SENATE JOURNAL

STATE OF ILLINOIS

ONE HUNDRED THIRD GENERAL ASSEMBLY

106TH LEGISLATIVE DAY

THURSDAY, MAY 2, 2024

1:46 O'CLOCK P.M.

NO. 106
[May 2, 2024]

SENATE
Daily Journal Index
106th Legislative Day

The Senate met pursuant to adjournment.
Senator Omar Aquino, Chicago, Illinois, presiding.
Prayer by Pastor Stephen Lawrence, Exodus Church, Springfield, Illinois.
Senator Johnson led the Senate in the Pledge of Allegiance.

Senator Hunter moved that reading and approval of the Journal of Wednesday, May 1, 2024, be postponed, pending arrival of the printed Journal.
The motion prevailed.

REPORTS RECEIVED

The Secretary placed before the Senate the following reports:

MPEA Procurement Activity Report Q1 FY24, submitted by the Metropolitan Pier and Exposition Authority.

IDHS Right to Counsel in Immigration Proceedings Task Force Report, submitted by the Department of Human Services.

IDHS EEOPD Annual Report 5/1/23-4/30/24, submitted by the Department of Human Services.

IDHS EEOPD Annual Report 5/1/22-4/30/23, submitted by the Department of Human Services.

COGFA Monthly Report Apr. 2024, submitted by the Commission on Government Forecasting and Accountability.

ILCC Direct Wine Shipping Report 2022-2023, submitted by the Illinois Liquor Control Commission.

The foregoing reports were ordered received and placed on file in the Secretary's Office.

MESSAGES FROM THE PRESIDENT

OFFICE OF THE SENATE PRESIDENT
DON HARMON
STATE OF ILLINOIS

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

160 N. LASALLE ST., STE. 720
CHICAGO, ILLINOIS 60601
312-814-2075

May 2, 2024

Mr. Tim Anderson
Secretary of the Senate
Room 058 State House
Springfield, IL 62706

Dear Mr. Secretary:

Pursuant to Rule 2-10, I am cancelling Session scheduled for Friday, May 3, 2024 and Monday, May 6, 2024.

Sincerely,
s/Don Harmon
Don Harmon

Senate President

cc: Senate Republican Leader John F. Curran

OFFICE OF THE SENATE PRESIDENT
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May 2, 2024

Mr. Tim Anderson
Secretary of the Senate
Room 058 State House
Springfield, IL 62706

Dear Mr. Secretary:

Pursuant to the Senate Rule 2-10, I am extending the committee and 3rd Reading deadline to May 10, 2024, for the following bills:

SB 2651

Sincerely,
s/Don Harmon
Don Harmon
Senate President

cc: Senate Republican Leader John F. Curran

PRESENTATION OF CELEBRATION OF LIFE RESOLUTIONS

SENATE RESOLUTION NO. 966
Offered by Senator Hastings and all Senators:
Mourns the passing of Deborah Bryant.

SENATE RESOLUTION NO. 967
Offered by Senator Halpin and all Senators:
Mourns the death of Michael W. "Mike" Malmstrom of Moline.

SENATE RESOLUTION NO. 968
Offered by Senator Collins and all Senators:
Mourns the passing of George White.

SENATE RESOLUTION NO. 969
Offered by Senator Fowler and all Senators:
Mourns the death of Ronald Edward "Ron" Mitchell of Crainville.

SENATE RESOLUTION NO. 970
Offered by Senator Fowler and all Senators:
Mourns the death of Robert Ray "Bob" Holmes Sr.

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

PRESENTATION OF CONGRATULATORY RESOLUTION

SENATE RESOLUTION NO. 965

Offered by Senator Koehler:
Congratulates the Peoria Rivermen hockey team on winning the 2023 - 2024 SPHL championship.

Under the Rules, the foregoing resolution was referred to the Committee on Assignments.

REPORTS FROM STANDING COMMITTEES

Senator Castro, Chair of the Committee on Executive, to which was referred the following Senate floor amendments, reported that the Committee recommends do adopt:

Senate Amendment No. 1 to Senate Bill 3412
Senate Amendment No. 3 to Senate Bill 3412

Under the rules, the foregoing floor amendments are eligible for consideration on second reading.

Senator Castro, Chair of the Committee on Executive, to which was referred **House Bill No. 4460**, reported the same back with the recommendation that the bill do pass.
Under the rules, the bill was ordered to a second reading.

Senator Castro, Chair of the Committee on Executive, to which was referred **House Bill No. 3046**, reported the same back with amendments having been adopted thereto, with the recommendation that the bill, as amended, do pass.
Under the rules, the bill was ordered to a second reading.

Senator Joyce, Chair of the Committee on State Government, to which was referred **Senate Resolution No. 882**, reported the same back with the recommendation that the resolution be adopted.
Under the rules, **Senate Resolution No. 882** was placed on the Secretary's Desk.

Senator Joyce, Chair of the Committee on State Government, to which was referred **Senate Joint Resolution No. 54**, reported the same back with the recommendation that the resolution be adopted.
Under the rules, **Senate Joint Resolution No. 54** was placed on the Secretary's Desk.

Senator Joyce, Chair of the Committee on State Government, to which was referred **House Bills Numbered 4719, 4813, 4844, 5287, 5513 and 5601**, reported the same back with the recommendation that the bills do pass.
Under the rules, the bills were ordered to a second reading.

Senator Glowiak Hilton, Chair of the Committee on Licensed Activities, to which was referred **House Bills Numbered 5059, 5087, 5135, 5218, 5353, 5457 and 5530**, reported the same back with the recommendation that the bills do pass.
Under the rules, the bills were ordered to a second reading.

Senator Sims, Chair of the Special Committee on Criminal Law and Public Safety, to which was referred **Senate Resolution No. 897**, reported the same back with the recommendation that the resolution be adopted.
Under the rules, **Senate Resolution No. 897** was placed on the Secretary's Desk.

Senator Sims, Chair of the Special Committee on Criminal Law and Public Safety, to which was referred **House Bills Numbered 1168, 3241, 4409 and 5465**, reported the same back with the recommendation that the bills do pass.

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

Senator Sims, Chair of the Special Committee on Criminal Law and Public Safety, to which was referred **House Bill No. 2323**, reported the same back with amendments having been adopted thereto, with the recommendation that the bill, as amended, do pass.

Under the rules, the bill was ordered to a second reading.

Senator Villanueva, Chair of the Committee on Revenue, to which was referred **House Bills Numbered 1377, 2232, 4125, 4636 and 5412**, reported the same back with the recommendation that the bills do pass.

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

Senator Holmes, Chair of the Committee on Local Government, to which was referred **House Bills Numbered 4359, 4442 and 4993**, reported the same back with the recommendation that the bills do pass.

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

Senator Holmes, Chair of the Committee on Local Government, to which was referred **House Bill No. 5190**, reported the same back with amendments having been adopted thereto, with the recommendation that the bill, as amended, do pass.

Under the rules, the bill was ordered to a second reading.

Senator Hastings, Chair of the Committee on Veterans Affairs, to which was referred **House Bills Numbered 4757, 4934 and 5640**, reported the same back with the recommendation that the bills do pass.

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

Senator Stadelman, Chair of the Committee on Energy and Public Utilities, to which was referred **House Bills Numbered 4118, 4141, 4661, 4751 and 5539**, reported the same back with the recommendation that the bills do pass.

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

Senator Simmons, Chair of the Committee on Human Rights, to which was referred **Senate Bill No. 2968**, reported the same back with amendments having been adopted thereto, with the recommendation that the bill, as amended, do pass.

Under the rules, the bill was ordered to a second reading.

Senator Simmons, Chair of the Committee on Human Rights, to which was referred **Senate Resolution No. 883**, reported the same back with the recommendation that the resolution be adopted.

Under the rules, **Senate Resolution No. 883** was placed on the Secretary's Desk.

Senator Murphy, Chair of the Committee on Executive Appointments, to which was referred **Appointment Messages Numbered 1030218, 1030219, 1030220, 1030221, 1030222, 1030225, 1030227, 1030229, 1030230, 1030231, 1030232, 1030233, 1030234, 1030235, 1030236, 1030237, 1030238, 1030239, 1030240, 1030241, 1030242, 1030243, 1030246, 1030247, 1030249, 1030250, 1030251, 1030252, 1030253, 1030254, 1030255, 1030256, 1030258, 1030259, 1030260, 1030262, 1030263, 1030269, 1030270, 1030273, 1030277, 1030279, 1030301, 1030302, 1030305, 1030306, 1030310,**

1030311, 1030314, 1030322, 1030323, 1030327, 1030328, 1030329, 1030337, 1030348, 1030349, 1030353 and 1030404, reported the same back with the recommendation that the Senate do consent.

Under the rules, the foregoing appointment messages are eligible for consideration by the Senate.

INTRODUCTION OF BILLS

SENATE BILL NO. 3942. Introduced by Senator Villivalam, a bill for AN ACT concerning appropriations.

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

SENATE BILL NO. 3943. Introduced by Senator Cunningham, a bill for AN ACT concerning state government.

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

MESSAGE FROM THE HOUSE

A message from the House by

Mr. Hollman, 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. 2412

A bill for AN ACT concerning State government.

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. 2412

House Amendment No. 2 to SENATE BILL NO. 2412

Passed the House, as amended, May 1, 2024.

JOHN W. HOLLMAN, Clerk of the House

AMENDMENT NO. 1 TO SENATE BILL 2412

AMENDMENT NO. 1 . Amend Senate Bill 2412 by replacing everything after the enacting clause with the following:

"Section 5. The Children and Family Services Act is amended by changing Section 1.1 as follows:

(20 ILCS 505/1.1) (from Ch. 23, par. 5001.1)

Sec. 1.1. This Act shall be known and ~~and~~ may be cited as the Children and Family Services Act. (Source: P.A. 86-820.)".

AMENDMENT NO. 2 TO SENATE BILL 2412

AMENDMENT NO. 2 . Amend Senate Bill 2412, AS AMENDED, by replacing everything after the enacting clause with the following:

"ARTICLE 1

Section 1-5. The Election Code is amended by changing Sections 7-11, 7-12, 7-61, 8-17, and 25-6 as follows:

(10 ILCS 5/7-11) (from Ch. 46, par. 7-11)

Sec. 7-11. Any candidate for President of the United States may have his name printed upon the primary ballot of his political party by filing in the office of the State Board of Elections not more than 141 ~~113~~ and not less than 134 ~~106~~ days prior to the date of the general primary, in any year in which a Presidential election is to be held, a petition signed by not less than 3000 or more than 5000 primary electors, members of and affiliated with the party of which he is a candidate, and no candidate for President of the United States, who fails to comply with the provisions of this Article shall have his name printed upon any primary ballot; provided ~~: Provided~~, however, that if the rules or policies of a national political

party conflict with such requirements for filing petitions for President of the United States in a presidential preference primary, the Chair of the State central committee of such national political party shall notify the State Board of Elections in writing, citing by reference the rules or policies of the national political party in conflict, and in such case the Board shall direct such petitions to be filed in accordance with the delegate selection plan adopted by the state central committee of such national political party. Provided, further, unless rules or policies of a national political party otherwise provide, the vote for President of the United States, as herein provided for, shall be for the sole purpose of securing an expression of the sentiment and will of the party voters with respect to candidates for nomination for said office, and the vote of the state at large shall be taken and considered as advisory to the delegates and alternates at large to the national conventions of respective political parties; and the vote of the respective congressional districts shall be taken and considered as advisory to the delegates and alternates of said congressional districts to the national conventions of the respective political parties.

(Source: P.A. 100-1027, eff. 1-1-19.)

(10 ILCS 5/7-12) (from Ch. 46, par. 7-12)

Sec. 7-12. All petitions for nomination shall be filed by mail or in person as follows:

(1) Except as otherwise provided in this Code, where the nomination is to be made for a State, congressional, or judicial office, or for any office a nomination for which is made for a territorial division or district which comprises more than one county or is partly in one county and partly in another county or counties (including the Fox Metro Water Reclamation District), then, except as otherwise provided in this Section, such petition for nomination shall be filed in the principal office of the State Board of Elections not more than 141 ~~113~~ and not less than 134 ~~106~~ days prior to the date of the primary, but, in the case of petitions for nomination to fill a vacancy by special election in the office of representative in Congress from this State, such petition for nomination shall be filed in the principal office of the State Board of Elections not more than 113 ~~85~~ days and not less than 110 ~~82~~ days prior to the date of the primary.

Where a vacancy occurs in the office of Supreme, Appellate or Circuit Court Judge within the 3-week period preceding the 134th ~~106th~~ day before a general primary election, petitions for nomination for the office in which the vacancy has occurred shall be filed in the principal office of the State Board of Elections not more than 120 ~~92~~ nor less than 113 ~~85~~ days prior to the date of the general primary election.

Where the nomination is to be made for delegates or alternate delegates to a national nominating convention, then such petition for nomination shall be filed in the principal office of the State Board of Elections not more than 141 ~~113~~ and not less than 134 ~~106~~ days prior to the date of the primary; provided, however, that if the rules or policies of a national political party conflict with such requirements for filing petitions for nomination for delegates or alternate delegates to a national nominating convention, the chair of the State central committee of such national political party shall notify the Board in writing, citing by reference the rules or policies of the national political party in conflict, and in such case the Board shall direct such petitions to be filed in accordance with the delegate selection plan adopted by the state central committee of such national political party.

(2) Where the nomination is to be made for a county office or trustee of a sanitary district then such petition shall be filed in the office of the county clerk not more than 141 ~~113~~ nor less than 134 ~~106~~ days prior to the date of the primary.

(3) Where the nomination is to be made for a municipal or township office, such petitions for nomination shall be filed in the office of the local election official, not more than 127 ~~99~~ nor less than 120 ~~92~~ days prior to the date of the primary; provided, where a municipality's or township's boundaries are coextensive with or are entirely within the jurisdiction of a municipal board of election commissioners, the petitions shall be filed in the office of such board; and provided, that petitions for the office of multi-township assessor shall be filed with the election authority.

(4) The petitions of candidates for State central committeeperson shall be filed in the principal office of the State Board of Elections not more than 141 ~~113~~ nor less than 134 ~~106~~ days prior to the date of the primary.

(5) Petitions of candidates for precinct, township or ward committeepersons shall be filed in the office of the county clerk not more than 141 ~~113~~ nor less than 134 ~~106~~ days prior to the date of the primary.

(6) The State Board of Elections and the various election authorities and local election officials with whom such petitions for nominations are filed shall specify the place where filings shall be made

and upon receipt shall endorse thereon the day and hour on which each petition was filed. All petitions filed by persons waiting in line as of 8:00 a.m. on the first day for filing, or as of the normal opening hour of the office involved on such day, shall be deemed filed as of 8:00 a.m. or the normal opening hour, as the case may be. Petitions filed by mail and received after midnight of the first day for filing and in the first mail delivery or pickup of that day shall be deemed as filed as of 8:00 a.m. of that day or as of the normal opening hour of such day, as the case may be. All petitions received thereafter shall be deemed as filed in the order of actual receipt. However, 2 or more petitions filed within the last hour of the filing deadline shall be deemed filed simultaneously. Where 2 or more petitions are received simultaneously, the State Board of Elections or the various election authorities or local election officials with whom such petitions are filed shall break ties and determine the order of filing, by means of a lottery or other fair and impartial method of random selection approved by the State Board of Elections. Such lottery shall be conducted within 9 days following the last day for petition filing and shall be open to the public. Seven days written notice of the time and place of conducting such random selection shall be given by the State Board of Elections to the chair of the State central committee of each established political party, and by each election authority or local election official, to the County Chair of each established political party, and to each organization of citizens within the election jurisdiction which was entitled, under this Article, at the next preceding election, to have pollwatchers present on the day of election. The State Board of Elections, election authority or local election official shall post in a conspicuous, open and public place, at the entrance of the office, notice of the time and place of such lottery. The State Board of Elections shall adopt rules and regulations governing the procedures for the conduct of such lottery. All candidates shall be certified in the order in which their petitions have been filed. Where candidates have filed simultaneously, they shall be certified in the order determined by lot and prior to candidates who filed for the same office at a later time.

(7) The State Board of Elections or the appropriate election authority or local election official with whom such a petition for nomination is filed shall notify the person for whom a petition for nomination has been filed of the obligation to file statements of organization, reports of campaign contributions, and annual reports of campaign contributions and expenditures under Article 9 of this Code. Such notice shall be given in the manner prescribed by paragraph (7) of Section 9-16 of this Code.

(8) Nomination papers filed under this Section are not valid if the candidate named therein fails to file a statement of economic interests as required by the Illinois Governmental Ethics Act in relation to his candidacy with the appropriate officer by the end of the period for the filing of nomination papers unless he has filed a statement of economic interests in relation to the same governmental unit with that officer within a year preceding the date on which such nomination papers were filed. If the nomination papers of any candidate and the statement of economic interests ~~interest~~ of that candidate are not required to be filed with the same officer, the candidate must file with the officer with whom the nomination papers are filed a receipt from the officer with whom the statement of economic interests is filed showing the date on which such statement was filed. Such receipt shall be so filed not later than the last day on which nomination papers may be filed.

(9) Except as otherwise provided in this Code, any person for whom a petition for nomination, or for committeeperson or for delegate or alternate delegate to a national nominating convention has been filed may cause his name to be withdrawn by request in writing, signed by him and duly acknowledged before an officer qualified to take acknowledgments of deeds, and filed in the principal or permanent branch office of the State Board of Elections or with the appropriate election authority or local election official, not later than the date of certification of candidates for the consolidated primary or general primary ballot. No names so withdrawn shall be certified or printed on the primary ballot. If petitions for nomination have been filed for the same person with respect to more than one political party, his name shall not be certified nor printed on the primary ballot of any party. If petitions for nomination have been filed for the same person for 2 or more offices which are incompatible so that the same person could not serve in more than one of such offices if elected, that person must withdraw as a candidate for all but one of such offices within the 5 business days following the last day for petition filing. A candidate in a judicial election may file petitions for nomination for only one vacancy in a subcircuit and only one vacancy in a circuit in any one filing period, and if petitions for nomination have been filed for the same person for 2 or more vacancies in the same circuit or subcircuit in the same filing period, his or her name shall be certified only for the

first vacancy for which the petitions for nomination were filed. If he fails to withdraw as a candidate for all but one of such offices within such time his name shall not be certified, nor printed on the primary ballot, for any office. For the purpose of the foregoing provisions, an office in a political party is not incompatible with any other office.

(10)(a) Notwithstanding the provisions of any other statute, no primary shall be held for an established political party in any township, municipality, or ward thereof, where the nomination of such party for every office to be voted upon by the electors of such township, municipality, or ward thereof, is uncontested. Whenever a political party's nomination of candidates is uncontested as to one or more, but not all, of the offices to be voted upon by the electors of a township, municipality, or ward thereof, then a primary shall be held for that party in such township, municipality, or ward thereof; provided that the primary ballot shall not include those offices within such township, municipality, or ward thereof, for which the nomination is uncontested. For purposes of this Article, the nomination of an established political party of a candidate for election to an office shall be deemed to be uncontested where not more than the number of persons to be nominated have timely filed valid nomination papers seeking the nomination of such party for election to such office.

(b) Notwithstanding the provisions of any other statute, no primary election shall be held for an established political party for any special primary election called for the purpose of filling a vacancy in the office of representative in the United States Congress where the nomination of such political party for said office is uncontested. For the purposes of this Article, the nomination of an established political party of a candidate for election to said office shall be deemed to be uncontested where not more than the number of persons to be nominated have timely filed valid nomination papers seeking the nomination of such established party for election to said office. This subsection (b) shall not apply if such primary election is conducted on a regularly scheduled election day.

(c) Notwithstanding the provisions in subparagraph (a) and (b) of this paragraph (10), whenever a person who has not timely filed valid nomination papers and who intends to become a write-in candidate for a political party's nomination for any office for which the nomination is uncontested files a written statement or notice of that intent with the State Board of Elections or the local election official with whom nomination papers for such office are filed, a primary ballot shall be prepared and a primary shall be held for that office. Such statement or notice shall be filed on or before the date established in this Article for certifying candidates for the primary ballot. Such statement or notice shall contain (i) the name and address of the person intending to become a write-in candidate, (ii) a statement that the person is a qualified primary elector of the political party from whom the nomination is sought, (iii) a statement that the person intends to become a write-in candidate for the party's nomination, and (iv) the office the person is seeking as a write-in candidate. An election authority shall have no duty to conduct a primary and prepare a primary ballot for any office for which the nomination is uncontested unless a statement or notice meeting the requirements of this Section is filed in a timely manner.

(11) If multiple sets of nomination papers are filed for a candidate to the same office, the State Board of Elections, appropriate election authority or local election official where the petitions are filed shall within 2 business days notify the candidate of his or her multiple petition filings and that the candidate has 3 business days after receipt of the notice to notify the State Board of Elections, appropriate election authority or local election official that he or she may cancel prior sets of petitions. If the candidate notifies the State Board of Elections, appropriate election authority or local election official, the last set of petitions filed shall be the only petitions to be considered valid by the State Board of Elections, election authority or local election official. If the candidate fails to notify the State Board of Elections, election authority or local election official then only the first set of petitions filed shall be valid and all subsequent petitions shall be void.

(12) All nominating petitions shall be available for public inspection and shall be preserved for a period of not less than 6 months.

(Source: P.A. 101-523, eff. 8-23-19; 102-15, eff. 6-17-21; 102-687, eff. 12-17-21.)

(10 ILCS 5/7-61) (from Ch. 46, par. 7-61)

Sec. 7-61. Whenever a special election is necessary, the provisions of this Article are applicable to the nomination of candidates to be voted for at such special election.

In cases where a primary election is required, the officer or board or commission whose duty it is under the provisions of this Code relating to general elections to call an election shall fix a date for the primary for the nomination of candidates to be voted for at such special election. Notice of such primary

shall be given at least 15 days prior to the maximum time provided for the filing of petitions for such a primary as provided in Section 7-12.

Any vacancy in nomination under the provisions of this Article 7 occurring on or after the primary and prior to certification of candidates by the certifying board or officer must be filled prior to the date of certification. Any vacancy in nomination occurring after certification but prior to 15 days before the general election shall be filled within 8 days after the event creating the vacancy. The resolution filling the vacancy shall be sent by U. S. mail or personal delivery to the certifying officer or board within 3 days of the action by which the vacancy was filled; provided, if such resolution is sent by mail and the U. S. postmark on the envelope containing such resolution is dated prior to the expiration of such 3-day limit, the resolution shall be deemed filed within such 3-day limit. Failure to so transmit the resolution within the time specified in this Section shall authorize the certifying officer or board to certify the original candidate. Vacancies shall be filled by the officers of a local municipal or township political party as specified in subsection (h) of Section 7-8, other than a statewide political party, that is established only within a municipality or township and the managing committee (or legislative committee in case of a candidate for State Senator or representative committee in the case of a candidate for State Representative in the General Assembly or State central committee in the case of a candidate for statewide office, including, but not limited to, the office of United States Senator) of the respective political party for the territorial area in which such vacancy occurs.

The resolution to fill a vacancy in nomination shall be duly acknowledged before an officer qualified to take acknowledgments of deeds and shall include, upon its face, the following information:

(a) the name of the original nominee and the office vacated;

(b) the date on which the vacancy occurred;

(c) the name and address of the nominee selected to fill the vacancy and the date of selection.

The resolution to fill a vacancy in nomination shall be accompanied by a Statement of Candidacy, as prescribed in Section 7-10, completed by the selected nominee and a receipt indicating that such nominee has filed a statement of economic interests as required by the Illinois Governmental Ethics Act.

The provisions of Section 10-8 through 10-10.1 relating to objections to certificates of nomination and nomination papers, hearings on objections, and judicial review, shall apply to and govern objections to resolutions for filling a vacancy in nomination.

Any vacancy in nomination occurring 15 days or less before the consolidated election or the general election shall not be filled. In this event, the certification of the original candidate shall stand and his name shall appear on the official ballot to be voted at the general election.

A vacancy in nomination occurs when a candidate who has been nominated under the provisions of this Article 7 dies before the election (whether death occurs prior to, on or after the day of the primary), or declines the nomination; provided that nominations may become vacant for other reasons.

If the name of no established political party candidate was printed on the consolidated primary ballot for a particular office and if no person was nominated as a write-in candidate for such office, a vacancy in nomination shall be created which may be filled in accordance with the requirements of this Section. Except as otherwise provided in this Code, if the name of no established political party candidate was printed on the general primary ballot for an ~~a particular~~ office nominated under this Article and if no person was nominated as a write-in candidate for such office, a vacancy in nomination shall be filled only by a person designated by the appropriate committee of the political party and only if that designated person files nominating petitions with the number of signatures required for an established party candidate for that office within 75 days after the day of the general primary. The circulation period for those petitions begins on the day the appropriate committee designates that person. The person shall file his or her nominating petitions, statements of candidacy, notice of appointment by the appropriate committee, and receipt of filing his or her statement of economic interests together. These documents shall be filed at the same location as provided in Section 7-12. The electoral boards having jurisdiction under Section 10-9 to hear and pass upon objections to nominating petitions also shall hear and pass upon objections to nomination petitions filed by candidates under this paragraph.

A candidate for whom a nomination paper has been filed as a partisan candidate at a primary election, and who is defeated for his or her nomination at such primary election, is ineligible to be listed on the ballot at that general or consolidated election as a candidate of another political party.

A candidate seeking election to an office for which candidates of political parties are nominated by caucus who is a participant in the caucus and who is defeated for his or her nomination at such caucus is

ineligible to be listed on the ballot at that general or consolidated election as a candidate of another political party.

In the proceedings to nominate a candidate to fill a vacancy or to fill a vacancy in the nomination, each precinct, township, ward, county, or congressional district, as the case may be, shall, through its representative on such central or managing committee, be entitled to one vote for each ballot voted in such precinct, township, ward, county, or congressional district, as the case may be, by the primary electors of its party at the primary election immediately preceding the meeting at which such vacancy is to be filled.

For purposes of this Section, the words "certify" and "certification" shall refer to the act of officially declaring the names of candidates entitled to be printed upon the official ballot at an election and directing election authorities to place the names of such candidates upon the official ballot. "Certifying officers or board" shall refer to the local election official, the election authority, or the State Board of Elections, as the case may be, with whom nomination papers, including certificates of nomination and resolutions to fill vacancies in nomination, are filed and whose duty it is to certify candidates.

(Source: P.A. 102-15, eff. 6-17-21; 103-154, eff. 6-30-23.)

(10 ILCS 5/8-17) (from Ch. 46, par. 8-17)

Sec. 8-17. The death of any candidate prior to, or on, the date of the primary shall not affect the canvass of the ballots. If the result of such canvass discloses that such candidate, if he had lived, would have been nominated, such candidate shall be declared nominated.

In the event that a candidate of a party who has been nominated under the provisions of this Article shall die before election (whether death occurs prior to, or on, or after, the date of the primary), ~~or~~ decline the nomination, or withdraw the candidate's name from the ballot prior to the general election ~~or should the nomination for any other reason become vacant~~, the legislative or representative committee of such party for such district shall nominate a candidate of such party to fill such vacancy. However, if there was no candidate for the nomination of the party in the primary, ~~except as otherwise provided in this Code,~~ no candidate of that party for that office may be listed on the ballot at the general election~~, unless the legislative or representative committee of the party nominates a candidate to fill the vacancy in nomination within 75 days after the date of the general primary election. Vacancies in nomination occurring under this Article shall be filled by the appropriate legislative or representative committee in accordance with the provisions of Section 7-61 of this Code~~. In proceedings to fill the vacancy in nomination, the voting strength of the members of the legislative or representative committee shall be as provided in Section 8-6 or as provided in Section 25-6, as applicable.

(Source: P.A. 102-15, eff. 6-17-21.)

(10 ILCS 5/25-6) (from Ch. 46, par. 25-6)

Sec. 25-6. General Assembly vacancies.

(a) When a vacancy occurs in the office of State Senator or Representative in the General Assembly, the vacancy shall be filled within 30 days by appointment of the legislative or representative committee of that legislative or representative district of the political party of which the incumbent was a candidate at the time of his election. Prior to holding a meeting to fill the vacancy, the committee shall make public (i) the names of the committeeperson on the appropriate legislative or representative committee, (ii) the date, time, and location of the meeting to fill the vacancy, and (iii) any information on how to apply or submit a name for consideration as the appointee. A meeting to fill a vacancy in office shall be held in the district or virtually, and any meeting shall be accessible to the public. The appointee shall be a member of the same political party as the person he succeeds was at the time of his election, and shall be otherwise eligible to serve as a member of the General Assembly.

(b) When a vacancy occurs in the office of a legislator elected other than as a candidate of a political party, the vacancy shall be filled within 30 days of such occurrence by appointment of the Governor. The appointee shall not be a member of a political party, and shall be otherwise eligible to serve as a member of the General Assembly. Provided, however, the appropriate body of the General Assembly may, by resolution, allow a legislator elected other than as a candidate of a political party to affiliate with a political party for his term of office in the General Assembly. A vacancy occurring in the office of any such legislator who affiliates with a political party pursuant to resolution shall be filled within 30 days of such occurrence by appointment of the appropriate legislative or representative committee of that legislative or representative district of the political party with which the legislator so affiliates. The appointee shall be a member of the political party with which the incumbent affiliated.

(c) For purposes of this Section, a person is a member of a political party for 23 months after (i) signing a candidate petition, as to the political party whose nomination is sought; (ii) signing a statement of

candidacy, as to the political party where nomination or election is sought; (iii) signing a Petition of Political Party Formation, as to the proposed political party; (iv) applying for and receiving a primary ballot, as to the political party whose ballot is received; or (v) becoming a candidate for election to or accepting appointment to the office of ward, township, precinct or state central committeeperson.

(d) In making appointments under this Section, each committeeperson of the appropriate legislative or representative committee shall be entitled to one vote for each vote that was received, in that portion of the legislative or representative district which he represents on the committee, by the Senator or Representative whose seat is vacant at the general election at which that legislator was elected to the seat which has been vacated and a majority of the total number of votes received in such election by the Senator or Representative whose seat is vacant is required for the appointment of his successor; provided, however, that in making appointments in legislative or representative districts comprising only one county or part of a county other than a county containing 2,000,000 or more inhabitants, each committeeperson shall be entitled to cast only one vote.

(e) Appointments made under this Section shall be in writing and shall be signed by members of the legislative or representative committee whose total votes are sufficient to make the appointments or by the Governor, as the case may be. Such appointments shall be filed with the Secretary of State and with the Clerk of the House of Representatives or the Secretary of the Senate, whichever is appropriate.

(f) An appointment made under this Section shall be for the remainder of the term, except that, if the appointment is to fill a vacancy in the office of State Senator and the vacancy occurs with more than 28 months remaining in the term, the term of the appointment shall expire at the time of the next general election at which time a Senator shall be elected for a new term commencing on the determination of the results of the election and ending on the second Wednesday of January in the second odd-numbered year next occurring. If a vacancy in office of State Senator occurs with more than 28 months remaining in the term and after the period for filing petitions for the general primary election, then the appropriate legislative committee for the applicable political party may fill a vacancy in nomination for that office in accordance with Section 7-61 for the next general election, except that each committeeperson of the appropriate legislative committee shall be entitled to one vote for each vote received, by the Senator whose seat is vacant, in the portion of the legislative district that the committeeperson represents on the committee, at the most recent general election at which that Senator was elected. A majority of the total number of votes received in that election by the Senator whose seat is vacant is required to fill the vacancy in nomination. However, in filling a vacancy in nomination in a legislative district composed of only one county or part of a county, other than a county containing 2,000,000 or more inhabitants, each committeeperson shall be entitled to cast only one vote. Whenever a Senator has been appointed to fill a vacancy and was thereafter elected to that office, the term of service under the authority of the election shall be considered a new term of service, separate from the term of service rendered under the authority of the appointment.
(Source: P.A. 102-15, eff. 6-17-21.)

ARTICLE 2

Section 2-1. Short title. This Article may be cited as the Election Worker Protection and Candidate Accountability Referendum Act. References in this Article to "this Act" mean this Article.

Section 2-5. Referendum. The State Board of Elections shall cause a statewide advisory question of public policy to be submitted to the voters at the general election to be held on November 5, 2024. The question shall appear in the following form:

"Should any candidate appearing on the Illinois ballot for federal, State, or local office be subject to civil penalties if the candidate interferes or attempts to interfere with an election worker's official duties?"

The votes on the question shall be recorded as "Yes" or "No".

Section 2-10. Certification. The State Board of Elections shall immediately certify the question set forth in Section 2-5 of this Act to be submitted to the voters of the entire State to each election authority in Illinois.

Section 2-15. Repeal. This Act is repealed on January 1, 2025.

ARTICLE 3

Section 3-1. Short title. This Article may be cited as the Property Tax Relief and Fairness Referendum Act. References in this Article to "this Act" mean this Article.

Section 3-5. Referendum. The State Board of Elections shall cause a statewide advisory question of public policy to be submitted to the voters at the general election to be held on November 5, 2024. The question shall appear in the following form:

"Should the Illinois Constitution be amended to create an additional 3% tax on income greater than $1,000,000 for the purpose of dedicating funds raised to property tax relief?"

The votes on the question shall be recorded as "Yes" or "No".

Section 3-10. Certification. The State Board of Elections shall immediately certify the question set forth in Section 3-5 of this Act to be submitted to the voters of the entire State to each election authority in Illinois.

Section 3-15. Repeal. This Act is repealed on January 1, 2025.

ARTICLE 4

Section 4-1. Short title. This Article may be cited as the Assisted Reproductive Health Referendum Act. References in this Article to "this Act" mean this Article.

Section 4-5. Referendum. The State Board of Elections shall cause a statewide advisory question of public policy to be submitted to the voters at the general election to be held on November 5, 2024. The question shall appear in the following form:

"Should all medically appropriate assisted reproductive treatments, including, but not limited to, in vitro fertilization, be covered by any health insurance plan in Illinois that provides coverage for pregnancy benefits, without limitation on the number of treatments?"

The votes on the question shall be recorded as "Yes" or "No".

Section 4-10. Certification. The State Board of Elections shall immediately certify the question set forth in Section 4-5 of this Act to be submitted to the voters of the entire State to each election authority in Illinois.

Section 4-15`. Repeal. This Act is repealed on January 1, 2025.

ARTICLE 99

Section 99-97. Severability. The provisions of this Act are severable under Section 1.31 of the Statute on Statutes.

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

Under the rules, the foregoing **Senate Bill No. 2412**, with House Amendments numbered 1 and 2, was referred to the Secretary's Desk.

JOINT ACTION MOTIONS FILED

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

Motion to Concur in House Amendment No. 1 to Senate Bill 2412
Motion to Concur in House Amendment No. 2 to Senate Bill 2412

READING BILLS FROM THE HOUSE OF REPRESENTATIVES A FIRST TIME

House Bill No. 4594, sponsored by Senator N. Harris, was taken up, read by title a first time and referred to the Committee on Assignments.

