of School Code (Section 27-6) request to allow the district to excuse students in grades 11 and 12 from daily physical education in order for these students to enroll in additional academic courses needed to meet the district's graduation requirements. The revised requirements are designed to improve student performance by increasing the requirements for math and science and adding requirements in foreign language and career education.

Prophetstown Lyndon Tampico CUSD 3 - Whiteside (SD 37/HD 73) / **Expiration:** 2006-07 school year WM100-2338-1 (renewal) - Waiver of School Code (Section 27-6) request to allow the district to excuse students in grades kindergarten through 5 from daily physical education in order for these students to enroll in music class. Students will alternate physical education with music, with each session lasting 40 minutes. The district has incorporated the standards for physical development and health into its music curriculum, which includes dance and movement, and will provide supervised recess that also focuses on the standards.

School Improvement/Inservice Training

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Flossmoor SD 161 - Cook (SD 19/HD 37) / Expiration: 2004-05 school year WM100-2180 (renewal) - Waiver of School Code (Section 18-8.05(F)(2)(d)(2)) request to allow the district to schedule three, half-day inservice training sessions on the first days of the school year and to accumulate sufficient time beyond the required five clock-hours of student attendance to apply it towards these half days. These days will be counted among the 176 days of pupil attendance required by Section 10-19.

Glen Ellyn SD 41 - DuPage (SD 20/HD 39) / Expiration: 2006-07 school year WM100-2321 - Waiver of School Code (Section 18-8.05(F)(2)(d)(2)) request to allow the district to hold one full-day teacher inservice session instead of two half days, and to count the day among the 176 days of pupil attendance required by Section 10-19. The district will accumulate sufficient time beyond the five clock-hour requirement to apply towards this day.

Kinnickinnick CCSD 131 - Winnebago (SD 34/HD 68) / Expiration: 2006-07 school year WM100-2324 - Waiver of School Code (Section 18-8.05(F)(2)(d)(2)) request to allow the district to hold two full-day teacher inservice sessions instead of four half days, and to count these days among the 176 days of pupil attendance required by Section 10-19. The district will accumulate sufficient time beyond the five clock-hour requirement to apply towards these days.

Tinley Park CCSD 146 - Cook (SD 19/HD 37) / Expiration: 2002-03 school year WM100-2330 (renewal) - Waiver of School Code (Section 18-8.05(F)(2)(d)(2)) request to allow the district to hold five full-day teacher inservice sessions instead of 10 half days, and to count these days among the 176 days of pupil attendance required by Section 10-19. The district will accumulate sufficient time beyond the five clock-hour requirement to apply towards these days.

Tri-Point CUSD 6J - Livingston (SD 44/HD 87) / Expiration: 2002-03 school year WM100-2344 (renewal) - Waiver of School Code (Section 18-8.05(F)(2)(d)(2)) request to allow the district to schedule three, half-day inservice training sessions on the first days of the school year and to accumulate sufficient time beyond the required five clock-hours of student attendance to apply it towards these half days. These days will be counted among the 176 days of pupil attendance required by Section 10-19.

Macomb CUSD 185 - McDonough (SD 48/HD 95) / Expiration: 2006-07 school year WM100-2346 - Waiver of School Code (Section 18-8.05(F)(2)(d)(2)) request to allow the district to hold two full-day teacher inservice sessions instead of four half days, and to count the days among the 176 days of pupil attendance required by Section 10-19. The district will accumulate sufficient time beyond the five clock-hour requirement to apply towards these days.

Substitute Certificates

Zion ESD 6 - Lake (SD 31/HD 62) / Expiration: 2006-07 school year WM100-2204 (renewal) - Waiver of School Code (Section 21-9) request to allow the district to employ substitute teachers for more than 90 days in any one school year due to illness and maternity leaves. The district will employ the most qualified and effective substitutes available.

Harvard CUSD 50 - McHenry (SD 32/HD 63) / Expiration: 2005-06 school

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year WM100-2223 - Waiver of School Code (Section 21-9) request to allow the district to employ substitute teachers for more than 90 days in any one school year. The district intends to employ fully certified substitute teachers in situations where a substitute is needed for more than 90 days and the time may exceed 120 days. The performance of the substitute teachers will be evaluated by the building principals in order for substitutes to continue employment beyond the 90-day limit.

Waukegan PSD 60 - Lake (SD 30/HD 59) / Expiration: 2006-07 school year WM100-2269 - Waiver of School Code (Section 21-9) request to allow the district to employ substitute teachers for more than 90 days in any one school year. The district intends to employ fully certified substitute teachers in situations where a substitute is needed for more than 90 days and the time may exceed 120 days. This change would allow the district additional substitutes to enable staff to participate in staff development sponsored by the district or school building and reduce the need to use special teachers (art, music, physical education) to work in a regular classroom.

Tax Levies

Schiller Park SD 81 - Cook (SD 7/HD 14) / Expiration: 2006-07 school year WM100-2245 - Waiver of School Code (Section 17-2) request to allow the district to expend revenue generated locally from the tax levies for the Education Fund, Operations and Maintenance Fund, and Transportation Fund in the method, and in the appropriate fund, which best meets the needs of the district and its students.

SECTION II

Applications Approved by the Illinois State Board of Education

Health-Life Safety

Hononegah CHSD 207 - Winnebago (SD 34/HD 68) Expiration: 2006-07 school year WM300-2162 - Modification of Administrative Code (23 Illinois Administrative Code 180.60, which incorporates by reference the BOCA regulation found at Section 3103.31) allows the district to omit a 20-foot-high wall around the perimeter of the physical education field house and to use instead an air structure supported at the ground level by a foundation wall.

Holidays

Niles Township Department of Special Education - Cook (SD 9/HD 17) Expiration: 2002-03 school year WM300-2139 - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Abraham Lincoln, Casimir Pulaski, and Christopher Columbus through instructional activities rather than observing school holidays in their honor.

Du Quoin CUSD 300 - Perry (SD 58/HD 115) / Expiration: 2005-06 school year WM300-2140 (renewal) - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Abraham Lincoln and Casimir Pulaski through instructional activities rather than observing school holidays in their honor.

Lisle CUSD 202 - DuPage (SD 20/HD 39) / Expiration: 2006-07 school year WM300-2142 (renewal) - Modification of School Code (Section

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24-2) allows the district to recognize the contributions of Abraham Lincoln through instructional activities rather than observing a school holiday in his honor.

Somonauk CUSD 432 - DeKalb (SD 35/HD 70) / Expiration: 2006-07 school year WM300-2143 (renewal) - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Dr. Martin Luther King, Jr., Abraham Lincoln, Casimir Pulaski, Christopher Columbus, and all veterans of foreign wars through instructional activities rather than observing school holidays in their honor.

Princeville CUSD 326 - Peoria (SD 47/HD 93) / Expiration: 2005-06 school year WM300-2144 (renewal) - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Abraham Lincoln and Casimir Pulaski through instructional activities rather than observing school holidays in their honor.

LeRoy CUSD 2 - McLean (SD 45/HD 90) / Expiration: 2006-07 school year WM300-2145 (renewal) - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Dr. Martin Luther King, Jr., Abraham Lincoln, Casimir Pulaski, Christopher Columbus, and all veterans of foreign wars through instructional activities rather than observing school holidays in their honor.

School Association for Special Education in DuPage - DuPage (SD 24/HD 48) / Expiration: 2005-06 school year WM300-2146 - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Abraham Lincoln through instructional activities rather than observing a school holiday in his honor.

Skokie SD 69 - Cook (SD 9/HD 18) / Expiration: 2006-07 school year WM300-2148 (renewal) - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Casimir Pulaski through instructional activities rather than observing a school holiday in his honor.

Lyons THSD 204 - Cook (SD 24/HD 47) / Expiration: 2006-07 school year WM300-2149 (renewal) - Modification of School Code (Section 24-2) allows the district to hold a teacher institute on the holiday honoring Casimir Pulaski. The institute program is subject to prior approval from the Regional Office of Education. Instruction pertaining to the contributions of General Pulaski will be provided rather than observing the legal school holiday.

Payson CUSD 1 - Adams (SD 48/HD 96) / Expiration: 2006-07 school year WM300-2150 (renewal) - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Dr. Martin Luther King, Jr., Abraham Lincoln, Casimir Pulaski, and Christopher Columbus through instructional activities rather than observing school holidays in their honor.

Warren CUSD 205 - Jo Daviess (SD 37/HD 74) / Expiration: 2005-06 school year WM300-2151 (renewal) - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Dr. Martin Luther King, Jr., Abraham Lincoln, Casimir Pulaski, Christopher Columbus, and all veterans of foreign wars through instructional activities rather than observing school holidays in their honor.

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Flora CUSD 35 - Clay (SD 54/HD 108) / Expiration: 2005-06 school year WM300-2153 - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Abraham Lincoln through instructional activities rather than observing a school holiday in his honor.

Pearl City CUSD 200 - Stephenson (SD 37/HD 74) / Expiration: 2006-07 school year WM300-2154 (renewal) - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Abraham Lincoln and Casimir Pulaski through instructional activities rather than observing school holidays in their honor.

Pekin CHSD 303 - Tazewell (SD 46/HD 91) / Expiration: 2003-04 school year WM300-2157 - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Abraham Lincoln through instructional activities rather than observing a school holiday in his honor.

Harrisburg CUSD 3 - Saline (SD 59/HD 118) / Expiration: 2006-07 school year WM300-2159 (renewal) - Modification of School Code (Section 24-2) allows the district to hold a teacher institute, parent-teacher conferences, or a school attendance day on the holiday honoring Casimir Pulaski. The institute program is subject to prior approval from the Regional Office of Education. Instruction pertaining to the contributions of General Pulaski will be provided rather than observing the legal school holiday.

Egyptian CUSD 5 - Alexander (SD 59/HD 118) / Expiration: 2005-06 school year WM300-2160 - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Abraham Lincoln through instructional activities rather than observing a school holiday in his honor.

Lake Park CHSD 108 - DuPage (SD 25/HD 49) / Expiration: 2005-06 school year WM300-2163 - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Abraham Lincoln through instructional activities rather than observing a school holiday in his honor.

Prairie Central CUSD 8 - Livingston (SD 44/HD 87) / Expiration: 2006-07 school year WM300-2164 (renewal) - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Dr. Martin Luther King, Jr., Abraham Lincoln, Casimir Pulaski, Christopher Columbus, and all veterans of foreign wars through instructional activities rather than observing school holidays in their honor.

Brookfield La Grange Park SD 95 - Cook (SD 22/HD 43) / Expiration: 2005-06 school year WM300-2165 - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Abraham Lincoln and all veterans of foreign wars through instructional activities rather than observing school holidays in their honor.

Hinckley-Big Rock CUSD 429 - DeKalb (SD 33/HD 65) / Expiration: 2005-06 school year WM300-2166 - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Dr. Martin Luther King, Jr., Abraham Lincoln, Casimir Pulaski, Christopher Columbus, and all veterans of foreign wars through instructional activities rather than observing school holidays in their honor.

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Leyden CHSD 212 - Cook (SD 39/HD 77) / Expiration: 2006-07 school year WM300-2169 - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Abraham Lincoln through instructional activities rather than observing a school holiday in his honor.

Cobden USD 17 - Union (SD 58/HD 115) / Expiration: 2006-07 school year WM300-2170 (renewal) - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Dr. Martin Luther King, Jr., and Casimir Pulaski through instructional activities rather than observing school holidays in their honor.

Triopia CUSD 27 - Morgan (SD 48/HD 95) / Expiration: 2002-03 school year WM300-2172 (renewal) - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Dr. Martin Luther King, Jr., Casimir Pulaski, and Christopher Columbus through instructional activities rather than observing school holidays in their honor.

Troy CCSD 30C - Will (SD 42/HD 84) / Expiration: 2001-02 school year WM300-2173 - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Dr. Martin Luther King, Jr., and Casimir Pulaski through instructional activities rather than observing school holidays in their honor.

Red Bud CUSD 132 - Randolph (SD 58/HD 116) / Expiration: 2006-07 school year WM300-2174 (renewal) - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Abraham Lincoln through instructional activities rather than observing a school holiday in his honor.

Bannockburn SD 106 - Lake (SD 30/HD 60) / Expiration: 2003-04 school year WM300-2175 - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Abraham Lincoln through instructional activities rather than observing a school holiday in his honor.

Grand Ridge CCSD 95 - LaSalle (SD 38/HD 76) / Expiration: 2006-07 school year WM300-2176 (renewal) - Modification of School Code (Section 24-2) allows the district to hold teacher institutes on the holidays honoring Dr. Martin Luther King, Jr., and Casimir Pulaski and a school attendance day on the holiday honoring Abraham Lincoln. The institute programs are subject to prior approval from the Regional Office of Education. Instruction pertaining to the contributions of the honored individuals will be provided rather than observing the legal school holidays.

Creston CCSD 161 - Ogle (SD 35/HD 70) / Expiration: 2005-06 school year WM300-2177 - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Abraham Lincoln through instructional activities rather than observing a school holiday in his honor.

Flossmoor SD 161 - Cook (SD 19/HD 37) / Expiration: 2004-05 school year WM300-2179 (renewal) - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Casimir Pulaski through instructional activities rather than observing a school holiday in his honor.

COPE Safe School - Jackson (SD 58/HD 115) / Expiration: 2005-06

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school year WM300-2181 - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Abraham Lincoln and Casimir Pulaski through instructional activities rather than observing school holidays in their honor.

Downers Grove GSD 58 - DuPage (SD 41/HD 81) / Expiration: 2006-07 school year WM300-2182 (renewal) - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Abraham Lincoln through instructional activities rather than observing a school holiday in his honor.

Spring Valley CCSD 99 - Bureau (SD 38/HD 76) / Expiration: 2006-07 school year WM300-2185 (renewal) - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Dr. Martin Luther King, Jr., Abraham Lincoln, Casimir Pulaski, members of the armed forces killed in war, members of the American labor force, Christopher Columbus, and all veterans of foreign wars through instructional activities rather than observing school holidays in their honor.

Sandridge SD 172 - Cook (SD 40/HD 79) / Expiration: 2001-02 school year WM300-2186 - Modification of School Code Section 24-2) allows the district to recognize the contributions of Dr. Martin Luther King, Jr., Abraham Lincoln, and Casimir Pulaski through instructional activities rather than observing school holidays in their honor.

Scales Mound CUSD 211 - Jo Daviess (SD 37/HD 74) / Expiration: 2006-07 school year WM300-2187 (renewal) - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Dr. Martin Luther King, Jr., Abraham Lincoln, and Casimir Pulaski through instructional activities rather than observing school holidays in their honor.

Illini Central CUSD 189 - Mason (SD 45/HD 90) / Expiration: 2005-06 school year WM300-2189 (renewal) - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Casimir Pulaski through instructional activities rather than observing a school holiday in his honor.

Beardstown CUSD 15 - Cass (SD 48/HD 95) / Expiration: 2001-02 school year WM300-2190 - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Abraham Lincoln through instructional activities rather than observing a school holiday in his honor.

Dallas City CUSD 336 - Hancock (SD 48/HD 95) / Expiration: 2005-06 school year WM300-2193 - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Casimir Pulaski through instructional activities rather than observing a school holiday in his honor.

Mackinaw Valley Special Education Association - McLean (SD 44/HD 88) / Expiration: 2003-04 school year WM300-2194 - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Abraham Lincoln, Casimir Pulaski, Christopher Columbus, and all veterans of foreign wars through instructional activities rather than observing school holidays in their honor.

Amboy CUSD 272 - Lee (SD 37/HD 73) / Expiration: 2006-07 school year WM300-2195 - Modification of School Code (Section 24-2) allows the

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district to recognize the contributions of Abraham Lincoln through instructional activities rather than observing a school holiday in his honor.

Granite City CUSD 9 - Madison (SD 57/HD 113) / Expiration: 2001-02 school year WM300-2199 - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Dr. Martin Luther King, Jr., Abraham Lincoln, and Casimir Pulaski through instructional activities rather than observing school holidays in their honor.

V.I.T. CUSD 2 - Fulton (SD 48/HD 95) / Expiration: 2006-07 school year WM300-2203 (renewal) - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Dr. Martin Luther King, Jr., Abraham Lincoln, Casimir Pulaski, Christopher Columbus, and all veterans of foreign wars through instructional activities rather than observing school holidays in their honor.

Galena USD 120 - Jo Daviess (SD 37/HD 74) / Expiration: 2006-07 school year WM300-2206 (renewal) - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Abraham Lincoln through instructional activities rather than observing a school holiday in his honor.

Carol Stream CCSD 93 - DuPage (SD 25/HD 49) / Expiration: 2005-06 school year WM300-2207 - Modification of School Code (Section 24-2) allows the district to hold a teacher institute on the holiday honoring Dr. Martin Luther King, Jr. The institute program is subject to prior approval from the Regional Office of Education. Instruction pertaining to the contributions of Dr. King will be provided rather than observing the legal school holiday.

Mendota THSD 280 - LaSalle (SD 38/HD 76) / Expiration: 2006-07 school year WM300-2208 (renewal) - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Dr. Martin Luther King, Jr., Abraham Lincoln, Casimir Pulaski, Christopher Columbus, and all veterans of foreign wars through instructional activities rather than observing school holidays in their honor.

Wood Dale SD 7 - DuPage (SD 23/HD 46) / Expiration: 2006-07 school year WM300-2212 (renewal) - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Abraham Lincoln through instructional activities rather than observing a school holiday in his honor.

Maercker SD 60 - DuPage (SD 41/HD 81) / Expiration: 2006-07 school year WM300-2213 - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Dr. Martin Luther King, Jr., Christopher Columbus, and all veterans of foreign wars through instructional activities rather than observing school holidays in their honor.

Evergreen Park CHSD 231 - Cook (SD 18/HD 36) / Expiration: 2005-06 school year WM300-2216 - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Abraham Lincoln through instructional activities rather than observing a school holiday in his honor.

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Deerfield SD 109 - Lake (SD 30/HD 60) / **Expiration:** 2002-03 school year WM300-2221 (renewal) - Modification of School Code (Section 24-2) allows the district to hold a teacher institute on the holiday honoring Abraham Lincoln. The institute program is subject to prior approval from the Regional Office of Education. Instruction pertaining to the contributions of President Lincoln will be provided rather than observing the legal school holiday.

Ladd CCSD 94 - Bureau (SD 38/HD 76) / **Expiration:** 2006-07 school year WM300-2224 (renewal) - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Dr. Martin Luther King, Jr., Abraham Lincoln, Casimir Pulaski, members of the armed forces killed in war, members of the American labor force, Christopher Columbus, and all veterans of foreign wars through instructional activities rather than observing school holidays in their honor.

Bensenville SD 2 - DuPage (SD 23/HD 46) / **Expiration:** 2006-07 school year WM300-2228 (renewal) - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Abraham Lincoln through instructional activities rather than observing a school holiday in his honor.

Hiawatha CUSD 426 - DeKalb (SD 34/HD 68) / **Expiration:** 2004-05 school year WM300-2231 - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Abraham Lincoln through instructional activities rather than observing a school holiday in his honor.

Kendall County Special Education Cooperative - Kendall (SD 25/HD 50) / **Expiration:** 2005-06 school year WM300-2236 - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Abraham Lincoln and Casimir Pulaski through instructional activities rather than observing school holidays in their honor.

Cairo USD 1 - Alexander (SD 59/HD 118) / **Expiration:** 2005-06 school year WM300-2237 - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Abraham Lincoln through instructional activities rather than observing a school holiday in his honor.

Calumet City SD 155 - Cook (SD 15/HD 29) / **Expiration:** 2005-06 school year WM300-2238 - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Abraham Lincoln through instructional activities rather than observing a school holiday in his honor.

Arthur CUSD 305 - Douglas (SD 51 HD 101) / **Expiration:** 2006-07 school year WM300-2240 (renewal) - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Dr. Martin Luther King, Jr., Abraham Lincoln, Casimir Pulaski, and all veterans of foreign wars through instructional activities rather than observing school holidays in their honor.

Triad CUSD 2 - Madison (SD 55/HD 110) / **Expiration:** 2005-06 school year WM300-2246 - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Abraham Lincoln through instructional activities rather than observing a school holiday in his honor.

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Jasper County CUD 1 - Jasper (SD 54/HD 108) / Expiration: 2006-07 school year WM300-2248 (renewal) - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Casimir Pulaski through instructional activities rather than observing a school holiday in his honor.

Rock Island SD 41 - Rock Island (SD 36/HD 72) / Expiration: 2006-07 school year WM300-2250-1 - Modification of School Code (Section 24-2) allows the district to recognize the contributions of all veterans of foreign wars through instructional activities rather than observing a school holiday in their honor.

Rock Island SD 41 - Rock Island (SD 36/HD 72) / Expiration: 2006-07 school year WM300-2250-2 - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Casimir Pulaski through instructional activities rather than observing a school holiday in his honor.

Skokie SD 68 - Cook (SD 29/HD 58) / Expiration: 2006-07 school year WM300-2251 (renewal) - Modification of School Code (Section 24-2) allows the district to hold teacher institute days or a school attendance day on the holidays honoring Abraham Lincoln and Casimir Pulaski. The institute programs are subject to prior approval from the Regional Office of Education. Instruction pertaining to the contributions of the honored individuals will be provided rather than observing the legal school holidays.

Ford-Iroquois County Special Education Association - Ford/Iroquois (SD 44/HD 87) / Expiration: 2002-03 school year WM300-2255 - Modification of School Code (Section 24-2) allows the association to recognize the contributions of Casimir Pulaski through instructional activities rather than observing a school holiday in his honor.

Downers Grove CHSD 99 - DuPage (SD 41/HD 81) / Expiration: 2006-07 school year WM300-2256 (renewal) - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Abraham Lincoln through instructional activities rather than observing a school holiday in his honor.

Grayslake CCSD 46 - Lake (SD 26/HD 52) / Expiration: 2006-07 school year WM300-2264 (renewal) - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Dr. Martin Luther King, Jr., Casimir Pulaski, Christopher Columbus, and all veterans of foreign wars through instructional activities rather than observing school holidays in their honor.

Cary CCSD 26 - McHenry (SD 32/HD 64) / Expiration: 2006-07 school year WM300-2267 - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Casimir Pulaski through instructional activities rather than observing a school holiday in his honor.

Bemet CUSD 5 - Piatt (SD 51/HD 101) / Expiration: 2006-07 school year WM300-2276 (renewal) - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Abraham Lincoln and all veterans of foreign wars through instructional activities rather than observing school holidays in their honor.

Rome CCSD 2 - Jefferson (SD 54/HD 107) / Expiration: 2006-07 school year WM300-2279-2 (renewal) - Modification of School Code (Section

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24-2) allows the district to recognize the contributions of Casimir Pulaski through instructional activities rather than observing a school holiday in his honor.

Belleville THSD 201 - St. Clair (SD 57/HD 113) / **Expiration:** 2006-07 school year WM300-2281 - **Modification of School Code** (Section 24-2) allows the district to recognize the contributions of Abraham Lincoln through instructional activities rather than observing a school holiday in his honor.

Antioch CCSD 34 - Lake (SD 31/HD 62) / **Expiration:** 2006-07 school year WM300-2282 - **Modification of School Code** (Section 24-2) allows the district to hold school or a teacher institute on the holiday honoring Abraham Lincoln. The institute program is subject to prior approval from the Regional Office of Education. Instruction pertaining to the contributions of President Lincoln will be provided rather than observing the legal school holiday.

Gallatin CUSD 7 - Gallatin (SD 59/HD 118) / **Expiration:** 2006-07 school year WM300-2283 - **Modification of School Code** (Section 24-2) allows the district to recognize the contributions of Casimir Pulaski through instructional activities rather than observing a school holiday in his honor.

Oak Grove SD 68 - Lake (SD 46/HD 92) / **Expiration:** 2006-07 school year WM300-2284 - **Modification of School Code** (Section 24-2) allows the district to recognize the contributions of Abraham Lincoln through instructional activities rather than observing a school holiday in his honor.

Pontiac-William Holliday SD 105 - St. Clair (SD 55/HD 110) / **Expiration:** 2006-07 school year WM300-2285 - **Modification of School Code** (Section 24-2) allows the district to recognize the contributions of Abraham Lincoln through instructional activities rather than observing a school holiday in his honor.

Galesburg CUSD 205 - Knox (SD 47/HD 94) / **Expiration:** 2006-07 school year WM300-2286 (renewal) - **Modification of School Code** (Section 24-2) allows the district to recognize the contributions of Casimir Pulaski through instructional activities rather than observing a school holiday in his honor.

Millstadt CCSD 160 - St. Clair (SD 58/HD 116) / **Expiration:** 2006-07 school year WM300-2287 - **Modification of School Code** (Section 24-2) allows the district to recognize the contributions of Abraham Lincoln through instructional activities rather than observing a school holiday in his honor.

Macomb CUSD 185 - McDonough (SD 48/HD 95) / **Expiration:** 2006-07 school year WM300-2289 (renewal) - **Modification of School Code** (Section 24-2) allows the district to recognize the contributions of Abraham Lincoln through instructional activities rather than observing a school holiday in his honor.

Adlai E. Stevenson HSD 125 - Lake (SD 30/HD 60) / **Expiration:** 2004-05 school year WM300-2290 - **Modification of School Code** (Section 24-2) allows the district to recognize the contributions of Abraham Lincoln through instructional activities rather than observing a school holiday in his honor.

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Rockton SD 140 - Winnebago (SD 34/HD 68) / Expiration: 2006-07 school year WM300-2291 (renewal) - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Abraham Lincoln through instructional activities rather than observing a school holiday in his honor.

Thomson CUSD 301 - Carroll (SD 36/HD 71) / Expiration: 2006-07 school year WM300-2292 (renewal) - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Abraham Lincoln through instructional activities rather than observing a school holiday in his honor.

Leepertown CCSD 175 - Bureau (SD 38/HD 76) / Expiration: 2006-07 school year WM300-2293 - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Dr. Martin Luther King, Jr., Abraham Lincoln, Casimir Pulaski, Christopher Columbus, and all veterans of foreign wars through instructional activities rather than observing school holidays in their honor.

Bushnell-Prairie City CUSD 170 - McDonough (SD 48/HD 95) / Expiration: 2006-07 school year WM300-2294 (renewal) - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Abraham Lincoln through instructional activities rather than observing a school holiday in his honor.

Nelson ESD 8 - Lee (SD 37/HD 73) / Expiration: 2006-07 school year WM300-2295 (renewal) - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Abraham Lincoln and Casimir Pulaski through instructional activities rather than observing school holidays in their honor.

Murphysboro CUSD 186 - Jackson (SD 58/HD 115) / Expiration: 2006-07 school year WM300-2298 (renewal) - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Abraham Lincoln and Casimir Pulaski through instructional activities rather than observing school holidays in their honor.

Ramsey CUSD 204 - Fayette (SD 55/HD 109) / Expiration: 2006-07 school year WM300-2303 (renewal) - Modification of School Code (Section 24-2) allows the district to hold a teacher institute, inservice training, or have school attendance on the holiday honoring Abraham Lincoln. The institute program is subject to prior approval from the Regional Office of Education. Instruction pertaining to the contributions of President Lincoln will be provided rather than observing the legal school holiday.

Tonica CCSD 79 - La Salle (SD 38/HD 76) / Expiration: 2006-07 school year WM300-2304 (renewal) - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Dr. Martin Luther King, Jr., Abraham Lincoln, Casimir Pulaski, and Christopher Columbus through instructional activities rather than observing school holidays in their honor.

Geff CCSD 14 - Wayne (SD 54/HD 107) / Expiration: 2006-07 school year WM300-2305 - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Abraham Lincoln through instructional activities rather than observing a school holiday in his honor.

Okaw Valley CUSD 302 - Moultrie (SD 51/HD 101) / Expiration: 2006-07

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school year WM300-2307 (renewal) - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Dr. Martin Luther King, Jr., Abraham Lincoln, and Casimir Pulaski through instructional activities rather than observing school holidays in their honor.

Christopher USD 99 - Franklin (SD 59/HD 117) / Expiration: 2006-07 school year WM300-2309 - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Abraham Lincoln through instructional activities rather than observing a school holiday in his honor.

Fisher CUSD 1 - Champaign (SD 52/HD 103) / Expiration: 2006-07 school year WM300-2313 (renewal) - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Abraham Lincoln through instructional activities rather than observing a school holiday in his honor.

Libertyville CHSD 128 - Lake (SD 31/HD 61) / Expiration: 2006-07 school year WM300-2314 - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Abraham Lincoln through instructional activities rather than observing a school holiday in his honor.

Johnsburg CUSD 12 - McHenry (SD 32/HD 63) / Expiration: 2002-03 school year WM300-2315 - Modification of School Code (Section 24-2) allows the district to recognize the contributions of all veterans of foreign wars through instructional activities rather than observing a school holiday in their honor.

Belleville SD 118 - St. Clair (SD 57/HD 113) / Expiration: 2006-07 school year WM300-2316 - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Abraham Lincoln through instructional activities rather than observing a school holiday in his honor.

Northwest CUSD 175 - McDonough (SD 48/HD 95) / Expiration: 2006-07 school year WM300-2317 (renewal) - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Abraham Lincoln through instructional activities rather than observing a school holiday in his honor.

Lena-Winslow CUSD 202 - Stephenson (SD 37/HD 74) / Expiration: 2006-07 school year WM300-2327 (renewal) - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Abraham Lincoln and Casimir Pulaski through instructional activities rather than observing school holidays in their honor.

Woodstock CUSD 200 - McHenry (SD 32/HD 64) / Expiration: 2006-07 school year WM300-2329-2 (renewal) - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Casimir Pulaski through instructional activities rather than observing a school holiday in his honor.

Lake County High Schools Technology Campus - Lake (SD 26/HD 52) / Expiration: 2006-07 school year WM300-2333 - Modification of School Code (Section 24-2) allows the campus to recognize the contributions of Abraham Lincoln through instructional activities rather than observing a school holiday in his honor.

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Aptakisic-Tripp CCSD 102 - Lake (SD 26/HD 51) / Expiration: 2004-05 school year WM300-2335 - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Abraham Lincoln through instructional activities rather than observing a school holiday in his honor.

Huntley CSD 158 - McHenry (SD 32/HD 64) / Expiration: 2006-07 school year WM300-2337-3 - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Abraham Lincoln and all veterans of foreign wars through instructional activities rather than observing school holidays in their honor.

Prophetstown Lyndon Tampico CUSD 3 - Whiteside (SD 37/HD 73) / Expiration: 2006-07 school year WM100-2338-2 (renewal) - Waiver of School Code (Section 27-6) allows the district to recognize the contributions of Dr. Martin Luther King, Jr., Abraham Lincoln, Casimir Pulaski, Christopher Columbus, and all veterans of foreign wars through instructional activities rather than observing school holidays in their honor.

Physical Education

South Holland SD 151 - Cook (SD 40/HD 79) / Expiration: 2002-03 school year WM300-2168 - Modification of School Code (Section 27-6) allows the district to permit students in grades kindergarten through 5 to participate in physical education three times a week for 30 to 45 minutes a session for a total of 115-125 minutes over the course of one week, rather than for 20 minutes a session every day.

Prairie Central CUSD 8 - Livingston (SD 44/HD 87) / Expiration: 2006-07 school year WM300-2171 - Modification of School Code (Section 27-6) allows the district to permit students in grades 9 through 12 to participate in physical education for two, nine- week terms for 70 minutes each session rather than daily due to a 4-block schedule. Students who participate in band and chorus will participate in physical education every other day for 90 minutes each session due to an 8-block schedule.

Heritage CUSD 8 - Livingston (SD 52/HD 104) Expiration: 2007-08 school year WM300-2188 (renewal) - Modification of School Code (Section 27-6) allows the district to permit students in grades 6 through 12 to participate in physical education every other day for 85 minutes each session rather than daily due to an 8-block schedule. This approval takes effect in the 2003-2004 school year.

Tri-City CUSD 1 - Sangamon (SD 50/HD 99) / Expiration: 2005-06 school year WM300-2201 - Modification of School Code (Section 27-6) allows the district to permit students in grades 6 through 12 to participate in physical education every other day for 83 minutes each session rather than daily due to an 8-block schedule.

Roxana CUSD 1 - Madison (SD 56/HD 111) / Expiration: 2005-06 school year WM300-2227 - Modification of School Code (Section 27-6) allows the district to permit students in grades 9 through 12 to participate in physical education every other day for 85 minutes each session rather than daily due to an 8-block schedule.

Hiawatha CUSD 426 - DeKalb (SD 34/HD 68) / Expiration: 2004-05 school year WM300-2229 (renewal) - Modification of School Code (Section 24-2) allows the district to permit students in grades 7

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through 12 to participate in physical education every other day for 85 minutes each session rather than daily due to an 8-block schedule.

Seneca HSD 160 - LaSalle/Grundy (SD 38/HD 75) / **Expiration:** 2005-06 school year WM300-2233 - **Modification of School Code** (Section 27-6) allows the district to permit students in grades 9 through 12 to participate in physical education every other day for 83 minutes each session rather than daily due to an 8-block schedule.

V.I.T. CUSD 2 - Fulton (SD 48/HD 95) / **Expiration:** 2006-07 school year WM300-2234 (renewal) - **Modification of School Code** (Section 27-6) allows the district to permit students in grades 9 through 12 to participate in physical education every other day for 80 minutes each session rather than daily due to an 8-block schedule.

Grayville CUSD 1 - White (SD 54/HD 107) / **Expiration:** 2005-06 school year WM300-2252 (renewal) - **Waiver of School Code** (Section 27-6) allows the district to permit students in grades 6 through 12 to participate in daily physical education for one semester for 87 minutes each session due to a 4-block schedule.

Highland CUSD 5 - Madison (SD 55/HD 110) / **Expiration:** 2006-07 school year WM300-2259 - **Modification of School Code** (Section 27-6) allows the district to permit students in grades 9 through 12 to participate in physical education every other day for 85 minutes each session rather than daily due to an 8-block schedule.

Murphysboro CUSD 186 - Jackson (SD 58/HD 115) / **Expiration:** 2006-07 school year WM300-2300 (renewal) - **Modification of School Code** (Section 24-2) allows the district to permit students in grades 9 through 12 to participate in physical education every day for 85 minutes for two, nine-week periods rather than daily due to an 4-block schedule.

Okaw Valley CUSD 302 - Moultrie (SD 51/HD 101) / **Expiration:** 2006-07 school year WM300-2306 (renewal) - **Modification of School Code** (Section 24-2) allows the district to permit students in grades 6 through 12 to participate in physical education every other day for 83 minutes each session rather than daily due to an 8-block schedule.

New Berlin CUSD 16 - Sangamon (SD 50/HD 100) / **Expiration:** 2006-07 school year WM300-2311 (renewal) - **Modification of School Code** (Section 24-2) allows the district to permit students in grades 7 through 12 to participate in physical education every other day for 85 minutes each session rather than daily due to an 8-block schedule.

Northwest CUSD 175 - McDonough (SD 48/HD 95) / **Expiration:** 2006-07 school year WM300-2318 (renewal) - **Modification of School Code** (Section 24-2) allows the district to permit students in grades 7 through 12 to participate in physical education every other day for 80 minutes each session rather than daily due to an 8-block schedule.

Prairie State Achievement Examination - Instructional Time

Moline USD 40 - Rock Island (SD 36/HD 72) / **Expiration:** 2001-02 school year WM300-2205 (renewal) - **Modification of School Code** (Section 18-8.05(F)(2)(d)) allows the district to dismiss students in grade 11 following the administration of the Prairie State Achievement Examination on April 24 and 25. Students in grades 9, 10, and 12 will attend school April 24 in the afternoon and will have

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a non-attendance day on April 25. The district will accumulate sufficient student attendance time beyond the five-clock-hour instructional day to be applied to these days so that they can be counted among the 176 days of pupil attendance required by Section 10-19.

Elmhurst SD 205 - DuPage (SD 39/HD 78) / Expiration: 2001-02 school year WM300-2210 (renewal) - Modification of School Code (Section 18-8.05(F)(2)(d)) allows the district to dismiss students in grade 11 following the administration of the Prairie State Achievement Examination on April 24 and 25 and to not hold school on these days for students in grades 9, 10, and 12. The district will accumulate sufficient student attendance time beyond the five-clock-hour instructional day to be applied to these days so that they can be counted among the 176 days of pupil attendance required by Section 10-19.

