

**2016 Ethics Officer Conference
April 5, 2016
Statements of Economic Interest,
New Forms and Procedures**

Materials:

- 1) **Presentation Slides**
- 2) **Section 20-23 of the State Officials and Employees Ethics Act (5 ILCS 430/20-23)**
- 3) **Article XIII, Section 2 of the State of Illinois Constitution of 1970 (Ill. Const. 1970, art. XIII, § 2)**
- 4) **Selections from the Illinois Governmental Ethics Act**
- 5) **2 Illinois Administrative Code Part 565, implementing Section 4A-105 of the Illinois Governmental Ethics Act**
- 6) **Statement of Economic Interests (Form)**
- 7) **House Bill 5579**
- 8) **Executive Order to Ensure Ethical and Responsive Government (Executive Order 15-09), effective February 15, 2015**
- 9) **Supplemental Statement of Economic Interest (Form, March 2016)**
- 10) **Frequently Asked Questions and Guidance**
- 11) **Illinois State Employees' Ass'n, v. Walker 57 Ill. 2d 512, 315 N.E.2d 9 (1974), cert. den. 419 U.S. 1058.**

**STATEMENTS
OF
ECONOMIC INTERESTS,
New Forms and Procedures**

April 5, 2016
2016 Ethics Officer Conference
Presented by Adam Alstott and Whitney Rosen

**STATEMENTS OF ECONOMIC
INTERESTS**

- Purposes
- History
- Current Process/Anticipated Changes

**Why Statements of
Economic Interests?**

Identify real or perceived conflicts of interest

Build trust in government

Foster an environment/culture of transparency

SECTION 2. STATEMENT OF ECONOMIC INTERESTS

All candidates for or holders of state offices and all members of a Commission or Board created by this Constitution shall file a verified statement of their economic interests, as provided by law. The General Assembly by law may impose a similar requirement upon candidates for, or holders of, offices in units of local government and school districts. Statements shall be filed annually with the Secretary of State and shall be available for inspection by the public. The General Assembly by law shall prescribe a reasonable time for filing the statement. Failure to file a statement within the time prescribed shall result in ineligibility for, or forfeiture of, office. This Section shall not be construed as limiting the authority of any branch of government to establish and enforce ethical standards for that branch.

(Ill. Const. 1970, art. XIII, section 2)

Illinois Governmental Ethics Act
Article 4A. Disclosure of Economic Interests

Requires elected or appointed officials, candidates and certain state employees with supervisory duties or authority over state contracts and funds to file Statements of Economic Disclosure

(5 ILCS 420/Art 4A)

Ethics Officers shall:

(2) review statements of economic interest and disclosure forms of officers, senior employees, and contract monitors before they are filed with the Secretary of State;

(5 ILCS 430/20-23)

THE ANNUAL PROCESS

- Late December, Secretary of State Index Department sends list of last year's filers to each agency
- By February 1, annually: Chief Administrative Officer certifies to the Secretary of State the names and mailing addresses of the persons required to file

- Around March 15: Blank statements and cover letters mailed to persons required to file.

(5 ILCS 420/4A-106)

- By May 1: Completed statements due at Index.

(5 ILCS 420/4A-105)

WHO IS REQUIRED TO FILE?

State Employee Filers:

Persons employed by the State, compensated as employees for services, who:

- Function as the "head" of a department, division, bureau, etc.
- Direct supervisory authority over or responsibility for contracts
- Authority for issuance or promulgation of rules or regulations
- Authority to approve professional licenses
- Responsibilities with respect to financial inspections of regulated nongovernmental entities
- Adjudicate, arbitrate, or decide judicial or administrative proceeding
- Supervise 20 or more State employees
- Responsibilities with respect to naming or sponsorship rights
- Responsibilities with respect to the procurement of goods or services

(5 ILCS 420/4A-101 (f))

Others Required to File:

- General Assembly members and candidates
- Elected Executive branch officials and candidates
- Members of and candidates for Boards or Commissions created by the Constitution

Others Filers continued...

- Persons whose appointment is subject to Senate confirmation
- Other persons particular to units of local government, school districts, pension and investment boards
- Special government agents

Other Filing Deadlines:

- New appointee or employee?
- Position subject to Senate confirmation?
- Special government agent?
- Candidate for elective office?

Penalties for Late Filing?

- Received on or before May 15:
\$15 late filing fee
- Received after May 15:
\$100 per day for each day from May 16 to the date of filing, in addition to the \$15 late filing fee.
- Received after June 1:
May result in forfeiture of office or position of employment

More Penalties?

Willfully filing a false or incomplete statement:

Class A Misdemeanor

(Fine not to exceed \$1,000, or imprisonment in a penal institution other than a penitentiary not to exceed one year, or both)

Need an Extension?

Process provided by rule at 2 Ill. Adm. Code 565

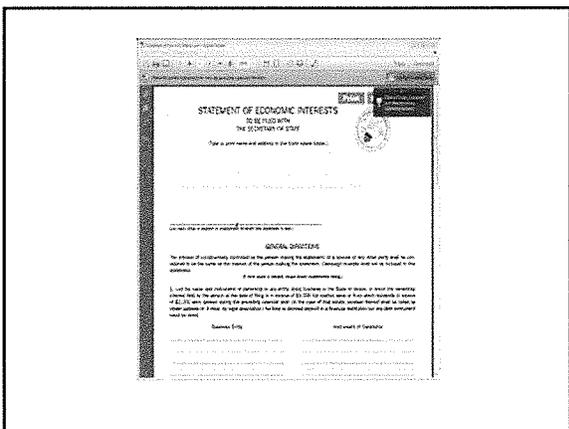
Contact the Secretary of State Index Department

Ethics Officers shall:

(2) review statements of economic interest and disclosure forms of officers, senior employees, and contract monitors before they are filed with the Secretary of State;

(5 ILCS 430/20-23)

The Statement



STATEMENT OF ECONOMIC INTERESTS
TO BE FILED WITH
THE SECRETARY OF STATE

(Type or print name and address in the blank space below)

List each office or position of employment for which this Statement is filed.

GENERAL DIRECTIONS

The interest (if constructively controlled by the person making the statement) of a spouse or any other party shall be considered to be the same as the interest of the person making the statement. Campaign receipts shall not be included in this statement.

If more space is needed, please attach supplemental listing.

If you control it, report it, even if it is in a spouse's name.

Statement 1: Investments

1. List the name and instrument of ownership in any entity doing business in the State of Illinois, in which the ownership interest held by the person at the date of filing is in excess of \$5,000 fair market value or from which dividends in excess of \$1,200 were derived during the preceding calendar year. (In the case of real estate, location thereof shall be listed by street address or, if none, by legal description.) No time or demand deposit in a financial institution nor any debt instrument need be listed.

Business Entity	Instrument of Ownership

Statement 2: Income from Professional Organizations

2. List the name, address and type of practice of any professional organization in which the person making the statement was an officer, director, associate, partner or proprietor, or served in any advisory capacity, from which income in excess of \$1,000 was derived during the preceding calendar year.

Name	Address	Type of Practice
_____	_____	_____
_____	_____	_____

Statement 3: Professional Services Rendered

3. List the nature of professional services rendered (other than to the State of Illinois) of each entry from which income exceeding \$5,000 was received for professional services rendered during the preceding calendar year by the person making the statement.

Statement 4: Capital Assets

4. List the identity (including the address or legal description of real estate) of any capital asset from which a capital gain of \$5,000 or more was realized during the preceding calendar year.

Statement 4: Associations with Lobbyists

5. List the identity of any compensated lobbyist with whom the person making the statement maintains a close economic relationship, including the name of the lobbyist and types of legislative matters or matters that are the subject of the lobbying activity, and describing the general type of economic activity of the client or principal on whose behalf that person is lobbying.

Lobbyist	Legislative Matter	Client or Principal
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

Statement 6: Other Income

6. List the name of any entity doing business in the State of Illinois from which income in excess of \$1,200 was derived during the preceding calendar year, other than for professional services, and the title or description of any position held in that entity. In the case of real estate, location thereof shall be noted by street address or, if none, by legal description. No name or demand deposit in a financial institution nor any other instrument need be listed.

Entity	Position Held
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

Statement 7: Other Government Employment

7. List the name of any unit of government that employed the person making the statement during the preceding calendar year other than the unit or units of government in relation to which the person is required to file.

Statement 8: Gifts

8. List the name of any entity from which a gift or gifts, or honorarium or honoraria, valued singly or in the aggregate in excess of \$500, was received during the preceding calendar year.

VERIFICATION

I declare that this Statement of Economic Interests, including any accompanying schedules and statements, has been examined by me and to the best of my knowledge and belief is a true, correct and complete statement of my economic interests as required by the Illinois Governmental Ethics Act. I understand that the penalty for willfully filing a false or incomplete statement shall be a fine not to exceed \$1,000 or imprisonment in a penal institution other than the penitentiary not to exceed one year, or both fine and imprisonment.

(Signature of declarant making statement) (Date)

NOTE: This statement must be filed in the Office of the Secretary of State, Index Department, Ethics Section, 311 E. Monroe, Springfield, IL 62756.

Public Act 99-0108?



Executive Order 15-09

Executive Order to Ensure
Ethical and Responsive Government

Components of Order

- Lobbying Revolving Door
- Additional Gift Ban and Travel Restrictions
- Supplemental Statement of Economic Interest
- Cooperation with Special Master
- Employment Contract Freeze

SSEI

- Who Must File?
 - “Each ‘State Employee’ that is required to file a Statement of Economic Interest”
 - For purposes of EO 15-09, “State Employee” covers employees, officers, or members under the jurisdiction of the Governor

SSEI

- When to file?
 - The Supplemental Statement Economic of Interest is due not later than May 1 of each year
 - Must notify the EEC in writing of any material change in circumstances that might change disclosure
- Where to file?
 - The Supplemental Statement of Economic Interest forms are filed with the Executive Ethics Commission, not the Secretary of State

SSEI

Electronic Filing

Administrative Database

SSEI

Disclosure 1

During the preceding calendar year, did you, your spouse, or minor child have a financial interest of greater than 5% in any real property for which the State of Illinois is a tenant, lessor or has some other ownership or beneficial interest? If yes, disclose the address and describe the nature of your interest in the real property. Do not include a primary personal residence.

Disclosure 1 Example

1629 South Grand Avenue West, Suite 101A, Springfield, Illinois, 62704, partner in a business that owns the property

SSEI

Disclosure 2

During the preceding calendar year, did you hold any non-governmental position(s) with any business entity, non-profit organization, labor group, educational institution, or other entity of any type? If yes, disclose the name of entity, the non-governmental position, the nature of compensation, and estimate whether you received no income or value, income or value of less than \$5,000, or income or value equal to or greater than \$5,000.

SSEI

SSEI Disclosure 2, Definitions:

"Non-governmental position" means a director or officer of a for-profit or not-for-profit entity. It includes employees, directors and officers and partners of corporations, LLCs and similar. It includes board members and officers of charitable organizations. It does not include mere membership in these organizations.

"Nature of compensation" means a general description of any benefit for service in the non-governmental position, including monetary and non-monetary items. Examples include but are not limited to monetary items such as salary, consulting fees, partnership share, sales commissions, profit sharing, retirement plans/accounts; non-monetary perks such as a company-paid vehicle, stock options, company-paid housing; or whether the position is on a volunteer basis without compensation. "Nature of compensation" does not require the listing of a dollar amount of money.

SSEI

SSEI Disclosure 2, Definitions:

“Compensation Amount” means an estimate of whether no income, a value of less than, equal to, or greater than \$5,000 was received for the non-governmental position during the preceding calendar year. “Compensation Amount” does not require the listing of a dollar amount of money.

SSEI

Disclosure 2 Example 1

Name of entity: Springpatch Theater Group
Nongovernmental Position: Board of Managers, Treasurer
Compensation Amount: Volunteer
Compensation Amount: No income or value

Disclosure 2 Example 2

Name of Entity: Barnes and Noble Bookstore
Non-governmental Position: Sales clerk
Nature of compensation: Hourly wages
Compensation Amount: Income or value equal to or greater than \$5,000

SSEI

Disclosure 3

During the preceding calendar year, were you a party to, or have a financial interest in, any litigation involving the State of Illinois or any entity with a relationship with the State of Illinois? If yes, identify the case name(s) and the court in which the case is or was pending.

SSEI

Disclosure 3 Definitions

"Litigation" includes litigation involving the State of Illinois or any entity with a relationship with the State of Illinois, where you were named as a party in your personal capacity or have a financial interest in that litigation. Do not include litigation where you were named as a plaintiff or defendant in your capacity as an employee or officer of the State of Illinois.

"State of Illinois" includes all officers, departments, boards, commissions, agencies, institutions, authorities, universities, whether in the executive, legislative or judicial branch, and administrative units or corporate outgrowths of the State government which are created by or pursuant to statute. "State of Illinois" does not include units of local government and their officers, school districts and boards of election commissioners.

"Entity with a relationship with the State of Illinois" means an entity that has a contract or grant or a direct pecuniary interest in a contract or grant with or from the State of Illinois.

SSEI

Disclosure 3 Example

Case Name: Taylor v. State of Illinois

Court: Sangamon County Circuit Court

For additional information:

Executive Ethics Commission Website:

<http://www.illinois.gov/eec/ExecutiveOrder/Pages/HOME.aspx>

Click on the "Training and FAQs" icon on the bottom of the page--
2013 Statement of Economic Interest Video

Executive Ethics Commission
401 S. Spring
513 William Stratton Building
Springfield, Illinois 62706
Voice: (217) 558-1393
Fax: (217) 558-1399
eec.cms@illinois.gov

State Officials and Employees Ethics Act (5 ILCS 430)

(5 ILCS 430/20-23)

Sec. 20-23. Ethics Officers. Each officer and the head of each State agency under the jurisdiction of the Executive Ethics Commission shall designate an Ethics Officer for the office or State agency. The board of each Regional Transit Board shall designate an Ethics Officer. Ethics Officers shall:

(1) act as liaisons between the State agency or Regional Transit Board and the appropriate Executive Inspector General and between the State agency or Regional Transit Board and the Executive Ethics Commission;

(2) review statements of economic interest and disclosure forms of officers, senior employees, and contract monitors before they are filed with the Secretary of State; and

(3) provide guidance to officers and employees in the interpretation and implementation of this Act, which the officer or employee may in good faith rely upon. Such guidance shall be based, whenever possible, upon legal precedent in court decisions, opinions of the Attorney General, and the findings and opinions of the Executive Ethics Commission.

(Source: P.A. 96-1528, eff. 7-1-11.)

State of Illinois Constitution of 1970 (Ill. Const. 1970, art. XIII, § 2)

SECTION 2. STATEMENT OF ECONOMIC INTERESTS

All candidates for or holders of state offices and all members of a Commission or Board created by this Constitution shall file a verified statement of their economic interests, as provided by law. The General Assembly by law may impose a similar requirement upon candidates for, or holders of, offices in units of local government and school districts. Statements shall be filed annually with the Secretary of State and shall be available for inspection by the public. The General Assembly by law shall prescribe a reasonable time for filing the statement. Failure to file a statement within the time prescribed shall result in ineligibility for, or forfeiture of, office. This Section shall not be construed as limiting the authority of any branch of government to establish and enforce ethical standards for that branch.

(Source: Illinois Constitution.)

GENERAL PROVISIONS
(5 ILCS 420/) Illinois Governmental Ethics Act.

(5 ILCS 420/Art. 1 heading)

ARTICLE 1. SHORT TITLE. DEFINITIONS

(5 ILCS 420/1-101) (from Ch. 127, par. 601-101)

Sec. 1-101. This Act shall be known and may be cited as the "Illinois Governmental Ethics Act."

(Source: Laws 1967, p. 3401.)

(5 ILCS 420/1-102) (from Ch. 127, par. 601-102)

Sec. 1-102. As used in this Act, unless the context otherwise requires, the terms described in this Article have the meanings ascribed to them in this Article.

(Source: P.A. 88-605, eff. 9-1-94.)

(5 ILCS 420/1-104) (from Ch. 127, par. 601-104)

Sec. 1-104. "Compensation" means any money, thing of value, or economic benefit conferred on, or received by, any person in return for services rendered, or to be rendered, by himself or another.

(Source: Laws 1967, p. 3401.)

(5 ILCS 420/1-105) (from Ch. 127, par. 601-105)

Sec. 1-105. "Economic opportunity" means any purchase, sale, lease, contract, option, or other transaction or arrangement involving property or services wherein a legislator may gain an economic benefit. The term shall not include gifts.

(Source: Laws 1967, p. 3401.)

(5 ILCS 420/1-106) (from Ch. 127, par. 601-106)

Sec. 1-106. "Legislative interest" means a substantial economic interest, distinct from that of the general public, in one or more legislative matters.

(Source: Laws 1967, p. 3401.)

(5 ILCS 420/1-107) (from Ch. 127, par. 601-107)

Sec. 1-107. "Legislative matter" means any bill, resolution, nomination, or other issue or proposal pending before the General Assembly or any committee, sub-committee, or commission thereof.

(Source: Laws 1967, p. 3401.)

(5 ILCS 420/1-108) (from Ch. 127, par. 601-108)

Sec. 1-108. "Legislator" means a member or member-elect of the General Assembly.

(Source: Laws 1967, p. 3401.)

