



## 104TH GENERAL ASSEMBLY

### State of Illinois

2025 and 2026

SB3610

Introduced 2/5/2026, by Sen. Chris Balkema

#### SYNOPSIS AS INTRODUCED:

50 ILCS 310/1	from Ch. 85, par. 701
50 ILCS 310/3	from Ch. 85, par. 703
50 ILCS 310/6	from Ch. 85, par. 706

Amends the Governmental Account Audit Act. Provides that, beginning in fiscal year 2027, any governmental unit receiving revenue of less than \$1,500,000 (rather than \$850,000) in the immediately preceding fiscal year shall, in lieu of causing an annual audit of the accounts of the unit to be made, either (i) cause an audit of the accounts of the unit to be made once every 4 years and file with the Comptroller an annual financial report containing information required by the Comptroller or (ii) file with the Comptroller an annual financial report containing information required by the Comptroller, a copy of which has been provided to each member of that governmental unit's board of elected officials, presented either in person or by a live phone or web connection during a public meeting, and approved by a 3/5 majority vote. Provides that, beginning in fiscal year 2028, governmental units receiving revenue of \$1,500,000 or more (rather than \$850,000) in the immediately preceding fiscal year shall, in addition to complying with the requirements for audits and audit reports, file with the Comptroller the financial report and immediately make one copy of the audit report and one copy of the financial report a part of its public record as required by the Act. Makes conforming changes. Effective immediately.

LRB104 20648 RTM 34145 b

1 AN ACT concerning local government.

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

4 Section 5. The Governmental Account Audit Act is amended  
5 by changing Sections 1, 3, and 6 as follows:

6 (50 ILCS 310/1) (from Ch. 85, par. 701)

7 Sec. 1. Definitions. As used in this Act, unless the  
8 context otherwise indicates:

9 "Governmental unit" or "unit" includes all municipal  
10 corporations in and political subdivisions of this State that  
11 appropriate more than \$5,000 for a fiscal year, with the  
12 amount to increase or decrease by the amount of the Consumer  
13 Price Index (CPI) as reported on January 1 of each year, except  
14 the following:

15 (1) School districts.

16 (2) Cities, villages, and incorporated towns subject  
17 to the Municipal Auditing Law, as contained in the  
18 Illinois Municipal Code, and cities that file a report  
19 with the Comptroller under Section 3.1-35-115 of the  
20 Illinois Municipal Code.

21 (3) Counties with a population of 1,000,000 or more.

22 (4) Counties subject to the County Auditing Law.

23 (5) Any other municipal corporations in or political

1 subdivisions of this State, the accounts of which are  
2 required by law to be audited by or under the direction of  
3 the Auditor General.

4 (6) (Blank).

5 (7) A drainage district, established under the  
6 Illinois Drainage Code (70 ILCS 605), that did not receive  
7 or expend any moneys during the immediately preceding  
8 fiscal year or obtains approval for assessments and  
9 expenditures through the circuit court.

10 (8) Public housing authorities that submit financial  
11 reports to the U.S. Department of Housing and Urban  
12 Development.

13 "Governing body" means the board or other body or officers  
14 having authority to levy taxes, make appropriations, authorize  
15 the expenditure of public funds or approve claims for any  
16 governmental unit.

17 "Comptroller" means the Comptroller of the State of  
18 Illinois.

19 "Consumer Price Index" means the Consumer Price Index for  
20 All Urban Consumers for all items published by the United  
21 States Department of Labor.

22 "Audit report" means the written report of the auditor and  
23 all appended statements and schedules relating to that report,  
24 presenting or recording the findings of an examination or  
25 audit of the financial transactions, affairs, or conditions of  
26 a governmental unit.

1 "Auditor" means a licensed certified public accountant, as  
2 that term is defined in Section 0.03 of the Illinois Public  
3 Accounting Act, or the substantial equivalent of a licensed  
4 CPA, as provided under Section 5.2 of the Illinois Public  
5 Accounting Act, who performs an audit of governmental unit  
6 financial statements and records and expresses an assurance or  
7 disclaims an opinion on the audited financial statements.