Washington CHSD 308 - Tazewell (SD 45/HD 89) / Expiration: 2001-02 school year WM300-2214 - Modification of School Code (Section 18-8.05(F)(2)(d)) allows the district to dismiss students in grades 9, 10, and 11 following the administration of the Prairie State Achievement Examination on April 24 and 25 and to not hold school on these days for students in grade 12. The district will accumulate sufficient student attendance time beyond the five-clock-hour instructional day to be applied to these days so that they can be counted among the 176 days of pupil attendance required by Section 10-19.

Lake Park CHSD 108 - DuPage (SD 25/HD 49) / Expiration: 2005-06 school year WM300-2218 (renewal) - Modification of School Code (Section 18-8.05(F)(2)(d)) allows the district to dismiss students in grade 11 following the administration of the Prairie State Achievement Examination on April 24 and 25 and to not hold school on these days for students in grade 12. The district will accumulate sufficient student attendance time beyond the five-clock-hour instructional day to be applied to these days so that they can be counted among the 176 days of pupil attendance required by Section 10-19.

Downers Grove CHSD 99 - DuPage (SD 41/HD 81) / Expiration: 2005-06 school year WM300-2222 (renewal) - Modification of School Code (Section 18-8.05(F)(2)(d)) allows the district to dismiss students in grades 9, 10, and 11 following the administration of the Prairie State Achievement Examination on April 24 and 25 and not to hold school on these days for Students in grade 12 will attend school for a half-day on April 24 and not be in attendance on April 25. The district will accumulate sufficient student attendance time beyond the five-clock-hour instructional day to be applied to these days so that they can be counted among the 176 days of pupil attendance required by Section 10-19.

La Salle-Peru THSD 120 - LaSalle (SD 76/HD 38) / Expiration: 2001-02 school year WM300-2239 (renewal) - Modification of School Code (Section 18-8.05(F)(2)(d)) allows the district to dismiss students in grade 11 following the administration of the Prairie State Achievement Examination on April 24 and 25. Students in grades 9, 10, and 12 will attend school for a half of day in the afternoon of April 24 and have no school on April 25. The district will accumulate sufficient student attendance time beyond the five-clock-hour instructional day to be applied to these days so that

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they can be counted among the 176 days of pupil attendance required by Section 10-19.

Wauconda CUSD 118 - Lake (SD 26/HD 52) / **Expiration:** 2002-03 school year WM300-2247 (renewal) - **Modification of School Code** (Section 18-8.05(F)(2)(d)) allows the district to dismiss students in grade 11 following the administration of the Prairie State Achievement Examination on April 25. Students in grades 9, 10, and 12 will attend school April 24 in the afternoon and will have a non-attendance day on April 25. The district will accumulate sufficient student attendance time beyond the five-clock-hour instructional day to be applied to these days so that they can be counted among the 176 days of pupil attendance required by Section 10-19.

Ottawa THSD 140 - LaSalle (SD 38/HD 76) / **Expiration:** 2001-02 school year WM300-2249 (renewal) - **Modification of School Code** (Section 18-8.05(F)(2)(d)) allows the district to dismiss students in grade 11 following the administration of the Prairie State Achievement Examination on April 24 and 25 and to not hold school on these days for students in grades 9, 10, and 12. The district will accumulate sufficient student attendance time beyond the five-clock-hour instructional day to be applied to these days so that they can be counted among the 176 days of pupil attendance required by Section 10-19.

Rock Island-Milan SD 41 - Rock Island (SD 36/HD 72) / **Expiration:** 2001-02 school year WM300-2250-3 (renewal) - **Modification of School Code** (Section 18-8.05(F)(2)(d)) allows the district to dismiss students in grade 11 following the administration of the Prairie State Achievement Examination on April 24 and 25. Students in grades 9, 10, and 12 will attend school April 24 in the afternoon and will have a non-attendance day on April 25. The district will accumulate sufficient student attendance time beyond the five-clock-hour instructional day to be applied to these days so that they can be counted among the 176 days of pupil attendance required by Section 10-19.

Lyons THSD 204 - Cook (SD 24/HD 47) / **Expiration:** 2005-06 school year WM300-2253 (renewal) - **Modification of School Code** (Section 18-8.05(F)(2)(d)) allows the district to dismiss students in grade 11 following the administration of the Prairie State Achievement Examination on April 24 and 25 and to not hold school on these days for students in grade 12. The district will accumulate sufficient student attendance time beyond the five-clock-hour instructional day to be applied to these days so that they can be counted among the 176 days of pupil attendance required by Section 10-19.

Wheaton CUSD 200 - DuPage (SD 20/HD 40) / **Expiration:** 2004-05 school year WM300-2254 (renewal) - **Modification of School Code** (Section 18-8.05(F)(2)(d)) allows the district to dismiss students in grade 11 following the administration of the Prairie State Achievement Examination on April 24 and 25 and to not hold school on these days for students in grades 9 and 12. Students in grade 10 will have a half of day of school on April 24 and a non-attendance day on April 25. The district will accumulate sufficient student attendance time beyond the five-clock-hour instructional day to be applied to these days so that they can be counted among the 176 days of pupil attendance required by Section 10-19.

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Yorkville CUSD 115 - Kendall (SD 42/HD 84) / Expiration: 2001-02 school year WM300-2261 (renewal) - Modification of School Code (Section 18-8.05(F)(2)(d)) allows the district to dismiss students in grade 11 following the administration of the Prairie State Achievement Examination on April 24 and 25 and to not hold school on these days for students in grades 9, 10, and 12. The district will accumulate sufficient student attendance time beyond the five-clock-hour instructional day to be applied to these days so that they can be counted among the 176 days of pupil attendance required by Section 10-19.

Pekin CHSD 303 - Tazewell (SD 46/HD 91) / Expiration: 2005-06 school year WM300-2262 (renewal) - Modification of School Code (Section 18-8.05(F)(2)(d)) allows the district to dismiss students in grade 11 following the administration of the Prairie State Achievement Examination on April 24 and 25 and to not hold school on these days for students in grades 9, 10, and 12. The district will accumulate sufficient student attendance time beyond the five-clock-hour instructional day to be applied to these days so that they can be counted among the 176 days of pupil attendance required by Section 10-19.

Crete-Monee SD 201-U - Will (SD 40/HD 80) / Expiration: 2005-06 school year WM300-2263 - Modification of School Code (Section 18-8.05(F)(2)(d)) allows the district to hold school for three hours in the afternoon of April 24 and 25 for students in grades 9, 10, and 12. The district will accumulate sufficient student attendance time beyond the five-clock-hour instructional day to be applied to these days so that they can be counted among the 176 days of pupil attendance required by Section 10-19.

Evanston THSD 202 - Cook (SD 9/HD 18) / Expiration: 2005-06 school year WM300-2268 - Modification of School Code (Section 18-8.05(F)(2)(d)) allows the district to dismiss students in grade 11 following the administration of the Prairie State Achievement Examination on April 24 and 25 and to not hold school on April 24 for students in grades 9, 10, and 12. The district will accumulate sufficient student attendance time beyond the five-clock-hour instructional day to be applied to these days so that they can be counted among the 176 days of pupil attendance required by Section 10-19.

Champaign CUSD 4 - Champaign (SD 52/HD 103) / Expiration: 2001-02 school year WM300-2273 (renewal) - Modification of School Code (Section 18-8.05(F)(2)(d)) allows the district to dismiss students in grade 11 following the administration of the Prairie State Achievement Examination on April 24 and 25 and to not hold school on these days for students in grades 9, 10, and 12. The district will accumulate sufficient student attendance time beyond the five-clock-hour instructional day to be applied to these days so that they can be counted among the 176 days of pupil attendance required by Section 10-19.

Rochelle THSD 212 - Ogle (SD 35/HD 70) / Expiration: 2005-06 school year WM300-2274 (renewal) - Modification of School Code (Section 18-8.05(F)(2)(d)) allows the district to dismiss students in grade 11 following the administration of the Prairie State Achievement Examination on April 24 and 25 and to not hold school on these days for students in grades 9, 10, and 12. The district will accumulate sufficient student attendance time beyond the five-clock-hour

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instructional day to be applied to these days so that they can be counted among the 176 days of pupil attendance required by Section 10-19.

Fenton CHSD 100 - DuPage (SD 23/HD 46) / Expiration: 2001-02 school year WM300-2275 (renewal) - Modification of School Code (Section 18-8.05(F)(2)(d)) allows the district to dismiss students in grade 11 following the administration of the Prairie State Achievement Examination on April 25 and to not hold school on this day for students in grades 9, 10, and 12. The district will accumulate sufficient student attendance time beyond the five-clock-hour instructional day to be applied to this day so that it can be counted among the 176 days of pupil attendance required by Section 10-19.

Rantoul THSD 193 - Champaign (SD 52/HD 104) / Expiration: 2001-02 school year WM300-2277 (renewal) - Modification of School Code (Section 18-8.05(F)(2)(d)) allows the district to dismiss students in grade 11 following the administration of the Prairie State Achievement Examination on April 24 and 25 and to not hold school on these days for students in grades 9, 10, and 12. The district will accumulate sufficient student attendance time beyond the five-clock-hour instructional day to be applied to these days so that they can be counted among the 176 days of pupil attendance required by Section 10-19.

Maroa Forsyth CUSD 2 - Macon (SD 51/HD 102) / Expiration: 2005-06 school year WM300-2278 (renewal) - Modification of School Code (Section 18-8.05(F)(2)(d)) allows the district to dismiss students in grade 11 following the administration of the Prairie State Achievement Examination on April 24 and 25. The district will accumulate sufficient student attendance time beyond the five-clock-hour instructional day to be applied to these days so that they can be counted among the 176 days of pupil attendance required by Section 10-19.

Streator THSD 40 - LaSalle (SD 38/HD 76) / Expiration: 2001-02 school year WM300-2280 (renewal) - Modification of School Code (Section 18-8.05(F)(2)(d)) allows the district to dismiss students in grade 11 following the administration of the Prairie State Achievement Examination on April 24 and 25 and to not hold school on these days for students in grades 9, 10, and 12. The district will accumulate sufficient student attendance time beyond the five-clock-hour instructional day to be applied to these days so that they can be counted among the 176 days of pupil attendance required by Section 10-19.

Niles Community THSD 219 - Cook (SD 7/HD 13) / Expiration: 2005-06 school year WM300-2288 (renewal) - Modification of School Code (Section 18-8.05(F)(2)(d)) allows the district to dismiss students in grade 11 following the administration of the Prairie State Achievement Examination on April 24 and 25 and to not hold school on these days for students in grades 9, 10, and 12. The district will accumulate sufficient student attendance time beyond the five-clock-hour instructional day to be applied to these days so that they can be counted among the 176 days of pupil attendance required by Section 10-19.

Carpentersville CUSD 300 - Kane (SD 33/HD 65) / Expiration: 2005-06 school year WM300-2319 - Modification of School Code (Section 18-8.05(F)(2)(d)) allows the district to dismiss students in grade 11

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following the administration of the Prairie State Achievement Examination on April 24 and 25 and to not hold school on these days for students in grade 12. Students in grades 9 and 10 will have a half of day of school on April 24 and a non-attendance day on April 25. The district will accumulate sufficient student attendance time beyond the five-clock-hour instructional day to be applied to these days so that they can be counted among the 176 days of pupil attendance required by Section 10-19.

Lake Zurich CUSD 95 - Lake (SD 26/HD 52) / **Expiration: 2001-02 school year WM300-2320 (renewal)** - Modification of School Code (Section 18-8.05(F)(2)(d)) allows the district to dismiss students in grade 11 following the administration of the Prairie State Achievement Examination on April 24 and 25 and to not hold school on these days for students in grades 9, 10, and 12. The district will accumulate sufficient student attendance time beyond the five-clock-hour instructional day to be applied to these days so that they can be counted among the 176 days of pupil attendance required by Section 10-19.

Leyden CHSD 212 - Cook (SD 39/HD 77) / **Expiration: 2005-06 school year WM300-2331 (renewal)** - Modification of School Code (Section 18-8.05(F)(2)(d)) allows the district to dismiss students in grade 11 following the administration of the Prairie State Achievement Examination on April 24 and 25. The district will accumulate sufficient student attendance time beyond the five-clock-hour instructional day to be applied to these days so that they can be counted among the 176 days of pupil attendance required by Section 10-19.

City of Chicago SD 299 - Cook (SD 11/HD 21) / **Expiration: 2001-02 school year WM300-2332-2 (renewal)** - Modification of School Code (Section 18-8.05(F)(2)(d)) allows the district to dismiss students in grade 11 following the administration of the Prairie State Achievement Examination on April 24 and to not hold school on this day for students in grades 9, 10, and 12. The district will accumulate sufficient student attendance time beyond the five-clock-hour instructional day to be applied to this day so that it can be counted among the 176 days of pupil attendance required by Section 10- 19.

Geneseo CUSD 228 - Henry (SD 37/HD 73) / **Expiration: 2001-02 school year WM300-2341 (renewal)** - Modification of School Code (Section 18-8.05(F)(2)(d)) allows the district to dismiss students in grade 11 following the administration of the Prairie State Achievement Examination on April 24 and 25. Students in grades 9, 10, and 12 will attend school April 24 in the afternoon and will have a non-attendance day on April 25. The district will accumulate sufficient student attendance time beyond the five-clock-hour instructional day to be applied to these days so that they can be counted among the 176 days of pupil attendance required by Section 10-19.

Mt. Zion CUSD 3 - Macon (SD 51/HD 101) / **Expiration: 2005-06 school year WM300-2342 (renewal)** - Modification of School Code (Section 18-8.05(F)(2)(d)) allows the district to dismiss students in grade 11 following the administration of the Prairie State Achievement Examination on April 24 and 25. The district will accumulate sufficient student attendance time beyond the five-clock-hour instructional day to be applied to these days so that they can be

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counted among the 176 days of pupil attendance required by Section 10-19.

SECTION III

Applications Returned to Applicants

Listed below are several categories of requests that have been returned to school districts or other entities. Some of these applicants sought permission for actions that were already permissible under the law or rules. Other requests were returned because they were ineligible under the law (e.g., mandates not found in the School Code, applicant is not a school district, application incomplete).

ALREADY PERMISSIBLE BY LAW/RULE

Assessment

Heritage CUSD 8 - Champaign (SD 52/HD 104) / **Expiration:** 2001-02 school year WM400-2200 - Modification of Administrative Rules. The district requested to be allowed to use a location away from its school building to administer the Prairie State Achievement Examination to students in grade 11. No modification was needed as no requirement for on-site testing exists in administrative rules or law.

INELIGIBLE

Health-Life Safety

Meredosia-Chambersburg CUSD 11 - Morgan (SD 48/HD 95) / **Expiration:** 2005-06 school year WM300-2178 - Waiver of Administrative Code (23 Illinois Administrative Code 151.20). The district requested to be allowed to waive the minimum enrollment criteria for a school construction project grant. The requirement is found in the School Construction Law (105 ILCS 230/5-25), rather than the School Code, so no waiver from this provision can be sought.

Holidays

Mackinaw Valley Special Education Association - McLean (SD 44/HD 88) / **Expiration:** 2003-04 school year WM300-2155 - Modification of School Code Section 24-2). The association requested to be allowed to hold school on the legal holidays honoring Abraham Lincoln, Casimir Pulaski, Christopher Columbus, and all veterans of foreign wars. The association failed to provide evidence that it met the notification and hearing requirements of the law.

Wood Dale SD 7 - DuPage (SD 23/HD 46) / **Expiration:** 2006-07 school year WM300-2191 - Modification of School Code (Section 24-2). The district requested to be allowed to hold school on the legal holiday honoring Abraham Lincoln. The district failed to provide evidence that it met the notification and hearing requirements of the law.

Cairo USD 1 - Alexander (SD 59/HD 118) / **Expiration:** 2005-06 school year WM300-2226 - Modification of School Code (Section 24-2). The district requested to be allowed to hold school on the legal holiday honoring Abraham Lincoln. The district failed to provide proper

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notice of the public hearing held to consider the request.

Tonica CCSD 79 - LaSalle (SD 38/HD 76) / **Expiration:** 2006-07 school year WM300-2243 (renewal) - **Modification of School Code** (Section 24-2). The district requested to be allowed to hold school on the legal holidays honoring Dr. Martin Luther King, Jr., Abraham Lincoln, Casimir Pulaski, and Christopher Columbus. The district failed to provide proper notice of the public hearing held to consider the request.

New Holland - Middletown ED 88 - Logan (SD 45/HD 90) / **Expiration:** 2006-07 school year WM300-2257 - **Modification of School Code** (Section 24-2). The district requested to be allowed to hold school on the legal holidays honoring Abraham Lincoln. The district failed to provide proper notice of the public hearing held to consider the request.

Huntley CSD 158 - McHenry (SD 32/HD 64) / **Expiration:** 2006-07 school year WM300-2296-2 - **Modification of School Code** (Section 24-2). The district requested to be allowed to hold school on the legal holidays honoring Abraham Lincoln and all veterans of foreign wars. The district failed to provide proper notice of the public hearing held to consider the request.

Lake Bluff SD 65 - Lake (SD 30/HD 59) / **Expiration:** 2002-03 school year WM300-2334 - **Modification of School Code** (Section 24-2). The district requested to be allowed to hold school on the legal holidays honoring Abraham Lincoln, Casimir Pulaski, and all veterans of foreign wars. The district failed to provide proper notice of the public hearing held to consider the request.

Gavin SD 37 - Lake (SD 26/HD 52) / **Expiration:** 2002-03 school year WM300-2340 - **Modification of School Code** (Section 24-2). The district requested to be allowed to hold school on the legal holiday honoring Abraham Lincoln. The district failed to provide proper notice of the public hearing held to consider the request.

Limitation of Administrative Cost

Huntley CSD 158 - McHenry (SD 32/HD 64) / **Expiration:** 2001-02 school year WM300-2296-1 - **Waiver of School Code** (Section 17-1.5). The district requested to be relieved of the 5 percent limit on the increase in administrative costs due to an annual enrollment growth of 20 percent. This enrollment increase has necessitated hiring 108 new employees during the current school year (including administrative staff), with an expectation that 60 additional employees will be hired at the start of the 2002-03 school year. The district failed to provide proper notice about the public hearing held to consider the request.

Lena-Winslow CUSD 202 - Stephenson (SD 37/HD 74) / **Expiration:** 2001-02 school year WM300-2312 - **Waiver of School Code** (Section 17-1.5). The district requested to be relieved of the 5 percent limit on the increase in administrative costs due to a comparison of the proposed FY2001 budget to the proposed FY2002 budget. The district has been keeping costs down due to being on the financial watch list, so FY2001 expenditures were less than what had been budgeted, causing the FY2002 budget to exceed the administrative cost cap. The district failed to provide proper notice about the public hearing held to consider the request.

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Raccoon CSD 1 - Marion (SD 55/HD 109) / **Expiration: 2003-04 school year WM300-2339 - Waiver of School Code** (Section 17-1.5). The district requested to be relieved of the 5 percent limit on the increase in administrative costs due to the impending retirement of the superintendent, whose contract includes a salary upgrade. Administrative cost limitation requests can only be requested for the year in which the relief is needed. The district failed to provide proper notice about the public hearing held to consider the request.

Non-resident Tuition

Huntley CSD 158 - McHenry (SD 32/HD 64) / **Expiration: 2006-07 school year WM300-2296-3 - Waiver of School Code** (Section 10-20-12a). The district requested to be allowed to charge less than 110 percent in tuition for students who live outside of the district but whose parents are employed by the district. The district failed to provide proper notice about the public hearing held to consider the request.

Physical Education

Tri-City CUSD 1 - Sangamon (SD 50/HD 99) / **Expiration: 2005-06 school year WM300-2141 - Waiver of School Code** (Section 27-6). The district requested to be allowed to excuse students who are enrolled in driver education from daily physical education. The district failed to provide proper notice about the public hearing held to consider the request.

Grayville CUSD 1 - White (SD 54/HD 107) / **Expiration: 2005-06 school year WM300-2183 - Waiver of School Code** (Section 27-6). The district requested to be allowed to excuse students from daily physical education due to a 4-block schedule. The district failed to provide evidence that it met the notification and hearing requirements of the law.

Prairie State Achievement Examination - Instructional Time

Yorkville CUSD 115 - Kendall (SD 42/HD 84) / **Expiration: 2001-02 school year WM400-2220 - Modification of School Code** (Section 18-8.05(F)(2)(d)). The district requested to be allowed to adjust the length of the school day during the administration of the Prairie State Achievement Examination. The district failed to provide proper notice of the public hearing held to consider the request.

Orland Park CHSD 230 - Cook (SD 19/HD 38) / **Expiration: 2005-06 school year WM300-2343 - Modification of School Code** (Section 18-8.05(F)(2)(d)). The district requested to be allowed to dismiss students in grade 11 following the administration of the Prairie State Achievement Examination on April 24 and 25 and to not hold school on these days for students in grades 9, 10, and 12. The district failed to provide evidence that it met the notification and hearing requirements of the law.

School Improvement

Mackinaw Valley Special Education Association - McLean (SD 44/HD 88) / **Expiration: 2003-04 school year WM300-2156 - Modification of School Code** (Section 18-8.05(F)(2)(d)(2)). The association requested to be allowed to hold one full-day school improvement training in lieu of two half days of training. The association failed to provide evidence that it met the notification and hearing requirements of the

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law.

WITHDRAWN

Certificates

Hiawatha CUSD 426 - DeKalb (SD 34/HD 68) / Expiration: 2003-04 school year WM300-2230 - Modification of School Code (Section 10-22.24a). The district requested to be allowed to use a certified teacher who is pursuing a school counselor endorsement to serve as the school counselor.

Holidays

Kendall County Special Education Cooperative - Kendall (SD 25/HD 50) / Expiration: 2005-06 school year WM300-2192 - Modification of School Code (Section 24-2). The cooperative requested to be allowed to hold school on the legal holidays honoring Abraham Lincoln and Casimir Pulaski.

SECTION IV

Applications by Senate and House Districts

All requests received during this waiver cycle are presented numerically by Senate and House district, and then alphabetically by school district or eligible applicant. Requests for waivers upon which the General Assembly must act (noted as "waivers"), modifications already acted upon by the State Board of Education (noted as "modifications"), and requests that were returned for a variety of reasons are grouped together under their respective legislative heading.

SD 7/HD 13

Niles Community THSD 219 - Cook (SD 7/HD 13) / Expiration: 2005-06 school year WM300-2288 (renewal) - Modification of School Code (Section 18-8.05(F)(2)(d)) allows the district to dismiss students in grade 11 following the administration of the Prairie State Achievement Examination on April 24 and 25 and to not hold school on these days for students in grades 9, 10, and 12. The district will accumulate sufficient student attendance time beyond the five-clock-hour instructional day to be applied to these days so that they can be counted among the 176 days of pupil attendance required by Section 10-19.

SD 7/HD 14

Schiller Park SD 81 - Cook (SD 7/HD 14) / Expiration: 2006-07 school year WM100-2245 - Waiver of School Code (Section 17-2) request to allow the district to expend revenue generated locally from the tax levies for the Education Fund, Operations and Maintenance Fund, and Transportation Fund in the method, and in the appropriate fund, which best meets the needs of the district and its students.

SD 9/HD 17

Niles Township Department of Special Education - Cook (SD 9/HD 17) Expiration: 2002-03 school year WM300-2139 - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Abraham Lincoln, Casimir Pulaski, and Christopher Columbus through instructional activities rather than observing school holidays in their honor.

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SD 9/HD 18

Evanston THSD 202 - Cook (SD 9/HD 18) / Expiration: 2005-06 school year WM300-2268 - Modification of School Code (Section 18-8.05(F)(2)(d)) allows the district to dismiss students in grade 11 following the administration of the Prairie State Achievement Examination on April 24 and 25 and to not hold school on April 24 for students in grades 9, 10, and 12. The district will accumulate sufficient student attendance time beyond the five-clock-hour instructional day to be applied to these days so that they can be counted among the 176 days of pupil attendance required by Section 10-19.

Skokie SD 69 - Cook (SD 9/HD 18) / Expiration: 2006-07 school year WM300-2148 (renewal) - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Casimir Pulaski through instructional activities rather than observing a school holiday in his honor.

SD 11/HD 21

City of Chicago SD 299 - Cook (SD 11/HD 21) / Expiration: 2006-07 school year WM100-2332-1 (renewal) - Waiver of School Code (Section 27-6) request to allow the district to excuse students in grades 11 and 12 from daily physical education in order for these students to enroll in additional academic courses needed to meet the district's graduation requirements. The revised requirements are designed to improve student performance by increasing the requirements for math and science and adding requirements in foreign language and career education.

City of Chicago SD 299 - Cook (SD 11/HD 21) / Expiration: 2001-02 school year WM300-2332-2 (renewal) - Modification of School Code (Section 18-8.05(F)(2)(d)) allows the district to dismiss students in grade 11 following the administration of the Prairie State Achievement Examination on April 24 and to not hold school on this day for students in grades 9, 10, and 12. The district will accumulate sufficient student attendance time beyond the five-clock-hour instructional day to be applied to this day so that it can be counted among the 176 days of pupil attendance required by Section 10-19.

SD 15/HD 29

Calumet City SD 155 - Cook (SD 15/HD 29) / Expiration: 2005-06 school year WM300-2238 - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Abraham Lincoln through instructional activities rather than observing a school holiday in his honor.

SD 18/HD 36

Evergreen Park CHSD 231 - Cook (SD 18/HD 36) / Expiration: 2005-06 school year WM300-2216 - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Abraham Lincoln through instructional activities rather than observing a school holiday in his honor.

SD 19/HD 37

Flossmoor SD 161 - Cook (SD 19/HD 37) / Expiration: 2004-05 school year WM300-2179 (renewal) - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Casimir Pulaski through instructional activities rather than observing a school holiday in his honor.

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Flossmoor SD 161 - Cook (SD 19/HD 37) / Expiration: 2004-05 school year WM100-2180 (renewal) - Waiver of School Code (Section 18-8.05(F)(2)(d)(2)) request to allow the district to schedule three, half-day inservice training sessions on the first days of the school year and to accumulate sufficient time beyond the required five clock-hours of student attendance to apply it towards these half days. These days will be counted among the 176 days of pupil attendance required by Section 10-19.

Tinley Park CCSD 146 - Cook (SD 19/HD 37) / Expiration: 2002-03 school year WM100-2330 (renewal) - Waiver of School Code (Section 18-8.05(F)(2)(d)(2)) request to allow the district to hold five full-day teacher inservice sessions instead of 10 half days, and to count these days among the 176 days of pupil attendance required by Section 10-19. The district will accumulate sufficient time beyond the five clock-hour requirement to apply towards these days.

SD 19/HD 38

Orland Park CHSD 230 - Cook (SD 19/HD 38) / Expiration: 2005-06 school year WM300-2343 - Modification of School Code (Section 18-8.05(F)(2)(d)). The district requested to be allowed to dismiss students in grade 11 following the administration of the Prairie State Achievement Examination on April 24 and 25 and to not hold school on these days for students in grades 9, 10, and 12. This request was returned because the district failed to provide evidence that it met the notification and hearing requirements of the law.

SD 20/HD 39

Glenbard THSD 87 - DuPage (SD 20/HD 39) / Expiration: 2006-07 school year WM100-2271 - Waiver of School Code (Section 27-23) request to allow the district to charge a reasonable fee not to exceed \$200 of students who participate in driver education courses.

Glen Ellyn SD 41 - DuPage (SD 20/HD 39) / Expiration: 2006-07 school year WM100-2321 - Waiver of School Code (Section 18-8.05(F)(2)(d)(2)) request to allow the district to hold one full-day teacher inservice session instead of two half days, and to count the day among the 176 days of pupil attendance required by Section 10-19. The district will accumulate sufficient time beyond the five clock-hour requirement to apply towards this day.

Lisle CUSD 202 - DuPage (SD 20/HD 39) / Expiration: 2006-07 school year WM300-2142 (renewal) - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Abraham Lincoln through instructional activities rather than observing a school holiday in his honor.

SD 20/HD 40

Wheaton CUSD 200 - DuPage (SD 20/HD 40) / Expiration: 2004-05 school year WM300-2254 (renewal) - Modification of School Code (Section 18-8.05(F)(2)(d)) allows the district to dismiss students in grade 11 following the administration of the Prairie State Achievement Examination on April 24 and 25 and to not hold school on these days for students in grades 9 and 12. Students in grade 10 will have a half of day of school on April 24 and a non-attendance day on April 25. The district will accumulate sufficient student attendance time beyond the five-clock-hour instructional day to be applied to these days so that they can be counted among the 176 days of pupil attendance required by Section 10-19.

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SD 21/HD 42

Aurora West SD 129 - Kane (SD 21/HD 42) / **Expiration:** 2006-07 school year WM100-2260 - **Waiver of School Code** (Section 27-6) request to allow the district to permit students in grades 1 through 5 to participate in physical education two times a week for 25 minutes due to inadequate facilities. The district has grown by nearly 600 pupils during the last year and the elementary gymnasiums must double as cafeterias each day. Efforts to pass a building bond referendum were unsuccessful last year, and the referendum passed this spring will do little to improve the overcrowded situation in the gymnasiums. The district will also offer after-school sports, structured recess programs and daily calisthenics in the classroom.

SD 22/HD 43

Brookfield La Grange Park SD 95 - Cook (SD 22/HD 43) / **Expiration:** 2005-06 school year WM300-2165 - **Modification of School Code** (Section 24-2) allows the district to recognize the contributions of Abraham Lincoln and all veterans of foreign wars through instructional activities rather than observing school holidays in their honor.

Riverside Brookfield THSD 208 - Cook (SD 22/HD 43) / **Expiration:** 2006-07 school year WM100-2196 (renewal) - **Waiver of School Code** (Section 27-23) request to allow the district to charge a reasonable fee not to exceed \$300 of students who participate in driver education courses.

Riverside Brookfield THSD 208 - Cook (SD 22/HD 43) / **Expiration:** 2006-07 school year WM100-2197 (renewal) - **Waiver of School Code** (Section 27-6) request to allow the district to excuse students in grades 10 through 12 who are participating in an interscholastic athletic program from daily physical education for one semester in order to take an academic course. The district also wishes to be allowed to excuse students in grades 9 through 12 from daily physical education in order to participate in marching band, which is not offered for credit. Students not enrolled in daily physical education will be enrolled in other academic courses necessary to improve student performance.

SD 23/HD 45

Queen Bee SD 16 - DuPage (SD 23/HD 45) / **Expiration:** 2006-07 school year WM100-2270 - **Waiver of School Code** (Section 24A-5) request to allow the district to replace the current rating scale of "excellent, satisfactory, and unsatisfactory" with one that includes "meets expectations" or "does not meet expectations/unsatisfactory."

SD 23/HD 46

Bensenville SD 2 - DuPage (SD 23/HD 46) / **Expiration:** 2006-07 school year WM300-2228 (renewal) - **Modification of School Code** (Section 24-2) allows the district to recognize the contributions of Abraham Lincoln through instructional activities rather than observing a school holiday in his honor.

Fenton CHSD 100 - DuPage (SD 23/HD 46) / **Expiration:** 2001-02 school year WM300-2275 (renewal) - **Modification of School Code** (Section 18-8.05(F)(2)(d)) allows the district to dismiss students in grade 11 following the administration of the Prairie State Achievement Examination on April 25 and to not hold school on this day for students in grades 9, 10, and 12. The district will accumulate sufficient student attendance time beyond the five-clock-hour instructional day to be applied to this day so that it can be counted

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among the 176 days of pupil attendance required by Section 10- 19.

Wood Dale SD 7 - DuPage (SD 23/HD 46) / **Expiration:** 2006-07 school year WM300-2191 - **Modification of School Code** (Section 24-2). The district requested to be allowed to hold school on the legal holiday honoring Abraham Lincoln. This request was returned because the district failed to provide evidence that it met the notification and hearing requirements of the law.

Wood Dale SD 7 - DuPage (SD 23/HD 46) / **Expiration:** 2006-07 school year WM300-2212 (renewal) - **Modification of School Code** (Section 24-2) allows the district to recognize the contributions of Abraham Lincoln through instructional activities rather than observing a school holiday in his honor.

SD 24/HD 47

Argo/Summit Bedford Park SD 104 - Cook (SD 24/HD 47) / **Expiration:** 2001-02 school year WM100-2167 (renewal) - **Waiver of School Code** (Section 17-1.5) request to allow the district to waive the limitation of administrative costs due to circumstances beyond its control. The district has experienced an overall increase of 20 percent in its health care costs.

Lyons THSD 204 - Cook (SD 24/HD 47) / **Expiration:** 2006-07 school year WM300-2149 (renewal) - **Modification of School Code** (Section 24-2) allows the district to hold a teacher institute on the holiday honoring Casimir Pulaski. The institute program is subject to prior approval from the Regional Office of Education. Instruction pertaining to the contributions of General Pulaski will be provided rather than observing the legal school holiday.

Lyons ESD 103 - Cook (SD 24/HD 47) / **Expiration:** 2001-02 school year WM100-2211 - **Waiver of School Code** (Section 17-1.5) request to allow the district to waive the limitation of administrative costs due to circumstances beyond its control. The district hired an administrative staff member to deal with recertification issues and employee applications; the superintendent's retirement contract provided a 20 percent raise, in accordance to a long-standing board policy; and medical insurance premiums increased by 30 percent over the preceding year.

Lyons THSD 204 - Cook (SD 24/HD 47) / **Expiration:** 2005-06 school year WM300-2253 (renewal) - **Modification of School Code** (Section 18-8.05(F)(2)(d)) allows the district to dismiss students in grade 11 following the administration of the Prairie State Achievement Examination on April 24 and 25 and to not hold school on these days for students in grade 12. The district will accumulate sufficient student attendance time beyond the five-clock-hour instructional day to be applied to these days so that they can be counted among the 176 days of pupil attendance required by Section 10-19.

SD 24/HD 48

School Association for Special Education in DuPage - DuPage (SD 24/HD 48) / **Expiration:** 2005-06 school year WM300-2146 - **Modification of School Code** (Section 24-2) allows the district to recognize the contributions of Abraham Lincoln through instructional activities rather than observing a school holiday in his honor.

SD 25/HD 49

Carol Stream CCSD 93 - DuPage (SD 25/HD 49) / **Expiration:** 2005-06

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school year WM300-2207 - Modification of School Code (Section 24-2) allows the district to hold a teacher institute on the holiday honoring Dr. Martin Luther King, Jr. The institute program is subject to prior approval from the Regional Office of Education. Instruction pertaining to the contributions of Dr. King will be provided rather than observing the legal school holiday.

Lake Park CHSD 108 -DuPage (SD 25/HD 49) / Expiration: 2005-06 school year WM300-2163 -Modification of School Code (Section 24-2) allows the district to recognize the contributions of Abraham Lincoln through instructional activities rather than observing a school holiday in his honor.

Lake Park CHSD 108 -DuPage (SD 25/HD 49) / Expiration: 2005-06 school year WM300-2218 (renewal) -Modification of School Code (Section 18-8.05(F)(2)(d)) allows the district to dismiss students in grade 11 following the administration of the Prairie State Achievement Examination on April 24 and 25 and to not hold school on these days for students in grade 12. The district will accumulate sufficient student attendance time beyond the five-clock-hour instructional day to be applied to these days so that they can be counted among the 176 days of pupil attendance required by Section 10-19.

SD 25/HD 50

Kendall County Special Education Cooperative - Kendall (SD 25/HD 50) / Expiration: 2005-06 school year WM300-2192 - Modification of School Code (Section 24-2). The cooperative withdrew its request to be allowed to hold school on the legal holidays honoring Abraham Lincoln and Casimir Pulaski.

Kendall County Special Education Cooperative - Kendall (SD 25/HD 50) / Expiration: 2005-06 school year WM300-2236 - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Abraham Lincoln and Casimir Pulaski through instructional activities rather than observing school holidays in their honor.

SD 26/HD 51

Aptakisic-Tripp CCSD 102 - Lake (SD 26/HD 51) / Expiration: 2004-05 school year WM300-2335 - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Abraham Lincoln through instructional activities rather than observing a school holiday in his honor.

SD 26/HD 52

Gavin SD 37 - Lake (SD 26/HD 52) / Expiration: 2002-03 school year WM300-2340 - Modification of School Code (Section 24-2). The district requested to be allowed to hold school on the legal holiday honoring Abraham Lincoln. This request was returned because the district failed to provide proper notice of the public hearing held to consider the request.