House Bill No. 4651, sponsored by Senator Ellman, was taken up, read by title a first time and referred to the Committee on Assignments.

House Bill No. 5232, sponsored by Senator Johnson, was taken up, read by title a first time and referred to the Committee on Assignments.

House Bill No. 5264, sponsored by Senator Martwick, was taken up, read by title a first time and referred to the Committee on Assignments.

House Bill No. 5266, sponsored by Senator Martwick, was taken up, read by title a first time and referred to the Committee on Assignments.

House Bill No. 5450, sponsored by Senator Halpin, was taken up, read by title a first time and referred to the Committee on Assignments.

READING BILLS FROM THE HOUSE OF REPRESENTATIVES A SECOND TIME

On motion of Senator Cunningham, **House Bill No. 220** having been printed, was taken up, read by title a second time and ordered to a third reading.

On motion of Senator Halpin, **House Bill No. 4108** having been printed, was taken up, read by title a second time and ordered to a third reading.

On motion of Senator Johnson, **House Bill No. 4175** having been printed, was taken up, read by title a second time and ordered to a third reading.

On motion of Senator D. Turner, **House Bill No. 4226** having been printed, was taken up, read by title a second time and ordered to a third reading.

On motion of Senator Ellman, **House Bill No. 4251** having been printed, was taken up, read by title a second time and ordered to a third reading.

On motion of Senator Loughran Cappel, **House Bill No. 4264** having been printed, was taken up, read by title a second time and ordered to a third reading.

On motion of Senator Martwick, **House Bill No. 4351** having been printed, was taken up, read by title a second time and ordered to a third reading.

On motion of Senator Villivalam, **House Bill No. 4365** having been printed, was taken up, read by title a second time and ordered to a third reading.

On motion of Senator Halpin, **House Bill No. 4417** having been printed, was taken up, read by title a second time and ordered to a third reading.

On motion of Senator Ventura, **House Bill No. 4581** having been printed, was taken up, read by title a second time and ordered to a third reading.

On motion of Senator Hastings, **House Bill No. 4589** having been printed, was taken up, read by title a second time and ordered to a third reading.

On motion of Senator Villivalam, **House Bill No. 4653** having been printed, was taken up, read by title a second time and ordered to a third reading.

On motion of Senator Halpin, **House Bill No. 4711** having been printed, was taken up, read by title a second time and ordered to a third reading.

On motion of Senator Fine, **House Bill No. 4899** having been printed, was taken up, read by title a second time and ordered to a third reading.

On motion of Senator Martwick, **House Bill No. 4921** having been printed, was taken up, read by title a second time and ordered to a third reading.

On motion of Senator Lewis, **House Bill No. 4966** having been printed, was taken up, read by title a second time and ordered to a third reading.

On motion of Senator Feigenholtz, **House Bill No. 5022** having been printed, was taken up, read by title a second time and ordered to a third reading.

On motion of Senator Joyce, **House Bill No. 5027** having been printed, was taken up, read by title a second time and ordered to a third reading.

On motion of Senator Hunter, **House Bill No. 5084** having been printed, was taken up, read by title a second time and ordered to a third reading.

On motion of Senator Simmons, **House Bill No. 5097** having been printed, was taken up, read by title a second time and ordered to a third reading.

On motion of Senator Martwick, **House Bill No. 5104** having been printed, was taken up, read by title a second time and ordered to a third reading.

On motion of Senator Bennett, **House Bill No. 5184** having been printed, was taken up, read by title a second time and ordered to a third reading.

On motion of Senator Simmons, **House Bill No. 5238** having been printed, was taken up, read by title a second time and ordered to a third reading.

On motion of Senator Faraci, **House Bill No. 5256** having been printed, was taken up, read by title a second time and ordered to a third reading.

On motion of Senator Holmes, **House Bill No. 5282** having been printed, was taken up, read by title a second time and ordered to a third reading.

On motion of Senator Villivalam, **House Bill No. 5288** having been printed, was taken up, read by title a second time and ordered to a third reading.

On motion of Senator Holmes, **House Bill No. 5295** having been printed, was taken up, read by title a second time and ordered to a third reading.

On motion of Senator Villivalam, **House Bill No. 5325** having been printed, was taken up, read by title a second time and ordered to a third reading.

On motion of Senator Fine, **House Bill No. 5354** having been printed, was taken up, read by title a second time and ordered to a third reading.

On motion of Senator Villivalam, **House Bill No. 5369** having been printed, was taken up, read by title a second time and ordered to a third reading.

On motion of Senator Villanueva, **House Bill No. 5370** having been printed, was taken up, read by title a second time and ordered to a third reading.

On motion of Senator Villivalam, **House Bill No. 5502** having been printed, was taken up, read by title a second time and ordered to a third reading.

On motion of Senator Villivalam, **House Bill No. 5507** having been printed, was taken up, read by title a second time and ordered to a third reading.

On motion of Senator Fowler, **House Bill No. 1672** having been printed, was taken up, read by title a second time and ordered to a third reading.

On motion of Senator Rezin, **House Bill No. 4350** was taken up, read by title a second time.
Floor Amendment No. 1 was held in the Committee on Assignments.
There being no further amendments, the bill was ordered to a third reading.

At the hour of 2:13 o'clock p.m., the Chair announced that the Senate stands at ease.

AT EASE

At the hour of 2:17 o'clock p.m., the Senate resumed consideration of business.
Senator Aquino, presiding.

REPORT FROM COMMITTEE ON ASSIGNMENTS

Senator Lightford, Chair of the Committee on Assignments, during its May 2, 2024 meeting, reported the following Legislative Measures have been assigned to the indicated Standing Committees of the Senate:

Health and Human Services: **Senate Bill No. 3723**.

Judiciary: **Senate Bill No. 2651**.

Senator Lightford, Chair of the Committee on Assignments, during its May 2, 2024 meeting, reported that the following Legislative Measures have been approved for consideration:

Motion to Concur in House Amendment No. 1 to Senate Bill 2412
Motion to Concur in House Amendment No. 2 to Senate Bill 2412

The foregoing concurrence was placed on the Senate Calendar.

READING BILL OF THE SENATE A SECOND TIME

On motion of Senator Fine, **Senate Bill No. 1479** having been printed, was taken up, read by title a second time.

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

AMENDMENT NO. 1 TO SENATE BILL 1479

AMENDMENT NO. 1 . Amend Senate Bill 1479 by replacing everything after the enacting clause with the following:

"Section 5. The Illinois Insurance Code is amended by changing Sections 132, 132.5, 155.35, 402, 408, 511.109, 512-3, 512-5, and 513b3 and by adding Section 512-11 as follows:

(215 ILCS 5/132) (from Ch. 73, par. 744)

Sec. 132. Market conduct actions and market analysis ~~and non-financial examinations~~.

(a) Definitions. As used in this Section:

"Data call" means a written solicitation by the Director to 2 or more regulated companies or persons seeking existing data or other existing information to be provided within a reasonable time period for a narrow and targeted regulatory oversight purpose for market analysis. "Data call" does not include an information request in a market conduct action or any data or information that the Director shall or may specifically require under any other law, except as provided by the other law.

"Desk examination" means an examination that is conducted by market conduct surveillance personnel at a location other than the regulated company's or person's premises. "Desk examination" includes an examination performed at the Department's offices with the company or person providing requested documents by hard copy, microfiche, or discs or other electronic media for review without an on-site examination.

"Market analysis" means a process whereby market conduct surveillance personnel collect and analyze information from filed schedules, surveys, required reports, data calls, and other sources to develop a baseline understanding of the marketplace and to identify patterns or practices of regulated persons that deviate significantly from the norm or that may pose a potential risk to insurance consumers.

"Market conduct action" means any activity, other than market analysis, that the Director may initiate to assess and address the market and nonfinancial practices of regulated persons, including market conduct examinations. The Department's consumer complaint process outlined in 50 Ill. Adm. Code 926 is not a market conduct action for purposes of this Section; however, the Department may initiate market conduct actions based on information gathered during that process. "Market conduct action" includes:

(1) correspondence with the company or person;

(2) interviews with the company or person;

(3) information gathering;

(4) policy and procedure reviews;

(5) interrogatories;

(6) review of company or person self-evaluations and voluntary compliance programs;

(7) self-audits; and

(8) market conduct examinations.

"Market conduct examination" or "examination" means any type of examination, other than a financial examination, that assesses a regulated person's compliance with the laws, rules, and regulations applicable to the examinee. "Market conduct examination" includes comprehensive examinations, targeted examinations, and follow-up examinations, which may be conducted as desk examinations, on-site examinations, or a combination of those 2 methods.

"Market conduct surveillance" means market analysis or a market conduct action.

"Market conduct surveillance personnel" means those individuals employed or retained by the Department and designated by the Director to collect, analyze, review, or act on information in the insurance marketplace that identifies patterns or practices of persons subject to the Director's jurisdiction. "Market conduct surveillance personnel" includes all persons identified as an examiner in the insurance laws or rules of this State if the Director has designated them to assist her or him in ascertaining the nonfinancial business practices, performance, and operations of a company or person subject to the Director's jurisdiction.

"On-site examination" means an examination conducted at the company's or person's home office or the location where the records under review are stored.

"SOFR rate" means the Secured Overnight Financing Rate published by the Federal Reserve Bank of New York every business day.

(b) Companies and persons subject to surveillance. The Director, for the purposes of ascertaining the nonfinancial business practices, performance, and operations of any person subject to the Director's jurisdiction or within the marketplace, may engage in market conduct actions or market analysis relating to:

(1) any company transacting or being organized to transact business in this State;

(2) any person engaged in or proposing to be engaged in the organization, promotion, or solicitation of shares or capital contributions to or aiding in the formation of a company;

(3) any person having a written or oral contract pertaining to the management or control of a company as general agent, managing agent, or attorney-in-fact;

(4) any licensed or registered producer, firm, pharmacy benefit manager, administrator, or any person making application for any license, certificate, or registration;

(5) any person engaged in the business of adjusting losses or financing premiums; or

(6) any person, organization, trust, or corporation having custody or control of information reasonably related to the operation, performance, or conduct of a company or person subject to the Director's jurisdiction, but only as to the operation, performance, or conduct of a company or person subject to the Director's jurisdiction.

(c) Market analysis and market conduct actions.

(1) The Director may perform market analysis by gathering and analyzing information from data currently available to the Director, information from surveys, data call responses, or reports that are submitted to the Director, information collected by the NAIC, and information from a variety of other sources to develop a baseline understanding of the marketplace and to identify for further review companies or practices that deviate from the norm or that may pose a potential risk to insurance consumers. The Director shall use the most recent NAIC Market Regulation Handbook as a guide in performing market analysis. The Director may also employ other guidelines or procedures as the Director may deem appropriate.

(2) The Director may initiate a market conduct action subject to the following:

(A) If the Director determines that further inquiry into a particular person or practice is needed, then the Director may consider undertaking a market conduct action. The Director shall inform the examinee of the initiation of the market conduct action and shall use the most recent NAIC Market Regulation Handbook as a guide in performing the market conduct action. The Director may also employ other guidelines or procedures as the Director may deem appropriate.

(B) For an examination, the Director shall conduct a pre-examination conference with the examinee to clarify expectations before commencement of the examination. At the pre-examination conference, the Director or the market conduct surveillance personnel shall disclose the basis of the examination, including the statutes, regulations, or business practices at issue. The Director shall provide at least 30 days' advance notice of the date of the pre-examination conference unless circumstances warrant that the examination proceed more quickly.

(C) The Director may coordinate a market conduct action and findings of this State with market conduct actions and findings of other states.

(3) Nothing in this Section requires the Director to undertake market analysis before initiating any market conduct action.

(4) Nothing in this Section restricts the Director to the type of market conduct action he or she initially selected.

(5) A regulated person is required to respond to a market analysis data call or to an information request in a market conduct action on the terms and conditions established by the Director. The Department shall establish reasonable timelines that are commensurate with the volume and nature of the data required to be collected in the information request.

(6) Without limiting the contents of any examination report, market conduct actions taken as a result of a market analysis shall focus primarily on the general business practices and compliance activities of companies or persons rather than identifying infrequent or unintentional random errors that do not cause significant consumer harm. The Director may give a company or person an opportunity to resolve matters that are identified as a result of a market analysis to the Director's satisfaction before undertaking a market conduct action against the company or person.

(d) Access to books and records. Every examinee and its officers, directors, and agents must provide to the Director convenient and free access at all reasonable hours at its office or location to all books, records, and documents and any or all papers relating to the business, performance, operations, and affairs of the examinee. The officers, directors, and agents of the examinee must facilitate the market conduct action and aid in the action so far as it is in their power to do so. The Director and any authorized market conduct surveillance personnel have the power to administer oaths and examine under oath any person relevant to the business of the examinee. A failure to produce requested books, records, or documents by the deadline shall not be a violation until after the later of:

(1) 5 business days after the initial response deadline set by the Director or authorized personnel; or

(2) an extended deadline granted by the Director or authorized personnel.

(e) Examination report. The market conduct surveillance personnel designated by the Director under Section 402 must make a full and true report of every examination made by them that contains only facts ascertained from the books, papers, records, documents, and other evidence obtained by investigation and examined by them or ascertained from the testimony of officers, agents, or other persons examined under oath concerning the business, affairs, conduct, and performance of the examinee. The report of examination must be verified by the oath of the examiner in charge thereof, and when so verified is prima facie evidence in any action or proceeding in the name of the State against the examinee, its officers, directors, or agents upon the facts stated therein.

(f) Examinee response to examination report. The Department and the examinee shall comply with the following timeline, unless a mutual agreement is reached to modify the timeline:

(1) The Department shall deliver a draft report to the examinee as soon as reasonably practicable. Nothing in this Section prevents the Department from sharing an earlier draft of the report with the examinee before confirming that the examination is completed.

(2) If the examinee chooses to respond with written submissions or rebuttals, then the examinee must do so within 30 days after receipt of any draft report delivered after the completion of the examination.

(3) As soon as reasonably practicable after receipt of any written submissions or rebuttals, the Department shall issue a final report. Whenever the Department has made substantive changes to a previously shared draft report, unless those changes remove part or all of an alleged violation or were proposed by the examinee, the Department shall deliver the revised version to the examinee as a new draft and shall allow the examinee 30 days to respond before the Department issues a final report.

(4) The examinee shall, within 10 days after the issuance of the final report, accept the final report or request a hearing in writing, unless granted an extension by mutual agreement. Failure to take either action within 10 days or the mutually agreed extension shall be deemed an acceptance of the final report. If the examinee accepts the examination report, the Director shall continue to hold the content of the examination report as private and confidential for a period of 30 days. Thereafter, the Director shall open the final report for public inspection.

(g) Hearing; final examination report. Notwithstanding anything to the contrary in this Code or Department rules, if the examinee requests a hearing, then the following procedures apply:

(1) The examinee must request the hearing in writing and must specify the issues in the final report that the examinee is challenging. The examinee is limited to challenging the issues that were previously challenged in the examinee's written submission and rebuttal or supplemental submission and rebuttal pursuant to paragraphs (2) and (3) of subsection (f).

(2) Except as permitted in paragraphs (3) and (8) of this subsection, the hearing shall be limited to the written arguments submitted by the parties to the designated hearing officer. The designated hearing officer may, however, grant a live hearing upon the request of either party.

(3) Discovery is limited to the market conduct surveillance personnel's work papers that are relevant to the issues the examinee is challenging. The relevant market conduct surveillance personnel's work papers shall be admitted into the record. No other forms of discovery, including depositions and interrogatories, are allowed, except upon written agreement of the examinee and the Department when necessary to conduct a fair hearing or as otherwise provided in this subsection.

(4) Only the examinee and the Department may submit written arguments.

(5) The examinee must submit its written argument and any supporting evidence within 30 days after the Department serves a formal notice of hearing.

(6) The Department must submit its written response and any supporting evidence within 30 days after the examinee submits its written argument.

(7) The designated hearing officer may allow additional written submissions if necessary or useful to the fair resolution of the hearing.

(8) If either the examinee or the Department submit written testimony or affidavits, then the opposing party shall be given the opportunity to cross-examine the witness and to submit the cross-examination to the hearing officer before a decision.

(9) The Director shall issue a decision accompanied by findings and conclusions. The Director's order is a final administrative decision and shall be served upon the examinee together with a copy of the final report within 90 days after the conclusion of the hearing. The hearing is deemed concluded on the later of the last date of any live hearing or the final deadline date for written submissions to the hearing officer, including any continuances or supplemental briefings permitted by the hearing officer.

(10) Any portion of the final examination report that was not challenged by the examinee is incorporated into the decision of the Director.

(11) Findings of fact and conclusions of law in the Director's final administrative decision are prima facie evidence in any legal or regulatory action.

(12) If an examinee has requested a hearing, then the Director shall continue to hold the final report and any related decision as private and confidential for a period of 49 days after the final administrative decision. After the 49-day period expires, the Director shall open the final report and any related decision for public inspection if a court of competent jurisdiction has not stayed its publication.

(h) Disclosure. So long as the recipient agrees to and verifies in writing its legal authority to hold the information confidential in a manner consistent with this Section, nothing in this Section prevents the Director from disclosing at any time the content of an examination report, preliminary examination report, or results, or any matter relating to a report or results, to:

(1) the insurance regulatory authorities of any other state; or

(2) any agency or office of the federal government.

(i) Confidentiality.

(1) The Director and any other person in the course of market conduct surveillance shall keep confidential all documents, including working papers, third-party models, or products; complaint logs; copies of any documents created, produced, obtained by, or disclosed to the Director, market conduct surveillance personnel, or any other person in the course of market conduct surveillance conducted pursuant to this Section; and all documents obtained by the NAIC pursuant to this Section. The documents shall remain confidential after the termination of the market conduct surveillance, are not subject to subpoena, are not subject to discovery or admissible as evidence in private civil litigation, are not subject to disclosure under the Freedom of Information Act, and must not be made public at any time or used by the Director or any other person, except as provided in paragraphs (3), (4), and (6) of this subsection (i) and in subsection (k).

(2) The Director and any other person in the course of market conduct surveillance shall keep confidential any self-evaluation or voluntary compliance program documents disclosed to the Director or other person by an examinee and the data collected via the NAIC market conduct annual statement. The documents are not subject to subpoena, are not subject to discovery or admissible as evidence in private civil litigation, are not subject to disclosure under the Freedom of Information Act, and they shall not be made public or used by the Director or any other person, except as provided in paragraphs (3) and (4) of this subsection (i), in subsection (k), or in Section 155.35. Nothing in this Section shall supersede the restrictions on disclosure under Section 155.35.

(3) Notwithstanding paragraphs (1) and (2) of this subsection (i), and consistent with paragraph (5) of this subsection (i), in order to assist in the performance of the Director's duties, the Director may:

(A) share documents, materials, communications, or other information, including the confidential and privileged documents, materials, or information described in this subsection (i), with other State, federal, alien, and international regulatory agencies and law enforcement authorities and the NAIC, its affiliates, and subsidiaries, if the recipient agrees to and verifies in writing its legal authority to maintain the confidentiality and privileged status of the document, material, communication, or other information;

(B) receive documents, materials, communications, or information, including otherwise confidential and privileged documents, materials, or information, from the NAIC and its affiliates or subsidiaries, and from regulatory and law enforcement officials of other State, federal, alien, or international jurisdictions, authorities, and agencies, and shall maintain as confidential or privileged any document, material, communication, or information received with notice or the understanding that it is confidential or privileged under the laws of the jurisdiction that is the source of the document, material, communication, or information; and

(C) enter into agreements governing the sharing and use of information consistent with this Section.

(4) Nothing in this Section limits:

(A) the Director's authority to use, if consistent with subsection (5) of Section 188.1, as applicable, any final or preliminary examination report, any market conduct surveillance or examinee work papers or other documents, or any other information discovered or developed during the course of any market conduct surveillance in the furtherance of any legal or regulatory action initiated by the Director that the Director may, in the Director's sole discretion, deem appropriate; however, confidential or privileged information about a company or person that is used in the legal or regulatory action shall not be made public except by order of a court of competent jurisdiction or with the written consent of the company or person; or

(B) the ability of an examinee to conduct discovery in accordance with paragraph (3) of subsection (g).

(5) Disclosure to or by the Director of documents, materials, communications, or information required as part of any type of market conduct surveillance does not waive any applicable privilege or claim of confidentiality in the documents, materials, communications, or information.

(6) Notwithstanding the confidentiality requirements of this Section or otherwise imposed by State law, if the Director performs a data call, other than the collection of data for the NAIC market conduct annual statement, the Director may make the results of the data call available for public inspection in an aggregated format that does not disclose information or data attributed to any specific company or person, including the name of any company or person who responded to the data call, so long as the Director provides all companies or persons that responded to the data call 15 days' notice identifying the information to be publicly released. Nothing in this Section requires the Director to publish results from any data call.

(j) Corrective actions.

(1) As a result of any market conduct action, the Director may take any action the Director considers necessary or appropriate in accordance with the report of examination or any hearing thereon for acts in violation of any law, rule, or prior lawful order of the Director. No corrective action, including a penalty, shall be ordered with respect to violations in transactions with consumers or other entities that are isolated occurrences or that occur with such low frequency as to fall below a reasonable margin of error. Such actions include, but are not limited to:

(A) requiring the regulated person to undertake corrective actions to cease and desist an identified violation or institute processes and practices to comply with applicable standards;

(B) requiring reimbursement or restitution of any actual losses or damages to persons harmed by the regulated person's violation with interest from the date that the actual loss or damage was incurred, which shall be calculated at the SOFR rate applicable on the date that the actual loss or damage was incurred plus 2%; and

(C) imposing civil penalties as provided in this subsection (j).

(2) The Director may order a penalty of up to $2,000 for each violation of any law, rule, or prior lawful order of the Director. Any failure to respond to an information request in a market conduct action or violation of subsection (d) may carry a fine of up to $1,000 per day up to a maximum of $50,000. Fines and penalties shall be consistent, reasonable, and justifiable, and the Director may consider reasonable criteria in ordering the fines and penalties, including, but not limited to, the examinee's size, consumer harm, the intentionality of any violations, or remedial actions already undertaken by the examinee. The Director shall communicate to the examinee the basis for any assessed fine or penalty.

(3) If any other provision of this Code or any other law or rule under the Director's jurisdiction prescribes an amount or range of monetary penalty for a violation of a particular statute or rule or a

maximum penalty in the aggregate for repeated violations, the Director shall assess penalties pursuant to the terms of the statute or rule allowing the largest penalty.

(4) If any other provision of this Code or any other law or rule under the Director's jurisdiction prescribes or specifies a method by which the Director is to determine a violation, then compliance with the process set forth herein shall be deemed to comply with the method prescribed or specified in the other provision.

(5) If the Director imposes any sanctions or corrective actions described in subparagraphs (A) through (C) of paragraph (1) of this subsection (j) based on the final report, the Director shall include those actions in a proposed stipulation and consent order enclosed with the final report issued to the examinee under subsection (f). The examinee shall have 10 days to sign the order or request a hearing in writing on the actions proposed in the order regardless of whether the examinee requests a hearing on the contents of the report under subsection (f). If the examinee does not sign the order or request a hearing on the proposed actions or the final report within 10 days, the Director may issue a final order imposing the sanctions or corrective actions. Nothing in this Section prevents the Department from sharing an earlier draft of the proposed order with the examinee before issuing the final report.

(6) If the examinee accepts the order and the final report, the Director shall hold the content of the order and report as private and confidential for a period of 30 days. Thereafter, the Director shall open the order and report for public inspection.

(7) If the examinee makes a timely request for a hearing on the order, the request must specify the sanctions or corrective actions in the order that the examinee is challenging. Any hearing shall follow the procedures set forth in paragraphs (2) through (7) of subsection (g).

(8) If the examinee has also requested a hearing on the contents of the report, then that hearing shall be consolidated with the hearing on the order. The Director shall not impose sanctions or corrective actions under this Section until the conclusion of the hearing.

(9) The Director shall issue a decision accompanied by findings and conclusions along with any corrective actions or sanctions. Any sanctions or corrective actions shall be based on the final report accepted by the examinee or adopted by the Director under paragraph (9) of subsection (g). The Director's order is a final administrative decision and shall be served upon the examinee together with a copy of the final report within 90 days after the conclusion of the hearing or within 10 days after the examinee's acceptance of the proposed order and final report, as applicable. The hearing is deemed concluded on the later of the last date of any live hearing or the final deadline date for written submissions to the hearing officer, including any continuances or supplemental briefings permitted by the hearing officer.

(10) If an examinee has requested a hearing under this subsection (i), the Director shall continue to hold the final order and examination report as private and confidential for a period of 49 days after the final administrative decision. After the 49-day period expires, the Director shall open the final order and examination report if a court of competent jurisdiction has not stayed their publication.

(k) National market conduct databases. The Director shall collect and report market data to the NAIC's market information systems, including, but not limited to, the Complaint Database System, the Examination Tracking System, and the Regulatory Information Retrieval System, or other successor NAIC products as determined by the Director. Information collected and maintained by the Department for inclusion in these NAIC market information systems shall be compiled in a manner that meets the requirements of the NAIC. Confidential or privileged information collected, reported, or maintained under this subsection (k) shall be subject to the protections and restrictions on disclosure in subsection (i).

(l) Immunity of market conduct surveillance personnel.

(1) No cause of action shall arise nor shall any liability be imposed against the Director, the Director's authorized representatives, market conduct surveillance personnel, or an examiner appointed by the Director for any statements made or conduct performed in good faith while carrying out the provisions of this Section.

(2) No cause of action shall arise nor shall any liability be imposed against any person for the act of communicating or delivering information or data to the Director, the Director's authorized representative, market conduct surveillance personnel, or examiner pursuant to an examination made under this Section, if the act of communication or delivery was performed in good faith and without fraudulent intent or the intent to deceive.

(3) A person identified in paragraph (1) of this subsection (l) shall be entitled to an award of attorney's fees and costs if he or she is the prevailing party in a civil cause of action for libel, slander,

or any other relevant tort arising out of activities in carrying out the provisions of this Section and the party bringing the action was not substantially justified in doing so. As used in this paragraph, a proceeding is substantially justified if it had a reasonable basis in law or fact at the time it was initiated.

(4) This subsection (l) does not abrogate or modify in any way any common law or statutory privilege or immunity heretofore enjoyed by any person identified in paragraph (1) of this subsection (l).

~~(1) The Director, for the purposes of ascertaining the non-financial business practices, performance, and operations of any company, may make examinations of:~~

~~(a) any company transacting or being organized to transact business in this State;~~

~~(b) any person engaged in or proposing to be engaged in the organization, promotion, or solicitation of shares or capital contributions to or aiding in the formation of a company;~~

~~(c) any person having a contract, written or oral, pertaining to the management or control of a company as general agent, managing agent, or attorney in fact;~~

~~(d) any licensed or registered producer, firm, or administrator, or any person, organization, or corporation making application for any licenses or registration;~~

~~(e) any person engaged in the business of adjusting losses or financing premiums; or~~

~~(f) any person, organization, trust, or corporation having custody or control of information reasonably related to the operation, performance, or conduct of a company or person subject to the jurisdiction of the Director.~~

~~(2) Every company or person being examined and its officers, directors, and agents must provide to the Director convenient and free access at all reasonable hours at its office or location to all books, records, documents, and any or all papers relating to the business, performance, operations, and affairs of the company. The officers, directors, and agents of the company or person must facilitate the examination and aid in the examination so far as it is in their power to do so.~~

~~The Director and any authorized examiner have the power to administer oaths and examine under oath any person relative to the business of the company being examined.~~

~~(3) The examiners designated by the Director under Section 402 must make a full and true report of every examination made by them, which contains only facts ascertained from the books, papers, records, or documents, and other evidence obtained by investigation and examined by them or ascertained from the testimony of officers or agents or other persons examined under oath concerning the business, affairs, conduct, and performance of the company or person. The report of examination must be verified by the oath of the examiner in charge thereof, and when so verified is prima facie evidence in any action or proceeding in the name of the State against the company, its officers, or agents upon the facts stated therein.~~

~~(4) The Director must notify the company or person made the subject of any examination hereunder of the contents of the verified examination report before filing it and making the report public of any matters relating thereto, and must afford the company or person an opportunity to demand a hearing with reference to the facts and other evidence therein contained.~~

~~The company or person may request a hearing within 10 days after receipt of the examination report by giving the Director written notice of that request, together with a statement of its objections. The Director must then conduct a hearing in accordance with Sections 402 and 403. He must issue a written order based upon the examination report and upon the hearing within 90 days after the report is filed or within 90 days after the hearing.~~

~~If the examination reveals that the company is operating in violation of any law, regulation, or prior order, the Director in the written order may require the company or person to take any action he considers necessary or appropriate in accordance with the report of examination or any hearing thereon. The order is subject to judicial review under the Administrative Review Law. The Director may withhold any report from public inspection for such time as he may deem proper and may, after filing the same, publish any part or all of the report as he considers to be in the interest of the public, in one or more newspapers in this State, without expense to the company.~~

~~(5) Any company which or person who violates or aids and abets any violation of a written order issued under this Section shall be guilty of a business offense and may be fined not more than $5,000. The penalty shall be paid into the General Revenue fund of the State of Illinois.~~

(Source: P.A. 87-108.)

(215 ILCS 5/132.5) (from Ch. 73, par. 744.5)

Sec. 132.5. Examination reports.

(a) General description. All examination reports shall be comprised of only facts appearing upon the books, records, or other documents of the company, its agents, or other persons examined or as ascertained from the testimony of its officers, agents, or other persons examined concerning its affairs and the conclusions and recommendations as the examiners find reasonably warranted from those facts.

(b) Filing of examination report. No later than 60 days following completion of the examination, the examiner in charge shall file with the Department a verified written report of examination under oath. Upon receipt of the verified report, the Department shall transmit the report to the company examined, together with a notice that affords the company examined a reasonable opportunity of not more than 30 days to make a written submission or rebuttal with respect to any matters contained in the examination report.

(c) Adoption of the report on examination. Within 30 days of the end of the period allowed for the receipt of written submissions or rebuttals, the Director shall fully consider and review the report, together with any written submissions or rebuttals and any relevant portions of the examiners work papers and enter an order:

(1) Adopting the examination report as filed or with modification or corrections. If the examination report reveals that the company is operating in violation of any law, regulation, or prior order of the Director, the Director may order the company to take any action the Director considers necessary and appropriate to cure the violation.

(2) Rejecting the examination report with directions to the examiners to reopen the examination for purposes of obtaining additional data, documentation, or information and refiling under subsection (b).

(3) Calling for an investigatory hearing with no less than 20 days notice to the company for purposes of obtaining additional documentation, data, information, and testimony.

(d) Order and procedures. All orders entered under paragraph (1) of subsection (c) shall be accompanied by findings and conclusions resulting from the Director's consideration and review of the examination report, relevant examiner work papers, and any written submissions or rebuttals. The order shall be considered a final administrative decision and may be appealed in accordance with the Administrative Review Law. The order shall be served upon the company by certified mail, together with a copy of the adopted examination report. Within 30 days of the issuance of the adopted report, the company shall file affidavits executed by each of its directors stating under oath that they have received a copy of the adopted report and related orders.

Any hearing conducted under paragraph (3) of subsection (c) by the Director or an authorized representative shall be conducted as a nonadversarial confidential investigatory proceeding as necessary for the resolution of any inconsistencies, discrepancies, or disputed issues apparent upon the face of the filed examination report or raised by or as a result of the Director's review of relevant work papers or by the written submission or rebuttal of the company. Within 20 days of the conclusion of any hearing, the Director shall enter an order under paragraph (1) of subsection (c).

The Director shall not appoint an examiner as an authorized representative to conduct the hearing. The hearing shall proceed expeditiously with discovery by the company limited to the examiner's work papers that tend to substantiate any assertions set forth in any written submission or rebuttal. The Director or his representative may issue subpoenas for the attendance of any witnesses or the production of any documents deemed relevant to the investigation, whether under the control of the Department, the company, or other persons. The documents produced shall be included in the record, and testimony taken by the Director or his representative shall be under oath and preserved for the record. Nothing contained in this Section shall require the Department to disclose any information or records that would indicate or show the existence or content of any investigation or activity of a criminal justice agency.

The hearing shall proceed with the Director or his representative posing questions to the persons subpoenaed. Thereafter, the company and the Department may present testimony relevant to the investigation. Cross-examination shall be conducted only by the Director or his representative. The company and the Department shall be permitted to make closing statements and may be represented by counsel of their choice.

(e) Publication and use. Upon the adoption of the examination report under paragraph (1) of subsection (c), the Director shall continue to hold the content of the examination report as private and confidential information for a period of 35 days, except to the extent provided in subsection (b). Thereafter, the Director may open the report for public inspection so long as no court of competent jurisdiction has stayed its publication.

Nothing contained in this Code shall prevent or be construed as prohibiting the Director from disclosing the content of an examination report, preliminary examination report or results, or any matter relating thereto, to the insurance department of any other state or country or to law enforcement officials of this or any other state or agency of the federal government at any time, so long as the agency or office receiving the report or matters relating thereto agrees in writing to hold it confidential and in a manner consistent with this Code.

In the event the Director determines that regulatory action is appropriate as a result of any examination, he may initiate any proceedings or actions as provided by law.

(f) Confidentiality of ancillary information. All working papers, recorded information, documents, and copies thereof produced by, obtained by, or disclosed to the Director or any other person in the course of any examination must be given confidential treatment, are not subject to subpoena, and may not be made public by the Director or any other persons, except to the extent provided in subsection (e). Access may also be granted to the National Association of Insurance Commissioners. Those parties must agree in writing before receiving the information to provide to it the same confidential treatment as required by this Section, unless the prior written consent of the company to which it pertains has been obtained.

~~This subsection (f) applies to market conduct examinations described in Section 132 of this Code.~~

(g) Disclosure. Nothing contained in this Code shall prevent or be construed as prohibiting the Director from disclosing the information described in subsections (e) and (f) to the Illinois Insurance Guaranty Fund regarding any member company defined in Section 534.5 if the member company has an authorized control level event as defined in Section 35A-25. The Director may disclose the information described in this subsection so long as the Fund agrees in writing to hold that information confidential, in a manner consistent with this Code, and uses that information to prepare for the possible liquidation of the member company. Access to the information disclosed by the Director to the Fund shall be limited to the Fund's staff and its counsel. The Board of Directors of the Fund may have access to the information disclosed by the Director to the Fund once the member company is subject to a delinquency proceeding under Article XIII subject to any terms and conditions established by the Director.

(Source: P.A. 102-929, eff. 5-27-22.)

(215 ILCS 5/155.35)

Sec. 155.35. Insurance compliance self-evaluative privilege.