(5 ILCS 420/1-109) (from Ch. 127, par. 601-109)

Sec. 1-109. "Lobbying" means promoting or opposing in any manner the passage by the General Assembly of any legislative matter affecting the interests of any individual, association or corporation as distinct from those of the people of the State as a whole.

(Source: Laws 1967, p. 3401.)

(5 ILCS 420/1-110) (from Ch. 127, par. 601-110)

Sec. 1-110. "Lobbyist" means any person required to be registered under "An Act concerning lobbying and providing a penalty for violation thereof", approved July 10, 1957, as amended.

(Source: Laws 1967, p. 3401.)

(5 ILCS 420/1-111) (from Ch. 127, par. 601-111)

Sec. 1-111. "Person" or "entity" means an individual, proprietorship, partnership, association, trust, estate, business trust, group, or corporation, whether or not operated for profit, or a governmental agency, unit, or subdivision.

(Source: Laws 1967, p. 3401.)

(5 ILCS 420/1-112) (from Ch. 127, par. 601-112)

Sec. 1-112. "Person with whom the legislator maintains a close economic association" means a person associated with the legislator in a partnership, association or professional service corporation, whether as partner, officer, employee, associate, or otherwise.

(Source: Laws 1967, p. 3401.)

(5 ILCS 420/1-113) (from Ch. 127, par. 601-113)

Sec. 1-113. "Representation case" means the professional representation of any person, client or principal, with or without compensation, in any matter before any State agency where the action or non-action of the State agency involves the exercise of substantial discretion. However, the term shall not include inquiries for information or other services rendered in a legislative capacity on behalf of a constituent or other member of the public.

(Source: Laws 1967, p. 3401.)

(5 ILCS 420/1-114) (from Ch. 127, par. 601-114)

Sec. 1-114. "State agency" means any department, office, commission, board or authority within the Executive Department, and includes State-supported universities and colleges and the Illinois Building Authority.

(Source: Laws 1967, p. 3401.)

(5 ILCS 420/1-115) (from Ch. 127, par. 601-115)

Sec. 1-115.

"Instrument of Ownership" means deeds, common or preferred stock certificates, rights, warrants, options, bills of sale, contracts, interests in proprietorships, partnerships and joint ventures, and beneficial interests in trusts or land trusts.

(Source: P.A. 77-1806.)

(5 ILCS 420/1-116) (from Ch. 127, par. 601-116)

Sec. 1-116.

"Professional services" means services rendered in the practice of law, accounting, engineering, medicine, architecture, dentistry or clinical psychology.

(Source: P.A. 77-1806.)

(5 ILCS 420/1-120)

Sec. 1-120. Unit of local government. "Unit of local government" has the meaning ascribed to it in Section 1 of Article VII of the Illinois Constitution and also includes school districts and community college districts.

(Source: P.A. 88-605, eff. 9-1-94.)

ARTICLE 4A. DISCLOSURE OF ECONOMIC INTERESTS

(5 ILCS 420/4A-101) (from Ch. 127, par. 604A-101)

Sec. 4A-101. Persons required to file. The following persons shall file verified written statements of economic interests, as provided in this Article:

(a) Members of the General Assembly and candidates for nomination or election to the General Assembly.

(b) Persons holding an elected office in the Executive Branch of this State, and candidates for nomination or election to these offices.

(c) Members of a Commission or Board created by the Illinois Constitution, and candidates for nomination or election to such Commission or Board.

(d) Persons whose appointment to office is subject to confirmation by the Senate and persons appointed by the Governor to any other position on a board or commission described in subsection (a) of Section 15 of the Gubernatorial Boards and Commissions Act.

(e) Holders of, and candidates for nomination or election to, the office of judge or associate judge of the Circuit Court and the office of judge of the Appellate or Supreme Court.

(f) Persons who are employed by any branch, agency, authority or board of the government of this State, including but not limited to, the Illinois State Toll Highway Authority, the Illinois Housing Development Authority, the Illinois Community College Board, and institutions under the jurisdiction of the Board of Trustees of the University of Illinois, Board of Trustees of Southern Illinois University, Board of Trustees of Chicago State University, Board of Trustees of Eastern Illinois University, Board of Trustees of Governor's State University, Board of Trustees of Illinois State University, Board of Trustees of Northeastern Illinois University, Board of Trustees of Northern Illinois University, Board of Trustees of Western Illinois University, or Board of Trustees of the Illinois Mathematics and Science Academy, and are compensated for services as employees and not as independent contractors and who:

(1) are, or function as, the head of a department, commission, board, division, bureau, authority or other administrative unit within the government of this State, or who exercise similar authority within the government of this State;

(2) have direct supervisory authority over, or direct responsibility for the formulation,

negotiation, issuance or execution of contracts entered into by the State in the amount of \$5,000 or more;

(3) have authority for the issuance or promulgation of rules and regulations within areas under the authority of the State;

(4) have authority for the approval of professional licenses;

(5) have responsibility with respect to the financial inspection of regulated nongovernmental entities;

(6) adjudicate, arbitrate, or decide any judicial or administrative proceeding, or review the adjudication, arbitration or decision of any judicial or administrative proceeding within the authority of the State;

(7) have supervisory responsibility for 20 or more employees of the State;

(8) negotiate, assign, authorize, or grant naming rights or sponsorship rights regarding any property or asset of the State, whether real, personal, tangible, or intangible; or

(9) have responsibility with respect to the procurement of goods or services.

(g) Persons who are elected to office in a unit of local government, and candidates for nomination or election to that office, including regional superintendents of school districts.

(h) Persons appointed to the governing board of a unit of local government, or of a special district, and persons appointed to a zoning board, or zoning board of appeals, or to a regional, county, or municipal plan commission, or to a board of review of any county, and persons appointed to the Board of the Metropolitan Pier and Exposition Authority and any Trustee appointed under Section 22 of the Metropolitan Pier and Exposition Authority Act, and persons appointed to a board or commission of a unit of local government who have authority to authorize the expenditure of public funds. This subsection does not apply to members of boards or commissions who function in an advisory capacity.

(i) Persons who are employed by a unit of local government and are compensated for services as employees and not as independent contractors and who:

(1) are, or function as, the head of a department, division, bureau, authority or other administrative unit within the unit of local government, or who exercise similar authority within the unit of local government;

(2) have direct supervisory authority over, or direct responsibility for the formulation, negotiation, issuance or execution of contracts entered into by the unit of local government in the amount of \$1,000 or greater;

(3) have authority to approve licenses and permits by the unit of local government; this item does not include employees who function in a

ministerial capacity;

(4) adjudicate, arbitrate, or decide any judicial or administrative proceeding, or review the adjudication, arbitration or decision of any judicial or administrative proceeding within the authority of the unit of local government;

(5) have authority to issue or promulgate rules and regulations within areas under the authority of the unit of local government; or

(6) have supervisory responsibility for 20 or more employees of the unit of local government.

(j) Persons on the Board of Trustees of the Illinois Mathematics and Science Academy.

(k) Persons employed by a school district in positions that require that person to hold an administrative or a chief school business official endorsement.

(l) Special government agents. A "special government agent" is a person who is directed, retained, designated, appointed, or employed, with or without compensation, by or on behalf of a statewide executive branch constitutional officer to make an ex parte communication under Section 5-50 of the State Officials and Employees Ethics Act or Section 5-165 of the Illinois Administrative Procedure Act.

(m) Members of the board of commissioners of any flood prevention district created under the Flood Prevention District Act or the Beardstown Regional Flood Prevention District Act.

(n) Members of the board of any retirement system or investment board established under the Illinois Pension Code, if not required to file under any other provision of this Section.

(o) Members of the board of any pension fund established under the Illinois Pension Code, if not required to file under any other provision of this Section.

(p) Members of the investment advisory panel created under Section 20 of the Illinois Prepaid Tuition Act.

This Section shall not be construed to prevent any unit of local government from enacting financial disclosure requirements that mandate more information than required by this Act.

(Source: P.A. 96-6, eff. 4-3-09; 96-543, eff. 8-17-09; 96-555, eff. 8-18-09; 96-1000, eff. 7-2-10; 97-309, eff. 8-11-11; 97-754, eff. 7-6-12.)

(5 ILCS 420/4A-102) (from Ch. 127, par. 604A-102)

Sec. 4A-102. The statement of economic interests required by this Article shall include the economic interests of the person making the statement as provided in this Section. The interest (if constructively controlled by the person making the statement) of a spouse or any other party, shall be considered to be the same as the interest of the person making the statement. Campaign receipts shall not be included in this statement.

(a) The following interests shall be listed by all

persons required to file:

(1) The name, address and type of practice of any professional organization or individual professional practice in which the person making the statement was an officer, director, associate, partner or proprietor, or served in any advisory capacity, from which income in excess of \$1200 was derived during the preceding calendar year;

(2) The nature of professional services (other than services rendered to the unit or units of government in relation to which the person is required to file) and the nature of the entity to which they were rendered if fees exceeding \$5,000 were received during the preceding calendar year from the entity for professional services rendered by the person making the statement.

(3) The identity (including the address or legal description of real estate) of any capital asset from which a capital gain of \$5,000 or more was realized in the preceding calendar year.

(4) The name of any unit of government which has employed the person making the statement during the preceding calendar year other than the unit or units of government in relation to which the person is required to file.

(5) The name of any entity from which a gift or gifts, or honorarium or honoraria, valued singly or in the aggregate in excess of \$500, was received during the preceding calendar year.

(b) The following interests shall also be listed by persons listed in items (a) through (f), item (l), item (n), and item (p) of Section 4A-101:

(1) The name and instrument of ownership in any entity doing business in the State of Illinois, in which an ownership interest held by the person at the date of filing is in excess of \$5,000 fair market value or from which dividends of in excess of \$1,200 were derived during the preceding calendar year. (In the case of real estate, location thereof shall be listed by street address, or if none, then by legal description). No time or demand deposit in a financial institution, nor any debt instrument need be listed;

(2) Except for professional service entities, the name of any entity and any position held therein from which income of in excess of \$1,200 was derived during the preceding calendar year, if the entity does business in the State of Illinois. No time or demand deposit in a financial institution, nor any debt instrument need be listed.

(3) The identity of any compensated lobbyist with whom the person making the statement maintains a close economic association, including the name of the lobbyist and specifying the legislative matter or matters which are the object of the lobbying activity, and describing the general type of economic activity of the client or principal on whose behalf that person is lobbying.

(c) The following interests shall also be listed by persons listed in items (g), (h), (i), and (o) of Section 4A-101:

(1) The name and instrument of ownership in any entity doing business with a unit of local government in relation to which the person is required to file if the ownership interest of the person filing is greater than \$5,000 fair market value as of the date of filing or if dividends in excess of \$1,200 were received from the entity during the preceding calendar year. (In the case of real estate, location thereof shall be listed by street address, or if none, then by legal description). No time or demand deposit in a financial institution, nor any debt instrument need be listed.

(2) Except for professional service entities, the name of any entity and any position held therein from which income in excess of \$1,200 was derived during the preceding calendar year if the entity does business with a unit of local government in relation to which the person is required to file. No time or demand deposit in a financial institution, nor any debt instrument need be listed.

(3) The name of any entity and the nature of the governmental action requested by any entity which has applied to a unit of local government in relation to which the person must file for any license, franchise or permit for annexation, zoning or rezoning of real estate during the preceding calendar year if the ownership interest of the person filing is in excess of \$5,000 fair market value at the time of filing or if income or dividends in excess of \$1,200 were received by the person filing from the entity during the preceding calendar year.

For the purposes of this Section, the unit of local government in relation to which a person required to file under item (o) of Section 4A-101 shall be the unit of local government that contributes to the pension fund of which such person is a member of the board.

(Source: P.A. 96-6, eff. 4-3-09; 97-754, eff. 7-6-12.)

(5 ILCS 420/4A-103) (from Ch. 127, par. 604A-103)

Sec. 4A-103. The statement of economic interests required by this Article to be filed with the Secretary of State shall be filled in by typewriting or hand printing, shall be verified, dated, and signed by the person making the statement and shall contain substantially the following:

STATEMENT OF ECONOMIC INTEREST
(TYPE OR HAND PRINT)

.....
(name)

.....
(each office or position of employment for which this statement is filed)

.....
(full mailing address)

GENERAL DIRECTIONS:

The interest (if constructively controlled by the person

making the statement) of a spouse or any other party, shall be considered to be the same as the interest of the person making the statement.

Campaign receipts shall not be included in this statement.

If additional space is needed, please attach supplemental listing.

1. List the name and instrument of ownership in any entity doing business in the State of Illinois, in which the ownership interest held by the person at the date of filing is in excess of \$5,000 fair market value or from which dividends in excess of \$1,200 were derived during the preceding calendar year. (In the case of real estate, location thereof shall be listed by street address, or if none, then by legal description.) No time or demand deposit in a financial institution, nor any debt instrument need be listed.

Business Entity	Instrument of Ownership
.....
.....
.....
.....

2. List the name, address and type of practice of any professional organization in which the person making the statement was an officer, director, associate, partner or proprietor or served in any advisory capacity, from which income in excess of \$1,200 was derived during the preceding calendar year.

Name	Address	Type of Practice
.....
.....
.....

3. List the nature of professional services rendered (other than to the State of Illinois) to each entity from which income exceeding \$5,000 was received for professional services rendered during the preceding calendar year by the person making the statement.

.....
.....

4. List the identity (including the address or legal description of real estate) of any capital asset from which a capital gain of \$5,000 or more was realized during the preceding calendar year.

.....
.....

5. List the identity of any compensated lobbyist with whom the person making the statement maintains a close economic association, including the name of the lobbyist and specifying the legislative matter or matters which are the object of the lobbying activity, and describing the general type of economic activity of the client or principal on whose behalf that person is lobbying.

Lobbyist	Legislative Matter	Client or Principal
.....
.....

6. List the name of any entity doing business in the State of Illinois from which income in excess of \$1,200 was derived during the preceding calendar year other than for professional services and the title or description of any position held in

that entity. (In the case of real estate, location thereof shall be listed by street address, or if none, then by legal description). No time or demand deposit in a financial institution nor any debt instrument need be listed.

Entity	Position Held
.....
.....
.....

7. List the name of any unit of government which employed the person making the statement during the preceding calendar year other than the unit or units of government in relation to which the person is required to file.

.....
.....

8. List the name of any entity from which a gift or gifts, or honorarium or honoraria, valued singly or in the aggregate in excess of \$500, was received during the preceding calendar year.

.....

VERIFICATION:

"I declare that this statement of economic interests (including any accompanying schedules and statements) has been examined by me and to the best of my knowledge and belief is a true, correct and complete statement of my economic interests as required by the Illinois Governmental Ethics Act. I understand that the penalty for willfully filing a false or incomplete statement shall be a fine not to exceed \$1,000 or imprisonment in a penal institution other than the penitentiary not to exceed one year, or both fine and imprisonment."

.....
(date of filing) (signature of person making the statement)
(Source: P.A. 95-173, eff. 1-1-08.)

(5 ILCS 420/4A-104) (from Ch. 127, par. 604A-104)

Sec. 4A-104. The statement of economic interests required by this Article to be filed with the county clerk shall be filled in by typewriting or hand printing, shall be verified, dated, and signed by the person making the statement and shall contain substantially the following:

STATEMENT OF ECONOMIC INTERESTS
(TYPE OR HAND PRINT)

.....
(Name)

.....
(each office or position of employment for which this statement is filed) .
(full mailing address)

GENERAL DIRECTIONS:

The interest (if constructively controlled by the person making the statement) of a spouse or any other party, shall be considered to be the same as the interest of the person making the statement.

Campaign receipts shall not be included in this statement.

If additional space is needed, please attach supplemental listing.

1. List the name and instrument of ownership in any entity

doing business with a unit of local government in relation to which the person is required to file, in which the ownership interest held by the person at the date of filing is in excess of \$5,000 fair market value or from which dividends in excess of \$1,200 were received during the preceding calendar year. (In the case of real estate, location thereof shall be listed by street address, or if none, then by legal description.) No time or demand deposit in a financial institution, nor any debt instrument shall be listed.

Business Entity	Instrument of Ownership	Position of Management
.....
.....
.....

2. List the name, address and type of practice of any professional organization in which the person making the statement was an officer, director, associate, partner or proprietor, or served in any advisory capacity, from which income in excess of \$1,200 was derived during the preceding calendar year.

Name	Address	Type of Practice
.....
.....
.....

3. List the nature of professional services rendered (other than to the unit or units of local government in relation to which the person is required to file) to each entity from which income exceeding \$5,000 was received for professional services rendered during the preceding calendar year by the person making the statement.

.....
.....

4. List the identity (including the address or legal description of real estate) of any capital asset from which a capital gain of \$5,000 or more was realized during the preceding calendar year.

.....
.....
.....

5. List the name of any entity and the nature of the governmental action requested by any entity which has applied to a unit of local government in relation to which the person must file for any license, franchise or permit for annexation, zoning or rezoning of real estate during the preceding calendar year if the ownership interest of the person filing is in excess of \$5,000 fair market value at the time of filing or if income or dividends in excess of \$1200 were received by the person filing from the entity during the preceding calendar year.

.....
.....
.....

6. List the name of any entity doing business with a unit of local government in relation to which the person is required to file from which income in excess of \$1,200 was derived during the preceding calendar year other than for professional services and the title or description of any

position held in that entity. No time or demand deposit in a financial institution nor any debt instrument need be listed.

.....
.....