Grayslake CCSD 46 - Lake (SD 26/HD 52) / Expiration: 2006-07 school year WM300-2264 (renewal) - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Dr. Martin Luther King, Jr., Casimir Pulaski, Christopher Columbus, and all veterans of foreign wars through instructional activities rather than observing school holidays in their honor.

Lake County High Schools Technology Campus - Lake (SD 26/HD 52) /

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Expiration: 2006-07 school year WM300-2333 - Modification of School Code (Section 24-2) allows the campus to recognize the contributions of Abraham Lincoln through instructional activities rather than observing a school holiday in his honor.

Lake Zurich CUSD 95 - Lake (SD 26/HD 52) / Expiration: 2001-02 school year WM300-2320 (renewal) - Modification of School Code (Section 18-8.05(F)(2)(d)) allows the district to dismiss students in grade 11 following the administration of the Prairie State Achievement Examination on April 24 and 25 and to not hold school on these days for students in grades 9, 10, and 12. The district will accumulate sufficient student attendance time beyond the five-clock-hour instructional day to be applied to these days so that they can be counted among the 176 days of pupil attendance required by Section 10-19.

Mundelein CHSD 120 - Lake (SD 26/HD 52) / Expiration: 2006-07 school year WM100-2272 - Waiver of School Code (Section 27-23) request to allow the district to charge a reasonable fee not to exceed \$300 of students who participate in driver education courses.

Wauconda CUSD 118 - Lake (SD 26/HD 52) / Expiration: 2002-03 school year WM300-2247 (renewal) - Modification of School Code (Section 18-8.05(F)(2)(d)) allows the district to dismiss students in grade 11 following the administration of the Prairie State Achievement Examination on April 25. Students in grades 9, 10, and 12 will attend school April 24 in the afternoon and will have a non-attendance day on April 25. The district will accumulate sufficient student attendance time beyond the five-clock-hour instructional day to be applied to these days so that they can be counted among the 176 days of pupil attendance required by Section 10-19.

SD 29/HD 58

Skokie SD 68 - Cook (SD 29/HD 58) / Expiration: 2006-07 school year WM300-2251 (renewal) - Modification of School Code (Section 24-2) allows the district to hold teacher institute days or a school attendance day on the holidays honoring Abraham Lincoln and Casimir Pulaski. The institute programs are subject to prior approval from the Regional Office of Education. Instruction pertaining to the contributions of the honored individuals will be provided rather than observing the legal school holidays.

SD 30/HD 59

Lake Bluff SD 65 - Lake (SD 30/HD 59) / Expiration: 2002-03 school year WM300-2334 - Modification of School Code (Section 24-2). The district requested to be allowed to hold school on the legal holidays honoring Abraham Lincoln, Casimir Pulaski, and all veterans of foreign wars. This request was returned because the district failed to provide proper notice of the public hearing held to consider the request.

Lake Forest CHSD 115 - Lake (SD 30/HD 59) / Expiration: 2006-07 school year WM100-2328-1 - Waiver of School Code (Section 27-23) request to allow the district to charge a reasonable fee not to exceed \$350 of students who participate in driver education courses.

Lake Forest CHSD 115 - Lake (SD 30/HD 59) / Expiration: 2006-07 school year WM100-2328-2 (renewal) - Waiver of School Code (Section 27-6) request to allow the district to excuse students in grades 9

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and 10 from daily physical education for ongoing participation in an interscholastic athletic program. The district states that the interscholastic athletic programs parallel the district's physical education program in promoting physical fitness and good physical education. Students who choose to be excused from physical education will have the opportunity to take additional academic courses.

Waukegan PSD 60 - Lake (SD 30/HD 59) / **Expiration:** 2006-07 school year WM100-2269 - **Waiver of School Code** (Section 21-9) request to allow the district to employ substitute teachers for more than 90 days in any one school year. The district intends to employ fully certified substitute teachers in situations where a substitute is needed for more than 90 days and the time may exceed 120 days. This change would allow the district additional substitutes to enable staff to participate in staff development sponsored by the district or school building and reduce the need to use special teachers (art, music, physical education) to work in a regular classroom.

SD 30/HD 60

Adlai E. Stevenson HSD 125 - Lake (SD 30/HD 60) / **Expiration:** 2004-05 school year WM300-2290 - **Modification of School Code** (Section 24-2) allows the district to recognize the contributions of Abraham Lincoln through instructional activities rather than observing a school holiday in his honor.

Bannockburn SD 106 - Lake (SD 30/HD 60) / **Expiration:** 2003-04 school year WM300-2175 - **Modification of School Code** (Section 24-2) allows the district to recognize the contributions of Abraham Lincoln through instructional activities rather than observing a school holiday in his honor.

Deerfield SD 109 - Lake (SD 30/HD 60) / **Expiration:** 2002-03 school year WM300-2221 (renewal) - **Modification of School Code** (Section 24-2) allows the district to hold a teacher institute on the holiday honoring Abraham Lincoln. The institute program is subject to prior approval from the Regional Office of Education. Instruction pertaining to the contributions of President Lincoln will be provided rather than observing the legal school holiday.

Deerfield SD 109 - Lake (SD 30/HD 60) / **Expiration:** 2001-02 school year WM100-2265 - **Waiver of School Code** (Section 17-1.5) request to allow the district to waive the limitation of administrative costs due to circumstances beyond its control. This request is necessary due to a 9.9 percent increase in medical premiums for FY2002; the restoration of an administrative position eliminated a number of years ago; and the need to replace obsolete fiscal management software.

SD 31/HD 61

Libertyville CHSD 128 - Lake (SD 31/HD 61) / **Expiration:** 2006-07 school year WM300-2314 - **Modification of School Code** (Section 24-2) allows the district to recognize the contributions of Abraham Lincoln through instructional activities rather than observing a school holiday in his honor.

SD 31/HD 62

Antioch CHSD 117 - Lake (SD 31/HD 62) / **Expiration:** 2006-07 school year WM300-2184 - **Waiver of School Code** (Section 2-3.64) to allow the district to replace two of the three required components of the Prairie State Achievement Examination (PSAE) - the ACT Assessment and

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the WorkKeys portions & with the Comprehensive Testing Program III (CTP III).

Antioch CCSD 34 - Lake (SD 31/HD 62) / **Expiration:** 2006-07 school year WM300-2282 - **Modification of School Code** (Section 24-2) allows the district to hold school or a teacher institute on the holiday honoring Abraham Lincoln. The institute program is subject to prior approval from the Regional Office of Education. Instruction pertaining to the contributions of President Lincoln will be provided rather than observing the legal school holiday.

Zion ESD 6 - Lake (SD 31/HD 62) / **Expiration:** 2006-07 school year WM100-2204 (renewal) - **Waiver of School Code** (Section 21-9) request to allow the district to employ substitute teachers for more than 90 days in any one school year due to illness and maternity leaves. The district will employ the most qualified and effective substitutes available.

SD 32/HD 63

Alden-Hebron SD 19 - McHenry (SD 32/HD 63) / **Expiration:** 2006-07 school year WM100-2152 (renewal) - **Waiver of School Code** (Section 27-6) request to allow the district to excuse students in grades 9 through 12 from daily physical education to participate in cheerleading. This request will allow students who currently cannot schedule a study hall to do so, in order to better balance the demands of the students' academic load and extracurricular activities, thereby leading to improved student performance.

Harvard CUSD 50 - McHenry (SD 32/HD 63) / **Expiration:** 2005-06 school year WM100-2223 - **Waiver of School Code** (Section 21-9) request to allow the district to employ substitute teachers for more than 90 days in any one school year. The district intends to employ fully certified substitute teachers in situations where a substitute is needed for more than 90 days and the time may exceed 120 days. The performance of the substitute teachers will be evaluated by the building principals in order for substitutes to continue employment beyond the 90-day limit.

Johnsburg CUSD 12 - McHenry (SD 32/HD 63) / **Expiration:** 2002-03 school year WM300-2315 - **Modification of School Code** (Section 24-2) allows the district to recognize the contributions of all veterans of foreign wars through instructional activities rather than observing a school holiday in their honor.

McHenry CUSD 156 - McHenry (SD 32/HD 63) / **Expiration:** 2006-07 school year WM100-2217 (renewal) - **Waiver of School Code** (Section 27-23) request to allow the district to charge a reasonable fee not to exceed \$202 of students who participate in driver education courses.

McHenry CHSD 156 - McHenry (SD 32/HD 63) / **Expiration:** 2002-03 school year WM100-2242 (renewal) - **Waiver of School Code** (Section 27-6) request to allow the district to excuse students in grade 10 from daily physical education in order to participate in an interscholastic athletics program, marching band (which is not offered for credit), cheerleading or pom-poms. The request is being made due to inadequate facilities. The district anticipates completing construction on an additional space for physical education by the start of the 2003-04 school year.

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Richmond-Burton CHSD 157 - McHenry & Lake (SD 32/HD 63) / **Expiration:** 2001-02 school year WM100-2265 - Waiver of School Code (Section 17-1.5) request to allow the district to waive the limitation of administrative costs due to circumstances beyond its control. The district's bookkeeper has recently completed her degree and has obtained a Type 75 certification. For this reason, she has been promoted from bookkeeper (a support staff position) to director of business services (administrative position). No new staff have been added, but the bookkeeper's increase in salary and benefits in her new position has caused the district to exceed the 5 percent administrative cost cap.

Richmond-Burton CHSD 157 - McHenry & Lake (SD 32/HD 63) / **Expiration:** 2006-07 school year WM100-2310 - Waiver of School Code (Section 27-6) request to allow the district to excuse students in grades 11 and 12 who are participating in cheerleading from daily physical education. The district states that cheerleading develops a high level of leadership, physical conditioning, and school pride for those who participate.

SD 32/HD 64

Cary CCSD 26 - McHenry (SD 32/HD 64) / **Expiration:** 2006-07 school year WM300-2267 - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Casimir Pulaski through instructional activities rather than observing a school holiday in his honor.

Huntley CSD 158 - McHenry (SD 32/HD 64) / **Expiration:** 2001-02 school year WM300-2296-1 - Waiver of School Code (Section 17-1.5). The district requested to be relieved of the 5 percent limit on the increase in administrative costs due to an annual enrollment growth of 20 percent. This enrollment increase has necessitated hiring 108 new employees during the current school year (including administrative staff), with an expectation that 60 additional employees will be hired at the start of the 2002-03 school year. This request was returned because the district failed to provide proper notice about the public hearing held to consider the request.

Huntley CSD 158 - McHenry (SD 32/HD 64) / **Expiration:** 2006-07 school year WM300-2296-2 - Modification of School Code (Section 24-2). The district requested to be allowed to hold school on the legal holidays honoring Abraham Lincoln and all veterans of foreign wars. This request was returned because the district failed to provide proper notice of the public hearing held to consider the request.

Huntley CSD 158 - McHenry (SD 32/HD 64) / **Expiration:** 2006-07 school year WM300-2296-3 - Waiver of School Code (Section 10-20-12a). The district requested to be allowed to charge less than 110 percent in tuition for students who live outside of the district but whose parents are employed by the district. This request was returned because the district failed to provide proper notice about the public hearing held to consider the request.

Huntley CSD 158 - McHenry (SD 32/HD 64) / **Expiration:** 2006-07 school year WM300-2337-1 - Waiver of School Code (Section 10-20.12a) request to allow the district to charge less than 110 percent in tuition for students who live outside of the district but whose parents are employed by the district. In lieu of per capita tuition, the district will not claim the non-resident students for the purposes of

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calculating General State Aid. The students will be admitted on a case-by-case basis, without prejudice to the rights of resident pupils.

Huntley CSD 158 - McHenry (SD 32/HD 64) / **Expiration: 2001-02 school year WM100-2337-2 (renewal)** - Waiver of School Code (Section 17-1.5) request to allow the district to waive the limitation of administrative costs due to circumstances beyond its control. The district has experienced an annual enrollment growth of 20 percent. This enrollment increase has necessitated hiring 108 new employees during the current school year (including administrative staff), with an expectation that 60 additional employees will be hired at the start of the 2002-03 school year.

Huntley CSD 158 - McHenry (SD 32/HD 64) / **Expiration: 2006-07 school year WM100-2337-3** - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Abraham Lincoln and all veterans of foreign wars through instructional activities rather than observing school holidays in their honor.

Woodstock CUSD 200 - McHenry (SD 32/HD 64) / **Expiration: 2006-07 school year WM100-2329-1 (renewal)** - Waiver of School Code (Section 18-8.05(F)(2)(d)(1)) request to allow the district the option of scheduling two consecutive parent-teacher conferences, one following a full day of student attendance and the other following a full day of parent-teacher conferences, and to count those conferences among the 176 days of pupil attendance required by Section 10-19. The day following the second evening conference would be a non-attendance day for students and staff.

Woodstock CUSD 200 - McHenry (SD 32/HD 64) / **Expiration: 2006-07 school year WM300-2329-2 (renewal)** - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Casimir Pulaski through instructional activities rather than observing a school holiday in his honor.

SD 33/HD 65

Carpentersville CUSD 300 - Kane (SD 33/HD 65) / **Expiration: 2006-07 school year WM100-2258** - Waiver of School Code (Section 27-23) request to allow the district to charge a reasonable fee not to exceed \$300 of students who participate in driver education courses.

Carpentersville CUSD 300 - Kane (SD 33/HD 65) / **Expiration: 2005-06 school year WM300-2319** - Modification of School Code (Section 18-8.05(F)(2)(d)) allows the district to dismiss students in grade 11 following the administration of the Prairie State Achievement Examination on April 24 and 25 and to not hold school on these days for students in grade 12. Students in grades 9 and 10 will have a half of day of school on April 24 and a non-attendance day on April 25. The district will accumulate sufficient student attendance time beyond the five-clock-hour instructional day to be applied to these days so that they can be counted among the 176 days of pupil attendance required by Section 10-19.

Hinckley-Big Rock CUSD 429 - DeKalb (SD 33/HD 65) / **Expiration: 2005-06 school year WM300-2166** - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Dr. Martin Luther King, Jr., Abraham Lincoln, Casimir Pulaski, Christopher Columbus, and all veterans of foreign wars through instructional activities rather than observing school holidays in

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their honor.

SD 34/HD 68

Hiawatha CUSD 426 - DeKalb (SD 34/HD 68) / Expiration: 2004-05 school year WM300-2229 (renewal) - Modification of School Code (Section 24-2) allows the district to permit students in grades 7 through 12 to participate in physical education every other day for 85 minutes each session rather than daily due to an 8-block schedule.

Hiawatha CUSD 426 - DeKalb (SD 34/HD 68) / Expiration: 2003-04 school year WM300-2230 - Modification of School Code (Section 10-22.24a). The district withdrew its request to be allowed to use a certified teacher who is pursuing a school counselor endorsement to serve as the school counselor.

Hiawatha CUSD 426 - DeKalb (SD 34/HD 68) / Expiration: 2004-05 school year WM300-2231 - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Abraham Lincoln through instructional activities rather than observing a school holiday in his honor.

Hiawatha CUSD 426 - DeKalb (SD 34/HD 68) / Expiration: 2001-02 school year WM100-2232 - Waiver of School Code (Section 17-1.5) request to allow the district to waive the limitation of administrative costs due to circumstances beyond its control. During the 2000-01 school year, the district's superintendent also served part of the time as the principal of one the district's two schools. The district has returned to employing a full-time superintendent and two full-time principals in order to provide needed leadership.

Hononegah CHSD 207 - Winnebago (SD 34/HD 68) Expiration: 2006-07 school year WM300-2162 - Modification of Administrative Code (23 Illinois Administrative Code 180.60, which incorporates by reference the BOCA regulation found at Section 3103.31) allows the district to omit a 20-foot-high wall around the perimeter of the physical education field house and to use instead an air structure supported at the ground level by a foundation wall.

Kinnikinnick CCSD 131 - Winnebago (SD 34/HD 68) / Expiration: 2006-07 school year WM100-2324 - Waiver of School Code (Section 18-8.05(F)(2)(d)(2)) request to allow the district to hold two full-day teacher inservice sessions instead of four half days, and to count these days among the 176 days of pupil attendance required by Section 10-19. The district will accumulate sufficient time beyond the five clock-hour requirement to apply towards these days.

Kinnikinnick CCSD 131 - Winnebago (SD 34/HD 68) / Expiration: 2007-08 school year WM100-2325 (renewal) - Waiver of School Code (Section 18-8.05(F)(2)(d)(1)) request to allow the district the option of scheduling four parent-teacher conferences following full days of student attendance, and to count those conferences among the 176 days of pupil attendance required by Section 10-19. If approved, this waiver begins in the 2003-04 school year.

Rockton SD 140 - Winnebago (SD 34/HD 68) / Expiration: 2006-07 school year WM300-2291 (renewal) - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Abraham Lincoln through instructional activities rather than observing a school holiday in his honor.

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SD 35/HD 70

Creston CCSD 161 - Ogle (SD 35/HD 70) / Expiration: 2005-06 school year WM300-2177 - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Abraham Lincoln through instructional activities rather than observing a school holiday in his honor.

Rochelle THSD 212 - Ogle (SD 35/HD 70) / Expiration: 2005-06 school year WM300-2274 (renewal) - Modification of School Code Section 18-8.05(F)(2)(d)) allows the district to dismiss students in grade 11 following the administration of the Prairie State Achievement Examination on April 24 and 25 and to not hold school on these days for students in grades 9, 10, and 12. The district will accumulate sufficient student attendance time beyond the five-clock-hour instructional day to be applied to these days so that they can be counted among the 176 days of pupil attendance required by Section 10-19.

Somonauk CUSD 432 - DeKalb (SD 35/HD 70) / Expiration: 2006-07 school year WM300-2143 (renewal) - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Dr. Martin Luther King, Jr., Abraham Lincoln, Casimir Pulaski, Christopher Columbus, and all veterans of foreign wars through instructional activities rather than observing school holidays in their honor.

SD 36/HD 71

River Bend CUSD 2 - Whiteside (SD 36/HD 71) / Expiration: 2006-07 school year WM100-2147 (renewal) - Waiver of School Code (Section 27-6) request to allow the district to provide physical education four days a week for students in grades 6 through 8, with the fifth day devoted to art, computer, music, library skills and keyboarding classes. The district also would provide physical education three days a week for students in grades kindergarten through 5, with the other two days used for computer, art, music and library classes. The district has an eight-period schedule and only one gymnasium. Extended lunch periods with built-in time for structured recess activities will help to compensate for the lack of daily physical education.

Thomson CUSD 301 - Carroll (SD 36/HD 71) / Expiration: 2006-07 school year WM300-2292 (renewal) - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Abraham Lincoln through instructional activities rather than observing a school holiday in his honor.

SD 36/HD 72

Moline USD 40 - Rock Island (SD36/HD 72) / Expiration: 2001-02 school year WM300-2205 (renewal) - Modification of School Code (Section 18-8.05(F)(2)(d) allows the district to dismiss students in grade 11 following the administration of the Prairie State Achievement Examination on April 24 and 25. Students in grades 9, 10, and 12 will attend school April 24 in the afternoon and will have a non-attendance day on April 25. The district will accumulate sufficient student attendance time beyond the five-clock-hour instructional day to be applied to these days so that they can be counted among the 176 days of pupil attendance required by Section 10-19.

Rock Island SD 41 - Rock Island (SD 36/HD 72) / Expiration: 2006-07

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school year WM300-2250-1 - Modification of School Code (Section 24-2) allows the district to recognize the contributions of all veterans of foreign wars through instructional activities rather than observing a school holiday in their honor.

Rock Island SD 41 - Rock Island (SD 36/HD 72) / Expiration: 2006-07 school year WM300-2250-2 - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Casimir Pulaski through instructional activities rather than observing a school holiday in his honor.

Rock Island-Milan SD 41 - Rock Island (SD 36/HD 72) / Expiration: 2001-02 school year WM300-2250-3 (renewal) - Modification of School Code (Section 18-8.05(F)(2)(d)) allows the district to dismiss students in grade 11 following the administration of the Prairie State Achievement Examination on April 24 and 25. Students in grades 9, 10, and 12 will attend school April 24 in the afternoon and will have a non-attendance day on April 25. The district will accumulate sufficient student attendance time beyond the five-clock-hour instructional day to be applied to these days so that they can be counted among the 176 days of pupil attendance required by Section 10-19.

SD 37/HD 73

Amboy CUSD 272 - Lee (SD 37/HD 73) / Expiration: 2006-07 school year WM300-2195 - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Abraham Lincoln through instructional activities rather than observing a school holiday in his honor.

Geneseo CUSD 228 - Henry (SD 37/HD 73) / Expiration: 2001-02 school year WM300-2341 (renewal) - Modification of School Code (Section 18-8.05(F)(2)(d)) allows the district to dismiss students in grade 11 following the administration of the Prairie State Achievement Examination on April 24 and 25. Students in grades 9, 10, and 12 will attend school April 24 in the afternoon and will have a non-attendance day on April 25. The district will accumulate sufficient student attendance time beyond the five-clock-hour instructional day to be applied to these days so that they can be counted among the 176 days of pupil attendance required by Section 10-19.

Nelson ESD 8 - Lee (SD 37/HD 73) / Expiration: 2006-07 school year WM300-2295 (renewal) - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Abraham Lincoln and Casimir Pulaski through instructional activities rather than observing school holidays in their honor.

Prophetstown Lyndon Tampico CUSD 3 - Whiteside (SD 37/HD 73) / Expiration: 2006-07 school year WM100-2338-1 (renewal) - Waiver of School Code (Section 27-6) request to allow the district to excuse students in grades kindergarten through 5 from daily physical education in order for these students to enroll in music class. Students will alternate physical education with music, with each session lasting 40 minutes. The district has incorporated the standards for physical development and health into its music curriculum, which includes dance and movement, and will provide supervised recess that also focuses on the standards.

Prophetstown Lyndon Tampico CUSD 3 - Whiteside (SD 37/HD 73) /

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Expiration: 2006-07 school year WM100-2338-2 (renewal) - Waiver of School Code (Section 27-6) allows the district to recognize the contributions of Dr. Martin Luther King, Jr., Abraham Lincoln, Casimir Pulaski, Christopher Columbus, and all veterans of foreign wars through instructional activities rather than observing school holidays in their honor.

SD 37/HD 74

Freeport CUSD 145 - Stephenson (SD 37/HD 74) / Expiration: 2006-07 school year WM100-2336 (renewal) - Waiver of School Code (Section 18-8.05(F)(1)) request to allow the district to receive General State Aid reimbursement for a full day when students in an alternative school established pursuant to Article 13A of the School Code participate in three and a half hours of school work each day. The shorter day is necessary due to the learning styles of the students, who the district indicates have been able to make "significant academic progress" by participating in concentrated computer-assisted instruction. In addition, the cost of providing instructional and support services to these students is higher than in the regular school setting. Without full reimbursement, the program would be cost-prohibitive for many districts that send students to the alternative school.

Galena USD 120 - Jo Daviess (SD 37/HD 74) / Expiration: 2006-07 school year WM300-2206 (renewal) - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Abraham Lincoln through instructional activities rather than observing a school holiday in his honor.

Lena-Winslow CUSD 202 - Stephenson (SD 37/HD 74) / Expiration: 2001-02 school year WM300-2312 - Waiver of School Code (Section 17-1.5). The district requested to be relieved of the 5 percent limit on the increase in administrative costs due to a comparison of the proposed FY2001 budget to the proposed FY2002 budget. The district has been keeping costs down due to being on the financial watch list, so FY2001 expenditures were less than what had been budgeted, causing the FY2002 budget to exceed the administrative cost cap. This request was returned because the district failed to provide proper notice about the public hearing held to consider the request.

Lena-Winslow CUSD 202 - Stephenson (SD 37/HD 74) / Expiration: 2001-02 school year WM100-2326 - Waiver of School Code (Section 17-1.5) request to allow the district to waive the limitation of administrative costs due to circumstances beyond its control. The district has used a comparison of the proposed FY2001 budget to the proposed FY2002 budget. The district has been keeping costs down due to being on the financial watch list, so FY2001 expenditures were less than what had been budgeted, causing the FY2002 budget to exceed the 5 percent administrative cost cap.

Lena-Winslow CUSD 202 - Stephenson (SD 37/HD 74) / Expiration: 2006-07 school year WM300-2327 (renewal) - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Abraham Lincoln and Casimir Pulaski through instructional activities rather than observing school holidays in their honor.

Pearl City CUSD 200 - Stephenson (SD 37/HD 74) / Expiration: 2006-07 school year WM300-2154 (renewal) - Modification of School Code

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(Section 24-2) allows the district to recognize the contributions of Abraham Lincoln and Casimir Pulaski through instructional activities rather than observing school holidays in their honor.

Savanna CUSD 300 - Carroll (SD 37/HD 74) / Expiration: 2006-07 school year WM100-2297 (renewal) - Waiver of School Code Section 18-8.05(F)(1)) request to allow the district to receive General State Aid reimbursement for a full day when students in an alternative school established pursuant to Article 13A of the School Code participate in three and a half hours of school work each day. The shorter day is necessary due to the learning styles of the students, who the district indicates have been able to make "significant academic progress" by participating in concentrated computer-assisted instruction. In addition, the cost of providing instructional and support services to these students is higher than in the regular school setting. Without full reimbursement, the program would be cost-prohibitive for many districts that send students to the alternative school.

Scales Mound CUSD 211 - Jo Daviess (SD 37/HD 74) / Expiration: 2006-07 school year WM300-2187 (renewal) - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Dr. Martin Luther King, Jr., Abraham Lincoln, and Casimir Pulaski through instructional activities rather than observing school holidays in their honor.

Warren CUSD 205 - Jo Daviess (SD 37/HD 74) / Expiration: 2005-06 school year WM300-2151 (renewal) - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Dr. Martin Luther King, Jr., Abraham Lincoln, Casimir Pulaski, Christopher Columbus, and all veterans of foreign wars through instructional activities rather than observing school holidays in their honor.

SD 38/HD 75

Seneca HSD 160 - LaSalle/Grundy (SD 38/HD 75) / Expiration: 2005-06 school year WM300-2233 - Modification of School Code (Section 27-6) allows the district to permit students in grades 9 through 12 to participate in physical education every other day for 83 minutes each session rather than daily due to an 8-block schedule.

SD 38/HD 76

Grand Ridge CCSD 95 - LaSalle (SD 38/HD 76) / Expiration: 2006-07 school year WM300-2176 (renewal) - Modification of School Code (Section 24-2) allows the district to hold teacher institutes on the holidays honoring Dr. Martin Luther King, Jr., and Casimir Pulaski and a school attendance day on the holiday honoring Abraham Lincoln. The institute programs are subject to prior approval from the Regional Office of Education. Instruction pertaining to the contributions of the honored individuals will be provided rather than observing the legal school holidays.

Ladd CCSD 94 - Bureau (SD 38/HD 76) / Expiration: 2006-07 school year WM300-2224 (renewal) - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Dr. Martin Luther King, Jr., Abraham Lincoln, Casimir Pulaski, members of the armed forces killed in war, members of the American labor force, Christopher Columbus, and all veterans of foreign wars through instructional activities rather than observing school holidays in their honor.

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La Salle-Peru THSD 120 - LaSalle (SD 38/HD 76) / Expiration: 2001-02 school year WM300-2239 (renewal) - Modification of School Code (Section 18-8.05(F)(2)(d)) allows the district to dismiss students in grade 11 following the administration of the Prairie State Achievement Examination on April 24 and 25. Students in grades 9, 10, and 12 will attend school for a half of day in the afternoon of April 24 and have no school on April 25. The district will accumulate sufficient student attendance time beyond the five-clock-hour instructional day to be applied to these days so that they can be counted among the 176 days of pupil attendance required by Section 10-19.

Leepertown CCSD 175 - Bureau (SD 38/HD 76) / Expiration: 2006-07 school year WM300-2293 - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Dr. Martin Luther King, Jr., Abraham Lincoln, Casimir Pulaski, Christopher Columbus, and all veterans of foreign wars through instructional activities rather than observing school holidays in their honor.

Mendota THSD 280 - LaSalle (SD 38/HD 76) / Expiration: 2006-07 school year WM300-2208 (renewal) - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Dr. Martin Luther King, Jr., Abraham Lincoln, Casimir Pulaski, Christopher Columbus, and all veterans of foreign wars through instructional activities rather than observing school holidays in their honor.

Mendota THSD 280 - LaSalle (SD 38/HD 76) / Expiration: 2001-02 school year WM100-2209 - Waiver of School Code (Section 17-1.5) request to allow the district to waive the limitation of administrative costs due to circumstances beyond its control. Administrative costs were below normal for the 2001-02 school year due to the mid-year resignation of the superintendent and the employment of an interim superintendent. This decrease in actual expenditures, coupled with the hiring of a new superintendent, has increased the budget by nearly 65 percent over costs for the preceding year.

Ottawa THSD 140 - LaSalle (SD 38/HD 76) / Expiration: 2001-02 school year WM300-2249 (renewal) - Modification of School Code (Section 18-8.05(F)(2)(d)) allows the district to dismiss students in grade 11 following the administration of the Prairie State Achievement Examination on April 24 and 25 and to not hold school on these days for students in grades 9, 10, and 12. The district will accumulate sufficient student attendance time beyond the five-clock-hour instructional day to be applied to these days so that they can be counted among the 176 days of pupil attendance required by Section 10-19.

Spring Valley CCSD 99 - Bureau (SD 38/HD 76) / Expiration: 2006-07 school year WM300-2185 (renewal) - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Dr. Martin Luther King, Jr., Abraham Lincoln, Casimir Pulaski, members of the armed forces killed in war, members of the American labor force, Christopher Columbus, and all veterans of foreign wars through instructional activities rather than observing school holidays in their honor.

Streator THSD 40 - LaSalle (SD 38/HD 76) / Expiration: 2001-02 school year WM300-2280 (renewal) - Modification of School Code (Section

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18-8.05(F)(2)(d)) allows the district to dismiss students in grade 11 following the administration of the Prairie State Achievement Examination on April 24 and 25 and to not hold school on these days for students in grades 9, 10, and 12. The district will accumulate sufficient student attendance time beyond the five-clock-hour instructional day to be applied to these days so that they can be counted among the 176 days of pupil attendance required by Section 10-19.

Tonica CCSD 79 - LaSalle (SD 38/HD 76) / **Expiration: 2006-07 school year WM300-2243 (renewal) - Modification of School Code** (Section 24-2). The district requested to be allowed to hold school on the legal holidays honoring Dr. Martin Luther King, Jr., Abraham Lincoln, Casimir Pulaski, and Christopher Columbus. This request was returned because the district failed to provide proper notice of the public hearing held to consider the request.

Tonica CCSD 79 - La Salle (SD 38/HD 76) / **Expiration: 2006-07 school year WM300-2304 (renewal) - Modification of School Code** (Section 24-2) allows the district to recognize the contributions of Dr. Martin Luther King, Jr., Abraham Lincoln, Casimir Pulaski, and Christopher Columbus through instructional activities rather than observing school holidays in their honor.

SD 39/HD 77

Leyden CHSD 212 - Cook (SD 39/HD 77) / **Expiration: 2006-07 school year WM300-2169 - Modification of School Code** (Section 24-2) allows the district to recognize the contributions of Abraham Lincoln through instructional activities rather than observing a school holiday in his honor.

Leyden CHSD 212 - Cook (SD 39/HD 77) / **Expiration: 2005-06 school year WM300-2331 (renewal) - Modification of School Code** (Section 18-8.05(F)(2)(d)) allows the district to dismiss students in grade 11 following the administration of the Prairie State Achievement Examination on April 24 and 25. The district will accumulate sufficient student attendance time beyond the five-clock-hour instructional day to be applied to these days so that they can be counted among the 176 days of pupil attendance required by Section 10-19.

River Grove SD 85.5 - Cook (SD 39/HD 77) / **Expiration: 2001-02 school year WM100-2322 - Waiver of School Code** (Section 17-1.5) request to allow the district to waive the limitation of administrative costs due to circumstances beyond its control. The secretary to the district superintendent resigned just before the start of FY2001. The position remained vacant for seven months and the superintendent assumed many of the duties, causing her not to attend a national conference. Due to these cost-savings, the FY2001 actual expenses were lower than budgeted, causing the FY2002 budget to exceed the 5 percent administrative cost cap.

SD 39/HD 78

Elmhurst SD 205 - DuPage (SD 39/HD 78) / **Expiration: 2001-02 school year WM300-2210 (renewal) - Modification of School Code** (Section 18-8.05(F)(2)(d)) allows the district to dismiss students in grade 11 following the administration of the Prairie State Achievement Examination on April 24 and 25 and to not hold school on these days for students in grades 9, 10, and 12. The district will accumulate sufficient student attendance time beyond the five-clock-hour

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instructional day to be applied to these days so that they can be counted among the 176 days of pupil attendance required by Section 10-19.

SD 40/HD 79

Sandridge SD 172 - Cook (SD 40/HD 79) / Expiration: 2001-02 school year WM300-2186 - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Dr. Martin Luther King, Jr., Abraham Lincoln, and Casimir Pulaski through instructional activities rather than observing school holidays in their honor.

South Holland SD 151 - Cook (SD 40/HD 79) / Expiration: 2002-03 school year WM300-2168 - Modification of School Code (Section 27-6) allows the district to permit students in grades kindergarten through 5 to participate in physical education three times a week for 30 to 45 minutes a session for a total of 115-125 minutes over the course of one week, rather than for 20 minutes a session every day.

SD 40/HD 80

Crete-Monee SD 201-U - Will (SD 40/HD 80) / Expiration: 2005-06 school year WM300-2263 - Modification of School Code (Section 18-8.05(F)(2)(d)) allows the district to hold school for three hours in the afternoon of April 24 and 25 for students in grades 9, 10, and 12. The district will accumulate sufficient student attendance time beyond the five-clock-hour instructional day to be applied to these days so that they can be counted among the 176 days of pupil attendance required by Section 10-19.

SD 41/HD 81

Downers Grove GSD 58 - DuPage (SD 41/HD 81) / Expiration: 2006-07 school year WM300-2182 (renewal) - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Abraham Lincoln through instructional activities rather than observing a school holiday in his honor.

Downers Grove CHSD 99 - DuPage (SD 41/HD 81) / Expiration: 2005-06 school year WM300-2222 (renewal) - Modification of School Code (Section 18-8.05(F)(2)(d)) allows the district to dismiss students in grades 9, 10, and 11 following the administration of the Prairie State Achievement Examination on April 24 and 25. Students in grade 12 will attend school for a half-day on April 24 and not be in attendance on April 25. The district will accumulate sufficient student attendance time beyond the five-clock-hour instructional day to be applied to these days so that they can be counted among the 176 days of pupil attendance required by Section 10-19.

Downers Grove CHSD 99 - DuPage (SD 41/HD 81) / Expiration: 2006-07 school year WM300-2256 (renewal) - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Abraham Lincoln through instructional activities rather than observing a school holiday in his honor.

Maercker SD 60 - DuPage (SD 41/HD 81) / Expiration: 2006-07 school year WM300-2213 - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Dr. Martin Luther King, Jr., Christopher Columbus, and all veterans of foreign wars through instructional activities rather than observing school holidays in their honor.

SD 42/HD 83

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Lockport THSD 205 - Will (SD 42/HD 83) / Expiration: 2003-04 school year WM100-2301 (renewal) - Waiver of School Code (Section 27-23) request to allow the district to charge a reasonable fee not to exceed \$100 of students who participate in driver education courses.

SD 42/HD 84

Troy CCSD 30C - Will (SD 42/HD 84) / Expiration: 2001-02 school year WM300-2173 - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Dr. Martin Luther King, Jr., and Casimir Pulaski through instructional activities rather than observing school holidays in their honor.

Yorkville CUSD 115 - Kendall (SD 42/HD 84) / EXPIRATION: 2001-02 SCHOOL YEAR WM400-2220 - MODIFICATION OF SCHOOL CODE (Section 18-8.05(F)(2)(d)). The district requested to be allowed to adjust the length of the school day during the administration of the Prairie State Achievement Examination. This request was returned because the district failed to provide proper notice of the public hearing held to consider the request.

Yorkville CUSD 115 - Kendall (SD 42/HD 84) / Expiration: 2001-02 school year WM300-2261 (renewal) - Modification of School Code (Section 18-8.05(F)(2)(d)) allows the district to dismiss students in grade 11 following the administration of the Prairie State Achievement Examination on April 24 and 25 and to not hold school on these days for students in grades 9, 10, and 12. The district will accumulate sufficient student attendance time beyond the five-clock-hour instructional day to be applied to these days so that they can be counted among the 176 days of pupil attendance required by Section 10-19.

