

1 AN ACT concerning employment.

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

4 Section 5. The Unemployment Insurance Act is amended by  
5 changing Sections 235, 403, 409, 1506.3, and 2100 and by adding  
6 Sections 1506.5 and 2108 as follows:

7 (820 ILCS 405/235) (from Ch. 48, par. 345)

8 Sec. 235. The term "wages" does not include:

9 A. With respect to calendar years prior to calendar year  
10 2004, the maximum amount includable as "wages" shall be  
11 determined pursuant to this Section as in effect on January 1,  
12 2006. That part of the remuneration which, after remuneration  
13 equal to \$6,000 with respect to employment has been paid to an  
14 individual by an employer during any calendar year after 1977  
15 and before 1980, is paid to such individual by such employer  
16 during such calendar year; and that part of the remuneration  
17 which, after remuneration equal to \$6,500 with respect to  
18 employment has been paid to an individual by an employer during  
19 each calendar year 1980 and 1981, is paid to such individual by  
20 such employer during that calendar year; and that part of the  
21 remuneration which, after remuneration equal to \$7,000 with  
22 respect to employment has been paid to an individual by an  
23 employer during the calendar year 1982 is paid to such

1 ~~individual by such employer during that calendar year.~~

2 ~~With respect to the first calendar quarter of 1983, the~~  
3 ~~term "wages" shall include only the remuneration paid to an~~  
4 ~~individual by an employer during such quarter with respect to~~  
5 ~~employment which does not exceed \$7,000. With respect to the~~  
6 ~~three calendar quarters, beginning April 1, 1983, the term~~  
7 ~~"wages" shall include only the remuneration paid to an~~  
8 ~~individual by an employer during such period with respect to~~  
9 ~~employment which when added to the "wages" (as defined in the~~  
10 ~~preceding sentence) paid to such individual by such employer~~  
11 ~~during the first calendar quarter of 1983, does not exceed~~  
12 ~~\$8,000.~~

13 ~~With respect to the calendar year 1984, the term "wages"~~  
14 ~~shall include only the remuneration paid to an individual by an~~  
15 ~~employer during that period with respect to employment which~~  
16 ~~does not exceed \$8,000; with respect to calendar years 1985,~~  
17 ~~1986 and 1987, the term "wages" shall include only the~~  
18 ~~remuneration paid to such individual by such employer during~~  
19 ~~that calendar year with respect to employment which does not~~  
20 ~~exceed \$8,500.~~

21 ~~With respect to the calendar years 1988 through 2003, the~~  
22 ~~term "wages" shall include only the remuneration paid to an~~  
23 ~~individual by an employer during that period with respect to~~  
24 ~~employment which does not exceed \$9,000.~~

25 ~~With respect to the calendar year 2004, the term "wages"~~  
26 ~~shall include only the remuneration paid to an individual by an~~

1 employer during that period with respect to employment which  
2 does not exceed \$9,800. With respect to the calendar years 2005  
3 through 2009, the term "wages" shall include only the  
4 remuneration paid to an individual by an employer during that  
5 period with respect to employment which does not exceed the  
6 following amounts: \$10,500 with respect to the calendar year  
7 2005; \$11,000 with respect to the calendar year 2006; \$11,500  
8 with respect to the calendar year 2007; \$12,000 with respect to  
9 the calendar year 2008; and \$12,300 with respect to the  
10 calendar year 2009.

11 Except as otherwise provided in subsection A-1, with ~~With~~  
12 respect to the calendar years year 2010, 2011, 2013, and each  
13 calendar year thereafter, the term "wages" shall include only  
14 the remuneration paid to an individual by an employer during  
15 that period with respect to employment which does not exceed  
16 the sum of the wage base adjustment applicable to that year  
17 pursuant to Section 1400.1, plus the maximum amount includable  
18 as "wages" pursuant to this subsection with respect to the  
19 immediately preceding calendar year; for purposes of this  
20 sentence, the maximum amount includable as "wages" with respect  
21 to calendar year 2013 shall be calculated as though the maximum  
22 amount includable as "wages" with respect to calendar year 2012  
23 had been calculated pursuant to this sentence. With respect to  
24 calendar year 2012, to offset the loss of revenue to the  
25 State's account in the unemployment trust fund with respect to  
26 the first quarter of calendar year 2011 as a result of Section

1 1506.5 and the changes made by this amendatory Act of the 97th  
2 General Assembly to Section 1506.3, the term "wages" shall  
3 include only the remuneration paid to an individual by an  
4 employer during that period with respect to employment which  
5 does not exceed \$13,560. Notwithstanding any provision to the  
6 contrary, the maximum amount includable as "wages" pursuant to  
7 this Section shall not be less than \$12,300 or greater than  
8 \$12,960 with respect to any calendar year after calendar year  
9 2009 except calendar year 2012 and except as otherwise provided  
10 in subsection A-1.

11 The remuneration paid to an individual by an employer with  
12 respect to employment in another State or States, upon which  
13 contributions were required of such employer under an  
14 unemployment compensation law of such other State or States,  
15 shall be included as a part of the remuneration herein referred  
16 to. For the purposes of this subsection, any employing unit  
17 which succeeds to the organization, trade, or business, or to  
18 substantially all of the assets of another employing unit, or  
19 to the organization, trade, or business, or to substantially  
20 all of the assets of a distinct severable portion of another  
21 employing unit, shall be treated as a single unit with its  
22 predecessor for the calendar year in which such succession  
23 occurs; any employing unit which is owned or controlled by the  
24 same interests which own or control another employing unit  
25 shall be treated as a single unit with the unit so owned or  
26 controlled by such interests for any calendar year throughout

1 which such ownership or control exists; and, with respect to  
2 any trade or business transfer subject to subsection A of  
3 Section 1507.1, a transferee, as defined in subsection G of  
4 Section 1507.1, shall be treated as a single unit with the  
5 transferor, as defined in subsection G of Section 1507.1, for  
6 the calendar year in which the transfer occurs. This subsection  
7 applies only to Sections 1400, 1405A, and 1500.

8 A-1. If, by March 1, 2013, the payments attributable to the  
9 changes to subsection A by this or any subsequent amendatory  
10 Act of the 97th General Assembly do not equal or exceed the  
11 loss to this State's account in the unemployment trust fund as  
12 a result of Section 1506.5 and the changes made to Section  
13 1506.3 by this or any subsequent amendatory Act of the 97th  
14 General Assembly, including unrealized interest, then, with  
15 respect to calendar year 2013, the term "wages" shall include  
16 only the remuneration paid to an individual by an employer  
17 during that period with respect to employment which does not  
18 exceed \$13,560. For purposes of subsection A, if the maximum  
19 amount includable as "wages" with respect to calendar year 2013  
20 is \$13,560, the maximum amount includable as "wages" with  
21 respect to calendar year 2014 shall be calculated as though the  
22 maximum amount includable as "wages" with respect to calendar  
23 year 2013 had been calculated pursuant to subsection A, without  
24 regard to this Section.