8 "Report" includes both audit reports and reports filed  
9 instead of an audit report by a governmental unit receiving  
10 revenue of less than \$1,500,000 ~~\$850,000~~ during any fiscal  
11 year to which the reports relate.

12 "Generally accepted accounting principles" means  
13 accounting principles generally accepted in the United States.

14 "Generally accepted auditing standards" means auditing  
15 standards generally accepted in the United States.

16 (Source: P.A. 100-837, eff. 8-13-18; 101-419, eff. 1-1-20.)

17 (50 ILCS 310/3) (from Ch. 85, par. 703)

18 Sec. 3. Beginning in fiscal year 2027, any ~~Any~~  
19 governmental unit receiving revenue of less than \$1,500,000 in  
20 the immediately preceding ~~\$850,000 for any~~ fiscal year shall,  
21 in lieu of complying with the requirements of Section 2 for  
22 audits and audit reports, ~~beginning with fiscal year 2016,~~  
23 either: (i) cause an audit of the accounts of the unit to be  
24 made once every 4 years and file with the Comptroller an annual  
25 financial report containing information required by the

1 Comptroller, or (ii) file with the Comptroller an annual  
2 financial report containing information required by the  
3 Comptroller, a copy of which has been provided to each member  
4 of that governmental unit's board of elected officials,  
5 presented either in person or by a live phone or web connection  
6 during a public meeting, and approved by a 3/5 majority vote.  
7 In addition, a governmental unit receiving revenue of less  
8 than \$1,500,000 ~~\$850,000~~ may file with the Comptroller any  
9 audit reports which may have been prepared under any other  
10 law. Beginning in fiscal year 2028, any ~~Any~~ governmental unit  
11 receiving revenue of \$1,500,000 ~~\$850,000~~ or more in the  
12 immediately preceding ~~for any~~ fiscal year shall, in addition  
13 to complying with the requirements of Section 2 for audits and  
14 audit reports, file with the Comptroller the financial report  
15 required by this Section. Such financial reports shall be on  
16 forms so designed by the Comptroller as not to require  
17 professional accounting services for its preparation. All  
18 reports to be filed with the Comptroller under this Section  
19 must be submitted electronically and the Comptroller must post  
20 the reports on the Internet no later than 45 days after they  
21 are received. If the governmental unit provides the  
22 Comptroller's Office with sufficient evidence that the report  
23 cannot be filed electronically, the Comptroller may waive this  
24 requirement. The Comptroller must also post a list of  
25 governmental units that are not in compliance with the  
26 reporting requirements set forth in this Section.

1 Any financial report under this Section shall include the  
2 name of the purchasing agent who oversees all competitively  
3 bid contracts. If there is no purchasing agent, the name of the  
4 person responsible for oversight of all competitively bid  
5 contracts shall be listed.

6 (Source: P.A. 97-890, eff. 8-2-12; 97-1142, eff. 12-28-12;  
7 98-1019, eff. 7-1-15.)

8 (50 ILCS 310/6) (from Ch. 85, par. 706)

9 Sec. 6. When the audit is completed the auditor making  
10 such audit shall make and sign at least 3 copies of the report  
11 of the audit and immediately file them with the governmental  
12 unit audited. Beginning in fiscal year 2028, governmental  
13 ~~Governmental~~ units receiving revenue of \$1,500,000 ~~\$850,000~~ or  
14 more in the immediately preceding ~~for any~~ fiscal year shall  
15 immediately make one copy of the audit report and one copy of  
16 the financial report required by Section 3 of this Act a part  
17 of its public record. Governmental units receiving revenue of  
18 less than \$1,500,000 ~~\$850,000~~ shall immediately make one copy  
19 of the audit report, or one copy of the report authorized by  
20 Section 3 of this Act to be filed instead of the audit report,  
21 a part of its public record. These copies shall be open to  
22 public inspection. In addition, the governmental unit shall  
23 file one copy of the report with the Comptroller and with the  
24 county clerk of the county in which the principal office of the  
25 governmental unit is located. A governmental unit may, in

1 filing its audit report with the Comptroller, transmit with  
2 such report any comment or explanation that it wishes to make  
3 concerning the report.

4 (Source: P.A. 101-419, eff. 1-1-20.)

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