SD 44/HD 87

Ford-Iroquois County Special Education Association - Ford/Iroquois (SD 44/HD 87) / Expiration: 2002-03 school year WM300-2255 - Modification of School Code (Section 24-2) allows the association to recognize the contributions of Casimir Pulaski through instructional activities rather than observing a school holiday in his honor.

Prairie Central CUSD 8 - Livingston (SD 44/HD 87) / Expiration: 2006-07 school year WM300-2164 (renewal) - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Dr. Martin Luther King, Jr., Abraham Lincoln, Casimir Pulaski, Christopher Columbus, and all veterans of foreign wars through instructional activities rather than observing school holidays in their honor.

Prairie Central CUSD 8 - Livingston (SD 44/HD 87) / Expiration: 2006-07 school year WM300-2171 - Modification of School Code (Section 27-6) allows the district to permit students in grades 9 through 12 to participate in physical education for two, nine- week terms for 70 minutes each session rather than daily due to a 4-block schedule. Students who participate in band and chorus will participate in physical education every other day for 90 minutes each session due to an 8-block schedule.

Tri-Point CUSD 6J - Livingston (SD 44/HD 87) / Expiration: 2002-03 school year WM100-2344 (renewal) - Waiver of School Code (Section 18-8.05(F)(2)(d)(2)) request to allow the district to schedule three, half-day inservice training sessions on the first days of the school year and to accumulate sufficient time beyond the required five

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clock-hours of student attendance to apply it towards these half days. These days will be counted among the 176 days of pupil attendance required by Section 10-19.

SD 44/HD 88

Mackinaw Valley Special Education Association - McLean (SD 44/HD 88) / Expiration: 2003-04 school year WM300-2155 - Modification of School Code (Section 24-2). The association requested to be allowed to hold school on the legal holidays honoring Abraham Lincoln, Casimir Pulaski, Christopher Columbus, and all veterans of foreign wars. This request was returned because the association failed to provide evidence that it met the

notification and hearing requirements of the law.

Mackinaw Valley Special Education Association - McLean (SD 44/HD 88) / Expiration: 2003-04 school year WM300-2156 - Modification of School Code (Section 18-8.05(F)(2)(d)(2)). The association requested to be allowed to hold one full-day school improvement training in lieu of two half days of training. This request was returned because the association failed to provide evidence that it met the notification and hearing requirements of the law.

Mackinaw Valley Special Education Association - McLean (SD 44/HD 88) / Expiration: 2003-04 school year WM300-2194 - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Abraham Lincoln, Casimir Pulaski, Christopher Columbus, and all veterans of foreign wars through instructional activities rather than observing school holidays in their honor.

SD 45/HD 89

Washington CHSD 308 - Tazewell (SD 45/HD 89) / Expiration: 2001-02 school year WM300-2214 - Modification of School Code (Section 18-8.05(F)(2)(d)) allows the district to dismiss students in grades 9, 10, and 11 following the administration of the Prairie State Achievement Examination on April 24 and 25 and to not hold school on these days for students in grade 12. The district will accumulate sufficient student attendance time beyond the five-clock-hour instructional day to be applied to these days so that they can be counted among the 176 days of pupil attendance required by Section 10-19.

SD 45/HD 90

Illini Central CUSD 189 - Mason (SD 45/HD 90) / Expiration: 2005-06 school year WM300-2189 (renewal) - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Casimir Pulaski through instructional activities rather than observing a school holiday in his honor.

LeRoy CUSD 2 - McLean (SD 45/HD 90) / Expiration: 2006-07 school year WM300-2145 (renewal) - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Dr. Martin Luther King, Jr., Abraham Lincoln, Casimir Pulaski, Christopher Columbus, and all veterans of foreign wars through instructional activities rather than observing school holidays in their honor.

New Holland - Middletown ED 88 - Logan (SD 45/HD 90) / Expiration: 2006-07 school year WM300-2257 - Modification of School Code (Section 24-2). The district requested to be allowed to hold school on the

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legal holiday honoring Abraham Lincoln. This request was returned because the district failed to provide proper notice of the public hearing held to consider the request.

SD 46/HD 91

Pekin CHSD 303 - Tazewell (SD 46/HD 91) / Expiration: 2003-04 school year WM300-2157 - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Abraham Lincoln through instructional activities rather than observing a school holiday in his honor.

Pekin CHSD 303 - Tazewell (SD 46/HD 91) / Expiration: 2005-06 school year WM300-2262 (renewal) - Modification of School Code (Section 18-8.05(F)(2)(d)) allows the district to dismiss students in grade 11 following the administration of the Prairie State Achievement Examination on April 24 and 25 and to not hold school on these days for students in grades 9, 10, and 12. The district will accumulate sufficient student attendance time beyond the five-clock-hour instructional day to be applied to these days so that they can be counted among the 176 days of pupil attendance required by Section 10-19.

Pekin PSD 108 - Tazewell (SD 46/HD 91) / Expiration: 2006-07 school year WM100-2308 - Waiver of School Code (Section 24A-5) request to allow the district to replace the current rating scale of "excellent, satisfactory, and unsatisfactory" with one that includes "exceeds/meets expectations" or "does not meet expectations." The district also wishes to add two performance expectations: learning environment and collaborative worker.

SD 46/HD 92

Oak Grove SD 68 - Lake (SD 46/HD 92) / Expiration: 2006-07 school year WM300-2284 - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Abraham Lincoln through instructional activities rather than observing a school holiday in his honor.

SD 47/HD 93

Princeville CUSD 326 - Peoria (SD 47/HD 93) / Expiration: 2005-06 school year WM300-2144 (renewal) - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Abraham Lincoln and Casimir Pulaski through instructional activities rather than observing school holidays in their honor.

Princeville CUSD 216 - Peoria (SD 47/HD 93) / Expiration: 2001-02 school year WM100-2215 - Waiver of School Code (Section 17-1.5) request to allow the district to waive the limitation of administrative costs due to circumstances beyond its control. In order for the district to attract a qualified superintendent, the annual salary was increased. In addition, the salary schedule for the unit office secretary required a 6.2 percent increase.

SD 47/HD 94

Galesburg CUSD 205 - Knox (SD 47/HD 94) / Expiration: 2006-07 school year WM300-2286 (renewal) - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Casimir Pulaski through instructional activities rather than observing a school holiday in his honor.

SD 48/HD 95

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Beardstown CUSD 15 - Cass (SD 48/HD 95) / **Expiration:** 2001-02 school year WM300-2190 - **Modification of School Code** (Section 24-2) allows the district to recognize the contributions of Abraham Lincoln through instructional activities rather than observing a school holiday in his honor.

Bushnell-Prairie City CUSD 170 - McDonough (SD 48/HD 95) / **Expiration:** 2006-07 school year WM300-2294 (renewal) - **Modification of School Code** (Section 24-2) allows the district to recognize the contributions of Abraham Lincoln through instructional activities rather than observing a school holiday in his honor.

Dallas City CUSD 336 - Hancock (SD 48/HD 95) / **Expiration:** 2005-06 school year WM300-2193 - **Modification of School Code** (Section 24-2) allows the district to recognize the contributions of Casimir Pulaski through instructional activities rather than observing a school holiday in his honor.

Dallas City CUSD 336 - Hancock/Henderson (SD 48/HD 95) / **Expiration:** 2001-02 school year WM100-2323 - **Waiver of School Code** (Section 17-1.5) request to allow the district to waive the limitation of administrative costs due to circumstances beyond its control. The district received a three-year federal 21st Century Community Center Program grant, starting in July 2001. Since the superintendent worked to secure the grant and will serve as administrator for the program, the board of education awarded him an additional stipend (to be paid through grant proceeds) for the 2001-02 school year, causing the FY2002 budget to exceed the 5 percent administrative cost cap.

Macomb CUSD 185 - McDonough (SD 48/HD 95) / **Expiration:** 2006-07 school year WM300-2289 (renewal) - **Modification of School Code** (Section 24-2) allows the district to recognize the contributions of Abraham Lincoln through instructional activities rather than observing a school holiday in his honor.

Macomb CUSD 185 - McDonough (SD 48/HD 95) / **Expiration:** 2006-07 school year WM100-2346 - **Waiver of School Code** (Section 18-8.05(F)(2)(d)(2)) request to allow the district to hold two full-day teacher inservice sessions instead of four half days, and to count the days among the 176 days of pupil attendance required by Section 10-19. The district will accumulate sufficient time beyond the five clock-hour requirement to apply towards these days.

Meredosia-Chambersburg CUSD 11 - Morgan (SD 48/HD 95) / **Expiration:** 2005-06 school year WM300-2178 - **Waiver of Administrative Code** (23 Illinois Administrative Code 151.20). The district requested to be allowed to waive the minimum enrollment criteria for a school construction project grant. This request was returned since the requirement is found in the School Construction Law (105 ILCS 230/5-25), rather than the School Code, so no waiver from this provision can be sought.

Northwest CUSD 175 - McDonough (SD 48/HD 95) / **Expiration:** 2006-07 school year WM300-2317 (renewal) - **Modification of School Code** (Section 24-2) allows the district to recognize the contributions of Abraham Lincoln through instructional activities rather than observing a school holiday in his honor.

Northwest CUSD 175 - McDonough (SD 48/HD 95) / **Expiration:** 2006-07 school year WM300-2318 (renewal) - **Modification of School Code**

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(Section 24-2) allows the district to permit students in grades 7 through 12 to participate in physical education every other day for 80 minutes each session rather than daily due to an 8-block schedule.

Triopia CUSD 27 - Morgan (SD 48/HD 95) / Expiration: 2002-03 school year WM300-2172 (renewal) - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Dr. Martin Luther King, Jr., Casimir Pulaski, and Christopher Columbus through instructional activities rather than observing school holidays in their honor.

V.I.T. CUSD 2 - Fulton (SD 48/HD 95) / Expiration: 2006-07 school year WM300-2203 (renewal) - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Dr. Martin Luther King, Jr., Abraham Lincoln, Casimir Pulaski, Christopher Columbus, and all veterans of foreign wars through instructional activities rather than observing school holidays in their honor.

V.I.T. CUSD 2 - Fulton (SD 48/HD 95) / Expiration: 2006-07 school year WM300-2234 (renewal) - Modification of School Code (Section 27-6) allows the district to permit students in grades 9 through 12 to participate in physical education every other day for 80 minutes each session rather than daily due to an 8-block schedule.

SD 48/HD 96

Payson CUSD 1 - Adams (SD 48/HD 96) / Expiration: 2006-07 school year WM300-2150 (renewal) - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Dr. Martin Luther King, Jr., Abraham Lincoln, Casimir Pulaski, and Christopher Columbus through instructional activities rather than observing school holidays in their honor.

Pleasant Hill CUSD 3 - Pike (SD 48/HD 96) / Expiration: 2001-02 school year WM100-2244 - Waiver of School Code (Section 17-1.5) request to allow the district to waive the limitation of administrative costs due to circumstances beyond its control. The superintendent resigned in 2001, and the salary for the position had been kept low while the district was on the financial watch list. In order for the district to attract a qualified candidate, the annual salary was increased.

Warsaw CUSD 316 - Hancock (SD 48/HD 96) / Expiration: 2002-03 school year WM100-2198 (renewal) - Waiver of School Code (Section 27-6) request to allow the district to permit students in grades 1 through 6 to take physical education three days per week due to inadequate facilities. The elementary gymnasium serves as a cafeteria for grades kindergarten through 12 for two and a half hours each day. The district anticipates that the smaller class sizes resulting from less than daily physical education will provide students with a higher quality physical education program. The district anticipates completion of an additional gymnasium in fall 2003, after which time students in grades 1 through 6 will resume participation in daily physical education classes.

SD 50/HD 99

Greenview CUSD 200 - Menard (SD 50/HD 99) / Expiration: 2001-02 school year WM100-2225 - Waiver of School Code (Section 17-1.5) request to allow the district to waive the limitation of administrative costs due to circumstances beyond its control.

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Previously, the district did not include health insurance and Medicare costs as part of the superintendent's and administrative secretary's compensation packages. While the salary for the new superintendent was lower than that of his predecessor, the added costs for the benefit packages caused the district to exceed the 5 percent administrative cost limit.

Tri-City CUSD 1 - Sangamon (SD 50/HD 99) / **Expiration:** 2005-06 school year WM300-2141 - **Waiver of School Code** (Section 27-6). The district requested to be allowed to excuse students who are enrolled in driver education from daily physical education. This request was returned because the district failed to provide proper notice about the public hearing held to consider the request.

Tri-City CUSD 1 - Sangamon (SD 50/HD 99) / **Expiration:** 2005-06 school year WM300-2201 - **Modification of School Code** (Section 27-6) allows the district to permit students in grades 6 through 12 to participate in physical education every other day for 83 minutes each session rather than daily due to an 8-block schedule.

Tri-City CUSD 1 - Sangamon (SD 50/HD 99) / **Expiration:** 2006-07 school year WM100-2202 (renewal) - **Waiver of School Code** (Section 27-6) request to allow the district to excuse students from daily physical education when they are participating in driver education classes. The request is being made due to inadequate facilities. The district, which also has approval for eight-block scheduling, states that since the elementary school shares the gymnasium with the high school, reducing class size will allow for more individual instruction to better assist students in meeting the state physical development standards.

SD 50/HD 100

Ball-Chatham SD 5 - Sangamon (SD 50/HD 100) / **Expiration:** 2006-07 school year WM100-2266 - **Waiver of School Code** (Section 27-23) request to allow the district to charge a reasonable fee not to exceed \$100 of students who participate in driver education courses.

New Berlin CUSD 16 - Sangamon (SD 50/HD 100) / **Expiration:** 2006-07 school year WM300-2311 (renewal) - **Modification of School Code** (Section 24-2) allows the district to permit students in grades 7 through 12 to participate in physical education every other day for 85 minutes each session rather than daily due to an 8-block schedule.

SD 51/HD 101

Arthur CUSD 305 - Douglas (SD 51 HD 101) / **Expiration:** 2006-07 school year WM300-2240 (renewal) - **Modification of School Code** (Section 24-2) allows the district to recognize the contributions of Dr. Martin Luther King, Jr., Abraham Lincoln, Casimir Pulaski, and all veterans of foreign wars through instructional activities rather than observing school holidays in their honor.

Arthur CUSD 305 - Douglas (SD 51/HD 101) / **Expiration:** 2006-07 school year WM100-2241 (renewal) - **Waiver of School Code** (Section 18-8.05(F)(2)(d)(1)) request to allow the district the option of scheduling a parent-teacher conference in the evening following a day when students are in attendance for at least five clock-hours, provided that the evening session and the next morning session constitute a full day of instructional time and that the morning session is at least three clock hours. The evening and morning sessions will be counted as one of the 176 days of pupil attendance

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required by Section 10-19.

Bemet CUSD 5 - Piatt (SD 51/HD 101) / Expiration: 2006-07 school year WM300-2276 (renewal) - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Abraham Lincoln and all veterans of foreign wars through instructional activities rather than observing school holidays in their honor.

Mt. Zion CUSD 3 - Macon (SD 51/HD 101) / Expiration: 2005-06 school year WM300-2342 (renewal) - Modification of School Code (Section 18-8.05(F)(2)(d)) allows the district to dismiss students in grade 11 following the administration of the Prairie State Achievement Examination on April 24 and 25. The district will accumulate sufficient student attendance time beyond the five-clock-hour instructional day to be applied to these days so that they can be counted among the 176 days of pupil attendance required by Section 10-19.

Okaw Valley CUSD 302 - Moultrie (SD 51/HD 101) / Expiration: 2006-07 school year WM300-2306 (renewal) - Modification of School Code (Section 24-2) allows the district to permit students in grades 6 through 12 to participate in physical education every other day for 83 minutes each session rather than daily due to an 8-block schedule.

Okaw Valley CUSD 302 - Moultrie (SD 51/HD 101) / Expiration: 2006-07 school year WM300-2307 (renewal) - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Dr. Martin Luther King, Jr., Abraham Lincoln, and Casimir Pulaski through instructional activities rather than observing school holidays in their honor.

SD 51/HD 102

Maroa Forsyth CUSD 2 - Macon (SD 51/HD 102) / Expiration: 2005-06 school year WM300-2278 (renewal) - Modification of School Code (Section 18-8.05(F)(2)(d)) allows the district to dismiss students in grade 11 following the administration of the Prairie State Achievement Examination on April 24 and 25. The district will accumulate sufficient student attendance time beyond the five-clock-hour instructional day to be applied to these days so that they can be counted among the 176 days of pupil attendance required by Section 10-19.

Tower Hill CUSD 6 - Shelby (SD 51/HD 102) / Expiration: 2001-02 school year WM100-2235 - Waiver of School Code (Section 17-1.5) request to allow the district to waive the limitation of administrative costs due to circumstances beyond its control. The district's proposed budget for the 2001-02 school year was based on the estimated budget from the previous year. The district, however, actually spent less in the 2000-01 school year than it had anticipated, causing the current year budget to exceed the 5 percent administrative cost cap.

SD 52/HD 103

Champaign CUSD 4 - Champaign (SD 52/HD 103) / Expiration: 2001-02 school year WM300-2273 (renewal) - Modification of School Code (Section 18-8.05(F)(2)(d)) allows the district to dismiss students in grade 11 following the administration of the Prairie State Achievement Examination on April 24 and 25 and to not hold school on these days for students in grades 9, 10, and 12. The district will accumulate sufficient student attendance time beyond the

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five-clock-hour instructional day to be applied to these days so that they can be counted among the 176 days of pupil attendance required by Section 10-19.

Fisher CUSD 1 - Champaign (SD 52/HD 103) / Expiration: 2006-07 school year WM300-2313 (renewal) - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Abraham Lincoln through instructional activities rather than observing a school holiday in his honor.

SD 52/HD 104

Heritage CUSD 8 - Champaign (SD 52/HD 104) / Expiration: 2001-02 school year WM400-2200 - Modification of Administrative Rules. The district requested to be allowed to use a location away from its school building to administer the Prairie State Achievement Examination to students in grade 11. This request was returned as no requirement for on-site testing exists in administrative rules or law.

Heritage CUSD 8 - Champaign (SD 52/HD 104) / Expiration: 2007-08 school year WM300-2188 (renewal) - Modification of School Code (Section 27-6) allows the district to permit students in grades 6 through 12 to participate in physical education every other day for 85 minutes each session rather than daily due to an 8-block schedule. This approval takes effect in the 2003-2004 school year.

Rantoul THSD 193 - Champaign (SD 52/HD 104) / Expiration: 2001-02 school year WM300-2277 (renewal) - Modification of School Code (Section 18-8.05(F)(2)(d)) allows the district to dismiss students in grade 11 following the administration of the Prairie State Achievement Examination on April 24 and 25 and to not hold school on these days for students in grades 9, 10, and 12. The district will accumulate sufficient student attendance time beyond the five-clock-hour instructional day to be applied to these days so that they can be counted among the 176 days of pupil attendance required by Section 10-19.

SD 53/HD 106

Shiloh CUSD 1 - Edgar (SD 53/HD 106) / Expiration: 2001-02 school year WM100-2219 - Waiver of School Code (Section 17-1.5) request to allow the district to waive the limitation of administrative costs due to circumstances beyond its control. The superintendent employed in 2000-2001 retired and administrative costs were lower than budgeted for that year. In order for the district to attract a qualified superintendent, the annual salary was increased.

SD 54/HD 107

Geff CCSD 14 - Wayne (SD 54/HD 107) / Expiration: 2006-07 school year WM300-2305 - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Abraham Lincoln through instructional activities rather than observing a school holiday in his honor.

Grayville CUSD 1 - White (SD 54/HD 107) / Expiration: 2005-06 school year WM300-2183 - Waiver of School Code (Section 27-6). The district requested to be allowed to excuse students from daily physical education due to a 4-block schedule. This request was returned because the district failed to provide evidence that it met the notification and hearing requirements of the law.

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Grayville CUSD 1 - White (SD 54/HD 107) / Expiration: 2005-06 school year WM300-2252 (renewal) - Waiver of School Code (Section 27-6) allows the district to permit students in grades 6 through 12 to participate in daily physical education for one semester for 87 minutes each session due to a 4-block schedule.

Rome CCSD 2 - Jefferson (SD 54/HD 107) / Expiration: 2006-07 school year WM100-2279-1 (renewal) - Waiver of School Code (Section 27-6) request to allow the district to permit students in grades kindergarten through 8 to take physical education at least twice a week for 30 to 40 minutes in order to provide for computer instruction and to allow more class time for reading, language arts, math, social science, science and the fine arts, leading to an improvement in student performance in these other academic areas.

Rome CCSD 2 - Jefferson (SD 54/HD 107) / Expiration: 2006-07 school year WM300-2279-2 (renewal) - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Casimir Pulaski through instructional activities rather than observing a school holiday in his honor.

SD 54/HD 108

Flora CUSD 35 - Clay (SD 54/HD 108) / Expiration: 2005-06 school year WM300-2153 - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Abraham Lincoln through instructional activities rather than observing a school holiday in his honor.

Jasper County CUD 1 - Jasper (SD 54/HD 108) / Expiration: 2006-07 school year WM300-2248 (renewal) - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Casimir Pulaski through instructional activities rather than observing a school holiday in his honor.

SD 55/HD 109

Raccoon CSD 1 - Marion (SD 55/HD 109) / Expiration: 2003-04 school year WM300-2339 - Waiver of School Code (Section 17-1.5). The district requested to be relieved of the 5 percent limit on the increase in administrative costs due to the impending retirement of the superintendent, whose contract includes a salary upgrade. Administrative cost limitation requests can only be requested for the year in which the relief is needed. This request was returned because the district failed to provide proper notice about the public hearing held to consider the request.

Ramsey CUSD 204 - Fayette (SD 55/HD 109) / Expiration: 2006-07 school year WM300-2303 (renewal) - Modification of School Code (Section 24-2) allows the district to hold a teacher institute, inservice training, or have school attendance on the holiday honoring Abraham Lincoln. The institute program is subject to prior approval from the Regional Office of Education. Instruction pertaining to the contributions of President Lincoln will be provided rather than observing the legal school holiday.

SD 55/HD 110

Highland CUSD 5 - Madison (SD 55/HD 110) / Expiration: 2006-07 school year WM100-2158 (renewal) - Waiver of School Code (Section 27-6) request to allow the district to permit students in grades kindergarten through 6 to take physical education twice a week for 25 minutes due to inadequate facilities. Since the gymnasium must be

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used for other classes, there is insufficient space to schedule daily physical education classes for all grades. In addition to the two periods of physical education each week, students will participate in 30 minutes of daily recess time.

Highland CUSD 5 - Madison (SD 55/HD 110) / **Expiration:** 2006-07 school year WM300-2259 - **Modification of School Code** (Section 27-6) allows the district to permit students in grades 9 through 12 to participate in physical education every other day for 85 minutes each session rather than daily due to an 8-block schedule.

Pontiac-William Holliday SD 105 - St. Clair (SD 55/HD 110) / **Expiration:** 2006-07 school year WM300-2285 - **Modification of School Code** (Section 24-2) allows the district to recognize the contributions of Abraham Lincoln through instructional activities rather than observing a school holiday in his honor.

Triad CUSD 2 - Madison (SD 55/HD 110) / **Expiration:** 2005-06 school year WM300-2246 - **Modification of School Code** (Section 24-2) allows the district to recognize the contributions of Abraham Lincoln through instructional activities rather than observing a school holiday in his honor.

SD 56/HD 111

Roxana CUSD 1 - Madison (SD 56/HD 111) / **Expiration:** 2005-06 school year WM300-2227 - **Modification of School Code** (Section 27-6) allows the district to permit students in grades 9 through 12 to participate in physical education every other day for 85 minutes each session rather than daily due to an 8-block schedule.

SD 57/HD 113

Belleville THSD 201 - St. Clair (SD 57/HD 113) / **Expiration:** 2006-07 school year WM300-2281 - **Modification of School Code** (Section 24-2) allows the district to recognize the contributions of Abraham Lincoln through instructional activities rather than observing a school holiday in his honor.

Belleville SD 118 - St. Clair (SD 57/HD 113) / **Expiration:** 2006-07 school year WM300-2316 - **Modification of School Code** (Section 24-2) allows the district to recognize the contributions of Abraham Lincoln through instructional activities rather than observing a school holiday in his honor.

Granite City CUSD 9 - Madison (SD 57/HD 113) / **Expiration:** 2001-02 school year WM300-2199 - **Modification of School Code** (Section 24-2) allows the district to recognize the contributions of Dr. Martin Luther King, Jr., Abraham Lincoln, and Casimir Pulaski through instructional activities rather than observing school holidays in their honor.

SD 58/HD 115

Cobden USD 17 - Union (SD 58/HD 115) / **Expiration:** 2006-07 school year WM300-2170 (renewal) - **Modification of School Code** (Section 24-2) allows the district to recognize the contributions of Dr. Martin Luther King, Jr., and Casimir Pulaski through instructional activities rather than observing school holidays in their honor.

COPE Safe School - Jackson (SD 58/HD 115) / **Expiration:** 2005-06 school year WM300-2181 - **Modification of School Code** (Section 24-2) allows the district to recognize the contributions of Abraham Lincoln

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and Casimir Pulaski through instructional activities rather than observing school holidays in their honor.

Du Quoin CUSD 300 - Perry (SD 58/HD 115) / Expiration: 2005-06 school year WM300-2140 (renewal) - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Abraham Lincoln and Casimir Pulaski through instructional activities rather than observing school holidays in their honor.

Murphysboro CUSD 186 - Jackson (SD 58/HD 115) / Expiration: 2006-07 school year WM300-2298 (renewal) - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Abraham Lincoln and Casimir Pulaski through instructional activities rather than observing school holidays in their honor.

Murphysboro CUSD 186 - Jackson (SD 58/HD 115) / Expiration: 2004-05 school year WM100-2299 (renewal) - Waiver of School Code (Section 18-8.05(F)(2)(d)(1)) request to allow the district the option of scheduling four parent-teacher conferences following full days of student attendance, and to count those conferences among the 176 days of pupil attendance required by Section 10-19. Two days during the year would be non-attendance days for students and staff.

Murphysboro CUSD 186 - Jackson (SD 58/HD 115) / Expiration: 2006-07 school year WM300-2300 (renewal) - Modification of School Code (Section 24-2) allows the district to permit students in grades 9 through 12 to participate in physical education every day for 85 minutes for two, nine-week periods rather than daily due to an 4-block schedule.

SD 58/HD 116

Millstadt CCSD 160 - St. Clair (SD 58/HD 116) / Expiration: 2006-07 school year WM300-2287 - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Abraham Lincoln through instructional activities rather than observing a school holiday in his honor.

Red Bud CUSD 132 - Randolph (SD 58/HD 116) / Expiration: 2006-07 school year WM300-2174 (renewal) - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Abraham Lincoln through instructional activities rather than observing a school holiday in his honor.

SD 59/HD 117

Christopher USD 99 - Franklin (SD 59/HD 117) / Expiration: 2006-07 school year WM300-2309 - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Abraham Lincoln through instructional activities rather than observing a school holiday in his honor.

SD 59/HD 118

Cairo USD 1 - Alexander (SD 59/HD 118) / Expiration: 2005-06 school year WM300-2226 - Modification of School Code (Section 24-2). The district requested to be allowed to hold school on the legal holiday honoring Abraham Lincoln. This request was returned because the district failed to provide proper notice of the public hearing held to consider the request.

Cairo USD 1 - Alexander (SD 59/HD 118) / Expiration: 2005-06 school year WM300-2237 - Modification of School Code (Section 24-2) allows

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the district to recognize the contributions of Abraham Lincoln through instructional activities rather than observing a school holiday in his honor.

Egyptian CUSD 5 - Alexander (SD 59/HD 118) / Expiration: 2005-06 school year WM300-2160 - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Abraham Lincoln through instructional activities rather than observing a school holiday in his honor.

Egyptian CUSD 5 - Alexander (SD 59/HD 118) / Expiration: 2005-06 school year WM100-2161 - Waiver of School Code (Section 10-20.12a) request to allow the district to charge less than 110 percent of per capita tuition for certain students. In accordance with an intergovernmental agreement with Cairo Community Unit School District 5, the Egyptian district has agreed to allow students who are residents of the Cairo district but who live on the border between the two districts to attend Egyptian for an amount not to exceed Egyptian's per capita tuition cost of the preceding year.

Gallatin CUSD 7 - Gallatin (SD 59/HD 118) / Expiration: 2006-07 school year WM300-2283 - Modification of School Code (Section 24-2) allows the district to recognize the contributions of Casimir Pulaski through instructional activities rather than observing a school holiday in his honor.

Harrisburg CUSD 3 - Saline (SD 59/HD 118) / Expiration: 2006-07 school year WM300-2159 (renewal) - Modification of School Code (Section 24-2) allows the district to hold a teacher institute, parent-teacher conferences, or a school attendance day on the holiday honoring Casimir Pulaski. The institute program is subject to prior approval from the Regional Office of Education. Instruction pertaining to the contributions of General Pulaski will be provided rather than observing the legal school holiday.

The President of the Senate placed the foregoing report before the Senate, which was ordered received and placed on file in the Secretary's Office.

COMMUNICATIONS

OFFICE OF THE SECRETARY OF STATE

JESSE WHITE
SECRETARY OF STATE

May 3, 2002

Honorable Jim Harry
Secretary of the Senate
Room 401
Capitol Building
Springfield, Illinois 62706

Dear Mr. Harry:

This office is forwarding herewith copies of the Resignation Letter, Notice of Vacancy, and Legislative Committee Organization

[May 6, 2002]

from the Republican Legislative Committee of the Forty-Fourth Legislative District declaring the existence of a vacancy in the Office of Senator in the Ninety-Second General Assembly in the Forty-Fourth Legislative District, as a result of the resignation of John W. Maitland, Jr., effective April 30, 2002.

Also enclosed is the copy of the Republican Legislative Committee's Certificate of Appointment, along with the Oath of Office, for William Brady, 1202 Elmwood, Bloomington, Illinois, who was appointed to fill the vacancy in the Office of Senator, in the 92nd General Assembly for the Forty-Fourth Legislative District.

Yours truly,

s/Jesse White
Secretary of State

JOHN W. MAITLAND, JR.
SENATOR
ASSISTANT MAJORITY LEADER
44TH LEGISLATIVE DISTRICT

April 8, 2002

Mr. Jim Harry
Secretary of the Senate
Illinois State Senate
Rm. 401 State Capitol
Springfield, IL 62706

Dear Jim:

Please be advised that I announce my resignation from the Illinois State Senate effective at 12 noon, April 30, 2002.

Very truly yours
s/John Maitland, Jr.
State Senator

NOTIFICATION OF VACANCY

Legislative Committee of the
Republican Party of the
44th Legislative District

STATE OF ILLINOIS

WHEREAS, State Senator John W. Maitland, Jr., a member of the Republican Party, has resigned as Senator in the General Assembly for the 44th Legislative District; and

WHEREAS, Senator Maitland was the duly elected State Senator for the 44th Legislative District for the 92nd General Assembly; and

WHEREAS, Senator Maitland's resignation was effective April 30, 2002; and

NOW THEREFORE BE IT RESOLVED, that the Legislative Committee of the Republican Party of the 44th Senate District does hereby find and declare that the office of State Senator for the 44th Senate District will be vacant on April 30, 2002, for the remainder of the 92nd

[May 6, 2002]

General Assembly.

SIGNED: s/Philip S. McCully
Chairman

ATTEST: s/Mike O'Grady
Secretary

Dated: April 16, 2002

CERTIFICATE OF LEGISLATIVE REPRESENTATIVE
COMMITTEE ORGANIZATION

44th LEGISLATIVE DISTRICT

STATE OF ILLINOIS
COUNTY OF MCLEAN

This is to certify that, in accordance with 10 ILCS 5/8-5, the Legislative Committee of the Republican Party of the 44th Legislative District met on the 16th day of May, 2002, in the City of Bloomington, County of McLean, and organized by electing the following officers in conformity with the Election Laws of this State.

Philip S. McCully
Chairman

R. R. 1, Toluca, IL 61369
Address

Mike O'Grady
Secretary

P.O. Box 83, Hudson, IL 61748
Address

s/Philip S. McCully
Chairman

ATTEST: s/Mike O'Grady
Secretary

CERTIFICATE OF APPOINTMENT TO FILL
VACANCY IN THE OFFICE OF
SENATOR IN THE GENERAL ASSEMBLY

WHEREAS, a vacancy will occur effective April 30, 2002 in the office of State Senator in the 44th Legislative District of Illinois by reason of the resignation of Senator John W. Maitland, Jr., a duly elected officer of the Republican Party from the 44th Legislative District of Illinois; and,

WHEREAS, the Legislative Committee of the Republican party of the 44th 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 44th Legislative District of Illinois hereby appoints

[May 6, 2002]

William Brady of 1202 Elmwood, Bloomington, Illinois, a member of the Republican Party, to the office of State Senator in the 44th Legislative District of Illinois effective May 1, 2002.

s/Philip S. McCully 3,433
Chairman Vote Cast
44th Legislative District

s/Mike O'Grady 29,122
Secretary Vote Cast
44th Legislative District

s/Judy Cremer 9,858
Name Vote Cast

s/Robert F. Vickrey 2,032
Name Vote Cast

s/Eric Thompson 1,384
Name Vote Cast

s/Russell Geisler 2,237
Name Vote Cast

Dated: April 16, 2002

STATE OF ILLINOIS

I, Bill Brady, do solemnly swear that I will support 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 (44th District) to the best of my ability.

s/Bill Brady

Subscribed and sworn to before me, this 1st day of May, 2002.

s/Rita B. Garman
Supreme Court Justice

EXCUSED FROM ATTENDANCE

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

READING BILLS FROM THE HOUSE OF REPRESENTATIVES A SECOND TIME

On motion of Senator Hawkinson, House Bill No. 3714 was taken up, read by title a second time and ordered to a third reading.

On motion of Senator Cullerton, House Bill No. 4014 was taken up, read by title a second time and ordered to a third reading.

On motion of Senator Bowles, House Bill No. 4066 was taken up, read by title a second time and ordered to a third reading.

On motion of Senator Roskam, House Bill No. 4078 was taken up,

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read by title a second time and ordered to a third reading.

On motion of Senator Myers, House Bill No. 4082 having been printed, was taken up and read by title a second time.

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

AMENDMENT NO. 1

AMENDMENT NO. 1. Amend House Bill 4082 as follows:
on page 1, line 5, by replacing "Section 21-220" with "Sections 21-220 and 21-355"; and
on page 2, below line 5, by inserting the following:
"(35 ILCS 200/21-355)

Sec. 21-355. Amount of redemption. Any person desiring to redeem shall deposit an amount specified in this Section with the county clerk of the county in which the property is situated, in legal money of the United States, or by cashier's check, certified check, post office money order or money order issued by a financial institution insured by an agency or instrumentality of the United States, payable to the county clerk of the proper county. The deposit shall be deemed timely only if actually received in person at the county clerk's office prior to the close of business as defined in Section 3-2007 of the Counties Code on or before the expiration of the period of redemption or by United States mail with a post office cancellation mark dated not less than one day prior to the expiration of the period of redemption. The deposit shall be in an amount equal to the total of the following:

(a) the certificate amount, which shall include all tax principal, special assessments, interest and penalties paid by the tax purchaser together with costs and fees of sale and fees paid under Sections 21-295 and 21-315 through 21-335;

(b) the accrued penalty, computed through the date of redemption as a percentage of the certificate amount, as follows:

(1) if the redemption occurs on or before the expiration of 6 months from the date of sale, the certificate amount times the penalty bid at sale;

(2) if the redemption occurs after 6 months from the date of sale, and on or before the expiration of 12 months from the date of sale, the certificate amount times 2 times the penalty bid at sale;

(3) if the redemption occurs after 12 months from the date of sale and on or before the expiration of 18 months from the date of sale, the certificate amount times 3 times the penalty bid at sale;

(4) if the redemption occurs after 18 months from the date of sale and on or before the expiration of 24 months from the date of sale, the certificate amount times 4 times the penalty bid at sale;

(5) if the redemption occurs after 24 months from the date of sale and on or before the expiration of 30 months from the date of sale, the certificate amount times 5 times the penalty bid at sale;

(6) if the redemption occurs after 30 months from the date of sale and on or before the expiration of 36 months from the date of sale, the certificate amount times 6 times the penalty bid at sale.