25 B. The amount of any payment (including any amount paid by  
26 an employer for insurance or annuities, or into a fund, to

1 provide for any such payment), made to, or on behalf of, an  
2 individual or any of his dependents under a plan or system  
3 established by an employer which makes provision generally for  
4 individuals performing services for him (or for such  
5 individuals generally and their dependents) or for a class or  
6 classes of such individuals (or for a class or classes of such  
7 individuals and their dependents), on account of (1) sickness  
8 or accident disability (except those sickness or accident  
9 disability payments which would be includable as "wages" in  
10 Section 3306(b) (2) (A) of the Federal Internal Revenue Code of  
11 1954, in effect on January 1, 1985, such includable payments to  
12 be attributable in such manner as provided by Section 3306(b)  
13 of the Federal Internal Revenue Code of 1954, in effect on  
14 January 1, 1985), or (2) medical or hospitalization expenses in  
15 connection with sickness or accident disability, or (3) death.

16 C. Any payment made to, or on behalf of, an employee or his  
17 beneficiary which would be excluded from "wages" by  
18 subparagraph (A), (B), (C), (D), (E), (F) or (G), of Section  
19 3306(b) (5) of the Federal Internal Revenue Code of 1954, in  
20 effect on January 1, 1985.

21 D. The amount of any payment on account of sickness or  
22 accident disability, or medical or hospitalization expenses in  
23 connection with sickness or accident disability, made by an  
24 employer to, or on behalf of, an individual performing services  
25 for him after the expiration of six calendar months following  
26 the last calendar month in which the individual performed

1 services for such employer.

2 E. Remuneration paid in any medium other than cash by an  
3 employing unit to an individual for service in agricultural  
4 labor as defined in Section 214.

5 F. The amount of any supplemental payment made by an  
6 employer to an individual performing services for him, other  
7 than remuneration for services performed, under a shared work  
8 plan approved by the Director pursuant to Section 407.1.

9 (Source: P.A. 93-634, eff. 1-1-04; 93-676, eff. 6-22-04;  
10 94-301, eff. 1-1-06.)

11 (820 ILCS 405/403) (from Ch. 48, par. 403)

12 Sec. 403. Maximum total amount of benefits.) A. With  
13 respect to any benefit year beginning prior to September 30,  
14 1979, any otherwise eligible individual shall be entitled,  
15 during such benefit year, to a maximum total amount of benefits  
16 as shall be determined in the manner set forth in this Act as  
17 amended and in effect on November 9, 1977.

18 B. With respect to any benefit year beginning on or after  
19 September 30, 1979, except as otherwise provided in this  
20 Section, any otherwise eligible individual shall be entitled,  
21 during such benefit year, to a maximum total amount of benefits  
22 equal to 26 times his or her weekly benefit amount plus  
23 dependents' ~~dependents~~ allowances, or to the total wages for  
24 insured work paid to such individual during the individual's  
25 base period, whichever amount is smaller. With respect to any

1 benefit year beginning in calendar year 2012, any otherwise  
2 eligible individual shall be entitled, during such benefit  
3 year, to a maximum total amount of benefits equal to 25 times  
4 his or her weekly benefit amount plus dependents' allowances,  
5 or to the total wages for insured work paid to such individual  
6 during the individual's base period, whichever amount is  
7 smaller. If the maximum amount includable as "wages" pursuant  
8 to Section 235 is \$13,560 with respect to calendar year 2013,  
9 then, with respect to any benefit year beginning after March  
10 31, 2013 and before April 1, 2014, any otherwise eligible  
11 individual shall be entitled, during such benefit year, to a  
12 maximum total amount of benefits equal to 25 times his or her  
13 weekly benefit amount plus dependents allowances, or to the  
14 total wages for insured work paid to such individual during the  
15 individual's base period, whichever amount is smaller.

16 (Source: P.A. 81-962.)

17 (820 ILCS 405/409) (from Ch. 48, par. 409)

18 Sec. 409. Extended Benefits.

19 A. For the purposes of this Section:

20 1. "Extended benefit period" means a period which  
21 begins with the third week after a week for which there is  
22 a State "on" indicator; and ends with either of the  
23 following weeks, whichever occurs later: (1) the third week  
24 after the first week for which there is a State "off"  
25 indicator, or (2) the thirteenth consecutive week of such

1 period. No extended benefit period shall begin by reason of  
2 a State "on" indicator before the fourteenth week following  
3 the end of a prior extended benefit period.

4 2. There is a "State 'on' indicator" for a week if (a)  
5 the Director determines, in accordance with the  
6 regulations of the United States Secretary of Labor or  
7 other appropriate Federal agency, that for the period  
8 consisting of such week and the immediately preceding  
9 twelve weeks, the rate of insured unemployment (not  
10 seasonally adjusted) in this State (1) equaled or exceeded  
11 5% and equaled or exceeded 120% of the average of such  
12 rates for the corresponding 13-week period ending in each  
13 of the preceding 2 calendar years, or (2) equaled or  
14 exceeded 6 percent, or (b) the United States Secretary of  
15 Labor determines that (1) the average rate of total  
16 unemployment in this State (seasonally adjusted) for the  
17 period consisting of the most recent 3 months for which  
18 data for all states are published before the close of such  
19 week equals or exceeds 6.5%, and (2) the average rate of  
20 total unemployment in this State (seasonally adjusted) for  
21 the 3-month period referred to in (1) equals or exceeds  
22 110% of such average rate for either (or both) of the  
23 corresponding 3-month periods ending in the 2 preceding  
24 calendar years. Clause (b) of this paragraph shall only  
25 apply to weeks beginning on or after February 22, 2009,  
26 through the end of the fourth week ~~ending 3 weeks~~ prior to

1 the last week for which federal sharing is provided as  
2 authorized by Section 2005(a) of Public Law 111-5 without  
3 regard to Section 2005(c) of Public Law 111-5 and is  
4 inoperative as of the end of the last week for which  
5 federal sharing is provided as authorized by Section  
6 2005(a) of Public Law 111-5.

7 2.1. With respect to benefits for weeks of unemployment  
8 beginning after December 17, 2010, and ending on or before  
9 the earlier of the latest date permitted under federal law  
10 or the end of the fourth week prior to the last week for  
11 which federal sharing is provided as authorized by Section  
12 2005(a) of Public Law 111-5 without regard to Section  
13 2005(c) of Public Law 111-5, the determination of whether  
14 there has been a State "on" indicator pursuant to paragraph  
15 2 shall be made as if, in clause (a) of paragraph 2, the  
16 phrase "2 calendar years" were "3 calendar years" and as  
17 if, in clause (b) of paragraph 2, the word "either" were  
18 "any", the word "both" were "all", and the phrase "2  
19 preceding calendar years" were "3 preceding calendar  
20 years".