(a) To encourage insurance companies and persons conducting activities regulated under this Code, both to conduct voluntary internal audits of their compliance programs and management systems and to assess and improve compliance with State and federal statutes, rules, and orders, an insurance compliance self-evaluative privilege is recognized to protect the confidentiality of communications relating to voluntary internal compliance audits. The General Assembly hereby finds and declares that protection of insurance consumers is enhanced by companies' voluntary compliance with this State's insurance and other laws and that the public will benefit from incentives to identify and remedy insurance and other compliance issues. It is further declared that limited expansion of the protection against disclosure will encourage voluntary compliance and improve insurance market conduct quality and that the voluntary provisions of this Section will not inhibit the exercise of the regulatory authority by those entrusted with protecting insurance consumers.

(b)(1) An insurance compliance self-evaluative audit document is privileged information and is not admissible as evidence in any legal action in any civil, criminal, or administrative proceeding, except as provided in subsections (c) and (d) of this Section. Documents, communications, data, reports, or other information created as a result of a claim involving personal injury or workers' compensation made against an insurance policy are not insurance compliance self-evaluative audit documents and are admissible as evidence in civil proceedings as otherwise provided by applicable rules of evidence or civil procedure, subject to any applicable statutory or common law privilege, including, but not limited to, the work product doctrine, the attorney-client privilege, or the subsequent remedial measures exclusion.

(2) If any company, person, or entity performs or directs the performance of an insurance compliance audit, an officer or employee involved with the insurance compliance audit, or any consultant who is hired for the purpose of performing the insurance compliance audit, may not be examined in any civil, criminal, or administrative proceeding as to the insurance compliance audit or any insurance compliance self-evaluative audit document, as defined in this Section. This subsection (b)(2) does not apply if the privilege set forth in subsection (b)(1) of this Section is determined under subsection (c) or (d) not to apply.

(3) A company may voluntarily submit, in connection with examinations conducted under this Article, an insurance compliance self-evaluative audit document to the Director, or his or her designee, as a

confidential document under subsection (i) of Section 132 or subsection (f) of Section 132.5 of this Code without waiving the privilege set forth in this Section to which the company would otherwise be entitled; provided, however, that the provisions in Sections 132 and ~~subsection (f) of Section~~ 132.5 permitting the Director to make confidential documents public ~~pursuant to subsection (e) of Section 132.5~~ and grant access to the National Association of Insurance Commissioners shall not apply to the insurance compliance self-evaluative audit document so voluntarily submitted. Nothing contained in this subsection shall give the Director any authority to compel a company to disclose involuntarily or otherwise provide an insurance compliance self-evaluative audit document.

(c)(1) The privilege set forth in subsection (b) of this Section does not apply to the extent that it is expressly waived by the company that prepared or caused to be prepared the insurance compliance self-evaluative audit document.

(2) In a civil or administrative proceeding, a court of record may, after an in camera review, require disclosure of material for which the privilege set forth in subsection (b) of this Section is asserted, if the court determines one of the following:

(A) the privilege is asserted for a fraudulent purpose;

(B) the material is not subject to the privilege; or

(C) even if subject to the privilege, the material shows evidence of noncompliance with State and federal statutes, rules and orders and the company failed to undertake reasonable corrective action or eliminate the noncompliance within a reasonable time.

(3) In a criminal proceeding, a court of record may, after an in camera review, require disclosure of material for which the privilege described in subsection (b) of this Section is asserted, if the court determines one of the following:

(A) the privilege is asserted for a fraudulent purpose;

(B) the material is not subject to the privilege;

(C) even if subject to the privilege, the material shows evidence of noncompliance with State and federal statutes, rules and orders and the company failed to undertake reasonable corrective action or eliminate such noncompliance within a reasonable time; or

(D) the material contains evidence relevant to commission of a criminal offense under this Code, and all of the following factors are present:

(i) the Director, State's Attorney, or Attorney General has a compelling need for the information;

(ii) the information is not otherwise available; and

(iii) the Director, State's Attorney, or Attorney General is unable to obtain the substantial equivalent of the information by any means without incurring unreasonable cost and delay.

(d)(1) Within 30 days after the Director, State's Attorney, or Attorney General makes a written request by certified mail for disclosure of an insurance compliance self-evaluative audit document under this subsection, the company that prepared or caused the document to be prepared may file with the appropriate court a petition requesting an in camera hearing on whether the insurance compliance self-evaluative audit document or portions of the document are privileged under this Section or subject to disclosure. The court has jurisdiction over a petition filed by a company under this subsection requesting an in camera hearing on whether the insurance compliance self-evaluative audit document or portions of the document are privileged or subject to disclosure. Failure by the company to file a petition waives the privilege.

(2) A company asserting the insurance compliance self-evaluative privilege in response to a request for disclosure under this subsection shall include in its request for an in camera hearing all of the information set forth in subsection (d)(5) of this Section.

(3) Upon the filing of a petition under this subsection, the court shall issue an order scheduling, within 45 days after the filing of the petition, an in camera hearing to determine whether the insurance compliance self-evaluative audit document or portions of the document are privileged under this Section or subject to disclosure.

(4) The court, after an in camera review, may require disclosure of material for which the privilege in subsection (b) of this Section is asserted if the court determines, based upon its in camera review, that any one of the conditions set forth in subsection (c)(2)(A) through (C) is applicable as to a civil or administrative proceeding or that any one of the conditions set forth in subsection (c)(3)(A) through (D) is applicable as to a criminal proceeding. Upon making such a determination, the court may only compel the disclosure of those portions of an insurance compliance self-evaluative audit document relevant to issues in dispute in the underlying proceeding. Any compelled disclosure will not be considered to be a public document or be

deemed to be a waiver of the privilege for any other civil, criminal, or administrative proceeding. A party unsuccessfully opposing disclosure may apply to the court for an appropriate order protecting the document from further disclosure.

(5) A company asserting the insurance compliance self-evaluative privilege in response to a request for disclosure under this subsection (d) shall provide to the Director, State's Attorney, or Attorney General, as the case may be, at the time of filing any objection to the disclosure, all of the following information:

(A) The date of the insurance compliance self-evaluative audit document.

(B) The identity of the entity conducting the audit.

(C) The general nature of the activities covered by the insurance compliance audit.

(D) An identification of the portions of the insurance compliance self-evaluative audit document for which the privilege is being asserted.

(e) (1) A company asserting the insurance compliance self-evaluative privilege set forth in subsection (b) of this Section has the burden of demonstrating the applicability of the privilege. Once a company has established the applicability of the privilege, a party seeking disclosure under subsections (c)(2)(A) or (C) of this Section has the burden of proving that the privilege is asserted for a fraudulent purpose or that the company failed to undertake reasonable corrective action or eliminate the noncompliance with a reasonable time. The Director, State's Attorney, or Attorney General seeking disclosure under subsection (c)(3) of this Section has the burden of proving the elements set forth in subsection (c)(3) of this Section.

(2) The parties may at any time stipulate in proceedings under subsections (c) or (d) of this Section to entry of an order directing that specific information contained in an insurance compliance self-evaluative audit document is or is not subject to the privilege provided under subsection (b) of this Section.

(f) The privilege set forth in subsection (b) of this Section shall not extend to any of the following:

(1) documents, communications, data, reports, or other information required to be collected, developed, maintained, reported, or otherwise made available to a regulatory agency pursuant to this Code, or other federal or State law, rule, or order;

(2) information obtained by observation or monitoring by any regulatory agency; or

(3) information obtained from a source independent of the insurance compliance audit.

(g) As used in this Section:

(1) "Insurance compliance audit" means a voluntary, internal evaluation, review, assessment, or audit not otherwise expressly required by law of a company or an activity regulated under this Code, or other State or federal law applicable to a company, or of management systems related to the company or activity, that is designed to identify and prevent noncompliance and to improve compliance with those statutes, rules, or orders. An insurance compliance audit may be conducted by the company, its employees, or by independent contractors.

(2) "Insurance compliance self-evaluative audit document" means documents prepared as a result of or in connection with and not prior to an insurance compliance audit. An insurance compliance self-evaluation audit document may include a written response to the findings of an insurance compliance audit. An insurance compliance self-evaluative audit document may include, but is not limited to, as applicable, field notes and records of observations, findings, opinions, suggestions, conclusions, drafts, memoranda, drawings, photographs, computer-generated or electronically recorded information, phone records, maps, charts, graphs, and surveys, provided this supporting information is collected or developed for the primary purpose and in the course of an insurance compliance audit. An insurance compliance self-evaluative audit document may also include any of the following:

(A) an insurance compliance audit report prepared by an auditor, who may be an employee of the company or an independent contractor, which may include the scope of the audit, the information gained in the audit, and conclusions and recommendations, with exhibits and appendices;

(B) memoranda and documents analyzing portions or all of the insurance compliance audit report and discussing potential implementation issues;

(C) an implementation plan that addresses correcting past noncompliance, improving current compliance, and preventing future noncompliance; or

(D) analytic data generated in the course of conducting the insurance compliance audit.

(3) "Company" has the same meaning as provided in Section 2 of this Code.

(h) Nothing in this Section shall limit, waive, or abrogate the scope or nature of any statutory or common law privilege including, but not limited to, the work product doctrine, the attorney-client privilege, or the subsequent remedial measures exclusion.

(Source: P.A. 90-499, eff. 8-19-97; 90-655, eff. 7-30-98.)

(215 ILCS 5/402) (from Ch. 73, par. 1014)

Sec. 402. Examinations, investigations and hearings. (1) All examinations, investigations and hearings provided for by this Code may be conducted either by the Director personally, or by one or more of the actuaries, technical advisors, deputies, supervisors or examiners employed or retained by the Department and designated by the Director for such purpose. When necessary to supplement its examination procedures, the Department may retain independent actuaries deemed competent by the Director, independent certified public accountants, ~~or~~ qualified examiners of insurance companies, or other qualified outside professional assistance deemed competent by the Director, or any combination of the foregoing, the cost of which shall be borne by the company or person being examined. The Director may compensate independent actuaries, certified public accountants, ~~and~~ qualified examiners, and other qualified outside professional assistance retained for supplementing examination procedures in amounts not to exceed the reasonable and customary charges for such services. The Director may also accept as a part of the Department's examination of any company or person (a) a report by an independent actuary deemed competent by the Director or (b) a report of an audit made by an independent certified public accountant. Neither those persons so designated nor any members of their immediate families shall be officers of, connected with, or financially interested in any company other than as policyholders, nor shall they be financially interested in any other corporation or person affected by the examination, investigation or hearing.

(2) All hearings provided for in this Code shall, unless otherwise specially provided, be held at such time and place as shall be designated in a notice which shall be given by the Director in writing to the person or company whose interests are affected, at least 10 days before the date designated therein. The notice shall state the subject of inquiry and the specific charges, if any. The hearings shall be held in the City of Springfield, the City of Chicago, or in the county where the principal business address of the person or company affected is located.

(Source: P.A. 87-757.)

(215 ILCS 5/408) (from Ch. 73, par. 1020)

(Text of Section before amendment by P.A. 103-75)

Sec. 408. Fees and charges.

(1) The Director shall charge, collect and give proper acquittances for the payment of the following fees and charges:

(a) For filing all documents submitted for the incorporation or organization or certification of a domestic company, except for a fraternal benefit society, $2,000.

(b) For filing all documents submitted for the incorporation or organization of a fraternal benefit society, $500.

(c) For filing amendments to articles of incorporation and amendments to declaration of organization, except for a fraternal benefit society, a mutual benefit association, a burial society or a farm mutual, $200.

(d) For filing amendments to articles of incorporation of a fraternal benefit society, a mutual benefit association or a burial society, $100.

(e) For filing amendments to articles of incorporation of a farm mutual, $50.

(f) For filing bylaws or amendments thereto, $50.

(g) For filing agreement of merger or consolidation:

(i) for a domestic company, except for a fraternal benefit society, a mutual benefit association, a burial society, or a farm mutual, $2,000.

(ii) for a foreign or alien company, except for a fraternal benefit society, $600.

(iii) for a fraternal benefit society, a mutual benefit association, a burial society, or a farm mutual, $200.

(h) For filing agreements of reinsurance by a domestic company, $200.

(i) For filing all documents submitted by a foreign or alien company to be admitted to transact business or accredited as a reinsurer in this State, except for a fraternal benefit society, $5,000.

(j) For filing all documents submitted by a foreign or alien fraternal benefit society to be admitted to transact business in this State, $500.

(k) For filing declaration of withdrawal of a foreign or alien company, $50.

(l) For filing annual statement by a domestic company, except a fraternal benefit society, a mutual benefit association, a burial society, or a farm mutual, $200.

(m) For filing annual statement by a domestic fraternal benefit society, $100.

(n) For filing annual statement by a farm mutual, a mutual benefit association, or a burial society, $50.

(o) For issuing a certificate of authority or renewal thereof except to a foreign fraternal benefit society, $400.

(p) For issuing a certificate of authority or renewal thereof to a foreign fraternal benefit society, $200.

(q) For issuing an amended certificate of authority, $50.

(r) For each certified copy of certificate of authority, $20.

(s) For each certificate of deposit, or valuation, or compliance or surety certificate, $20.

(t) For copies of papers or records per page, $1.

(u) For each certification to copies of papers or records, $10.

(v) For multiple copies of documents or certificates listed in subparagraphs (r), (s), and (u) of paragraph (1) of this Section, $10 for the first copy of a certificate of any type and $5 for each additional copy of the same certificate requested at the same time, unless, pursuant to paragraph (2) of this Section, the Director finds these additional fees excessive.

(w) For issuing a permit to sell shares or increase paid-up capital:

(i) in connection with a public stock offering, $300;

(ii) in any other case, $100.

(x) For issuing any other certificate required or permissible under the law, $50.

(y) For filing a plan of exchange of the stock of a domestic stock insurance company, a plan of demutualization of a domestic mutual company, or a plan of reorganization under Article XII, $2,000.

(z) For filing a statement of acquisition of a domestic company as defined in Section 131.4 of this Code, $2,000.

(aa) For filing an agreement to purchase the business of an organization authorized under the Dental Service Plan Act or the Voluntary Health Services Plans Act or of a health maintenance organization or a limited health service organization, $2,000.

(bb) For filing a statement of acquisition of a foreign or alien insurance company as defined in Section 131.12a of this Code, $1,000.

(cc) For filing a registration statement as required in Sections 131.13 and 131.14, the notification as required by Sections 131.16, 131.20a, or 141.4, or an agreement or transaction required by Sections 124.2(2), 141, 141a, or 141.1, $200.

(dd) For filing an application for licensing of:

(i) a religious or charitable risk pooling trust or a workers' compensation pool, $1,000;

(ii) a workers' compensation service company, $500;

(iii) a self-insured automobile fleet, $200; or

(iv) a renewal of or amendment of any license issued pursuant to (i), (ii), or (iii) above, $100.

(ee) For filing articles of incorporation for a syndicate to engage in the business of insurance through the Illinois Insurance Exchange, $2,000.

(ff) For filing amended articles of incorporation for a syndicate engaged in the business of insurance through the Illinois Insurance Exchange, $100.

(gg) For filing articles of incorporation for a limited syndicate to join with other subscribers or limited syndicates to do business through the Illinois Insurance Exchange, $1,000.

(hh) For filing amended articles of incorporation for a limited syndicate to do business through the Illinois Insurance Exchange, $100.

(ii) For a permit to solicit subscriptions to a syndicate or limited syndicate, $100.

(jj) For the filing of each form as required in Section 143 of this Code, $50 per form. Informational and advertising filings shall be $25 per filing. The fee for advisory and rating organizations shall be $200 per form.

(i) For the purposes of the form filing fee, filings made on insert page basis will be considered one form at the time of its original submission. Changes made to a form subsequent to its approval shall be considered a new filing.

(ii) Only one fee shall be charged for a form, regardless of the number of other forms or policies with which it will be used.

(iii) Fees charged for a policy filed as it will be issued regardless of the number of forms comprising that policy shall not exceed $1,500. For advisory or rating organizations, fees charged for a policy filed as it will be issued regardless of the number of forms comprising that policy shall not exceed $2,500.

(iv) The Director may by rule exempt forms from such fees.

(kk) For filing an application for licensing of a reinsurance intermediary, $500.

(ll) For filing an application for renewal of a license of a reinsurance intermediary, $200.

(mm) For filing a plan of division of a domestic stock company under Article IIB, $10,000.

(nn) For filing all documents submitted by a foreign or alien company to be a certified reinsurer in this State, except for a fraternal benefit society, $1,000.

(oo) For filing a renewal by a foreign or alien company to be a certified reinsurer in this State, except for a fraternal benefit society, $400.

(pp) For filing all documents submitted by a reinsurer domiciled in a reciprocal jurisdiction, $1,000.

(qq) For filing a renewal by a reinsurer domiciled in a reciprocal jurisdiction, $400.

(rr) For registering a captive management company or renewal thereof, $50.

(2) When printed copies or numerous copies of the same paper or records are furnished or certified, the Director may reduce such fees for copies if he finds them excessive. He may, when he considers it in the public interest, furnish without charge to state insurance departments and persons other than companies, copies or certified copies of reports of examinations and of other papers and records.

(3)(a) The expenses incurred in any performance examination authorized by law shall be paid by the company or person being examined. The charge shall be consistent with that otherwise authorized by law and shall be reasonably related to the cost of the examination including but not limited to compensation of examiners, electronic data processing costs, supervision and preparation of an examination report and lodging and travel expenses. All lodging and travel expenses shall be in accord with the applicable travel regulations as published by the Department of Central Management Services and approved by the Governor's Travel Control Board, except that out-of-state lodging and travel expenses related to examinations authorized under Section 132 shall be in accordance with travel rates prescribed under paragraph 301-7.2 of the Federal Travel Regulations, 41 C.F.R. 301-7.2, for reimbursement of subsistence expenses incurred during official travel. All lodging and travel expenses may be reimbursed directly upon authorization of the Director. With the exception of the direct reimbursements authorized by the Director, all performance examination charges collected by the Department shall be paid to the Insurance Producer Administration Fund, however, the electronic data processing costs incurred by the Department in the performance of any examination shall be billed directly to the company being examined for payment to the Technology Management Revolving Fund.

(b) The costs and fees incurred in a market conduct examination shall be itemized and bills shall be provided to the examinee on a monthly basis for review prior to submission for payment. The Director shall review and affirmatively endorse detailed billings from any contracted, qualified outside professional assistance retained under Section 402 for market conduct examinations before the detailed billings are sent to the examinee. Before any qualified outside professional assistance conducts billable work on an examination, the Department shall disclose to the examinee the terms of the contracts with the qualified outside professional assistance that will be used, including the fees and hourly rates that can be charged.

(4) At the time of any service of process on the Director as attorney for such service, the Director shall charge and collect the sum of $40, which may be recovered as taxable costs by the party to the suit or action causing such service to be made if he prevails in such suit or action.

(5) (a) The costs incurred by the Department of Insurance in conducting any hearing authorized by law shall be assessed against the parties to the hearing in such proportion as the Director of Insurance may determine upon consideration of all relevant circumstances including: (1) the nature of the hearing; (2) whether the hearing was instigated by, or for the benefit of a particular party or parties; (3) whether there is a successful party on the merits of the proceeding; and (4) the relative levels of participation by the parties.

(b) For purposes of this subsection (5) costs incurred shall mean the hearing officer fees, court reporter fees, and travel expenses of Department of Insurance officers and employees; provided however, that costs incurred shall not include hearing officer fees or court reporter fees unless the Department has retained the services of independent contractors or outside experts to perform such functions.

(c) The Director shall make the assessment of costs incurred as part of the final order or decision arising out of the proceeding; provided, however, that such order or decision shall include findings and conclusions in support of the assessment of costs. This subsection (5) shall not be construed as permitting the payment of travel expenses unless calculated in accordance with the applicable travel regulations of the Department of Central Management Services, as approved by the Governor's Travel Control Board. The Director as part of such order or decision shall require all assessments for hearing officer fees and court reporter fees, if any, to be paid directly to the hearing officer or court reporter by the party(s) assessed for such costs. The assessments for travel expenses of Department officers and employees shall be reimbursable to the Director of Insurance for deposit to the fund out of which those expenses had been paid.

(d) The provisions of this subsection (5) shall apply in the case of any hearing conducted by the Director of Insurance not otherwise specifically provided for by law.

(6) The Director shall charge and collect an annual financial regulation fee from every domestic company for examination and analysis of its financial condition and to fund the internal costs and expenses of the Interstate Insurance Receivership Commission as may be allocated to the State of Illinois and companies doing an insurance business in this State pursuant to Article X of the Interstate Insurance Receivership Compact. The fee shall be the greater fixed amount based upon the combination of nationwide direct premium income and nationwide reinsurance assumed premium income or upon admitted assets calculated under this subsection as follows:

(a) Combination of nationwide direct premium income and nationwide reinsurance assumed premium.

(i) $150, if the premium is less than $500,000 and there is no reinsurance assumed premium;

(ii) $750, if the premium is $500,000 or more, but less than $5,000,000 and there is no reinsurance assumed premium; or if the premium is less than $5,000,000 and the reinsurance assumed premium is less than $10,000,000;

(iii) $3,750, if the premium is less than $5,000,000 and the reinsurance assumed premium is $10,000,000 or more;

(iv) $7,500, if the premium is $5,000,000 or more, but less than $10,000,000;

(v) $18,000, if the premium is $10,000,000 or more, but less than $25,000,000;

(vi) $22,500, if the premium is $25,000,000 or more, but less than $50,000,000;

(vii) $30,000, if the premium is $50,000,000 or more, but less than $100,000,000;

(viii) $37,500, if the premium is $100,000,000 or more.

(b) Admitted assets.

(i) $150, if admitted assets are less than $1,000,000;

(ii) $750, if admitted assets are $1,000,000 or more, but less than $5,000,000;

(iii) $3,750, if admitted assets are $5,000,000 or more, but less than $25,000,000;

(iv) $7,500, if admitted assets are $25,000,000 or more, but less than $50,000,000;

(v) $18,000, if admitted assets are $50,000,000 or more, but less than $100,000,000;

(vi) $22,500, if admitted assets are $100,000,000 or more, but less than $500,000,000;

(vii) $30,000, if admitted assets are $500,000,000 or more, but less than $1,000,000,000;

(viii) $37,500, if admitted assets are $1,000,000,000 or more.

(c) The sum of financial regulation fees charged to the domestic companies of the same affiliated group shall not exceed $250,000 in the aggregate in any single year and shall be billed by the Director to the member company designated by the group.

(7) The Director shall charge and collect an annual financial regulation fee from every foreign or alien company, except fraternal benefit societies, for the examination and analysis of its financial condition and to fund the internal costs and expenses of the Interstate Insurance Receivership Commission as may be allocated to the State of Illinois and companies doing an insurance business in this State pursuant to Article X of the Interstate Insurance Receivership Compact. The fee shall be a fixed amount based upon Illinois direct premium income and nationwide reinsurance assumed premium income in accordance with the following schedule:

(a) $150, if the premium is less than $500,000 and there is no reinsurance assumed premium;

(b) $750, if the premium is $500,000 or more, but less than $5,000,000 and there is no reinsurance assumed premium; or if the premium is less than $5,000,000 and the reinsurance assumed premium is less than $10,000,000;

(c) $3,750, if the premium is less than $5,000,000 and the reinsurance assumed premium is $10,000,000 or more;

(d) $7,500, if the premium is $5,000,000 or more, but less than $10,000,000;

(e) $18,000, if the premium is $10,000,000 or more, but less than $25,000,000;

(f) $22,500, if the premium is $25,000,000 or more, but less than $50,000,000;

(g) $30,000, if the premium is $50,000,000 or more, but less than $100,000,000;

(h) $37,500, if the premium is $100,000,000 or more.

The sum of financial regulation fees under this subsection (7) charged to the foreign or alien companies within the same affiliated group shall not exceed $250,000 in the aggregate in any single year and shall be billed by the Director to the member company designated by the group.

(8) Beginning January 1, 1992, the financial regulation fees imposed under subsections (6) and (7) of this Section shall be paid by each company or domestic affiliated group annually. After January 1, 1994, the fee shall be billed by Department invoice based upon the company's premium income or admitted assets as shown in its annual statement for the preceding calendar year. The invoice is due upon receipt and must be paid no later than June 30 of each calendar year. All financial regulation fees collected by the Department shall be paid to the Insurance Financial Regulation Fund. The Department may not collect financial examiner per diem charges from companies subject to subsections (6) and (7) of this Section undergoing financial examination after June 30, 1992.

(9) In addition to the financial regulation fee required by this Section, a company undergoing any financial examination authorized by law shall pay the following costs and expenses incurred by the Department: electronic data processing costs, the expenses authorized under Section 131.21 and subsection (d) of Section 132.4 of this Code, and lodging and travel expenses.

Electronic data processing costs incurred by the Department in the performance of any examination shall be billed directly to the company undergoing examination for payment to the Technology Management Revolving Fund. Except for direct reimbursements authorized by the Director or direct payments made under Section 131.21 or subsection (d) of Section 132.4 of this Code, all financial regulation fees and all financial examination charges collected by the Department shall be paid to the Insurance Financial Regulation Fund.

All lodging and travel expenses shall be in accordance with applicable travel regulations published by the Department of Central Management Services and approved by the Governor's Travel Control Board, except that out-of-state lodging and travel expenses related to examinations authorized under Sections 132.1 through 132.7 shall be in accordance with travel rates prescribed under paragraph 301-7.2 of the Federal Travel Regulations, 41 C.F.R. 301-7.2, for reimbursement of subsistence expenses incurred during official travel. All lodging and travel expenses may be reimbursed directly upon the authorization of the Director.

In the case of an organization or person not subject to the financial regulation fee, the expenses incurred in any financial examination authorized by law shall be paid by the organization or person being examined. The charge shall be reasonably related to the cost of the examination including, but not limited to, compensation of examiners and other costs described in this subsection.

(10) Any company, person, or entity failing to make any payment of $150 or more as required under this Section shall be subject to the penalty and interest provisions provided for in subsections (4) and (7) of Section 412.

(11) Unless otherwise specified, all of the fees collected under this Section shall be paid into the Insurance Financial Regulation Fund.

(12) For purposes of this Section:

(a) "Domestic company" means a company as defined in Section 2 of this Code which is incorporated or organized under the laws of this State, and in addition includes a not-for-profit corporation authorized under the Dental Service Plan Act or the Voluntary Health Services Plans Act, a health maintenance organization, and a limited health service organization.

(b) "Foreign company" means a company as defined in Section 2 of this Code which is incorporated or organized under the laws of any state of the United States other than this State and in addition includes a health maintenance organization and a limited health service organization which is incorporated or organized under the laws of any state of the United States other than this State.

(c) "Alien company" means a company as defined in Section 2 of this Code which is incorporated or organized under the laws of any country other than the United States.

(d) "Fraternal benefit society" means a corporation, society, order, lodge or voluntary association as defined in Section 282.1 of this Code.

(e) "Mutual benefit association" means a company, association or corporation authorized by the Director to do business in this State under the provisions of Article XVIII of this Code.

(f) "Burial society" means a person, firm, corporation, society or association of individuals authorized by the Director to do business in this State under the provisions of Article XIX of this Code.

(g) "Farm mutual" means a district, county and township mutual insurance company authorized by the Director to do business in this State under the provisions of the Farm Mutual Insurance Company Act of 1986.

(Source: P.A. 102-775, eff. 5-13-22.)

(Text of Section after amendment by P.A. 103-75)

Sec. 408. Fees and charges.

(1) The Director shall charge, collect and give proper acquittances for the payment of the following fees and charges:

(a) For filing all documents submitted for the incorporation or organization or certification of a domestic company, except for a fraternal benefit society, $2,000.

(b) For filing all documents submitted for the incorporation or organization of a fraternal benefit society, $500.

(c) For filing amendments to articles of incorporation and amendments to declaration of organization, except for a fraternal benefit society, a mutual benefit association, a burial society or a farm mutual, $200.

(d) For filing amendments to articles of incorporation of a fraternal benefit society, a mutual benefit association or a burial society, $100.

(e) For filing amendments to articles of incorporation of a farm mutual, $50.

(f) For filing bylaws or amendments thereto, $50.

(g) For filing agreement of merger or consolidation:

(i) for a domestic company, except for a fraternal benefit society, a mutual benefit association, a burial society, or a farm mutual, $2,000.

(ii) for a foreign or alien company, except for a fraternal benefit society, $600.

(iii) for a fraternal benefit society, a mutual benefit association, a burial society, or a farm mutual, $200.

(h) For filing agreements of reinsurance by a domestic company, $200.

(i) For filing all documents submitted by a foreign or alien company to be admitted to transact business or accredited as a reinsurer in this State, except for a fraternal benefit society, $5,000.

(j) For filing all documents submitted by a foreign or alien fraternal benefit society to be admitted to transact business in this State, $500.

(k) For filing declaration of withdrawal of a foreign or alien company, $50.

(l) For filing annual statement by a domestic company, except a fraternal benefit society, a mutual benefit association, a burial society, or a farm mutual, $200.

(m) For filing annual statement by a domestic fraternal benefit society, $100.

(n) For filing annual statement by a farm mutual, a mutual benefit association, or a burial society, $50.

(o) For issuing a certificate of authority or renewal thereof except to a foreign fraternal benefit society, $400.

(p) For issuing a certificate of authority or renewal thereof to a foreign fraternal benefit society, $200.

(q) For issuing an amended certificate of authority, $50.

(r) For each certified copy of certificate of authority, $20.

(s) For each certificate of deposit, or valuation, or compliance or surety certificate, $20.

(t) For copies of papers or records per page, $1.

(u) For each certification to copies of papers or records, $10.

(v) For multiple copies of documents or certificates listed in subparagraphs (r), (s), and (u) of paragraph (1) of this Section, $10 for the first copy of a certificate of any type and $5 for each additional copy of the same certificate requested at the same time, unless, pursuant to paragraph (2) of this Section, the Director finds these additional fees excessive.

(w) For issuing a permit to sell shares or increase paid-up capital:

(i) in connection with a public stock offering, $300;

(ii) in any other case, $100.

(x) For issuing any other certificate required or permissible under the law, $50.

(y) For filing a plan of exchange of the stock of a domestic stock insurance company, a plan of demutualization of a domestic mutual company, or a plan of reorganization under Article XII, $2,000.

(z) For filing a statement of acquisition of a domestic company as defined in Section 131.4 of this Code, $2,000.

(aa) For filing an agreement to purchase the business of an organization authorized under the Dental Service Plan Act or the Voluntary Health Services Plans Act or of a health maintenance organization or a limited health service organization, $2,000.

(bb) For filing a statement of acquisition of a foreign or alien insurance company as defined in Section 131.12a of this Code, $1,000.

(cc) For filing a registration statement as required in Sections 131.13 and 131.14, the notification as required by Sections 131.16, 131.20a, or 141.4, or an agreement or transaction required by Sections 124.2(2), 141, 141a, or 141.1, $200.

(dd) For filing an application for licensing of:

(i) a religious or charitable risk pooling trust or a workers' compensation pool, $1,000;

(ii) a workers' compensation service company, $500;

(iii) a self-insured automobile fleet, $200; or

(iv) a renewal of or amendment of any license issued pursuant to (i), (ii), or (iii) above, $100.

(ee) For filing articles of incorporation for a syndicate to engage in the business of insurance through the Illinois Insurance Exchange, $2,000.

(ff) For filing amended articles of incorporation for a syndicate engaged in the business of insurance through the Illinois Insurance Exchange, $100.

(gg) For filing articles of incorporation for a limited syndicate to join with other subscribers or limited syndicates to do business through the Illinois Insurance Exchange, $1,000.

(hh) For filing amended articles of incorporation for a limited syndicate to do business through the Illinois Insurance Exchange, $100.

(ii) For a permit to solicit subscriptions to a syndicate or limited syndicate, $100.

(jj) For the filing of each form as required in Section 143 of this Code, $50 per form. Informational and advertising filings shall be $25 per filing. The fee for advisory and rating organizations shall be $200 per form.

(i) For the purposes of the form filing fee, filings made on insert page basis will be considered one form at the time of its original submission. Changes made to a form subsequent to its approval shall be considered a new filing.

(ii) Only one fee shall be charged for a form, regardless of the number of other forms or policies with which it will be used.

(iii) Fees charged for a policy filed as it will be issued regardless of the number of forms comprising that policy shall not exceed $1,500. For advisory or rating organizations, fees charged for a policy filed as it will be issued regardless of the number of forms comprising that policy shall not exceed $2,500.

(iv) The Director may by rule exempt forms from such fees.

(kk) For filing an application for licensing of a reinsurance intermediary, $500.

(ll) For filing an application for renewal of a license of a reinsurance intermediary, $200.

(mm) For filing a plan of division of a domestic stock company under Article IIB, $10,000.

(nn) For filing all documents submitted by a foreign or alien company to be a certified reinsurer in this State, except for a fraternal benefit society, $1,000.

(oo) For filing a renewal by a foreign or alien company to be a certified reinsurer in this State, except for a fraternal benefit society, $400.

(pp) For filing all documents submitted by a reinsurer domiciled in a reciprocal jurisdiction, $1,000.

(qq) For filing a renewal by a reinsurer domiciled in a reciprocal jurisdiction, $400.

(rr) For registering a captive management company or renewal thereof, $50.

(ss) For filing an insurance business transfer plan under Article XLVII, $25,000.

(2) When printed copies or numerous copies of the same paper or records are furnished or certified, the Director may reduce such fees for copies if he finds them excessive. He may, when he considers it in the public interest, furnish without charge to state insurance departments and persons other than companies, copies or certified copies of reports of examinations and of other papers and records.

(3)(a) The expenses incurred in any performance examination authorized by law shall be paid by the company or person being examined. The charge shall be consistent with that otherwise authorized by law and shall be reasonably related to the cost of the examination including but not limited to compensation of examiners, electronic data processing costs, supervision and preparation of an examination report and lodging and travel expenses. All lodging and travel expenses shall be in accord with the applicable travel regulations as published by the Department of Central Management Services and approved by the Governor's Travel Control Board, except that out-of-state lodging and travel expenses related to examinations authorized under Section 132 shall be in accordance with travel rates prescribed under paragraph 301-7.2 of the Federal Travel Regulations, 41 C.F.R. 301-7.2, for reimbursement of subsistence expenses incurred during official travel. All lodging and travel expenses may be reimbursed directly upon authorization of the Director. With the exception of the direct reimbursements authorized by the Director, all performance examination charges collected by the Department shall be paid to the Insurance Producer Administration Fund, however, the electronic data processing costs incurred by the Department in the performance of any examination shall be billed directly to the company being examined for payment to the Technology Management Revolving Fund.

(b) The costs and fees incurred in a market conduct examination shall be itemized and bills shall be provided to the examinee on a monthly basis for review prior to submission for payment. The Director shall review and affirmatively endorse detailed billings from any contracted, qualified outside professional assistance retained under Section 402 for market conduct examinations before the detailed billings are sent to the examinee. Before any qualified outside professional assistance conducts billable work on an examination, the Department shall disclose to the examinee the terms of the contracts with the qualified outside professional assistance that will be used, including the fees and hourly rates that can be charged.