In the event that the property to be redeemed has been purchased under Section 21-405, the penalty bid shall be 12% per penalty period as set forth in subparagraphs (1) through (6) of this subsection (b). The changes to this subdivision

[May 6, 2002]

(b)(6) made by this amendatory Act of the 91st General Assembly are not a new enactment, but declaratory of existing law.

(c) The total of all taxes, special assessments, accrued interest on those taxes and special assessments and costs charged in connection with the payment of those taxes or special assessments, which have been paid by the tax certificate holder on or after the date those taxes or special assessments became delinquent together with 12% penalty on each amount so paid for each year or portion thereof intervening between the date of that payment and the date of redemption. In counties with less than 3,000,000 inhabitants, however, a tax certificate holder may not pay all or part of an installment of a subsequent tax or special assessment for any year, nor shall any tender of such a payment be accepted, until after the second or final installment of the subsequent tax or special assessment has become delinquent or until after the holder of the certificate of purchase has filed a petition for a tax deed under Section 22.30. The person redeeming shall also pay the amount of interest charged on the subsequent tax or special assessment and paid as a penalty by the tax certificate holder. This amendatory Act of 1995 applies to tax years beginning with the 1995 taxes, payable in 1996, and thereafter.

(d) Any amount paid to redeem a forfeiture occurring subsequent to the tax sale together with 12% penalty thereon for each year or portion thereof intervening between the date of the forfeiture redemption and the date of redemption from the sale.

(e) Any amount paid by the certificate holder for redemption of a subsequently occurring tax sale.

(f) All fees paid to the county clerk under Section 22-5.

(g) All fees paid to the registrar of titles incident to registering the tax certificate in compliance with the Registered Titles (Torrens) Act.

(h) All fees paid to the circuit clerk and the sheriff or coroner in connection with the filing of the petition for tax deed and service of notices under Sections 22-15 through 22-30 and 22-40 in addition to (1) a fee of \$35 if a petition for tax deed has been filed, which fee shall be posted to the tax judgement, sale, redemption, and forfeiture record, to be paid to the purchaser or his or her assignee; (2) a fee of \$4 if a notice under Section 22-5 has been filed, which fee shall be posted to the tax judgment, sale, redemption, and forfeiture record, to be paid to the purchaser or his or her assignee; and (3) all costs paid to record a lis pendens notice in connection with filing a petition under this Code. The fees in (1) and (2) of this paragraph (h) shall be exempt from the posting requirements of Section 21-360.

(i) All fees paid for publication of notice of the tax sale in accordance with Section 22-20.

(j) All sums paid to any city, village or incorporated town for reimbursement under Section 22-35.

(k) All costs and expenses of receivership under Section 21-410, to the extent that these costs and expenses exceed any income from the property in question, if the costs and expenditures have been approved by the court appointing the receiver and a certified copy of the order or approval is filed and posted by the certificate holder with the county clerk. Only actual costs expended may be posted on the tax judgment, sale, redemption and forfeiture record.

(l) Up to \$125 paid for costs of title insurance and to

identify and locate owners and interested parties to the subject real estate.

(Source: P.A. 91-924, eff. 1-1-01.)".

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

On motion of Senator Sullivan, House Bill No. 4106 was taken up, read by title a second time and ordered to a third reading.

On motion of Senator Sieben, House Bill No. 4118 having been printed, was taken up and read by title a second time.

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

AMENDMENT NO. 1

AMENDMENT NO. 1. Amend House Bill 4118 on page 1, by replacing lines 14 through 16 with the following:

"warehousers. The Department shall charge a fee of \$10 for issuing a certificate of free sale, health certificate, or equivalent."

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

On motion of Senator Sieben, House Bill No. 4157 having been printed, was taken up and read by title a second time.

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

AMENDMENT NO. 1

AMENDMENT NO. 1. Amend House Bill 4157 by replacing everything after the enacting clause with the following:

"Section 1. Short title. This Act may be cited as the Illinois Investment and Development Authority Act.

Section 5. Purpose. The purpose of this Act is to create a State entity to support the creation and growth of community development financial institutions, which provide access to capital for business development, capital investments, and other financing to expand private sector activities in economically disadvantaged communities and for low income people, by providing grants, loans, and technical assistance to CDFIs. Assistance by this entity would (i) provide technical assistance and expand financial services and capital access in economically disadvantaged communities, (ii) provide support for the creation of new small businesses and new jobs in economically disadvantaged communities, (iii) create opportunities for financial institutions to obtain federal incentives for investments in a CDFI, (iv) increase this State's share of the money distributed annually by the federal Community Development Financial Institutions Fund, and (v) create a new partnership between the State, banks and thrifts, and CDFIs.

Section 10. Definitions. In this Act:

"Authority" means the Illinois Investment and Development Authority.

"Community development financial institution" or "CDFI" means an Illinois community development financial institution certified in accordance with the federal Community Development Banking and Financial Institutions Act of 1994 (Public Law 103-325) and accredited by the Authority under Section 50 of this Act.

Section 15. Creation of Illinois Investment and Development Authority; members.

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(a) There is created a political subdivision, body politic and corporate, to be known as the Illinois Investment and Development Authority. The exercise by the Authority of the powers conferred by law shall be an essential public function. The governing powers of the Authority shall be vested in a body consisting of 13 members, including, as ex officio members, the State Treasurer, the Director of Financial Institutions, the Commissioner of Banks and Real Estate and the Director of Commerce and Community Affairs or their designees. The other 9 members of the Authority shall be appointed by the Governor, with the advice and consent of the Senate, and shall be designated "public members". The public members shall include representatives from banks and other private financial services industries, community development finance experts, small business development experts, and other community leaders. Not more than 6 members of the Authority may be of the same political party. The Chairperson of the Authority shall be designated by the Governor from among its public members.

(b) Six members of the Authority shall constitute a quorum. However, when a quorum of members of the Authority is physically present at the meeting site, other Authority members may participate in and act at any meeting through the use of a conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other. Participation in such meeting shall constitute attendance and presence in person at the meeting of the person or persons so participating. All official acts of the Authority shall require the approval of at least 5 members.

(c) Of the members initially appointed by the Governor pursuant to this Act, 3 shall serve until the third Monday in January, 2004, 3 shall serve until the third Monday in January, 2005, and 3 shall serve until the third Monday in January, 2006 and all shall serve until their successors are appointed and qualified. All successors shall hold office for a term of 3 years commencing on the third Monday in January of the year in which their term commences, except in case of an appointment to fill a vacancy. Each member appointed under this Section who is confirmed by the Senate shall hold office during the specified term and until his or her successor is appointed and qualified. In case of vacancy in the office when the Senate is not in session, the Governor may make a temporary appointment until the next meeting of the Senate, when the Governor shall nominate such person to fill the office, and any person so nominated who is confirmed by the Senate, shall hold his or her office during the remainder of the term and until his or her successor is appointed and qualified.

(d) Members of the Authority shall not be entitled to compensation for their services as members, but shall be entitled to reimbursement for all necessary expenses incurred in connection with the performance of their duties as members.

(e) The Governor may remove any public member of the Authority in case of incompetency, neglect of duty, or malfeasance in office, after service on the member of a copy of the written charges against him or her and an opportunity to be publicly heard in person or by counsel in his or her own defense upon not less than 10 days notice.

Section 20. Executive Director; other employees. The members of the Authority shall appoint an Executive Director to hold office at the pleasure of the members. The Executive Director shall be the chief administrative and operational officer of the Authority, shall direct and supervise its administrative affairs and general management and perform such other duties as may be prescribed from time to time by the members, and shall receive compensation fixed by

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the Authority. The Executive Director or any committee of the members may carry out such responsibilities of the members as the members by resolution may delegate. The Executive Director shall attend all meetings of the Authority; however, no action of the Authority shall be invalid on account of the absence of the Executive Director from a meeting. The Authority may engage the services of such other agents and employees, including legal and technical experts and other consultants, as it may deem advisable and may prescribe these persons' duties and fix their compensation.

Section 25. Powers of Authority.

(a) The Authority possesses all the powers as a body corporate necessary and convenient to accomplish the purposes of this Act, including, without any intended limitation upon the general powers hereby conferred, all of the following:

(1) To enter into loans, contracts, and agreements in any matter connected with any of its corporate purposes and to invest its funds.

(2) To sue and be sued.

(3) To employ those agents, employees, and independent contractors necessary to carry out its purposes, and to fix their compensation, their benefits, and the terms and conditions of their employment.

(4) To have and use a common seal and to alter the seal at pleasure.

(5) To adopt all needful resolutions, by-laws, and rules for the conduct of its business and affairs.

(6) To have and exercise all powers and be subject to all duties usually incident to boards of directors of corporations.

(7) To adopt such rules and regulations as are necessary to implement this Act.

(b) The Authority shall not have the power to levy taxes for any purpose whatsoever.

Section 30. Office. The Authority may maintain an office or branch office anywhere in this State and may utilize, without the payment of rent, any office facilities that the State may conveniently make available to the Authority.

Section 35. Secretary; treasurer; funds.

(a) The Authority shall appoint a secretary and treasurer, who may be a member or members of the Authority, to hold office at the pleasure of the Authority. Before entering upon the duties of the respective offices, the person or persons shall take and subscribe to the constitutional oath of office, and the treasurer shall execute a bond with corporate sureties to be approved by the Authority. The bond shall be payable to the Authority in whatever penal sum may be directed by the Authority, conditioned upon the faithful performance of the duties of the office and the payment of all money received by him or her according to law and the orders of the Authority. The Authority may, at any time, require a new bond from the treasurer in such penal sum as may then be determined by the Authority. The obligation of the sureties shall not extend to any loss sustained by the insolvency, failure, or closing of any savings and loan association or national or state bank wherein the treasurer has deposited funds if the bank or savings and loan association has been approved by the Authority as a depository for these funds. The oaths of office and the treasurer's bond shall be filed in the principal office of the Authority.

(b) All funds of the Authority, including without limitation (i) grants or loans from the federal government, the State, or any agency or instrumentality of the State or federal government, (ii) fees, service charges, interest, or other investment earnings on its funds,

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(iii) payments of principal of and interest on loans of its funds, and (iv) revenue from any other source, except funds the application of which is otherwise specifically provided for by appropriation, resolution, grant agreement, lease agreement, loan agreement, indenture, mortgage, trust agreement, or other agreement, may be held by the Authority in its treasury and be generally available for expenditure by the Authority for any of the purposes authorized by this Act.

(c) In addition to investments authorized by Section 2 of the Public Funds Investment Act, funds of the Authority may be invested in (i) obligations issued by any state, unit of local government, or school district, which obligations are rated at the time of purchase by a national rating service within the 2 highest rating classifications without regard to any rating refinement or gradation by numerical or other modifier, or (ii) equity securities of an investment company registered under the federal Investment Company Act of 1940 whose sole assets, other than cash and other temporary investments, are obligations that are eligible investments for the Authority, provided that not more than 20% of the assets of the investment company may consist of unrated obligations of the type described in clause (i) of this subsection (c) that the board of directors of the investment company has determined to be of comparable quality to rated obligations described in clause (i) of this subsection (c).

(d) Moneys appropriated by the General Assembly to the Authority shall be held in the State treasury unless the Act making the appropriation specifically states that the moneys are appropriated to the Authority's treasury. Such funds as are authorized to be held in the Authority's treasury, deposited in any bank or savings and loan association, and placed in the name of the Authority shall be withdrawn or paid out only by check or draft upon the bank or savings and loan association, signed by the treasurer and countersigned by the Chairperson of the Authority. The Authority may designate any of its members or any officer or employee of the Authority to affix the signature of the Chairperson and may designate another to affix the signature of the treasurer to any check or draft for payment of salaries or wages and for payment of any other obligations of not more than \$2,500. In case any person whose signature appears upon any check or draft, issued pursuant to this Act, ceases to hold his or her office before the delivery of the check or draft to the payee, the signature nevertheless shall be valid and sufficient for all purposes with the same effect as if the person had remained in office until delivery of the check or draft. A bank or savings and loan association may not receive public funds as permitted by this Section unless it has complied with the requirements established pursuant to Section 6 of the Public Funds Investment Act.

Section 40. Conflict of interest.

(a) No member, officer, agent, or employee of the Authority shall, in his or her own name or in the name of a nominee, be an officer or director or hold an ownership interest of more than 10% in any person, association, trust, corporation, partnership, or other entity that is, in its own name or in the name of a nominee, a party to a contract or agreement upon which the member, officer, agent, or employee may be called upon to act or vote. The prohibition of this subsection (a) does not apply, however, to prohibit contracts or agreements between the Authority and entities qualified under Section 501 of the Internal Revenue Code of 1986 due to a member of the Authority serving as an officer or director of that entity.

(b) With respect to any direct or indirect interest, other than an interest prohibited in subsection (a) of this Section, in a

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contract or agreement upon which the member, officer, agent, or employee may be called upon to act or vote, a member, officer, agent, or employee of the Authority shall disclose the interest to the secretary of the Authority before the taking of final action by the Authority concerning the contract or agreement and shall so disclose the nature and extent of the interest and his or her acquisition of it, and those disclosures shall be publicly acknowledged by the Authority and entered upon the minutes of the Authority. If a member, officer, agent, or employee of the Authority holds such an interest, then he or she shall refrain (i) from any further official involvement in regard to the contract or agreement, (ii) from voting on any matter pertaining to the contract or agreement, and (iii) from communicating with members of the Authority or its officers, agents, and employees concerning the contract or agreement. Notwithstanding any other provision of law, any contract or agreement entered into in conformity with this subsection (b) shall not be void or invalid by reason of the interest described in this subsection (b), nor shall any person so disclosing the interest and refraining from further official involvement as provided in this subsection (b) be guilty of an offense, be removed from office, or be subject to any other penalty on account of that interest.

(c) Any contract or agreement made in violation of subsection (a) or (b) of this Section shall be null and void, but shall not give rise to any action against the Authority.

Section 45. Audit; fiscal year; report. The accounts and books of the Authority, including its receipts, disbursements, contracts, and other matters relating to its finances, operation, and affairs shall be examined and audited at least once within each 2-year period by a firm of certified public accountants, who shall certify its audit to the State Comptroller. The fiscal year for the Authority shall commence on July 1. As soon after the end of each fiscal year as may be expedient, the Authority shall cause to be prepared and printed a complete report and financial statement of its operations and of its assets and liabilities. A reasonably sufficient number of copies of this report shall be printed for distribution to persons interested, upon request, and a copy of the report shall be filed with the Governor, the Secretary of State, the State Comptroller, the Secretary of the Senate, and the Clerk of the House of Representatives.

Section 50. Accreditation.

(a) A CDFI must be accredited by the Authority in order to receive assistance from the Authority, unless otherwise specified in this Act. The Authority may revoke accreditation from a CDFI that no longer meets the Authority's accreditation criteria. Accreditation of a CDFI under this Act does not, in and of itself, qualify the CDFI to participate in a financing program administered by the Authority.

(b) Authority criteria for accreditation must include certification under the federal Community Development Banking and Financial Institutions Act of 1994 (Public Law 103-325) and any other criteria that the Authority deems appropriate.

(c) The Authority shall accredit CDFIs in a manner to ensure the use of CDFIs in all geographic regions of this State to the greatest extent possible.

Section 55. Authority's responsibilities.

(a) The Authority shall provide technical assistance to CDFIs to (i) expand the financial services the CDFI sector offers, such as micro-business lending, facilities financing, low income housing financing, mortgage lending, and personal financial services for low income persons, (ii) encourage the establishment of CDFIs, and (iii) provide technical assistance and training to CDFIs' borrowers.

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(b) The Authority may make grants and low-rate loans to CDFIs so that CDFIs may fill a credit gap by engaging in below market rate financing in economically disadvantaged communities and to low income people. As part of a grant or loan agreement, a CDFI may request and the Authority may consent to having the grant or loan proceeds paid directly to a CDFI's creditor. As part of a loan agreement, the Authority may require additional security from the CDFI, including without limitation a pledge of a certain percentage of the CDFI's assets or future earnings.

Section 60. Authority grants. Notwithstanding the provisions of subsection (b) of Section 50, the Authority may issue grants to CDFIs or to nonprofit organizations that are attempting to obtain federal certification or Authority accreditation as a CDFI. The Authority may issue, in a manner consistent with subsection (c) of Section 50 of this Act, grants for the purpose of developing or enhancing the ability of the CDFI or nonprofit organization to be accredited as a CDFI under Section 50 of this Act and to receive loans from the Authority under Section 65 of this Act. The Authority may also issue grants or loans to nonprofit organizations that have entered into a written contract with a CDFI or a nonprofit organization receiving grants from the Authority to obtain federal certification or Authority accreditation as a CDFI.

In areas of this State where no CDFI exists and no nonprofit organization is working to obtain certification or accreditation as a CDFI, the Authority may issue grants to a nonprofit organization deemed by the Authority to be performing activities consistent with the goals of the federal Community Development Banking and Financial Institutions Act of 1994 (Public Law 103-325). The grants shall be used by the nonprofit organization to provide technical assistance, training, or other support to small businesses or other for-profit or not-for-profit organizations.

Section 65. Authority loans. The Authority may make loans to CDFIs, from moneys appropriated for this purpose, on such terms and conditions as the Authority may determine. Loans to CDFIs may be made by the Authority as the sole lender or in cooperation with participating investors pursuant to agreements entered into in accordance with this Act. Loan repayments shall be used by the Authority to make new loans to CDFIs.

Section 70. Community development loans.

(a) CDFIs that receive loans from the Authority under Section 65 of this Act shall make and use community development loans pursuant to guidelines established by the Authority. The guidelines shall include criteria for the approval of a portfolio of loans submitted by CDFIs.

(b) In connection with community development loans under this Section, the recipient of a loan must provide certification to the Authority that the recipient does not have any outstanding debts in the form of delinquent real estate taxes or utility bills that are more than one year outstanding.

Section 75. Report to General Assembly. Within 90 days after the end of each fiscal year, the Authority shall prepare a report for that fiscal year and file it with the General Assembly as provided in Section 3.1 of the General Assembly Organization Act. The report shall include the amount of funds appropriated to the Authority that were deposited by the Authority in special accounts in banks or trust companies, the amount of disbursements made from the special accounts, the number, name, and location of CDFIs accredited by the Authority, and the number and amount of grants to CDFIs or nonprofit organizations."

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

On motion of Senator Sullivan, House Bill No. 4159 was taken up, read by title a second time and ordered to a third reading.

On motion of Senator Watson, House Bill No. 4187 was taken up, read by title a second time and ordered to a third reading.

On motion of Senator Sullivan, House Bill No. 4214 was taken up, read by title a second time and ordered to a third reading.

On motion of Senator Parker, House Bill No. 4255 having been printed, was taken up and read by title a second time.

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

AMENDMENT NO. 1

AMENDMENT NO. 1. Amend House Bill 4255, on page 1, by replacing line 1 with the following:

"AN ACT concerning the regulation of professions."; and
on page 6, by replacing line 1 with the following:
"hours of continuing education every 24 months. The continuing education requirement may be waived in part or in whole for such good cause, including but not limited to illness or hardship, as may be determined by rule."; and

on page 7, by replacing lines 7 through 12 with the following:

"Section 70. Fees; returned checks.

(a) The Department shall provide by rule for a schedule of fees for the administration and enforcement of this Act, including but not limited to original licensure, renewal, and restoration. The fees shall be nonrefundable.

(b) All fees collected under this Act shall be deposited into the General Professions Dedicated Fund and shall be appropriated to the Department for the ordinary and contingent expenses of the Department in the administration of this Act.

(c) A person who delivers a check or other payment to the Department that is returned to the Department unpaid by the financial institution upon which it is drawn shall pay to the Department, in addition to the amount already owed to the Department, a fine of \$50. The fines imposed by this Section are in addition to any other discipline provided under this Act for unlicensed practice or practice on a nonrenewed license. The Department shall notify the person that fees and fines shall be paid to the Department by certified check or money order within 30 calendar days of the notification. If, after the expiration of 30 days from the date of the notification, the person has failed to submit the necessary remittance, the Department shall automatically terminate the license or deny the application without a hearing. If the person seeks a license after termination or denial, he or she shall apply to the Department for restoration or issuance of the license and pay all fees and fines due to the Department. The Department may establish a fee for the processing of an application for restoration of a license to defray the expenses of processing the application. The Director may waive the fines due under this Section in individual cases if the Director finds that the fines would be unreasonable or unnecessarily burdensome."; and

on page 8, by replacing lines 31 and 32 with the following:

"(15) Gross negligence in his or her practice under this Act."; and

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on page 9, immediately below line 24, by inserting the following:

"(d) In enforcing this Section, the Department upon a showing of a possible violation may compel any person licensed to practice under this Act or who has applied for licensure or certification pursuant to this Act to submit to a mental or physical examination, or both, as required by and at the expense of the Department. The examining physicians shall be those specifically designated by the Department. The Department may order the examining physician to present testimony concerning this mental or physical examination of the licensee or applicant. No information shall be excluded by reason of any common law or statutory privilege relating to communications between the licensee or applicant and the examining physician. The person to be examined may have, at his or her own expense, another physician of his or her choice present during all aspects of the examination. Failure of any person to submit to a mental or physical examination, when directed, shall be grounds for suspension of a license until the person submits to the examination if the Department finds, after notice and hearing, that the refusal to submit to the examination was without reasonable cause.

If the Department finds an individual unable to practice because of the reasons set forth in this Section, the Department may require that individual to submit to care, counseling, or treatment by physicians approved or designated by the Department, as a condition, term, or restriction for continued, reinstated, or renewed licensure to practice; or, in lieu of care, counseling, or treatment, the Department may file a complaint to immediately suspend, revoke, or otherwise discipline the license of the individual.

Any person whose license was granted, continued, reinstated, renewed, disciplined or supervised subject to such terms, conditions or restrictions, and who fails to comply with such terms, conditions or restrictions, shall be referred to the Director for a determination as to whether the person shall have his or her license suspended immediately, pending a hearing by the Department.

In instances in which the Director immediately suspends a person's license under this Section, a hearing on that person's license must be convened by the Department within 15 days after the suspension and completed without appreciable delay. The Department shall have the authority to review the subject person's record of treatment and counseling regarding the impairment, to the extent permitted by applicable federal statutes and regulations safeguarding the confidentiality of medical records.

A person licensed under this Act and affected under this Section shall be afforded an opportunity to demonstrate to the Department that he or she can resume practice in compliance with acceptable and prevailing standards under the provisions of his or her license."; and

on page 9, by deleting lines 25 through 33; and

on page 10, by deleting lines 1 through 21; and

on page 11, line 23, after "electrologist", by inserting "pursuant to Section 75 of this Act"; and

on page 12, line 30, by replacing "70" with "75"; and

on page 16, immediately below line 21, by inserting the following:

"Section 162. Unlicensed practice; violation; civil penalty.

(a) Any person who practices, offers to practice, attempts to practice, or holds oneself out to practice electrology without being licensed under this Act shall, in addition to any other penalty provided by law, pay a civil penalty to the Department in an amount not to exceed \$5,000 for each offense as determined by the Department. The civil penalty shall be assessed by the Department after a hearing is held in accordance with the provisions set forth

in this Act regarding the provision of a hearing for the discipline of a licensee.

(b) The Department has the authority and power to investigate any and all unlicensed activity.

(c) The civil penalty shall be paid within 60 days after the effective date of the order imposing the civil penalty. The order shall constitute a judgment and may be filed and execution had thereon in the same manner as any judgment from any court of record."; and

on page 17, immediately below line 8, by inserting the following:

"Section 905. The Medical Practice Act of 1987 is amended by changing Section 20 as follows:

(225 ILCS 60/20) (from Ch. 111, par. 4400-20)

(Section scheduled to be repealed on January 1, 2007)

Sec. 20. Continuing education. The Department shall promulgate rules of continuing education for persons licensed under this Act that require 150 hours of continuing education per license renewal cycle. These rules shall be consistent with requirements of relevant professional associations, speciality societies, or boards. The rules shall also address variances in part or in whole for good cause, including but not limited to ~~for~~ illness or hardship. In establishing these rules, the Department shall consider educational requirements for medical staffs, requirements for specialty society board certification or for continuing education requirements as a condition of membership in societies representing the 2 categories of licensee under this Act. These rules shall assure that licensees are given the opportunity to participate in those programs sponsored by or through their professional associations or hospitals which are relevant to their practice. Each licensee is responsible for maintaining records of completion of continuing education and shall be prepared to produce the records when requested by the Department. (Source: P.A. 89-702, eff. 7-1-97; 90-742, eff. 8-13-98.)

Section 910. The Nursing and Advanced Practice Nursing Act is amended by changing Section 15-45 as follows:

(225 ILCS 65/15-45)

(Section scheduled to be repealed on January 1, 2008)

Sec. 15-45. Continuing education. The Department shall adopt rules of continuing education for persons licensed under this Title that require 50 hours of continuing education per 2-year license renewal cycle. The rules shall not be inconsistent with requirements of relevant national certifying bodies or State or national professional associations. The rules shall also address variances in part or in whole for good cause, including but not limited to ~~for~~ illness or hardship. The continuing education rules shall assure that licensees are given the opportunity to participate in programs sponsored by or through their State or national professional associations, hospitals, or other providers of continuing education. Each licensee is responsible for maintaining records of completion of continuing education and shall be prepared to produce the records when requested by the Department.

(Source: P.A. 90-742, eff. 8-13-98.)

Section 915. The Illinois Optometric Practice Act of 1987 is amended by changing Section 16 as follows:

(225 ILCS 80/16) (from Ch. 111, par. 3916)

(Section scheduled to be repealed on January 1, 2007)

Sec. 16. Renewal, reinstatement or restoration of licenses; military service. The expiration date and renewal period for each license and certificate issued under this Act shall be set by rule.

All renewal applicants shall provide proof of having met the requirements of continuing education set forth in the rules of the

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Department. The Department shall, by rule, provide for an orderly process for the reinstatement of licenses which have not been renewed due to failure to meet the continuing education requirements. The continuing education requirement may be waived for such good cause, including but not limited to illness or in-cases-of-extreme hardship, as defined by rules of the Department.

The Department shall establish by rule a means for the verification of completion of the continuing education required by this Section. This verification may be accomplished through audits of records maintained by registrants; by requiring the filing of continuing education certificates with the Department; or by other means established by the Department.

Any optometrist who has permitted his or her license to expire or who has had his or her license on inactive status may have his or her license restored by making application to the Department and filing proof acceptable to the Department of his or her fitness to have his or her license restored and by paying the required fees. Such proof of fitness may include evidence certifying to active lawful practice in another jurisdiction and must include proof of the completion of the continuing education requirements specified in the rules for the preceding license renewal period for the applicant's level of certification that has been completed during the 2 years prior to the application for license restoration.

The Department shall determine, by an evaluation program established by rule, his or her fitness for restoration of his or her license and shall establish procedures and requirements for such restoration.

However, any optometrist whose license expired while he or she was (1) in Federal Service on active duty with the Armed Forces of the United States, or the State Militia called into service or training, or (2) in training or education under the supervision of the United States preliminary to induction into the military service, may have his or her license restored without paying any lapsed renewal fees if within 2 years after honorable termination of such service, training, or education, he or she furnishes the Department with satisfactory evidence to the effect that he or she has been so engaged and that his or her service, training, or education has been so terminated.

(Source: P.A. 92-451, eff. 8-21-01.)

Section 920. The Podiatric Medical Practice Act of 1987 is amended by changing Section 14 as follows:

(225 ILCS 100/14) (from Ch. 111, par. 4814)

(Section scheduled to be repealed on January 1, 2008)

Sec. 14. Continuing education requirement. Podiatric physicians licensed to practice in Illinois shall, as a requirement for renewal of license, complete continuing education at the rate of at least 25 hours per year. Such hours shall be earned (1) from courses offered by sponsors validated by the Illinois Podiatric Medical Association Continuing Education Committee and approved by the Podiatric Medical Licensing Board; or (2) by continuing education activities as defined in the rules of the Department. Podiatric physicians shall, at the request of the Department, provide proof of having met the requirements of continuing education under this Section. The Department shall by rule provide an orderly process for the reinstatement of licenses which have not been renewed due to the licensee's failure to meet requirements of this Section. The requirements of continuing education may be waived by the Director, upon recommendation by the Board, in whole or in part for such good cause, including but not limited to illness or in-cases-of-extreme hardship, as defined by the rules of the Department.

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The Department shall establish by rule a means for the verification of completion of the continuing education required by this Section. This verification may be accomplished through audits of records maintained by registrants; by requiring the filing of continuing education certificates with the Department; or by other means established by the Department.
(Source: P.A. 86-596; 86-1472; 87-546.)."

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

On motion of Senator Myers, House Bill No. 4337 was taken up, read by title a second time and ordered to a third reading.

On motion of Senator Watson, House Bill No. 4351 was taken up, read by title a second time and ordered to a third reading.

On motion of Senator Parker, House Bill No. 4409 having been printed, was taken up and read by title a second time.

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

AMENDMENT NO. 1

AMENDMENT NO. 1. Amend House Bill 4409 by replacing the title with the following:

"AN ACT concerning financial institutions."; and
by replacing everything after the enacting clause with the following:
"Section 5. The Metropolitan Transit Authority Act is amended by changing Section 25 as follows:

(70 ILCS 3605/25) (from Ch. 111 2/3, par. 325)

Sec. 25. All funds deposited by the treasurer in any bank, savings bank, or savings and loan association shall be placed in the name of the Authority and shall be withdrawn or paid out only by check or draft upon the bank, savings bank, or savings and loan association, signed by the treasurer or an assistant treasurer and countersigned by the chairman of the Board or a vice-chairman of the Board. The Board may designate any of its members or any officer or employee of the Authority to affix the signature of the chairman and another to affix the signature of the treasurer to any check or draft for payment of salaries or wages and for the payment of any other obligation of not more than \$2500.00.

No bank, savings bank, or savings and loan association shall receive public funds as permitted by this Section, unless it has complied with the requirements established pursuant to Section 6 of "An Act relating to certain investments of public funds by public agencies", approved July 23, 1943, as now or hereafter amended.
(Source: P.A. 83-541.)

Section 10. The Illinois Banking Act is amended by changing Sections 5, 18, 46, and 48.4 as follows:

(205 ILCS 5/5) (from Ch. 17, par. 311)

Sec. 5. General corporate powers. A bank organized under this Act or subject hereto shall be a body corporate and politic and shall, without specific mention thereof in the charter, have all the powers conferred by this Act and the following additional general corporate powers:

(1) To sue and be sued, complain, and defend in its corporate name.

(2) To have a corporate seal, which may be altered at pleasure, and to use the same by causing it or a facsimile thereof to be impressed or affixed or in any manner reproduced, provided that the

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affixing of a corporate seal to an instrument shall not give the instrument additional force or effect, or change the construction thereof, and the use of a corporate seal is not mandatory.

(3) To make, alter, amend, and repeal bylaws, not inconsistent with its charter or with law, for the administration of the affairs of the bank. If this Act does not provide specific guidance in matters of corporate governance, the provisions of the Business Corporation Act of 1983 may be used if so provided in the bylaws.

(4) To elect or appoint and remove officers and agents of the bank and define their duties and fix their compensation.

(5) To adopt and operate reasonable bonus plans, profit-sharing plans, stock-bonus plans, stock-option plans, pension plans and similar incentive plans for its directors, officers and employees.

(5.1) To manage, operate and administer a fund for the investment of funds by a public agency or agencies, including any unit of local government or school district, or any person. The fund for a public agency shall invest in the same type of investments and be subject to the same limitations provided for the investment of public funds. The fund for public agencies shall maintain a separate ledger showing the amount of investment for each public agency in the fund. "Public funds" and "public agency" as used in this Section shall have the meanings ascribed to them in Section 1 of the Public Funds Investment Act.

(6) To make reasonable donations for the public welfare or for charitable, scientific, religious or educational purposes.

(7) To borrow or incur an obligation; and to pledge its assets:

(a) to secure its borrowings, its lease of personal or real property or its other nondeposit obligations;

(b) to enable it to act as agent for the sale of obligations of the United States;

(c) to secure deposits of public money of the United States, whenever required by the laws of the United States, including without being limited to, revenues and funds the deposit of which is subject to the control or regulation of the United States or any of its officers, agents, or employees and Postal Savings funds;

(d) to secure deposits of public money of any state or of any political corporation or subdivision thereof including, without being limited to, revenues and funds the deposit of which is subject to the control or regulation of any state or of any political corporation or subdivisions thereof or of any of their officers, agents, or employees;

(e) to secure deposits of money whenever required by the National Bankruptcy Act;

(f) (blank); and

(g) to secure trust funds commingled with the bank's funds, whether deposited by the bank or an affiliate of the bank, pursuant to Section 2-8 of the Corporate Fiduciary Act.

(8) To own, possess, and carry as assets all or part of the real estate necessary in or with which to do its banking business, either directly or indirectly through the ownership of all or part of the capital stock, shares or interests in any corporation, association, trust engaged in holding any part or parts or all of the bank premises, engaged in such business and in conducting a safe deposit business in the premises or part of them, or engaged in any activity that the bank is permitted to conduct in a subsidiary pursuant to paragraph (12) of this Section 5.

(9) To own, possess, and carry as assets other real estate to which it may obtain title in the collection of its debts or that was formerly used as a part of the bank premises, but title to any real

estate except as herein permitted shall not be retained by the bank, either directly or by or through a subsidiary, as permitted by subsection (12) of this Section for a total period of more than 10 years after acquiring title, either directly or indirectly.

(10) To do any act, including the acquisition of stock, necessary to obtain insurance of its deposits, or part thereof, and any act necessary to obtain a guaranty, in whole or in part, of any of its loans or investments by the United States or any agency thereof, and any act necessary to sell or otherwise dispose of any of its loans or investments to the United States or any agency thereof, and to acquire and hold membership in the Federal Reserve System.

(11) Notwithstanding any other provisions of this Act or any other law, to do any act and to own, possess, and carry as assets property of the character, including stock, that is at the time authorized or permitted to national banks by an Act of Congress, but subject always to the same limitations and restrictions as are applicable to national banks by the pertinent federal law and subject to applicable provisions of the Financial Institutions Insurance Sales Law.

(12) To own, possess, and carry as assets stock of one or more corporations that is, or are, engaged in one or more of the following businesses:

(a) holding title to and administering assets acquired as a result of the collection or liquidating of loans, investments, or discounts; or

(b) holding title to and administering personal property acquired by the bank, directly or indirectly through a subsidiary, for the purpose of leasing to others, provided the lease or leases and the investment of the bank, directly or through a subsidiary, in that personal property otherwise comply with Section 35.1 of this Act; or

(c) carrying on or administering any of the activities excepting the receipt of deposits or the payment of checks or other orders for the payment of money in which a bank may engage in carrying on its general banking business; provided, however, that nothing contained in this paragraph (c) shall be deemed to permit a bank organized under this Act or subject hereto to do, either directly or indirectly through any subsidiary, any act, including the making of any loan or investment, or to own, possess, or carry as assets any property that if done by or owned, possessed, or carried by the State bank would be in violation of or prohibited by any provision of this Act.

The provisions of this subsection (12) shall not apply to and shall not be deemed to limit the powers of a State bank with respect to the ownership, possession, and carrying of stock that a State bank is permitted to own, possess, or carry under this Act.

Any bank intending to establish a subsidiary under this subsection (12) shall give written notice to the Commissioner 60 days prior to the subsidiary's commencing of business or, as the case may be, prior to acquiring stock in a corporation that has already commenced business. After receiving the notice, the Commissioner may waive or reduce the balance of the 60 day notice period. The Commissioner may specify the form of the notice and may promulgate rules and regulations to administer this subsection (12).

(13) To accept for payment at a future date not exceeding one year from the date of acceptance, drafts drawn upon it by its customers; and to issue, advise, or confirm letters of credit authorizing the holders thereof to draw drafts upon it or its correspondents.

(14) To own and lease personal property acquired by the bank at

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the request of a prospective lessee and upon the agreement of that person to lease the personal property provided that the lease, the agreement with respect thereto, and the amount of the investment of the bank in the property comply with Section 35.1 of this Act.

(15) (a) To establish and maintain, in addition to the main banking premises, branches offering any banking services permitted at the main banking premises of a State bank.

(b) To establish and maintain, after May 31, 1997, branches in another state that may conduct any activity in that state that is authorized or permitted for any bank that has a banking charter issued by that state, subject to the same limitations and restrictions that are applicable to banks chartered by that state.