7. List the name of any unit of government which employed the person making the statement during the preceding calendar year other than the unit or units of government in relation to which the person is required to file.

.....
.....

8. List the name of any entity from which a gift or gifts, or honorarium or honoraria, valued singly or in the aggregate in excess of \$500, was received during the preceding calendar year.

.....
VERIFICATION:

"I declare that this statement of economic interests (including any accompanying schedules and statements) has been examined by me and to the best of my knowledge and belief is a true, correct and complete statement of my economic interests as required by the Illinois Governmental Ethics Act. I understand that the penalty for willfully filing a false or incomplete statement shall be a fine not to exceed \$1,000 or imprisonment in a penal institution other than the penitentiary not to exceed one year, or both fine and imprisonment."

.....
(date of filing) (signature of person making the statement)
(Source: P.A. 95-173, eff. 1-1-08.)

(5 ILCS 420/4A-105) (from Ch. 127, par. 604A-105)

Sec. 4A-105. Time for filing. Except as provided in Section 4A-106.1, by May 1 of each year a statement must be filed by each person whose position at that time subjects him to the filing requirements of Section 4A-101 unless he has already filed a statement in relation to the same unit of government in that calendar year.

Statements must also be filed as follows:

(a) A candidate for elective office shall file his statement not later than the end of the period during which he can take the action necessary under the laws of this State to attempt to qualify for nomination, election, or retention to such office if he has not filed a statement in relation to the same unit of government within a year preceding such action.

(b) A person whose appointment to office is subject to confirmation by the Senate shall file his statement at the time his name is submitted to the Senate for confirmation.

(b-5) A special government agent, as defined in item (1) of Section 4A-101 of this Act, shall file a statement within 30 days after making the first ex parte communication and each May 1 thereafter if he or she has made an ex parte communication within the previous 12 months.

(c) Any other person required by this Article to file the statement shall file a statement at the time of his or

her initial appointment or employment in relation to that unit of government if appointed or employed by May 1.

If any person who is required to file a statement of economic interests fails to file such statement by May 1 of any year, the officer with whom such statement is to be filed under Section 4A-106 of this Act shall, within 7 days after May 1, notify such person by certified mail of his or her failure to file by the specified date. Except as may be prescribed by rule of the Secretary of State, such person shall file his or her statement of economic interests on or before May 15 with the appropriate officer, together with a \$15 late filing fee. Any such person who fails to file by May 15 shall be subject to a penalty of \$100 for each day from May 16 to the date of filing, which shall be in addition to the \$15 late filing fee specified above. Failure to file by May 31 shall result in a forfeiture in accordance with Section 4A-107 of this Act.

Any person who takes office or otherwise becomes required to file a statement of economic interests within 30 days prior to May 1 of any year may file his or her statement at any time on or before May 31 without penalty. If such person fails to file such statement by May 31, the officer with whom such statement is to be filed under Section 4A-106 of this Act shall, within 7 days after May 31, notify such person by certified mail of his or her failure to file by the specified date. Such person shall file his or her statement of economic interests on or before June 15 with the appropriate officer, together with a \$15 late filing fee. Any such person who fails to file by June 15 shall be subject to a penalty of \$100 per day for each day from June 16 to the date of filing, which shall be in addition to the \$15 late filing fee specified above. Failure to file by June 30 shall result in a forfeiture in accordance with Section 4A-107 of this Act.

All late filing fees and penalties collected pursuant to this Section shall be paid into the General Revenue Fund in the State treasury, if the Secretary of State receives such statement for filing, or into the general fund in the county treasury, if the county clerk receives such statement for filing. The Attorney General, with respect to the State, and the several State's Attorneys, with respect to counties, shall take appropriate action to collect the prescribed penalties.

Failure to file a statement of economic interests within the time prescribed shall not result in a fine or ineligibility for, or forfeiture of, office or position of employment, as the case may be; provided that the failure to file results from not being included for notification by the appropriate agency, clerk, secretary, officer or unit of government, as the case may be, and that a statement is filed within 30 days of actual notice of the failure to file.

Beginning with statements required to be filed on or after May 1, 2009, the officer with whom a statement is to be filed may, in his or her discretion, waive the late filing fee, the monetary late filing penalty, and the ineligibility for or forfeiture of office or position for failure to file when the person's late filing of a statement or failure to file a statement is due to his or her (i) serious or catastrophic illness that renders the person temporarily incapable of

completing the statement or (ii) military service.
(Source: P.A. 96-550, eff. 8-17-09.)

(5 ILCS 420/4A-106) (from Ch. 127, par. 604A-106)

Sec. 4A-106. The statements of economic interests required of persons listed in items (a) through (f), item (j), item (l), item (n), and item (p) of Section 4A-101 shall be filed with the Secretary of State. The statements of economic interests required of persons listed in items (g), (h), (i), (k), and (o) of Section 4A-101 shall be filed with the county clerk of the county in which the principal office of the unit of local government with which the person is associated is located. If it is not apparent which county the principal office of a unit of local government is located, the chief administrative officer, or his or her designee, has the authority, for purposes of this Act, to determine the county in which the principal office is located. On or before February 1 annually, (1) the chief administrative officer of any State agency in the executive, legislative, or judicial branch employing persons required to file under item (f) or item (l) of Section 4A-101 and the chief administrative officer of a board or panel described in item (n) or (p) of Section 4A-101 shall certify to the Secretary of State the names and mailing addresses of those persons, and (2) the chief administrative officer, or his or her designee, of each unit of local government with persons described in items (h), (i) and (k) and a board described in item (o) of Section 4A-101 shall certify to the appropriate county clerk a list of names and addresses of persons described in items (h), (i), (k), and (o) of Section 4A-101 that are required to file. In preparing the lists, each chief administrative officer, or his or her designee, shall set out the names in alphabetical order.

On or before April 1 annually, the Secretary of State shall notify (1) all persons whose names have been certified to him under items (f), (l), (n), and (p) of Section 4A-101, and (2) all persons described in items (a) through (e) and item (j) of Section 4A-101, other than candidates for office who have filed their statements with their nominating petitions, of the requirements for filing statements of economic interests. A person required to file with the Secretary of State by virtue of more than one item among items (a) through (f) and items (j), (l), (n), and (p) shall be notified of and is required to file only one statement of economic interests relating to all items under which the person is required to file with the Secretary of State.

On or before April 1 annually, the county clerk of each county shall notify all persons whose names have been certified to him under items (g), (h), (i), (k), and (o) of Section 4A-101, other than candidates for office who have filed their statements with their nominating petitions, of the requirements for filing statements of economic interests. A person required to file with a county clerk by virtue of more than one item among items (g), (h), (i), (k), and (o) shall be notified of and is required to file only one statement of economic interests relating to all items under which the person is required to file with that county clerk.

Except as provided in Section 4A-106.1, the notices provided for in this Section shall be in writing and deposited in the U.S. Mail, properly addressed, first class postage prepaid, on or before the day required by this Section for the sending of the notice. Alternatively, a county clerk may send the notices electronically to all persons whose names have been thus certified to him under item (h), (i), or (k) of Section 4A-101. A certificate executed by the Secretary of State or county clerk attesting that he or she has sent the notice by the means permitted by this Section constitutes prima facie evidence thereof.

From the lists certified to him under this Section of persons described in items (g), (h), (i), (k), and (o) of Section 4A-101, the clerk of each county shall compile an alphabetical listing of persons required to file statements of economic interests in his office under any of those items. As the statements are filed in his office, the county clerk shall cause the fact of that filing to be indicated on the alphabetical listing of persons who are required to file statements. Within 30 days after the due dates, the county clerk shall mail to the State Board of Elections a true copy of that listing showing those who have filed statements.

The county clerk of each county shall note upon the alphabetical listing the names of all persons required to file a statement of economic interests who failed to file a statement on or before May 1. It shall be the duty of the several county clerks to give notice as provided in Section 4A-105 to any person who has failed to file his or her statement with the clerk on or before May 1.

Any person who files or has filed a statement of economic interest under this Act is entitled to receive from the Secretary of State or county clerk, as the case may be, a receipt indicating that the person has filed such a statement, the date of such filing, and the identity of the governmental unit or units in relation to which the filing is required.

The Secretary of State may employ such employees and consultants as he considers necessary to carry out his duties hereunder, and may prescribe their duties, fix their compensation, and provide for reimbursement of their expenses.

All statements of economic interests filed under this Section shall be available for examination and copying by the public at all reasonable times. Not later than 12 months after the effective date of this amendatory Act of the 93rd General Assembly, beginning with statements filed in calendar year 2004, the Secretary of State shall make statements of economic interests filed with the Secretary available for inspection and copying via the Secretary's website.

(Source: P.A. 96-6, eff. 4-3-09; 96-1336, eff. 1-1-11; 97-754, eff. 7-6-12.)

(5 ILCS 420/4A-106.1)

Sec. 4A-106.1. 1994 school district and community college district filings. Elected officials and appointed officials of school districts and community college districts required to file statements of economic interests in calendar year 1994 shall file those statements by October 1, 1994 rather than May 1, 1994.

(Source: P.A. 88-605, eff. 9-1-94.)

(5 ILCS 420/4A-107) (from Ch. 127, par. 604A-107)

Sec. 4A-107. Any person required to file a statement of economic interests under this Article who willfully files a false or incomplete statement shall be guilty of a Class A misdemeanor.

Except when the fees and penalties for late filing have been waived under Section 4A-105, failure to file a statement within the time prescribed shall result in ineligibility for, or forfeiture of, office or position of employment, as the case may be; provided, however, that if the notice of failure to file a statement of economic interests provided in Section 4A-105 of this Act is not given by the Secretary of State or the county clerk, as the case may be, no forfeiture shall result if a statement is filed within 30 days of actual notice of the failure to file. The Secretary of State shall provide the Attorney General with the names of persons who failed to file a statement. The county clerk shall provide the State's Attorney of the county of the entity for which the filing of statement of economic interest is required with the name of persons who failed to file a statement.

The Attorney General, with respect to offices or positions described in items (a) through (f) and items (j), (l), (n), and (p) of Section 4A-101 of this Act, or the State's Attorney of the county of the entity for which the filing of statements of economic interests is required, with respect to offices or positions described in items (g) through (i), item (k), and item (o) of Section 4A-101 of this Act, shall bring an action in quo warranto against any person who has failed to file by either May 31 or June 30 of any given year and for whom the fees and penalties for late filing have not been waived under Section 4A-105.

(Source: P.A. 96-6, eff. 4-3-09; 96-550, eff. 8-17-09; 96-1000, eff. 7-2-10; 97-754, eff. 7-6-12.)

(5 ILCS 420/4A-108)

Sec. 4A-108. Internet-based systems of filing.

(a) Notwithstanding any other provision of this Act or any other law, the Secretary of State and county clerks are authorized to institute an Internet-based system for the filing of statements of economic interests in their offices. With respect to county clerk systems, the determination to institute such a system shall be in the sole discretion of the county clerk and shall meet the requirements set out in this Section. With respect to a Secretary of State system, the determination to institute such a system shall be in the sole discretion of the Secretary of State and shall meet the requirements set out in this Section and those Sections of the State Officials and Employees Ethics Act requiring ethics officer review prior to filing. The system shall be capable of allowing an ethics officer to approve a statement of economic interests and shall include a means to amend a statement of economic interests. When this Section does not modify or remove the requirements set forth elsewhere in this Article, those requirements shall apply to any system of Internet-based filing authorized by this Section. When this Section does

modify or remove the requirements set forth elsewhere in this Article, the provisions of this Section shall apply to any system of Internet-based filing authorized by this Section.

(b) In any system of Internet-based filing of statements of economic interests instituted by the Secretary of State or a county clerk:

(1) Any filing of an Internet-based statement of economic interests shall be the equivalent of the filing of a verified, written statement of economic interests as required by Section 4A-101 and the equivalent of the filing of a verified, dated, and signed statement of economic interests as required by Section 4A-104.

(2) The Secretary of State and county clerks who institute a system of Internet-based filing of statements of economic interests shall establish a password-protected website to receive the filings of such statements. A website established under this Section shall set forth and provide a means of responding to the items set forth in Section 4A-102 that are required of a person who files a statement of economic interests with that officer. A website established under this Section shall set forth and provide a means of generating a printable receipt page acknowledging filing.

(3) The times for the filing of statements of economic interests set forth in Section 4A-105 shall be followed in any system of Internet-based filing of statements of economic interests; provided that a candidate for elective office who is required to file a statement of economic interests in relation to his or her candidacy pursuant to Section 4A-105(a) shall not use the Internet to file his or her statement of economic interests but shall file his or her statement of economic interests in a written or printed form and shall receive a written or printed receipt for his or her filing.

(4) In the first year of the implementation of a system of Internet-based filing of statements of economic interests, each person required to file such a statement is to be notified in writing of his or her obligation to file his or her statement of economic interests by way of the Internet-based system. If access to the web site requires a code or password, this information shall be included in the notice prescribed by this paragraph.

(5) When a person required to file a statement of economic interests has supplied the Secretary of State or a county clerk, as applicable, with an email address for the purpose of receiving notices under this Article by email, a notice sent by email to the supplied email address shall be the equivalent of a notice sent by first class mail, as set forth in Section 4A-106. A person who has supplied such an email address shall notify the Secretary of State or county clerk, as applicable, when his or her email address changes or if he or she no longer wishes to receive notices by email.

(6) If any person who is required to file a statement of economic interests and who has chosen to receive notices by email fails to file his or her statement by May 10, then the Secretary of State or county clerk, as

applicable, shall send an additional email notice on that date, informing the person that he or she has not filed and describing the penalties for late filing and failing to file. This notice shall be in addition to other notices provided for in this Article.

(7) The Secretary of State and each county clerk who institutes a system of Internet-based filing of statements of economic interests may also institute an Internet-based process for the filing of the list of names and addresses of persons required to file statements of economic interests by the chief administrative officers that must file such information with the Secretary of State or county clerk, as applicable, pursuant to Section 4A-106. Whenever the Secretary of State or a county clerk institutes such a system under this paragraph, every chief administrative officer must use the system to file this information.

(8) The Secretary of State and any county clerk who institutes a system of Internet-based filing of statements of economic interests shall post the contents of such statements filed with him or her available for inspection and copying on a publicly accessible website. Such postings shall not include the addresses or signatures of the filers.

(Source: P.A. 99-108, eff. 7-22-15.)

(5 ILCS 420/Art. 8 heading)

ARTICLE 8. SEVERABILITY

(5 ILCS 420/8-101) (from Ch. 127, par. 608-101)
Sec. 8-101.

If any provision of this Act or application thereof to any person or circumstance is held invalid, such invalidity does not affect other provisions or applications of this Act which can be given effect without the invalid application or provision, and to this end the provisions of this Act are declared to be severable.

(Source: P.A. 77-1806.)

Joint Committee on Administrative Rules

ADMINISTRATIVE CODE

TITLE 2: GOVERNMENTAL ORGANIZATION

SUBTITLE C: CONSTITUTIONAL OFFICERS

CHAPTER III: SECRETARY OF STATE

PART 565 STATEMENTS OF ECONOMIC INTERESTS

The General Assembly's Illinois Administrative Code database includes only those rulemakings that have been permanently adopted. This menu will point out the Sections on which an emergency rule (valid for a maximum of 150 days, usually until replaced by a permanent rulemaking) exists. The emergency rulemaking is linked through the notation that follows the Section heading in the menu.

- [Section 565.20 Purpose](#)
- [Section 565.30 Definitions](#)
- [Section 565.35 Disclosure of Interest in State Contracts by Appointees](#)
- [Section 565.40 Requests For Extensions](#)
- [Section 565.50 Reasons For Which Extensions Will Be Granted](#)
- [Section 565.60 Reasons For Which Extensions Will Not Be Granted](#)
- [Section 565.70 Failure to File Upon Receipt of Extension](#)

- [Section 565.APPENDIX A Disclosure of Appointee Interest in State Contracts](#)

AUTHORITY: Implementing and authorized by Section 4A-105 of the Illinois Governmental Ethics Act [5 ILCS 420/4A-105].

SOURCE: Adopted at 20 Ill. Reg. 12485, effective September 1, 1996; amended at 29 Ill. Reg. 8908, effective June 10, 2005.

Joint Committee on Administrative Rules
ADMINISTRATIVE CODE

TITLE 2: GOVERNMENTAL ORGANIZATION
SUBTITLE C: CONSTITUTIONAL OFFICERS
CHAPTER III: SECRETARY OF STATE
PART 565 STATEMENTS OF ECONOMIC INTERESTS
SECTION 565.20 PURPOSE

Section 565.20 Purpose

Pursuant to Section 3A-30 of the Act [5 ILCS 420/3A-30], this Part shall apply to any appointees to a board, commission, authority, or task force authorized or created by State law or by executive order of the Governor, and to those persons notified by the Secretary of State of their requirement to file statements of economic interests pursuant to Section 4A-101 of the Act [5 ILCS 420/4A-101]. The purpose of this Part is to extend the filing deadline for statements of economic interests upon a showing of just cause as to why the form cannot be filed in a timely manner. Persons granted filing extensions shall have 30 days from their original filing deadline in which to file forms without penalty, unless a longer extension is granted pursuant to Section 565.50 of this Part. In addition, the disclosure requirements for appointees are set forth in regard to State contracts and financial interests held by appointees and immediate family members of appointees.