(4) At the time of any service of process on the Director as attorney for such service, the Director shall charge and collect the sum of $40, which may be recovered as taxable costs by the party to the suit or action causing such service to be made if he prevails in such suit or action.

(5) (a) The costs incurred by the Department of Insurance in conducting any hearing authorized by law shall be assessed against the parties to the hearing in such proportion as the Director of Insurance may determine upon consideration of all relevant circumstances including: (1) the nature of the hearing; (2) whether the hearing was instigated by, or for the benefit of a particular party or parties; (3) whether there is a successful party on the merits of the proceeding; and (4) the relative levels of participation by the parties.

(b) For purposes of this subsection (5) costs incurred shall mean the hearing officer fees, court reporter fees, and travel expenses of Department of Insurance officers and employees; provided however, that costs incurred shall not include hearing officer fees or court reporter fees unless the Department has retained the services of independent contractors or outside experts to perform such functions.

(c) The Director shall make the assessment of costs incurred as part of the final order or decision arising out of the proceeding; provided, however, that such order or decision shall include findings and conclusions in support of the assessment of costs. This subsection (5) shall not be construed as permitting the payment of travel expenses unless calculated in accordance with the applicable travel regulations of the Department of Central Management Services, as approved by the Governor's Travel Control Board. The Director as part of such order or decision shall require all assessments for hearing officer fees and court reporter fees, if any, to be paid directly to the hearing officer or court reporter by the party(s) assessed for such costs. The assessments for travel expenses of Department officers and employees shall be reimbursable to the Director of Insurance for deposit to the fund out of which those expenses had been paid.

(d) The provisions of this subsection (5) shall apply in the case of any hearing conducted by the Director of Insurance not otherwise specifically provided for by law.

(6) The Director shall charge and collect an annual financial regulation fee from every domestic company for examination and analysis of its financial condition and to fund the internal costs and expenses of the Interstate Insurance Receivership Commission as may be allocated to the State of Illinois and companies doing an insurance business in this State pursuant to Article X of the Interstate Insurance Receivership Compact. The fee shall be the greater fixed amount based upon the combination of nationwide direct premium income and nationwide reinsurance assumed premium income or upon admitted assets calculated under this subsection as follows:

(a) Combination of nationwide direct premium income and nationwide reinsurance assumed premium.

(i) $150, if the premium is less than $500,000 and there is no reinsurance assumed premium;

(ii) $750, if the premium is $500,000 or more, but less than $5,000,000 and there is no reinsurance assumed premium; or if the premium is less than $5,000,000 and the reinsurance assumed premium is less than $10,000,000;

(iii) $3,750, if the premium is less than $5,000,000 and the reinsurance assumed premium is $10,000,000 or more;

(iv) $7,500, if the premium is $5,000,000 or more, but less than $10,000,000;

(v) $18,000, if the premium is $10,000,000 or more, but less than $25,000,000;

(vi) $22,500, if the premium is $25,000,000 or more, but less than $50,000,000;

(vii) $30,000, if the premium is $50,000,000 or more, but less than $100,000,000;

(viii) $37,500, if the premium is $100,000,000 or more.

(b) Admitted assets.

(i) $150, if admitted assets are less than $1,000,000;

(ii) $750, if admitted assets are $1,000,000 or more, but less than $5,000,000;

(iii) $3,750, if admitted assets are $5,000,000 or more, but less than $25,000,000;

(iv) $7,500, if admitted assets are $25,000,000 or more, but less than $50,000,000;

(v) $18,000, if admitted assets are $50,000,000 or more, but less than $100,000,000;

(vi) $22,500, if admitted assets are $100,000,000 or more, but less than $500,000,000;

(vii) $30,000, if admitted assets are $500,000,000 or more, but less than $1,000,000,000;

(viii) $37,500, if admitted assets are $1,000,000,000 or more.

(c) The sum of financial regulation fees charged to the domestic companies of the same affiliated group shall not exceed $250,000 in the aggregate in any single year and shall be billed by the Director to the member company designated by the group.

(7) The Director shall charge and collect an annual financial regulation fee from every foreign or alien company, except fraternal benefit societies, for the examination and analysis of its financial condition and to fund the internal costs and expenses of the Interstate Insurance Receivership Commission as may be allocated to the State of Illinois and companies doing an insurance business in this State pursuant to Article X of the Interstate Insurance Receivership Compact. The fee shall be a fixed amount based upon Illinois direct premium income and nationwide reinsurance assumed premium income in accordance with the following schedule:

(a) $150, if the premium is less than $500,000 and there is no reinsurance assumed premium;

(b) $750, if the premium is $500,000 or more, but less than $5,000,000 and there is no reinsurance assumed premium; or if the premium is less than $5,000,000 and the reinsurance assumed premium is less than $10,000,000;

(c) $3,750, if the premium is less than $5,000,000 and the reinsurance assumed premium is $10,000,000 or more;

(d) $7,500, if the premium is $5,000,000 or more, but less than $10,000,000;

(e) $18,000, if the premium is $10,000,000 or more, but less than $25,000,000;

(f) $22,500, if the premium is $25,000,000 or more, but less than $50,000,000;

(g) $30,000, if the premium is $50,000,000 or more, but less than $100,000,000;

(h) $37,500, if the premium is $100,000,000 or more.

The sum of financial regulation fees under this subsection (7) charged to the foreign or alien companies within the same affiliated group shall not exceed $250,000 in the aggregate in any single year and shall be billed by the Director to the member company designated by the group.

(8) Beginning January 1, 1992, the financial regulation fees imposed under subsections (6) and (7) of this Section shall be paid by each company or domestic affiliated group annually. After January 1, 1994, the fee shall be billed by Department invoice based upon the company's premium income or admitted assets as shown in its annual statement for the preceding calendar year. The invoice is due upon receipt and must be paid no later than June 30 of each calendar year. All financial regulation fees collected by the Department shall be paid to the Insurance Financial Regulation Fund. The Department may not collect financial examiner per diem charges from companies subject to subsections (6) and (7) of this Section undergoing financial examination after June 30, 1992.

(9) In addition to the financial regulation fee required by this Section, a company undergoing any financial examination authorized by law shall pay the following costs and expenses incurred by the Department: electronic data processing costs, the expenses authorized under Section 131.21 and subsection (d) of Section 132.4 of this Code, and lodging and travel expenses.

Electronic data processing costs incurred by the Department in the performance of any examination shall be billed directly to the company undergoing examination for payment to the Technology Management Revolving Fund. Except for direct reimbursements authorized by the Director or direct payments made under Section 131.21 or subsection (d) of Section 132.4 of this Code, all financial regulation fees and all financial examination charges collected by the Department shall be paid to the Insurance Financial Regulation Fund.

All lodging and travel expenses shall be in accordance with applicable travel regulations published by the Department of Central Management Services and approved by the Governor's Travel Control Board, except that out-of-state lodging and travel expenses related to examinations authorized under Sections 132.1 through 132.7 shall be in accordance with travel rates prescribed under paragraph 301-7.2 of the Federal Travel Regulations, 41 C.F.R. 301-7.2, for reimbursement of subsistence expenses incurred during official travel. All lodging and travel expenses may be reimbursed directly upon the authorization of the Director.

In the case of an organization or person not subject to the financial regulation fee, the expenses incurred in any financial examination authorized by law shall be paid by the organization or person being examined. The charge shall be reasonably related to the cost of the examination including, but not limited to, compensation of examiners and other costs described in this subsection.

(10) Any company, person, or entity failing to make any payment of $150 or more as required under this Section shall be subject to the penalty and interest provisions provided for in subsections (4) and (7) of Section 412.

(11) Unless otherwise specified, all of the fees collected under this Section shall be paid into the Insurance Financial Regulation Fund.

(12) For purposes of this Section:

(a) "Domestic company" means a company as defined in Section 2 of this Code which is incorporated or organized under the laws of this State, and in addition includes a not-for-profit corporation authorized under the Dental Service Plan Act or the Voluntary Health Services Plans Act, a health maintenance organization, and a limited health service organization.

(b) "Foreign company" means a company as defined in Section 2 of this Code which is incorporated or organized under the laws of any state of the United States other than this State and in addition includes a health maintenance organization and a limited health service organization which is incorporated or organized under the laws of any state of the United States other than this State.

(c) "Alien company" means a company as defined in Section 2 of this Code which is incorporated or organized under the laws of any country other than the United States.

(d) "Fraternal benefit society" means a corporation, society, order, lodge or voluntary association as defined in Section 282.1 of this Code.

(e) "Mutual benefit association" means a company, association or corporation authorized by the Director to do business in this State under the provisions of Article XVIII of this Code.

(f) "Burial society" means a person, firm, corporation, society or association of individuals authorized by the Director to do business in this State under the provisions of Article XIX of this Code.

(g) "Farm mutual" means a district, county and township mutual insurance company authorized by the Director to do business in this State under the provisions of the Farm Mutual Insurance Company Act of 1986.

(Source: P.A. 102-775, eff. 5-13-22; 103-75, eff. 1-1-25.)

(215 ILCS 5/511.109) (from Ch. 73, par. 1065.58-109)

(Section scheduled to be repealed on January 1, 2027)

Sec. 511.109. Examination.

(a) The Director or the Director's ~~his~~ designee may examine any applicant for or holder of an administrator's license in accordance with Sections 132 through 132.7. If the Director or the examiners find that the administrator has violated this Article or any other insurance-related laws, rules, or regulations under the Director's jurisdiction because of the manner in which the administrator has conducted business on behalf of an insurer or plan sponsor, then, unless the insurer or plan sponsor is included in the examination and has been afforded the same opportunity to request or participate in a hearing on the examination report,

the examination report shall not allege a violation by the insurer or plan sponsor and the Director's order based on the report shall not impose any requirements, prohibitions, or penalties on the insurer or plan sponsor. Nothing in this Section shall prevent the Director from using any information obtained during the examination of an administrator to examine, investigate, or take other appropriate regulatory or legal action with respect to an insurer or plan sponsor.

~~(b) Any administrator being examined shall provide to the Director or his designee convenient and free access, at all reasonable hours at their offices, to all books, records, documents and other papers relating to such administrator's business affairs.~~

~~(c) The Director or his designee may administer oaths and thereafter examine any individual about the business of the administrator.~~

~~(d) The examiners designated by the Director pursuant to this Section may make reports to the Director. Any report alleging substantive violations of this Article, any applicable provisions of the Illinois Insurance Code, or any applicable Part of Title 50 of the Illinois Administrative Code shall be in writing and be based upon facts obtained by the examiners. The report shall be verified by the examiners.~~

~~(e) If a report is made, the Director shall either deliver a duplicate thereof to the administrator being examined or send such duplicate by certified or registered mail to the administrator's address specified in the records of the Department. The Director shall afford the administrator an opportunity to request a hearing to object to the report. The administrator may request a hearing within 30 days after receipt of the duplicate of the examination report by giving the Director written notice of such request together with written objections to the report. Any hearing shall be conducted in accordance with Sections 402 and 403 of this Code. The right to hearing is waived if the delivery of the report is refused or the report is otherwise undeliverable or the administrator does not timely request a hearing. After the hearing or upon expiration of the time period during which an administrator may request a hearing, if the examination reveals that the administrator is operating in violation of any applicable provision of the Illinois Insurance Code, any applicable Part of Title 50 of the Illinois Administrative Code or prior order, the Director, in the written order, may require the administrator to take any action the Director considers necessary or appropriate in accordance with the report or examination hearing. If the Director issues an order, it shall be issued within 90 days after the report is filed, or if there is a hearing, within 90 days after the conclusion of the hearing. The order is subject to review under the Administrative Review Law.~~

(Source: P.A. 84-887.)

(215 ILCS 5/512-3) (from Ch. 73, par. 1065.59-3)

Sec. 512-3. Definitions. For the purposes of this Article, unless the context otherwise requires, the terms defined in this Article have the meanings ascribed to them herein:

"Health care payer" means an insurance company, health maintenance organization, limited health service organization, health services plan corporation, or dental service plan corporation authorized to do business in this State.

~~(a)~~ "Third party prescription program" or "program" means any system of providing for the reimbursement of pharmaceutical services and prescription drug products offered or operated in this State under a contractual arrangement or agreement between a provider of such services and another party who is not the consumer of those services and products. Such programs may include, but need not be limited to, employee benefit plans whereby a consumer receives prescription drugs or other pharmaceutical services and those services are paid for by an agent of the employer or others.

~~(b)~~ "Third party program administrator" or "administrator" means any person, partnership or corporation who issues or causes to be issued any payment or reimbursement to a provider for services rendered pursuant to a third party prescription program, but does not include the Director of Healthcare and Family Services or any agent authorized by the Director to reimburse a provider of services rendered pursuant to a program of which the Department of Healthcare and Family Services is the third party.

(Source: P.A. 95-331, eff. 8-21-07.)

(215 ILCS 5/512-5) (from Ch. 73, par. 1065.59-5)

Sec. 512-5. Fiduciary and Bonding Requirements. A third party prescription program administrator shall (1) establish and maintain a fiduciary account, separate and apart from any and all other accounts, for the receipt and disbursement of funds for reimbursement of providers of services under the program, or (2) post, or cause to be posted, a bond of indemnity in an amount equal to not less than 10% of the total estimated annual reimbursements under the program.

The establishment of such fiduciary accounts and bonds shall be consistent with applicable State law. If a bond of indemnity is posted, it shall be held by the Director of Insurance for the benefit and indemnification of the providers of services under the third party prescription program.

An administrator who operates more than one third party prescription program may establish and maintain a separate fiduciary account or bond of indemnity for each such program, or may operate and maintain a consolidated fiduciary account or bond of indemnity for all such programs.

The requirements of this Section do not apply to any third party prescription program administered by or on behalf of any health care payer ~~insurance company, Health Care Service Plan Corporation or Pharmaceutical Service Plan Corporation authorized to do business in the State of Illinois~~.

(Source: P.A. 82-1005.)

(215 ILCS 5/512-11 new)

Sec. 512-11. Examination. The Director or the Director's designee may examine any applicant for or holder of an administrator's registration in accordance with Sections 132 through 132.7 of this Code. If the Director or the examiners find that the administrator has violated this Article or any other insurance-related laws or regulations under the Director's jurisdiction because of the manner in which the administrator has conducted business on behalf of a separately incorporated health care payer, then, unless the health care payer is included in the examination and has been afforded the same opportunity to request or participate in a hearing on the examination report, the examination report shall not allege a violation by the health care payer and the Director's order based on the report shall not impose any requirements, prohibitions, or penalties on the health care payer. Nothing in this Section shall prevent the Director from using any information obtained during the examination of an administrator to examine, investigate, or take other appropriate regulatory or legal action with respect to a health care payer.

(215 ILCS 5/513b3)

Sec. 513b3. Examination. ~~(a)~~ The Director, or his or her designee, may examine a registered pharmacy benefit manager in accordance with Sections 132-132.7. If the Director or the examiners find that the pharmacy benefit manager has violated this Article or any other insurance-related laws, rules, or regulations under the Director's jurisdiction because of the manner in which the pharmacy benefit manager has conducted business on behalf of a health insurer or plan sponsor, then, unless the health insurer or plan sponsor is included in the examination and has been afforded the same opportunity to request or participate in a hearing on the examination report, the examination report shall not allege a violation by the health insurer or plan sponsor and the Director's order based on the report shall not impose any requirements, prohibitions, or penalties on the health insurer or plan sponsor. Nothing in this Section shall prevent the Director from using any information obtained during the examination of an administrator to examine, investigate, or take other appropriate regulatory or legal action with respect to a health insurer or plan sponsor.

~~(b) Any pharmacy benefit manager being examined shall provide to the Director, or his or her designee, convenient and free access to all books, records, documents, and other papers relating to such pharmacy benefit manager's business affairs at all reasonable hours at its offices.~~

~~(c) The Director, or his or her designee, may administer oaths and thereafter examine the pharmacy benefit manager's designee, representative, or any officer or senior manager as listed on the license or registration certificate about the business of the pharmacy benefit manager.~~

~~(d) The examiners designated by the Director under this Section may make reports to the Director. Any report alleging substantive violations of this Article, any applicable provisions of this Code, or any applicable Part of Title 50 of the Illinois Administrative Code shall be in writing and be based upon facts obtained by the examiners. The report shall be verified by the examiners.~~

~~(e) If a report is made, the Director shall either deliver a duplicate report to the pharmacy benefit manager being examined or send such duplicate by certified or registered mail to the pharmacy benefit manager's address specified in the records of the Department. The Director shall afford the pharmacy benefit manager an opportunity to request a hearing to object to the report. The pharmacy benefit manager may request a hearing within 30 days after receipt of the duplicate report by giving the Director written notice of such request together with written objections to the report. Any hearing shall be conducted in accordance with Sections 402 and 403 of this Code. The right to a hearing is waived if the delivery of the report is refused or the report is otherwise undeliverable or the pharmacy benefit manager does not timely request a hearing. After the hearing or upon expiration of the time period during which a pharmacy benefit manager may request a hearing, if the examination reveals that the pharmacy benefit manager is operating in violation of any applicable provision of this Code, any applicable Part of Title 50 of the Illinois~~

~~Administrative Code, a provision of this Article, or prior order, the Director, in the written order, may require the pharmacy benefit manager to take any action the Director considers necessary or appropriate in accordance with the report or examination hearing. If the Director issues an order, it shall be issued within 90 days after the report is filed, or if there is a hearing, within 90 days after the conclusion of the hearing. The order is subject to review under the Administrative Review Law.~~
(Source: P.A. 101-452, eff. 1-1-20.)

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.

Section 99. Effective date. This Act takes effect January 1, 2025.".

AMENDMENT NO. 2 TO SENATE BILL 1479

AMENDMENT NO. 2 . Amend Senate Bill 1479, AS AMENDED, with reference to page and line numbers of Senate Amendment No. 1, on page 18, lines 14 and 15, by deleting "the examinee's size,".

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

SENATE BILL RECALLED

On motion of Senator Murphy, **Senate Bill No. 426** was recalled from the order of third reading to the order of second reading.

Senator Murphy offered the following amendment and moved its adoption:

AMENDMENT NO. 1 TO SENATE BILL 426

AMENDMENT NO. 1 . Amend Senate Bill 426 by replacing everything after the enacting clause with the following:

"Section 5. The Unified Code of Corrections is amended by adding Section 3-9-2.1 as follows:
(730 ILCS 5/3-9-2.1 new)
Sec. 3-9-2.1. Emerging adult programs.
(a) The Department of Juvenile Justice may establish and offer emerging adult programs for persons at least 18 years of age and under 22 years of age who are committed to the Department of Corrections.
(b) Persons at least 18 years of age and under 22 years of age who are in the custody of the Department of Corrections may be transferred to Department of Juvenile Justice facilities for the purposes of participating in emerging adult programs provided that all such transfers comply with the federal Juvenile Justice and Delinquency Prevention Act of 1974 and the federal Prison Rape Elimination Act of 2003.
(c) No transfer of any person in the custody of the Department of Corrections shall occur without written approval of the Director of Juvenile Justice and the Director of Corrections.
(d) The Department of Juvenile Justice and Department of Corrections shall establish an intergovernmental agreement to govern eligibility criteria and transfer policies and procedures for persons at least 18 years of age and under 22 years of age who are in the custody of the Department of Corrections and are seeking transfer to Department of Juvenile Justice facilities for the purposes of participating in emerging adult programs.".

The motion prevailed.

And the amendment was adopted and ordered printed.

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

READING BILL OF THE SENATE A THIRD TIME

On motion of Senator Murphy, **Senate Bill No. 426** having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

And the question being, "Shall this bill pass?" it was decided in the affirmative by the following vote:

YEAS 41; NAYS 15.

The following voted in the affirmative:

Aquino	Fine	Koehler	Stadelman
Belt	Fowler	Lewis	Toro
Castro	Glowiak Hilton	Lightford	Turner, D.
Cervantes	Halpin	Loughran Cappel	Ventura
Collins	Harris, N.	Martwick	Villa
Cunningham	Hastings	Morrison	Villanueva
Curran	Holmes	Murphy	Villivalam
Edly-Allen	Hunter	Peters	Mr. President
Ellman	Johnson	Porfirio	
Faraci	Jones, E.	Simmons	
Feigenholtz	Joyce	Sims	

The following voted in the negative:

Anderson	DeWitte	Plummer	Syverson
Bennett	Harriss, E.	Rezin	Turner, S.
Bryant	McClure	Rose	Wilcox
Chesney	McConchie	Stoller	

This bill, having received the vote of a constitutional majority of the members elected, was declared passed, and all amendments not adopted were tabled pursuant to Senate Rule No. 5-4(a).

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

SENATE BILL RECALLED

On motion of Senator Holmes, **Senate Bill No. 694** was recalled from the order of third reading to the order of second reading.

Senator Holmes offered the following amendment and moved its adoption:

AMENDMENT NO. 1 TO SENATE BILL 694

AMENDMENT NO. 1 . Amend Senate Bill 694 by replacing everything after the enacting clause with the following:

"Section 5. The Counties Code is amended by changing Sections 3-5010 and 3-5018.2 as follows:

(55 ILCS 5/3-5010) (from Ch. 34, par. 3-5010)

Sec. 3-5010. Duties of recorder. Every recorder shall, as soon as practicable after the receipt of any instrument in writing in the office, entitled to be recorded, record the same at length in the order of time of its reception, in well bound books or computer databases to be provided for that purpose. In counties of 500,000 or more inhabitants, the recorder may microphotograph or otherwise reproduce on film or store electronically any of such instruments in the manner provided by law. In counties of less than 500,000 inhabitants, the recorder may cause to be microphotographed or otherwise reproduced on film any of such instruments or electronic method of storage. When any such instrument is reproduced on film or electronic method of storage, the film or electronic method of storage shall comply with the minimum standards of quality approved for records of the State Records Commission and the device used to reproduce the records

on the film or electronic method of storage shall be one which accurately reproduces the contents of the original.

(Source: P.A. 103-400, eff. 1-1-24.)

(55 ILCS 5/3-5018.2)

Sec. 3-5018.2. Predictable fee schedule for recordings in first and second class counties.

(a) The fees of the recorder in counties of the first and second class for recording deeds or other instruments in writing and maps of plats of additions, subdivisions, or otherwise and for certifying copies of records shall be paid in advance and shall conform to this Section. The fees or surcharges shall not, unless otherwise provided in this Section, be based on the individual attributes of a document to be recorded, including, but not limited to, page count; number, length, or type of legal descriptions; number of tax identification or other parcel-identifying code numbers; units; number of common addresses; number of references contained as to other recorded documents or document numbers; or any other individual attribute of the document. The fees charged under this Section shall be inclusive of all county and State fees that the county may elect or is required to impose or adjust, including, but not limited to, GIS fees, automation fees, document storage fees, and the Rental Housing Support Program State and county surcharges.

(b) A county of the first or second class shall adopt and implement, by ordinance or resolution, a predictable fee schedule as provided in subsection (c) that eliminates surcharges or fees based on the individual attributes of a document to be recorded. If a county has previously adopted an ordinance or resolution adopting a predictable fee schedule, the county must adopt an ordinance or resolution revising that predictable fee schedule to be consistent with this Section. After a document class predictable fee is approved by a county board consistent with this Section, the county board may, by ordinance or resolution, increase the document class predictable fee and collect the increased fees if the established fees are not sufficient to cover the costs of providing the services related to the document class for which the fee is to be increased.

For the purposes of the fee charged, the ordinance or resolution shall divide documents into the classifications specified in subsection (c), and shall establish a single, all-inclusive county and State-imposed aggregate predictable fee charged for each classification of document at the time of recording for that document. Each document, unless otherwise provided in this Section, shall fall within one of the document class predictable fee classifications set by subsection (c), and fees for each document class shall be charged only as allowed by this Section.

Before approval of an ordinance or resolution under this subsection that creates or modifies a predictable fee schedule, the recorder or county clerk shall post a notice in the recorder's or clerk's office at least 2 weeks prior, but not more than 4 weeks prior, to the public meeting at which the ordinance or resolution may be adopted. The notice shall contain the proposed ordinance or resolution number, if any, the proposed document class predictable fees for each classification, and a reference to this Section and this amendatory Act of the 103rd General Assembly. A predictable fee schedule takes effect 60 days after an ordinance or resolution is adopted, unless the fee schedule was previously created and the ordinance or resolution is a modification allowed under this Section.

Nothing in this Section precludes a county board from adjusting amounts or allocations within a given document class predictable fee when the document class predictable fee is not increased or precludes an alternate predictable fee schedule for electronic recording within each of the classifications under subsection (c).

The county board may, by ordinance or resolution, increase the fees allowed in the predictable fee schedule if the increase is justified by an acceptable cost study or internal analysis of a minimum of 3 years showing that the fees allowed by this Section are not sufficient to cover the cost of providing the service.

A statement of the cost of providing each service, program, and activity shall be prepared by the county board. All supporting documents to the statement are public records and subject to public examination and audit. All direct and indirect costs, as defined in the United States Office of Management and Budget Circular A-87, may be included in the determination of the costs of each service, program, and activity.

If the Rental Housing Support Program State surcharge is amended and the surcharge is increased or lowered, the aggregate amount of the document predictable fee attributable to the surcharge in the document may be changed accordingly. If any fee or surcharge is changed by State statute, the county may increase the document class fees by the same amount without any cost study.

(c) A predictable fee schedule ordinance or resolution adopted under this Section shall list document fees, including document class predictable fees. The document classes shall be as follows:

(1) Deeds. The aggregate fee for recording deeds shall not be less than $31 (being a minimum $13 county fee plus $18 for the Rental Housing Support Program State surcharge). Inclusion of language in the deed as to any restriction; covenant; lien; oil, gas, or other mineral interest; easement; lease; or a mortgage shall not alter the classification of a document as a deed.

(2) Leases, lease amendments, and similar transfer of interest documents. The aggregate fee for recording leases, lease amendments, and similar transfers of interest documents shall not be less than $31 (being a minimum $13 county fee plus $18 for the Rental Housing Support Program State surcharge).

(3) Mortgages. The aggregate fee for recording mortgages, including assignments, extensions, amendments, subordinations, and mortgage releases shall not be less than $31 (being a minimum $13 county fee plus $18 for the Rental Housing Support Program State surcharge).

(4) Easements not otherwise part of another classification. The aggregate fee for recording easements not otherwise part of another classification, including assignments, extensions, amendments, and easement releases not filed by a State agency, unit of local government, or school district, shall not be less than $31 (being a minimum $13 county fee plus $18 for the Rental Housing Support Program State surcharge).

(5) Nonstandard ~~Irregular~~ documents. Any document presented that does not conform to the following standards, even if it may qualify for another document class, may be recorded under this document class (5) if the nonstandard document ~~irregularity~~ allows a legible reproduction of the document presented:

(A) The document shall consist of one or more individual sheets measuring 8.5 inches by 11 inches, not permanently bound, and not a continuous form. Graphic displays accompanying a document to be recorded that measure up to 11 inches by 17 inches shall be recorded without charging an additional fee.

(B) The document shall be legibly printed in black ink by hand, type, or computer. Signatures and dates may be in contrasting colors if they will reproduce clearly.

(C) The document shall be on white paper of not less than 20-pound weight and shall have a clean margin of at least one-half inch on the top, the bottom, and each side. Margins may be used only for non-essential notations that will not affect the validity of the document, including, but not limited to, form numbers, page numbers, and customer notations.

(D) The first page of the document shall contain a blank space, measuring at least 3 inches by 5 inches, from the upper right corner.

(E) The document shall not have any attachment stapled or otherwise affixed to any page.

(F) The document makes specific reference to 5 or fewer tax parcels, units, property identification numbers, or document numbers.

The aggregate fee for recording a nonstandard ~~an irregular~~ document shall not be less than $31 (being a minimum $13 county fee plus $18 for the Rental Housing Support Program State surcharge). A county may adopt by ordinance and publish with its fee schedule an additional fee or formula for a document that makes specific reference to more than 5 tax parcels, units, property identification numbers, or document numbers.

(6) (Blank). ~~Blanket recordings. For any document that makes specific reference to more than 5 tax parcels or property identification numbers, or makes reference to 5 or more document numbers, the aggregate fee shall be not less than $31 (being a minimum $13 county fee plus $18 for the Rental Housing Support Program State surcharge). A county may adopt by ordinance and publish with its fee schedule an additional fee or formula for each parcel, property identification number, or document reference, above 5, contained in an accepted document.~~

(7) Miscellaneous. The aggregate fee for recording documents that do not otherwise fall ~~falling~~ within classifications under paragraphs (1) through (6) or paragraph (8) or (9) and that are not otherwise exempted documents shall not be less than $31 (being a minimum $13 county fee plus $18 for the Rental Housing Support Program State surcharge).

(8) Maps or plats of additions, subdivisions, or otherwise. ~~(d)~~ For recording maps or plats of additions, subdivisions, or otherwise, the minimum fee shall be $50 ~~(including the spreading of the same of record in well bound books), $100 plus $2 for each tract, parcel, or lot contained in the map or plat~~.

(9) Other. ~~(e)~~ Documents presented that meet the following criteria shall be charged as follows, notwithstanding document classes (1) through (8) ~~otherwise provided by law or ordinance~~:

(A) A ~~(1) a~~ document recorded pursuant to the Uniform Commercial Code shall be charged as provided in the Uniform Commercial Code or as otherwise by law. ~~; or~~

(B) A ~~(2) a~~ State tax lien or a federal tax lien shall be charged as otherwise provided by law or ordinance, except that~~. Notwithstanding any other provision in this Section: (i)~~ the minimum ~~maximum~~ fee that shall ~~may~~ be collected from the Department of Revenue for filing or indexing a tax lien, certificate of lien release or subordination, or any other type of notice or other documentation affecting or concerning a tax lien is $11, and ~~$5; and (ii)~~ the minimum ~~maximum~~ fee that shall ~~may~~ be collected from the Department of Revenue or Internal Revenue Service for indexing each additional name in excess of one for any lien, certificate of lien release or subordination, or any other type of notice or other documentation affecting or concerning a lien is $1.

(C) A document recorded by a unit of local government, State agency, or public utility, as that term is defined in Section 3-105 of the Public Utilities Act, may be charged a minimum fee for any instrument presented for recording that falls under the guideline of the predictable fee schedule as follows: a $12 county fee, a $3 GIS fee, and a $3 automation fee, document storage fee, or both. Fees under this subparagraph may be increased or any other applicable fee may be imposed if adopted by a county board resolution or ordinance and justified by an acceptable cost study showing that the fees allowed by this subparagraph are not sufficient to cover the cost of providing the service.

(D) ~~(f)~~ For recording any document that affects an interest in real property, other than documents which solely affect or relate to an easement for water, sewer, electricity, gas, telephone, or other public service, the recorder shall charge a minimum fee of $1 per document to all filers of documents not filed by any State agency, any unit of local government, any public utility, as that term is defined in Section 3-105 of the Public Utilities Act, or any school district. Half of the fee shall be deposited into the county general revenue fund. The remaining half shall be deposited into the County Recorder Document Storage System Fund and may not be appropriated or expended for any other purpose. The additional amounts available to the recorder for expenditure from the County Recorder Document Storage System Fund shall not offset or reduce any other county appropriations or funding for the office of the recorder.

(d) ~~(g)~~ For certified and non-certified copies of records, the recorder and county may set a predictable fee for all copies that does not exceed the highest total recording fee in any established document classes, unless the copy fee is otherwise provided in statute or ordinance. The total fee for a certified copy of a map or plat of an addition, subdivision, or otherwise may not exceed $200.

The fees allowed under this subsection apply to all records, regardless of when they were recorded, based on current recording fees. These predictable fees for certified and non-certified copies shall apply to portions of documents and to copies provided in any format, including paper, microfilm, or electronic. A county may adopt a per-line pricing structure for copies of information in database format.

(e) ~~(h)~~ As provided under subsection (c), the recorder shall collect an $18 Rental Housing Support Program State surcharge for the recordation of any real estate-related document. Payment of the Rental Housing Support Program State surcharge shall be evidenced by a receipt that shall be marked upon or otherwise affixed to the real estate-related document by the recorder. The form of this receipt shall be prescribed by the Department of Revenue and the receipts shall be issued by the Department of Revenue to each county recorder.

The recorder shall not collect the Rental Housing Support Program State surcharge from any State agency, unit of local government, or school district.

On the 15th day of each month, each county recorder shall report to the Department of Revenue, on a form prescribed by the Department, the number of real estate-related documents recorded for which the Rental Housing Support Program State surcharge was collected. Each recorder shall submit $18 of each surcharge collected in the preceding month to the Department of Revenue and the Department shall deposit these amounts in the Rental Housing Support Program Fund. Subject to appropriation, amounts in the Fund may be expended only for the purpose of funding and administering the Rental Housing Support Program.

As used in this subsection, "real estate-related document" means that term as it is defined in Section 7 of the Rental Housing Support Program Act.

(f) A county board in counties of the first and second class may allow, by ordinance, a recorder to charge the following fees in addition to those fees otherwise allowed under this Section:

(1) Automation fee. A minimum automation fee of $3 may be charged for filing every instrument, paper, or notice for record in order to defray the cost of converting the recorder's document storage system to computers or micrographics and in order to defray the cost of providing access to records through the Internet. A special fund shall be established by the treasurer of a county, and the moneys collected through the automation fee shall be deposited into the special fund and used for a document storage system to provide the equipment, materials, and necessary expenses incurred to help defray the costs of implementing and maintaining the document record system and for a system to provide electronic access to those records.

(2) GIS fee. In a county that provides and maintains a countywide map through a geographic information system, a minimum GIS fee of $3 may be charged for filing every instrument, paper, or notice for record in order to defray the cost of implementing or maintaining the county's geographic information system and in order to defray the cost of providing electronic or automated access to the county's geographic information system or property records. Of that amount, a minimum of $2 must be deposited into a special fund established by the treasurer of the county, and any moneys collected through the GIS fee shall be deposited into that special fund and used for the equipment, materials, and necessary expenses incurred in implementing and maintaining the geographic information system and to defray the cost of providing electronic access to the county geographic information system records. The remaining $1 must be deposited into the recorder's special funds created under Section 3-5005.4. The recorder may, at the recorder's discretion, use moneys in the funds created under Section 3-5005.4 to defray the cost of implementing or maintaining the county's geographic information system and to defray the cost of providing electronic access to the county's geographic information system records.

(Source: P.A. 103-400, eff. 1-1-24.)".

The motion prevailed.

And the amendment was adopted and ordered printed.

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

READING BILL OF THE SENATE A THIRD TIME

On motion of Senator Holmes, **Senate Bill No. 694** having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

And the question being, “Shall this bill pass?” it was decided in the affirmative by the following vote:

YEAS 54; NAYS None.