(16) (Blank).

(17) To establish and maintain terminals, as authorized by the Electronic Fund Transfer Act.

(18) To establish and maintain temporary service booths at any International Fair held in this State which is approved by the United States Department of Commerce, for the duration of the international fair for the sole purpose of providing a convenient place for foreign trade customers at the fair to exchange their home countries' currency into United States currency or the converse. This power shall not be construed as establishing a new place or change of location for the bank providing the service booth.

(19) To indemnify its officers, directors, employees, and agents, as authorized for corporations under Section 8.75 of the Business Corporation Act of 1983.

(20) To own, possess, and carry as assets stock of, or be or become a member of, any corporation, mutual company, association, trust, or other entity formed exclusively for the purpose of providing directors' and officers' liability and bankers' blanket bond insurance or reinsurance to and for the benefit of the stockholders, members, or beneficiaries, or their assets or businesses, or their officers, directors, employees, or agents, and not to or for the benefit of any other person or entity or the public generally.

(21) To make debt or equity investments in corporations or projects, whether for profit or not for profit, designed to promote the development of the community and its welfare, provided that the aggregate investment in all of these corporations and in all of these projects does not exceed 10% of the unimpaired capital and unimpaired surplus of the bank and provided that this limitation shall not apply to creditworthy loans by the bank to those corporations or projects. Upon written application to the Commissioner, a bank may make an investment that would, when aggregated with all other such investments, exceed 10% of the unimpaired capital and unimpaired surplus of the bank. The Commissioner may approve the investment if he is of the opinion and finds that the proposed investment will not have a material adverse effect on the safety and soundness of the bank.

(22) To own, possess, and carry as assets the stock of a corporation engaged in the ownership or operation of a travel agency or to operate a travel agency as a part of its business.

(23) With respect to affiliate facilities:

(a) to conduct at affiliate facilities for and on behalf of another commonly owned bank, if so authorized by the other bank, all transactions that the other bank is authorized or permitted to perform; and

(b) to authorize a commonly owned bank to conduct for and on behalf of it any of the transactions it is authorized or

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permitted to perform at one or more affiliate facilities.

Any bank intending to conduct or to authorize a commonly owned bank to conduct at an affiliate facility any of the transactions specified in this paragraph (23) shall give written notice to the Commissioner at least 30 days before any such transaction is conducted at the affiliate facility.

(24) To act as the agent for any fire, life, or other insurance company authorized by the State of Illinois, by soliciting and selling insurance and collecting premiums on policies issued by such company; and to receive for services so rendered such fees or commissions as may be agreed upon between the bank and the insurance company for which it may act as agent; provided, however, that no such bank shall in any case assume or guarantee the payment of any premium on insurance policies issued through its agency by its principal; and provided further, that the bank shall not guarantee the truth of any statement made by an assured in filing his application for insurance.

(25) Notwithstanding any other provisions of this Act or any other law, to offer any product or service that is at the time authorized or permitted to any insured savings association or out-of-state bank by applicable law, provided that powers conferred only by this subsection (25):

(a) shall always be subject to the same limitations and restrictions that are applicable to the insured savings association or out-of-state bank for the product or service by such applicable law;

(b) shall be subject to applicable provisions of the Financial Institutions Insurance Sales Law;

(c) shall not include the right to own or conduct a real estate brokerage business for which a license would be required under the laws of this State; and

(d) shall not be construed to include the establishment or maintenance of a branch, nor shall they be construed to limit the establishment or maintenance of a branch pursuant to subsection (11).

Not less than 30 days before engaging in any activity under the authority of this subsection, a bank shall provide written notice to the Commissioner of its intent to engage in the activity. The notice shall indicate the specific federal or state law, rule, regulation, or interpretation the bank intends to use as authority to engage in the activity.

(Source: P.A. 91-330, eff. 7-29-99; 91-849, eff. 6-22-00; 92-483, eff. 8-23-01.)

(205 ILCS 5/18) (from Ch. 17, par. 325)

Sec. 18. Change in control.

(a) Before a change may occur in the ownership of outstanding stock of any State bank, whether by sale and purchase, gift, bequest or inheritance, or any other means, including the acquisition of stock of the State bank by any bank holding company, which will result in control or a change in the control of the bank or before a change in the control of a holding company having control of the outstanding stock of a State bank whether by sale and purchase, gift, bequest or inheritance, or any other means, including the acquisition of stock of such holding company by any other bank holding company, which will result in control or a change in control of the bank or holding company, or before a transfer of substantially all the assets or liabilities of the State bank, the Commissioner shall be of the opinion and find:

(1) that the general character of proposed management or of the person desiring to purchase substantially all the assets or

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to assume substantially all the liabilities of the State bank, after the change in control, is such as to assure reasonable promise of successful, safe and sound operation;

(1.1) that depositors' interests will not be jeopardized by the purchase or assumption and that adequate provision has been made for all liabilities as required for a voluntary liquidation under Section 68 of this Act;

(2) that the future earnings prospects of the person desiring to purchase substantially all assets or to assume substantially all the liabilities of the State bank, after the proposed change in control, are favorable;

(3) that any prior involvement by the persons proposing to obtain control, to purchase substantially all the assets, or to assume substantially all the liabilities of the State bank or by the proposed management personnel with any other financial institution, whether as stockholder, director, officer or customer, was conducted in a safe and sound manner; and

(4) that if the acquisition is being made by a bank holding company, the acquisition is authorized under the Illinois Bank Holding Company Act of 1957.

(b) Persons desiring to purchase control of an existing state bank, to purchase substantially all the assets, or to assume substantially all the liabilities of the State bank shall, prior to that purchase, submit to the Commissioner:

(1) a statement of financial worth;

(2) satisfactory evidence that any prior involvement by the persons and the proposed management personnel with any other financial institution, whether as stockholder, director, officer or customer, was conducted in a safe and sound manner; and

(3) such other relevant information as the Commissioner may request to substantiate the findings under subsection (a) of this Section.

A person who has submitted information to the Commissioner pursuant to this subsection (b) is under a continuing obligation until the Commissioner takes action on the application to immediately supplement that information if there are any material changes in the information previously furnished or if there are any material changes in any circumstances that may affect the Commissioner's opinion and findings. In addition, a person submitting information under this subsection shall notify the Commissioner of the date when the change in control is finally effected.

The Commissioner may impose such terms and conditions on the approval of the change in control application as he deems necessary or appropriate.

If an applicant, whose application for a change in control has been approved pursuant to subsection (a) of this Section, fails to effect the change in control within 180 days after the date of the Commissioner's approval, the Commissioner shall revoke that approval unless a request has been submitted, in writing, to the Commissioner for an extension and the request has been approved.

(b-1) Any person who obtains ownership of stock of an existing State bank or stock of a holding company that controls the State bank by gift, bequest, or inheritance such that ownership of the stock would constitute control of the State bank or holding company may obtain title and ownership of the stock, but may not exercise management or control of the business and affairs of the bank or vote his or her shares so as to exercise management or control unless and until the Commissioner approves an application for the change of control as provided in subsection (b) of this Section.

(c) Whenever a state bank makes a loan or loans, secured, or to

be secured, by 25% or more of the outstanding stock of a state bank, the president or other chief executive officer of the lending bank shall promptly report such fact to the Commissioner upon obtaining knowledge of such loan or loans, except that no report need be made in those cases where the borrower has been the owner of record of the stock for a period of one year or more, or the stock is that of a newly organized bank prior to its opening.

(d) The reports required by subsections (b) and (c) of this Section 18, other than those relating to a transfer of assets or assumption of liabilities, shall contain the following information to the extent that it is known by the person making the report: (1) the number of shares involved; (2) the names of the sellers (or transferors); (3) the names of the purchasers (or transferees); (4) the names of the beneficial owners if the shares are registered in another name; (5) the purchase price, if applicable; (6) the total number of shares owned by the sellers (or transferors), the purchasers (or transferees) and the beneficial owners both immediately before and after the transaction; and, (7) in the case of a loan, the name of the borrower, the amount of the loan, the name of the bank issuing the stock securing the loan and the number of shares securing the loan. In addition to the foregoing, such reports shall contain such other information which is requested by the Commissioner to inform the Commissioner of the effect of the transaction upon control of the bank whose stock is involved.

(d-1) The reports required by subsection (b) of this Section 18 that relate to purchase of assets and assumption of liabilities shall contain the following information to the extent that it is known by the person making the report: (1) the value, amount, and description of the assets transferred; (2) the amount, type, and to whom each type of liabilities are owed; (3) the names of the purchasers (or transferees); (4) the names of the beneficial owners if the shares of a purchaser or transferee are registered in another name; (5) the purchase price, if applicable; and, (6) in the case of a loan obtained to effect a purchase, the name of the borrower, the amount and terms of the loan, and the description of the assets securing the loan. In addition to the foregoing, these reports shall contain any other information that is requested by the Commissioner to inform the Commissioner of the effect of the transaction upon the bank from which assets are purchased or liabilities are transferred.

(e) Whenever such a change as described in subsection (a) of this Section 18 occurs, each state bank shall report promptly to the Commissioner any changes or replacement of its chief executive officer or of any director occurring in the next 12 month period, including in its report a statement of the past and current business and professional affiliations of the new chief executive officer or directors.

(f) (Blank).

(g) (1) Except as otherwise expressly provided in this subsection (g), the Commissioners shall not approve an application for a change in control if upon consummation of the change in control the persons applying for the change in control, including any affiliates of the persons applying, would control 30% or more of the total amount of deposits which are located in this State at insured depository institutions. For purposes of this subsection (g), the words "insured depository institution" shall mean State banks, national banks, and insured savings associations. For purposes of this subsection (g), the word "deposits" shall have the meaning ascribed to that word in Section 3(1) of the Federal Deposit Insurance Act. For purposes of this subsection (g), the total amount of deposits which are

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considered to be located in this State at insured depository institutions shall equal the sum of all deposits held at the main banking premises and branches in the State of Illinois of State banks, national banks, or insured savings associations. For purposes of this subsection (g), the word "affiliates" shall have the meaning ascribed to that word in Section 35.2 of this Act.

(2) Notwithstanding the provisions of subsection (g)(1) of this Section, the Commissioner may approve an application for a change in control for a bank that is in default or in danger of default. Except in those instances in which an application for a change in control is for a bank that is in default or in danger of default, the Commissioner may not approve a change in control which does not meet the requirements of subsection (g)(1) of this Section. The Commissioner may not waive the provisions of subsection (g)(1) of this Section, whether pursuant to Section 3(d) of the federal Bank Holding Company Act of 1956 or Section 44(d) of the Federal Deposit Insurance Act, except as expressly provided in this subsection (g)(2).

(h) As used in this Section, the term "control" means the power, directly or indirectly, to direct the management or policies of the bank or to vote 25% or more of the outstanding stock of the bank. ~~the ownership of such amount of stock or ability to direct the voting of such stock as to, directly or indirectly, give power to direct or cause the direction of the management or policies of the bank. A change in ownership of stock that would result in direct or indirect ownership by a stockholder, an affiliated group of stockholders, or a holding company of less than 10% of the outstanding stock shall not be considered a change in control. A change in ownership of stock that would result in direct or indirect ownership by a stockholder, an affiliated group of stockholders, or a holding company of 20% or such lesser amount that would entitle the holder by applying cumulative voting to elect one director shall be presumed to constitute a change of control for purposes of this Section. 18. If there is any question as to whether a change in the ownership or control of the outstanding stock is sufficient to result in obtaining control thereof or to effect a change in the control application should be filed thereof, the question shall be resolved in favor of filing the application with reporting the facts to the Commissioner.~~

As used in this Section, "substantially all" the assets or liabilities of a State bank means that portion of the assets or liabilities of a State bank such that their purchase or transfer will materially impair the ability of the State bank to continue successful, safe, and sound operations or to continue as a going concern or would cause the bank to lose its federal deposit insurance.

As used in this Section, "purchase" includes a transfer by gift, bequest, inheritance, or any other means.
(Source: P.A. 92-483, eff. 8-23-01.)

(205 ILCS 5/46) (from Ch. 17, par. 357)

Sec. 46. Misleading practices and names prohibited; penalty.

(a) No person, firm, partnership, or corporation that is not a bank shall transact business in this State in a manner which has a substantial likelihood of misleading the public by implying that the business is a bank, or shall use the word "bank", "banker", or "banking" in connection with the business. Any person, firm, partnership or corporation violating this Section shall be deemed guilty of a Class A misdemeanor, and the Attorney General or State's Attorney of the county in which any such violation occurs may restrain such violation by a complaint for injunctive relief.

(b) If the Commissioner is of the opinion and finds that a

person, firm, partnership, or corporation that is not a bank has transacted or intends to transact business in this State in a manner which has a substantial likelihood of misleading the public by implying that the business is a bank, or has used or intends to use the word "bank", "banker", or "banking" in connection with the business, then the Commissioner may direct that person, firm, partnership, or corporation to cease and desist from transacting the business or using the word "bank", "banker", or "banking". If that person, firm, partnership, or corporation persists in transacting the business or using the word "bank", "banker", or "banking", then the Commissioner may impose a civil penalty of up to \$10,000 for each violation. Each day that the person, firm, partnership, or corporation continues transacting the business or using the word "bank", "banker", or "banking" in connection with the business shall constitute a separate violation of these provisions.

(c) A person, firm, partnership, or corporation that is not a bank, and is not transacting or intending to transact business in this State in a manner that has a substantial likelihood of misleading the public by implying that such business is a bank, may apply to the Commissioner for permission to use the word "bank", "banker", or "banking" in connection with the business. If the Commissioner determines that there is no substantial likelihood of misleading the public, and upon such conditions as the Commissioner may impose to prevent the person, firm, partnership, or corporation from holding itself out in a misleading manner, then such person, firm, partnership, or corporation may use the word "bank", "banker", or "banking".

(d) (1) Unless otherwise expressly permitted by law, no person, firm, partnership, or corporation may use the name of an existing bank, or a name deceptively similar to that of an existing bank, when marketing to or soliciting business from customers or prospective customers if the reference to the existing bank is made (i) without the consent of the existing bank and (ii) in a manner that could cause a reasonable person to believe that the marketing material or solicitation originated from or is endorsed by the existing bank or that the existing bank is in any other way responsible for the marketing material or solicitation.

(1.5) Unless otherwise expressly permitted by law, no person, firm, partnership, or corporation may use a name similar to that of an existing bank when marketing to or soliciting business from customers or prospective customers if the similar name is used in a manner that could cause a reasonable person to believe that the marketing material or solicitation originated from or is endorsed by the existing bank or that the existing bank is in any other way responsible for the marketing material or solicitation.

(2) An existing bank may, in addition to any other remedies available under the law, report an alleged violation of this subsection (d) to the Commissioner. If the Commissioner finds the marketing material or solicitation in question to be in violation of this subsection, the Commissioner may direct the person, firm, partnership, or corporation to cease and desist from using that marketing material or solicitation in Illinois. If that person, firm, partnership, or corporation persists in the use of the marketing material or solicitation, then the Commissioner may impose a civil penalty of up to \$10,000 for each violation. Each instance in which the marketing material or solicitation is sent to a customer or prospective customer shall constitute a separate violation of these provisions. The

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Commissioner is authorized to promulgate rules to administer these provisions.

(3) ~~(Blank) Nothing--in--this--subsection--(d)--prohibits the use of or reference to the name of an existing bank in marketing materials--or--solicitations;--provided that the use or reference would not--deceive--or--confuse--a--reasonable--person--regarding whether the marketing material or solicitation originated from or was--endorsed--by--the existing bank or whether the existing bank was in any other way responsible for the--marketing--material--or solicitation.--The Commissioner is authorized to promulgate rules to administer these provisions.~~

(Source: P.A. 92-476, eff. 8-23-01.)

(205 ILCS 5/48.4)

Sec. 48.4. Administrative liens for past-due child support. Any bank governed by this Act shall encumber or surrender accounts or assets held by the bank on behalf of any responsible relative who is subject to a child support lien, upon notice of the lien or levy of the Illinois Department of Public Aid or its successor agency pursuant to Section 10-25.5 of the Illinois Public Aid Code, or upon notice of interstate lien or levy from any other state's agency responsible for implementing the child support enforcement program set forth in Title IV, Part D of the Social Security Act.

(Source: P.A. 90-18, eff. 7-1-97; 90-655, eff. 7-30-98.)

Section 15. The Illinois Savings and Loan Act of 1985 is amended by changing Section 1-6d as follows:

(205 ILCS 105/1-6d)

Sec. 1-6d. Administrative liens for past-due child support. Any association governed by this Act shall encumber or surrender accounts or assets held by the association on behalf of any responsible relative who is subject to a child support lien, upon notice of the lien or levy of the Illinois Department of Public Aid or its successor agency pursuant to Section 10-25.5 of the Illinois Public Aid Code, or upon notice of interstate lien or levy from any other state's agency responsible for implementing the child support enforcement program set forth in Title IV, Part D of the Social Security Act.

(Source: P.A. 90-18, eff. 7-1-97.)

Section 20. The Savings Bank Act is amended by changing Sections 7007 and 8015 as follows:

(205 ILCS 205/7007)

Sec. 7007. Administrative liens for past-due child support. Any savings bank governed by this Act shall encumber or surrender accounts or assets held by the savings bank on behalf of any responsible relative who is subject to a child support lien, upon notice of the lien or levy of the Illinois Department of Public Aid or its successor agency pursuant to Section 10-25.5 of the Illinois Public Aid Code, or upon notice of interstate lien or levy from any other state's agency responsible for implementing the child support enforcement program set forth in Title IV, Part D of the Social Security Act.

(Source: P.A. 90-18, eff. 7-1-97.)

(205 ILCS 205/8015) (from Ch. 17, par. 7308-15)

Sec. 8015. Change in control.

(a) Any person, whether acting directly or indirectly or through or in concert with one or more persons, shall give the Commissioner 60 days written notice of intent to acquire control of a savings bank or savings bank affiliate operating under this Act. The Commissioner shall promulgate rules to implement this provision including definitions, application, procedures, standards for approval or disapproval.

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(b) The Commissioner may examine the books and records of any person giving notice of intent to acquire control of a savings bank operating under this Act.

(c) The Commissioner may approve or disapprove an application for change of control. ~~In either case, the decision must be issued within 30 days of the filing of the initial application or the date of receipt of any additional information requested by the Commissioner that is necessary for his decision to be made. The request for additional information must be made within 20 days of the filing of the initial application.~~

(Source: P.A. 92-483, eff. 8-23-01.)

Section 25. The Consumer Deposit Account Act is amended by adding Section 3.5 as follows:

(205 ILCS 605/3.5 new)

Sec. 3.5. Notification to consumer of invalidated routing number. At least 30 days before a financial institution invalidates a routing number on a consumer deposit account, whether as a result of a merger, purchase and acquisition, or other transaction, the institution shall send a notice to each affected consumer deposit account holder advising the holder of the invalidation and the effect it will have on the account. The notice shall include, but shall not be limited to, the following information: the date on which the routing number will no longer be effective; procedures necessary to ensure that electronic funds transfers, including direct deposits, are processed correctly; and information on ordering new checks, debit cards, and similar items.

Section 30. The Electronic Fund Transfer Act is amended by changing Sections 20 and 45 as follows:

(205 ILCS 616/20)

Sec. 20. Powers and duties of Commissioner. The Commissioner shall have the following powers and duties:

(1) to promulgate reasonable rules in accordance with the Illinois Administrative Procedure Act for the administration of this Act;

(2) to issue orders for the enforcement of this Act and any rule promulgated under this Act;

(3) to appoint hearing officers ~~or arbitrators~~ to exercise any delegated powers;

(4) to subpoena witnesses, compel their attendance, administer oaths, examine any person under oath, and require the production of any relevant books, papers, accounts, and documents in the course of and pursuant to any investigation conducted or action taken by the Commissioner; ~~and~~

(5) to conduct hearings; ~~and~~

~~(6) to arbitrate disputes as provided in subsection (c) of Section 45 of this Act.~~

(Source: P.A. 89-310, eff. 1-1-96.)

(205 ILCS 616/45)

Sec. 45. Nondiscriminatory access.

(a) Subject to the provisions of Section 35 of this Act, use of a terminal through access to a switch and use of any switch shall be available on a nondiscriminatory basis to any switch or financial institution that has its principal place of business within this State. The terms and conditions of use shall be governed by a written agreement between the network and the financial institution or other switch obtaining the use. The written agreement shall specify all of the terms and conditions under which the network may be utilized, including commercially reasonable fees and charges. ~~In case of a dispute under the terms of the written agreement, the parties shall be deemed to have agreed to accept the Commissioner as~~

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~~final arbitrator unless the aggrieved party seeks court action.~~

(b) The use and operation of each terminal served by a switch shall be governed by a written agreement between the network and the person establishing the terminal. The written agreement shall specify all the terms and conditions under which the network provides service to the terminal, including commercially reasonable fees and charges. ~~In case of a dispute under the terms of the written agreement, the parties shall be deemed to have agreed to accept the Commissioner as final arbitrator unless the aggrieved party seeks court action.~~

(c) (Blank). ~~The Commissioner shall have the power to arbitrate disputes arising under (1) contracts, in accordance with the terms of those contracts, governing the use, operation, and access to switches and terminals; and (2) the use, operation, and access to switches and terminals. Any decision by the Commissioner in connection with any arbitration shall be determined only after an opportunity for a hearing and shall be subject to judicial review pursuant to the provisions of the Administrative Review Law and the rules adopted pursuant to that Law. Anything to the contrary in this Act notwithstanding, any right of arbitration granted under this Act is subject to the right of either party to seek court action.~~

(Source: P.A. 89-310, eff. 1-1-96.)

Section 35. The Corporate Fiduciary Act is amended by changing Sections 3-2, 4A-15, and 5-2 as follows:

(205 ILCS 620/3-2) (from Ch. 17, par. 1553-2)

Sec. 3-2. Change in control.

(a) Before a change may occur in the ownership of outstanding stock or membership interests of any trust company whether by sale and purchase, gift, bequest or inheritance, or any other means, which will result in control or a change in the control of the trust company or before a change in the control of a holding company having control of the outstanding stock or membership interests of a trust company whether by sale and purchase, gift, bequest or inheritance, or any other means, which will result in control or a change in control of the trust company or holding company, the Commissioner shall be of the opinion and find:

(1) that the general character of its proposed management, after the change in control, is such as to assure reasonable promise of competent, successful, safe and sound operation;

(2) that the future earnings prospects, after the proposed change in control, are favorable; and

(3) that the prior business affairs of the persons proposing to obtain control or by the proposed management personnel, whether as stockholder, director, member, officer, or customer, were conducted in a safe, sound, and lawful manner.

(b) Persons desiring to purchase control of an existing trust company and persons obtaining control by gift, bequest or inheritance, or any other means shall submit to the Commissioner:

(1) a statement of financial worth; and

(2) satisfactory evidence that the prior business affairs of the persons and the proposed management personnel, whether as stockholder, director, officer, or customer, were conducted in a safe, sound, and lawful manner.

(c) Whenever a bank makes a loan or loans, secured, or to be secured, by 25% or more of the outstanding stock of a trust company, the president or other chief executive officer of the lending bank shall promptly report such fact to the Commissioner upon obtaining knowledge of such loan or loans, except that no report need be made in those cases where the borrower has been the owner of record of the stock for a period of one year or more, or the stock is that of a

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newly-organized trust company prior to its opening.

(d) (1) Before a purchase of substantially all the assets and an assumption of substantially all the liabilities of a trust company or before a purchase of substantially all the trust assets and an assumption of substantially all the trust liabilities of a trust company, the Commissioner shall be of the opinion and find:

(i) that the general character of the acquirer's proposed management, after the transfer, is such as to assure reasonable promise of competent, successful, safe, and sound operation;

(ii) that the acquirer's future earnings prospects, after the proposed transfer, are favorable;

(iii) that any prior involvement by the acquirer or by the proposed management personnel, whether as stockholder, director, officer, agent, or customer, was conducted in a safe, sound, and lawful manner;

(iv) that customers' interests will not be jeopardized by the purchase and assumption; and

(v) that adequate provision has been made for all obligations and trusts as required under Section 7-1 of this Act.

(2) Persons desiring to purchase substantially all the assets and assume substantially all the liabilities of a trust company or to purchase substantially all the trust assets and assume substantially all the trust liabilities of a trust company shall submit to the Commissioner:

(i) a statement of financial worth; and

(ii) satisfactory evidence that the prior business affairs of the persons and the proposed management personnel, whether as stockholder, director, officer, or customer, were conducted in a safe, sound, and lawful manner.

(e) The reports required by subsections (a), (b), (c), and (d) of this Section 3-2 shall contain the following information to the extent that it is known by the person making the report: (1) the number of shares involved; (2) the names of the sellers (or transferors); (3) the names of the purchasers (or transferees); (4) the names of the beneficial owners if the shares are registered in another name; (5) the purchase price; (6) the total number of shares owned by the sellers (or transferors), the purchasers (or transferees) and the beneficial owners both immediately before and after the transaction; and, (7) in the case of a loan, the name of the borrower, the amount of the loan, and the name of the trust company issuing the stock securing the loan and the number of shares securing the loan. In addition to the foregoing, such reports shall contain such other information as may be available and which is requested by the Commissioner to inform the Commissioner of the effect of the transaction upon the trust company or trust companies whose stock or assets and liabilities are involved.

(f) Whenever such a change as described in subsection (a) of this Section 3-2 occurs, each trust company shall report promptly to the Commissioner any changes or replacement of its chief executive officer or of any director occurring in the next 12 month period, including in its report a statement of the past and current business and professional affiliations of the new chief executive officer or directors.

(g) The provisions of this Section do not apply when the change in control is the result of organizational restructuring under a holding company.

(h) As used in this Section, the term "control" means the power, directly or indirectly, to direct the management or policies of the trust company or to vote 25% or more of the outstanding stock of the trust company. ~~ownership of such amount of stock or membership~~

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interests--or--ability--to--direct--the--voting--of--such--stock--or--membership--interests--as--to, directly or indirectly, give power to direct or cause the direction of the management or policies of the trust company. A change in ownership of stock that would result in direct or indirect ownership by a stockholder or member, an affiliated group of stockholders or members, or a holding company of less than 10% of the outstanding stock or membership interests shall not be considered a change of control. A change in ownership of stock or membership interests that would result in direct or indirect ownership by a stockholder or member, an affiliated group of stockholders or members, or a holding company of 20% or such lesser amount which would entitle the holder by applying cumulative voting to elect one director shall be presumed to constitute a change of control for purposes of this Section. If there is any question as to whether a change in the ownership or control of the outstanding stock or membership interests is sufficient to result in obtaining control thereof or to effect a change in the control application should be filed thereof, the question shall be resolved in favor of filing the application with reporting the facts to the Commissioner.

As used in this Section, "substantially all" the assets or liabilities or the trust assets or trust liabilities of a trust company means that portion such that their transfer will materially impair the ability of the trust company to continue successful, safe, and sound operations or to continue as a going concern.

(Source: P.A. 92-483, eff. 8-23-01.)

(205 ILCS 620/4A-15)

Sec. 4A-15. Representative offices. A foreign corporation not conducting fiduciary activities may establish a representative office under the Foreign Bank Representative Office Act. At these offices, the foreign corporation may market and solicit fiduciary services and provide back bank office and administrative support to the foreign corporation's fiduciary activities, but it may not engage in fiduciary activities.

(Source: P.A. 92-483, eff. 8-23-01.)

(205 ILCS 620/5-2) (from Ch. 17, par. 1555-2)

Sec. 5-2. Examinations of corporate fiduciaries.

(a) The Commissioner, no less frequently than 18 months following the preceding examination, and whenever in his judgment it is necessary or expedient, either personally or by one or more competent persons appointed by him, shall visit and examine every corporate fiduciary in this State and may, to the extent the Commissioner determines necessary, examine the affairs of the corporate fiduciary's subsidiaries, affiliates, parent companies and contractual service providers for fiduciary services of the corporate fiduciary as shall be necessary to fully disclose the condition of such subsidiaries, affiliates, parent companies and contractual service providers and the relation between the corporate fiduciary and such subsidiaries, affiliates, parent companies and contractual service providers and the effect of such relations upon the affairs of such corporate fiduciary. Instead of the Commissioner making the examination provided by this subsection or appointing a competent person to do so, the Commissioner may accept on an alternating basis the examination made by the corporate fiduciary's appropriate federal regulatory agency, provided the appropriate federal regulatory agency has made such an examination. Fiduciary services shall include, but not be limited to, clerical, accounting, bookkeeping, statistical, data processing, safekeeping or similar functions for a corporate fiduciary.

(b) The Commissioner and every such examiner may administer an

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oath to any person whose testimony is required on any such examination, and compel the appearance and attendance of any such person for the purpose of examination, by summons, subpoena or attachment, in the manner now authorized in respect to the attendance of persons as witnesses in the circuit court; and all books and papers which are necessary to be examined by the Commissioner or examiner so appointed shall be produced, and their production may be compelled in like manner.

(c) The expense of every examination, if any, shall be paid by the corporate fiduciary examined, in such amount as the Commissioner certifies to be just and reasonable.

(d) On every examination, inquiry shall be made as to the condition and resources of the corporate fiduciary generally, the mode of conducting and managing its affairs, the action of its directors or trustees, the investments of its funds, the safety and prudence of its management, the security afforded to those by whom its engagements are held, and whether the requirements of its charter and of the laws have been complied with in the administration of its affairs. The nature and condition of the assets in or investment of any bonus, pension, or profit sharing plan for officers or employees of a corporate fiduciary shall be deemed to be included in the affairs of that corporate fiduciary subject to examination by the Commissioner.

(e) Whenever any corporate fiduciary causes to be performed, by contract or otherwise, any fiduciary services for itself, whether on or off its premises:

(1) such performance shall be subject to examination by the Commissioner to the same extent as if the services were being performed by the corporate fiduciary itself on its own premises; and

(2) the corporate fiduciary shall notify the Commissioner of the existence of the service relationship. Such notification shall be submitted within 30 days after the making of such service contract, or the performance of the service, whichever occurs first. The Commissioner shall be notified of each subsequent contract in the same manner.

For purposes of this subsection (e), the term "fiduciary services" shall include such services as the computation and posting of interest and other credits and charges; preparation and mailing of checks, statements, notices and similar items; clerical, bookkeeping, accounting, statistical or similar functions; and any other function which the corporate fiduciary, in the ordinary course of its business, could have performed itself.

Any report of examination pursuant to this Section and any copies thereof shall be the property of the Commissioner, confidential and may only be disclosed under the circumstances set forth in Section 48.3 of the Illinois Banking Act, as now or hereafter amended. (Source: P.A. 89-364, eff. 8-18-95; 90-301, eff. 8-1-97.)

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

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

On motion of Senator Dudycz, House Bill No. 4411 was taken up and read by title a second time.

Floor Amendment No. 1 was filed earlier today and referred to the Committee on Rules.

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

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On motion of Senator Donahue, House Bill No. 4453 having been printed, was taken up and read by title a second time.

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

AMENDMENT NO. 1

AMENDMENT NO. 1. Amend House Bill 4453 by replacing everything after the enacting clause with the following:

"ARTICLE 1

Section 1-5. Upon the payment of the sum of \$12,000.00 to the State of Illinois, the rights or easements of access, crossing, light, air and view from, to and over the following described line and FAP Route 12 (US 40) are restored subject to permit requirements of the State of Illinois, Department of Transportation.

Parcel No. 800XA86

A line in the Southeast Quarter of the Southwest Quarter of Section 14, Township 5 North, Range 3 West of the Third Principal Meridian, Bond County, Illinois, more particularly described as follows:

Commencing at a stone at the south quarter corner of said Section 14; thence on an assumed bearing of South 88 degrees 45 minutes 55 seconds West on the south line of said Section 14, a distance of 700.38 feet to an iron rod; thence North 01 degree 45 minutes 03 seconds West, 576.33 feet to an iron rod on the south right of way line of old U.S. Route 40, also being the Point of Beginning. From said Point of Beginning; thence North 63 degrees 47 minutes 57 seconds East on said right of way line, 564.92 feet to an iron rod, being the point of terminus.

Section 1-10. Upon the payment of the sum of \$200.00 to the State of Illinois, and subject to the conditions set forth in Section 1-900 of this Article, the easement for highway purposes acquired by the People of the State of Illinois is released over and through the following described land in Kendall County, Illinois:

Parcel No. 3LR0073

That part of Section 8, Township 36 North, Range 7 East of the Third Principal Meridian described as follows:

Commencing at the northwest corner of Woodland Acres Subdivision as recorded September 23, 1971, in Book 14 of Plats at pages 1 and 2 in the Recorder's Office of Kendall County, Illinois; thence North 00 degrees 21 minutes 00 seconds East along the westerly line of said Woodland Acres Subdivision extended a distance of 314.70 feet; thence South 73 degrees 19 minutes 39 seconds West, 520.13 feet; thence North 11 degrees 46 minutes 45 seconds West, 208.80 feet; thence South 73 degrees 19 minutes 39 seconds West, 208.80 feet to the westerly line of High Point Road; thence North 11 degrees 51 minutes 47 seconds West, 512.10 feet along said westerly line of High Point Road; thence North 78 degrees 08 minutes 12 seconds East, 43.80 feet to the existing southerly right of way line of Illinois Route 71 and the Point Of Beginning; thence North 29 degrees 18 minutes 34 seconds East, 136.44 feet; thence North 73 degrees 00 minutes 53 seconds East, 50.09 feet to the existing southerly right of way line of said Illinois Route 71; thence southwesterly 24.64 feet along a 4,441.27 foot radius curve to the left having a chord of South 70 degrees 20 minutes 54 seconds West, 24.64 feet on said right of way line; thence South 36 degrees 07 minutes 57 seconds West, 155.17 feet on said right of way line to the Point Of Beginning, containing 0.030 acre, more or less, and all being situated in Kendall Township, Kendall County, Illinois.

Section 1-15. Upon the payment of the sum of \$1,300.00 to the

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State of Illinois, and subject to the conditions set forth in Section 1-900 of this Article, the easement for highway purposes acquired by the People of the State of Illinois is released over and through the following described land in Woodford County, Illinois:

Parcel No. 3LR0015

A part of the Southwest Quarter of Section 16, Township 27 North, Range 2 West of the Third Principal Meridian, and also being a part of a tract of land described in the Dedication Of Right Of Way For Public Road Purposes recorded as Document Number 118539 in Book 113 of Deeds on page 103 in the Recorder's Office of Woodford County, Illinois, described as follows:

Commencing at the intersection of the west line of the East Half of the Northeast Quarter of the Northeast Quarter of Section 20, Township 27 North, Range 2 West of the Third Principal Meridian and the southerly right of way line of Partridge Street in the Village of Metamora, Illinois, as shown on a Plat of Honeysuckle Point Subdivision recorded as Document Number 287476 in Book 26, Page 89, in the Recorder's Office of Woodford County, Illinois; thence, on a basis of bearings from an assumed north used on the aforesaid plat, North 00 degrees 07 minutes 52 seconds East, 60.00 feet to the northerly right of way line of said Partridge Street; thence South 89 degrees 56 minutes 13 seconds, East 714.00 feet along said northerly right of way line of Partridge Street to the northerly existing right of way line of former S.B.I. Route 116 and the Point Of Beginning; thence South 82 degrees 34 minutes 49 seconds West, 25.99 feet; thence North 89 degrees 50 minutes 50 seconds East, 77.01 feet; thence South 89 degrees 30 minutes 46 seconds East, 550.00 feet; thence South 89 degrees 58 minutes 54 seconds East, 100.00 feet; thence South 89 degrees 24 minutes 31 seconds East, 325.74 feet to a point being 60.00 feet radially distant from the existing centerline of Illinois Route 116; thence North 84 degrees 25 minutes 38 seconds East, 98.56 feet to the northerly existing right of way line of Illinois Route 116; thence North 88 degrees 43 minutes 38 seconds West, 875.79 feet along the northerly existing right of way line of former S.B.I. Route 116; thence South 88 degrees 32 minutes 46 seconds West, 140.09 feet along said northerly existing right of way line of former S.B.I. Route 116; thence South 82 degrees 34 minutes 49 seconds West, 110.34 feet along said northerly existing right of way line of former S.B.I. Route 116 to the Point Of Beginning, containing 17,846 square feet or 0.410 acre, more or less.