21 3. There is a "State 'off' indicator" for a week if  
22 there is not a State 'on' indicator for the week pursuant  
23 to paragraph 2.

24 4. "Rate of insured unemployment", for the purpose of  
25 paragraph 2, means the percentage derived by dividing (a)  
26 the average weekly number of individuals filing claims for

1 "regular benefits" in this State for weeks of unemployment  
2 with respect to the most recent 13 consecutive week period,  
3 as determined by the Director on the basis of his reports  
4 to the United States Secretary of Labor or other  
5 appropriate Federal agency, by (b) the average monthly  
6 employment covered under this Act for the first four of the  
7 most recent six completed calendar quarters ending before  
8 the close of such 13-week period.

9 5. "Regular benefits" means benefits, other than  
10 extended benefits and additional benefits, payable to an  
11 individual (including dependents' allowances) under this  
12 Act or under any other State unemployment compensation law  
13 (including benefits payable to Federal civilian employees  
14 and ex-servicemen pursuant to 5 U.S.C. chapter 85).

15 6. "Extended benefits" means benefits (including  
16 benefits payable to Federal civilian employees and  
17 ex-servicemen pursuant to 5 U.S.C. chapter 85) payable to  
18 an individual under the provisions of this Section for  
19 weeks which begin in his eligibility period.

20 7. "Additional benefits" means benefits totally  
21 financed by a State and payable to exhaustees (as defined  
22 in subsection C) by reason of conditions of high  
23 unemployment or by reason of other specified factors. If an  
24 individual is eligible to receive extended benefits under  
25 the provisions of this Section and is eligible to receive  
26 additional benefits with respect to the same week under the

1 law of another State, he may elect to claim either extended  
2 benefits or additional benefits with respect to the week.

3 8. "Eligibility period" means the period consisting of  
4 the weeks in an individual's benefit year which begin in an  
5 extended benefit period and, if his benefit year ends  
6 within such extended benefit period, any weeks thereafter  
7 which begin in such period. An individual's eligibility  
8 period shall also include such other weeks as federal law  
9 may allow.

10 9. Notwithstanding any other provision to the  
11 contrary, no employer shall be liable for payments in lieu  
12 of contributions pursuant to Section 1404, by reason of the  
13 payment of extended benefits which are wholly reimbursed to  
14 this State by the Federal Government or would have been  
15 wholly reimbursed to this State by the Federal Government  
16 if the employer had paid all of the claimant's wages during  
17 the applicable base period. Extended benefits shall not  
18 become benefit charges under Section 1501.1 if they are  
19 wholly reimbursed to this State by the Federal Government  
20 or would have been wholly reimbursed to this State by the  
21 Federal Government if the employer had paid all of the  
22 claimant's wages during the applicable base period. For  
23 purposes of this paragraph, extended benefits will be  
24 considered to be wholly reimbursed by the Federal  
25 Government notwithstanding the operation of Section  
26 204(a)(2)(D) of the Federal-State Extended Unemployment

1 Compensation Act of 1970.

2 B. An individual shall be eligible to receive extended  
3 benefits pursuant to this Section for any week which begins in  
4 his eligibility period if, with respect to such week (1) he has  
5 been paid wages for insured work during his base period equal  
6 to at least 1 1/2 times the wages paid in that calendar quarter  
7 of his base period in which such wages were highest; (2) he has  
8 met the requirements of Section 500E of this Act; (3) he is an  
9 exhaustee; and (4) except when the result would be inconsistent  
10 with the provisions of this Section, he has satisfied the  
11 requirements of this Act for the receipt of regular benefits.

12 C. An individual is an exhaustee with respect to a week  
13 which begins in his eligibility period if:

14 1. Prior to such week (a) he has received, with respect  
15 to his current benefit year that includes such week, the  
16 maximum total amount of benefits to which he was entitled  
17 under the provisions of Section 403B, and all of the  
18 regular benefits (including dependents' allowances) to  
19 which he had entitlement (if any) on the basis of wages or  
20 employment under any other State unemployment compensation  
21 law; or (b) he has received all the regular benefits  
22 available to him with respect to his current benefit year  
23 that includes such week, under this Act and under any other  
24 State unemployment compensation law, after a cancellation  
25 of some or all of his wage credits or the partial or total  
26 reduction of his regular benefit rights; or (c) his benefit

1 year terminated, and he cannot meet the qualifying wage  
2 requirements of Section 500E of this Act or the qualifying  
3 wage or employment requirements of any other State  
4 unemployment compensation law to establish a new benefit  
5 year which would include such week or, having established a  
6 new benefit year that includes such week, he is ineligible  
7 for regular benefits by reason of Section 607 of this Act  
8 or a like provision of any other State unemployment  
9 compensation law; and

10 2. For such week (a) he has no right to benefits or  
11 allowances, as the case may be, under the Railroad  
12 Unemployment Insurance Act, or such other Federal laws as  
13 are specified in regulations of the United States Secretary  
14 of Labor or other appropriate Federal agency; and (b) he  
15 has not received and is not seeking benefits under the  
16 unemployment compensation law of Canada, except that if he  
17 is seeking such benefits and the appropriate agency finally  
18 determines that he is not entitled to benefits under such  
19 law, this clause shall not apply.

20 3. For the purposes of clauses (a) and (b) of paragraph  
21 1 of this subsection, an individual shall be deemed to have  
22 received, with respect to his current benefit year, the  
23 maximum total amount of benefits to which he was entitled  
24 or all of the regular benefits to which he had entitlement,  
25 or all of the regular benefits available to him, as the  
26 case may be, even though (a) as a result of a pending

1 reconsideration or appeal with respect to the "finding"  
2 defined in Section 701, or of a pending appeal with respect  
3 to wages or employment or both under any other State  
4 unemployment compensation law, he may subsequently be  
5 determined to be entitled to more regular benefits; or (b)  
6 by reason of a seasonality provision in a State  
7 unemployment compensation law which establishes the weeks  
8 of the year for which regular benefits may be paid to  
9 individuals on the basis of wages in seasonal employment he  
10 may be entitled to regular benefits for future weeks but  
11 such benefits are not payable with respect to the week for  
12 which he is claiming extended benefits, provided that he is  
13 otherwise an exhaustee under the provisions of this  
14 subsection with respect to his rights to regular benefits,  
15 under such seasonality provision, during the portion of the  
16 year in which that week occurs; or (c) having established a  
17 benefit year, no regular benefits are payable to him with  
18 respect to such year because his wage credits were  
19 cancelled or his rights to regular benefits were totally  
20 reduced by reason of the application of a disqualification  
21 provision of a State unemployment compensation law.

22 D. 1. The provisions of Section 607 and the waiting period  
23 requirements of Section 500D shall not be applicable to any  
24 week with respect to which benefits are otherwise payable  
25 under this Section.