The following voted in the affirmative:

Anderson	Feigenholtz	Lightford	Stadelman
Aquino	Fine	Loughran Cappel	Stoller
Bennett	Fowler	Martwick	Syverson
Bryant	Glowiak Hilton	McClure	Toro
Castro	Halpin	McConchie	Turner, D.
Cervantes	Harris, N.	Morrison	Turner, S.
Chesney	Harriss, E.	Murphy	Ventura
Collins	Hastings	Peters	Villa
Cunningham	Holmes	Plummer	Villanueva
Curran	Hunter	Porfirio	Villivalam
DeWitte	Johnson	Rezin	Wilcox
Edly-Allen	Jones, E.	Rose	Mr. President
Ellman	Koehler	Simmons	
Faraci	Lewis	Sims	

This bill, having received the vote of a constitutional majority of the members elected, was declared passed, and all amendments not adopted were tabled pursuant to Senate Rule No. 5-4(a).

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

SENATE BILL RECALLED

On motion of Senator Feigenholtz, **Senate Bill No. 726** was recalled from the order of third reading to the order of second reading.

Senator Feigenholtz offered the following amendment and moved its adoption:

AMENDMENT NO. 1 TO SENATE BILL 726

AMENDMENT NO. 1 . Amend Senate Bill 726 by replacing everything after the enacting clause with the following:

"Section 5. The School Code is amended by changing and renumbering Section 2-3.196, as added by Public Act 103-546, as follows:

(105 ILCS 5/2-3.203)

Sec. 2-3.203 ~~2-3.196~~. Mental health screenings.

(a) On or before December 15, 2023, the State Board of Education, in consultation with the Children's Behavioral Health Transformation Officer, Children's Behavioral Health Transformation Team, and the Office of the Governor, shall file a report with the Governor and the General Assembly that includes recommendations for implementation of mental health screenings in schools for students enrolled in kindergarten through grade 12. This report must include a landscape scan of current district-wide screenings, recommendations for screening tools, training for staff, and linkage and referral for identified students.

(b) On or before October 1, 2024, the State Board of Education, in consultation with the Children's Behavioral Health Transformation Team, the Office of the Governor, and relevant stakeholders as needed shall release a strategy that includes a tool for measuring capacity and readiness to implement universal mental health screening of students. The strategy shall build upon existing efforts to understand district needs for resources, technology, training, and infrastructure supports. The strategy shall include a framework for supporting districts in a phased approach to implement universal mental health screenings. The State Board of Education shall issue a report to the Governor and the General Assembly on school district readiness and plan for phased approach to universal mental health screening of students on or before April 1, 2025.

(Source: P.A. 103-546, eff. 8-11-23; revised 9-25-23.)

(105 ILCS 155/Act rep.)

Section 10. The Wellness Checks in Schools Program Act is repealed.

Section 15. The Illinois Public Aid Code is amended by changing Section 5-30.1 as follows:

(305 ILCS 5/5-30.1)

Sec. 5-30.1. Managed care protections.

(a) As used in this Section:

"Managed care organization" or "MCO" means any entity which contracts with the Department to provide services where payment for medical services is made on a capitated basis.

"Emergency services" include:

(1) emergency services, as defined by Section 10 of the Managed Care Reform and Patient Rights Act;

(2) emergency medical screening examinations, as defined by Section 10 of the Managed Care Reform and Patient Rights Act;

(3) post-stabilization medical services, as defined by Section 10 of the Managed Care Reform and Patient Rights Act; and

(4) emergency medical conditions, as defined by Section 10 of the Managed Care Reform and Patient Rights Act.

(b) As provided by Section 5-16.12, managed care organizations are subject to the provisions of the Managed Care Reform and Patient Rights Act.

(c) An MCO shall pay any provider of emergency services that does not have in effect a contract with the contracted Medicaid MCO. The default rate of reimbursement shall be the rate paid under Illinois Medicaid fee-for-service program methodology, including all policy adjusters, including but not limited to Medicaid High Volume Adjustments, Medicaid Percentage Adjustments, Outpatient High Volume Adjustments, and all outlier add-on adjustments to the extent such adjustments are incorporated in the development of the applicable MCO capitated rates.

(d) An MCO shall pay for all post-stabilization services as a covered service in any of the following situations:

(1) the MCO authorized such services;

(2) such services were administered to maintain the enrollee's stabilized condition within one hour after a request to the MCO for authorization of further post-stabilization services;

(3) the MCO did not respond to a request to authorize such services within one hour;

(4) the MCO could not be contacted; or

(5) the MCO and the treating provider, if the treating provider is a non-affiliated provider, could not reach an agreement concerning the enrollee's care and an affiliated provider was unavailable for a consultation, in which case the MCO must pay for such services rendered by the treating non-affiliated provider until an affiliated provider was reached and either concurred with the treating non-affiliated provider's plan of care or assumed responsibility for the enrollee's care. Such payment shall be made at the default rate of reimbursement paid under Illinois Medicaid fee-for-service program methodology, including all policy adjusters, including but not limited to Medicaid High Volume Adjustments, Medicaid Percentage Adjustments, Outpatient High Volume Adjustments and all outlier add-on adjustments to the extent that such adjustments are incorporated in the development of the applicable MCO capitated rates.

(e) The following requirements apply to MCOs in determining payment for all emergency services:

(1) MCOs shall not impose any requirements for prior approval of emergency services.

(2) The MCO shall cover emergency services provided to enrollees who are temporarily away from their residence and outside the contracting area to the extent that the enrollees would be entitled to the emergency services if they still were within the contracting area.

(3) The MCO shall have no obligation to cover medical services provided on an emergency basis that are not covered services under the contract.

(4) The MCO shall not condition coverage for emergency services on the treating provider notifying the MCO of the enrollee's screening and treatment within 10 days after presentation for emergency services.

(5) The determination of the attending emergency physician, or the provider actually treating the enrollee, of whether an enrollee is sufficiently stabilized for discharge or transfer to another facility, shall be binding on the MCO. The MCO shall cover emergency services for all enrollees whether the emergency services are provided by an affiliated or non-affiliated provider.

(6) The MCO's financial responsibility for post-stabilization care services it has not pre-approved ends when:

(A) a plan physician with privileges at the treating hospital assumes responsibility for the enrollee's care;

(B) a plan physician assumes responsibility for the enrollee's care through transfer;

(C) a contracting entity representative and the treating physician reach an agreement concerning the enrollee's care; or

(D) the enrollee is discharged.

(f) Network adequacy and transparency.

(1) The Department shall:

(A) ensure that an adequate provider network is in place, taking into consideration health professional shortage areas and medically underserved areas;

(B) publicly release an explanation of its process for analyzing network adequacy;

(C) periodically ensure that an MCO continues to have an adequate network in place;

(D) require MCOs, including Medicaid Managed Care Entities as defined in Section 5-30.2, to meet provider directory requirements under Section 5-30.3;

(E) require MCOs to ensure that any Medicaid-certified provider under contract with an MCO and previously submitted on a roster on the date of service is paid for any medically necessary, Medicaid-covered, and authorized service rendered to any of the MCO's enrollees, regardless of inclusion on the MCO's published and publicly available directory of available providers; and

(F) require MCOs, including Medicaid Managed Care Entities as defined in Section 5-30.2, to meet each of the requirements under subsection (d-5) of Section 10 of the Network Adequacy and Transparency Act; with necessary exceptions to the MCO's network to ensure that admission and treatment with a provider or at a treatment facility in accordance with the network adequacy standards in paragraph (3) of subsection (d-5) of Section 10 of the Network Adequacy and Transparency Act is limited to providers or facilities that are Medicaid certified.

(2) Each MCO shall confirm its receipt of information submitted specific to physician or dentist additions or physician or dentist deletions from the MCO's provider network within 3 days after receiving all required information from contracted physicians or dentists, and electronic physician and dental directories must be updated consistent with current rules as published by the Centers for Medicare and Medicaid Services or its successor agency.

(g) Timely payment of claims.

(1) The MCO shall pay a claim within 30 days of receiving a claim that contains all the essential information needed to adjudicate the claim.

(2) The MCO shall notify the billing party of its inability to adjudicate a claim within 30 days of receiving that claim.

(3) The MCO shall pay a penalty that is at least equal to the timely payment interest penalty imposed under Section 368a of the Illinois Insurance Code for any claims not timely paid.

(A) When an MCO is required to pay a timely payment interest penalty to a provider, the MCO must calculate and pay the timely payment interest penalty that is due to the provider within 30 days after the payment of the claim. In no event shall a provider be required to request or apply for payment of any owed timely payment interest penalties.

(B) Such payments shall be reported separately from the claim payment for services rendered to the MCO's enrollee and clearly identified as interest payments.

(4)(A) The Department shall require MCOs to expedite payments to providers identified on the Department's expedited provider list, determined in accordance with 89 Ill. Adm. Code 140.71(b), on a schedule at least as frequently as the providers are paid under the Department's fee-for-service expedited provider schedule.

(B) Compliance with the expedited provider requirement may be satisfied by an MCO through the use of a Periodic Interim Payment (PIP) program that has been mutually agreed to and documented between the MCO and the provider, if the PIP program ensures that any expedited provider receives regular and periodic payments based on prior period payment experience from that MCO. Total payments under the PIP program may be reconciled against future PIP payments on a schedule mutually agreed to between the MCO and the provider.

(C) The Department shall share at least monthly its expedited provider list and the frequency with which it pays providers on the expedited list.

(g-5) Recognizing that the rapid transformation of the Illinois Medicaid program may have unintended operational challenges for both payers and providers:

(1) in no instance shall a medically necessary covered service rendered in good faith, based upon eligibility information documented by the provider, be denied coverage or diminished in payment amount if the eligibility or coverage information available at the time the service was rendered is later found to be inaccurate in the assignment of coverage responsibility between MCOs or the fee-for-service system, except for instances when an individual is deemed to have not been eligible for coverage under the Illinois Medicaid program; and

(2) the Department shall, by December 31, 2016, adopt rules establishing policies that shall be included in the Medicaid managed care policy and procedures manual addressing payment resolutions in situations in which a provider renders services based upon information obtained after verifying a patient's eligibility and coverage plan through either the Department's current enrollment system or a system operated by the coverage plan identified by the patient presenting for services:

(A) such medically necessary covered services shall be considered rendered in good faith;

(B) such policies and procedures shall be developed in consultation with industry representatives of the Medicaid managed care health plans and representatives of provider associations representing the majority of providers within the identified provider industry; and

(C) such rules shall be published for a review and comment period of no less than 30 days on the Department's website with final rules remaining available on the Department's website.

The rules on payment resolutions shall include, but not be limited to:

(A) the extension of the timely filing period;

(B) retroactive prior authorizations; and

(C) guaranteed minimum payment rate of no less than the current, as of the date of service, fee-for-service rate, plus all applicable add-ons, when the resulting service relationship is out of network.

The rules shall be applicable for both MCO coverage and fee-for-service coverage.

If the fee-for-service system is ultimately determined to have been responsible for coverage on the date of service, the Department shall provide for an extended period for claims submission outside the standard timely filing requirements.

(g-6) MCO Performance Metrics Report.

(1) The Department shall publish, on at least a quarterly basis, each MCO's operational performance, including, but not limited to, the following categories of metrics:

(A) claims payment, including timeliness and accuracy;

(B) prior authorizations;

(C) grievance and appeals;

(D) utilization statistics;

(E) provider disputes;

(F) provider credentialing; and

(G) member and provider customer service.

(2) The Department shall ensure that the metrics report is accessible to providers online by January 1, 2017.

(3) The metrics shall be developed in consultation with industry representatives of the Medicaid managed care health plans and representatives of associations representing the majority of providers within the identified industry.

(4) Metrics shall be defined and incorporated into the applicable Managed Care Policy Manual issued by the Department.

(g-7) MCO claims processing and performance analysis. In order to monitor MCO payments to hospital providers, pursuant to Public Act 100-580, the Department shall post an analysis of MCO claims processing and payment performance on its website every 6 months. Such analysis shall include a review and evaluation of a representative sample of hospital claims that are rejected and denied for clean and unclean claims and the top 5 reasons for such actions and timeliness of claims adjudication, which identifies the percentage of claims adjudicated within 30, 60, 90, and over 90 days, and the dollar amounts associated with those claims.

(g-8) Dispute resolution process. The Department shall maintain a provider complaint portal through which a provider can submit to the Department unresolved disputes with an MCO. An unresolved dispute means an MCO's decision that denies in whole or in part a claim for reimbursement to a provider for health care services rendered by the provider to an enrollee of the MCO with which the provider disagrees. Disputes shall not be submitted to the portal until the provider has availed itself of the MCO's internal dispute resolution process. Disputes that are submitted to the MCO internal dispute resolution process may be submitted to the Department of Healthcare and Family Services' complaint portal no sooner than 30 days after submitting to the MCO's internal process and not later than 30 days after the unsatisfactory resolution of the internal MCO process or 60 days after submitting the dispute to the MCO internal process. Multiple claim disputes involving the same MCO may be submitted in one complaint, regardless of whether the claims are for different enrollees, when the specific reason for non-payment of the claims involves a common question of fact or policy. Within 10 business days of receipt of a complaint, the Department shall present such disputes to the appropriate MCO, which shall then have 30 days to issue its written proposal to resolve the dispute. The Department may grant one 30-day extension of this time frame to one of the parties to resolve the dispute. If the dispute remains unresolved at the end of this time frame or the provider is not satisfied with the MCO's written proposal to resolve the dispute, the provider may, within 30 days, request the Department to review the dispute and make a final determination. Within 30 days of the request for

Department review of the dispute, both the provider and the MCO shall present all relevant information to the Department for resolution and make individuals with knowledge of the issues available to the Department for further inquiry if needed. Within 30 days of receiving the relevant information on the dispute, or the lapse of the period for submitting such information, the Department shall issue a written decision on the dispute based on contractual terms between the provider and the MCO, contractual terms between the MCO and the Department of Healthcare and Family Services and applicable Medicaid policy. The decision of the Department shall be final. By January 1, 2020, the Department shall establish by rule further details of this dispute resolution process. Disputes between MCOs and providers presented to the Department for resolution are not contested cases, as defined in Section 1-30 of the Illinois Administrative Procedure Act, conferring any right to an administrative hearing.

(g-9)(1) The Department shall publish annually on its website a report on the calculation of each managed care organization's medical loss ratio showing the following:

(A) Premium revenue, with appropriate adjustments.

(B) Benefit expense, setting forth the aggregate amount spent for the following:

(i) Direct paid claims.

(ii) Subcapitation payments.

(iii) Other claim payments.

(iv) Direct reserves.

(v) Gross recoveries.

(vi) Expenses for activities that improve health care quality as allowed by the Department.

(2) The medical loss ratio shall be calculated consistent with federal law and regulation following a claims runout period determined by the Department.

(g-10)(1) "Liability effective date" means the date on which an MCO becomes responsible for payment for medically necessary and covered services rendered by a provider to one of its enrollees in accordance with the contract terms between the MCO and the provider. The liability effective date shall be the later of:

(A) The execution date of a network participation contract agreement.

(B) The date the provider or its representative submits to the MCO the complete and accurate standardized roster form for the provider in the format approved by the Department.

(C) The provider effective date contained within the Department's provider enrollment subsystem within the Illinois Medicaid Program Advanced Cloud Technology (IMPACT) System.

(2) The standardized roster form may be submitted to the MCO at the same time that the provider submits an enrollment application to the Department through IMPACT.

(3) By October 1, 2019, the Department shall require all MCOs to update their provider directory with information for new practitioners of existing contracted providers within 30 days of receipt of a complete and accurate standardized roster template in the format approved by the Department provided that the provider is effective in the Department's provider enrollment subsystem within the IMPACT system. Such provider directory shall be readily accessible for purposes of selecting an approved health care provider and comply with all other federal and State requirements.

(g-11) The Department shall work with relevant stakeholders on the development of operational guidelines to enhance and improve operational performance of Illinois' Medicaid managed care program, including, but not limited to, improving provider billing practices, reducing claim rejections and inappropriate payment denials, and standardizing processes, procedures, definitions, and response timelines, with the goal of reducing provider and MCO administrative burdens and conflict. The Department shall include a report on the progress of these program improvements and other topics in its Fiscal Year 2020 annual report to the General Assembly.

(g-12) Notwithstanding any other provision of law, if the Department or an MCO requires submission of a claim for payment in a non-electronic format, a provider shall always be afforded a period of no less than 90 business days, as a correction period, following any notification of rejection by either the Department or the MCO to correct errors or omissions in the original submission.

Under no circumstances, either by an MCO or under the State's fee-for-service system, shall a provider be denied payment for failure to comply with any timely submission requirements under this Code or under any existing contract, unless the non-electronic format claim submission occurs after the initial 180 days following the latest date of service on the claim, or after the 90 business days correction period following notification to the provider of rejection or denial of payment.

(h) The Department shall not expand mandatory MCO enrollment into new counties beyond those counties already designated by the Department as of June 1, 2014 for the individuals whose eligibility for medical assistance is not the seniors or people with disabilities population until the Department provides an opportunity for accountable care entities and MCOs to participate in such newly designated counties.

(h-5) Leading indicator data sharing. By January 1, 2024, the Department shall obtain input from the Department of Human Services, the Department of Juvenile Justice, the Department of Children and Family Services, the State Board of Education, managed care organizations, providers, and clinical experts to identify and analyze key indicators and data elements that can be used in an analysis of lead indicators from assessments and data sets available to the Department that can be shared with managed care organizations and similar care coordination entities contracted with the Department as leading indicators for elevated behavioral health crisis risk for children, including data sets such as the Illinois Medicaid Comprehensive Assessment of Needs and Strengths (IM-CANS), calls made to the State's Crisis and Referral Entry Services (CARES) hotline, health services information from Health and Human Services Innovators, or other data sets that may include key indicators. The workgroup shall complete its recommendations for leading indicator data elements on or before September 1, 2024. To the extent permitted by State and federal law, the identified leading indicators shall be shared with managed care organizations and similar care coordination entities contracted with the Department on or before December 1, 2024 ~~within 6 months of identification~~ for the purpose of improving care coordination with the early detection of elevated risk. Leading indicators shall be reassessed annually with stakeholder input. The Department shall implement guidance to managed care organizations and similar care coordination entities contracted with the Department, so that the managed care organizations and care coordination entities respond to lead indicators with services and interventions that are designed to help stabilize the child.

(i) The requirements of this Section apply to contracts with accountable care entities and MCOs entered into, amended, or renewed after June 16, 2014 (the effective date of Public Act 98-651).

(j) Health care information released to managed care organizations. A health care provider shall release to a Medicaid managed care organization, upon request, and subject to the Health Insurance Portability and Accountability Act of 1996 and any other law applicable to the release of health information, the health care information of the MCO's enrollee, if the enrollee has completed and signed a general release form that grants to the health care provider permission to release the recipient's health care information to the recipient's insurance carrier.

(k) The Department of Healthcare and Family Services, managed care organizations, a statewide organization representing hospitals, and a statewide organization representing safety-net hospitals shall explore ways to support billing departments in safety-net hospitals.

(l) The requirements of this Section added by Public Act 102-4 shall apply to services provided on or after the first day of the month that begins 60 days after April 27, 2021 (the effective date of Public Act 102-4).

(Source: P.A. 102-4, eff. 4-27-21; 102-43, eff. 7-6-21; 102-144, eff. 1-1-22; 102-454, eff. 8-20-21; 102-813, eff. 5-13-22; 103-546, eff. 8-11-23.)

Section 20. The Children's Mental Health Act is amended by changing Section 5 as follows:

(405 ILCS 49/5)

Sec. 5. Children's Mental Health Partnership; Children's Mental Health Plan.

(a) The Children's Mental Health Partnership (hereafter referred to as "the Partnership") created under Public Act 93-495 and continued under Public Act 102-899 shall advise State agencies and the Children's Behavioral Health Transformation Initiative on designing and implementing short-term and long-term strategies to provide comprehensive and coordinated services for children from birth to age 25 and their families with the goal of addressing children's mental health needs across a full continuum of care, including social determinants of health, prevention, early identification, and treatment. The recommended strategies shall build upon the recommendations in the Children's Mental Health Plan of 2022 and may include, but are not limited to, recommendations regarding the following:

(1) Increasing public awareness on issues connected to children's mental health and wellness to decrease stigma, promote acceptance, and strengthen the ability of children, families, and communities to access supports.

(2) Coordination of programs, services, and policies across child-serving State agencies to best monitor and assess spending, as well as foster innovation of adaptive or new practices.

(3) Funding and resources for children's mental health prevention, early identification, and treatment across child-serving State agencies.

(4) Facilitation of research on best practices and model programs and dissemination of this information to State policymakers, practitioners, and the general public.

(5) Monitoring programs, services, and policies addressing children's mental health and wellness.

(6) Growing, retaining, diversifying, and supporting the child-serving workforce, with special emphasis on professional development around child and family mental health and wellness services.

(7) Supporting the design, implementation, and evaluation of a quality-driven children's mental health system of care across all child services that prevents mental health concerns and mitigates trauma.

(8) Improving the system to more effectively meet the emergency and residential placement needs for all children with severe mental and behavioral challenges.

(b) The Partnership shall have the responsibility of developing and updating the Children's Mental Health Plan and advising the relevant State agencies on implementation of the Plan. The Children's Mental Health Partnership shall be comprised of the following members:

(1) The Governor or his or her designee.

(2) The Attorney General or his or her designee.

(3) The Secretary of the Department of Human Services or his or her designee.

(4) The State Superintendent of Education or his or her designee.

(5) The Director of the Department of Children and Family Services or his or her designee.

(6) The Director of the Department of Healthcare and Family Services or his or her designee.

(7) The Director of the Department of Public Health or his or her designee.

(8) The Director of the Department of Juvenile Justice or his or her designee.

(9) The Executive Director of the Governor's Office of Early Childhood Development or his or her designee.

(10) The Director of the Criminal Justice Information Authority or his or her designee.

(11) One member of the General Assembly appointed by the Speaker of the House.

(12) One member of the General Assembly appointed by the President of the Senate.

(13) One member of the General Assembly appointed by the Minority Leader of the Senate.

(14) One member of the General Assembly appointed by the Minority Leader of the House.

(15) Up to 25 representatives from the public reflecting a diversity of age, gender identity, race, ethnicity, socioeconomic status, and geographic location, to be appointed by the Governor. Those public members appointed under this paragraph must include, but are not limited to:

(A) a family member or individual with lived experience in the children's mental health system;

(B) a child advocate;

(C) a community mental health expert, practitioner, or provider;

(D) a representative of a statewide association representing a majority of hospitals in the State;

(E) an early childhood expert or practitioner;

(F) a representative from the K-12 school system;

(G) a representative from the healthcare sector;

(H) a substance use prevention expert or practitioner, or a representative of a statewide association representing community-based mental health substance use disorder treatment providers in the State;

(I) a violence prevention expert or practitioner;

(J) a representative from the juvenile justice system;

(K) a school social worker; and

(L) a representative of a statewide organization representing pediatricians.

(16) Two co-chairs appointed by the Governor, one being a representative from the public and one being the Director of Public Health ~~a representative from the State~~.

The members appointed by the Governor shall be appointed for 4 years with one opportunity for reappointment, except as otherwise provided for in this subsection. Members who were appointed by the Governor and are serving on January 1, 2023 (the effective date of Public Act 102-899) shall maintain their appointment until the term of their appointment has expired. For new appointments made pursuant to Public

Act 102-899, members shall be appointed for one-year, 2-year, or 4-year terms, as determined by the Governor, with no more than 9 of the Governor's new or existing appointees serving the same term. Those new appointments serving a one-year or 2-year term may be appointed to 2 additional 4-year terms. If a vacancy occurs in the Partnership membership, the vacancy shall be filled in the same manner as the original appointment for the remainder of the term.

The Partnership shall be convened no later than January 31, 2023 to discuss the changes in Public Act 102-899.

The members of the Partnership shall serve without compensation but may be entitled to reimbursement for all necessary expenses incurred in the performance of their official duties as members of the Partnership from funds appropriated for that purpose.

The Partnership may convene and appoint special committees or study groups to operate under the direction of the Partnership. Persons appointed to such special committees or study groups shall only receive reimbursement for reasonable expenses.

(b-5) The Partnership shall include an adjunct council comprised of no more than 6 youth aged 14 to 25 and 4 representatives of 4 different community-based organizations that focus on youth mental health. Of the community-based organizations that focus on youth mental health, one of the community-based organizations shall be led by an LGBTQ-identified person, one of the community-based organizations shall be led by a person of color, and one of the community-based organizations shall be led by a woman. Of the representatives appointed to the council from the community-based organizations, at least one representative shall be LGBTQ-identified, at least one representative shall be a person of color, and at least one representative shall be a woman. The council members shall be appointed by the Chair of the Partnership and shall reflect the racial, gender identity, sexual orientation, ability, socioeconomic, ethnic, and geographic diversity of the State, including rural, suburban, and urban appointees. The council shall make recommendations to the Partnership regarding youth mental health, including, but not limited to, identifying barriers to youth feeling supported by and empowered by the system of mental health and treatment providers, barriers perceived by youth in accessing mental health services, gaps in the mental health system, available resources in schools, including youth's perceptions and experiences with outreach personnel, agency websites, and informational materials, methods to destigmatize mental health services, and how to improve State policy concerning student mental health. The mental health system may include services for substance use disorders and addiction. The council shall meet at least 4 times annually.

(c) (Blank).

(d) The Illinois Children's Mental Health Partnership has the following powers and duties:

(1) Conducting research assessments to determine the needs and gaps of programs, services, and policies that touch children's mental health.

(2) Developing policy statements for interagency cooperation to cover all aspects of mental health delivery, including social determinants of health, prevention, early identification, and treatment.

(3) Recommending policies and providing information on effective programs for delivery of mental health services.

(4) Using funding from federal, State, or philanthropic partners, to fund pilot programs or research activities to resource innovative practices by organizational partners that will address children's mental health. However, the Partnership may not provide direct services.

(4.1) The Partnership shall work with community networks and the Children's Behavioral Health Transformation Initiative team to implement a community needs assessment, that will raise awareness of gaps in existing community-based services for youth.

(5) Submitting an annual report, on or before December 30 of each year, to the Governor and the General Assembly on the progress of the Plan, any recommendations regarding State policies, laws, or rules necessary to fulfill the purposes of the Act, and any additional recommendations regarding mental or behavioral health that the Partnership deems necessary.

(6) (Blank). ~~Employing an Executive Director and setting the compensation of the Executive Director and other such employees and technical assistance as it deems necessary to carry out its duties under this Section.~~

The Partnership may designate a fiscal and administrative agent that can accept funds to carry out its duties as outlined in this Section.

The Department of Public Health ~~Healthcare and Family Services~~ shall provide technical and administrative support for the Partnership.

(e) The Partnership may accept monetary gifts or grants from the federal government or any agency thereof, from any charitable foundation or professional association, or from any reputable source for implementation of any program necessary or desirable to carry out the powers and duties as defined under this Section.

(f) On or before January 1, 2027, the Partnership shall submit recommendations to the Governor and General Assembly that includes recommended updates to the Act to reflect the current mental health landscape in this State.

(Source: P.A. 102-16, eff. 6-17-21; 102-116, eff. 7-23-21; 102-899, eff. 1-1-23; 102-1034, eff. 1-1-23; 103-154, eff. 6-30-23.)

Section 25. The Interagency Children's Behavioral Health Services Act is amended by adding Section 6 as follows:

(405 ILCS 165/6 new)

Sec. 6. Personal support workers. The Children's Behavioral Health Transformation Team in collaboration with the Department of Human Services shall develop a program to provide one-on-one in-home respite behavioral health aids to youth requiring intensive supervision due to behavioral health needs.

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

The motion prevailed.

And the amendment was adopted and ordered printed.

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

READING BILL OF THE SENATE A THIRD TIME

On motion of Senator Feigenholtz, **Senate Bill No. 726** having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

And the question being, “Shall this bill pass?” it was decided in the affirmative by the following vote:

YEAS 56; NAYS None.

The following voted in the affirmative:

Anderson	Feigenholtz	Lightford	Stoller
Aquino	Fine	Loughran Cappel	Syverson
Belt	Fowler	Martwick	Toro
Bennett	Glowiak Hilton	McClure	Turner, D.
Bryant	Halpin	McConchie	Turner, S.
Castro	Harris, N.	Morrison	Ventura
Cervantes	Harriss, E.	Murphy	Villa
Chesney	Hastings	Peters	Villanueva
Collins	Holmes	Plummer	Villivalam
Cunningham	Hunter	Porfirio	Wilcox
Curran	Johnson	Rezin	Mr. President
DeWitte	Jones, E.	Rose	
Edly-Allen	Joyce	Simmons	
Ellman	Koehler	Sims	
Faraci	Lewis	Stadelman	

This bill, having received the vote of a constitutional majority of the members elected, was declared passed, and all amendments not adopted were tabled pursuant to Senate Rule No. 5-4(a).

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

SENATE BILL RECALLED

On motion of Senator McConchie, **Senate Bill No. 998** was recalled from the order of third reading to the order of second reading.

Senator McConchie offered the following amendment and moved its adoption:

AMENDMENT NO. 1 TO SENATE BILL 998

AMENDMENT NO. 1 . Amend Senate Bill 998 by replacing everything after the enacting clause with the following:

"Section 5. The School Code is amended by changing Section 22-87 as follows:

(105 ILCS 5/22-87)

Sec. 22-87. Graduation requirements; Free Application for Federal Student Aid.

(a) Beginning with the 2020-2021 school year, in addition to any other requirements under this Code, as a prerequisite to receiving a high school diploma from a public high school, the parent or guardian of each student or, if a student is at least 18 years of age or legally emancipated, the student must comply with either of the following:

(1) File a Free Application for Federal Student Aid with the United States Department of Education or, if applicable, an application for State financial aid.

(2) On a form created by the State Board of Education, file a waiver with the student's school district indicating that the parent or guardian or, if applicable, the student understands what the Free Application for Federal Student Aid and application for State financial aid are and has chosen not to file an application under paragraph (1).

(b) Each school district with a high school must require each high school student to comply with this Section and must provide to each high school student and, if applicable, his or her parent or guardian any support or assistance necessary to comply with this Section. A school district must award a high school diploma to a student who is unable to meet the requirements of subsection (a) due to extenuating circumstances, as determined by the school district, if (i) the student has met all other graduation requirements under this Code and (ii) the principal attests that the school district has made a good faith effort to assist the student or, if applicable, his or her parent or guardian in filing an application or a waiver under subsection (a).

(c) The State Board of Education may adopt rules to implement this Section.

(d) For the 2023-2024 school year, this Section does not apply.

(Source: P.A. 101-180, eff. 6-1-20; 102-558, eff. 8-20-21.)

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

The motion prevailed.

And the amendment was adopted and ordered printed.

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

READING BILLS OF THE SENATE A THIRD TIME

On motion of Senator McConchie, **Senate Bill No. 998** having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

And the question being, “Shall this bill pass?” it was decided in the affirmative by the following vote:

YEAS 55; NAYS None.

The following voted in the affirmative:

Anderson	Faraci	Koehler	Simmons
Aquino	Feigenholtz	Lewis	Sims
Belt	Fine	Lightford	Stadelman

Bennett	Fowler	Loughran Cappel	Stoller
Bryant	Glowiak Hilton	Martwick	Syverson
Castro	Halpin	McClure	Toro
Cervantes	Harris, N.	McConchie	Turner, S.
Chesney	Harriss, E.	Morrison	Ventura
Collins	Hastings	Murphy	Villa
Cunningham	Holmes	Peters	Villanueva
Curran	Hunter	Plummer	Villivalam
DeWitte	Johnson	Porfirio	Wilcox
Edly-Allen	Jones, E.	Rezin	Mr. President
Ellman	Joyce	Rose	

This bill, having received the vote of a constitutional majority of the members elected, was declared passed, and all amendments not adopted were tabled pursuant to Senate Rule No. 5-4(a).

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

On motion of Senator Lightford, **Senate Bill No. 1722** having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

And the question being, "Shall this bill pass?" it was decided in the affirmative by the following vote:

YEAS 56; NAYS None.

The following voted in the affirmative:

Anderson	Feigenholtz	Lightford	Stoller
Aquino	Fine	Loughran Cappel	Syverson
Belt	Fowler	Martwick	Toro
Bennett	Glowiak Hilton	McClure	Turner, D.
Bryant	Halpin	McConchie	Turner, S.
Castro	Harris, N.	Morrison	Ventura
Cervantes	Harriss, E.	Murphy	Villa
Chesney	Hastings	Peters	Villanueva
Collins	Holmes	Plummer	Villivalam
Cunningham	Hunter	Porfirio	Wilcox
Curran	Johnson	Rezin	Mr. President
DeWitte	Jones, E.	Rose	
Edly-Allen	Joyce	Simmons	
Ellman	Koehler	Sims	
Faraci	Lewis	Stadelman	

This bill, having received the vote of a constitutional majority of the members elected, was declared passed, and all amendments not adopted were tabled pursuant to Senate Rule No. 5-4(a).

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

SENATE BILL RECALLED

On motion of Senator Belt, **Senate Bill No. 2234** was recalled from the order of third reading to the order of second reading.

Floor Amendment No. 4 was held in the Committee on Financial Institutions.

Senator Belt offered the following amendment and moved its adoption:

AMENDMENT NO. 5 TO SENATE BILL 2234

AMENDMENT NO. 5 . Amend Senate Bill 2234, AS AMENDED, by replacing everything after the enacting clause with the following:

"Section 1. Short title. This Act may be cited as the Small Business Financing Transparency Act.

Section 2. Purpose and construction. The purpose of this Act is to protect business owners. This Act shall be liberally construed to effectuate its purpose.

Section 5. Definitions. As used in this Act:

"Applicant" means a person who has submitted an application for a registration under this Act.

"Closed-end financing" means a closed-end extension of credit, secured or unsecured, recourse or nonrecourse, including equipment financing that does not meet the definition of a lease under Section 2A-103 of the Uniform Commercial Code, that the recipient does not intend to use for personal, family, or household purposes. "Closed-end financing" includes financing with an established principal amount and duration.

"Commercial financing database" means a reporting database certified by the Department as effective in receiving a report of commercial financing made under this Act.

"Commercial financing database provider" means an entity that provides a reporting database certified by the Department under this Act.

"Commercial financing" means open-end financing, closed-end financing, sales-based financing, factoring transaction, or other form of financing, the proceeds of which the recipient does not intend to use primarily for personal, family, or household purposes. For purposes of determining whether a financing is a commercial financing, the provider may rely on any statement of intended purposes by the recipient. The statement may be a separate statement signed by the recipient; may be contained in the financing application, financing agreement, or other document signed or consented to by the recipient; or may be provided orally by the recipient so long as it is documented in the recipient's application file by the provider. Electronic signatures and consents are valid for purposes of the foregoing sentence. The provider shall not be required to ascertain that the proceeds of a commercial financing are used in accordance with the recipient's statement of intended purposes.