Section 1-20. Upon the payment of the sum of \$500.00 to the State of Illinois, the rights or easements of access, crossing, light, air and view from, to and over the following described line and IL Route 116 are restored subject to permit requirements of the State of Illinois, Department of Transportation:

Parcel No. 3LR0071

A part of the Northeast Quarter of Section 21, Township 27 North, Range 1 West of the Third Principal Meridian, Woodford County, Illinois, more particularly described as follows:

Commencing at the intersection of the westerly right of way line of Township Road 1700E and the southerly right of way line of S.B.I. Route 116 as the Point Of Beginning of the Release Of Access Control, said Point Of Beginning being 112.00 feet South of Survey Line Station 414+72; thence in a northwesterly direction to a point 60.00 feet South of Survey Line Station 414+42; thence West, a distance of 492.50 feet, more or less, to the termination of said Release, said point being 60.00 feet south of Station 409+49.5, containing 552.53 lineal feet, more or

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less, situated in Roanoke Township, Woodford County, Illinois.
 Section 1-25. Upon the payment of \$525.00 to the State of Illinois and subject to the conditions set forth in Section 1-900 of this Article, the easement for highway purposes acquired by the People of the State of Illinois is released over and through the following described land in Lawrence County, Illinois:

Parcel No. 7LA010X

Part of the South Half (S.1/2) of Section 36, T4N, R12W of the Second Principal Meridian, Lawrence County, Illinois, being all that part of City of Lawrenceville Tract Number 11, as shown on Pages 3 and 4 in Road Deed Book 7 in the Lawrence County Recorder's Office, lying North of a line being 185 feet North of and parallel to the centerline of Federal Aid Interstate Route 08 (U.S. Route 50), as recorded in Road Deed Book 6, Pages 208-209 in said Recorder's Office, more particularly described as follows:

Commencing at Station 543+64 on the centerline of Federal Aid Interstate Route 08 (U.S. Route 50), as recorded in Road Deed Book 6, Pages 208-209, Lawrence County Recorder's Office; thence North 209.11 feet with the west line of the former Cemetery of the City of Lawrenceville, Illinois, now State of Illinois public road right of way, to the Point of Beginning, being a point 185 feet northwesterly of and normal to centerline Station 544+58 of said Route 08, thence N-00°-19'-24"-E 232.09 feet; thence S-89°-06'-49"-E 432.41 feet to a point 185 feet northwesterly of and normal to centerline Station 549+47 of said Route 08; thence southwesterly along a line 185 feet northwesterly of and parallel with said centerline of Route 08 to the Point of Beginning, containing 1.15 acres, more or less.

The above described real estate is not located in the Special Flood Hazard Area identified for Lawrence County, Illinois by the Federal Emergency Management Agency on the Flood Insurance Rate Map, Panel No. 80 of 150 dated February 1, 1985.

The described real estate is within 1 1/2 miles of the corporate limits of the City of Lawrenceville which has adopted a City Plan and is exercising the special powers authorized by Division 12 of Article 11 of the Illinois Municipal Code, as now or hereafter amended.

Section 1-30. Upon the payment of the sum of \$2,000.00 to the State of Illinois, the rights or easements of access, crossing, light, air and view from, to and over the following described line and FA Route 5 (Old U.S. 66) are restored subject to permit requirements of the State of Illinois, Department of Transportation:

Parcel No. 3LR0074

A part of the South Half of Section 34, Township 31 North, Range 7 East of the Third Principal Meridian, Grundy County, Illinois, more particularly described as follows:

Commencing at the southeast corner of the First Addition Northbrook Subdivision; thence South 88 degrees 13 minutes 26 seconds West, along the south line of said First Addition Northbrook Subdivision, 119.57 feet; thence South 01 degree 47 minutes 21 seconds East, 388.58 feet, to a point on the northerly right of way line of F.A. 5 (U.S. Route 66) per plat recorded in Road Plat Record No. 1, Pages 66 and 67, said point being 125.00 feet right of Transit Line Station 387+24.5, more or less, for said F.A. 5 (U.S. Route 66); thence North 70 degrees 03 minutes 50 seconds East, 373.75 feet along said northerly line of F.A. 5 (U.S. Route 66), to the point of curvature of a 8469.42 foot radius curve to the left at Station 383+50.72, 125.00 feet northerly of the Transit Line; thence northeasterly, along said

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northerly line of F.A. 5 (U.S. Route 66), on a curve, tangent to the last described course, concave northwesterly, having a radius of 8469.42 feet, an arc distance of 96.32 feet and a chord of North 69 degrees 44 minutes 17 seconds East, 96.32 feet, to the Point Of Beginning of the Release Of Access Control, said point being 125.00 feet northerly of said Transit Line Station 382+53, more or less; thence continuing along the aforescribed curve, along said northerly line of F.A. Route 5, having a radius of 8469.42 feet, an arc distance of 200.00 feet and a chord of North 68 degrees 44 minutes 09 seconds East, 200.00 feet, to the termination of said Release, said point being 125.00 feet northerly of said Transit Line Station 380+50, more or less, containing 200.00 lineal feet, more or less, situated in Grundy County, Illinois.

Section 1-900. The Secretary of Transportation shall obtain a certified copy of the portions of this Act containing the title, enacting clause, the effective date, the appropriate Section or Sections containing the land descriptions of the property to be transferred or otherwise affected under this Article, and this Section within 60 days after its effective date and, upon receipt of payment required by the Section or Sections, if any payment is required, shall record the certified document in the Recorder's Office in the county which the land is located.

ARTICLE 2

Section 2-5. The Department of Natural Resources is authorized to convey an easement to the owner of record of the real estate described in this Section. The easement may be permanent and is to provide access to the real estate and shall not be for other purposes. The easement shall be conveyed in such form and with such conditions as may be determined by the Department to be necessary. The real estate that is the subject of this Section is described as follows:

Part of the West Half(W 1/2) of the Northeast Quarter (NE 1/4) of Section Numbered Two (2), Township Numbered Eight (8) North, Range Numbered Six (6) West of the Third Principal Meridian, described in detail as follows;

Commencing at an iron pin at the Northwest corner of the Northeast Quarter (NE 1/4) of said Section Numbered Two (2);

Thence South 0 degree 29 minutes 30 seconds West along the Quarter Section line one hundred twenty-six and sixty-one hundredths (126.61) feet to the point of beginning. Said point of beginning being located in the South line of the old railroad right of way.

From the point of beginning South 89 degrees 21 minutes 24 seconds East along said right of way line thirteen hundred thirty-five and seventy-six hundredths (1335.76) feet;

Thence South 0 degrees 29 minutes 30 seconds West eleven hundred ninety-five and fifty-four hundredths (1195.54) feet;

Thence West thirteen hundred thirty-five and sixty-seven hundredths (1335.67) feet;

Thence North 0 degrees 29 minutes 30 seconds East twelve hundred eleven and thirty-eight hundredths (1211.38) feet along the Quarter Section line to the point of beginning.

All in the County of Macoupin, State of Illinois.

Section 2-900. The Director of Natural Resources shall obtain a certified copy of the portions of this Act containing the title, enacting clause, the effective date, the appropriate Section or Sections containing the land descriptions of the property to be transferred or otherwise affected under this Article, and this Section within 60 days after its effective date and, upon receipt of payment required by the Section or Sections, if any payment is

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required, shall record the certified document in the Recorder's Office in the county in which the land is located.

ARTICLE 3

Section 3-5. Upon the payment of the sum of \$1 to the State of Illinois, and subject to the conditions set forth in Sections 3-10 and 3-900 of this Article, the Secretary of Human Services is authorized to convey by quitclaim deed all right, title, and interest in and to the following described land to the Kankakee River Valley Forest Preserve District:

Commencing at the intersection of the low water line of the Southerly bank of the Kankakee River with the West line of the East 330 feet of the North Half of the Southeast Quarter of the Northeast Quarter of Section 8 lying South of the River in Township 30 North, Range 13 West of the 2nd P.M. in Kankakee County, Illinois; thence South 00° 00' 25" East a distance of approximately 35 feet to a point; thence continuing South 00° 00' 25" East a distance of 230.20 feet to a point; thence North 87° 27' 25" West a distance of 672.20 feet to a point; thence South 00° 02' 10" East a distance of 326.10 feet to a point; thence North 87° 29' 35" West a distance of 662.87 feet to a point; thence South 00° 01' 35" West a distance of 1,324.89 feet to a point; thence North 88° 05' 30" West a distance of 675.44 feet to a point; thence South 00° 00' 05" West a distance of 660.28 feet to a point; thence North 88° 38' 15" West along the North line of the South Half of the South Half of the Southwest Quarter of said Section 8 a distance of 1,466.37 feet to a point; thence North 50° 32' 00" East a distance of 1,100.44 feet to a point; thence North 50° 49' 10" East a distance of 381.20 feet to a point; thence North 50° 09' 00" East a distance of 514.58 feet to a point; thence North 36° 58' 20" East a distance of 325.23 feet to a point; thence North 43° 57' 40" East a distance of 251.02 feet to a point; thence North 11° 39' 00" East a distance of 260.75 feet to a point; thence North 34° 55' 30" West a distance of 201.57 feet to a point; thence North 23° 55' 30" West a distance of 328.46 feet to a point; thence North 32° 34' 30" East a distance of 149.30 feet to a point; thence North 55° 00' 50" East a distance of 184.90 feet to a point; thence North 28° 18' 20" East a distance of 139.82 feet to a point; thence North 48° 50' 30" East a distance of 90.93 feet to a point; thence North 84° 08' 00" East a distance of 126.90 feet to a point; thence South 36° 43' 00" East a distance of 76.78 feet to a point; thence South 00° 18' 20" East a distance of 85.85 feet to a point; thence North 74° 12' 20" East a distance of 161.35 feet to a point; thence North 20° 21' 50" East a distance of 91.32 feet to a point; thence continuing North 20° 21' 50" East a distance of approximately 38 feet to a point on the low water line of the Southerly bank of the Kankakee River; thence Southeasterly and upstream along said low water line to the point of beginning, containing approximately 61.1 acres.

Section 3-10. The Secretary of Human Services and the Kankakee River Valley Forest Preserve District are authorized to enter into an intergovernmental agreement that sets forth the conditions for the use and occupancy of the land subject to Section 3-5. The Secretary of Human Services and the Kankakee River Valley Forest Preserve District must enter into the intergovernmental agreement prior to the transfer of said land. If the Kankakee River Valley Forest Preserve District breaches a condition of the intergovernmental agreement, then the State of Illinois shall have the right of entry upon said land upon written demand submitted by the Secretary of Human Services or his or her successor on behalf of the State of Illinois and upon

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return of the purchase price.

Section 3-900. The Secretary of Human Services shall obtain a certified copy of the portions of this Act containing the title, the enacting clause, the effective date, the appropriate Section or Sections containing the land descriptions of the property to be transferred or otherwise affected under this Article, Section 3-10, and this Section within 60 days after its effective date and, upon receipt of payment required by the Section or Sections, if any payment is required, shall record the certified document in the Recorder's Office in the county in which the land is located.

ARTICLE 4

Section 4-5. Upon payment of the sum of \$1, the Director of Veterans' Affairs, on behalf of the State of Illinois, is authorized to convey by quitclaim deed to the Manteno Fire Protection District all right, title, and interest in and to the following described real property located in Kankakee County, Illinois:

A part of the East Half of the Southwest Quarter of Section 23, Township 32 North, Range 12 East of Third Principal Meridian in Kankakee County, Illinois, described as follows: Commencing at the Southwest corner of the East Half of the Southwest Quarter of said Section 23; thence South 89 degrees 53 minutes 18 seconds East along the South line of the Southwest Quarter of said Section 23 a distance of 502.30 feet (as previously described) to an iron rod, said point to be known as the point of beginning. From said point of beginning; thence North 00 degrees 04 minutes 05 seconds East a distance of 519.07 feet (previously described as North 00 degrees 11 minutes 50 seconds East a distance of 518.98 feet) to an iron rod; thence North 89 degrees 58 minutes 11 seconds East (previously described as South 89 degrees 53 minutes 18 seconds East) a distance of 643.04 feet to an iron rod; thence South 00 degrees 32 minutes 27 seconds East a distance of 520.70 feet to an iron rod on the South line of the Southwest Quarter of said Section 23; thence North 89 degrees 53 minutes 18 seconds West a distance of 648.57 feet to the point of beginning, EXCEPT the South 65.00 feet thereof, containing 6.74 acres more or less, SUBJECT TO rights-of-way for roads, drainage and easements apparent or of record.

Section 4-10. The conveyance of real property authorized by Section 4-5 shall be made subject to the express condition that the property must be used for public or educational purposes and that if the property ceases to be used for public or educational purposes, it shall revert to the State of Illinois without further action on the part of the State.

Section 4-15. The Director of Veterans' Affairs shall obtain a certified copy of the portions of this Act containing the title, the enacting clause, the effective date, the appropriate Sections containing the land descriptions of property to be transferred under this Article, Section 4-10, and this Section within 60 days after this Act's effective date and, upon receipt of payment required by the appropriate Sections, shall record the certified document in the Recorder's office in the county in which the land is located.

ARTICLE 5

Section 5-1. The Director of the Department of Natural Resources, on behalf of the State of Illinois, is authorized to Convey and Quit Claim unto the City of Granite City, an Illinois unit of local government, its successors and assigns, for and in consideration of \$1.00 paid to said Department, a non-exclusive, unobstructed, perpetual easement for the purpose of constructing, installing, or laying, and thereafter using, operating, inspecting, repairing, maintaining, and replacing a storm water ditch or sewer on, over,

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under, and across all or part of the following described real property, subject to such conditions as may be deemed necessary by said Department to protect the public interest, to wit:

An 80-foot wide tract of land being 40 feet wide on either side of a centerline located in the West Half of Section 15, Township 3 North, Range 9 West of the Third Principal Meridian, Madison County, Illinois, said centerline being more fully described as follows:

Commencing at the Southeast corner of the Northwest Quarter of the Northwest Quarter of said Section 15; thence North along the East line of said Northwest Quarter of the Northwest Quarter of Section 15, a distance of 574.2 feet to a point on the southeasterly right-of-way line of the former Nickel Plate Railroad; thence Southwesterly along said right-of-way line, a distance of 69.04 feet to a point on the centerline of a tract of land conveyed to the Alton and Southern Railroad Company by deed recorded in Book 550, Page 167 in the records of Madison County, Illinois, and being the Point of Beginning of the centerline being described; thence South along the centerline of said tract conveyed to the Alton and Southern Railroad Company, a distance of 2700 feet, more or less, to a point on the Northerly shoreline of Horseshoe Lake, being the Termination Point of the centerline being described;

Said 80-foot wide tract being bounded on the North by the Southeasterly right-of-way line of the former Nickel Plate Railroad, and on the South by the Northerly shoreline of Horseshoe Lake.

Section 5-900. The Director of Natural Resources shall obtain a certified copy of the portions of this Act containing the title, enacting clause, the effective date, the appropriate Section or Sections containing the land descriptions of the property to be transferred or otherwise affected under this Article, and this Section within 60 days after its effective date and, upon receipt of the payment required by the Section or Sections, if any payment is required, shall record the certified document in the Recorder's Office in the county in which the land is located.

ARTICLE 999

Section 999-5. Effective date. This Act takes effect upon becoming law."

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

On motion of Senator Burzynski, House Bill No. 4696 was taken up, read by title a second time and ordered to a third reading.

On motion of Senator Burzynski, House Bill No. 4916 was taken up, read by title a second time and ordered to a third reading.

On motion of Senator Watson, House Bill No. 4956 was taken up, read by title a second time and ordered to a third reading.

On motion of Senator Watson, House Bill No. 5000 having been printed, was taken up and read by title a second time.

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

AMENDMENT NO. 1

AMENDMENT NO. 1. Amend House Bill 5000 on page 4, line 30, after "hearing officers" by inserting "to conduct hearings involving

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complex issues or issues that will require a protracted period of time to resolve".

AMENDMENT NO. 2

AMENDMENT NO. 2. Amend House Bill 5000 on page 1, in line 5, by replacing "Section 3-12" with "Sections 3-12 and 6-11"; and on page 8, by inserting the following after line 2:

"(235 ILCS 5/6-11) (from Ch. 43, par. 127)

Sec. 6-11. No license shall be issued for the sale at retail of any alcoholic liquor within 100 feet of any church, school other than an institution of higher learning, hospital, home for aged or indigent persons or for veterans, their spouses or children or any military or naval station, provided, that this prohibition shall not apply to hotels offering restaurant service, regularly organized clubs, or to restaurants, food shops or other places where sale of alcoholic liquors is not the principal business carried on if the place of business so exempted is not located in a municipality of more than 500,000 persons, unless required by local ordinance; nor to the renewal of a license for the sale at retail of alcoholic liquor, nor to the issuance of a new license authorizing the retail sale of alcoholic liquor if, (i) immediately prior to the issuance of the license, the occupant of the premises held a license authorizing the sale of alcoholic liquor at the premises and (ii) the premises are not located in Chicago, on premises within 100 feet of any church or school where the church or school has been established within such 100 feet since the issuance of the original license. In the case of a church, the distance of 100 feet shall be measured to the nearest part of any building used for worship services or educational programs and not to property boundaries.

Nothing in this Section shall prohibit the issuance of a retail license authorizing the sale of alcoholic liquor to a restaurant, the primary business of which is the sale of goods baked on the premises if (i) the restaurant is newly constructed and located on a lot of not less than 10,000 square feet, (ii) the restaurant costs at least \$1,000,000 to construct, (iii) the licensee is the titleholder to the premises and resides on the premises, and (iv) the construction of the restaurant is completed within 18 months of the effective date of this amendatory Act of 1998.

Nothing in this Section shall prohibit the issuance of a retail license authorizing the sale of alcoholic liquor incidental to a restaurant if (1) the primary business of the restaurant consists of the sale of food where the sale of liquor is incidental to the sale of food and the applicant is a completely new owner of the restaurant, (2) the immediately prior owner or operator of the premises where the restaurant is located operated the premises as a restaurant and held a valid retail license authorizing the sale of alcoholic liquor at the restaurant for at least part of the 24 months before the change of ownership, and (3) the restaurant is located 75 or more feet from a school.

In the interest of further developing Illinois' economy in the area of commerce, tourism, convention, and banquet business, nothing in this Section shall prohibit issuance of a retail license authorizing the sale of alcoholic beverages to a restaurant, banquet facility, grocery store, or hotel having not fewer than 150 guest room accommodations located in a municipality of more than 500,000 persons, notwithstanding the proximity of such hotel, restaurant, banquet facility, or grocery store to any church or school, if the licensed premises described on the license are located within an enclosed mall or building of a height of at least 6 stories, or 60 feet in the case of a building that has been registered as a national

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landmark, or in a grocery store having a minimum of 56,010 square feet of floor space in a single story building in an open mall of at least 3.96 acres that is adjacent to a public school that opened as a boys technical high school in 1934, and in each of these cases if the sale of alcoholic liquors is not the principal business carried on by the licensee.

For purposes of this Section, a "banquet facility" is any part of a building that caters to private parties and where the sale of alcoholic liquors is not the principal business.

Nothing in this Section shall prohibit the issuance of a license to a church or private school to sell at retail alcoholic liquor if any such sales are limited to periods when groups are assembled on the premises solely for the promotion of some common object other than the sale or consumption of alcoholic liquors.

Nothing in this Section shall prohibit a church or church affiliated school located in a home rule municipality or in a municipality with 75,000 or more inhabitants from locating within 100 feet of a property for which there is a preexisting license to sell alcoholic liquor at retail. In these instances, the local zoning authority may, by ordinance adopted simultaneously with the granting of an initial special use zoning permit for the church or church affiliated school, provide that the 100-foot restriction in this Section shall not apply to that church or church affiliated school and future retail liquor licenses.

(Source: P.A. 90-617, eff. 7-10-98; 90-655, eff. 7-30-98; 91-357, eff. 7-29-99; 91-623, eff. 1-1-00.)".

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

On motion of Senator Burzynski, House Bill No. 5278 having been printed, was taken up and read by title a second time.

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

AMENDMENT NO. 1

AMENDMENT NO. 1. Amend House Bill 5278 by replacing everything after the enacting clause with the following:

"Section 5. The Illinois Plumbing License Law is amended by changing Section 30 as follows:

(225 ILCS 320/30) (from Ch. 111, par. 1129)

Sec. 30. (1) Except as otherwise provided for in this Section, the Department shall, by rule, establish a schedule of fees for examination, registration, and licensure sufficient to offset a portion of the costs of administration and enforcement of this Act.

(2) The Department may, by rule, establish a schedule of fees for the publication and mailing of the Illinois State Plumbing Code.

(3) The fee for an original license or renewal of a license as a plumbing contractor is \$100.

(Source: P.A. 91-678, eff. 1-26-00.)".

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

On motion of Senator Burzynski, House Bill No. 5281 having been printed, was taken up and read by title a second time.

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

AMENDMENT NO. 1

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AMENDMENT NO. 1. Amend House Bill 5281, on page 2, line 31, by replacing "\$3,500,000" with "\$2,000,000".

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

On motion of Senator Burzynski, House Bill No. 5530 having been printed, was taken up and read by title a second time.

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

AMENDMENT NO. 1

AMENDMENT NO. 1. Amend House Bill 5530 by replacing the title with the following:

"AN ACT in relation to education."; and

by replacing everything after the enacting clause with the following:

"Section 5. The Midwestern Higher Education Compact Act is amended by adding Section 2b as follows:

(45 ILCS 155/2b new)

Sec. 2b. Continuation of participation in the Midwestern Higher Education Commission.

(a) The State's participation in the Midwestern Higher Education Commission, an interstate body created under the Midwestern Higher Education Compact, shall continue without interruption as provided for in this Act, notwithstanding the provisions of Executive Order Number 3 of 2002.

(b) This Section is intended to supersede and nullify the provisions of subdivision II, item Y, of Executive Order Number 3 of 2002.

Section 10. The Illinois Summer School for the Arts Act is amended by adding Section 1.5 as follows:

(105 ILCS 310/1.5 new)

Sec. 1.5. Continuation of the Illinois Summer School for the Arts.

(a) The Illinois Summer School for the Arts and its Board of Trustees, established under this Act, shall continue without interruption as provided for in this Act, notwithstanding the provisions of Executive Order Number 3 of 2002.

(b) This Section is intended to supersede and nullify the provisions of subdivision II, item E, of Executive Order Number 3 of 2002.

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

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

On motion of Senator Watson, House Bill No. 5567 was taken up, read by title a second time and ordered to a third reading.

On motion of Senator Watson, House Bill No. 5596 was taken up and read by title a second time.

Floor Amendment No. 1 was filed earlier today and referred to the Committee on Rules.

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

On motion of Senator Syverson, House Bill No. 5606 was taken up, read by title a second time and ordered to a third reading.

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On motion of Senator Parker, House Bill No. 5627 was taken up, read by title a second time and ordered to a third reading.

On motion of Senator Roskam, House Bill No. 5652 having been printed, was taken up and read by title a second time.

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

AMENDMENT NO. 1

AMENDMENT NO. 1. Amend House Bill 5652 as follows:
on page 1, by inserting between lines 3 and 4 the following:

"Section 2. The Criminal Code of 1961 is amended by changing Section 18-5 as follows:

(720 ILCS 5/18-5)

Sec. 18-5. Aggravated robbery.

(a) A person commits aggravated robbery when he or she takes property from the person or presence of another by the use of force or by threatening the imminent use of force while indicating verbally or by his or her actions to the victim that he or she is presently armed with a firearm or other dangerous weapon, including a knife, club, ax, or bludgeon, ~~and--This offense--shall--be--applicable--even though--it is later determined that~~ he or she had no firearm or other dangerous weapon, including a knife, club, ax, or bludgeon, in his or her possession when he or she committed the robbery.

(a-5) A person commits aggravated robbery when he or she takes property from the person or presence of another by delivering (by injection, inhalation, ingestion, transfer of possession, or any other means) to the victim without his or her consent, or by threat or deception, and for other than medical purposes, any controlled substance.

(b) Sentence. Aggravated robbery is a Class 1 felony.

(Source: P.A. 90-593, eff. 1-1-99; 90-735, eff. 8-11-98; 91-357, eff. 7-29-99.)"; and

on page 5, in line 19, after "1999," by inserting "or if convicted of reckless homicide as defined in subsection (e-5) of Section 9-3 of the Criminal Code of 1961 if the offense is committed on or after the effective date of this amendatory Act of the 92nd General Assembly,"; and

on page 16, by inserting below line 28 the following:

"Section 99. Effective date. This Section and Section 2 take effect upon becoming law."

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

On motion of Senator Myers, House Bill No. 5779 was taken up, read by title a second time and ordered to a third reading.

On motion of Senator Link, House Bill No. 5822 was taken up, read by title a second time and ordered to a third reading.

On motion of Senator Radogno, House Bill No. 5874 having been printed, was taken up and read by title a second time.

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

AMENDMENT NO. 1

AMENDMENT NO. 1. Amend House Bill 5874 by replacing the title with the following:

"AN ACT in relation to sex offenders."; and

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by replacing everything after the enacting clause with the following:
 "Section 5. The Sex Offender Registration Act is amended by
 changing Sections 2, 3, 4, 5, 5-5, 6, 7, 8-5, and 10 as follows:

(730 ILCS 150/2) (from Ch. 38, par. 222)

Sec. 2. Definitions.

~~(A) As used in this Article, the following definitions apply:-~~
 (A) "sex offender" means any person who is:

(1) charged pursuant to Illinois law, or any substantially similar federal, Uniform Code of Military Justice, sister state, or foreign country law, with a sex offense set forth in subsection (B) of this Section or the attempt to commit an included sex offense, and:

(a) is convicted of such offense or an attempt to commit such offense; or

(b) is found not guilty by reason of insanity of such offense or an attempt to commit such offense; or

(c) is found not guilty by reason of insanity pursuant to Section 104-25(c) of the Code of Criminal Procedure of 1963 of such offense or an attempt to commit such offense; or

(d) is the subject of a finding not resulting in an acquittal at a hearing conducted pursuant to Section 104-25(a) of the Code of Criminal Procedure of 1963 for the alleged commission or attempted commission of such offense; or

(e) is found not guilty by reason of insanity following a hearing conducted pursuant to a federal, Uniform Code of Military Justice, sister state, or foreign country law substantially similar to Section 104-25(c) of the Code of Criminal Procedure of 1963 of such offense or of the attempted commission of such offense; or

(f) is the subject of a finding not resulting in an acquittal at a hearing conducted pursuant to a federal, Uniform Code of Military Justice, sister state, or foreign country law substantially similar to Section 104-25(a) of the Code of Criminal Procedure of 1963 for the alleged violation or attempted commission of such offense; or

(2) certified as a sexually dangerous person pursuant to the Illinois Sexually Dangerous Persons Act, or any substantially similar federal, Uniform Code of Military Justice, sister state, or foreign country law; or

(3) subject to the provisions of Section 2 of the Interstate Agreements on Sexually Dangerous Persons Act; or

(4) found to be a sexually violent person pursuant to the Sexually Violent Persons Commitment Act or any substantially similar federal, Uniform Code of Military Justice, sister state, or foreign country law; or-

(5) adjudicated a juvenile delinquent as the result of committing or attempting to commit an act which, if committed by an adult, would constitute any of the offenses specified in item (B), (C), or (C-5) of this Section or a violation of any substantially similar federal, Uniform Code of Military Justice, sister state, or foreign country law, or found guilty under Article V of the Juvenile Court Act of 1987 of committing or attempting to commit an act which, if committed by an adult, would constitute any of the offenses specified in item (B), (C), or (C-5) of this Section or a violation of any substantially similar federal, Uniform Code of Military Justice, sister state, or foreign country law.

Convictions that result from or are connected with the same act,

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or result from offenses committed at the same time, shall be counted for the purpose of this Article as one conviction. Any conviction set aside pursuant to law is not a conviction for purposes of this Article.

~~(A-5) -- "Juvenile -- sex -- offender" -- means -- any -- person -- who -- is -- Adjudicated -- a -- juvenile -- delinquent -- as -- the -- result -- of -- the -- commission -- of -- or -- attempt -- to -- commit -- a -- violation -- set -- forth -- in -- item -- (B) --, -- (C) --, -- or -- (C-5) -- of -- this -- Section -- or -- a -- violation -- of -- any -- substantially -- similar -- federal --, -- sister -- state --, -- or -- foreign -- country -- law. For purposes of this Section, "convicted" shall have the same meaning as "adjudicated".~~

(B) As used in this Article Section, "sex offense" means:

(1) A violation of any of the following Sections of the Criminal Code of 1961:

- 11-20.1 (child pornography),
- 11-6 (indecent solicitation of a child),
- 11-9.1 (sexual exploitation of a child),
- 11-15.1 (soliciting for a juvenile prostitute),
- 11-18.1 (patronizing a juvenile prostitute),
- 11-17.1 (keeping a place of juvenile prostitution),
- 11-19.1 (juvenile pimping),
- 11-19.2 (exploitation of a child),
- 12-13 (criminal sexual assault),
- 12-14 (aggravated criminal sexual assault),
- 12-14.1 (predatory criminal sexual assault of a child),
- 12-15 (criminal sexual abuse),
- 12-16 (aggravated criminal sexual abuse),
- 12-33 (ritualized abuse of a child).

An attempt to commit any of these offenses.

(1.5) A ~~felony~~ violation of any of the following Sections of the Criminal Code of 1961, when the victim is a person under 18 years of age, the defendant is not a parent of the victim, and the offense was committed on or after January 1, 1996:

- 10-1 (kidnapping),
- 10-2 (aggravated kidnapping),
- 10-3 (unlawful restraint),
- 10-3.1 (aggravated unlawful restraint).

An attempt to commit any of these offenses.

(1.6) First degree murder under Section 9-1 of the Criminal Code of 1961, when the victim was a person under 18 years of age, the defendant was at least 17 years of age at the time of the commission of the offense, and the offense was committed on or after June 1, 1996.

(1.7) (Blank).

(1.8) A violation or attempted violation of Section 11-11 (sexual relations within families) of the Criminal Code of 1961, ~~when the victim was a person under 18 years of age~~ and the offense was committed on or after June 1, 1997.

(1.9) Child abduction under paragraph (10) of subsection (b) of Section 10-5 of the Criminal Code of 1961 committed by luring or attempting to lure a child under the age of 16 into a motor vehicle, building, house trailer ~~housetrailer~~, or dwelling place without the consent of the parent or lawful custodian of the child for other than a lawful purpose and the offense was committed on or after January 1, 1998.

(1.10) A violation or attempted violation of any of the following Sections of the Criminal Code of 1961 when the offense was committed on or after July 1, 1999 ~~the effective date of this amendatory Act of the 91st General Assembly:~~

- 10-4 (forcible detention, if the victim is under 18 years of age),

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- 11-6.5 (indecent solicitation of an adult),
- 11-15 (soliciting for a prostitute, if the victim is under 18 years of age),
- 11-16 (pandering, if the victim is under 18 years of age),
- 11-18 (patronizing a prostitute, if the victim is under 18 years of age),
- 11-19 (pimping, if the victim is under 18 years of age).

(1.11) A violation or attempted violation of any of the following Sections of the Criminal Code of 1961 when the offense was committed on or after the effective date of this amendatory Act of the 92nd General Assembly:

11-9 (public indecency for a third or subsequent conviction),

11-9.2 (custodial sexual misconduct).

(1.12) A violation or attempted violation of Section 5.1 of the Wrongs to Children Act (permitting sexual abuse) when the offense was committed on or after the effective date of this amendatory Act of the 92nd General Assembly.

(2) A violation of any former law of this State substantially equivalent to any offense listed in subsection (B){1} of this Section.

(C) A conviction for an offense of federal law, Uniform Code of Military Justice, or the law of another state or a foreign country that is substantially equivalent to any offense listed in subsections subsection (B), (C), and (E) of this Section shall constitute a conviction for the purpose of this Article. A finding or adjudication as a sexually dangerous person or a sexually violent person under any federal law, Uniform Code of Military Justice, or the law of another state or foreign country that is substantially equivalent to the Sexually Dangerous Persons Act or the Sexually Violent Persons Commitment Act shall constitute an adjudication for the purposes of this Article.

(C-5) A person at least 17 years of age at the time of the commission of the offense who is convicted of first degree murder under Section 9-1 of the Criminal Code of 1961, committed on or after June 1, 1996 against a person under 18 years of age, shall be required to register for natural life. A conviction for an offense of federal, Uniform Code of Military Justice, sister state, or foreign country law that is substantially equivalent to any offense listed in subsection (C-5) of this Section shall constitute a conviction for the purpose of this Article.

(D) As used in this Article, "law enforcement agency having jurisdiction" means the Chief of Police in each of the municipalities municipality in which the sex offender expects to reside, work, or attend school (1) upon his or her discharge, parole or release or (2) during the service of his or her sentence of probation or conditional discharge, or the Sheriff of the county, in the event no Police Chief exists or if the offender intends to reside, work, or attend school in an unincorporated area. "Law enforcement agency having jurisdiction" includes the location where out-of-state students attend school and where out-of-state employees are employed or are otherwise required to register.

(E) As used in this Article, "sexual predator" means any person who, ~~after July 1, 1999 the effective date of this amendatory Act of the 91st General Assembly,~~ is:

(1) Convicted for an offense of federal, Uniform Code of Military Justice, sister state, or foreign country law that is substantially equivalent to any offense listed in subsection (E)

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of this Section shall constitute a conviction for the purpose of this Article. Convicted of a violation or attempted violation of any of the following Sections of the Criminal Code of 1961, if and the conviction occurred after July 1, 1999 ~~the effective date of this amendatory Act of the 91st General Assembly:~~

- 11-17.1 (keeping a place of juvenile prostitution),
- 11-19.1 (juvenile pimping),
- 11-19.2 (exploitation of a child),
- 11-20.1 (child pornography),
- 12-13 (criminal sexual assault, if the victim is a person under 12 years of age),
- 12-14 (aggravated criminal sexual assault),
- 12-14.1 (predatory criminal sexual assault of a child),
- 12-16 (aggravated criminal sexual abuse),
- 12-33 (ritualized abuse of a child); or

(2) convicted of first degree murder under Section 9-1 of the Criminal Code of 1961, when the victim was a person under 18 years of age and the defendant was at least 17 years of age at the time of the commission of the offense; or

(3) certified as a sexually dangerous person pursuant to the Sexually Dangerous Persons Act or any substantially similar federal, Uniform Code of Military Justice, sister state, or foreign country law; or

(4) found to be a sexually violent person pursuant to the Sexually Violent Persons Commitment Act or any substantially similar federal, Uniform Code of Military Justice, sister state, or foreign country law; or

(5) convicted of a second or subsequent offense which requires registration pursuant to this Act. The conviction for the second or subsequent offense must have occurred after July 1, 1999 ~~the effective date of this amendatory Act of the 91st General Assembly.~~ For purposes of this paragraph (5), "convicted" shall include includes a conviction under any substantially similar Illinois, federal, Uniform Code of Military Justice, sister state, or foreign country law.

(F) As used in this Article, "out-of-state student" means any sex offender, as defined in this Section, or sexual predator who is enrolled in Illinois, on a full-time or part-time basis, in any public or private educational institution, including, but not limited to, any secondary school, trade or professional institution, or institution of higher learning.

(G) As used in this Article, "out-of-state employee" means any sex offender, as defined in this Section, or sexual predator who works in Illinois, regardless of whether the individual receives payment for services performed, for a period of time of 10 or more ~~exceeding 14~~ days or for an aggregate period of time of exceeding 30 or more days during any calendar year. Persons who operate motor vehicles in the State accrue one day of employment time for any portion of a day spent in Illinois.

(Source: P.A. 90-193, eff. 7-24-97; 90-494, eff. 1-1-98; 90-655, eff. 7-30-98; 91-48, eff. 7-1-99; revised 12-9-99.)

(730 ILCS 150/3) (from Ch. 38, par. 223)

Sec. 3. Duty to register.

(a) A sex offender, as defined in Section 2 of this Act, or sexual predator shall, within the time period prescribed in subsections (b) and subsection (c), register in person and provide accurate information as required by the Department of State Police. Such information shall ~~will~~ include current address, current place of employment, and school attended. The sex offender or sexual predator

shall register:

(1) with the chief of police in each of the municipalities municipality in which he or she attends school, is employed, resides or is temporarily domiciled for a period of time of 10 or more days, unless the municipality is the City of Chicago, in which case he or she shall register at the Chicago Police Department Headquarters; or

(2) with the sheriff in each of the counties county, if he or she attends school, is employed, resides or is temporarily domiciled ~~for more than 10 days~~ in an unincorporated area or, if incorporated, no police chief exists.