(Source: Amended at 29 Ill. Reg. 8908, effective June 10, 2005)

Joint Committee on Administrative Rules
ADMINISTRATIVE CODE

TITLE 2: GOVERNMENTAL ORGANIZATION
SUBTITLE C: CONSTITUTIONAL OFFICERS
CHAPTER III: SECRETARY OF STATE
PART 565 STATEMENTS OF ECONOMIC INTERESTS
SECTION 565.30 DEFINITIONS

Section 565.30 Definitions

"Act" means the Illinois Governmental Ethics Act [5 ILCS 420].

"Appointee" means any person appointed to a board, commission, authority, or task force authorized or created by State law.

"Department" means the Secretary of State Index Department.

"Disclosure" means the disclosure of any State contracts as established in Section 3A-30 of the Act.

"Filer" means a person notified by the Department of his or her requirement to file a statement of economic interests pursuant to Section 4A-101 of the Act and appointees to any board, commission, authority, or task force authorized or created by State law or by executive order of the Governor.

"Immediate family" means a spouse, parent, child or sibling or family members living with the filer.

"Serious illness" means any illness that can be documented to the Department by a physician's note.

(Source: Amended at 29 Ill. Reg. 8908, effective June 10, 2005)

Joint Committee on Administrative Rules
ADMINISTRATIVE CODE

TITLE 2: GOVERNMENTAL ORGANIZATION
SUBTITLE C: CONSTITUTIONAL OFFICERS
CHAPTER III: SECRETARY OF STATE
PART 565 STATEMENTS OF ECONOMIC INTERESTS
SECTION 565.35 DISCLOSURE OF INTEREST IN STATE CONTRACTS BY
APPOINTEES

Section 565.35 Disclosure of Interest in State Contracts by Appointees

- a) Every appointee required to disclose contractual interests under Section 565.20 shall file a disclosure report approved by the Secretary of State upon appointment.
 - 1) Copies of official forms may be obtained from the Index Department.
 - 2) Alternative methods of reporting are prohibited unless prior written approval has been received from the Director of the Index Department.
 - 3) Prior written approval will be given based on the compatibility of alternative methods with the Index Department's public disclosure procedures. Approval shall be granted if information reported meets the informational elements within Appendix A of this Part and is compatible with electronic data software used by the Secretary.
- b) The appointee shall file a disclosure for all contracts the appointee, his or her spouse, or immediate family members living with the appointee have with the State and all contracts between the State and any entity in which the appointee or his or her immediate family members living with the appointee have a majority financial interest.

(Source: Added at 29 Ill. Reg. 8908, effective June 10, 2005)

Joint Committee on Administrative Rules
ADMINISTRATIVE CODE

TITLE 2: GOVERNMENTAL ORGANIZATION
SUBTITLE C: CONSTITUTIONAL OFFICERS
CHAPTER III: SECRETARY OF STATE
PART 565 STATEMENTS OF ECONOMIC INTERESTS
SECTION 565.40 REQUESTS FOR EXTENSIONS

Section 565.40 Requests For Extensions

All requests for extensions shall be submitted in writing to the Secretary of State Index Department at 111 E. Monroe Street, Springfield, Illinois 62756. Requests shall include any documentation in support of the filer's reason, including, but not limited to, a physician's note or a receipt of mailing.

Joint Committee on Administrative Rules
ADMINISTRATIVE CODE

TITLE 2: GOVERNMENTAL ORGANIZATION
SUBTITLE C: CONSTITUTIONAL OFFICERS
CHAPTER III: SECRETARY OF STATE
PART 565 STATEMENTS OF ECONOMIC INTERESTS
SECTION 565.50 REASONS FOR WHICH EXTENSIONS WILL BE GRANTED

Section 565.50 Reasons For Which Extensions Will Be Granted

The Department will extend the filing deadline for 30 days, or longer if the Department deems a longer period is required by the circumstances, beyond the filer's due date for the following reasons:

- a) Death or hospitalization of an immediate family member;
- b) Hospitalization or serious illness of the filer;
- c) Filer was on sabbatical during the original filing period;
- d) Filer did not receive the form due to an incorrect address;
- e) Other reasons within the discretion of the Department. This provision shall be narrowly construed.

Joint Committee on Administrative Rules
ADMINISTRATIVE CODE

TITLE 2: GOVERNMENTAL ORGANIZATION
SUBTITLE C: CONSTITUTIONAL OFFICERS
CHAPTER III: SECRETARY OF STATE
PART 565 STATEMENTS OF ECONOMIC INTERESTS
SECTION 565.60 REASONS FOR WHICH EXTENSIONS WILL NOT BE GRANTED

Section 565.60 Reasons For Which Extensions Will Not Be Granted

The Department will not extend the filing deadline for the following reasons:

- a) Filer delegated the duty to an individual who failed to file on behalf of the filer for any reason;
- b) Filer claims that the Statement was mailed in a timely manner, yet cannot provide proof of mailing (this includes U.S. mail, overnight service, and inter-office mail);
- c) Filer was ill, but has no documentation from a physician;
- d) Other reasons within the discretion of the Department. The Department's refusal to grant a filing extension is not subject to appeal.

Joint Committee on Administrative Rules
ADMINISTRATIVE CODE

TITLE 2: GOVERNMENTAL ORGANIZATION
SUBTITLE C: CONSTITUTIONAL OFFICERS
CHAPTER III: SECRETARY OF STATE
PART 565 STATEMENTS OF ECONOMIC INTERESTS
SECTION 565.70 FAILURE TO FILE UPON RECEIPT OF EXTENSION

Section 565.70 Failure to File Upon Receipt of Extension

Statements of Economic Interests not filed within the extended filing period shall be subject to the statutory penalties of:

- a) \$15 for forms filed within 15 days after the extended filing deadline;
- b) \$15, plus \$100 per day, for forms filed more than 15 days after the extended filing deadline.

STATEMENT OF ECONOMIC INTERESTS

TO BE FILED WITH
THE SECRETARY OF STATE



(Type or print name and address in the blank space below.)

(List each office or position of employment for which this Statement is filed.)

GENERAL DIRECTIONS

The interest (if constructively controlled by the person making the statement) of a spouse or any other party shall be considered to be the same as the interest of the person making the statement. Campaign receipts shall not be included in this statement.

(If more space is needed, please attach supplemental listing.)

1. List the name and instrument of ownership in any entity doing business in the State of Illinois, in which the ownership interest held by the person at the date of filing is in excess of \$5,000 fair market value or from which dividends in excess of \$1,200 were derived during the preceding calendar year. (In the case of real estate, location thereof shall be listed by street address or, if none, by legal description.) No time or demand deposit in a financial institution nor any debt instrument need be listed.

Business Entity

Instrument of Ownership

_____	_____
_____	_____
_____	_____
_____	_____

2. List the name, address and type of practice of any professional organization in which the person making the statement was an officer, director, associate, partner or proprietor, or served in any advisory capacity, from which income in excess of \$1,200 was derived during the preceding calendar year.

Name

Address

Type of Practice

_____	_____	_____
_____	_____	_____
_____	_____	_____

3. List the nature of professional services rendered (other than to the State of Illinois) of each entity from which income exceeding \$5,000 was received for professional services rendered during the preceding calendar year by the person making the statement.

4. List the identity (including the address or legal description of real estate) of any capital asset from which a capital gain of \$5,000 or more was realized during the preceding calendar year.

5. List the identity of any compensated lobbyist with whom the person making the statement maintains a close economic association, including the name of the lobbyist and specifying the legislative matter or matters that are the object of the lobbying activity, and describing the general type of economic activity of the client or principal on whose behalf that person is lobbying.

Lobbyist	Legislative Matter	Client or Principal
_____	_____	_____
_____	_____	_____

6. List the name of any entity doing business in the State of Illinois from which income in excess of \$1,200 was derived during the preceding calendar year, other than for professional services, and the title or description of any position held in that entity. (In the case of real estate, location thereof shall be listed by street address or, if none, by legal description.) No time or demand deposit in a financial institution nor any debt instrument need be listed.

Entity	Position Held
_____	_____
_____	_____
_____	_____

7. List the name of any unit of government that employed the person making the statement during the preceding calendar year other than the unit or units of government in relation to which the person is required to file.

8. List the name of any entity from which a gift or gifts, or honorarium or honoraria, valued singly or in the aggregate in excess of \$500, was received during the preceding calendar year.

VERIFICATION

I declare that this Statement of Economic Interests (including any accompanying schedules and statements) has been examined by me and to the best of my knowledge and belief is a true, correct and complete statement of my economic interests as required by the Illinois Governmental Ethics Act. I understand that the penalty for willfully filing a false or incomplete statement shall be a fine not to exceed \$1,000 or imprisonment in a penal institution other than the penitentiary not to exceed one year, or both fine and imprisonment.

(Signature of person making Statement)

(Date)

NOTE: This statement must be filed in the Office of the Secretary of State, Index Department, Ethics Section, 111 E. Monroe, Springfield, IL 62756.



99TH GENERAL ASSEMBLY

State of Illinois

2015 and 2016

HB5579

by Rep. Barbara Flynn Currie

SYNOPSIS AS INTRODUCED:

5 ILCS 312/3-101	from Ch. 102, par. 203-101
5 ILCS 420/4A-103	from Ch. 127, par. 604A-103
5 ILCS 420/4A-108	
5 ILCS 430/20-23	
5 ILCS 430/25-23	
5 ILCS 430/30-10	

Amends the Illinois Notary Public Act. Provides that provisions requiring a notary public to officially sign every notary certificate and affix the rubber stamp seal clearly and legibly using black ink, so that it is capable of photographic reproduction, as well as a provision concerning illegibility, shall apply beyond July 1, 2013. Amends the Illinois Governmental Ethics Act. Provides that the required statement of economic interests to be filed with the Secretary of State shall be filed electronically, unless otherwise required by statute (rather than by typewriting or hand printing). Provides for the review of statements of economic interest and disclosure forms by ethics officers within 30 days after the deadline for filing with the Secretary of State (rather than prior to filing). Provides that a statement of economic interest shall be considered filed for the purposes of late fees and penalties on the date it is uploaded by the filer to the Internet-based system of filing. Amends the State Officials and Employees Ethics Act to make conforming changes.

LRB099 20141 RJF 44582 b

1 AN ACT concerning government.

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

4 Section 5. The Illinois Notary Public Act is amended by
5 changing Section 3-101 as follows:

6 (5 ILCS 312/3-101) (from Ch. 102, par. 203-101)

7 Sec. 3-101. Official Seal and Signature.

8 (a) Each notary public shall, upon receiving the commission
9 from the county clerk, obtain an official rubber stamp seal
10 with which the notary shall authenticate his official acts. The
11 rubber stamp seal shall contain the following information:

12 (1) the words "Official Seal";

13 (2) the notary's official name;

14 (3) the words "Notary Public", "State of Illinois", and
15 "My commission expires _____ (commission expiration
16 date)"; and

17 (4) a serrated or milled edge border in a rectangular
18 form not more than one inch in height by two and one-half
19 inches in length surrounding the information.

20 (b) At the time of the notarial act, a notary public shall
21 officially sign every notary certificate and affix the rubber
22 stamp seal clearly and legibly using black ink, so that it is
23 capable of photographic reproduction. The illegibility of any

1 of the information required by this Section does not affect the
2 validity of a transaction.

3 ~~This subsection does not apply on or after July 1, 2013.~~

4 (Source: P.A. 95-988, eff. 6-1-09.)

5 Section 10. The Illinois Governmental Ethics Act is amended
6 by changing Sections 4A-103 and 4A-108 as follows:

7 (5 ILCS 420/4A-103) (from Ch. 127, par. 604A-103)

8 Sec. 4A-103. The statement of economic interests required
9 by this Article to be filed with the Secretary of State shall
10 be filed electronically, unless otherwise required by statute
11 ~~filled in by typewriting or hand printing, and~~ shall be
12 verified, dated, and signed by the person making the statement
13 and shall contain substantially the following:

14 STATEMENT OF ECONOMIC INTEREST

15 (TYPE OR HAND PRINT)

16

17 (name)

18

19 (each office or position of employment for which this statement
20 is filed)

21

22 (full mailing address)

23 GENERAL DIRECTIONS:

24 The interest (if constructively controlled by the person

1 making the statement) of a spouse or any other party, shall be
 2 considered to be the same as the interest of the person making
 3 the statement.

4 Campaign receipts shall not be included in this statement.

5 If additional space is needed, please attach supplemental
 6 listing.

7 1. List the name and instrument of ownership in any entity
 8 doing business in the State of Illinois, in which the ownership
 9 interest held by the person at the date of filing is in excess
 10 of \$5,000 fair market value or from which dividends in excess
 11 of \$1,200 were derived during the preceding calendar year. (In
 12 the case of real estate, location thereof shall be listed by
 13 street address, or if none, then by legal description.) No time
 14 or demand deposit in a financial institution, nor any debt
 15 instrument need be listed.

16 Business Entity	Instrument of Ownership
17
18
19
20

21 2. List the name, address and type of practice of any
 22 professional organization in which the person making the
 23 statement was an officer, director, associate, partner or
 24 proprietor or served in any advisory capacity, from which
 25 income in excess of \$1,200 was derived during the preceding
 26 calendar year.

1	Name	Address	Type of Practice
2
3
4

3. List the nature of professional services rendered (other than to the State of Illinois) to each entity from which income exceeding \$5,000 was received for professional services rendered during the preceding calendar year by the person making the statement.

.....
.....

4. List the identity (including the address or legal description of real estate) of any capital asset from which a capital gain of \$5,000 or more was realized during the preceding calendar year.

.....
.....

5. List the identity of any compensated lobbyist with whom the person making the statement maintains a close economic association, including the name of the lobbyist and specifying the legislative matter or matters which are the object of the lobbying activity, and describing the general type of economic activity of the client or principal on whose behalf that person is lobbying.

Lobbyist	Legislative Matter	Client or Principal
.....

1

2 6. List the name of any entity doing business in the State
3 of Illinois from which income in excess of \$1,200 was derived
4 during the preceding calendar year other than for professional
5 services and the title or description of any position held in
6 that entity. (In the case of real estate, location thereof
7 shall be listed by street address, or if none, then by legal
8 description). No time or demand deposit in a financial
9 institution nor any debt instrument need be listed.

10	Entity	Position Held
11
12
13

14 7. List the name of any unit of government which employed
15 the person making the statement during the preceding calendar
16 year other than the unit or units of government in relation to
17 which the person is required to file.

18

19

20 8. List the name of any entity from which a gift or gifts,
21 or honorarium or honoraria, valued singly or in the aggregate
22 in excess of \$500, was received during the preceding calendar
23 year.

24

25 VERIFICATION:

26 "I declare that this statement of economic interests

1 (including any accompanying schedules and statements) has been
 2 examined by me and to the best of my knowledge and belief is a
 3 true, correct and complete statement of my economic interests
 4 as required by the Illinois Governmental Ethics Act. I
 5 understand that the penalty for willfully filing a false or
 6 incomplete statement shall be a fine not to exceed \$1,000 or
 7 imprisonment in a penal institution other than the penitentiary
 8 not to exceed one year, or both fine and imprisonment."

9

10 (date of filing) (signature of person making the statement)

11 (Source: P.A. 95-173, eff. 1-1-08.)

12 (5 ILCS 420/4A-108)

13 Sec. 4A-108. Internet-based systems of filing.

14 (a) Notwithstanding any other provision of this Act or any
 15 other law, the Secretary of State and county clerks are
 16 authorized to institute an Internet-based system for the filing
 17 of statements of economic interests in their offices. With
 18 respect to county clerk systems, the determination to institute
 19 such a system shall be in the sole discretion of the county
 20 clerk and shall meet the requirements set out in this Section.
 21 With respect to a Secretary of State system, the determination
 22 to institute such a system shall be in the sole discretion of
 23 the Secretary of State and shall meet the requirements set out
 24 in this Section and those Sections of the State Officials and
 25 Employees Ethics Act requiring ethics officer review within 30

1 days after the deadline for filing with the Secretary of State
2 ~~prior to filing~~. The system shall be capable of allowing an
3 ethics officer to review ~~approve~~ a statement of economic
4 interests and shall include a means to amend a statement of
5 economic interests. When this Section does not modify or remove
6 the requirements set forth elsewhere in this Article, those
7 requirements shall apply to any system of Internet-based filing
8 authorized by this Section. When this Section does modify or
9 remove the requirements set forth elsewhere in this Article,
10 the provisions of this Section shall apply to any system of
11 Internet-based filing authorized by this Section.

12 (b) In any system of Internet-based filing of statements of
13 economic interests instituted by the Secretary of State or a
14 county clerk:

15 (1) Any filing of an Internet-based statement of
16 economic interests shall be the equivalent of the filing of
17 a verified, written statement of economic interests as
18 required by Section 4A-101 and the equivalent of the filing
19 of a verified, dated, and signed statement of economic
20 interests as required by Section 4A-104.

21 (2) The Secretary of State and county clerks who
22 institute a system of Internet-based filing of statements
23 of economic interests shall establish a password-protected
24 website to receive the filings of such statements. A
25 website established under this Section shall set forth and
26 provide a means of responding to the items set forth in

1 Section 4A-102 that are required of a person who files a
2 statement of economic interests with that officer. A
3 website established under this Section shall set forth and
4 provide a means of generating a printable receipt page
5 acknowledging filing.