"Department" means the Department of Financial and Professional Regulation.

"Division of Financial Institutions" or "Division" means the Division of Financial Institutions of the Department of Financial and Professional Regulation.

"Factoring transaction" means an accounts receivable purchase transaction that includes an agreement to purchase, transfer, or sell a legally enforceable claim for payment held by a recipient for goods the recipient has supplied or services the recipient has rendered that have been ordered but for which payment has not yet been made.

"Finance charge" means the cost of financing as a dollar amount. "Finance charge" includes any charge payable directly or indirectly by the recipient and imposed directly or indirectly by the provider as an incident to or a condition of the extension of financing. "Finance charge" includes any charges as determined by the Secretary. For the purposes of an open-end financing, "finance charge" means the maximum amount of credit available to the recipient, in each case, that is drawn and held for the duration of the term or draw period. For the purposes of a factoring transaction, "finance charge" includes the discount taken on the face value of the accounts receivable. In addition, the finance charge shall include any charges determined by the Secretary.

"Open-end financing" means an agreement for one or more extensions of open-end credit, secured or unsecured, that the recipient does not intend to use the proceeds of primarily for personal, family, or household purposes. "Open-end financing" includes credit extended by a provider under a plan in which: (i) the provider reasonably contemplates repeated transactions; (ii) the provider may impose a finance charge from time to time on an outstanding unpaid balance; and (iii) the amount of credit that may be extended to the recipient during the term of the plan is generally made available to the extent that any outstanding balance is repaid.

"Person" means an individual, entity, corporation, partnership, limited liability company, joint venture, association, joint stock company, trust, or unincorporated organization, including, but not limited to, a sole proprietorship.

"Provider" means a person who extends a specific offer of commercial financing to a recipient. "Provider", unless otherwise exempt, includes a person who solicits and presents specific offers of commercial financing on behalf of a third party. The mere extension of a specific offer or provision of disclosures for a commercial financing, is not sufficient to conclude that a provider is originating, making, funding, or providing commercial financing. "Provider" does not include:

(1) a bank, trust company, or industrial loan company, or any subsidiary or affiliate thereof, doing business under the authority of, or in accordance with, a license, certificate or charter issued by the United States, this State, or any other state, district, territory, or commonwealth of the United States that is authorized to transact business in this State;

(2) a federally chartered savings and loan association, federal savings bank, or federal credit union, or any subsidiary or affiliate thereof, that is authorized to transact business in this State;

(3) a savings and loan association, savings bank, or credit union, or any subsidiary or affiliate thereof, organized under the laws of this State or any other state that is authorized to transact business in this State;

(4) a lender regulated under the federal Farm Credit Act; and

(5) a person acting as a technology services provider to an entity described by sub-paragraphs (1), (2), or (3) for use as part of that entity's commercial financing program, provided the person has no interest, or arrangement, or agreement to purchase any interest in the commercial financing extended by the entity in connection with the program.

"Recipient" means a person located in the State of Illinois who applies for commercial financing and is made a specific offer of commercial financing by a provider. For the purpose of determining whether a recipient is located in Illinois, a provider may rely upon (i) any written representation by the recipient as to whether it is located in Illinois; or (ii) the business address provided by the recipient in the application for commercial financing showing that the recipient is located in Illinois. "Recipient" includes an authorized representative of a person who applies for commercial financing and is made a specific offer of commercial financing by a provider. "Recipient" does not include a person acting as a broker is not a recipient in a transaction they broker.

"Sales-based financing" means a transaction that is repaid by the recipient to the provider, over time, as a percentage of sales or revenue, in which the payment amount may increase or decrease according to the volume of sales made or revenue received by the recipient or a transaction that includes a true-up mechanism where the financing is repaid as a fixed payment but provides for a reconciliation process that adjusts the payment to an amount that is a percentage of sales or revenue.

"Secretary" means the Secretary of Financial and Professional Regulation or a person authorized by the Secretary to perform the Secretary's responsibilities under this Act.

"Specific offer" means the specific terms of commercial financing, including price or amount, that is quoted to a recipient based on information obtained from or about the recipient that, if accepted by a recipient, shall be binding on the provider, as applicable, subject to any specific requirements stated in the specific terms.

"True-up mechanism" means, with respect to sales-based financing, a contractual arrangement with all the following elements:

(1) The financer receives periodic payments based upon a pre-set amount stated in the contract.

(2) The contract allows the recipient to request, or the financer to initiate, adjustments to the payment amount, credits to the recipient, or charges to the recipient after execution of the contract, so that the total amount paid by the recipient more closely reflects a split rate listed in the contract.

Section 10. Applicability.

(a) Except as otherwise provided in this Section, this Act applies to any person that offers or provides commercial financing in Illinois or is otherwise a provider.

(b) The provisions of this Act apply to any person that seeks to evade its applicability by any device, subterfuge, or pretense whatsoever.

(c) The provisions of this Act apply to any person that aids or facilitates a violation of this Act.

(d) The provisions of this Act do not apply to:

(1) a bank, trust company, or industrial loan company doing business under the authority of, or in accordance with, a license, certificate or charter issued by the United States, this State, or any other state, district, territory, or commonwealth of the United States that is authorized to transact business in this State;

(2) a federally chartered savings and loan association, federal savings bank, or federal credit union that is authorized to transact business in this State;

(3) a savings and loan association, savings bank, or credit union organized under the laws of this State or any other state that is authorized to transact business in this State;

(4) a lender regulated under the federal Farm Credit Act; and

(5) a person acting in the person's capacity as a technology services provider to an entity described by sub-paragraphs (1), (2), or (3) for use as part of that entity's commercial financing program, provided the person has no interest, or arrangement, or agreement to purchase any interest in the commercial financing extended by the entity in connection with the program.

Section 15. Division of Financial Institutions. This Act shall be administered by the Division on behalf of the Secretary.

Section 20. Registration requirement.

(a) It is unlawful for a person to engage in the conduct regulated by this Act unless the person: (i) registers with the Secretary in accordance with this Section; and (ii) maintains a valid registration. An officer or employee of a person required to register under this Section is not required to register if the person for whom the individual is an officer or employee is registered.

(b) Application for registration and renewal of registration shall be made in accordance with this Act and with the requirements of the multistate licensing system, if required by the Secretary. The application shall be in writing, under oath, and on a form obtained from and prescribed by the Secretary. The Secretary may change or update the form to carry out the purposes of this Act. The Secretary may require part or all of the application to be submitted electronically, with attestation, to the multistate licensing system.

(c) Registrants shall apply to renew their registration every calendar year. Registrants may submit properly completed renewal application forms and filing fees 60 days before the registration expiration date, and the same shall be received by the Secretary at least 30 days before the registration expiration date. Absent a written extension from the Department, a registration shall expire on December 31 of each year if a registrant fails to timely submit a properly completed renewal application and fees.

(d) Upon receipt of the registration, a registrant is authorized to engage in conduct regulated by this Act. The registration shall remain in full force and effect until it expires, is withdrawn by the registrant, or is revoked or suspended as provided in this Act.

(e) To register under this Section, an applicant shall:

(1) pay a registration fee of $2,500 to the Department; and

(2) submit a registration statement containing the information described in subsection (g).

(f) To renew a registration under this Section, a person shall:

(1) pay the annual fee of $2,500 to the Department; and

(2) submit a renewal statement containing the information described in subsection (g).

(g) A registration or renewal statement must be submitted to the Secretary or to a multistate licensing system as approved by the Secretary. The registration or renewal statement shall include:

(1) the name of the person;

(2) the name in which the business will be transacted if different from that required in paragraph (1), which must be properly registered as an assumed corporate name under the Business Corporation Act of 1983, an assumed limited liability company name under the Limited Liability Company Act, or an assumed business name under the Assumed Business Name Act;

(3) the address of the person's principal business office;

(4) the address of each office in this State at which the person engages in commercial financing transactions;

(5) if the person engages in commercial financing transactions in this State but does not maintain an office in this State, a brief description of the manner in which the business is conducted;

(6) if the person conducts business through an agent located in this State, the name and address in this State of the person's agent properly registered with the Secretary of State;

(7) for a registration application, whether the person, an officer, director, manager, operator, or principal of the person, or an employee of the person engaged in the business of commercial financing has been convicted of a crime involving an act of fraud, dishonesty, breach of trust, or money laundering; if the applicant answers yes to this paragraph, then the applicant shall report the names, titles or relationship to the applicant or registrant, and the nature of the covered crime;

(8) for a renewal application, whether, in the past year, the person, an officer, director, manager, operator, or principal of the person, or an employee of the person engaged in the business of commercial financing has been convicted of a crime involving an act of fraud, dishonesty, breach of trust, or money laundering; if the registrant answers yes to this paragraph, then the registrant shall report the names, titles or relationship to the applicant or registrant, and the nature of the covered crime;

(9) a statement of the person's commitment to abide by the requirements of registering persons under this Act, including providing the required financing disclosures in commercial financing offers as required under Sections 45, 50, 55, 60, 65, and 70 of this Act;

(10) a copy of the commercial financing disclosure form to be used for each type of commercial financing that the person offers or intends to offer, and a description of when the disclosure will be provided to the recipient;

(11) information on financing offers presented by registrant in Illinois in the previous calendar year, including the number of financing offers made, the number of financing offers made in which the disclosures as required by Sections 45, 50, 55, 60, 65, and 70 were offered, and the number of financing offers accepted by recipients; and

(12) any other information deemed necessary by the Secretary.

(h) The Secretary may refuse to accept or renew a registration if:

(1) the Secretary determines that the person has not complied with the provisions of this Act, its implementing rules, or other laws that apply to the person; or

(2) the Secretary determines that there is substantial continuity between the person and any violator of this Act, its implementing rules, or other laws that apply to the person or related violator.

(i) The Department shall adopt and amend such rules as may be required for the proper administration and enforcement of this Section, including rules providing for the form, content, and filing of a registration and renewal statement.

Section 25. Additional registration information.

(a) In order to fulfill the purposes of this Act, the Secretary may establish relationships or contracts with a multistate licensing system or other persons to collect and maintain records and process fees related to registrants or other persons subject to this Act.

(b) For the purposes of this Section, and to reduce the points of contact that the Secretary may have to maintain, the Secretary may use a multistate licensing system as a channeling agent for requesting and distributing information to and from any source.

(c) Each registrant shall furnish to the Secretary or multistate licensing system an updated business address within 10 days after any change of business address.

Section 30. Registration expiration. No activity regulated by this Act shall be conducted by a registrant whose registration has expired. The Secretary may, within the Secretary's discretion, reinstate an expired registration upon payment of the renewal fee, payment of a reactivation fee equal to 5 times the renewal fee, submission of a completed renewal application, and an affidavit of good cause for late renewal.

Section 35. Functions; powers; duties. The functions, powers, and duties of the Secretary include, but are not limited to, the following:

(1) to issue or refuse to issue any registration or renewal;

(2) to revoke or suspend for cause any registration issued under this Act;

(3) to keep records of all registrations issued under this Act;

(4) to receive, consider, investigate, and act upon complaints made by any person in connection with any registration in this State or unregistered commercial financing activity of any person;

(5) to adopt rules necessary and proper for the administration of this Act, to protect consumers and financing recipients, to promote fair competition, and as otherwise authorized by this Act;

(6) to subpoena documents and witnesses and compel their attendance and production, to administer oaths, and to require the production of any books, papers, or other materials relevant to any inquiry authorized by this Act or its implementing rules;

(7) to issue orders against any person if the Secretary has reasonable cause to believe that an unsafe, unsound, or unlawful practice has occurred, is occurring, or is about to occur; if any person is

violating, or is about to violate any law, rule, or written agreement with the Secretary; or for the purpose of administering the provisions of this Act and any rule adopted in accordance with this Act;

(8) to address any inquiries to any registrant, or the owners, officers, or directors thereof, in relation to its activities and conditions, or any other matter connected with its affairs, and any registrant or person so addressed shall promptly reply in writing to those inquiries. The Secretary may also require reports from any registrant at any time the Secretary deems desirable;

(9) to enforce provisions of this Act and its implementing rules;

(10) to levy fees, including, but not limited to, assessments, registration fees, civil penalties, and charges for services performed in administering this Act. The Secretary may establish and modify fees by rule. The aggregate of all fees collected by the Secretary under this Act shall be paid promptly after receipt into the Financial Institution Fund. The amounts deposited into the Financial Institution Fund shall be used for the ordinary and contingent expenses of the Department. Nothing in this Act prevents paying expenses including salaries, retirement, social security, and State-paid insurance of State employees, or any other expenses incurred under this Act by appropriation from the General Revenue Fund or any other fund;

(11) to issue refunds to registrants of any overpayment for good cause shown;

(12) to appoint experts and special assistants as needed to effectively and efficiently administer this Act;

(13) to conduct hearings for the purpose of suspensions, denials, or revocations of registrations, fining, or other discipline of registrants or unregistered persons or entities;

(14) to exercise visitorial power over a registrant: (A) if the Secretary has reasonable cause to believe that an unsafe, unsound, or unlawful practice has occurred, is occurring, or is about to occur; or (B) if a person is violating or is about to violate any law, rule, or written agreement with the Secretary; and

(15) to enter into cooperative agreements with state regulatory authorities of other states to provide for examination of corporate offices or branches of those states, participate in joint examinations with other regulators, and to accept reports of the examinations: (A) if the Secretary has reasonable cause to believe that an unsafe, unsound, or unlawful practice has occurred, is occurring, or is about to occur; or (B) if a person is violating or is about to violate any law, rule, or written agreement with the Secretary;

(16) to impose civil penalties of up to $200 per day against a registrant for failing to respond to a regulatory request or reporting requirement; and

(17) to enter into agreements in connection with a multistate licensing system.

Section 40. Subpoena power of the Secretary.

(a) The Secretary may issue and serve subpoenas and subpoenas duces tecum to compel the attendance of witnesses and the production of all books, accounts, records, and other documents and materials relevant to an investigation. The Secretary, or the Secretary's duly authorized representative, may administer oaths and affirmations to any person.

(b) If a person does not comply with the Secretary's subpoena or subpoena duces tecum, the Secretary may, through the Attorney General, petition the circuit court of the county in which the subpoenaed person resides or has its principal place of business for an order requiring the subpoenaed person to testify and to comply with the subpoena duces tecum. The court may grant injunctive relief restraining the person from engaging in activity regulated by this Act. The court may grant other relief, including, but not limited to, the restraint, by injunction or appointment of a receiver, of any transfer, pledge, assignment, or other disposition of the person's assets, concealment, destruction, or other disposition of books, accounts, records, or other documents and materials, as the court deems appropriate, until the person has fully complied with the subpoena or subpoena duces tecum and the Secretary has completed an investigation.

(c) If it appears to the Secretary that the compliance with a subpoena or subpoena duces tecum issued or caused to be issued by the Secretary under this Section is essential to an investigation, the Secretary, in addition to the other remedies provided for in this Act, may, through the Attorney General, apply for relief to the circuit court of the county in which the subpoenaed person resides or has its principal place of business. The court shall thereupon direct the issuance of an order against the subpoenaed person requiring sufficient bond conditioned on compliance with the subpoena or subpoena duces tecum. The court shall cause to be endorsed on the order a suitable amount of bond or payment pursuant to which the person named be freed, having a due regard to the nature of the case.

(d) In addition, the Secretary may, through the Attorney General, seek a writ of attachment or an equivalent order from the circuit court having jurisdiction over the person who has refused to obey a subpoena, who has refused to give testimony, or who has refused to produce the matters described in the subpoena duces tecum.

Section 45. Sales-based financing disclosure requirements. A provider subject to this Act shall provide the following disclosures to a recipient, in a manner prescribed by the Secretary, if any, at the time of extending a specific offer of sales-based financing:

(1) The total amount of the commercial financing, and, if different from the financing amount, the disbursement amount after any amount deducted or withheld at disbursement.

(2) The finance charge.

(3) The estimated annual percentage rate, using the words annual percentage rate or the abbreviation "Estimated APR", expressed as a yearly rate, inclusive of any fees and finance charges, based on the estimated term of repayment and the projected periodic payment amounts. The estimated term of repayment and the projected periodic payment amounts shall be calculated based on the projection of the recipient's sales, which may be referred to as the projected sales volume. The projected sales volume may be calculated using the historical method or the underwriting method. The provider shall provide notice to the Secretary on which method the provider intends to use across all instances of sales-based financing offered in calculating the estimated annual percentage rate under this Section, according to the following:

(A) A provider using the historical method shall use an average historical volume of sales or revenue by which the financing's payment amounts are based and the estimated annual percentage rate is calculated. The provider shall fix the historical time period used to calculate the average historical volume and use the period for all disclosure purposes for all sales-based financing products offered. The fixed historical time period shall either be the preceding time period from the specific offer or, alternatively, the provider may use average sales for the same number of months with the highest sales volume within the previous 12 months. The fixed historical time period shall be no less than one month and shall not exceed 12 months.

(B) A provider using the underwriting method shall determine the estimated annual percentage rate, the estimated term, and the projected payments, using a projected sales volume that the provider elects for each disclosure, if they participate in a review process prescribed by the Secretary. A provider shall, on an annual basis, report data to the Secretary of estimated annual percentage rates disclosed to the recipient and actual retrospective annual percentage rates of completed transactions. The report shall contain the information as the Department may adopt by rule as necessary or appropriate for the purpose of making a determination of whether the deviation between the estimated annual percentage rate and actual retrospective annual percentage rates of completed transactions was reasonable. The Secretary shall establish the method of reporting and may, upon a finding that the use of projected sales volume by the provider has resulted in an unacceptable deviation between estimated and actual annual percentage rate, require the provider to use the historical method. The Secretary may consider unusual and extraordinary circumstances impacting the provider's deviation between estimated and actual annual percentage rate in the determination of the finding.

(4) The total repayment amount, which is the disbursement amount plus the finance charge.

(5) The estimated term, which is the period of time required for the periodic payments, based on the projected sales volume, to equal the total amount required to be repaid.

(6) The payment amounts, based on the projected sales volume:

(A) for payment amounts that are fixed, the payment amounts and frequency, such as, daily, weekly, monthly, and, if the payment frequency is other than monthly, the amount of the average projected payments per month; or

(B) for payment amounts that are variable, a payment schedule or a description of the method used to calculate the amounts and frequency of payments and the amount of the average projected payments per month.

(7) A description of all other potential fees and charges not included in the finance charge, including, but not limited to, draw fees, late payment fees, and returned payment fees.

(8) If the recipient elects to pay off or refinance the commercial financing before full repayment, the provider shall disclose:

(A) whether the recipient would be required to pay any finance charges other than interest accrued since their last payment; if so, disclosure of the percentage of any unpaid portion of the finance charge and maximum dollar amount the recipient could be required to pay; and

(B) whether the recipient would be required to pay any additional fees not already included in the finance charge.

(9) A description of collateral requirements or security interests, if any.

Section 50. Commercial closed-end financing disclosure requirements.

(a) A provider subject to this Act shall provide the following disclosures to a recipient, in a manner prescribed by the Secretary, if any, at the time of extending a specific offer for closed-end financing:

(1) The total amount of the commercial financing, and, if different from the financing amount, the disbursement amount after any amount deducted or withheld at disbursement.

(2) The finance charge.

(3) The annual percentage rate, using only the words annual percentage rate or the abbreviation "APR", expressed as a yearly rate, inclusive of any fees and finance charges that cannot be avoided by a recipient.

(4) The total repayment amount, which is the disbursement amount plus the finance charge.

(5) The term of the financing.

(6) The payment amounts:

(A) for payment amounts that are fixed, the payment amounts and frequency, such as daily, weekly, monthly, and, if the term is longer than one month, the average monthly payment amount; or

(B) for payment amounts that are variable, a full payment schedule or a description of the method used to calculate the amounts and frequency of payments, and, if the term is longer than one month, the estimated average monthly payment amount.

(7) A description of all other potential fees and charges that can be avoided by the recipient, including, but not limited to, late payment fees and returned payment fees.

(8) If the recipient elects to pay off or refinance the commercial financing before full repayment, the provider shall disclose:

(A) whether the recipient would be required to pay any finance charges other than interest accrued since their last payment; if so, disclosure of the percentage of any unpaid portion of the finance charge and maximum dollar amount the recipient could be required to pay; and

(B) whether the recipient would be required to pay any additional fees not already included in the finance charge.

(9) A description of collateral requirements or security interests, if any.

(b) If an advance requires repayment in periodic installments over time and does not qualify as sales-based financing, then the advance qualifies as close-end financing and shall satisfy the disclosure requirements of this Section.

Section 55. Open-end commercial financing disclosure requirements. A provider subject to this Act shall provide the following disclosures to a recipient, in a manner prescribed by the Secretary, if any, at the time of extending a specific offer for open-end financing:

(1) The maximum amount of credit available to the recipient, such as the credit line amount, and the amount scheduled to be drawn by the recipient at the time the offer is extended, if any, less any amount deducted or withheld at disbursement.

(2) The finance charge.

(3) The annual percentage rate, using only the words annual percentage rate or the abbreviation "APR", expressed as a nominal yearly rate, inclusive of any fees and finance charges that cannot be avoided by a recipient, and based on the maximum amount of credit available to the recipient and the term resulting from making the minimum required payments term as disclosed.

(4) The total repayment amount, which is the draw amount, less any fees deducted or withheld at disbursement, plus the finance charge. The total repayment amount shall assume a draw amount equal to the maximum amount of credit available to the recipient if drawn and held for the duration of the term or draw period.

(5) The term of the plan, if applicable, or the period over which a draw is amortized.

(6) The payment frequency and amounts, based on the assumptions used in the calculation of the annual percentage rate, including a description of payment amount requirements such as a minimum payment amount, and if the payment frequency is other than monthly, the amount of the average projected payments per month. For payment amounts that are variable, the provider should include a payment schedule or a description of the method used to calculate the amounts and frequency of payments and the estimated average monthly payment amount.

(7) A description of all other potential fees and charges that can be avoided by the recipient, including, but not limited to, draw fees, late payment fees, and returned payment fees.

(8) Were the recipient to elect to pay off or refinance the commercial financing before full repayment, the provider shall disclose:

(A) whether the recipient would be required to pay any finance charges other than interest accrued since their last payment; if so, disclosure of the percentage of any unpaid portion of the finance charge and maximum dollar amount the recipient could be required to pay; and

(B) whether the recipient would be required to pay any additional fees not already included in the finance charge.

(9) A description of collateral requirements or security interests, if any.

Section 60. Factoring transaction disclosure requirements. A provider subject to this Act shall provide the following disclosures to a recipient, in a manner prescribed by the Secretary, if any, at the time of extending a specific offer for a factoring transaction:

(1) The amount of the receivables purchase price paid to the recipient, and, if different from the purchase price, the disbursement amount after any amount deducted or withheld at disbursement.

(2) The finance charge.

(3) The estimated annual percentage rate, using that term. To calculate the estimated annual percentage rate, the purchase amount is considered the financing amount, the purchase amount minus the finance charge is considered the payment amount, and the term is established by the payment due date of the receivables. As an alternate method of establishing the term, the provider may estimate the term for a factoring transaction as the average payment period based on its historical data over a period not to exceed the previous 12 months, concerning payment invoices paid by the party or parties owing the accounts receivable in question.

(4) The total payment amount, which is the purchase amount plus the finance charge.

(5) A description of all other potential fees and charges that can be avoided by the recipient.

(6) A description of the receivables purchased and any additional collateral requirements or security interests.

Section 65. Other forms of financing disclosure requirements. The Secretary may require disclosure by a provider extending a specific offer of commercial financing which is not an open-end financing, closed-end financing, sales-based financing, or factoring transaction but otherwise meets the definition of commercial financing. Subject to rules adopted by the Secretary, a provider subject to this Act shall provide the following disclosures to a recipient, in a manner prescribed by the Secretary, if any, at the time of extending a specific offer of other forms of financing:

(1) The total amount of the commercial financing, and, if different from the financing amount, the disbursement amount after any fees deducted or withheld at disbursement.

(2) The finance charge.

(3) The annual percentage rate, using only the words annual percentage rate or the abbreviation "APR", expressed as a yearly rate, inclusive of any fees and finance charges.

(4) The total repayment amount which is the disbursement amount plus the finance charge.

(5) The term of the financing.

(6) The payment amounts:

(A) for payment amounts that are fixed, the payment amounts and frequency, such as daily, weekly, monthly, and the average monthly payment amount; or

(B) for payment amounts that are variable, a payment schedule or a description of the method used to calculate the amounts and frequency of payments, and the estimated average monthly payment amount.

(7) A description of all other potential fees and charges that can be avoided by the recipient, including, but not limited to, late payment fees and returned payment fees.

(8) If the recipient elects to pay off or refinance the commercial financing before full repayment, the provider shall disclose:

(A) whether the recipient would be required to pay any finance charges other than interest accrued since their last payment; if so, disclosure of the percentage of any unpaid portion of the finance charge and maximum dollar amount the recipient could be required to pay; and

(B) whether the recipient would be required to pay any additional fees not already included in the finance charge.

(9) A description of collateral requirements or security interests, if any.

Section 70. Disclosure requirements for renewal financing. If, as a condition of obtaining the commercial financing, the provider requires the recipient to pay off the balance of an existing commercial financing from the same provider, the provider shall disclose:

(1) The amount of the new commercial financing that is used to pay off the portion of the existing commercial financing that consists of prepayment charges required to be paid and any unpaid interest expense that was not forgiven at the time of renewal. For financing for which the total repayment amount is calculated as a fixed amount, the prepayment charge is equal to the original finance charge multiplied by the amount of the renewal used to pay off existing financing as a percentage of the total repayment amount, minus any portion of the total repayment amount forgiven by the provider at the time of prepayment. If the amount is more than zero, the amount shall be the answer to the following question: "Does the renewal financing include any amount that is used to pay unpaid finance charges or fees, also known as double dipping? Yes, {enter amount}. If the amount is zero, the answer would be no."

(2) If the disbursement amount will be reduced to pay down any unpaid portion of the outstanding balance, the actual dollar amount by which the disbursement amount will be reduced.

Section 75. Additional information. Nothing in this Act shall prevent a provider from providing or disclosing additional information on a commercial financing being offered to a recipient, provided however, that the additional information shall not be disclosed as part of the disclosure required by this Act. If other metrics of financing cost are disclosed or used in the application process of a commercial financing, these metrics shall not be presented as a "rate" if they are not the annual interest rate or the annual percentage rate. The term "interest", when used to describe a percentage rate, shall only be used to describe annualized percentage rates, such as the annual interest rate. When a provider states a rate of finance charge or a financing amount to a recipient during an application process for commercial financing, the provider shall also state the rate as an "annual percentage rate", using that term or the abbreviation "APR".

Section 80. Commercial financing disclosure forms approved for use in the other states. The Secretary may approve the use of commercial financing disclosure forms approved for use in other states with commercial financing disclosure requirements that are substantially similar to or exceed the requirements set forth in this Act, including the disclosure requirements in Sections 45, 50, 55, 60, 65, and 70 of this Act.

Section 85. Violation of disclosure requirements. If the Secretary finds that a provider who is required to register with the Department according to this Act has violated any disclosure requirements outlined in Sections 45, 50, 55, 60, 65, 70, and 75, that shall be considered a violation of this Act separate from any other violation that may result from operating without a registration as outlined in Section 95.

Section 90. Notification.

(a) A registrant must advise the Secretary in writing of any changes to the information submitted on its most recent registration or renewal of registration within 30 days after the change.

(b) A registrant must advise the Secretary in writing that the registrant has been disciplined, including denial of licensure, by a licensing authority of this State or another state within 10 days after entry of the discipline.

Section 95. Disciplinary actions.

(a) The Secretary may enter an order imposing one or more of the following penalties:

(1) revocation of registration;

(2) suspension of a registration subject to reinstatement upon satisfying all reasonable conditions the Secretary may specify;

(3) placement of the registrant or applicant on probation for a period of time and subject to all reasonable conditions as the Secretary may specify;

(4) imposition of civil monetary penalties not to exceed $10,000 for each separate offense, but civil penalties may not to exceed $50,000 for all violations arising from the use of the same single transaction, including for financing offers that are not consummated;

(5) restitution, refunds, or any other relief necessary to protect recipients; and

(6) denial of a registration.

(b) Grounds for penalties include:

(1) if a registrant has violated or aided another to violate any provision of this Act, any rule adopted by the Secretary, or any other law, rule, or regulation of this State, any other state, or the United States;

(2) if a person has violated or aided another to violate any provision of this Act or any rule adopted by the Secretary pursuant to this Act;

(3) if a fact or condition exists that, if it had existed at the time of the original application for registration, would have warranted the Secretary in refusing issue the original registration;

(4) that a registrant that is not an individual has acted or failed to act in a way that would be cause for suspending or revoking a registration to an individual;

(5) that a person engaged in unsafe, unsound, unfair, deceptive, or abusive business practices related to the activity covered by this Act;

(6) that a registrant or an officer, director, manager, operator, or principal of the registrant, or an employee of the registrant engaged in the business of commercial financing has been adjudicated guilty of a crime against the law of this State, any other state, or of the United States involving moral turpitude, abusive, deceptive, fraudulent, or dishonest dealing;

(7) that a final judgment has been entered against registrant or an officer, director, manager, operator, or principal of the registrant, or an employee of the registrant engaged in the business of commercial financing in a civil action upon grounds of abusive conduct, conversion, fraud, misrepresentation, or deceit;

(8) that an applicant made a material misstatement in the applicant's application for registration or any other communication to the Secretary;

(9) that a person has demonstrated, by course of conduct, negligence or incompetence in performing any act for which it is required to hold a registration under this Act;

(10) that a person has failed to advise the Secretary in writing of any changes to the information submitted on the person's most recent registration or renewal of registration within 30 days after the change;

(11) that a registrant had a license, registration, or the equivalent, to practice any profession, occupation, other industry or activity requiring licensure revoked, suspended, disciplined, or otherwise acted against, including the denial of licensure by a licensing authority of this State or another state, territory, or country for fraud, dishonest dealing, misrepresentations, incompetence, conversion, any act of moral turpitude or any other grounds that would constitute grounds for discipline under this Act;

(12) that a person registered under this Act failed to timely notify the Secretary that the person has been disciplined, including denial of licensure, by a licensing authority of this State or another state as required under subsection (b) of Section 90;

(13) that a person engaged in activities regulated by this Act without a current, active registration unless specifically exempted by this Act;

(14) that a person failed to timely pay any fee, charge, or civil penalty assessed under this Act; and

(15) that a person refused, obstructed, evaded, or unreasonably delayed an investigation or information request authorized under this Act, or refused, obstructed, evaded, or unreasonably delayed compliance with the Secretary's subpoena or subpoena duces tecum.

(c) No registration shall be suspended or revoked, except as provided in this Section, nor shall any person be assessed a civil penalty without notice of his or her right to a hearing.

(d) The Secretary may suspend any registration for a period not exceeding 180 days pending investigation for good cause shown that an emergency exists.

(e) No revocation, suspension, or surrender of any registration shall impair or affect the obligation of any preexisting lawful contract between the registrant and any person. The Secretary's approval of a registrant's application to surrender its registration shall not affect the registrant's civil or criminal liability for acts committed prior to surrender. Surrender of a registration does not entitle the registrant to a return of any part of the registration fee.

(f) Every registration issued under this Act shall remain in force and effect until the registration expires, is surrendered, is revoked, or is suspended in accordance with the provisions of this Act. The Secretary shall have authority to reinstate a suspended registration or to issue a new registration to a registrant whose registration has been revoked or surrendered if no fact or condition then exists which would have warranted the Secretary in refusing originally to issue that registration under this Act.

(g) Whenever the Secretary imposes discipline authorized by this Section, the Secretary shall execute a written order to that effect. The Secretary shall serve a copy of the order upon the person. The Secretary shall serve the person with notice of the order, including a statement of the reasons for the order personally or by certified mail. Service by certified mail shall be deemed completed when the notice is deposited in the U.S. Mail.

(h) An order assessing a civil penalty, an order revoking or suspending a registration, or an order denying renewal of a registration shall take effect upon service of the order unless the registrant serves the Department with a written request for a hearing in the manner required by the order within 10 days after the date of service of the order. If a person requests a hearing, the order shall be stayed from its date of service until the Department enters a final administrative order. Hearings shall be conducted as follows:

(1) If the registrant requests a hearing, then the Secretary shall schedule a hearing within 90 days after the request for a hearing unless otherwise agreed to by the parties.

(2) The hearing shall be held at the time and place designated by the Secretary. The Secretary and any administrative law judge designated by the Secretary shall have the power to administer oaths and affirmations, subpoena witnesses and compel their attendance, take evidence, and require the production of books, papers, correspondence, and other records or information that they consider relevant or material to the inquiry.

(i) The costs of administrative hearings conducted under this Section shall be paid by the registrant or other person subject to the hearing.

(j) Registrants and other persons subject to this Act shall be subject to the disciplinary actions specified in this Act for any violations conducted by any officer, director, shareholder, joint venture, partner, owner, including, but not limited to, ultimate equitable owner.

Section 100. Investigation of complaints. The Secretary may investigate any complaints and inquiries made concerning this Act and any registrants or persons the Secretary believes may be required to register under this Act. Each registrant or person the Secretary believes may be required to register under this Act shall open the registrant's or person's books, records, documents, and offices wherever situated to the Secretary as needed to facilitate the investigations.

Section 105. Additional investigation authority. In addition to any authority allowed under this Act, the Secretary may conduct investigations as follows:

(1) For purposes of initial registration, registration renewal, registration suspension, registration conditioning, registration probation, registration revocation or termination, or general or specific inquiry or investigation to determine compliance with this Act, the Secretary may access, receive, and use any books, accounts, records, files, documents, information, or evidence, including, but not limited to, the following:

(A) criminal, civil, registration, and administrative history information, including nonconviction data as specified in the Criminal Code of 2012; (B) personal history and experience information, including independent credit reports obtained from a consumer reporting agency described in Section 603(p) of the federal Fair Credit Reporting Act; and (C) any other documents, information, or evidence the Secretary deems relevant to the inquiry or investigation, regardless of the location, possession, control, or custody of the documents, information, or evidence.

(2) For the purposes of investigating violations or complaints arising under this Act, the Secretary may review or investigate any registrant or person subject to this Act as necessary in order to carry out the purposes of this Act. The Secretary may direct, subpoena, or order the attendance of,

and examine under oath all persons and order any person to produce records, files, and any other documents the Secretary deems relevant to an inquiry.

(3) Each person subject to this Act shall make available to the Secretary upon request the books and records relating to the operations of the person subject to this Act. The Secretary shall have access to those books and records and may interview the owners, officers, principals, employees, independent contractors, agents, vendors, and customers of any registrant or person subject to this Act.