For purposes of this Article, the place of residence or temporary domicile is defined as any and all places where the sex offender resides for an aggregate period of time of 10 or more days during any calendar year.

The sex offender or sexual predator shall provide accurate information as required by the Department of State Police. That information shall include the sex offender's or sexual predator's current place of employment.

(a-5) An A out-of-state student or out-of-state employee shall, within 10 days after beginning school or employment in this State, register in person and provide accurate information as required by the Department of State Police. Such information will include current place of employment, school attended, and address in state of residence:

(1) with the chief of police in each of the municipalities municipality in which he or she ~~is employed or~~ attends school or is employed for a period of time of 10 or more days ~~exceeding--14~~ days or for an aggregate period of time of more than exceeding 30 days during any calendar year, unless the municipality is the City of Chicago, in which case he or she shall register at the Chicago Police Department Headquarters; or

(2) with the sheriff in each of the counties county in which he or she attends school or is employed for a period of time of 10 or more days exceeding--14 days or for an aggregate period of time of more than exceeding 30 days during any calendar year in an unincorporated area, or, if incorporated, no police chief exists.

The out-of-state student or out-of-state employee shall provide accurate information as required by the Department of State Police. That information shall include the out-of-state student's current place of school attendance or the out-of-state employee's current place of employment.

~~{a-5}--In--addition--to--the--registration--requirements--imposed--upon--a--sex--offender--by--subsection--(a)--a--sex--offender--who--is--required--to--register--under--this--Article--and--who--is--employed--on--the--effective--date--of--this--amendatory--Act--of--1999--within--10--days--after--the--effective--date--of--this--amendatory--Act--of--1999--and--a--sex--offender--who--is--convicted--on--or--after--the--effective--date--of--this--amendatory--Act--of--1999--within--10--days--after--employment--shall--submit--in--person--or--in--writing--the--business--name--and--address--where--he--or--she--is--employed--Multiple--businesses--or--work--locations--must--be--reported--to--the--agency--having--jurisdiction---The--sex--offender--must--submit--his--or--her--business--address--to--the--law--enforcement--agency--having--jurisdiction--within--10--days--after--obtaining--employment--or--if--employed--on--the--effective--date--of--this--amendatory--Act--of--1999--within--10--days--after--that--effective--date--~~

(b) Any sex offender, as defined in Section 2 of this Act, or sexual predator, regardless of any initial, prior, or other registration, shall, within 10 days of beginning school, or

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establishing a residence, place of employment, or temporary domicile ~~for--more-than-10-days~~ in any county, register in person as set forth in subsection (a)(1), ~~(a)(2)~~, or (a-5).

(c) The registration for any person required to register under this Article shall be as follows:

(1) Any person registered under the Habitual Child Sex Offender Registration Act or the Child Sex Offender Registration Act prior to January 1, 1996, shall be deemed initially registered as of January 1, 1996; however, this shall not be construed to extend the duration of registration set forth in Section 7. ~~+~~

(2) Except as provided in subsection (c)(4), any person convicted or adjudicated prior to January 1, 1996, whose liability for registration under Section 7 has not expired, shall register in person prior to January 31, 1996. ~~+~~

(2.5) Except as provided in subsection (c)(4), any person who has not been notified of his or her responsibility to register shall be notified by a criminal justice entity of his or her responsibility to register. Upon notification the person must then register within 10 days of notification of his or her requirement to register. If notification is not made within the offender's 10 year registration requirement, and the Department of State Police determines no evidence exists or indicates the offender attempted to avoid registration, the offender will no longer be required to register under this Act.

(3) Except as provided in subsection (c)(4), any person convicted on or after January 1, 1996, shall register in person within 10 days after the entry of the sentencing order based upon his or her conviction. ~~+~~

(4) Any person unable to comply with the registration requirements of this Article because he or she is ~~they are~~ confined, institutionalized, or imprisoned in Illinois on or after January 1, 1996, shall register in person within 10 days of discharge, parole or release. ~~+~~

(5) The person shall provide positive identification and documentation that substantiates proof of residence at the registering address. ~~+~~ ~~and~~

(6) The person shall pay a \$10 initial registration fee and a \$5 annual renewal fee. The fees shall be used by the registering agency for official purposes. The agency shall establish procedures to document receipt and use of the funds. The law enforcement agency having jurisdiction may waive the registration fee if it determines that the person is indigent and unable to pay the registration fee.

(d) Within 10 days after obtaining or changing employment and, if employed on January 1, 2000, within 10 days after that date, a person required to register under this Section must report, in person or in writing to the law enforcement agency having jurisdiction, the business name and address where he or she is employed. If the person has multiple businesses or work locations, every business and work location must be reported to the law enforcement agency having jurisdiction.

(Source: P.A. 90-193, eff. 7-24-97; 91-48, eff. 7-1-99; 91-394, eff. 1-1-00; revised 12-9-99.)

(730 ILCS 150/4) (from Ch. 38, par. 224)

Sec. 4. Discharge of sex offender, as defined in Section 2 of this Act, or sexual predator from Department of Corrections facility or other penal institution; duties of official in charge. Any sex offender, as defined in Section 2 of this Act, or sexual predator, as defined by this Article, who is discharged, paroled or released from

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a Department of Corrections facility, a facility where such person was placed by the Department of Corrections or another penal institution, and whose liability for registration has not terminated under Section 7 shall, prior to discharge, parole or release from the facility or institution, be informed of his or her duty to register in person within 10 days under this Article by the facility or institution in which he or she was confined. The facility or institution shall also inform any person who must register that if he or she establishes a residence outside of the State of Illinois, is employed outside of the State of Illinois, or attends school outside of the State of Illinois, he or she must register in the new state within 10 days after establishing the residence, beginning employment, or beginning school.

The facility shall require the person to read and sign such form as may be required by the Department of State Police stating that the duty to register and the procedure for registration has been explained to him or her and that he or she understands the duty to register and the procedure for registration. The facility shall further advise the person in writing that the failure to register or other violation of this Article shall result in revocation of parole, mandatory supervised release or conditional release. The facility shall obtain information about the address where the person expects to reside, work, and attend school upon his or her discharge, parole or release and shall report the information address to the Department of State Police. The facility shall give one copy of the form to the person and shall send one copy to each of two--copies--to--the Department--of--State--Police--which shall notify the law enforcement agencies agency having jurisdiction where the person expects to reside, work, and attend school upon his or her discharge, parole or release and retain one copy for the files. Electronic data files which includes all notification form information and photographs of sex offenders being released from an Illinois Department of Corrections facility will be shared on a regular basis as determined between the Department of State Police and the Department of Corrections.

(Source: P.A. 90-193, eff. 7-24-97; 91-48, eff. 7-1-99.)

(730 ILCS 150/5) (from Ch. 38, par. 225)

Sec. 5. Release of sex offender, as defined in Section 2 of this Act, or sexual predator; duties of the Court. Any sex offender, as defined in Section 2 of this Act, or sexual predator, as defined by this Article, who is released on probation or discharged upon payment of a fine because of the commission of one of the offenses defined in subsection (B) of Section 2 of this Article, shall, prior to such release be informed of his or her duty to register under this Article by the Court in which he or she was convicted. The Court shall also inform any person who must register that if he or she establishes a residence outside of the State of Illinois, is employed outside of the State of Illinois, or attends school outside of the State of Illinois, he or she must register in the new state within 10 days after establishing the residence, beginning employment, or beginning school. The Court shall require the person to read and sign such form as may be required by the Department of State Police stating that the duty to register and the procedure for registration has been explained to him or her and that he or she understands the duty to register and the procedure for registration. The Court shall further advise the person in writing that the failure to register or other violation of this Article shall result in probation revocation. The Court shall obtain information about the--address where the person expects to reside, work, and attend school upon his or her release, and shall report the information address to the Department of State

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Police. The Court shall give one copy of the form to the person and retain the original in the court records. The Department of State Police shall notify the law enforcement agencies agency having jurisdiction where the person expects to reside, work and attend school upon his or her release.

(Source: P.A. 90-193, eff. 7-24-97; 91-48, eff. 7-1-99.)

(730 ILCS 150/5-5)

Sec. 5-5. Discharge of sex offender or sexual predator from a hospital or other treatment facility; duties of the official in charge. Any sex offender, as defined in Section 2 of this Act, or sexual predator, as defined in this Article, who is discharged or released from a hospital or other treatment facility where he or she was confined shall be informed by the hospital or treatment facility in which he or she was confined, prior to discharge or release from the hospital or treatment facility, of his or her duty to register under this Article.

The facility shall require the person to read and sign such form as may be required by the Department of State Police stating that the duty to register and the procedure for registration has been explained to him or her and that he or she understands the duty to register and the procedure for registration. The facility shall give one copy of the form to the person, retain one copy for their records, and forward the original to the Department of State Police. The facility shall obtain information about the address where the person expects to reside, work, and attend school upon his or her discharge, parole, or release and shall report the information address to the Department of State Police within 3 days. The facility or institution shall also inform any person who must register that if he or she establishes a residence outside of the State of Illinois, is employed outside of the State of Illinois, or attends school outside of the State of Illinois, he or she must register in the new state within 10 days after establishing the residence, beginning school, or beginning employment. The Department of State Police shall notify the law enforcement agencies agency having jurisdiction where the person expects to reside, work, and attend school upon his or her release.

(Source: P.A. 90-193, eff. 7-24-97; 91-48, eff. 7-1-99.)

(730 ILCS 150/6) (from Ch. 38, par. 226)

Sec. 6. Duty to report; change of address, school, or employment; duty to inform. A person who has been adjudicated to be sexually dangerous or is a sexually violent person and is later released, or found to be no longer sexually dangerous or no longer a sexually violent person and discharged, shall ~~must~~ report in person to the law enforcement agency with whom he or she last registered no later than 90 days after the date of his or her last registration and every 90 days thereafter. Any other person who is required to register under this Article shall report in person to the appropriate law enforcement agency with whom he or she last registered within one year from the date of last ~~that~~ registration and every year thereafter. If any person required to register under this Article changes his or her residence address, ~~or~~ place of employment, or school, he or she shall, in writing, within 10 days inform the law enforcement agency with whom he or she last registered of his or her new address, change in or new place--of employment, or school and register with the appropriate law enforcement agency within the time period specified in Section 3. The law enforcement agency shall, within 3 days of receipt, notify the Department of State Police and the law enforcement agency having jurisdiction of the new place of residence, change in or new place--of employment, or school.

If any person required to register under this Article establishes

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a residence or employment outside of the State of Illinois, within 10 days after establishing that residence or employment, he or she shall, in writing, inform the law enforcement agency with which he or she last registered of his or her out-of-state residence or employment. The law enforcement agency with which such person last registered shall, within 3 days notice of an address or employment change, notify the Department of State Police. The Department of State Police shall forward such information to the out-of-state law enforcement agency having jurisdiction in the form and manner prescribed by the Department of State Police.

(Source: P.A. 91-48, eff. 7-1-99; 91-394, eff. 1-1-00; 92-16, eff. 6-28-01.)

(730 ILCS 150/7) (from Ch. 38, par. 227)

Sec. 7. Duration of registration. A person who has been adjudicated to be sexually dangerous and is later released or found to be no longer sexually dangerous and discharged, shall register for the period of his or her natural life. A sexually violent person or sexual predator shall register for the period of his or her natural life after conviction or adjudication if not confined to a penal institution, hospital, or other institution or facility, and if confined, for the period of his or her natural life after parole, discharge, or release from any such facility. Any other person who is required to register under this Article shall be required to register for a period of 10 years after conviction or adjudication if not confined to a penal institution, hospital or any other institution or facility, and if confined, for a period of 10 years after parole, discharge or release from any such facility. A sex offender who is allowed to leave a county, State, or federal facility for the purposes of work release, education, or overnight visitations shall be required to register within 10 days of beginning such a program. Liability for registration terminates at the expiration of 10 years from the date of conviction or adjudication if not confined to a penal institution, hospital or any other institution or facility and if confined, at the expiration of 10 years from the date of parole, discharge or release from any such facility, providing such person does not, during that period, again become liable to register under the provisions of this Article. The Director of State Police, consistent with administrative rules, shall extend for 10 years the registration period of any sex offender, as defined in Section 2 of this Act, who fails to comply with the provisions of this Article.

(Source: P.A. 90-193, eff. 7-24-97; 91-48, eff. 7-1-99.)

(730 ILCS 150/8-5)

Sec. 8-5. Address verification requirements. The agency having jurisdiction shall verify the address of sex offenders, as defined in Section 2 of this Act, or sexual predators required to register with their agency at least once per calendar year. The verification must be documented in LEADS in the form and manner required by the Department of State Police.

(730 ILCS 150/10) (from Ch. 38, par. 230)

Sec. 10. Penalty. Any person who is required to register under this Article who violates any of the provisions of this Article and any person who is required to register under this Article who seeks to change his or her name under Article 21 of the Code of Civil Procedure is guilty of a Class 4 felony. Any person who is required to register under this Article who knowingly or wilfully gives material information required by this Article that is false is guilty of a Class 3 felony. Any person convicted of a violation of any provision of this Article shall, in addition to any other penalty required by law, be required to serve a minimum period of 7 days confinement in the local county jail. The court shall impose a

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mandatory minimum fine of \$500 for failure to comply with any provision of this Article. These fines shall be deposited in the Sex Offender Registration Fund. Any sex offender, as defined in Section 2 of this Act, or sexual predator who violates any provision of this Article may be tried in any Illinois county where the sex offender can be located.

(Source: P.A. 91-48, eff. 7-1-99; 91-221, eff. 7-22-99; 92-16, eff. 6-28-01.)

Section 10. The Sex Offender and Child Murderer Community Notification Law is amended by changing Sections 105, 117, and 120 as follows:

(730 ILCS 152/105)

Sec. 105. Definitions. As used in this Article, the following definitions apply:

"Child care facilities" has the meaning set forth in the Child Care Act of 1969, but does not include licensed foster homes.

"Law enforcement agency having jurisdiction" means the Chief of Police in the municipality in which the sex offender expects to reside (1) upon his or her discharge, parole or release or (2) during the service of his or her sentence of probation or conditional discharge, or the Sheriff of the county, in the event no Police Chief exists or if the offender intends to reside in an unincorporated area. "Law enforcement agency having jurisdiction" includes the location where out-of-state students attend school and where out-of-state employees are employed or are otherwise required to register.

"Sex offender" means any sex offender as defined in the Sex Offender Registration Act whose offense or adjudication as a sexually dangerous person occurred on or after June 1, 1996, and whose victim was under the age of 18 at the time the offense was committed but does not include the offenses set forth in subsection (b)(1.5) of Section 2 of that Act; and any sex offender as defined in the Sex Offender Registration Act whose offense or adjudication as a sexually dangerous person occurred on or after June 1, 1997, and whose victim was 18 years of age or older at the time the offense was committed but does not include the offenses set forth in subsection (b)(1.5) of Section 2 of that Act.

"Sex offender" also means any sex offender as defined in the Sex Offender Registration Act whose offense or adjudication as a sexually dangerous person occurred before June 1, 1996, and whose victim was under the age of 18 at the time the offense was committed but does not include the offenses set forth in subsection (b)(1.5) of Section 2 of that Act; and any sex offender as defined in the Sex Offender Registration Act whose offense or adjudication as a sexually dangerous person occurred before June 1, 1997, and whose victim was 18 years of age or older at the time the offense was committed but does not include the offenses set forth in subsection (b)(1.5) of Section 2 of that Act.

"Juvenile sex offender" means any person who is adjudicated a juvenile delinquent as the result of the commission of or attempt to commit a violation set forth in item (B), (C), or (C-5) of Section 2 of the Sex Offender Registration Act, or a violation of any substantially similar federal, Uniform Code of Military Justice, sister state, or foreign country law, and whose adjudication occurred on or after the effective date of this amendatory Act of the 91st General Assembly.

(Source: P.A. 90-193, eff. 7-24-97; 91-48, eff. 7-1-99.)

(730 ILCS 152/117)

Sec. 117. The Department of State Police shall promulgate rules to develop a list of sex offenders covered by this Act and a list of

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child care facilities, and schools, and institutions of higher education eligible to receive notice under this Act, so that the list can be disseminated in a timely manner to law enforcement agencies having jurisdiction.

(Source: P.A. 89-428, eff. 6-1-96; 89-462, eff. 6-1-96; 90-193, eff. 7-24-97.)

(730 ILCS 152/120)

Sec. 120. Community notification of sex offenders.

(a) The sheriff of the county, except Cook County, shall disclose to the following the name, address, date of birth, place of employment, school attended, and offense or adjudication of all sex offenders required to register under Section 3 of the Sex Offender Registration Act:

(1) The boards of institutions of higher education or other appropriate administrative offices of each non-public institution of higher education located in the county where the sex offender is required to register, resides, is employed, or is attending an institution of higher education {Blank}; and

(2) School boards of public school districts and the principal or other appropriate administrative officer of each nonpublic school located in the county where the sex offender is required to register or is employed; and

(3) Child care facilities located in the county where the sex offender is required to register or is employed.

(a-2) The sheriff of Cook County shall disclose to the following the name, address, date of birth, place of employment, school attended, and offense or adjudication of all sex offenders required to register under Section 3 of the Sex Offender Registration Act:

(1) School boards of public school districts and the principal or other appropriate administrative officer of each nonpublic school located within the region of Cook County, as those public school districts and nonpublic schools are identified in LEADS, other than the City of Chicago, where the sex offender is required to register or is employed; and

(2) Child care facilities located within the region of Cook County, as those child care facilities are identified in LEADS, other than the City of Chicago, where the sex offender is required to register or is employed; and

(3) The boards of institutions of higher education or other appropriate administrative offices of each non-public institution of higher education located in the county, other than the City of Chicago, where the sex offender is required to register, resides, is employed, or attending an institution of higher education.

(a-3) The Chicago Police Department shall disclose to the following the name, address, date of birth, place of employment, school attended, and offense or adjudication of all sex offenders required to register under Section 3 of the Sex Offender Registration Act:

(1) School boards of public school districts and the principal or other appropriate administrative officer of each nonpublic school located in the police district where the sex offender is required to register or is employed if the offender is required to register or is employed in the City of Chicago; and

(2) Child care facilities located in the police district where the sex offender is required to register or is employed if the offender is required to register or is employed in the City of Chicago; and

(3) The boards of institutions of higher education or other appropriate administrative offices of each non-public institution

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of higher education located in the police district where the sex offender is required to register, resides, is employed, or attending an institution of higher education in the City of Chicago.

(a-4) The Department of State Police shall provide a list of sex offenders required to register to the Illinois Department of Children and Family Services.

(b) The Department of State Police and any law enforcement agency may disclose, in the Department's or agency's discretion, the following information to any person likely to encounter a sex offender, or sexual predator required to register under Section 3 of the Sex Offender Registration Act:

- (1) The offender's name, address, and date of birth.
- (2) The offense for which the offender was convicted.
- (3) Adjudication as a sexually dangerous person.
- (4) The offender's photograph or other such information that will help identify the sex offender.
- (5) Offender employment information, to protect public safety.

(c) The name, address, date of birth, and offense or adjudication for sex offenders required to register under Section 3 of the Sex Offender Registration Act shall be open to inspection by the public as provided in this Section. Every municipal police department shall make available at its headquarters the information on all sex offenders who are required to register in the municipality under the Sex Offender Registration Act. The sheriff shall also make available at his or her headquarters the information on all sex offenders who are required to register under that Act and who live in unincorporated areas of the county. Sex offender information must be made available for public inspection to any person, no later than 72 hours or 3 business days from the date of the request. The request must be made in person, in writing, or by telephone. Availability must include giving the inquirer access to a facility where the information may be copied. A department or sheriff may charge a fee, but the fee may not exceed the actual costs of copying the information. An inquirer must be allowed to copy this information in his or her own handwriting. A department or sheriff must allow access to the information during normal public working hours. The sheriff or a municipal police department may publish the photographs of sex offenders where any victim was 13 years of age or younger and who are required to register in the municipality or county under the Sex Offender Registration Act in a newspaper or magazine of general circulation in the municipality or county or may disseminate the photographs of those sex offenders on the Internet or on television. The law enforcement agency may make available the information on all sex offenders residing within any county.

(d) The Department of State Police and any law enforcement agency having jurisdiction may, in the Department's or agency's discretion, place the information specified in subsection (b) on the Internet or in other media.

(e) The Department of State Police and any law enforcement agency having jurisdiction may, in the Department's or agency's discretion, only provide the information specified in subsection (b), with respect to an adjudicated juvenile delinquent a juvenile sex offender, to any person when that person's safety may be compromised for some reason related to the juvenile sex offender.

(Source: P.A. 91-48, eff. 7-1-99; 91-221, eff. 7-22-99; 91-224, eff. 7-1-00; 91-357, eff. 7-29-99; 91-394, eff. 1-1-00; 92-16, 6-28-01.)"

There being no further amendments, the bill, as amended, was

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ordered to a third reading.

On motion of Senator Geo-Karis, House Bill No. 5906 having been printed, was taken up and read by title a second time.

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

AMENDMENT NO. 1

AMENDMENT NO. 1. Amend House Bill 5906, on page 1, after line 23, by adding the following:

"Licensee" means an individual or entity licensed by the Department to operate an end stage renal disease facility."; and on page 2, line 15, by deleting "and"; and on page 2, line 16, after "physician", by inserting the following: "; and

(4) a facility licensed under the Nursing Home Care Act"; and on page 3, line 23 before "or" by inserting "physician assistant, advanced practice nurse"; and on page 7, line 32, by replacing "application" with "applicant"; and on page 8, line 9, by replacing "hearing officer" with "administrative law judge"; and on page 8, line 14, by replacing "hearing officer" with "administrative law judge"; and on page 8, line 19, by replacing "hearing officer" with "administrative law judge"; and on page 8, line 28, by replacing "hearing officer" with "administrative law judge"; and on page 9, line 10, by replacing "hearing officer" with "administrative law judge"; and on page 9, line 14, by replacing "hearing officer" with "administrative law judge"; and on page 9, by replacing lines 15 through 18 with the following: "hearing before the Department, may compel the attendance of witnesses and"; and on page 9, line 20, by replacing "Hearing Officer" with "administrative law judge"; and on page 9, line 24, by replacing "hearing officer" with "administrative law judge"; and on page 10, after line 22, by adding the following: "The Department shall adopt rules for determining the fines for violations."; and on page 15, by replacing lines 22 through 23 with the following: "Section 999. Effective date. This Act takes effect July 1, 2003.".

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

On motion of Senator Donahue, House Bill No. 6012 having been printed, was taken up and read by title a second time.

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

AMENDMENT NO. 1

AMENDMENT NO. 1. Amend House Bill 6012 by replacing everything after the enacting clause with the following:

"Section 5. The Simplified Municipal Telecommunications Tax Act is amended by adding Section 5-42 as follows:

(35 ILCS 636/5-42 new)

Sec. 5-42. Procedure for determining proper tax jurisdiction.

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(a) Tax jurisdiction information.

(1) A municipality shall provide, within 30 days following receipt of a written request from a telecommunications retailer (mobile or non-mobile):

(A) A list containing each street name, known street name aliases, street address number ranges, applicable directionals, and zip codes associated with each street name, for all street addresses located within the municipality. For a range of street address numbers located within a municipality that consists only of odd or even street numbers, the list must specify whether the street numbers in the range are odd or even. The list shall be alphabetical, except that numbered streets shall be in numerical sequence.

(B) A list containing each postal zip code and all the city names associated therewith for all zip codes assigned to geographic areas located entirely within the municipality, including zip codes assigned to rural route boxes; and

(C) A sequential list containing all rural route box number ranges and the city names and zip codes associated therewith, for all rural route boxes located within the municipality, except that rural route boxes with postal zip codes entirely within the municipality that are included on the list furnished under paragraph (B) need not be duplicated.

(D) The lists shall be printed. If a list is available through another medium, however, the municipality shall, upon request, furnish the list through such medium in addition to or in lieu of the printed lists. The municipality shall be responsible for updating the lists as changes occur and for furnishing this information to all telecommunications retailers affected by the changes. Each update shall specify an effective date, which shall be either the next ensuing January 1, April 1, July 1, or October 1; shall be furnished to the telecommunications retailer not less than 60 days prior to the effective date; and shall identify the additions, deletions, and other changes to the preceding version of the list. If the information is received less than 60 days prior to the effective date of the change, the telecommunications retailer has until the next ensuing January 1, April 1, July 1, or October 1 to make the appropriate changes.

(2) The telecommunications retailer shall be responsible for charging the tax to the service addresses or, in the case of mobile telecommunications, to the primary place of use addresses contained in the lists that include all of the elements required by this Section. If a service address is not included in the list, the telecommunications retailer shall be held harmless from situsing errors provided it uses a reasonable methodology to assign the service address or addresses to a local tax jurisdiction. The telecommunications retailer shall be held harmless for any tax overpayments or underpayments (including penalty or interest) resulting from written information provided by the municipality or, in the case of disputes, the Department.

(3) If it is determined from the lists or updates furnished under item (a)(1) that more than one municipality claims the same address or group of addresses, the telecommunications retailer shall notify the Department within 60 days of discovering the discrepancy. After notification and until resolution, the

telecommunications retailer will continue its prior tax treatment and will be held harmless for any tax, penalty, and interest in the event the prior tax treatment is wrong. Upon resolution, the Department will notify the telecommunications retailer in a written form describing the resolution. Upon receipt of the resolution, the telecommunications retailer has until the next ensuing January 1, April 1, July 1, or October 1 to make the change.

(4) Municipalities shall notify telecommunications retailers of any annexations, de-annexations, or other boundary changes at least 60 days prior to the effective date of such changes. The notification shall contain each street name, known street name aliases, street address number ranges, applicable directionals, and zip codes associated with each street name, for all street addresses for which a change has occurred. The notice shall be mailed to an address designated by the telecommunications retailer. The telecommunications retailer has until the next ensuing January 1, April 1, July 1, or October 1 to make the changes described in such notification .

(b) The safe harbor provisions, Sections 40 and 45 of the Mobile Telecommunications Sourcing Conformity Act, shall apply to any telecommunications retailers (wireless or non-wireless) employing enhanced zip codes (zip+4) to assign each street address, address range, post office box, or post office box range in their service area to a specific municipal tax jurisdiction.

(c) Persons who believe that they are improperly being charged a tax imposed under this Act because their service address is assigned to the wrong taxing jurisdiction shall notify their telecommunications (mobile or non-mobile) retailer in writing. The notification shall include the street address for her or his place of primary use for mobile telecommunications service or the service address for non-mobile telecommunications, the name and address of the telecommunications retailer who is collecting the tax imposed by this Act, the account name and number for which the person seeks a correction of the tax assignment, a description of the error asserted by that person, an estimated amount of tax claimed to have been incorrectly paid, the time period for which that amount of tax applies, and any other information that the telecommunications retailer may reasonably require to process the request. For purposes of this Section, the terms "place of primary use" and "mobile telecommunications service" shall have the same meanings as those terms are defined in the Mobile Telecommunications Sourcing Conformity Act. Within 60 days after receiving a notice under this subsection (c), the telecommunications retailer shall review its records and the electronic database, if existing, or enhanced zip code used pursuant to Section 25 or 40 of the Mobile Telecommunications Sourcing Conformity Act to determine the customer's taxing jurisdiction. If this review shows that the amount of tax, assignment of place of primary use or service address, or taxing jurisdiction is in error, the telecommunications retailer shall correct the error and refund or credit the amount of tax erroneously collected from the customer for a period of up to 3 years. If this review shows that the amount of tax, assignment of place of primary use or service address, or taxing jurisdiction is correct, the telecommunications retailer shall provide a written explanation to the person from whom the notice was received.

(1) If the person is dissatisfied with the response from the telecommunications retailer, the customer may request a written determination from the Department on a form prescribed by the Department. The request shall contain the same information as

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was provided to the telecommunications retailer. The Department shall review the request for determination and make all reasonable efforts to determine if such person's place of primary use for mobile telecommunications service or the service address for non-mobile telecommunications is located within the jurisdictional boundaries of the municipality for which the person is being charged tax under this Act. Upon request by the Department, municipalities that have imposed a tax under this Act shall timely provide information to the Department regarding such requests for determination. The municipality shall have 30 days to respond to the request submitted by the Department.

(2) Within 90 days after receipt of a request for determination under subsection (c) of this Section, the Department shall issue a letter of determination to the person stating whether that person's place of primary use for mobile telecommunications service or the service address for non-mobile telecommunications is located within the jurisdictional boundaries of the municipality for which the person is being charged tax under this Act or naming the proper municipality, if different. The Department shall also list in the letter of determination its findings as to the limit of the jurisdictional boundary (street address range) for the municipality in relation to the street address listed in the request for a letter of determination. A copy of such letter of determination shall be provided by the Department to the telecommunications retailer listed on the request for determination. The copy shall be sent via mail to an address designated by the telecommunications retailer.

(3) If the telecommunications retailer receives a copy of the letter of determination from the Department described in paragraph (2) of subsection (c) of this Section that states that the person's place of primary use for mobile telecommunications service or the service address for non-mobile telecommunications is not located within the jurisdictional boundaries of the municipality for which that person is being charged tax under this Act and that provides the correct tax jurisdiction for the particular street address, the telecommunications retailer shall correct the error prospectively and refund or credit the amount of tax determined to have been paid in error by such person. The telecommunications retailer shall retain such copy of the letter of determination in its books and records and shall be held harmless for any tax, penalty, or interest due as a result of its reliance on such determination. If the Department subsequently receives information that discloses that such service addresses or places of primary use on that street are within the jurisdictional boundaries of a municipality other than the one specified in the previous letter, the Department shall notify the telecommunications retailer in writing that it is to begin collecting tax for a specified municipality on the accounts associated with those service addresses or places of primary use. The notification to begin collecting tax on such accounts sent by the Department to the telecommunications retailers prior to any January 1, April 1, July 1, or October 1 shall be effective with respect to gross charges billed to those accounts on or after the following January 1, April 1, July 1, or October 1, respectively.

(4) If the telecommunications retailer receives a copy of the letter of determination from the Department described in paragraphs (2) and (3) of subsection (c) of this Section that states that the such person's place of primary use for mobile telecommunications service or the service address for non-mobile

telecommunications is not located within the jurisdictional boundaries of the municipality for which that person is being charged tax under this Act and the telecommunications retailer fails to correct the error and refund or credit the appropriate amount of tax paid in error within the time period prescribed in paragraph (3) of subsection (c), the telecommunications retailer will not be held harmless for any tax, penalty, or interest due the Department as a result of the error. The person shall have the normal cause of action available under the law to recover any tax, penalty, or interest from the telecommunications retailer.

Section 10. The Mobile Telecommunications Sourcing Conformity Act is amended by changing Section 80 as follows:

(35 ILCS 638/80)

(This Section may contain text from a Public Act with a delayed effective date)

Sec. 80. Customers' procedures and remedies for correcting taxes and fees.

(a) If a customer believes that an amount of tax or assignment of place of primary use or taxing jurisdiction included on a billing is erroneous, the customer shall notify his or her telecommunications retailer ~~the home-service-provider~~ in writing. The customer shall include in this written notification the street address for her or his place of primary use, the account name and number for which the customer seeks a correction of the tax assignment, a description of the error asserted by the customer, an estimated amount of tax claimed to have been incorrectly paid, the time period for which that amount of tax applies, and any other information that the ~~telecommunications retailer home-service-provider~~ reasonably requires to process the request. Within 60 days after receiving a notice under this subsection (a), the telecommunications retailer ~~home service-provider~~ shall review its records and the electronic database or enhanced zip code used pursuant to Section 25 or 40 to determine the customer's taxing jurisdiction. If this review shows that the amount of tax, assignment of place of primary use or service address, or taxing jurisdiction is in error, the telecommunications retailer ~~home--service--provider~~ shall correct the error and refund or credit the amount of tax erroneously collected from the customer for a period of up to 3 ~~2~~ years. If this review shows that the amount of tax, assignment of place of primary use or service address, or taxing jurisdiction is correct, the telecommunications retailer ~~home-service provider~~ shall provide a written explanation to the customer.

(b) If the customer is dissatisfied with the response of the telecommunications retailer ~~home-service-provider~~ under this Section, the customer may seek a correction or refund or both from the taxing jurisdiction affected.

(c) The procedures in this Section shall be the first course of remedy available to customers seeking correction of assignment of place of primary use or taxing jurisdiction or a refund of or other compensation for taxes, charges, and fees erroneously collected by the telecommunications retailer ~~home-service-provider~~, and no cause of action based upon a dispute arising from these taxes, charges, or fees shall accrue until a customer has reasonably exercised the rights and procedures set forth in this Section.

(Source: P.A. 92-474, eff. 8-1-02.)

Section 95. No acceleration or delay. Where this Act makes changes in a statute that is represented in this Act by text that is not yet or no longer in effect (for example, a Section represented by multiple versions), the use of that text does not accelerate or delay the taking effect of (i) the changes made by this Act or (ii) provisions derived from any other Public Act.

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Section 99. Effective date. This Act takes effect on July 1, 2002."

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

EXCUSED FROM ATTENDANCE

On motion of Senator Burzynski, Senator Klemm was excused from attendance due to illness.

On motion of Senator Burzynski, Senator Stone was excused from attendance due to illness in his family.

READING BILLS FROM THE HOUSE OF REPRESENTATIVES A FIRST TIME

House Bill No. 4377, sponsored by Senator Lightford was taken up, read by title a first time and referred to the Committee on Rules.

House Bill No. 5719, sponsored by Senator Lightford was taken up, read by title a first time and referred to the Committee on Rules.

House Bill No. 5889, sponsored by Senator Woolard was taken up, read by title a first time and referred to the Committee on Rules.

PRESENTATION OF RESOLUTIONS

Senators Noland offered the following Senate Resolution, which was referred to the Committee on Rules:

SENATE RESOLUTION NO. 422

WHEREAS, Shaken Baby Syndrome is the term used to describe the injuries babies and very young children sustain from being violently shaken; children who sustain life threatening injuries from this syndrome are held by the arms and shaken back and forth in a quick, jerking motion; and

WHEREAS, Frustration and stress are the reasons one shakes a child; a crying child is reported to be the number one reason why people have shaken a child; and

WHEREAS, Children who are victims of Shaken Baby Syndrome can suffer from the following injuries: the collection of blood between the brain and the skull (Subdural Hematoma), tearing of the child's brain tissues (Axonal Shearing), swelling of the child's brain (Cerebral Edema), bleeding along the back inside layer of the child's eye (Retinal Hemorrhage), the detachment of the inner most layer of the eye from the rest of the eyeball (Retinal Detachment), bone fractures of the skull and ribs due to the way the child was held during shaking, and other physical damages may occur including mental retardation, coma, and even death; and

WHEREAS, An estimated 50,000 cases of Shaken Baby Syndrome occur each year in the United States; one shaken baby in four dies as a result of this abuse; head trauma is the most frequent cause of permanent damage or death among abused infants and children, and shaking accounts for a significant number of those cases; and

WHEREAS, Some studies estimate that 15 percent of children's deaths are due to battering or shaking and an additional 15 percent

[May 6, 2002]

are possible cases of shaking; and

WHEREAS, The victims of Shaken Baby Syndrome range in age from a few days to five years, with an average age of six to eight months; therefore, be it

RESOLVED, BY THE SENATE OF THE NINETY-SECOND GENERAL ASSEMBLY OF THE STATE OF ILLINOIS, that we urge the Governor of the State of Illinois to proclaim the week of September 1 through September 7, 2002 as "Shaken Baby Syndrome Awareness Week" in an effort to urge all citizens in the State of Illinois to become educated about Shaken Baby Syndrome; and be it further

RESOLVED, That a suitable copy of this Resolution be forwarded to the Governor of the State of Illinois.

SENATE RESOLUTION NO. 423

Offered by Senator Demuzio, E. Jones and all Senators:
Mourns the death of Joi Verneice Price of Springfield.

The foregoing resolution was referred to the Resolutions Consent Calendar.

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 Rules:

Motion to Concur in House Amendment 1 to Senate Bill 1830
Motion to Concur in House Amendment 1 to Senate Bill 1854

At the hour of 3:48 o'clock p.m., on motion of Senator Weaver, the Senate stood adjourned until Tuesday, May 7, 2002 at 10:00 o'clock a.m.

[May 6, 2002]