6 (3) The times for the filing of statements of economic
7 interests set forth in Section 4A-105 shall be followed in
8 any system of Internet-based filing of statements of
9 economic interests; provided that a candidate for elective
10 office who is required to file a statement of economic
11 interests in relation to his or her candidacy pursuant to
12 Section 4A-105(a) shall not use the Internet to file his or
13 her statement of economic interests but shall file his or
14 her statement of economic interests in a written or printed
15 form and shall receive a written or printed receipt for his
16 or her filing.

17 (4) In the first year of the implementation of a system
18 of Internet-based filing of statements of economic
19 interests, each person required to file such a statement is
20 to be notified in writing of his or her obligation to file
21 his or her statement of economic interests by way of the
22 Internet-based system. If access to the web site requires a
23 code or password, this information shall be included in the
24 notice prescribed by this paragraph.

25 (5) When a person required to file a statement of
26 economic interests has supplied the Secretary of State or a

1 county clerk, as applicable, with an email address for the
2 purpose of receiving notices under this Article by email, a
3 notice sent by email to the supplied email address shall be
4 the equivalent of a notice sent by first class mail, as set
5 forth in Section 4A-106. A person who has supplied such an
6 email address shall notify the Secretary of State or county
7 clerk, as applicable, when his or her email address changes
8 or if he or she no longer wishes to receive notices by
9 email.

10 (6) If any person who is required to file a statement
11 of economic interests and who has chosen to receive notices
12 by email fails to file his or her statement by May 10, then
13 the Secretary of State or county clerk, as applicable,
14 shall send an additional email notice on that date,
15 informing the person that he or she has not filed and
16 describing the penalties for late filing and failing to
17 file. This notice shall be in addition to other notices
18 provided for in this Article.

19 (7) The Secretary of State and each county clerk who
20 institutes a system of Internet-based filing of statements
21 of economic interests may also institute an Internet-based
22 process for the filing of the list of names and addresses
23 of persons required to file statements of economic
24 interests by the chief administrative officers that must
25 file such information with the Secretary of State or county
26 clerk, as applicable, pursuant to Section 4A-106. Whenever

1 the Secretary of State or a county clerk institutes such a
2 system under this paragraph, every chief administrative
3 officer must use the system to file this information.

4 (8) The Secretary of State and any county clerk who
5 institutes a system of Internet-based filing of statements
6 of economic interests shall post the contents of such
7 statements filed with him or her available for inspection
8 and copying on a publicly accessible website. Such postings
9 shall not include the addresses or signatures of the
10 filers.

11 (9) A statement of economic interest shall be
12 considered filed for the purposes of late fees and
13 penalties on the date it is uploaded by the filer to the
14 Internet-based system of filing.

15 (Source: P.A. 99-108, eff. 7-22-15.)

16 Section 15. The State Officials and Employees Ethics Act is
17 amended by changing Sections 20-23, 25-23, and 30-10 as
18 follows:

19 (5 ILCS 430/20-23)

20 Sec. 20-23. Ethics Officers. Each officer and the head of
21 each State agency under the jurisdiction of the Executive
22 Ethics Commission shall designate an Ethics Officer for the
23 office or State agency. The board of each Regional Transit
24 Board shall designate an Ethics Officer. Ethics Officers shall:

1 (1) act as liaisons between the State agency or
2 Regional Transit Board and the appropriate Executive
3 Inspector General and between the State agency or Regional
4 Transit Board and the Executive Ethics Commission;

5 (2) review statements of economic interest and
6 disclosure forms of officers, senior employees, and
7 contract monitors within 30 days after the deadline for
8 filing ~~before they are filed~~ with the Secretary of State;
9 and

10 (3) provide guidance to officers and employees in the
11 interpretation and implementation of this Act, which the
12 officer or employee may in good faith rely upon. Such
13 guidance shall be based, wherever possible, upon legal
14 precedent in court decisions, opinions of the Attorney
15 General, and the findings and opinions of the Executive
16 Ethics Commission.

17 (Source: P.A. 96-1528, eff. 7-1-11.)

18 (5 ILCS 430/25-23)

19 Sec. 25-23. Ethics Officers. The President and Minority
20 Leader of the Senate and the Speaker and Minority Leader of the
21 House of Representatives shall each appoint an ethics officer
22 for the members and employees of his or her legislative caucus.
23 No later than January 1, 2004, the head of each State agency
24 under the jurisdiction of the Legislative Ethics Commission,
25 other than the General Assembly, shall designate an ethics

1 officer for the State agency. Ethics Officers shall:

2 (1) act as liaisons between the State agency and the
3 Legislative Inspector General and between the State agency
4 and the Legislative Ethics Commission;

5 (2) review statements of economic interest and
6 disclosure forms of officers, senior employees, and
7 contract monitors within 30 days after the deadline for
8 filing ~~before they are filed~~ with the Secretary of State;
9 and

10 (3) provide guidance to officers and employees in the
11 interpretation and implementation of this Act, which the
12 officer or employee may in good faith rely upon. Such
13 guidance shall be based, wherever possible, upon legal
14 precedent in court decisions, opinions of the Attorney
15 General, and the findings and opinions of the Legislative
16 Ethics Commission.

17 (Source: P.A. 93-617, eff. 12-9-03.)

18 (5 ILCS 430/30-10)

19 Sec. 30-10. Ethics Officer. The Auditor General shall
20 designate an Ethics Officer for the office of the Auditor
21 General. The ethics officer shall:

22 (1) act as liaison between the Office of the Auditor
23 General and the Inspector General appointed under this
24 Article;

25 (2) review statements of economic interest and

1 disclosure forms of officers, senior employees, and
2 contract monitors within 30 days after the deadline for
3 filing ~~before they are filed~~ with the Secretary of State;
4 and

5 (3) provide guidance to officers and employees in the
6 interpretation and implementation of this Act, which the
7 officer or employee may in good faith rely upon. Such
8 guidance shall be based, whenever possible, upon legal
9 precedent in court decisions and opinions of the Attorney
10 General.

11 (Source: P.A. 93-617, eff. 12-9-03.)



EXECUTIVE ORDER

15-09

**EXECUTIVE ORDER TO ENSURE
ETHICAL AND RESPONSIVE GOVERNMENT**

WHEREAS, properly performing government business and maintaining the confidence of the people of Illinois require employees of the State of Illinois to adhere to the highest standards of honesty, integrity, and impartiality in their conduct and the performance of their official duties; and

WHEREAS, meeting this standard requires State Employees to avoid conflicts of interest in both appearance and practice; and

WHEREAS, the people of Illinois deserve to know that their state government is being conducted in an open and honest manner and in the public interest; and

WHEREAS, a higher code of ethical conduct is required to restore the public's trust in state government and its officers, employees, and appointees; and

WHEREAS, Section 2 of Article XIII of the Constitution of the State of Illinois recognizes the authority of any branch of government to establish and enforce ethical standards for that branch; and

WHEREAS, investigations by organizations such as the Better Government Association continue to identify misconduct by various government officials in the State of Illinois, such as, for example, the Better Government Association's recent investigation into the hiring practices at the Illinois Department of Transportation;

THEREFORE, I, Bruce Rauner, Governor of Illinois, pursuant to the executive authority vested in me by Section 8 of Article V of the Constitution of the State of Illinois, hereby order as follows:

I. DEFINITIONS

As used in this Executive Order:

"Commission" means the Executive Ethics Commission.

"Gift" has the meaning given to it in the State Officials and Employees Ethics Act (5 ILCS 430/1-5).

"Lobby" or "Lobbying" has the meaning given to it in the Lobbyist Registration Act (25 ILCS 170/2(e)).

"Lobbyist" has the meaning given to it in the Lobbyist Registration Act (25 ILCS 170/2(j)).

"Lobbying Entity" has the meaning given to it in the Lobbyist Registration Act (25 ILCS 170/2(k)).

"Prohibited Source" has the meaning given to it in the State Officials and Employees Ethics Act (5 ILCS 430/1-5).

“State Agency” means any officer, department, agency, board, commission, or authority of the Executive Branch of the State of Illinois.

“State Employee” means any employee, officer, or board member of any State Agency.

II. REVOLVING DOOR BAN

1. No State Employee, while employed by or serving as an appointee of a State Agency, shall negotiate for employment or other compensation with any person or entity that is registered as a Lobbyist or Lobbying Entity and has identified that State Agency on its then-current Lobbyist or Lobbying Entity registration filed with the Secretary of State.
2. No former State Employee, within one year after leaving his or her position with a State Agency, shall accept compensation from any person or entity for Lobbying any State Agency.
3. The restrictions of this Section II are in addition to, and not in place of, the restrictions set forth in applicable law, including the State Officials and Employees Ethics Act (5 ILCS 430/5) and the Illinois Procurement Code (30 ILCS 500/50-30).

III. GIFTS FROM PROHIBITED SOURCES: GIFT AND TRAVEL BAN

1. No State Employee, and no spouse of or immediate family member living with a State Employee, shall intentionally solicit or knowingly accept any Gift from any Prohibited Source that would be prohibited by Section 10-10 of the State Officials and Employees Ethics Act (5 ILCS 430/10-10) (the “statutory gift ban”).
2. The exceptions to the statutory gift ban contained in Subsection (8) (food and refreshments of up to \$75 per day) and Subsection (12) (other gifts of up to \$100 per year) of Section 10-15 of such Act do not apply to State Employees. This provision is not intended to preclude a State Employee from accepting *de minimis* meals or refreshments served at a business meeting or reception attended by the State Employee in the course of his or her official duties, provided that the State Employee adheres to any rules issued by the Governor’s Office of Management and Budget and his or her State Agency.
3. The exceptions to the statutory gift ban contained in Subsection (4) (educational missions) and Subsection (5) (travel expenses) of Section 10-15 of such Act do not apply to State Employees. This provision is not intended to preclude a Prohibited Source from paying for the cost of registration fees, travel, lodging, or meals, provided that, in addition to complying with all other applicable laws and regulations (including Section 1620.700 of the Illinois Administrative Code), (a) the Prohibited Source makes or arranges payment or reimbursement of such costs directly with the State Agency, and (b) the trip is approved in writing in advance by the Executive Director of the Commission.
4. Gifts, including but not limited to grants and monetary or in-kind donations, from any source to the State of Illinois are excluded from the statutory gift ban and this section.

IV. ECONOMIC INTEREST DISCLOSURE

1. Each State Employee that is required to file a statement of economic interest pursuant to Article 4A of the Illinois Governmental Ethics Act (5 ILCS 420/4A-101 et seq.) shall, in conjunction with such filing each year, also disclose the following information:
 - (a) The address and nature of interest in any real property in which the employee or spouse or minor child of the employee has a greater than 5% financial interest and in which the State of Illinois is a tenant, lessor, or otherwise has an ownership or other beneficial interest in the real property, excepting the primary personal residence of those individuals;
 - (b) Any non-governmental position held, whether compensated or not, with any business entity, non-profit organization, labor group, educational institution,

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INDEX DEPARTMENT
JAN 13 2015
IN THE OFFICE OF
SECRETARY OF STATE

or other entity of any type, together with the nature and amount of any compensation; and

- (c) Any litigation involving the State of Illinois or any entity with a relationship with the State of Illinois, where the employee is a party to, or has a financial interest in, that litigation.
2. The Commission shall prepare forms or amend existing forms to be used to report the information described in this Section IV and shall provide those forms or amended forms to each individual required to report such information on or before April 1 of each year. Such statement shall be filed by each such individual with the Commission on or before May 1 of each year. The Commission shall ensure that all statements filed pursuant to this Section IV are made readily available for public inspection.
3. Each State Employee required to submit a statement pursuant to this Section IV shall notify the Commission in writing and without delay of any material change in circumstance that might result in a change to his or her disclosures filed pursuant to this Section IV.

V. COOPERATION WITH SPECIAL MASTER

Every State Agency and State Employee is directed to fully cooperate with the Special Master appointed by the United States District Court of the Northern District of Illinois pursuant to an order in *Michael L. Shakman and Paul M. Lurie et al. v. The Democratic Organization of Cook County et al.* (No. 69 C 2145) to investigate hiring practices in State Agencies.

VI. EMPLOYMENT CONTRACTS

1. No State Agency shall enter into any employment contract with any person without prior review and approval by the Governor's Office of Management and Budget.
2. As soon as practicable, the Governor's Office of Management and Budget shall conduct a thorough review of the use of employment contracts by other agencies, boards, commissions, institutions, universities, authorities, and units of local government established under state law and other subdivisions of the State and shall recommend to the Governor legislation, regulations, rules, and policies to prevent the use of employment contracts for political, wasteful, or other improper purposes.

VII. OTHER PROVISIONS CONTINUE TO APPLY

This Executive Order does not alter the application of any other provision to State Employees.

VIII. PRIOR EXECUTIVE ORDERS

This Executive Order supersedes any contrary provision of any prior Executive Order.

IX. SAVINGS CLAUSE

Nothing in this Executive Order shall be construed to contravene any state or federal law. This Executive Order is intended only to improve the internal management of the Executive Branch of the State of Illinois and does not create any right to administrative or judicial review, or any other rights or benefits, substantive or procedural, enforceable at law or in equity by a party against the State of Illinois, its agencies or instrumentalities, its officers or employees, or any other person.

X. SEVERABILITY

If any provision of this Executive Order or its application to any person or circumstance is held invalid by any court of competent jurisdiction, this invalidity does not affect any other provision or application of this Executive Order which can be given effect without the invalid provision or application. To achieve this purpose, the provisions of this Executive Order are declared to be severable.

FILED
INDEX DEPARTMENT

JAN 13 2015

IN THE OFFICE OF
SECRETARY OF STATE

XI. EFFECTIVE DATES

Section II of this Executive Order shall take effect on February 15, 2015, and the remainder of this Executive Order shall take effect immediately upon filing with the Secretary of State.


Bruce Rauner, Governor

Issued by Governor: January 13, 2015
Filed with Secretary of State: January 13, 2015

FILED
INDEX DEPARTMENT
JAN 13 2015
IN THE OFFICE OF
SECRETARY OF STATE

Supplemental Statement of Economic Interest

For officers and employees subject to the jurisdiction of the Illinois Governor per Executive Order 15-09

New

Revision

Executive Order 15-09, "Executive Order to Ensure Ethical and Responsive Government," requires certain officers and employees to disclose and file the following information with the Executive Ethics Commission on or before May 1 of each year. Your agency has identified you as an employee or officer who is required to complete the Supplemental Statement of Economic Interest.

An electronic filing system is available for most persons filing the Supplemental Statement of Economic Interest. Use of this paper process is necessary where electronic filing is not possible, or where an electronic filing needs correction or to be supplemented. **Please contact your ethics officer if you are uncertain as to whether you should be filing electronically in lieu of paper.**

Instructions: Please consult guidance at www.illinois.gov/eec/ExecutiveOrder/Pages/default.aspx. Thereafter, complete the following disclosures concerning calendar year 2015. Attach additional sheets if necessary. Return the completed, signed form by May 1, 2016 to the Executive Ethics Commission, 401 S. Spring Street, Wm. Stratton Bldg. Room 513, Springfield, Illinois 62706.

1. During the preceding calendar year, did you, your spouse, or minor child have a financial interest of greater than 5% in any real property for which the State of Illinois is a tenant, lessor or has some other ownership or beneficial interest? If yes, disclose the address and describe the nature of your interest in the real property (Do **not** include a primary personal residence.)

Yes

No

If yes, give the address and describe the nature of your ownership interest:

2. During the preceding calendar year, did you hold any non-governmental position(s) with any business entity, non-profit organization, labor group, educational institution, or other entity of any type?

Yes

No

If yes, disclose the name of entity, the non-governmental position, the nature of compensation, and estimate whether you received no income or value, income or value of less than \$5,000, or income or value equal to or greater than \$5,000:

**NOTE: Return the completed, signed form via mail to the Executive Ethics Commission,
401 S. Spring Street, Wm. Stratton Bldg. Room 513, Springfield, Illinois 62706.**

Supplemental Statement of Economic Interest

For officers and employees subject to the jurisdiction of the Illinois Governor per Executive Order 15-09

3. During the preceding calendar year, were you a party to, or have a financial interest in, any litigation involving the State of Illinois or any entity with a relationship with the State of Illinois?

“Entity with a relationship with the State of Illinois” means an entity that has a contract or grant or a direct pecuniary interest in a contract or grant with or from the State of Illinois. Do **not** include litigation where you were named as a plaintiff or defendant in your capacity as an employee or officer of the State of Illinois.

Yes

No

If yes, identify the case name(s) and the court in which such case is or was pending:

I certify to the best of my knowledge and belief the information that I provided on this Supplemental Statement of Economic Interest is a true, correct and complete statement of my economic interests as required by Executive Order 15-09.

(Print Name)

(Signature)

(Date)

(Office or position of employment for which this Statement is filed)

**NOTE: Return the completed, signed form via mail to the Executive Ethics Commission,
401 S. Spring Street, Wm. Stratton Bldg. Room 513, Springfield, Illinois 62706.**

Frequently Asked Questions and Guidance

Why did I receive notice to complete the Supplemental Statement of Economic Interest?
Executive Order 15-09 requires employees and officers under the jurisdiction of the Governor who are required to file a Statement of Economic Interest with the Secretary of State also to submit the Supplemental Statement of Economic Interest to the Executive Ethics Commission. Your agency has identified you as an employee or officer who is required to complete the Statement of Economic Interest filed with the Secretary of State.

If I complete this Supplemental Statement of Economic Interest, do I need to complete the regular Statement of Economic Interest form as well?