(4) In making any investigation authorized by this Act, the Secretary may control access to any documents and records of the registrant or person under investigation. The Secretary may take possession of the documents and records or otherwise take constructive control of the documents. During the period of control, no person shall remove or alter any of the documents or records, except pursuant to a court order or with the consent of the Secretary. Unless the Secretary has reasonable grounds to believe the documents or records of the registrant have been or are at risk of being altered or destroyed for purposes of concealing a violation of this Act, the registrant or owner of the documents and records shall have access to the documents or records as necessary to conduct its ordinary business affairs.

(5) In order to carry out the purposes of this Section, the Secretary may:

(A) retain attorneys, accountants, or other professionals and specialists as auditors or investigators to conduct or assist in the conduct of investigations;

(B) enter into agreements or relationships with other government officials or regulatory associations to protect consumers or financing recipients, improve efficiencies, and reduce regulatory burden by sharing resources, standardized or uniform methods or procedures, and documents, records, information, or evidence obtained under this Section;

(C) use, hire, contract, or employ publicly or privately available analytical systems, methods, or software or investigate the registrant or person subject to this Act;

(D) accept and rely on examination or investigation reports made by other government officials, within or outside this State; or

(E) accept audit reports made by an independent certified public accountant for the person subject to this Act and may incorporate the audit report in the report of the investigation or other writing of the Secretary.

(6) The authority of this Section shall remain in effect, whether the person subject to this Act acts or claims to act under any licensing or registration law of this State or claims to act without the authority.

(7) No registrant or person subject to investigation or under this Section may knowingly withhold, alter, abstract, remove, mutilate, destroy, hide, or conceal any books, records, computer records, or other information or take actions designed to delay or complicate review of records.

Section 110. Confidentiality. To promote more effective regulation, protect consumers and financing recipients, and reduce regulatory burden through inter-regulatory sharing of confidential supervisory information:

(1) The privacy or confidentiality of any information or material provided to a multistate licensing system, including all privileges arising under federal or state court rules and law, shall continue to apply to the information or material after the information or material has been disclosed to the multistate licensing system. Information and material may be shared with a multistate licensing system, federal and state regulatory officials with relevant oversight authority, and law enforcement without the loss of privilege or the loss of confidentiality protections.

(2) The Secretary is authorized to enter into agreements or sharing arrangements with other governmental agencies, the Conference of State Bank Supervisors, and other associations representing governmental agencies.

(3) Information or material that is privileged or confidential under this Act as determined by the Secretary is not subject to the following:

(A) disclosure under any State law governing the disclosure to the public of information held by an officer or an agency of the State; or

(B) subpoena, discovery, or admission into evidence, in any private civil action or administrative process except as authorized by the Secretary.

(4) Any other law relating to the disclosure of confidential supervisory information that is inconsistent with this Act shall be superseded by the requirements of this Section to the extent the other law provides less confidentiality or a weaker privilege for information that is privileged or confidential under this Act.

(5) Confidential or privileged information received from a multistate licensing system, another licensing body, federal and state regulatory officials, or law enforcement shall be protected to the same extent as the Secretary's confidential and privileged information is protected under this Act. The Secretary may also protect from disclosure confidential or privileged information that would be exempt from disclosure to the extent it is held directly by the multistate licensing system, another licensing body, federal and state regulatory officials, or law enforcement.

Section 115. Appeal and review.

(a) The Secretary may, in accordance with the Illinois Administrative Procedure Act, adopt rules to provide for review within the Department of their decisions affecting the rights of persons under this Act. The review shall provide for, at a minimum:

(1) appointment of a hearing officer;

(2) appropriate procedural rules, specific deadlines for filings, and standards of evidence and of proof; and

(3) provisions for apportioning costs among parties to the appeal.

(b) All final agency determinations of appeals to decisions of the Secretary may be reviewed in accordance with and under the provisions of the Administrative Review Law. Appeals from all final orders and judgments entered by a court in review of any final administrative decision of the Secretary or of any final agency review of a decision of the Secretary may be taken as in other civil cases.

Section 120. Registration fees.

(a) The fee for initial registration is $2,500. The fee is nonrefundable.

(b) The fee for annual application renewal is $2,500. The fee is nonrefundable.

(c) The Department shall impose a contingent fee sufficient to cover its operating expenses in administering this Act not otherwise covered by all other revenue collected under this Act. Each registrant shall pay to the Division its pro rata share, based on number or volume of transactions or revenue, of the cost for administration of this Act that exceeds other fees listed in this Section, as estimated by the Division, for the current year and any deficit actually incurred in the administration of this Act in prior years.

Section 125. Cease and desist order.

(a) The Secretary may issue a cease and desist order to any registrant or person doing business without the required registration when, in the opinion of the Secretary, the registrant or other person has violated, is violating, or is about to violate any provision of this Act or any rule adopted by the Department under this Act or any requirement imposed in writing by the Department as a condition of granting any authorization permitted by this Act. The cease and desist order authorized by this Section may be issued prior to a hearing.

(b) The Secretary shall serve notice of the cease and desist order, either personally or by certified mail. Service by certified mail shall be deemed completed when the notice is deposited in the U.S. Mail. The Secretary's notice shall include a statement of the reasons for the action.

(c) Within 10 days after service of the cease and desist order, the person subject to the cease and desist order may request a hearing in writing. The Secretary shall schedule a preliminary hearing within 60 days after the request for a hearing unless the parties agree to a later date.

(d) If it is determined that the Secretary had the authority to issue the cease and desist order, the Secretary may issue the orders as may be reasonably necessary to correct, eliminate, deter, or remedy the conduct described in the order and resulting harms.

(e) The powers vested in the Secretary by this Section are additional to all other powers and remedies vested in the Secretary by any law. Nothing in this Section shall be construed as requiring that the Secretary shall employ the power conferred in this Section instead of or as a condition precedent to the exercise of any other power or remedy vested in the Secretary.

Section 130. Injunctions. The Secretary may maintain an action in the name of the people of this State and may apply for an injunction in the circuit court to enjoin a person from violating this Act or its implementing rules through the Attorney General.

Section 135. Exemptions. This Act does not apply to, and does not place any additional requirements or obligations upon, any of the following:

(1) any person or entity that is not a provider;

(2) a commercial financing transaction secured by real property;

(3) a lease as defined in Section 2-A-103 of the Uniform Commercial Code, not including finance leases as defined in paragraph (g) of subsection (1) of Section 2A-103 of the Uniform Commercial Code; or

(4) a company primarily in the business of manufacturing equipment, or any subsidiary or affiliate of such a company, when offering a commercial financing transaction for which the majority of the proceeds are used to finance nonfinancial products manufactured by the company, or any subsidiary or affiliate of such a company, or the maintenance of or other services on such products;

(5) any person or provider who makes no more than 5 commercial financing transactions in this State in a 12-month period;

(6) a single, discrete commercial financing transaction in an amount over $500,000; or

(7) a commercial financing transaction in which the recipient is a vehicle dealer subject to Section 5-101 or 5-102 of the Illinois Vehicle Code, an affiliate of a dealer, a rental vehicle company as defined in Section 10 of the Renter's Financial Responsibility and Protection Act, or an affiliate of a company under a commercial financing agreement or commercial open-end credit plan of at least $50,000, including any commercial loan made under a commercial financing transaction.

Section 140. Complaint disclosure. All commercial financing shall include a clear and conspicuous notice on how to file a complaint with the Department.

Section 145. Rules. The Secretary may adopt rules to enact and enforce this Act, including, but not limited to:

(1) rules defining the terms used in this Act and as may be necessary and appropriate to interpret and implement the provisions of this Act;

(2) rules for the enforcement and administration of this Act;

(3) rules for the protection of consumers and recipients in this State;

(4) rules defining improper or fraudulent business practices in connection with commercial financing; and

(5) rules to implement Section 165.

Section 150. Violations.

(a) Nothing in this Act shall be construed to restrict the exercise of powers or the performance of the duties that the Attorney General is authorized to exercise or perform by law.

(b) Any violation of this Act constitutes an unlawful practice in violation of the Consumer Fraud and Deceptive Business Practices Act. The Attorney General may enforce a violation of this Act as an unlawful practice under the Consumer Fraud and Deceptive Business Practices Act.

Section 152. Limitation on liability. No provision of this Act imposes any liability on a provider as a result of the actual annual percentage rate charged by a provider differing from the estimated annual percentage rate disclosed in conformity with any regulation, order, or written interpretive opinion of the Secretary or any such opinion of the Attorney General, whether or not such regulation, order, or written interpretive opinion is later amended, rescinded, or repealed or determined by judicial or other authority to be invalid for any reason.

Section 155. Beginning of registration. No person shall be required to register under this Act before the date established by the Department by rule. The date shall not be before January 1, 2025.

Section 160. Beginning of disclosure requirements. No person shall be required to comply with the disclosure requirements set forth in Sections 45, 50, 55, 60, 65, 70, and 165 before the date established by the Department by rule. The date shall not be before January 1, 2025.

Section 165. Commercial financing database.

(a) A commercial financing database program is established within the Department. The program shall be administered in accordance with this Section. None of the duties, obligations, contingencies, or consequences of or from the program shall be imposed until 6 months after the Department certifies a commercial financing database under subsection (b). The program shall apply to all sales-based financings and commercial closed-end financings for which interest charges that accrue on the outstanding balance represent a minority of the finance charge that are governed by this Act and that are made or taken on or after the inception of the program.

(b) The Department shall certify that a commercial financing database is a commercially reasonable method of reporting. Upon certifying that a commercial financing database is a commercially reasonable method of reporting, the Department shall:

(1) provide reasonable notice to all registrants identifying the commercially reasonable method of reporting that is available; and

(2) no earlier than 6 months after certification, require each registrant offering sales-based financing or commercial closed-end financings for which interest charges that accrue on the outstanding balance represent a minority of the finance charge to use a commercially reasonable method of reporting as a means of complying with subsection (d) of this Section.

(c) The database created under this program shall be maintained and administered by the Department. The database shall be designed to allow providers to submit information to the database online. The database shall not be designed to allow providers to retrieve information from the database, except as otherwise provided in this Act.

(d) Within 30 days after providing funds to a recipient, the provider shall submit to the commercial financing database the information delineated in subsections (e) and (f). If at the time funds are provided to a recipient, certain information delineated in this subsection is not known, then the provider shall submit the information to the commercial financing database within 30 days after the information becoming ascertainable.

(e) For sales-based financings, the provider shall submit the following information to the commercial financing database:

(1) the FEIN for the recipient;

(2) the zip code of the recipient;

(3) the date on which the disclosure required under Section 45 was provided;

(4) the origination date of the sales-based financing;

(5) the total amount of commercial financing;

(6) the disbursed amount after any amount deducted or withheld at disbursement, if different than the financing amount;

(7) the finance charge;

(8) the estimated annual percentage rate as disclosed to the recipient under paragraph (3) of Section 45;

(9) the total repayment amount;

(10) the estimated term, as disclosed to the recipient under paragraph (5) of Section 45;

(11) the percentage of the recipient's sales upon which the payment is calculated;

(12) the frequency of payment, and the total amount of average projected payments per month, as disclosed to the recipient under paragraph (6) of Section 45;

(13) whether the projected sales volume used to determine the estimated annual percentage rate, estimated term, and projected payments provided in the disclosure under Section 45 were determined according to the historical method described in subparagraph (A) of paragraph (3) of Section 45 or according to the underwriting method described in subparagraph (B) of paragraph (3) of Section 45;

(14) the amount of any finance charge the recipient would be required to pay if the recipient elects to pay off or refinance the sales-based financing before full repayment, as disclosed to the recipient;

(15) description of collateral, if any, securing the sales-based financing, including any guarantee;

(16) the position of any lien taken;

(17) upon full repayment, if the sales-based financing includes a true-up mechanism, the number of true-ups provided;

(18) upon full repayment, the actual term of the commercial financing;

(19) upon full repayment, the actual annual percentage rate calculated retrospectively based on the actual payments collected; and

(20) all other information requested by the Department.

(f) For closed-end financing for which interest charges that accrue on the outstanding balance represent a minority of the finance charge submit, the following information to the commercial financing database:

(1) the FEIN for the recipient;

(2) the zip code of the recipient;

(3) the date on which the disclosure required under Section 50 was provided;

(4) the origination date;

(5) the total amount of commercial financing;

(6) the disbursed amount after any amount deducted or withheld at disbursement, if different than the financing amount;

(7) the finance charge;

(8) the annual percentage rate as disclosed to the recipient under paragraph (3) of Section 50;

(9) the total repayment amount;

(10) the term of the financing;

(11) the frequency of payment;

(12) the amount of the payment, and the total amount of average projected payments per month, as disclosed to the recipient under paragraph (6) of Section 50;

(13) the amount of any finance charge the recipient would be required to pay if the recipient elects to pay off or refinance the commercial financing before full repayment, other than interest accrued since the last payment, as disclosed to the recipient;

(14) whether the recipient would be required to pay any additional fees not already included in the finance charge if the recipient elects to pay off or refinance the commercial financing before full repayment, as disclosed to the recipient;

(15) description of collateral, if any, securing the commercial financing, including any guarantee;

(16) the position of any lien taken; and

(17) all other information requested by the Department.

(g) All personally identifiable information and information identifying the identity of a recipient obtained by way of the commercial financing database is strictly confidential and shall be exempt from disclosure under the Freedom of Information Act and any other law or regulation pertaining to the disclosure of information or documents. The Department may, by rule, identify any additional categories of information the disclosure of which would be contrary to the public interest. Any request for production of information from the commercial financing database, whether by subpoena, notice, or any other source, shall be referred to the Department. Any recipient may authorize in writing the release of database information. The Department may use the information in the database without the consent of the recipient or the registrant:

(1) for the purposes of administering and enforcing the program;

(2) to prepare industry-level reports;

(3) to provide information to the appropriate law enforcement agency or the applicable administrative or regulatory agency with a legitimate interest in the information as determined by the Secretary;

(4) as required to comply with applicable law; or

(5) in any other manner that the Secretary deems is not contrary to the public interest.

(h) A registrant who submits information to a certified database provider in accordance with this Section shall not be liable to any person for any subsequent release or disclosure of that information by the certified database provider, the Department, or any other person acquiring possession of the information, regardless of whether the subsequent release or disclosure was lawful, authorized, or intentional.

(i) In certifying a commercially reasonable method of reporting, the Department shall ensure that the commercial financing database:

(1) provides real-time access through an Internet connection;

(2) is accessible to the Department and to registrants in order to ensure compliance with this Act and in order to provide any other information that the Department deems necessary;

(3) requires registrants to input whatever information is required by the Department;

(4) maintains a real-time copy of the required reporting information that is available to the Department at all times and is the property of the Department; and

(5) contains safeguards to ensure that all information contained in the database regarding consumers and financing recipients is kept strictly confidential.

(j) The certified commercial financing database may charge a fee to a registrant not to exceed $1 for each financing entered into the database. The certified commercial financing database shall not charge any additional fees or charges.

(k) The certified commercial financing database provider shall produce an annual report for the Department using the data submitted by registrants to the database. The Department may publish this report to the public.

Section 170. Severability. The provisions of this Act are severable under Section 1.31 of the Statute on Statutes.

Section 900. The Freedom of Information Act is amended by changing Section 7.5 as follows:

(5 ILCS 140/7.5)

(Text of Section before amendment by P.A. 103-472)

Sec. 7.5. Statutory exemptions. To the extent provided for by the statutes referenced below, the following shall be exempt from inspection and copying:

(a) All information determined to be confidential under Section 4002 of the Technology Advancement and Development Act.

(b) Library circulation and order records identifying library users with specific materials under the Library Records Confidentiality Act.

(c) Applications, related documents, and medical records received by the Experimental Organ Transplantation Procedures Board and any and all documents or other records prepared by the Experimental Organ Transplantation Procedures Board or its staff relating to applications it has received.

(d) Information and records held by the Department of Public Health and its authorized representatives relating to known or suspected cases of sexually transmissible disease or any information the disclosure of which is restricted under the Illinois Sexually Transmissible Disease Control Act.

(e) Information the disclosure of which is exempted under Section 30 of the Radon Industry Licensing Act.

(f) Firm performance evaluations under Section 55 of the Architectural, Engineering, and Land Surveying Qualifications Based Selection Act.

(g) Information the disclosure of which is restricted and exempted under Section 50 of the Illinois Prepaid Tuition Act.

(h) Information the disclosure of which is exempted under the State Officials and Employees Ethics Act, and records of any lawfully created State or local inspector general's office that would be exempt if created or obtained by an Executive Inspector General's office under that Act.

(i) Information contained in a local emergency energy plan submitted to a municipality in accordance with a local emergency energy plan ordinance that is adopted under Section 11-21.5-5 of the Illinois Municipal Code.

(j) Information and data concerning the distribution of surcharge moneys collected and remitted by carriers under the Emergency Telephone System Act.

(k) Law enforcement officer identification information or driver identification information compiled by a law enforcement agency or the Department of Transportation under Section 11-212 of the Illinois Vehicle Code.

(l) Records and information provided to a residential health care facility resident sexual assault and death review team or the Executive Council under the Abuse Prevention Review Team Act.

(m) Information provided to the predatory lending database created pursuant to Article 3 of the Residential Real Property Disclosure Act, except to the extent authorized under that Article.

(n) Defense budgets and petitions for certification of compensation and expenses for court appointed trial counsel as provided under Sections 10 and 15 of the Capital Crimes Litigation Act (repealed). This subsection (n) shall apply until the conclusion of the trial of the case, even if the prosecution chooses not to pursue the death penalty prior to trial or sentencing.

(o) Information that is prohibited from being disclosed under Section 4 of the Illinois Health and Hazardous Substances Registry Act.

(p) Security portions of system safety program plans, investigation reports, surveys, schedules, lists, data, or information compiled, collected, or prepared by or for the Department of Transportation under Sections 2705-300 and 2705-616 of the Department of Transportation Law of the Civil Administrative Code of Illinois, the Regional Transportation Authority under Section 2.11 of the Regional Transportation Authority Act, or the St. Clair County Transit District under the Bi-State Transit Safety Act (repealed).

(q) Information prohibited from being disclosed by the Personnel Record Review Act.

(r) Information prohibited from being disclosed by the Illinois School Student Records Act.

(s) Information the disclosure of which is restricted under Section 5-108 of the Public Utilities Act.

(t) (Blank).

(u) Records and information provided to an independent team of experts under the Developmental Disability and Mental Health Safety Act (also known as Brian's Law).

(v) Names and information of people who have applied for or received Firearm Owner's Identification Cards under the Firearm Owners Identification Card Act or applied for or received a concealed carry license under the Firearm Concealed Carry Act, unless otherwise authorized by the Firearm Concealed Carry Act; and databases under the Firearm Concealed Carry Act, records of the Concealed Carry Licensing Review Board under the Firearm Concealed Carry Act, and law enforcement agency objections under the Firearm Concealed Carry Act.

(v-5) Records of the Firearm Owner's Identification Card Review Board that are exempted from disclosure under Section 10 of the Firearm Owners Identification Card Act.

(w) Personally identifiable information which is exempted from disclosure under subsection (g) of Section 19.1 of the Toll Highway Act.

(x) Information which is exempted from disclosure under Section 5-1014.3 of the Counties Code or Section 8-11-21 of the Illinois Municipal Code.

(y) Confidential information under the Adult Protective Services Act and its predecessor enabling statute, the Elder Abuse and Neglect Act, including information about the identity and administrative finding against any caregiver of a verified and substantiated decision of abuse, neglect, or financial exploitation of an eligible adult maintained in the Registry established under Section 7.5 of the Adult Protective Services Act.

(z) Records and information provided to a fatality review team or the Illinois Fatality Review Team Advisory Council under Section 15 of the Adult Protective Services Act.

(aa) Information which is exempted from disclosure under Section 2.37 of the Wildlife Code.

(bb) Information which is or was prohibited from disclosure by the Juvenile Court Act of 1987.

(cc) Recordings made under the Law Enforcement Officer-Worn Body Camera Act, except to the extent authorized under that Act.

(dd) Information that is prohibited from being disclosed under Section 45 of the Condominium and Common Interest Community Ombudsperson Act.

(ee) Information that is exempted from disclosure under Section 30.1 of the Pharmacy Practice Act.

(ff) Information that is exempted from disclosure under the Revised Uniform Unclaimed Property Act.

(gg) Information that is prohibited from being disclosed under Section 7-603.5 of the Illinois Vehicle Code.

(hh) Records that are exempt from disclosure under Section 1A-16.7 of the Election Code.

(ii) Information which is exempted from disclosure under Section 2505-800 of the Department of Revenue Law of the Civil Administrative Code of Illinois.

(jj) Information and reports that are required to be submitted to the Department of Labor by registering day and temporary labor service agencies but are exempt from disclosure under subsection (a-1) of Section 45 of the Day and Temporary Labor Services Act.

(kk) Information prohibited from disclosure under the Seizure and Forfeiture Reporting Act.

(ll) Information the disclosure of which is restricted and exempted under Section 5-30.8 of the Illinois Public Aid Code.

(mm) Records that are exempt from disclosure under Section 4.2 of the Crime Victims Compensation Act.

(nn) Information that is exempt from disclosure under Section 70 of the Higher Education Student Assistance Act.

(oo) Communications, notes, records, and reports arising out of a peer support counseling session prohibited from disclosure under the First Responders Suicide Prevention Act.

(pp) Names and all identifying information relating to an employee of an emergency services provider or law enforcement agency under the First Responders Suicide Prevention Act.

(qq) Information and records held by the Department of Public Health and its authorized representatives collected under the Reproductive Health Act.

(rr) Information that is exempt from disclosure under the Cannabis Regulation and Tax Act.

(ss) Data reported by an employer to the Department of Human Rights pursuant to Section 2-108 of the Illinois Human Rights Act.

(tt) Recordings made under the Children's Advocacy Center Act, except to the extent authorized under that Act.

(uu) Information that is exempt from disclosure under Section 50 of the Sexual Assault Evidence Submission Act.

(vv) Information that is exempt from disclosure under subsections (f) and (j) of Section 5-36 of the Illinois Public Aid Code.

(ww) Information that is exempt from disclosure under Section 16.8 of the State Treasurer Act.

(xx) Information that is exempt from disclosure or information that shall not be made public under the Illinois Insurance Code.

(yy) Information prohibited from being disclosed under the Illinois Educational Labor Relations Act.

(zz) Information prohibited from being disclosed under the Illinois Public Labor Relations Act.

(aaa) Information prohibited from being disclosed under Section 1-167 of the Illinois Pension Code.

(bbb) Information that is prohibited from disclosure by the Illinois Police Training Act and the Illinois State Police Act.

(ccc) Records exempt from disclosure under Section 2605-304 of the Illinois State Police Law of the Civil Administrative Code of Illinois.

(ddd) Information prohibited from being disclosed under Section 35 of the Address Confidentiality for Victims of Domestic Violence, Sexual Assault, Human Trafficking, or Stalking Act.

(eee) Information prohibited from being disclosed under subsection (b) of Section 75 of the Domestic Violence Fatality Review Act.

(fff) Images from cameras under the Expressway Camera Act. This subsection (fff) is inoperative on and after July 1, 2025.

(ggg) Information prohibited from disclosure under paragraph (3) of subsection (a) of Section 14 of the Nurse Agency Licensing Act.

(hhh) Information submitted to the Illinois State Police in an affidavit or application for an assault weapon endorsement, assault weapon attachment endorsement, .50 caliber rifle endorsement, or .50 caliber cartridge endorsement under the Firearm Owners Identification Card Act.

(iii) Data exempt from disclosure under Section 50 of the School Safety Drill Act.

(jjj) ~~(hhh)~~ Information exempt from disclosure under Section 30 of the Insurance Data Security Law.

(kkk) ~~(iii)~~ Confidential business information prohibited from disclosure under Section 45 of the Paint Stewardship Act.

(lll) (Reserved).

(mmm) ~~(iii)~~ Information prohibited from being disclosed under subsection (e) of Section 1-129 of the Illinois Power Agency Act.

(nnn) Information exempt from disclosure under Section 165 of the Small Business Financing Transparency Act.

(Source: P.A. 102-36, eff. 6-25-21; 102-237, eff. 1-1-22; 102-292, eff. 1-1-22; 102-520, eff. 8-20-21; 102-559, eff. 8-20-21; 102-813, eff. 5-13-22; 102-946, eff. 7-1-22; 102-1042, eff. 6-3-22; 102-1116, eff. 1-10-23; 103-8, eff. 6-7-23; 103-34, eff. 6-9-23; 103-142, eff. 1-1-24; 103-372, eff. 1-1-24; 103-508, eff. 8-4-23; 103-580, eff. 12-8-23; revised 1-2-24.)

(Text of Section after amendment by P.A. 103-472)

Sec. 7.5. Statutory exemptions. To the extent provided for by the statutes referenced below, the following shall be exempt from inspection and copying:

(a) All information determined to be confidential under Section 4002 of the Technology Advancement and Development Act.

(b) Library circulation and order records identifying library users with specific materials under the Library Records Confidentiality Act.

(c) Applications, related documents, and medical records received by the Experimental Organ Transplantation Procedures Board and any and all documents or other records prepared by the Experimental Organ Transplantation Procedures Board or its staff relating to applications it has received.

(d) Information and records held by the Department of Public Health and its authorized representatives relating to known or suspected cases of sexually transmissible disease or any information the disclosure of which is restricted under the Illinois Sexually Transmissible Disease Control Act.

(e) Information the disclosure of which is exempted under Section 30 of the Radon Industry Licensing Act.

(f) Firm performance evaluations under Section 55 of the Architectural, Engineering, and Land Surveying Qualifications Based Selection Act.

(g) Information the disclosure of which is restricted and exempted under Section 50 of the Illinois Prepaid Tuition Act.

(h) Information the disclosure of which is exempted under the State Officials and Employees Ethics Act, and records of any lawfully created State or local inspector general's office that would be exempt if created or obtained by an Executive Inspector General's office under that Act.

(i) Information contained in a local emergency energy plan submitted to a municipality in accordance with a local emergency energy plan ordinance that is adopted under Section 11-21.5-5 of the Illinois Municipal Code.

(j) Information and data concerning the distribution of surcharge moneys collected and remitted by carriers under the Emergency Telephone System Act.

(k) Law enforcement officer identification information or driver identification information compiled by a law enforcement agency or the Department of Transportation under Section 11-212 of the Illinois Vehicle Code.

(l) Records and information provided to a residential health care facility resident sexual assault and death review team or the Executive Council under the Abuse Prevention Review Team Act.

(m) Information provided to the predatory lending database created pursuant to Article 3 of the Residential Real Property Disclosure Act, except to the extent authorized under that Article.

(n) Defense budgets and petitions for certification of compensation and expenses for court appointed trial counsel as provided under Sections 10 and 15 of the Capital Crimes Litigation Act (repealed). This subsection (n) shall apply until the conclusion of the trial of the case, even if the prosecution chooses not to pursue the death penalty prior to trial or sentencing.

(o) Information that is prohibited from being disclosed under Section 4 of the Illinois Health and Hazardous Substances Registry Act.

(p) Security portions of system safety program plans, investigation reports, surveys, schedules, lists, data, or information compiled, collected, or prepared by or for the Department of Transportation under Sections 2705-300 and 2705-616 of the Department of Transportation Law of the Civil Administrative Code of Illinois, the Regional Transportation Authority under Section 2.11 of the Regional Transportation Authority Act, or the St. Clair County Transit District under the Bi-State Transit Safety Act (repealed).

(q) Information prohibited from being disclosed by the Personnel Record Review Act.

(r) Information prohibited from being disclosed by the Illinois School Student Records Act.

(s) Information the disclosure of which is restricted under Section 5-108 of the Public Utilities Act.

(t) (Blank).

(u) Records and information provided to an independent team of experts under the Developmental Disability and Mental Health Safety Act (also known as Brian's Law).

(v) Names and information of people who have applied for or received Firearm Owner's Identification Cards under the Firearm Owners Identification Card Act or applied for or received a concealed carry license under the Firearm Concealed Carry Act, unless otherwise authorized by the Firearm Concealed Carry Act; and databases under the Firearm Concealed Carry Act, records of the Concealed Carry Licensing Review Board under the Firearm Concealed Carry Act, and law enforcement agency objections under the Firearm Concealed Carry Act.

(v-5) Records of the Firearm Owner's Identification Card Review Board that are exempted from disclosure under Section 10 of the Firearm Owners Identification Card Act.

(w) Personally identifiable information which is exempted from disclosure under subsection (g) of Section 19.1 of the Toll Highway Act.

(x) Information which is exempted from disclosure under Section 5-1014.3 of the Counties Code or Section 8-11-21 of the Illinois Municipal Code.

(y) Confidential information under the Adult Protective Services Act and its predecessor enabling statute, the Elder Abuse and Neglect Act, including information about the identity and administrative finding against any caregiver of a verified and substantiated decision of abuse, neglect, or financial exploitation of an eligible adult maintained in the Registry established under Section 7.5 of the Adult Protective Services Act.

(z) Records and information provided to a fatality review team or the Illinois Fatality Review Team Advisory Council under Section 15 of the Adult Protective Services Act.

(aa) Information which is exempted from disclosure under Section 2.37 of the Wildlife Code.

(bb) Information which is or was prohibited from disclosure by the Juvenile Court Act of 1987.

(cc) Recordings made under the Law Enforcement Officer-Worn Body Camera Act, except to the extent authorized under that Act.

(dd) Information that is prohibited from being disclosed under Section 45 of the Condominium and Common Interest Community Ombudsperson Act.

(ee) Information that is exempted from disclosure under Section 30.1 of the Pharmacy Practice Act.

(ff) Information that is exempted from disclosure under the Revised Uniform Unclaimed Property Act.

(gg) Information that is prohibited from being disclosed under Section 7-603.5 of the Illinois Vehicle Code.

(hh) Records that are exempt from disclosure under Section 1A-16.7 of the Election Code.

(ii) Information which is exempted from disclosure under Section 2505-800 of the Department of Revenue Law of the Civil Administrative Code of Illinois.

(jj) Information and reports that are required to be submitted to the Department of Labor by registering day and temporary labor service agencies but are exempt from disclosure under subsection (a-1) of Section 45 of the Day and Temporary Labor Services Act.

(kk) Information prohibited from disclosure under the Seizure and Forfeiture Reporting Act.

(ll) Information the disclosure of which is restricted and exempted under Section 5-30.8 of the Illinois Public Aid Code.

(mm) Records that are exempt from disclosure under Section 4.2 of the Crime Victims Compensation Act.

(nn) Information that is exempt from disclosure under Section 70 of the Higher Education Student Assistance Act.

(oo) Communications, notes, records, and reports arising out of a peer support counseling session prohibited from disclosure under the First Responders Suicide Prevention Act.

(pp) Names and all identifying information relating to an employee of an emergency services provider or law enforcement agency under the First Responders Suicide Prevention Act.

(qq) Information and records held by the Department of Public Health and its authorized representatives collected under the Reproductive Health Act.

(rr) Information that is exempt from disclosure under the Cannabis Regulation and Tax Act.

(ss) Data reported by an employer to the Department of Human Rights pursuant to Section 2-108 of the Illinois Human Rights Act.

(tt) Recordings made under the Children's Advocacy Center Act, except to the extent authorized under that Act.

(uu) Information that is exempt from disclosure under Section 50 of the Sexual Assault Evidence Submission Act.

(vv) Information that is exempt from disclosure under subsections (f) and (j) of Section 5-36 of the Illinois Public Aid Code.

(ww) Information that is exempt from disclosure under Section 16.8 of the State Treasurer Act.

(xx) Information that is exempt from disclosure or information that shall not be made public under the Illinois Insurance Code.

(yy) Information prohibited from being disclosed under the Illinois Educational Labor Relations Act.

(zz) Information prohibited from being disclosed under the Illinois Public Labor Relations Act.

(aaa) Information prohibited from being disclosed under Section 1-167 of the Illinois Pension Code.

(bbb) Information that is prohibited from disclosure by the Illinois Police Training Act and the Illinois State Police Act.

(ccc) Records exempt from disclosure under Section 2605-304 of the Illinois State Police Law of the Civil Administrative Code of Illinois.

(ddd) Information prohibited from being disclosed under Section 35 of the Address Confidentiality for Victims of Domestic Violence, Sexual Assault, Human Trafficking, or Stalking Act.

(eee) Information prohibited from being disclosed under subsection (b) of Section 75 of the Domestic Violence Fatality Review Act.

(fff) Images from cameras under the Expressway Camera Act. This subsection (fff) is inoperative on and after July 1, 2025.

(ggg) Information prohibited from disclosure under paragraph (3) of subsection (a) of Section 14 of the Nurse Agency Licensing Act.

(hhh) Information submitted to the Illinois State Police in an affidavit or application for an assault weapon endorsement, assault weapon attachment endorsement, .50 caliber rifle endorsement, or .50 caliber cartridge endorsement under the Firearm Owners Identification Card Act.

(iii) Data exempt from disclosure under Section 50 of the School Safety Drill Act.

(jjj) ~~(hhh)~~ Information exempt from disclosure under Section 30 of the Insurance Data Security Law.

(kkk) ~~(iii)~~ Confidential business information prohibited from disclosure under Section 45 of the Paint Stewardship Act.

(lll) ~~(iii)~~ Data exempt from disclosure under Section 2-3.196 of the School Code.

(mmm) ~~(iii)~~ Information prohibited from being disclosed under subsection (e) of Section 1-129 of the Illinois Power Agency Act.

(nnn) Information exempt from disclosure under Section 165 of the Small Business Financing Transparency Act.

(Source: P.A. 102-36, eff. 6-25-21; 102-237, eff. 1-1-22; 102-292, eff. 1-1-22; 102-520, eff. 8-20-21; 102-559, eff. 8-20-21; 102-813, eff. 5-13-22; 102-946, eff. 7-1-22; 102-1042, eff. 6-3-22; 102-1116, eff. 1-10-23; 103-8, eff. 6-7-23; 103-34, eff. 6-9-23; 103-142, eff. 1-1-24; 103-372, eff. 1-1-24; 103-472, eff. 8-1-24; 103-508, eff. 8-4-23; 103-580, eff. 12-8-23; revised 1-2-24.)

Section 905. The Consumer Fraud and Deceptive Business Practices Act is amended by adding Section 2EEEE as follows:

(815 ILCS 505/2EEEE new)

Sec. 2EEEE. Violations of the Small Business Financing Transparency Act. Any person who violates the Small Business Financing Transparency Act commits an unlawful practice within the meaning of this Act.

Section 995. 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.

Section 999. Effective date. This Act takes effect upon becoming law.".

The motion prevailed.

And the amendment was adopted and ordered printed.

There being no further amendments, the foregoing Amendment No. 5 was ordered engrossed, and the bill, as amended, was ordered to a third reading.

READING BILLS OF THE SENATE A THIRD TIME

On motion of Senator Belt, **Senate Bill No. 2234** having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

And the question being, “Shall this bill pass?” it was decided in the affirmative by the following vote:

YEAS 36; NAYS 19.