26 2. An individual shall not cease to be an exhaustee

1 with respect to any week solely because he meets the  
2 qualifying wage requirements of Section 500E for a part of  
3 such week.

4 E. With respect to any week which begins in his eligibility  
5 period, an exhaustee's "weekly extended benefit amount" shall  
6 be the same as his weekly benefit amount during his benefit  
7 year which includes such week or, if such week is not in a  
8 benefit year, during his applicable benefit year, as defined in  
9 regulations issued by the United States Secretary of Labor or  
10 other appropriate Federal agency. If the exhaustee had more  
11 than one weekly benefit amount during his benefit year, his  
12 weekly extended benefit amount with respect to such week shall  
13 be the latest of such weekly benefit amounts.

14 F. 1. An eligible exhaustee shall be entitled, during any  
15 eligibility period, to a maximum total amount of extended  
16 benefits equal to the lesser of the following amounts:

17 a. Fifty percent of the maximum total amount of  
18 benefits to which he was entitled under Section 403B during  
19 his applicable benefit year;

20 b. Thirteen times his weekly extended benefit amount as  
21 determined under subsection E; or

22 c. Thirty-nine times his or her average weekly extended  
23 benefit amount, reduced by the regular benefits (not  
24 including any dependents' allowances) paid to him or her  
25 during such benefit year.

26 2. An eligible exhaustee shall be entitled, during a "high

1 unemployment period", to a maximum total amount of extended  
2 benefits equal to the lesser of the following amounts:

3 a. Eighty percent of the maximum total amount of  
4 benefits to which he or she was entitled under Section 403B  
5 during his or her applicable benefit year;

6 b. Twenty times his or her weekly extended benefit  
7 amount as determined under subsection E; or

8 c. Forty-six times his or her average weekly extended  
9 benefit amount, reduced by the regular benefits (not  
10 including any dependents' allowances) paid to him or her  
11 during such benefit year.

12 For purposes of this paragraph, the term "high unemployment  
13 period" means any period during which (i) clause (b) of  
14 paragraph (2) of subsection A is operative and (ii) an extended  
15 benefit period would be in effect if clause (b) of paragraph  
16 (2) of subsection A of this Section were applied by  
17 substituting "8%" for "6.5%".

18 3. Notwithstanding paragraphs 1 and 2 of this subsection F,  
19 and if the benefit year of an individual ends within an  
20 extended benefit period, the remaining balance of extended  
21 benefits that the individual would, but for this subsection F,  
22 be otherwise entitled to receive in that extended benefit  
23 period, for weeks of unemployment beginning after the end of  
24 the benefit year, shall be reduced (but not below zero) by the  
25 product of the number of weeks for which the individual  
26 received any amounts as trade readjustment allowances as

1 defined in the federal Trade Act of 1974 within that benefit  
2 year multiplied by his weekly benefit amount for extended  
3 benefits.

4 G. 1. A claims adjudicator shall examine the first claim  
5 filed by an individual with respect to his eligibility  
6 period and, on the basis of the information in his  
7 possession, shall make an "extended benefits finding".  
8 Such finding shall state whether or not the individual has  
9 met the requirement of subsection B(1), is an exhaustee  
10 and, if he is, his weekly extended benefit amount and the  
11 maximum total amount of extended benefits to which he is  
12 entitled. The claims adjudicator shall promptly notify the  
13 individual of his "extended benefits finding", and shall  
14 promptly notify the individual's most recent employing  
15 unit and the individual's last employer (referred to in  
16 Section 1502.1) that the individual has filed a claim for  
17 extended benefits. The claims adjudicator may reconsider  
18 his "extended benefits finding" at any time within one year  
19 after the close of the individual's eligibility period, and  
20 shall promptly notify the individual of such reconsidered  
21 finding. All of the provisions of this Act applicable to  
22 reviews from findings or reconsidered findings made  
23 pursuant to Sections 701 and 703 which are not inconsistent  
24 with the provisions of this subsection shall be applicable  
25 to reviews from extended benefits findings and  
26 reconsidered extended benefits findings.

1           2. If, pursuant to the reconsideration or appeal with  
2           respect to a "finding", referred to in paragraph 3 of  
3           subsection C, an exhaustee is found to be entitled to more  
4           regular benefits and, by reason thereof, is entitled to  
5           more extended benefits, the claims adjudicator shall make a  
6           reconsidered extended benefits finding and shall promptly  
7           notify the exhaustee thereof.

8           H. Whenever an extended benefit period is to begin in this  
9           State because there is a State "on" indicator, or whenever an  
10          extended benefit period is to end in this State because there  
11          is a State "off" indicator, the Director shall make an  
12          appropriate public announcement.

13          I. Computations required by the provisions of paragraph 4  
14          of subsection A shall be made by the Director in accordance  
15          with regulations prescribed by the United States Secretary of  
16          Labor, or other appropriate Federal agency.

17          J. 1. Interstate Benefit Payment Plan means the plan  
18          approved by the Interstate Conference of Employment  
19          Security Agencies under which benefits shall be payable to  
20          unemployed individuals absent from the state (or states) in  
21          which benefit credits have been accumulated.

22          2. An individual who commutes from his state of  
23          residence to work in another state and continues to reside  
24          in such state of residence while filing his claim for  
25          unemployment insurance under this Section of the Act shall  
26          not be considered filing a claim under the Interstate

1           Benefit Payment Plan so long as he files his claim in and  
2           continues to report to the employment office under the  
3           regulations applicable to intrastate claimants in the  
4           state in which he was so employed.

5           3. "State" when used in this subsection includes States  
6           of the United States of America, the District of Columbia,  
7           Puerto Rico and the Virgin Islands. For purposes of this  
8           subsection, the term "state" shall also be construed to  
9           include Canada.

10          4. Notwithstanding any other provision of this Act, an  
11          individual shall be eligible for a maximum of 2 weeks of  
12          benefits payable under this Section after he files his  
13          initial claim for extended benefits in an extended benefit  
14          period, as defined in paragraph 1 of subsection A, under  
15          the Interstate Benefit Payment Plan unless there also  
16          exists an extended benefit period, as defined in paragraph  
17          1 of subsection A, in the state where such claim is filed.  
18          Such maximum eligibility shall continue as long as the  
19          individual continues to file his claim under the Interstate  
20          Benefit Payment Plan, notwithstanding that the individual  
21          moves to another state where an extended benefit period  
22          exists and files for weeks prior to his initial Interstate  
23          claim in that state.

24          5. To assure full tax credit to the employers of this  
25          state against the tax imposed by the Federal Unemployment  
26          Tax Act, the Director shall take any action or issue any

1 regulations necessary in the administration of this  
2 subsection to insure that its provisions are so interpreted  
3 and applied as to meet the requirements of such Federal Act  
4 as interpreted by the United States Secretary of Labor or  
5 other appropriate Federal agency.