Yes. The Supplemental Statement of Economic Interest and the Statement of Economic Interest to be filed with the Secretary of State are two separate filings. You should receive notice from the Secretary of State's Office about the regular Statement of Economic Interest process towards the end of March. You will need to complete both filings.

Is my agency subject to Executive Order 15-09?

Agencies, boards and commissions under the jurisdiction of the Governor are subject to Executive Order 15-09. Employees and officers of the legislative or judicial branches of government are not subject to the Executive Order 15-09. Employees of other executive branch constitutional offices, i.e. Secretary of State, Attorney General, Comptroller and Treasurer, are not subject to Executive Order 15-09. You may wish to contact your agency's legal counsel or ethics officer if you are uncertain of your agency's status.

I am a member of the General Assembly. Why did I receive notice to complete a Supplemental Statement of Economic Interest?

You may be serving by gubernatorial appointment on an executive branch board or commission, and forms were sent to all members of the board or commission. This form need not be completed by members of the General Assembly.

I do not think that I should be included among those persons required to file the Supplemental Statement of Economic Interest. How do I make sure that I did not receive the form in error?

If you believe that you should not be included among those who are required to complete the Supplemental Statement of Economic Interest, you should contact your agency's ethics officer.

I have read all of the guidance but still have a question about one of the required disclosures. Where can I get more guidance?

Your ethics officer is ready to assist in this process.

<http://www.illinois.gov/eec/ExecutiveOrder/Pages/Agency-Ethics-Officers.aspx>

Do I need my ethics officer to review my Supplemental Statement of Economic Interest prior to its submittal?

Your ethics officer is not required to review the supplemental form prior to filing. You may wish to contact your ethics officer for guidance on specific questions or review. Note that your agency's ethics officer will have viewing rights to your submitted Supplemental Statement of Economic Interest and may contact you after submission to discuss any issues they identify. Correction after submission of disclosures made in error will be completed via a manual process.

Will I be able to get a copy of my Supplemental Statement of Economic Interest after electronic filing?

You will be given an opportunity to print or save a PDF of your submittal at the time of submittal. Your completed Supplemental Statement of Economic Interest will be maintained in a comprehensive database.

I made an error when I submitted my Supplemental Statement of Economic Interest. How do I correct my error?

Correction of errors is a manual process. You will need to complete a paper version of the SSEI and submit the signed form to the Executive Ethics Commission, 401 S. Spring Street, Wm. Stratton Building, Room 513, Springfield, Illinois, 62706.

Visit <http://www.illinois.gov/eec/ExecutiveOrder/Pages/Home.aspx> for more information.

QUESTIONS ABOUT THE DISCLOSURES:

The disclosures use terms with which I am unfamiliar. How do I know what the disclosures are asking?

Set forth in part below and throughout the online disclosure application, you will find examples, definitions, and help buttons intended to assist in your completion of the SSEI. If after review of the examples and disclosures you are still uncertain about your response, contact your ethics officer for additional guidance.

Disclosure 1

During the preceding calendar year, did you, your spouse, or minor child have a financial interest of greater than 5% in any real property for which the State of Illinois is a tenant, lessor or has some other ownership or beneficial interest? If yes, disclose the address and describe the nature of your interest in the real property. Do not include a primary personal residence.

The online SSEI provides drop down boxes to capture the necessary information and includes the following example for Disclosure 1:

Disclosure 1 Example:

1629 South Grand Avenue West, Suite 101A, Springfield, Illinois, 62704, partner in a business that owns the property

Disclosure 2

During the preceding calendar year, did you hold any non-governmental position(s) with any business entity, non-profit organization, labor group, educational institution, or other entity of any type? If yes, disclose the name of entity, the non-governmental position, the nature of compensation, and estimate whether you received no income or value, income or value of less than \$5,000, or income or value equal to or greater than \$5,000.

The following definitions are helpful for completing Disclosure 2:

“Non-governmental position” means a director or officer of a for-profit or not-for-profit entity. It includes employees, directors and officers and partners of corporations, LLCs and similar. It includes board members and officers of charitable organizations. It does not include mere membership in these organizations.

“Nature of compensation” means a general description of any benefit for service in the non-governmental position, including monetary and nonmonetary items. Examples include but are not limited to monetary items such as salary, consulting fees, partnership share, sales commissions, profit sharing, retirement plans/accounts; non-monetary items such as a company-paid vehicle, stock options, company-paid housing; or whether the position is on a volunteer basis without compensation. “Nature of compensation” does not require the listing of a dollar amount of money.

“Compensation amount” means an estimate of whether no income, a value of less than, equal to, or greater than \$5,000 was received for the non-governmental position during the preceding calendar year. “Compensation amount” does not require the listing of a dollar amount of money.

The online SSEI provides drop down boxes to capture the necessary information and includes the following examples for Disclosure 2:

Disclosure 2 Example 1:

Name of entity: Springpatch Theater Group
Nongovernmental Position: Board of Managers, Treasurer
Compensation Amount: Volunteer
Compensation Amount: No income or value

Disclosure 2 Example 2:

Name of Entity: Barnes and Noble Bookstore
Non-governmental Position: Sales clerk
Nature of compensation: Hourly wages
Compensation Amount: Income or value equal to or greater than \$5,000

Disclosure 3

During the preceding calendar year, were you a party to, or have a financial interest in, any litigation involving the State of Illinois or any entity with a relationship with the State of Illinois? If yes, identify the case name(s) and the court in which the case is or was pending.

The following definitions are helpful for completing Disclosure 3:

“Litigation” includes litigation involving the State of Illinois or any entity with a relationship with the State of Illinois, where you were named as a party in your personal capacity or have a financial interest in that litigation. Do not include litigation where you were named as a plaintiff or defendant in your capacity as an employee or officer of the State of Illinois.

“State of Illinois” includes all officers, departments, boards, commissions, agencies, institutions, authorities, universities, whether in the executive, legislative or judicial branch; and administrative units or corporate outgrowths of the State government which are created by or pursuant to statute. “State of Illinois” does not include units of local government and their officers, school districts and boards of election commissioners.

“Entity with a relationship with the State of Illinois” means an entity that has a contract or grant or a direct pecuniary interest in a contract or grant with or from the State of Illinois.

The online SSEI provides drop down boxes to capture the necessary information and includes the following example for Disclosure 3:

Disclosure 3 Example:

Case Name: Taylor v. State of Illinois

Court: Sangamon County Circuit Court

of Proceedings, Sixth Illinois Constitutional Convention? 244-5.)

Thus, we think that the method of representation established by section 1A-1 is entirely consistent with section 2 of article X of the Constitution.

For these reasons, the circuit court of Sangamon County properly allowed defendant's motion for summary judgment, and the judgment is affirmed.

Judgment affirmed.

(No. 46146.—Affirmed in part and reversed in part.)
ILLINOIS STATE EMPLOYEES ASSOCIATION et al.,
Appellants, v. DANIEL WALKER, Governor, et al.,
Appellees and Cross-Appellants.

Opinion filed July 1, 1974.

1. PARTIES—the standing of an association to bring a suit need not be decided when individual plaintiffs have standing. Where the individuals named as plaintiffs in an action have standing to maintain it, it is unnecessary to inquire into the standing of plaintiff associations to represent their individual members in the action. (P. 515.)

2. PUBLIC OFFICIALS—the Governor may remove his appointees for incompetence, neglect of duty, or malfeasance in office. Section 10 of article V of the 1970 Constitution provides that the Governor may remove for incompetence, neglect of duty, or malfeasance in office any officer who may be appointed by him, and section 12 of article V of the 1870 Constitution was to the same effect. (P. 517.)

3. SAME—State statutes do not preclude an executive order requiring State employee disclosures of economic interests—1970 Constitution. Neither the Illinois Governmental Ethics Act nor the Personnel Code preclude the Governor from issuing an executive order requiring certain persons in the executive branch to file statements of economic interest, for section 2 of article XIII of the 1970 Constitution grants the authority for such an executive order. (Pp. 517-18.)

4. SAME—an executive order requiring economic disclosures of State employees may validly exclude employees of certain agencies. An executive order requiring disclosure of economic interests that is applicable only to employees of agencies whose vouchers are approved by the Department of Finance does not involve a denial of equal protection as to the employees of the agencies covered by the order, for agencies may be excepted from the order so long as the exceptions are rational and consistent with the purposes of the order. (P. 519.)

5. SAME—when an executive order requiring financial disclosures of persons in positions “subject to undue influence” is not unconstitutional. An executive order requiring financial disclosures on the part of persons in positions “subject to undue influence” does not deny those persons due process or equal protection of the laws when the identity of the persons in this category is determined by a board of ethics appointed by the Governor on the recommendation of heads of State departments and agencies and when the board's decision is reviewable by the board on objection by the affected employee. (Pp. 520-22.)

6. CONSTITUTIONAL LAW—the State constitutional protection against invasions of privacy is not violated by requiring State employees to disclose economic interests. Irrespective of the scope of the protection against unreasonable invasions of privacy guaranteed by section 6 of article I of the 1970 Illinois Constitution, the proceedings of the constitutional convention make clear that the Constitution did not create a right of privacy that restricts action by the legislative, executive or judicial branches of government with respect to the disclosure of economic interests by State officers and employees. (Pp. 522-24.)

7. SAME—the right to privacy guaranteed by the U.S. Constitution is not infringed by requiring financial disclosures of State employees. The legal rights of those who accept public employment are set apart from the legal rights of others in some respects, and a requirement that the financial affairs of persons who are paid by the public and who occupy positions of high public trust be disclosed does not deprive those persons of their right of privacy guaranteed by the U.S. Constitution. (Pp. 524-26.)

8. SAME—the State may require its employees to disclose the financial interests of a spouse and members of the immediate family. The State may require its employees to disclose the financial interests of a spouse and those of members of the employee's immediate family, whether they be constructively controlled by the employee or not, for such disclosure is justified by the danger of

conflicts of interest of an indirect character, as well as by the possibility of subverting the loyalty of an employee through gifts to a spouse. (Pp. 526-27.)

9. SAME—a State employee may constitutionally be required to reveal the identity of entities with which he has an economic association. A State employee may constitutionally be required to list every partnership, trust, political organization, local governmental unit, professional service corporation, or other association of which the employee has been an officer, employee, director, trustee, or partner and with which he has an economic association. (Pp. 528-29.)

10. SAME—the State may require its employees to file copies of Federal and State income tax returns with a State board of ethics. A State employee may constitutionally be required to file with a board of ethics established by his employer copies of his Federal and State income tax returns, at least under circumstances where the rules of that board provide that the returns shall not be open to public inspection at all, but that those portions of the returns that are “pertinent” to income transactions will be incorporated in a statement of economic interests that will be available for public inspection. (Pp. 529-30.)

11. PUBLIC OFFICIALS—the extent of required disclosures of financial interests by State employees in the executive branch is primarily for that branch to determine. Whether a particular disclosure is necessary to accomplish the purposes of an executive order requiring the disclosure of certain financial interests of employees of the executive branch is primarily a matter for that branch to determine. (P. 531.)

RYAN and GOLDENHERSH, JJ., dissenting.

Appeal from the Circuit Court of Sangamon County; the Hon. J. Waldo Ackerman, Judge, presiding.

William S. Hanley, of Sorling, Catron and Hardin, of Springfield, for appellants Illinois State Employees Association *et al.*

Edward G. Coleman, of Springfield, for appellants Trooper Lodge No. 41, Fraternal Order of Police.

William J. Scott, Attorney General, of Springfield (George E. Preonas, Special Assistant Attorney General, and Thomas H. Price, Jr., Assistant Attorney General, of counsel), for appellees and cross appellants.

MR. JUSTICE SCHAEFER delivered the opinion of the court:

Three separate actions in the circuit court of Sangamon County were consolidated. Each action challenged the validity of the Governor's Executive Order No. 4 of February 27, 1973, and the financial disclosure statement prepared by the Board of Ethics pursuant to that order. In one case the plaintiffs are individual State employees and the Illinois State Employees Association; in another, individual highway engineers and the Illinois Association of Highway Engineers; and in the third, individual members of the State Highway Police, and Trooper Lodge No. 41, Fraternal Order of Police. Each action purports to be brought in behalf of the named plaintiffs and all employees similarly situated. The defendants in each action are Governor Daniel Walker, Abner J. Mikva, Chairman of the Illinois Board of Ethics, and George M. Burditt, a member of the Illinois Board of Ethics. Since the individuals named as plaintiffs in each action have standing to maintain it, it is unnecessary to inquire into the standing of the plaintiff associations to represent their individual members in these actions.

The trial court heard evidence and entered a judgment sustaining the overall validity of the order and the financial disclosure statement prepared by the Board, but holding that certain portions of the statement were invalid. Both parties appealed, and the appeal was brought to this court pursuant to Rule 302(b).

Executive Order No. 4 created a Board of Ethics, whose members were to serve without compensation. The order provided that the Board should have jurisdiction “over each agency whose vouchers are subject to the approval of the Department of Finance,” and it further provided:

“3. At the commencement of state service and thereafter between April 15 and April 30 of each succeeding year, each of the following persons in each agency

subject to the jurisdiction of the Board shall file with the Board a sworn Statement of Economic Interest and a copy of his most recent federal and state income tax returns:

- a. Each person appointed by the Governor;
 - b. Each person who receives \$20,000 or more per year from the State; and
 - c. Each other person whose position is subject to undue influence (as determined from time to time by rule of the Board).
4. The Statement of Economic Interest shall contain:
- a. A current net worth statement, disclosing all assets and liabilities of the person;
 - b. A statement of income (including capital gains) received by the person during the preceding calendar year, disclosing:
 - (1) each source of income,
 - (2) the total amount received from the source, and
 - (3) the nature of the income transactions involving the source.

To provide this information, pertinent portions of federal or state income tax returns shall be made part of the Statement of Economic Interest;

- c. A statement of gifts received by the person during the preceding calendar year, disclosing all gifts from any source having business with or regulated by the agency of the person and all gifts of a value of \$50 or more from sources other than members of the person's family;
 - d. A statement of close economic associations, indicating the person's position with each business or professional entity with which the person is associated as an officer, employee, director or partner or in which he has a substantial interest and identifying those entities which derive substantial income from the State or from professional engagements concerning the State.
5. The Statement of Economic Interest of each person other than one appointed from the public to serve on a Board or Commission shall be open to reasonable public inspection. The Board shall provide by rule for the time, place and manner of inspection.

6. Subject to rule of the Board, the Statement of Economic Interest shall disclose interests of the spouse and immediate family living with the person making the statement.'

The order further provided that a false or misleading statement, or failure to file on time or to cooperate with the Board would be ground for disciplinary action, including discharge. The order directed the Board to review the documents filed with it, to make investigations and to report to the Governor upon finding an apparent conflict of interest or other impropriety.

The plaintiffs have attacked the executive order upon many grounds. We consider first those which relate to the power of the Governor to promulgate the order. The plaintiffs first contend that the "order is an unconstitutional usurpation of legislative power." This argument is difficult to comprehend. It seems to be based upon notions of separation of powers radiating from the opinion in *Field v. People ex rel. McClernand* (1839), 2 Scam. (3 Ill.) 79, which involved an effort by the then Governor to remove from office the Secretary of State whom he had appointed with the advice and consent of the Senate. So far as questions of that kind may be involved, or thought to be involved, in this case, the Constitution of 1970 provides in section 10 of article V: "The Governor may remove for incompetence, neglect of duty, or malfeasance in office any officer who may be appointed by the Governor." Section 12 of article V of the Constitution of 1870 was to the same effect. See *Wilcox v. People ex rel. Lipe* (1878), 90 Ill. 186, 198.

The plaintiffs then argue:

"[T]he legislature has already acted in the passage of the Illinois Governmental Ethics Act and its action has been approved by this Court. *Stein v. Howlett*, 52 Ill.2d 570, 289 N.E.2d 409, (1972). Moreover, the legislature has specifically provided for the conditions upon which a person in public service may be disciplined or discharged.

The Illinois Personnel Code, 1971 Ill. Rev. Stat. Ch. 127, Sec. 63(b) 101, et seq. provides that candidates for employment or eligibility under the Code may be rejected by the Director of Personnel only on certain conditions."

It is then asserted that by the executive order the Governor "has rewritten the Personnel Code of Illinois and the Illinois State Police Act and even the Illinois Governmental Ethics Act to impose a new condition of employment in State Government."

These somewhat strident contentions overlook some relevant considerations. Article 5 of the Illinois Governmental Ethics Act, which became effective January 1, 1968, authorized the Governor and each elected State officer in the executive department to promulgate detailed codes of conduct for appointed officers and employees under their jurisdiction (Ill. Rev. Stat. 1971, ch. 127, par. 605-101 *et seq.*), and executive orders applicable to employees in the executive branch had been adopted by Governors Kerner and Ogilvie. Article 5 was no longer necessary, however, after the Constitution of 1970 became effective, and it was repealed by Public Act 77-1806, effective January 24, 1972. (See Ill. Rev. Stat. 1973, ch. 127, par. 605-101 *et seq.*) Since then, the source of authority of the executive branch with respect to ethical standards and statements of economic interests has been section 2 of article XIII, which provides:

"SECTION 2. STATEMENT OF ECONOMIC INTERESTS

All candidates for or holders of state offices and all members of a Commission or Board created by this Constitution shall file a verified statement of their economic interests, as provided by law. The General Assembly by law may impose a similar requirement upon candidates for, or holders of, offices in units of local government and school districts. Statements shall be filed annually with the Secretary of State and shall be available for inspection by the public. The General Assembly by

law shall prescribe a reasonable time for filing the statement. Failure to file a statement within the time prescribed shall result in ineligibility for, or forfeiture of, office. This Section shall not be construed as limiting the authority of any branch of government to establish and enforce ethical standards for that branch." Ill. Const. (1970), art. XIII, sec. 2.