The following voted in the affirmative:

Aquino	Fine	Loughran Cappel	Turner, D.
Belt	Glowiak Hilton	Martwick	Ventura
Castro	Harris, N.	Morrison	Villa
Cervantes	Hastings	Murphy	Villanueva
Collins	Hunter	Peters	Villivalam
Cunningham	Johnson	Porfirio	Mr. President
Edly-Allen	Jones, E.	Simmons	
Ellman	Joyce	Sims	
Faraci	Koehler	Stadelman	
Feigenholtz	Lightford	Toro	

The following voted in the negative:

Anderson	DeWitte	McClure	Stoller
Bennett	Fowler	McConchie	Syverson
Bryant	Halpin	Plummer	Turner, S.
Chesney	Harriss, E.	Rezin	Wilcox
Curran	Lewis	Rose	

This bill, having received the vote of a constitutional majority of the members elected, was declared passed, and all amendments not adopted were tabled pursuant to Senate Rule No. 5-4(a).

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

On motion of Senator Cunningham, **Senate Bill No. 2804** having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

And the question being, “Shall this bill pass?” it was decided in the affirmative by the following vote:

YEAS 56; NAYS None.

The following voted in the affirmative:

Anderson	Feigenholtz	Lightford	Stoller

Aquino	Fine	Loughran Cappel	Syverson
Belt	Fowler	Martwick	Toro
Bennett	Glowiak Hilton	McClure	Turner, D.
Bryant	Halpin	McConchie	Turner, S.
Castro	Harris, N.	Morrison	Ventura
Cervantes	Harriss, E.	Murphy	Villa
Chesney	Hastings	Peters	Villanueva
Collins	Holmes	Plummer	Villivalam
Cunningham	Hunter	Porfirio	Wilcox
Curran	Johnson	Rezin	Mr. President
DeWitte	Jones, E.	Rose	
Edly-Allen	Joyce	Simmons	
Ellman	Koehler	Sims	
Faraci	Lewis	Stadelman	

This bill, having received the vote of a constitutional majority of the members elected, was declared passed, and all amendments not adopted were tabled pursuant to Senate Rule No. 5-4(a).

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

CONSIDERATION OF HOUSE AMENDMENTS TO SENATE BILL ON SECRETARY'S DESK

On motion of Senator Harmon, **Senate Bill No. 2412**, with House Amendments numbered 1 and 2 on the Secretary's Desk, was taken up for immediate consideration.

Senator Harmon moved that the Senate concur with the House in the adoption of their amendments to said bill.

And on that motion, a call of the roll was had resulting as follows:

YEAS 35; NAYS 3; Present 18.

The following voted in the affirmative:

Aquino	Feigenholtz	Joyce	Stadelman
Belt	Fine	Koehler	Toro
Castro	Glowiak Hilton	Lightford	Turner, D.
Cervantes	Harris, N.	Loughran Cappel	Ventura
Collins	Hastings	Morrison	Villa
Cunningham	Holmes	Peters	Villanueva
Edly-Allen	Hunter	Porfirio	Villivalam
Ellman	Johnson	Simmons	Mr. President
Faraci	Jones, E.	Sims	

The following voted in the negative:

Halpin
Martwick
Murphy

The following voted present:

Anderson	DeWitte	McConchie	Syverson
Bennett	Fowler	Plummer	Turner, S.
Bryant	Harriss, E.	Rezin	Wilcox
Chesney	Lewis	Rose	

Curran	McClure	Stoller

The motion prevailed.

And the Senate concurred with the House in the adoption of their Amendments numbered 1 and 2 to **Senate Bill No. 2412**.

Ordered that the Secretary inform the House of Representatives thereof.

SENATE BILL RECALLED

On motion of Senator Feigenholtz, **Senate Bill No. 2978** was recalled from the order of third reading to the order of second reading.

Senator Feigenholtz offered the following amendment and moved its adoption:

AMENDMENT NO. 2 TO SENATE BILL 2978

AMENDMENT NO. 2 . Amend Senate Bill 2978 on page 34, by replacing line 3 with the following:

"(c) Except for willful or wanton misconduct, neither the Secretary nor the Secretary's departments or employees".

The motion prevailed.

And the amendment was adopted and ordered printed.

There being no further amendments, the foregoing Amendment No. 2 was ordered engrossed, and the bill, as amended, was ordered to a third reading.

READING BILL OF THE SENATE A THIRD TIME

On motion of Senator Feigenholtz, **Senate Bill No. 2978** having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

And the question being, “Shall this bill pass?” it was decided in the affirmative by the following vote:

YEAS 37; NAYS 18.

The following voted in the affirmative:

Aquino	Fine	Koehler	Stadelman
Belt	Glowiak Hilton	Lightford	Toro
Castro	Halpin	Loughran Cappel	Turner, D.
Cervantes	Harris, N.	Martwick	Villa
Collins	Hastings	Morrison	Villanueva
Cunningham	Holmes	Murphy	Villivalam
Edly-Allen	Hunter	Peters	Mr. President
Ellman	Johnson	Porfirio	
Faraci	Jones, E.	Simmons	
Feigenholtz	Joyce	Sims	

The following voted in the negative:

Anderson	DeWitte	McConchie	Syverson
Bennett	Fowler	Plummer	Turner, S.
Bryant	Harriss, E.	Rezin	Wilcox
Chesney	Lewis	Rose	
Curran	McClure	Stoller	

This bill, having received the vote of a constitutional majority of the members elected, was declared passed, and all amendments not adopted were tabled pursuant to Senate Rule No. 5-4(a).

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

SENATE BILL RECALLED

On motion of Senator Ellman, **Senate Bill No. 3412** was recalled from the order of third reading to the order of second reading.

Senator Ellman offered the following amendment and moved its adoption:

AMENDMENT NO. 1 TO SENATE BILL 3412

AMENDMENT NO. 1 . Amend Senate Bill 3412 on page 14, line 6, after "(7)", by adding "or (16)"; and

on page 15, by deleting lines 5 through 7; and

on page 22, line 23, by deleting "that"; and

on page 25, line 4, by deleting "next"; and

on page 26, line 18, by deleting "next"; and

on page 36, line 2, by replacing "The" with "(a) The"; and

on page 57, line 7, by replacing "after" with "of"; and

on page 61, line 21, by replacing "$1,000,000" with "$100,000"; and

on page 67, line 8, by replacing "If" with "In the event of"; and

on page 68, by replacing lines 6 through 22 with the following:

"date of the letter of credit:

(i) the original letter of credit (including any amendments); and

(ii) a written statement from the beneficiary stating that any of the following events have occurred:

(I) the filing of a petition by or against the licensee under the United States Bankruptcy Code, 11 U.S.C. 101 through 110, as amended or recodified from time to time, for bankruptcy or reorganization;

(II) the filing of a petition by or against the licensee for receivership, or the commencement of any other judicial or administrative proceeding for its dissolution or reorganization;

(III) the seizure of assets of a licensee by a Secretary pursuant to an emergency order issued in accordance with applicable law, on the basis of an action, violation, or condition that has caused or is likely to cause the insolvency of the licensee; or

(IV) the beneficiary has received notice of expiration or nonextension of a letter of credit and the licensee failed to demonstrate to the satisfaction of the beneficiary that the licensee will maintain permissible investments in accordance with subsection (a) of Section 10-3 upon the expiration or nonextension of the letter of credit."; and

on page 74, line 4, by replacing "willful blindness" with "grossly negligent inattention to its legal obligations"; and

on page 78, immediately below line 8, by inserting the following:

"Section 11-4. Orders to cease and desist and civil penalties.

(a) If the Secretary determines that a licensee, an authorized delegate, or any other person has engaged or is engaged in practices contrary to this Act, the rules adopted under this Act, or an order issued under this Act, the Secretary may issue an order requiring the licensee or authorized delegate to cease and desist from the violation. The order becomes effective upon service of it upon the licensee or authorized delegate.

(b) The Secretary may issue an order against a licensee to cease and desist from providing money transmission through an authorized delegate that is the subject of a separate order by the Secretary.

(c) The Secretary may, in addition to or without the issuance of a cease and desist order, assess a penalty up to $1,000 against a licensee or other person for each violation of this Act, the rules adopted under this Act, or an order issued under this Act as set forth in Section 11-6. The issuance of an order under this Section shall not be a prerequisite to the taking of any action by the Secretary under this or any other Section of this Act.

(d) The Secretary shall issue a formal written notice of the cease and desist order, setting forth the specific reasons for the order and serve the licensee or the authorized delegate, either personally or by certified mail. Service by certified mail shall be deemed completed when the notice is deposited in the U.S. Mail."; and

on page 82, by replacing lines 10 and 11 with the following:

"(e) A provider of payroll processing services that was not licensed pursuant to the Transmitters of Money Act on the effective date of this Act and transmitted no more than $10,000,000 in calendar year 2023 shall not be required to be licensed and comply with this Act until October 1, 2024. A provider of payroll processing services that was not licensed pursuant to the Transmitters of Money Act on the effective date of this Act and transmitted no more than $10,000,000 in calendar year 2023 shall not be penalized for providing such services before the effective date of this Act if the provider submits a completed application for licensure prior to October 1, 2024.

(f) Except as otherwise stated, this Act supersedes the Transmitters of Money Act.".

The motion prevailed.

And the amendment was adopted and ordered printed.

Floor Amendment No. 2 was held in the Committee on Assignments.

Senator Ellman offered the following amendment and moved its adoption:

AMENDMENT NO. 3 TO SENATE BILL 3412

AMENDMENT NO. 3 . Amend Senate Bill 3412 by replacing line 6 on page 3 through line 11 on page 4 with the following:

""Control" means:

(1) the power to vote, directly or indirectly, at least 25% of the outstanding voting shares or voting interests of a licensee or person in control of a licensee;

(2) the power to elect or appoint a majority of key individuals or executive officers, managers, directors, trustees, or other persons exercising managerial authority of a person in control of a licensee; or

(3) the power to exercise, directly or indirectly, a controlling influence over the management or policies of a licensee or person in control of a licensee.

For purposes of determining the percentage of a person controlled by any other person, the person's interest shall be aggregated with the interest of any other immediate family member, including the person's spouse, parents, children, siblings, mothers-in-law and fathers-in-law, sons-in-law and daughters-in-law, brothers-in-law and sisters-in-law, and any other person who shares such person's home."; and

on page 11, by replacing lines 17 through 21 with the following:

"payments from payors on the payee's behalf; and

(B) payment for the goods and services is treated as".

The motion prevailed.

And the amendment was adopted and ordered printed.

There being no further amendments, the foregoing Amendments numbered 1 and 3 were ordered engrossed, and the bill, as amended, was ordered to a third reading.

READING BILL OF THE SENATE A THIRD TIME

On motion of Senator Ellman, **Senate Bill No. 3412** having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

And the question being, "Shall this bill pass?" it was decided in the affirmative by the following vote:

YEAS 56; NAYS None.

The following voted in the affirmative:

Anderson	Feigenholtz	Lightford	Stoller
Aquino	Fine	Loughran Cappel	Syverson
Belt	Fowler	Martwick	Toro
Bennett	Glowiak Hilton	McClure	Turner, D.
Bryant	Halpin	McConchie	Turner, S.
Castro	Harris, N.	Morrison	Ventura
Cervantes	Harriss, E.	Murphy	Villa
Chesney	Hastings	Peters	Villanueva
Collins	Holmes	Plummer	Villivalam
Cunningham	Hunter	Porfirio	Wilcox
Curran	Johnson	Rezin	Mr. President
DeWitte	Jones, E.	Rose	
Edly-Allen	Joyce	Simmons	
Ellman	Koehler	Sims	
Faraci	Lewis	Stadelman	

This bill, having received the vote of a constitutional majority of the members elected, was declared passed, and all amendments not adopted were tabled pursuant to Senate Rule No. 5-4(a).

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

SENATE BILL RECALLED

On motion of Senator Peters, **Senate Bill No. 3649** was recalled from the order of third reading to the order of second reading.

Senator Peters offered the following amendment and moved its adoption:

AMENDMENT NO. 2 TO SENATE BILL 3649

AMENDMENT NO. 2 . Amend Senate Bill 3649 by replacing everything after the enacting clause with the following:

"Section 1. Short title. This Act may be cited as the Worker Freedom of Speech Act.

Section 5. Findings; legislative intent.

(a) The General Assembly finds that it is in the public policy interests of the State for all working Illinoisans to have protections from mandatory participation in employer-sponsored meetings if the meeting is designed to communicate an employer's position on religious or political matters.

(b) Employees should not be subject to intimidation tactics, acts of retaliation, discipline, or discharge from their employer for choosing not to participate in employer-sponsored meetings.

Section 10. Definitions. As used in this Act:

"Department" means the Department of Labor.

"Director" means the Director of Labor.

"Employee" has the meaning given in Section 2 of the Illinois Wage Payment and Collection Act.

"Employer" has the meaning given in Section 2 of the Illinois Wage Payment and Collection Act. "Employer" includes the State or any political subdivision of the State, unit of local government, or State or local government agency.

"Interested party" means an organization that monitors or is attentive to compliance with public or worker safety laws, wage and hour requirements, or other statutory requirements.

"Political matters" means matters relating to elections for political office, political parties, proposals to change legislation, proposals to change regulations, proposals to change public policy, and the decision to join or support any political party or political, civic, community, fraternal, or labor organization.

"Religious matters" means matters relating to religious belief, affiliation, and practice and the decision to join or support any religious organization or association.

"Voluntary" means, with respect to an action, that the action is not:

(1) incentivized by a positive change in any employment condition, including, but not limited to, any form of compensation or any other benefit of employment; and

(2) taken under threat of a negative change in any employment condition for non-attendance, including, but not limited to, the provisions set forth in Section 15, any negative performance evaluation, or any other adverse change in any form of compensation or any other benefit of employment.

Section 15. Employee protections. An employer or the employer's agent, representative, or designee may not discharge, discipline, or otherwise penalize, threaten to discharge, discipline, or otherwise penalize, or take any adverse employment action against an employee:

(1) because the employee declines to attend or participate in an employer-sponsored meeting or declines to receive or listen to communications from the employer or the agent, representative, or designee of the employer if the meeting or communication is to communicate the opinion of the employer about religious matters or political matters;

(2) as a means of inducing an employee to attend or participate in meetings or receive or listen to communications described in paragraph (1); or

(3) because the employee, or a person acting on behalf of the employee, makes a good faith report, orally or in writing, of a violation or a suspected violation of this Act.

Section 20. Right of action. An aggrieved employee may bring a civil action to enforce any provision of this Act no later than one year after the date of the alleged violation. A civil action may be brought by one or more employees for and on behalf of themselves and other employees similarly situated. The court may award a prevailing employee all appropriate relief, including injunctive relief, reinstatement to the employee's former position or an equivalent position, back pay, reestablishment of any employee benefits, including seniority, to which the employee would otherwise have been eligible if the violation had not occurred, and any other appropriate relief as deemed necessary by the court to make the employee whole. The court shall award a prevailing employee reasonable attorney's fees and costs.

Section 25. Powers of the Department and civil penalties.

(a) The Department shall inquire into any alleged violations of this Act, that are brought to its attention by an employee or interested party, to institute the actions for the penalties provided in this Section and to enforce the provisions of this Act. In addition to the relief set forth in Section 20, an employer shall be assessed a civil penalty of $1,000 for each violation of Section 15, payable to the Department. Each employee who is subject to a violation of Section 15 shall constitute a separate violation.

(b) Upon a reasonable belief that an employer covered by this Act is in violation of any part of this Act, an employee or interested party may assert that a violation of this Act has occurred and bring an action for penalties in the county where the violation is alleged to have occurred or where the principal office of the employer is located, pursuant to the following sequence of events:

(1) The employee or interested party submits to the Department a complaint describing the violation and naming the employer alleged to have violated this Act.

(2) The Department sends notice of complaint to the named party alleged to have violated this Act and the interested party. The named party may either contest the alleged violation or cure the alleged violation.

(3) The named party may contest or cure the alleged violation within 30 days after the receipt of the notice of complaint or, if the named party does not respond within 30 days, the Department issues a notice of right to sue to the interested party as described in paragraph (4).

(4) The Department issues a notice of right to sue to the interested party, if one or more of the following has occurred:

(A) the named party has cured the alleged violation to the satisfaction of the Director;

(B) the Director has determined that the allegation is unjustified or that the Department does not have jurisdiction over the matter or the parties; or

(C) the Director has determined that the allegation is justified or has not made a determination, and has either decided not to exercise jurisdiction over the matter or has concluded administrative enforcement of the matter.

(c) If within 180 days after service of the notice of complaint to the parties, the Department has not (i) resolved the contest and cure period, (ii) with the mutual agreement of the parties, extended the time for the named party to cure the violation and resolve the complaint, or (iii) issued a right to sue letter, the interested party may initiate a civil action for penalties. The parties may extend the 180-day period by mutual agreement. The limitations period for the interested party to bring an action for the alleged violation of this Act shall be tolled for the 180-day period and for the period of any mutually agreed extensions. At the end of the 180-day period, or any mutually agreed extensions, the Department shall issue a right to sue letter to the employee or interested party.

(d) Any claim or action filed under this Section must be made within 3 years after the alleged conduct resulting in the complaint plus any period for which the limitations period has been tolled.

(e) In an action brought under this Section, an employee or interested party may recover against the employer any statutory penalties set forth in subsection (a) and injunctive relief. An interested party who prevails in a civil action under this Section shall receive 10% of any statutory penalties assessed, plus any attorney's fees and expenses in bringing the action.

(f) Nothing in this Section shall be construed to prevent an employee from bringing a civil action for the employee's own claim for a violation of this Act as described in Section 20.

Section 30. Notice. Within 30 days after the effective date of this Act, an employer shall post and keep posted a notice of employee rights under this Act where employee notices are customarily placed.

Section 35. Exceptions. Nothing in this Act:

(1) prohibits communications of information that the employer is required by law to communicate, but only to the extent of the lawful requirement;

(2) limits the rights of an employer or its agent, representative, or designee to conduct meetings involving religious matters or political matters, so long as attendance is voluntary, or to engage in communications, so long as receipt or listening is voluntary;

(3) limits the rights of an employer or its agent, representative, or designee from communicating to its employees any information that is necessary for the employees to perform their required job duties;

(4) prohibit an employer or its agent, representative, or designee from requiring its employees to attend any training intended to reduce and prevent workplace harassment or discrimination;

(5) prohibits an institution of higher education, or any agent, representative, or designee of the institution, from conducting meetings or participating in any communications with its employees concerning any coursework, symposia, research, publication, or an academic program at the institution;

(6) prohibits a political organization, a political party organization, a caucus organization, a candidate's political organization, or a not-for-profit organization that is exempt from taxation under Section 501(c)(4), 501(c)(5), or 501(c)(6) of the Internal Revenue Code from requiring its staff or employees to attend an employer-sponsored meeting or participate in any communication with the employer or the employer's agent, representative or designee for the purpose of communicating the employer's political tenets or purposes;

(7) prohibits the General Assembly or a State or local legislative or regulatory body from requiring their employees to attend an employer-sponsored meeting or participate in any communication with the employer or the employer's agent, representative, or designee for the purpose

of communicating the employer's proposals to change legislation, proposals to change regulations, or proposals to change public policy; or

(8) prohibits a religious organization from requiring its employees to attend an employer-sponsored meeting or participate in any communication with the employer or the employer's agent, representative or designee for the purpose of communicating the employer's religious beliefs, practices, or tenets.".

The motion prevailed.

And the amendment was adopted and ordered printed.

There being no further amendments, the foregoing Amendment No. 2 was ordered engrossed, and the bill, as amended, was ordered to a third reading.

READING BILL OF THE SENATE A THIRD TIME

On motion of Senator Peters, **Senate Bill No. 3649** having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

And the question being, “Shall this bill pass?” it was decided in the affirmative by the following vote:

YEAS 38; NAYS 18.

The following voted in the affirmative:

Aquino	Fine	Koehler	Stadelman
Belt	Glowiak Hilton	Lightford	Toro
Castro	Halpin	Loughran Cappel	Turner, D.
Cervantes	Harris, N.	Martwick	Ventura
Collins	Hastings	Morrison	Villa
Cunningham	Holmes	Murphy	Villanueva
Edly-Allen	Hunter	Peters	Villivalam
Ellman	Johnson	Porfirio	Mr. President
Faraci	Jones, E.	Simmons	
Feigenholtz	Joyce	Sims	

The following voted in the negative:

Anderson	DeWitte	McConchie	Syverson
Bennett	Fowler	Plummer	Turner, S.
Bryant	Harriss, E.	Rezin	Wilcox
Chesney	Lewis	Rose	
Curran	McClure	Stoller	

This bill, having received the vote of a constitutional majority of the members elected, was declared passed, and all amendments not adopted were tabled pursuant to Senate Rule No. 5-4(a).

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

SENATE BILL RECALLED

On motion of Senator Simmons, **Senate Bill No. 3751** was recalled from the order of third reading to the order of second reading.

Senator Simmons offered the following amendment and moved its adoption:

AMENDMENT NO. 1 TO SENATE BILL 3751

AMENDMENT NO. 1 . Amend Senate Bill 3751 by replacing everything after the enacting clause with the following:

"Section 1. Short title. This Act may be cited as the Equitable Health Outcomes Act.

Section 5. Purpose. The purpose of this Act is to establish data collection standards to save lives, promote equitable health care outcomes, decrease health care costs, and ensure quality health care for all through a Health Outcomes Review Board.

Section 10. Health Outcomes Review Board.

(a) There is hereby established a Health Outcomes Review Board, which is tasked with annually reviewing and reporting data on health outcomes, including illnesses, treatments, and causes of death in this State, and which is also tasked with recommending solutions that will improve health outcomes in this State.

(b) The Board shall be composed of a minimum of 22 and a maximum of 25 members, appointed by the Director of Public Health or the Director's designee to serve 3-year terms. The Director of Public Health or the Director's designee shall serve as Chair.

(1) Members of the Board shall be appointed from geographic areas throughout the State with knowledge of health care and social determinants of health, including:

(A) representatives of hospitals, clinics, and group and private medical practices;

(B) health care providers;

(C) nursing providers;

(D) the Director of each Department having knowledge, data, or relevant jurisdiction over aspects of the health care process;

(E) at least 2 representatives from communities in the State most impacted by inequitable health outcomes;

(F) representatives of an association of healthcare providers;

(G) at least 2 representatives of nonprofit organizations that work in health equity, to be appointed by the Governor;

(H) a representative of an association representing a majority of hospitals statewide; and

(I) other health care professionals and representatives that the Director or the Director's designee deems appropriate.

(2) In appointing members to the Board, the Director shall follow best practices as outlined by the Centers for Disease Control and Prevention in the United States Department of Health and Human Services.

(3) All initial appointments to the Board shall be made within 60 days after the effective date of this Act.

(4) Board members shall serve without compensation or perquisite arising from their service.

(c) The Director or the Director's designee shall call the first Board meeting as soon as practicable following the appointment of a majority of Board members, and in no case no later than 6 months after the effective date of this Act. Thereafter, the Board shall meet pursuant to a schedule that is established during the first Board meeting, but no less than 4 times per calendar year. The Board may additionally meet at the call of the Chair.

(d) A majority of the total number of members appointed to the Board shall constitute a quorum for the conducting of official Board business. Any recommendations of the Board shall be approved by a majority of the members present.

(e) In addition to any relevant national or publicly available data, the Board shall have access to deidentified data sets collected by the Department of Public Health.

(1) The data sets provided by the Department and all activities or communications of the commission shall comply with all State and federal laws relating to the transmission of health information.

(2) Such data sets shall contain all relevant information of patients that received care in this State during the previous calendar year.

(3) Such data sets shall have all personally identifying information removed as set forth in 45 CFR 164.514(b)(2).

(4) Each member of the Board shall sign a confidentiality agreement regarding personally identifying information that the Department deems necessary to the Board's objective, or that is disclosed to the Board inadvertently. A Board member who knowingly violates the confidentiality agreement commits a class C misdemeanor.

(5) Members of the Board are not subject to subpoena in any civil, criminal, or administrative proceeding regarding the information presented in or opinions formed as a result of a meeting or communication of the Board; except that this paragraph does not prevent a member of the Board from testifying regarding information or opinions obtained independently of the Board or that are public information.

(6) Notes, statements, medical records, reports, communications, and memoranda that contain, or may contain, patient information are not subject to subpoena, discovery, or introduction into evidence in any civil, criminal, or administrative proceeding, unless the subpoena is directed to a source that is separate and apart from the Board. Nothing in this Section limits or restricts the right to discover or use in a civil, criminal, or administrative proceeding notes, statements, medical records, reports, communications, or memoranda that are available from another source separate and apart from the Board and that arise entirely independent of the Board's activities. Any information disclosed by the Board must be disclosed in accordance with the Health Insurance Portability and Accountability Act (HIPAA) and the Health Information Technology for Economic and Clinical Health (HITECH) Act and their respective implementing regulations.

(f) The Board shall:

(1) provide recommendations on data collection regarding race, ethnicity, sexual orientation, gender identity, and language with consideration to all health care facilities, including, but not limited to, hospitals, community health centers, physician and group practices, and insurance programs; the recommendations shall consider federal guidance regarding data collection and reporting standards and requirements, maintaining data and patient confidentiality, and health care provider resources necessary to implement new data collection and reporting requirements;

(2) review illness and death incidents in the State using the deidentified data sets that the Department provides or any other lawful source of relevant information;

(3) review research that substantiates the connections between social determinants of health before, during, and after hospital treatment;

(4) outline trends and patterns disaggregated by race, ethnicity, and language relating to illness, death, and treatments in this State;

(5) review comprehensive, nationwide data collection on illness, death, and treatments, including data disaggregated by race, ethnicity, and language;

(6) review any information provided by the Department on social and environmental risk factors for all people, and especially, people of color;

(7) review research to identify best practices and effective interventions for improving the quality and safety of health care and compare those to practices currently in use in this State;

(8) review research to identify best practices and effective interventions in order to address predisease pathways of adverse health and compare those to practices currently in use in this State;

(9) review research to identify effective interventions for addressing social determinants of health disparities;

(10) serve as a link with equitable health outcome review teams throughout the country and participate in regional and national review team activities;

(11) request input and feedback from interested and affected stakeholders;

(12) compile annual reports, using aggregate data based on the cases that the Department identifies for reporting in an effort to further study the causes and problems associated with inequitable health outcomes and distribute these reports on the Department's website and to the General Assembly, government agencies, health care providers, and others as necessary to provide equitable health care in the State; and

(13) produce annually a report highlighting recommended solutions and steps that could be taken in this State to reduce inequitable health outcomes, including complications, morbidity, and near-death or life-threatening incidents, including recommendations to assist health care providers, the Department, and lawmakers in reducing inequitable treatment and health outcomes and shall be distributed on the Department's website and to the General Assembly, government agencies, health care providers, and others as necessary to reduce inequitable health treatments and outcomes in the State.

(g) The Board may:

(1) form special ad hoc panels to further investigate cases of illness and death resulting from specific causes when the need arises; and

(2) perform any other function as resources allow to enhance efforts to reduce and prevent unnecessary death and illness in the State.

(h) For recommendations that would require additional action by the General Assembly, the Board report shall include specific requests and outlines of legislative action needed, including budget requests.

(i) The Department of Public Health may adopt rules to achieve the outcomes described in this Act.".

The motion prevailed.

And the amendment was adopted and ordered printed.

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

READING BILL OF THE SENATE A THIRD TIME

On motion of Senator Simmons, **Senate Bill No. 3751** having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

And the question being, “Shall this bill pass?” it was decided in the affirmative by the following vote:

YEAS 38; NAYS 18.

The following voted in the affirmative:

Aquino	Fine	Koehler	Stadelman
Belt	Glowiak Hilton	Lightford	Toro
Castro	Halpin	Loughran Cappel	Turner, D.
Cervantes	Harris, N.	Martwick	Ventura
Collins	Hastings	Morrison	Villa
Cunningham	Holmes	Murphy	Villanueva
Edly-Allen	Hunter	Peters	Villivalam
Ellman	Johnson	Porfirio	Mr. President
Faraci	Jones, E.	Simmons	
Feigenholtz	Joyce	Sims	

The following voted in the negative:

Anderson	DeWitte	McConchie	Syverson
Bennett	Fowler	Plummer	Turner, S.
Bryant	Harriss, E.	Rezin	Wilcox
Chesney	Lewis	Rose	
Curran	McClure	Stoller	

This bill, having received the vote of a constitutional majority of the members elected, was declared passed, and all amendments not adopted were tabled pursuant to Senate Rule No. 5-4(a).

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

CELEBRATION OF LIFE RESOLUTION CONSENT CALENDAR

SENATE RESOLUTION NO. 935

Offered by Senator Tracy and all Senators:

Mourns the death of Ethan Harold Mahoney of rural Alexander.

SENATE RESOLUTION NO. 937

Offered by Senator N. Harris and all Senators:

Mourns the death of Idella Marie Williams.

SENATE RESOLUTION NO. 939
Offered by Senator Anderson and all Senators:
Mourns the passing of David L. Hunn of Alpha.

SENATE RESOLUTION NO. 940
Offered by Senator Anderson and all Senators:
Mourns the death of David K. "Dave" Burkhead of Rock Island.

SENATE RESOLUTION NO. 941
Offered by Senator Anderson and all Senators:
Mourns the death of Dennis M. Laird of Moline.

SENATE RESOLUTION NO. 942
Offered by Senator Anderson and all Senators:
Mourns the life of Brian R. Miller of Moline.

SENATE RESOLUTION NO. 943
Offered by Senator Anderson and all Senators:
Mourns the death of Michael A. Wolfe of Moline.

SENATE RESOLUTION NO. 944
Offered by Senator Anderson and all Senators:
Mourns the death of Albert C. Ramos of East Moline.

SENATE RESOLUTION NO. 945
Offered by Senator Koehler and all Senators:
Mourns the passing of Paul Stephen Colgan of Oak Park, formerly of Wyoming, Illinois.

SENATE RESOLUTION NO. 946
Offered by Senator Castro and all Senators:
Mourns the death of John F. Early of Elgin.

SENATE RESOLUTION NO. 947
Offered by Senator Villanueva and all Senators:
Mourns the passing of Rev. Walter "Slim" Coleman of Chicago.

SENATE RESOLUTION NO. 949
Offered by Senator McClure and all Senators:
Mourns the death of Rochelle Ellen Boyd of Lovington.

SENATE RESOLUTION NO. 950
Offered by Senator McClure and all Senators:
Mourns the death of George Trafton Fairchild.

SENATE RESOLUTION NO. 951
Offered by Senator McClure and all Senators:
Mourns the death of Catherine Sue "Cathy" Houghtby of Springfield.

SENATE RESOLUTION NO. 952
Offered by Senator McClure and all Senators:
Mourns the death of Harold L. "Lee" Milner of Springfield.

SENATE RESOLUTION NO. 953
Offered by Senator McClure and all Senators:
Mourns the passing of Richard M. Hadfield of Springfield.

SENATE RESOLUTION NO. 954
Offered by Senator McClure and all Senators:
Mourns the death of Hormaz Minoocher Vania.

SENATE RESOLUTION NO. 955
Offered by Senator McClure and all Senators:
Mourns the passing of Linda Rae Nelson Dillard of Springfield.

SENATE RESOLUTION NO. 958
Offered by Senator Anderson and all Senators:
Mourns the death of John F. Downs of Canton.

SENATE RESOLUTION NO. 959
Offered by Senator Anderson and all Senators:
Mourns the death of Santa Calderon of East Moline.

SENATE RESOLUTION NO. 960
Offered by Senator Anderson and all Senators:
Mourns the death of Lawrence "Larry" Molitor of Cordova.

SENATE RESOLUTION NO. 961
Offered by Senator Anderson and all Senators:
Mourns the passing of Dennis L. Mosley of Rock Island.

SENATE RESOLUTION NO. 962
Offered by Senator Anderson and all Senators:
Mourns the passing of James L. "Jim" Bertelsen of Coal Valley.

SENATE RESOLUTION NO. 963
Offered by Senator Anderson and all Senators:
Mourns the passing of Arlon Lee "Bant" Anderson of Moline.

SENATE RESOLUTION NO. 964
Offered by Senator Anderson and all Senators:
Mourns the passing of Joseph Martin "Joe" McKenna of Erie.

SENATE RESOLUTION NO. 966
Offered by Senator Hastings and all Senators:
Mourns the passing of Deborah Bryant.

SENATE RESOLUTION NO. 967
Offered by Senator Halpin and all Senators:
Mourns the death of Michael W. "Mike" Malmstrom of Moline.

SENATE RESOLUTION NO. 968
Offered by Senator Collins and all Senators:
Mourns the passing of George White.

SENATE RESOLUTION NO. 969
Offered by Senator Fowler and all Senators:
Mourns the death of Ronald Edward "Ron" Mitchell of Crainville.

SENATE RESOLUTION NO. 970
Offered by Senator Fowler and all Senators:
Mourns the death of Robert Ray "Bob" Holmes Sr.

The Chair moved the adoption of the Resolutions Consent Calendar.
The motion prevailed, and the resolutions were adopted.

PRESENTATION OF RESOLUTION

Senator Belt offered the following Senate Joint Resolution and, having asked and obtained unanimous consent to suspend the rules for its immediate consideration, moved its adoption:

SENATE JOINT RESOLUTION NO. 60

RESOLVED, BY THE SENATE OF THE ONE HUNDRED THIRD GENERAL ASSEMBLY OF THE STATE OF ILLINOIS, THE HOUSE OF REPRESENTATIVES CONCURRING HEREIN, that when the Senate adjourns on Thursday, May 02, 2024, it stands adjourned until Tuesday, May 07, 2024, or to the call of the President; and when the House of Representatives adjourns on Friday, May 03, 2024, it stands adjourned until Monday, May 06, 2024, or to the call of the Speaker.

The motion prevailed.
And the resolution was adopted.
Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

MESSAGE FROM THE HOUSE

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

HOUSE BILL NO. 5428

A bill for AN ACT concerning regulation.

HOUSE BILL NO. 4170

A bill for AN ACT concerning transportation.
Passed the House, May 2, 2024.

JOHN W. HOLLMAN, Clerk of the House

The foregoing **House Bills Numbered 4170 and 5428** were taken up, ordered printed and placed on first reading.

READING BILLS FROM THE HOUSE OF REPRESENTATIVES A FIRST TIME

House Bill No. 4170, sponsored by Senator Stadelman, was taken up, read by title a first time and referred to the Committee on Assignments.

House Bill No. 5428, sponsored by Senator Edly-Allen, was taken up, read by title a first time and referred to the Committee on Assignments.

LEGISLATIVE MEASURE FILED

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

Amendment No. 1 to House Bill 5395

At the hour of 3:56 o'clock p.m., pursuant to **Senate Joint Resolution No. 60**, the Chair announced that the Senate stands adjourned until Tuesday, May 7, 2024, at 12:00 o'clock p.m., or until the call of the President.