6 K. 1. Notwithstanding any other provisions of this Act, an  
7 individual shall be ineligible for the payment of extended  
8 benefits for any week of unemployment in his eligibility  
9 period if the Director finds that during such period:

10 a. he failed to accept any offer of suitable work  
11 (as defined in paragraph 3 below) or failed to apply  
12 for any suitable work to which he was referred by the  
13 Director; or

14 b. he failed to actively engage in seeking work as  
15 prescribed under paragraph 5 below.

16 2. Any individual who has been found ineligible for  
17 extended benefits by reason of the provisions of paragraph  
18 1 of this subsection shall be denied benefits beginning  
19 with the first day of the week in which such failure has  
20 occurred and until he has been employed in each of 4  
21 subsequent weeks (whether or not consecutive) and has  
22 earned remuneration equal to at least 4 times his weekly  
23 benefit amount.

24 3. For purposes of this subsection only, the term  
25 "suitable work" means, with respect to any individual, any  
26 work which is within such individual's capabilities,

1 provided, however, that the gross average weekly  
2 remuneration payable for the work:

3 a. must exceed the sum of (i) the individual's  
4 extended weekly benefit amount as determined under  
5 subsection E above plus (ii) the amount, if any, of  
6 supplemental unemployment benefits (as defined in  
7 Section 501(c)(17)(D) of the Internal Revenue Code of  
8 1954) payable to such individual for such week; and  
9 further,

10 b. is not less than the higher of --

11 (i) the minimum wage provided by Section 6  
12 (a)(1) of the Fair Labor Standards Act of 1938,  
13 without regard to any exemption; or

14 (ii) the applicable state or local minimum  
15 wage;

16 c. provided, however, that no individual shall be  
17 denied extended benefits for failure to accept an offer  
18 of or apply for any job which meets the definition of  
19 suitability as described above if:

20 (i) the position was not offered to such  
21 individual in writing or was not listed with the  
22 employment service;

23 (ii) such failure could not result in a denial  
24 of benefits under the definition of suitable work  
25 for regular benefits claimants in Section 603 to  
26 the extent that the criteria of suitability in that

1 Section are not inconsistent with the provisions  
2 of this paragraph 3;

3 (iii) the individual furnishes satisfactory  
4 evidence to the Director that his prospects for  
5 obtaining work in his customary occupation within  
6 a reasonably short period are good. If such  
7 evidence is deemed satisfactory for this purpose,  
8 the determination of whether any work is suitable  
9 with respect to such individual shall be made in  
10 accordance with the definition of suitable work  
11 for regular benefits in Section 603 without regard  
12 to the definition specified by this paragraph.

13 4. Notwithstanding the provisions of paragraph 3 to the  
14 contrary, no work shall be deemed to be suitable work for  
15 an individual which does not accord with the labor standard  
16 provisions required by Section 3304(a)(5) of the Internal  
17 Revenue Code of 1954 and set forth herein under Section 603  
18 of this Act.

19 5. For the purposes of subparagraph b of paragraph 1,  
20 an individual shall be treated as actively engaged in  
21 seeking work during any week if --

22 a. the individual has engaged in a systematic and  
23 sustained effort to obtain work during such week, and

24 b. the individual furnishes tangible evidence that  
25 he has engaged in such effort during such week.

26 6. The employment service shall refer any individual

1 entitled to extended benefits under this Act to any  
2 suitable work which meets the criteria prescribed in  
3 paragraph 3.

4 7. Notwithstanding any other provision of this Act, an  
5 individual shall not be eligible to receive extended  
6 benefits, otherwise payable under this Section, with  
7 respect to any week of unemployment in his eligibility  
8 period if such individual has been held ineligible for  
9 benefits under the provisions of Sections 601, 602 or 603  
10 of this Act until such individual had requalified for such  
11 benefits by returning to employment and satisfying the  
12 monetary requalification provision by earning at least his  
13 weekly benefit amount.

14 L. The Governor may, if federal law so allows, elect, in  
15 writing, to pay individuals, otherwise eligible for extended  
16 benefits pursuant to this Section, any other federally funded  
17 unemployment benefits, including but not limited to benefits  
18 payable pursuant to the federal Supplemental Appropriations  
19 Act, 2008, as amended, prior to paying them benefits under this  
20 Section.

21 M. The provisions of this Section, as revised by this  
22 amendatory Act of the 96th General Assembly, are retroactive to  
23 February 22, 2009. The provisions of this amendatory Act of the  
24 96th General Assembly with regard to subsection L and paragraph  
25 8 of subsection A clarify authority already provided.

26 (Source: P.A. 96-30, eff. 6-30-09.)

1 (820 ILCS 405/1506.3) (from Ch. 48, par. 576.3)

2 Sec. 1506.3. Fund building rates - Temporary  
3 Administrative Funding.

4 A. Notwithstanding any other provision of this Act, the  
5 following fund building rates shall be in effect for the  
6 following calendar years:

7 For each employer whose contribution rate for 1988, 1989,  
8 1990, the first, third, and fourth quarters of 1991, 1992,  
9 1993, 1994, 1995, and 1997 through 2003 would, in the absence  
10 of this Section, be 0.2% or higher, a contribution rate which  
11 is the sum of such rate and a fund building rate of 0.4%;

12 For each employer whose contribution rate for the second  
13 quarter of 1991 would, in the absence of this Section, be 0.2%  
14 or higher, a contribution rate which is the sum of such rate  
15 and 0.3%;

16 For each employer whose contribution rate for 1996 would,  
17 in the absence of this Section, be 0.1% or higher, a  
18 contribution rate which is the sum of such rate and 0.4%;

19 For each employer whose contribution rate for 2004 through  
20 2009 would, in the absence of this Section, be 0.2% or higher,  
21 a contribution rate which is the sum of such rate and the  
22 following: a fund building rate of 0.7% for 2004; a fund  
23 building rate of 0.9% for 2005; a fund building rate of 0.8%  
24 for 2006 and 2007; a fund building rate of 0.6% for 2008; a  
25 fund building rate of 0.4% for 2009.

1           For each employer whose contribution rate for 2010 and any  
2 calendar year thereafter would, in the absence of this Section,  
3 be 0.2% or higher, a contribution rate which is the sum of such  
4 rate and a fund building rate equal to the sum of the rate  
5 adjustment applicable to that year pursuant to Section 1400.1,  
6 plus the fund building rate in effect pursuant to this Section  
7 for the immediately preceding calendar year. Notwithstanding  
8 any provision to the contrary, the fund building rate in effect  
9 for any calendar year after calendar year 2009 shall not be  
10 less than 0.4% or greater than 0.55%. Notwithstanding any other  
11 provision to the contrary, the fund building rate established  
12 pursuant to this Section shall not apply with respect to the  
13 first quarter of calendar year 2011. The changes made to  
14 Section 235 by this amendatory Act of the 97th General Assembly  
15 are intended to offset the loss of revenue to the State's  
16 account in the unemployment trust fund with respect to the  
17 first quarter of calendar year 2011 as a result of Section  
18 1506.5 and the changes made to this Section by this amendatory  
19 Act of the 97th General Assembly.