The plaintiffs also contend that the executive order is invalid because it was not submitted to the General Assembly before it became effective. This contention is based upon section 11 of article V, which authorizes the Governor to "reassign functions among or reorganize executive agencies which are directly responsible to him." The section continues: "If such a reassignment or reorganization would contravene a statute, the Executive Order shall be delivered to the General Assembly." The plaintiffs do not identify any statute that they contend has been contravened by the order, and we are aware of none. The authority of the Governor to adopt this order is granted by section 2 of article XIII, which has been set forth.

It is also contended by the plaintiffs that the provision of the order which made its requirements applicable only to agencies whose vouchers are approved by the Department of Finance constitutes a denial of equal protection in violation of the fourteenth amendment of the Federal Constitution. We do not agree. Section 10 of "An Act in relation to State finance" (Ill. Rev. Stat. 1973, ch. 127, par. 137 *et seq.*) establishes a system for controlling State expenditures. Code departments, and all boards and agencies, with certain exceptions, may not draw funds from the State treasury unless their vouchers have been approved by the Department of Finance. (Ill. Rev. Stat. 1973, ch. 127, par. 146.) It is unnecessary to analyze each of the agencies excepted in section 10 and elsewhere, other than to note that several are quasi-independent bodies performing certain special functions. We consider that there exists here a rational classification consistent with the purposes of the order.

It is further contended that the classification of persons subject to the order is otherwise vague and indefinite and violated the plaintiffs' rights to due process of the law and equal protection of the laws. The persons subject to the order are:

- "a. Each person appointed by the Governor;
- b. Each person who receives \$20,000 or more per year from the State; and
- c. Each other person whose position is subject to undue influence (as determined from time to time by rule of the Board)."

Those persons appointed by the Governor, and those receiving more than \$20,000 per year from the State are readily identifiable and these categories appear to embrace that relatively small percentage of all employees of the State who occupy the most responsible positions. For example, of more than 22,000 employees of the Department of Mental Health, about 500 are within the scope of the order.

The third group consists of any "other person whose position is subject to undue influence (as determined from time to time by rule of the Board)." As we understand the position of the plaintiffs, they do not challenge the validity of this aspect of the executive order. It is rather their position that the Board of Ethics acted improperly in formulating its rule. What the Board did was to request heads of each of the departments and agencies involved to indicate those persons in that department or agency whose positions are subject to conflict of interest.

This procedure was adopted pursuant to Rule 2 of the Board, which provides:

"Each official having supervisory control over agencies subject to the jurisdiction of the Board of Ethics shall report to the Board of Ethics initially by April 30, 1973, and yearly thereafter no later than March 15, the names and titles of all employees who in the judgment of the official are required by the Governor to file a Financial Disclosure Statement pursuant to the Governor's Execu-

tive Order. The Board of Ethics shall review the names and positions recommended for filing by each official to determine the names of those who must file. ***"

Under this procedure the Board was not surrendering its power and responsibility for the ultimate decision as to what positions were to be regarded as subject to undue influence. The role of the agency head was to make a recommendation, a role which would necessarily require a knowledge of the agency's operations which, initially at least, the agency head, rather than the Board, would be most likely to possess. The agency recommendation, however, remains merely a recommendation; the decision remains that of the Board.

Rule 3 of the Board provides moreover that any employee who is requested to file a financial disclosure statement may object "by submitting to the Board of Ethics in writing a statement that he or she is not in any category of personnel required to file Financial Disclosure Statements under Executive Order No. 4, together with such supporting documents as he or she deems necessary. The Board will notify each such person, in writing, of its decision on the objection. If the Board rejects the objection, the person will be required to file his Financial Disclosure Statement within two weeks of the date on which the objection was rejected or the date on which such statement would otherwise have been due, whichever is later. The due date for filing the Financial Disclosure Statement shall be included in the notice of rejection." The record shows that objections were filed by some employees, but that because of the issuance of a preliminary injunction in this case, the objections have not as yet been ruled upon. In our opinion, the Board pursued a reasonable course in permitting those having supervisory authority to make the initial determination as to the vulnerability of particular positions, subject to specific review by the Board. We hold that the rights of any affected person to due process of law or to equal

protection of the law have not been violated by the procedure employed.

The plaintiffs appear to rely upon section 6 of article I of the Illinois Constitution of 1970 as creating a right of privacy in them with respect to disclosure of their economic interests. We referred to that constitutional provision in *Stein v. Howlett* (1972), 52 Ill.2d 570, 574, observing, "No limiting definition of the type of privacy is stated in the constitution." Upon further consideration of the language of section 6 and the history of its adoption, we would now qualify that observation.

Section 6 provides: "The people shall have the right to be secure in their persons, houses, papers, and other possessions against unreasonable searches, seizures, invasions of privacy or interceptions of communications by eavesdropping devices or other means." The changes from the Constitution of 1870 are first, that the word "possessions" is substituted for the word "effects," and second, that the phrase "invasions of privacy or interceptions of communications by eavesdropping devices or other means" is added to the protections against unreasonable searches and seizures. As the section was initially reported to the Constitutional Convention by its Bill of Rights Committee, an argument could have been made that it established an independent right of privacy rooted in the State Constitution, apart from or in addition to the common law right of privacy recognized in *Leopold v. Levin* (1970), 45 Ill.2d 434. During its progress through the Constitutional Convention, however, the provision was altered so that as submitted to and approved by the people it was restricted in the manner indicated above. The original form of the provision, together with added material shown by underlining and stricken material by printing and striking, was as follows:

"The people shall have the right of the people to be secure in their persons, houses, papers and other possessions against unreasonable searches, seizures, invasions of

privacy or interceptions of their communications by eavesdropping devices or other means, or invasions of their privacy shall not be violated, and No warrant shall issue without probable cause, supported by affidavit, particularly describing the place to be searched, and the persons or things to be seized." (6 Record of Proceedings, Sixth Illinois Constitutional Convention 210 (hereafter Proceedings).)

Not all members of the court are convinced that this provision should be interpreted as asserting anything beyond protection from invasions of privacy by eavesdropping devices or other means of interception.

But if any doubt exists as to the ultimate meaning of section 6, it is dispelled, insofar as this case is concerned, by the proceedings of the Convention. A major effort was there made to strike section 2 of article XIII, which authorizes economic disclosures, on the precise ground that it would authorize an invasion of a constitutional right of privacy. The proposed amendment was based upon the decision of the Supreme Court of California in the case of *City of Carmel-By-The-Sea v. Young* (1970), 2 Cal. 3d 259, 466 P.2d 225, 85 Cal. Rptr. 1, a case which also formed one of the major foundation stones of the plaintiffs' argument in the present case. The amendment was fully debated and was rejected by a two-to-one vote of the Convention delegates. (See 3 Proceedings 1800-1804.) This court refused to follow the *City of Carmel* case in *Stein v. Howlett*, 52 Ill.2d at 578.

The notion that a person's ownership of property, real or personal, lies somehow within a protected zone of privacy, is new. For more than a hundred years the revenue acts of this State have provided, and they still provide, that schedules for the listing, under oath, of personal property for tax purposes shall be furnished to each person owning property subject to taxation. (Ill. Rev. Stat. 1973, ch.120, par. 530.) The property subject to taxation includes all tangible personal property as well as "[a]ll moneys, credits, bonds or stocks and other invest-

ments ***." (Ill. Rev. Stat. 1973, ch. 120, par. 499.) This provision is a continuation of the Revenue Act of 1872.

Both the language of section 2 of article XIII of the Constitution of 1970, and the history of its enactment, require that we reject the notion that the Illinois Constitution of 1970 created a right of privacy which restricts action by the legislative, executive or judicial branches of government with respect to the disclosure of economic interests by State officers and employees.

We come, then, to the contention that the executive order and the rules of the Board of Ethics are invalid because the Constitution of the United States gives to officers and employees of the State of Illinois the right to withhold information relating to their economic interests and their incomes.

For this proposition the plaintiffs rely heavily upon *Griswold v. Connecticut* (1965), 381 U.S. 479, 14 L. Ed. 2d 510, 85 S. Ct. 1678, which involved legislation relating to the use of contraceptives. They argue: "If, in *Griswold*, the State could not invade the zone of privacy that a married couple may enjoy on top of the mattress, we might well question what right the State has to invade the zone of privacy that a married couple might enjoy in what they have tucked inside the mattress." In our opinion this argument debases the *Griswold* opinion, and we find it completely unacceptable. We do not deal in this case with the most intimate relationships of husband and wife or with an effort by the State to control their decisions as to whether and when to have their children. We deal rather with a requirement that the financial affairs of persons who are paid by the public and who occupy positions of high public trust be disclosed.

It is this relation of public employer and public employee that is here being regulated, and the requirements of disclosure of economic assets and interests is neither the only, nor the most important, way in which the legal rights of those who accept public employment are

set apart from the legal rights of others. Since the decision of the Supreme Court of the United States in *New York Times Co. v. Sullivan* (1964), 376 U.S. 254, 11 L. Ed. 2d 686, 84 S. Ct. 710, the right of a public official or employee to recover damages for false and defamatory slander and libel charges which may destroy his good name has been sharply curtailed. (See *St. Amant v. Thompson* (1968), 390 U.S. 727, 20 L. Ed. 2d 262, 88 S. Ct. 1323; *Ocala Star-Banner Co. v. Damron* (1971), 401 U.S. 295, 28 L. Ed. 2d 57, 91 S. Ct. 628; Restatement (Second) of Torts (Tent. Draft No. 20) sec. 581A.) In *United Public Workers of America v. Mitchell* (1947), 330 U.S. 75, 91 L. Ed. 754, 67 S. Ct. 556, the Supreme Court stated: "For regulation of employees it is not necessary that the act regulated be anything more than an act reasonably deemed by Congress to interfere with the efficiency of the public service." (330 U.S. 75, 101, 91 L. Ed. 754, 773.) More recently, in *United States Civil Service Com. v. National Association of Letter Carriers* (1973), 413 U.S. 548, 556, 37 L. Ed. 2d 796, 804, 93 S. Ct. 2880, 2886, the Supreme Court "unhesitatingly reaffirm[ed]" the *Mitchell* case in the course of its opinion sustaining the Hatch Act prohibition of political activity on the part of Federal employees. In the *Letter Carriers* case the court made the following comments:

"But, as the Court held in *Pickering v. Board of Education*, 391 U.S. 563, 568 (1968), the government has an interest in regulating the conduct and 'the speech of its employees that differ[s] significantly from those it possesses in connection with regulation of the speech of the citizenry in general. The problem in any case is to arrive at a balance between the interests of the [employee], as a citizen, in commenting upon matters of public concern and the interest of the [government], as an employer, in promoting the

efficiency of the public services it performs through its employees.' Although Congress is free to strike a different balance than it has, if it so chooses, we think the balance it has so far struck is sustainable by the obviously important interests sought to be served by the limitations on partisan political activities now contained in the Hatch Act." 413 U.S. 548, 564-565, 37 L. Ed. 2d 796, 808-809, 93 S. Ct. 2880, 2890; *Broadrick v. Oklahoma* (1973), 413 U.S. 601, 37 L. Ed. 2d 830, 93 S. Ct. 2908.

We conclude, as did the Supreme Court of Washington in *Fritz v. Gorton* (1974), 83 Wash. 2d 275, 517 P.2d 911, *appeal dismissed for want of substantial Federal question* (1974), 417 U.S. 902, 41 L. Ed. 2d 208, 94 S. Ct. 2596, that financial disclosures required of State employees do not deprive them of their right of privacy guaranteed by the Constitution of the United States. And we concur in the following observations of the trial judge in the case before us:

"As noted, in the balancing of the individual employee's fundamental right to privacy and the state's compelling need for efficient, ethical government, the state's interest predominates. To promote its interest, the state is requiring complete financial disclosure. Such a means is substantially related to the end and is not overbroad. While full financial disclosure is burdensome, anything less would be ineffective in accomplishing the goal. The disclosure of only the sources of significant business interests and substantial amounts of income, as under the Ethics Act [Ill. Rev. Stat. 1973, ch. 127, par. 601 *et seq.*], is useful as far as it goes, but the information exempted is such that much corruption may go undetected. It is misleading, and ultimately un-

dermining of public confidence, to institute a disclosure program having exemptions as broad as the coverage. The inclusion of dollar amounts is justified because it allows for detection of many more types of unethical conduct."

The trial court found some of the disclosure provisions unsatisfactory, however, and we now turn to a consideration of those specific determinations. The first concerns the required disclosure of the financial interests of a spouse and members of the immediate family of a State employee living with him. The trial court held that the State may not require disclosure from such a person of financial interests "which are unrelated to the State employee." The difficulty with this position is the same as that which was pointed out in *Stein v. Howlett* (1972), 52 Ill.2d 570, 578: "It would be an anomaly to enact a statute, designed to eliminate conflicts of interest between public trust and private gain, in such manner that the person affected is permitted to decide when a financial interest relates to his public employment."

The trial court also took the position that the State must "construe the requirement for disclosure with respect to the spouse and members of the immediate family of the employee living with him to mean financial interests constructively controlled by the employee and/or property, the title to which is held for the employee." In *Stein v. Howlett* a similar reference in the Governmental Ethics Act to "constructive control" was challenged on the ground of vagueness, but the court found the phrase "sufficiently explicit to inform those who are subject to it of the conduct on their part to which it applies." (52 Ill.2d 570, 579-580.) That determination, however, was not a holding that the State could go no further. Both Rule 68 of the rules of this court, which requires judges to file declarations of economic interest, and the administrative order which implements that rule, require disclosure of

economic interests of the judge "and members of his immediate family (spouse and minor children residing with him)." (50 Ill.2d R. 68; cf. Report of the Committee on Court Administration, Annual Report of the Director of the Administrative Office of the United States Courts (1970), at 7-8.) Neither the rule of this court nor the implementing order refers to "constructive control," but we are not persuaded that the absence of that phrase invalidates them. Because of the danger of conflicts of interest of an indirect character, as well as the obvious possibility of subverting the loyalty of an employee through gifts to his spouse, we hold that the executive order and the rules of the Board need not be qualified as the trial court required.

The trial court also held that question 49 of the Financial Disclosure Statement was overly broad and that employees could not be required to answer it. The reason for this conclusion is that the question was thought by the trial court to go beyond economic associations. We do not agree with this interpretation of the question. The instructions to employees concerning this question state:

"49. Enter here the names of all organizations other than the State in which you have a substantial interest. Indicate your position in the organization and your payment, if any, from the organization. Indicate approximately the amount of income, if any, that the organization receives from the State."

Question 49 and the related questions are as follows:

49. List each partnership, trust, political organization, local governmental unit, professional service corporation, or other (including non-profit) association of which you personally have been an officer, employee, director, trustee or partner since April 1, 1972.

Association	Your Position	Your Payment	Approximate Income Association Receives from State
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

Is there a continuation sheet? YES ___ NO ___

50. Have you or any association listed in 49 above represented anyone before State agencies since April 1, 1972? If "yes" list each agency and the type of matter involved. Itemize:

Agency	Type of matter
_____	_____
_____	_____
_____	_____

Is there a continuation sheet? YES ___ NO ___

51. If any person or entity in question 49 receives over \$500 from the State, check "yes" and explain on a separate sheet of paper for each person or entity (a) the nature of the income transaction (e.g. sale of concrete to the State"), and (b) the relationship, if any, of your agency to this transaction.

The tone of questions 49, 50 and 51 strongly suggests a limitation to economic interests. To the extent that question 49 and the related questions go beyond economic interests, they are, in our opinion, beyond the authority of the Board under Executive Order No. 4, the relevant portion of which is as follows:

"A statement of close economic associations, indicating the person's position with each business or professional entity with which the person is associated as an officer, employee, director or partner or in which he has a substantial interest and identifying those entities which derive substantial income from the State or from professional engagements concerning the State."

We hold therefore that these questions must be construed as referring only to economic associations. As so limited they are consistent with the executive order and violate no constitutional rights.

The trial judge stated in his opinion that the requirements that complete Federal and State income tax returns be filed for confidential use is vulnerable to attack for overbreadth, saying:

"A number of individuals itemize deductions, listing such items as medical expenses and charitable contributions. Compelling employees to pro-

vide such information for purposes of ethical enforcement cannot be justified by state need. It is a clear invasion of privacy."

And the judgment order of the trial court included the following paragraph:

"9. Defendants may not require the filing of that part of the employee's income tax returns which show itemized deductions where this would result in the disclosure of wholly private associations which are wholly unrelated to their employment."

Executive Order No. 4 requires the employees to whom it applies to file with the Board (1) a sworn statement of economic interest, and (2) a copy of his most recent Federal and State income tax returns. The order also provides that the statement of economic interest of each person shall be open to reasonable public inspection, and that the Board shall provide by rule for the time, place and manner of inspection.