20           Notwithstanding the preceding paragraphs of this Section  
21 or any other provision of this Act, except for the provisions  
22 contained in Section 1500 pertaining to rates applicable to  
23 employers classified under the Standard Industrial Code, or  
24 another classification system sanctioned by the United States  
25 Department of Labor and prescribed by the Director by rule, no  
26 employer whose total wages for insured work paid by him during

1 any calendar quarter in 1988 and any calendar year thereafter  
2 are less than \$50,000 shall pay contributions at a rate with  
3 respect to such quarter which exceeds the following: with  
4 respect to calendar year 1988, 5%; with respect to 1989 and any  
5 calendar year thereafter, 5.4%, plus any penalty contribution  
6 rate calculated pursuant to subsection C of Section 1507.1.

7 Notwithstanding the preceding paragraph of this Section,  
8 or any other provision of this Act, no employer's contribution  
9 rate with respect to calendar years 1993 through 1995 shall  
10 exceed 5.4% if the employer ceased operations at an Illinois  
11 manufacturing facility in 1991 and remained closed at that  
12 facility during all of 1992, and the employer in 1993 commits  
13 to invest at least \$5,000,000 for the purpose of resuming  
14 operations at that facility, and the employer rehires during  
15 1993 at least 250 of the individuals employed by it at that  
16 facility during the one year period prior to the cessation of  
17 its operations, provided that, within 30 days after the  
18 effective date of this amendatory Act of 1993, the employer  
19 makes application to the Department to have the provisions of  
20 this paragraph apply to it. The immediately preceding sentence  
21 shall be null and void with respect to an employer which by  
22 December 31, 1993 has not satisfied the rehiring requirement  
23 specified by this paragraph or which by December 31, 1994 has  
24 not made the investment specified by this paragraph. All  
25 payments attributable to the fund building rate established  
26 pursuant to this Section with respect to the fourth quarter of

1 calendar year 2003, the first quarter of calendar year 2004 and  
2 any calendar quarter thereafter as of the close of which there  
3 are either bond obligations outstanding pursuant to the  
4 Illinois Unemployment Insurance Trust Fund Financing Act, or  
5 bond obligations anticipated to be outstanding as of either or  
6 both of the 2 immediately succeeding calendar quarters, shall  
7 be directed for deposit into the Master Bond Fund.  
8 Notwithstanding any other provision of this subsection, no fund  
9 building rate shall be added to any penalty contribution rate  
10 assessed pursuant to subsection C of Section 1507.1.

11 B. Notwithstanding any other provision of this Act, for the  
12 second quarter of 1991, the contribution rate of each employer  
13 as determined in accordance with Sections 1500, 1506.1, and  
14 subsection A of this Section shall be equal to the sum of such  
15 rate and 0.1%; provided that this subsection shall not apply to  
16 any employer whose rate computed under Section 1506.1 for such  
17 quarter is between 5.1% and 5.3%, inclusive, and who qualifies  
18 for the 5.4% rate ceiling imposed by the last paragraph of  
19 subsection A for such quarter. All payments made pursuant to  
20 this subsection shall be deposited in the Employment Security  
21 Administrative Fund established under Section 2103.1 and used  
22 for the administration of this Act.

23 C. Payments received by the Director which are insufficient  
24 to pay the total contributions due under the Act shall be first  
25 applied to satisfy the amount due pursuant to subsection B.

26 C-1. Payments received by the Director with respect to the

1 fourth quarter of calendar year 2003, the first quarter of  
2 calendar year 2004 and any calendar quarter thereafter as of  
3 the close of which there are either bond obligations  
4 outstanding pursuant to the Illinois Unemployment Insurance  
5 Trust Fund Financing Act, or bond obligations anticipated to be  
6 outstanding as of either or both of the 2 immediately  
7 succeeding calendar quarters, shall, to the extent they are  
8 insufficient to pay the total amount due under the Act with  
9 respect to the quarter, be first applied to satisfy the amount  
10 due with respect to that quarter and attributable to the fund  
11 building rate established pursuant to this Section.  
12 Notwithstanding any other provision to the contrary, with  
13 respect to an employer whose contribution rate with respect to  
14 a quarter subject to this subsection would have exceeded 5.4%  
15 but for the 5.4% rate ceiling imposed pursuant to subsection A,  
16 the amount due from the employer with respect to that quarter  
17 and attributable to the fund building rate established pursuant  
18 to subsection A shall equal the amount, if any, by which the  
19 amount due and attributable to the 5.4% rate exceeds the amount  
20 that would have been due and attributable to the employer's  
21 rate determined pursuant to Sections 1500 and 1506.1, without  
22 regard to the fund building rate established pursuant to  
23 subsection A.

24 D. All provisions of this Act applicable to the collection  
25 or refund of any contribution due under this Act shall be  
26 applicable to the collection or refund of amounts due pursuant

1 to subsection B and amounts directed pursuant to this Section  
2 for deposit into the Master Bond Fund to the extent they would  
3 not otherwise be considered as contributions.

4 (Source: P.A. 93-634, eff. 1-1-04; 94-301, eff. 1-1-06.)

5 (820 ILCS 405/1506.5 new)

6 Sec. 1506.5. Surcharge; specified period. With respect to  
7 the first quarter of calendar year 2011, each employer shall  
8 pay a surcharge equal to 0.5% of the total wages for insured  
9 work subject to the payment of contributions under Sections  
10 234, 235, and 245. The surcharge established by this Section  
11 shall be due at the same time as contributions with respect to  
12 the first quarter of calendar year 2011 are due, as provided in  
13 Section 1400. Notwithstanding any other provision to the  
14 contrary, with respect to an employer whose contribution rate  
15 with respect to the first quarter of calendar year 2011,  
16 calculated without regard to this amendatory Act of the 97th  
17 General Assembly, would have exceeded 5.4% but for the 5.4%  
18 rate ceiling imposed pursuant to subsection A of Section  
19 1506.3, the amount due from the employer with respect to that  
20 quarter and attributable to the surcharge established pursuant  
21 to this Section shall equal the amount, if any, by which the  
22 amount due and attributable to the 5.4% rate exceeds the amount  
23 that would have been due and attributable to the employer's  
24 rate determined pursuant to Sections 1500 and 1506.1. Payments  
25 received by the Director with respect to the first quarter of

1 calendar year 2011 shall, to the extent they are insufficient  
2 to pay the total amount due under the Act with respect to the  
3 quarter, be first applied to satisfy the amount due with  
4 respect to that quarter and attributable to the surcharge  
5 established pursuant to this Section. All provisions of this  
6 Act applicable to the collection or refund of any contribution  
7 due under this Act shall be applicable to the collection or  
8 refund of amounts due pursuant to this Section. Interest shall  
9 accrue with respect to amounts due pursuant to this Section to  
10 the same extent and under the same terms and conditions as  
11 provided by Section 1401 with respect to contributions. The  
12 changes made to Section 235 by this amendatory Act of the 97th  
13 General Assembly are intended to offset the loss of revenue to  
14 the State's account in the unemployment trust fund with respect  
15 to the first quarter of calendar year 2011 as a result of this  
16 Section 1506.5 and the changes made to Section 1506.3 by this  
17 amendatory Act of the 97th General Assembly.

18 (820 ILCS 405/2100) (from Ch. 48, par. 660)

19 Sec. 2100. Handling of funds - Bond - Accounts.

20 A. All contributions and payments in lieu of contributions  
21 collected under this Act, including but not limited to fund  
22 building receipts and receipts attributable to the surcharge  
23 established pursuant to Section 1506.5, together with any  
24 interest thereon; all penalties collected pursuant to this Act;  
25 any property or securities acquired through the use thereof;

1 all moneys advanced to this State's account in the unemployment  
2 trust fund pursuant to the provisions of Title XII of the  
3 Social Security Act, as amended; all moneys directed for  
4 transfer from the Master Bond Fund or the Title XII Interest  
5 Fund to this State's account in the unemployment trust fund;  
6 all moneys received from the Federal government as  
7 reimbursements pursuant to Section 204 of the Federal-State  
8 Extended Unemployment Compensation Act of 1970, as amended; all  
9 moneys credited to this State's account in the unemployment  
10 trust fund pursuant to Section 903 of the Federal Social  
11 Security Act, as amended; and all earnings of such property or  
12 securities and any interest earned upon any such moneys shall  
13 be paid or turned over to and held by the Director, as  
14 ex-officio custodian of the clearing account, the unemployment  
15 trust fund account and the benefit account, and by the State  
16 Treasurer, as ex-officio custodian of the special  
17 administrative account, separate and apart from all public  
18 moneys or funds of this State, as hereinafter provided. Such  
19 moneys shall be administered by the Director exclusively for  
20 the purposes of this Act.

21 No such moneys shall be paid or expended except upon the  
22 direction of the Director in accordance with such regulations  
23 as he shall prescribe pursuant to the provisions of this Act.

24 The State Treasurer shall be liable on his general official  
25 bond for the faithful performance of his duties in connection  
26 with the moneys in the special administrative account provided

1 for under this Act. Such liability on his official bond shall  
2 exist in addition to the liability upon any separate bond given  
3 by him. All sums recovered for losses sustained by the account  
4 shall be deposited in that account.

5 The Director shall be liable on his general official bond  
6 for the faithful performance of his duties in connection with  
7 the moneys in the clearing account, the benefit account and  
8 unemployment trust fund account provided for under this Act.  
9 Such liability on his official bond shall exist in addition to  
10 the liability upon any separate bond given by him. All sums  
11 recovered for losses sustained by any one of the accounts shall  
12 be deposited in the account that sustained such loss.

13 The Treasurer shall maintain for such moneys a special  
14 administrative account. The Director shall maintain for such  
15 moneys 3 separate accounts: a clearing account, a benefit  
16 account and an unemployment trust fund account. All moneys  
17 payable under this Act (except moneys requisitioned from this  
18 State's account in the unemployment trust fund and deposited in  
19 the benefit account and moneys directed for deposit into the  
20 Special Programs Fund provided for under Section 2107),  
21 including but not limited to moneys directed for transfer from  
22 the Master Bond Fund or the Title XII Interest Fund to this  
23 State's account in the unemployment trust fund, upon receipt  
24 thereof by the Director, shall be immediately deposited in the  
25 clearing account; provided, however, that, except as is  
26 otherwise provided in this Section, interest and penalties

1 shall not be deemed a part of the clearing account but shall be  
2 transferred immediately upon clearance thereof to the special  
3 administrative account; further provided that an amount not to  
4 exceed \$90,000,000 in payments attributable to the surcharge  
5 established pursuant to Section 1506.5, including any interest  
6 thereon, shall not be deemed a part of the clearing account but  
7 shall be transferred immediately upon clearance thereof to the  
8 Title XII Interest Fund.

9 After clearance thereof, all other moneys in the clearing  
10 account shall be immediately deposited by the Director with the  
11 Secretary of the Treasury of the United States of America to  
12 the credit of the account of this State in the unemployment  
13 trust fund, established and maintained pursuant to the Federal  
14 Social Security Act, as amended, except fund building receipts,  
15 which shall be deposited into the Master Bond Fund. The benefit  
16 account shall consist of all moneys requisitioned from this  
17 State's account in the unemployment trust fund. The moneys in  
18 the benefit account shall be expended in accordance with  
19 regulations prescribed by the Director and solely for the  
20 payment of benefits, refunds of contributions, interest and  
21 penalties under the provisions of the Act, the payment of  
22 health insurance in accordance with Section 410 of this Act,  
23 and the transfer or payment of funds to any Federal or State  
24 agency pursuant to reciprocal arrangements entered into by the  
25 Director under the provisions of Section 2700E, except that  
26 moneys credited to this State's account in the unemployment

1 trust fund pursuant to Section 903 of the Federal Social  
2 Security Act, as amended, shall be used exclusively as provided  
3 in subsection B. For purposes of this Section only, to the  
4 extent allowed by applicable legal requirements, the payment of  
5 benefits includes but is not limited to the payment of  
6 principal on any bonds issued pursuant to the Illinois  
7 Unemployment Insurance Trust Fund Financing Act, exclusive of  
8 any interest or administrative expenses in connection with the  
9 bonds. The Director shall, from time to time, requisition from  
10 the unemployment trust fund such amounts, not exceeding the  
11 amounts standing to the State's account therein, as he deems  
12 necessary solely for the payment of such benefits, refunds, and  
13 funds, for a reasonable future period. The Director, as  
14 ex-officio custodian of the benefit account, which shall be  
15 kept separate and apart from all other public moneys, shall  
16 issue ~~his checks for the~~ payment of such benefits, refunds,  
17 health insurance and funds solely from the moneys so received  
18 into the benefit account. However, after January 1, 1987, no  
19 payment check shall be drawn on such benefit account unless at  
20 the time of drawing there is sufficient money in the account to  
21 make the payment ~~pay the check~~. The Director shall retain in  
22 the clearing account an amount of interest and penalties equal  
23 to the amount of interest and penalties to be refunded from the  
24 benefit account. After clearance thereof, the amount so  
25 retained shall be immediately deposited by the Director, as are  
26 all other moneys in the clearing account, with the Secretary of

1 the Treasury of the United States. If, at any time, an  
2 insufficient amount of interest and penalties is available for  
3 retention in the clearing account, no refund of interest or  
4 penalties shall be made from the benefit account until a  
5 sufficient amount is available for retention and is so  
6 retained, or until the State Treasurer, upon the direction of  
7 the Director, transfers to the Director a sufficient amount  
8 from the special administrative account, for immediate deposit  
9 in the benefit account.