With respect to public inspection and disclosure the Board has drawn a clear distinction between statements of economic interest and income tax returns. The former were to be open to public inspection under conditions prescribed in a proposed rule, the implementation of which was apparently impaired by the issuance of the temporary injunction in the trial court. Rule 7 of the rules of the Board, however, expressly states that income tax returns, including all schedules and attachments, shall not be open to public inspection at all. Paragraph 4 of Executive Order No. 4 does provide that portions of Federal or State income tax returns shall be made part of the Statement of Economic Interest, but only those portions which are "pertinent" to income transactions.

So far as income tax deductions are concerned, therefore, any claimed "invasion of privacy" amounts to no more than the required disclosure by an employee to his employer, the State of Illinois, of information which

the employee has already disclosed to the Federal government by filing his income tax return. We are unaware of any constitutional requirement that income tax returns be kept secret. Any Congressional provision currently limiting disclosure of those returns could, in our opinion, be repealed without impairing the validity of the tax. The treatment now given by Congress to this particular form of taxation is exceptional. In these circumstances we do not believe that the required filing of income tax returns represents any constitutionally significant impairment of the privacy of the individual employees affected by the executive order.

The problem as we see it is not one of constitutional right. The trial judge framed his conclusion in terms of "overbreadth" of the requirement. In this context an "overly broad" disclosure means a disclosure of more matters or more detail than the judge thinks necessary to accomplish the purpose of one of the other branches of government. Whether a particular disclosure is necessary to accomplish the purposes of the executive order is primarily a matter for the executive branch to determine. Nothing in this record justifies us in concluding that its determination is unreasonable.

To the extent that the judgment of the circuit court sustains the validity of the executive order and the action of the Board, it is affirmed, and to the extent that it holds them invalid, it is reversed.

Affirmed in part and reversed in part.

MR. JUSTICE RYAN, dissenting:

I dissent from the majority opinion because I believe that the Illinois Constitution of 1970 creates a right of privacy which is violated by this financial-disclosure scheme.

As originally presented to the constitutional convention by the Bill of Rights Committee, section 6 of article I was worded as follows:

"The right of the people to be secure in their persons, houses, papers and other possessions against unreasonable searches, seizures, interceptions of their communications, by eavesdropping devices or other means, or invasions of their privacy shall not be violated." 6 Proceedings 29.

In its written explanation of this proposal, the Committee stated:

"Forty-five state constitutions have provisions substantially similar to the existing Section 6 of the Bill of Rights ***. The new section supplements the existing language in two important respects. It adds a right against 'interceptions of their communications by eavesdropping devices or other means' and it adds a right against 'invasions of their privacy'. Both additions treat subjects in the forefront of present public concern, although neither is found in many state constitutions. ***

The changes incorporated in this new provision are as follows:

(1) The words 'other possessions' are substituted for the word 'effects' in the first clause. ***

(2) The words 'interceptions of their communications by eavesdropping devices or other means' have been inserted in the first clause. This addition is intended to create a right in respect to interception of communications that is akin to the prohibition against 'unreasonable searches and seizures'. ***

(3) The words 'invasions of their privacy' were inserted in the first clause to protect people against invasions of their privacy. It is doubtless inevitable that any person who chooses to enjoy the benefits of living in an organized society cannot also claim the privacy he would enjoy if he were to live away from the institutions of government and the multitudes of his fellow men. It is probably also inevitable that infringements on individual privacy will increase as our society becomes more complex, as government institutions are expected to assume larger responsibilities, and as technological developments offer additional or more effective means by which privacy can be invaded. In the face of these conditions the Committee concluded it was essential to the dignity and well being of the individual that every person be guaranteed a zone of privacy in which his thoughts and highly personal behavior were not subject to

disclosure or review. The new provision creates a direct right to freedom from such invasions of privacy by government or public officials." (Emphasis added.) 6 Proceedings 29 through 32.

In presenting this section to the convention on behalf of the Bill of Rights Committee Delegate Dvorak explained that the section contained three basic concepts; first, searches and seizures; second, eavesdropping and wiretapping; and third, the right to privacy. In discussing the right to privacy he stated:

"The cases that I have noted that deal with eavesdropping have pretty much intruded into the area of privacy because now the area of privacy that once was thought to be a complete area in and of itself mostly is the reason given for why eavesdropping, wire-tapping, and bugging activities are unconstitutional. But there is the area of privacy still existing in very particular instances. For instance, we have now the concept of a general information bank whereby the state government or the federal government can take certain pertinent information about each and every one of us based on, for instance, our social security number—know our weight, height, family ages, various things about us—and this is not acceptable to—was not acceptable—or the theory or the thought of such a thing—was not acceptable to the majority of our committee in approving section 6." (Emphasis added.) 3 Proceedings 1525.

I find it clear from this discussion and from the language of section 6 itself that as originally proposed that section created a right to privacy independent of the prohibitions against unreasonable searches and seizures and wiretapping. After lengthy debate section 6 was approved and forwarded to the Committee on Style, Drafting and Submission. That Committee rearranged the wording of section 6 and placed the provision concerning invasions of privacy before instead of after the provision concerning interceptions of communications by eavesdropping devices or other means. The majority of this court believes that the effect of this revision was to significantly limit the scope of the right to privacy to the area of eavesdropping.

However, this interpretation of the stylistic alteration in the language of section 6 is inconsistent with the Committee's own interpretation of their work. In explaining the revisions of section 6 to the convention the Committee on Style, Drafting and Submission stated that "no substantive change is made." 6 Proceedings 217.

Moreover, in the "Address to the People" adopted by the convention on September 2, 1970, and included in the information concerning the constitution distributed to the electorate before the referendum on the adoption of the 1970 Constitution, we find the following statement concerning the Bill of Rights article:

**** Individual rights protected by the present Constitution are retained. There are additional new protections.
 *** Unreasonable invasions of privacy are prohibited;
 ***." 7 Proceedings 2673.

And in the explanation to the voters of the revised version of section 6 the convention stated:

"This is an amended version of Article II, Section 6 of the 1870 Constitution expanded to include guarantees of freedom from unreasonable eavesdropping and invasions of privacy." (Emphasis added.) 7 Proceedings 2683.

This history of the origins of section 6 leads to what I consider the inescapable conclusion that our constitution creates a right to privacy independent of the constitutional protection against searches and seizures and wiretapping.

This conclusion is buttressed by our decision in *Stein v. Howlett*, 52 Ill.2d 570. In *Stein* we were confronted with a number of challenges to the Illinois Governmental Ethics Act (Ill. Rev. Stat., 1971 Supp., ch. 127, par. 604A-101 *et seq.*), including a contention that the Act was an unconstitutional invasion of privacy. The majority opinion in this case makes scant reference to the language of *Stein*. Immediately preceding the sentence which the majority quotes from *Stein* we find this language:

"The confirmation of the right of privacy as a constitutional right is found in section 6 of

article I of the 1970 constitution which expressly states, for the first time in our State charters, that people 'have the right to be secure in their persons, houses, papers and other possessions against *** invasions of privacy ***.' (Italics in reported opinion.) 52 Ill.2d at 574.

Then following a detailed analysis of the statute under consideration we stated in *Stein*:

"The purpose of the legislation supports the necessity for broad statutory coverage in this area. We believe that the statute as cast reflects the compelling governmental interest which is paramount to the rights of the individual, and that the statute is not overbroad as an *unconstitutional invasion of privacy*." (Emphasis added.) 52 Ill.2d at 578.

Our detailed analysis would have been unnecessary if no right of privacy in one's financial affairs had been created by section 6 of article I of the 1970 Constitution. Therefore, I believe that in *Stein* not only did we recognize but also we impliedly held that such a right was created by section 6. The majority opinion has not effectively dealt with *Stein*. We must either hold that our constitution creates a right of privacy embracing one's financial affairs or we must overrule *Stein* to the extent that it so holds.

The majority believes that any doubt existing as to the ultimate meaning of section 6 has been dispelled by the rejection by the constitutional convention of an amendment which would have stricken section 2 of article XIII which authorizes economic disclosures. In support of the amendment one of its co-sponsors stated that he opposed section 2 of article XIII because he believed that it is an invasion of the right of privacy and referred to the discussion by the California Supreme Court in *City of Carmel-by-the-Sea v. Young*, 2 Cal. 3d 259, 466 P.2d 225, 85 Cal. Rptr. 1. In referring to that decision the delegate stated that it isn't all disclosure that the court held to be within the

unconstitutional category. In concluding he stated: "I suggest that this is a matter for legislation and does not belong within the constitution, and that I therefore urge support of this amendment." (3 Proceedings 1800.) It should be remembered that this amendment was offered at the time that the original section 2 provided "Each candidate for or holder of a state office created by this Constitution shall declare his and his immediate family's income, the sources thereof, their assets and liabilities, and any significant non-economic interest." 6 Proceedings 605.

Before the amendment to delete section 2 was debated that section had been amended and the words "declare his and his immediate family's income, the source thereof, assets and liabilities, and any significant non-economic interest" had been deleted and in lieu thereof the words "file a statement of interest, which shall include a list of significant economic and noneconomic interests, as prescribed by law" had been inserted. (3 Proceedings 1772.) Thus when the proposal to delete section 2 was debated the delegates would have had no way of knowing the nature of the disclosures which would subsequently be required by statute and whether or not they would infringe upon the right of privacy. As above noted the delegate that spoke in favor of the deletion of all of section 2 acknowledged that it isn't all disclosures that fall within the category of being unconstitutional as an invasion of the right of privacy. It is further suggested that the delegates suggestion that it is a matter for legislation and does not belong within the constitution may well have been thought by the other delegates to have already been accomplished by the previously adopted amendment to section 2. Furthermore the other co-sponsor of this amendment in his closing summation urging its adoption made no reference at all to the right of privacy. After having read and reread the debates relating to section 2 of article XIII I can find no basis for concluding that the defeat of the amendment to delete all of section 2 was

based upon the rejection of the idea that section 2 invaded the right of privacy. The mere mention of the right of privacy by one delegate speaking on behalf of the amendment, which comment was not entirely relevant, does not indicate to me that the right of privacy question was the reason for the rejection of the amendment.

I also believe, contrary to the majority, that personal financial affairs are within the realm of the right to privacy created by the Federal Constitution. In *Roe v. Wade*, 410 U.S. 113, 152, 35 L. Ed. 2d 147, 176, 93 S. Ct. 705, the United States Supreme Court observed that the roots of the right to privacy have been found in the First Amendment, the Fourth and Fifth Amendments, the Ninth Amendment, and in the penumbras of the Bill of Rights. The court concluded in *Roe* that only personal rights that can be deemed "fundamental" or "implicit in the concept of ordered liberty" are included in this guarantee of personal privacy. Although the United States Supreme Court has not yet decided whether a person's financial affairs fall within the protected right of privacy under the Federal Constitution, it was recently stated by Mr. Justice Powell of that court: "Financial transactions can reveal much about a person's activities, associations, and beliefs. At some point, governmental intrusion upon these areas would implicate legitimate expectations of privacy." *California Bankers Association v. Shultz*, 416 U.S. 21, 78-79, 39 L. Ed. 2d 812, 850, 94 S. Ct. 1494, 1526 (Powell, J., concurring, joined in by Blackmun, J.).

Although I believe that section 6 of article I creates a right to privacy embracing one's financial affairs, I also realize that this right is not absolute. Regulations limiting this right may be justified by a compelling State interest but such limitations must be narrowly drawn to express only the legitimate State interests at stake and the compelling interest may not be achieved by unnecessarily broad measures. *Roe v. Wade*, 410 U.S. 113, 35 L. Ed. 2d 147, 93 S. Ct. 705; *Stein v. Howlett*, 52 Ill.2d 570; *Bates*

v. City of Little Rock, 361 U.S. 516, 4 L. Ed. 2d 480, 80 S. Ct. 412.

The obvious purpose of Executive Order No. 4 is to instill in the public trust and confidence in the State government and to disclose or prevent possible conflicts of interest which may involve State employees. As we stated in *Stein* such a purpose reflects a compelling State interest and justifies a limited intrusion into the financial privacy of the employees affected. However, even though the State has a compelling interest in this area, and has more latitude in regulating the affairs of its employees than those of private citizens (*Broadrick v. Oklahoma*, 413 U.S. 601, 37 L. Ed. 2d 830, 93 S. Ct. 2908; *United States Civil Service Com. v. National Ass'n of Letter Carriers*, 413 U.S. 548, 37 L. Ed. 2d 796, 93 S. Ct. 2880), a balance must still be struck between the legitimate objectives of the State and the privacy expectations of the employee. *Pickering v. Board of Education*, 391 U.S. 563, 20 L. Ed. 2d 811, 88 S. Ct. 1731.

As a basic premise I agree with the State that a person's private financial affairs may exert an influence on the performance of his official functions. This would most obviously be true if an employee had a financial interest in a business or organization having dealings with the government agency employing him. Inquiry directed to disclosing such potential conflict is certainly proper. Furthermore, because financial ties to organizations or businesses apparently unrelated to a person's official position might be a potential source of conflict, inquiry into such affairs also seems proper. As we noted in *Stein*, "It would be an anomaly to enact a statute, designed to eliminate conflicts of interest between public trust and private gain, in such manner that the person affected is permitted to decide when a financial interest relates to his public employment. The purpose of the legislation supports the necessity for broad statutory coverage in this area." (52 Ill.2d at 578.) This is particularly true of a

disclosure scheme which is designed not only to disclose actual conflicts, but also to instill public confidence in government. Achieving this goal would be difficult if substantial financial ties of public employees were not disclosed. Executive Order No. 4 and the Financial Disclosure Statement issued to implement the Order, however, are not limited to an inquiry into financial ties which might conflict with an employee's official duties. The Order demands disclosure of every aspect of a person's financial life. It requires that the Statement include "a current net worth statement, disclosing all assets and liabilities of the person." (Emphasis added.) The Order also requires that the Statement contain a statement of income (including capital gains) received during the preceding calendar year, disclosing: "(1) each source of income, (2) the total amount received from the source, and (3) the nature of the income transactions involving the source." (Emphasis added.) Subject to rule of the Board, the Statement shall also disclose the interests of the spouse and immediate family living with the person making the statement.

It should be remembered, that this Financial Disclosure Statement, as provided by the Executive Order, shall be open to reasonable public inspection. The Order authorizes the Board to provide by rule for the time, place and manner of the inspection of these documents.

The Order and the Financial Disclosure Statement are designed to reveal an employee's net worth. Since these statements are open to public inspection the State employee must bare to the world the minute details of his financial affairs for whatever use the curious may wish to make of this information. I do not believe that this expansive intrusion into the privacy of the employees is necessary to achieve the State's legitimate objectives. It is not necessary that the public know the net worth of an employee, since there is no reason to believe that a wealthy public servant will be less trustworthy than one of

more modest means or *vice versa*. It is therefore unnecessary that the value of personal assets not in the form of business interests be disclosed.

While the State has a legitimate interest in knowing the nature of an employee's financial holdings in corporations or business ventures which might possibly influence his conduct, I do not think it is necessary that the dollar value of those holdings be revealed. The disclosure of the financial relationship by itself will illuminate areas of possible conflicts of interest. For purposes of general disclosure the State's interest in discovering the monetary extent of these interests is outweighed by the employee's interest in privacy. Thus, I am of the opinion that the requirement of the Order that an employee list the actual dollar value of outside income or business interests constitutes an unreasonable intrusion upon the privacy of the individual and is invalid.

Furthermore, for the same reason I find offensive the requirement of Executive Order No. 4 that a copy of the employees' State and Federal income tax returns be filed with the statement. Although it is true, as the majority observes, that under current Rule 7 of the Board of Ethics these returns are not open to public inspection, nothing in the Executive Order prevents an alteration of the rules by the Board to permit public inspection or limited public inspection of these income tax returns.

In concluding that this disclosure scheme does not infringe upon the right of privacy of State employees, the majority cites as support *Fritz v. Gorton* (1974), 83 Wash. 2d 275, 517 P.2d 911. I find that decision to be of little assistance to the majority opinion because the financial disclosure scheme which was upheld in that decision by the Supreme Court of Washington bears little resemblance to the scheme before us. The Washington disclosure scheme requires much more general disclosure than that required under this Order. Section 24 of the Washington law requires elected officials to disclose financial interests

and obligations only in general categories. Under that scheme it would not be necessary to disclose one's exact net worth. The Washington Supreme Court considered this aspect of the disclosure requirement in determining whether the right of privacy was invaded. The court observed:

"The provisions of section 24 do not sweep so broadly as to be constitutionally impermissible. Section 24 does not cavalierly mandate a *picayune* itemization of personal affairs, but requires only the listing of financial data and relationships with amounts to be designated, not in specific amounts, but by general categories of varying monetary degree." (83 Wash. 2d at 299, 517 P.2d at 925.)

Because of these important differences in the disclosure requirements of the Washington law, the decision of the Washington Supreme Court sustaining that law is of no persuasive value here.

I must also disagree with the statement of the majority that, "whether a particular disclosure is necessary to accomplish the purposes of the Executive Order is primarily a matter for the executive branch to determine." While this statement is a natural conclusion from the majority position that there exists no right to privacy in one's financial affairs, believing as I do that such matters are embraced by a constitutional right to privacy, I must conclude that deciding the validity of disclosure provisions is primarily a function of this court.

For these reasons I believe that Executive Order No. 4 is an unconstitutional invasion of the right of privacy of the State employees who are subject to its disclosure requirements.

MR. JUSTICE GOLDENHERSH joins in this dissent.