10 Any balance of moneys requisitioned from the unemployment  
11 trust fund which remains unclaimed or unpaid in the benefit  
12 account after the expiration of the period for which such sums  
13 were requisitioned shall either be deducted from estimates of  
14 and may be utilized for authorized expenditures during  
15 succeeding periods, or, in the discretion of the Director,  
16 shall be redeposited with the Secretary of the Treasury of the  
17 United States to the credit of the State's account in the  
18 unemployment trust fund.

19 Moneys in the clearing, benefit and special administrative  
20 accounts shall not be commingled with other State funds but  
21 they shall be deposited as required by law and maintained in  
22 separate accounts on the books of a savings and loan  
23 association or bank.

24 No bank or savings and loan association shall receive  
25 public funds as permitted by this Section, unless it has  
26 complied with the requirements established pursuant to Section

1 6 of "An Act relating to certain investments of public funds by  
2 public agencies", approved July 23, 1943, as now or hereafter  
3 amended.

4 B. Moneys credited to the account of this State in the  
5 unemployment trust fund by the Secretary of the Treasury of the  
6 United States pursuant to Section 903 of the Social Security  
7 Act may be requisitioned from this State's account and used as  
8 authorized by Section 903. Any interest required to be paid on  
9 advances under Title XII of the Social Security Act shall be  
10 paid in a timely manner and shall not be paid, directly or  
11 indirectly, by an equivalent reduction in contributions or  
12 payments in lieu of contributions from amounts in this State's  
13 account in the unemployment trust fund. Such moneys may be  
14 requisitioned and used for the payment of expenses incurred for  
15 the administration of this Act, but only pursuant to a specific  
16 appropriation by the General Assembly and only if the expenses  
17 are incurred and the moneys are requisitioned after the  
18 enactment of an appropriation law which:

19 1. Specifies the purpose or purposes for which such  
20 moneys are appropriated and the amount or amounts  
21 appropriated therefor;

22 2. Limits the period within which such moneys may be  
23 obligated to a period ending not more than 2 years after  
24 the date of the enactment of the appropriation law; and

25 3. Limits the amount which may be obligated during any  
26 fiscal year to an amount which does not exceed the amount

1           by which (a) the aggregate of the amounts transferred to  
2           the account of this State pursuant to Section 903 of the  
3           Social Security Act exceeds (b) the aggregate of the  
4           amounts used by this State pursuant to this Act and charged  
5           against the amounts transferred to the account of this  
6           State.

7           For purposes of paragraph (3) above, amounts obligated for  
8           administrative purposes pursuant to an appropriation shall be  
9           chargeable against transferred amounts at the exact time the  
10          obligation is entered into. The appropriation, obligation, and  
11          expenditure or other disposition of money appropriated under  
12          this subsection shall be accounted for in accordance with  
13          standards established by the United States Secretary of Labor.

14          Moneys appropriated as provided herein for the payment of  
15          expenses of administration shall be requisitioned by the  
16          Director as needed for the payment of obligations incurred  
17          under such appropriation. Upon requisition, such moneys shall  
18          be deposited with the State Treasurer, who shall hold such  
19          moneys, as ex-officio custodian thereof, in accordance with the  
20          requirements of Section 2103 and, upon the direction of the  
21          Director, shall make payments therefrom pursuant to such  
22          appropriation. Moneys so deposited shall, until expended,  
23          remain a part of the unemployment trust fund and, if any will  
24          not be expended, shall be returned promptly to the account of  
25          this State in the unemployment trust fund.

26          C. The Governor is authorized to apply to the United States

1 Secretary of Labor for an advance or advances to this State's  
2 account in the unemployment trust fund pursuant to the  
3 conditions set forth in Title XII of the Federal Social  
4 Security Act, as amended. The amount of any such advance may be  
5 repaid from this State's account in the unemployment trust  
6 fund.

7 D. The Director shall annually on or before the first day  
8 of March report in writing to the Employment Security Advisory  
9 Board concerning the deposits into and expenditures from this  
10 State's account in the Unemployment Trust Fund.

11 (Source: P.A. 93-634, eff. 1-1-04; 94-1083, eff. 1-19-07.)

12 (820 ILCS 405/2108 new)

13 Sec. 2108. Title XII Interest Fund. The Title XII Interest  
14 Fund shall be held separate and apart from all public moneys or  
15 funds of this State. Payments attributable to the surcharge  
16 established pursuant to Section 1506.5 in an amount not to  
17 exceed \$90,000,000 shall be deposited into the Title XII  
18 Interest Fund, together with any moneys that may otherwise be  
19 directed for deposit into that Fund. No such moneys shall be  
20 paid or expended except upon the direction of the Director who,  
21 as ex officio custodian of the Title XII Interest Fund, shall  
22 expend such moneys only for the payment of interest required to  
23 be paid on advances under Title XII of the Social Security Act  
24 or for transfer to this State's account in the unemployment  
25 trust fund. Any funds remaining in the Title XII Interest Fund

1 after payment of the interest due as of September 30, 2011, on  
2 advances under Title XII of the Social Security Act shall be  
3 transferred to this State's account in the unemployment trust  
4 fund no later than October 31, 2011.

5 Moneys in the Title XII Interest Fund shall not be  
6 commingled with other State funds, but they shall be deposited  
7 as required by law and maintained in a separate account on the  
8 books of a savings and loan association, bank, or other  
9 qualified financial institution. All interest earnings on  
10 amounts within the Title XII Interest Fund shall accrue to the  
11 Title XII Interest Fund. The Director shall be liable on her or  
12 his general official bond for the faithful performance of her  
13 or his duties in connection with the moneys in the Title XII  
14 Interest Fund. Such liability on her or his official bond shall  
15 exist in addition to the liability upon any separate bond given  
16 by her or him. All sums recovered for losses sustained by the  
17 Title XII Interest Fund shall be deposited into the Fund.

18 Section 95. Applicability. Section 1506.5 of the  
19 Unemployment Insurance Act and the changes made to Section  
20 1506.3 of the Unemployment Insurance Act apply retroactively to  
21 January 1, 2011, except that a payment which, as of the  
22 effective date of this Act, has already been made with respect  
23 to the first quarter of calendar year 2011 pursuant to the  
24 Unemployment Insurance Act as in effect immediately prior to  
25 the effective date of this Act shall be deposited as required

1 by the Unemployment Insurance Act as in effect immediately  
2 prior to the effective date of this Act.

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