

1 AN ACT concerning the State budget.

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

4 Section 5. The State Budget Law of the Civil  
5 Administrative Code of Illinois is amended by changing  
6 Section 50-5 as follows:

7 (15 ILCS 20/50-5) (was 15 ILCS 20/38)

8 Sec. 50-5. Governor to submit State budget. The Governor  
9 shall, as soon as possible and not later than the third  
10 Wednesday in February of each year beginning in 1998, submit  
11 a State budget, embracing therein the amounts recommended by  
12 the Governor to be appropriated to the respective  
13 departments, offices, and institutions, and for all other  
14 public purposes, the estimated revenues from taxation, the  
15 estimated revenues from sources other than taxation, and an  
16 estimate of the amount required to be raised by taxation.  
17 The amounts recommended by the Governor for appropriation to  
18 the respective departments, offices and institutions shall be  
19 formulated according to the various functions and activities  
20 for which the respective department, office or institution of  
21 the State government (including the elective officers in the  
22 executive department and including the University of Illinois  
23 and the judicial department) is responsible. The amounts  
24 relating to particular functions and activities shall be  
25 further formulated in accordance with the object  
26 classification specified in Section 13 of the State Finance  
27 Act. State budgets submitted for fiscal years 2007 and  
28 thereafter must be prepared using the performance measures  
29 developed under Section 6.5 of the Bureau of the Budget Act.

30 The Governor shall not propose expenditures and the  
31 General Assembly shall not enact appropriations that exceed

1 the resources estimated to be available, as provided in this  
2 Section.

3 For the purposes of Article VIII, Section 2 of the 1970  
4 Illinois Constitution, the State budget for the following  
5 funds shall be prepared on the basis of revenue and  
6 expenditure measurement concepts that are in concert with  
7 generally accepted accounting principles for governments:

- 8 (1) General Revenue Fund.
- 9 (2) Common School Fund.
- 10 (3) Educational Assistance Fund.
- 11 (4) Road Fund.
- 12 (5) Motor Fuel Tax Fund.
- 13 (6) Agricultural Premium Fund.

14 These funds shall be known as the "budgeted funds". The  
15 revenue estimates used in the State budget for the budgeted  
16 funds shall include the estimated beginning fund balance,  
17 plus revenues estimated to be received during the budgeted  
18 year, plus the estimated receipts due the State as of June 30  
19 of the budgeted year that are expected to be collected during  
20 the lapse period following the budgeted year, minus the  
21 receipts collected during the first 2 months of the budgeted  
22 year that became due to the State in the year before the  
23 budgeted year. Revenues shall also include estimated federal  
24 reimbursements associated with the recognition of Section 25  
25 of the State Finance Act liabilities. For any budgeted fund  
26 for which current year revenues are anticipated to exceed  
27 expenditures, the surplus shall be considered to be a  
28 resource available for expenditure in the budgeted fiscal  
29 year.

30 Expenditure estimates for the budgeted funds included in  
31 the State budget shall include the costs to be incurred by  
32 the State for the budgeted year, to be paid in the next  
33 fiscal year, excluding costs paid in the budgeted year which  
34 were carried over from the prior year, where the payment is

1 authorized by Section 25 of the State Finance Act. For any  
2 budgeted fund for which expenditures are expected to exceed  
3 revenues in the current fiscal year, the deficit shall be  
4 considered as a use of funds in the budgeted fiscal year.

5 Revenues and expenditures shall also include transfers  
6 between funds that are based on revenues received or costs  
7 incurred during the budget year.

8 By March 15 of each year, the Economic and Fiscal  
9 Commission shall prepare revenue and fund transfer estimates  
10 in accordance with the requirements of this Section and  
11 report those estimates to the General Assembly and the  
12 Governor.

13 For all funds other than the budgeted funds, the proposed  
14 expenditures shall not exceed funds estimated to be available  
15 for the fiscal year as shown in the budget. Appropriation  
16 for a fiscal year shall not exceed funds estimated by the  
17 General Assembly to be available during that year.

18 (Source: P.A. 90-479, eff. 8-17-97; 91-239, eff. 1-1-00.)

19 Section 10. The Bureau of the Budget Act is amended by  
20 adding Section 6.5 as follows:

21 (20 ILCS 3005/6.5 new)

22 Sec. 6.5. Development of program objectives and  
23 performance measures for State programs and agencies.

24 (a) The General Assembly finds that the public  
25 accountability of State agency programs will be enhanced by:

26 (1) making State government more result-oriented;

27 (2) increasing public awareness of the efficacy of  
28 State government programs;

29 (3) facilitating informed decision-making on the  
30 allocation of State resources; and

31 (4) increasing public access to information on  
32 State government programs.

1       (b) The Bureau, in cooperation with the Comptroller and  
2       State agencies, shall develop program objectives and  
3       performance measures for State programs. In developing the  
4       program objectives and performance measures, the Bureau must  
5       incorporate the data developed under subsection (c). The  
6       program objectives shall be developed by October 1, 2004. The  
7       Governor may appoint an advisory commission to participate in  
8       developing program goals and objectives. Members of the  
9       commission shall serve without compensation, but may be  
10       reimbursed for their reasonable expenses incurred in carrying  
11       out their duties.

12       Performance measures to measure progress in achieving  
13       program goals and objectives shall be developed by October 1,  
14       2005. The performance measures must be used in preparing and  
15       presenting State budgets for fiscal years 2007 and  
16       thereafter. The performance measures shall be integrated  
17       with the budget so that expenditures and other program inputs  
18       can be associated with program goals and performance  
19       measures.

20       (c) The Bureau shall continue the performance management  
21       practices being conducted by the Office of the Governor on  
22       and before February 28, 2002. These practices include, but  
23       are not limited to:

24               (1) the development of mission statements, goals,  
25               and objectives for State agencies and programs;

26               (2) the evaluation of the results and  
27               accomplishments of State agencies and programs; and

28               (3) the development of outcome indicators,  
29               cost-effectiveness indicators, and external benchmarks  
30               for State agencies and programs.

31       The Bureau shall provide the information developed from  
32       these performance management practices to the Comptroller and  
33       cooperate with the Comptroller in the reporting and  
34       publishing the data developed through these performance

1 management practices. The application of these performance  
2 management practices shall be extended annually until the  
3 budget and performance of all State agencies and programs are  
4 evaluated in accordance with these performance management  
5 practices.

6 (d) As much as possible, the Bureau shall rely on  
7 existing reporting forms utilized by direct service providers  
8 in collecting data on community based programs and services,  
9 rather than creating a new overlay of reports to be required  
10 of State agencies and providers.

11 Section 15. The State Comptroller Act is amended by  
12 adding Section 6.05 as follows:

13 (15 ILCS 405/6.05 new)

14 Sec. 6.05. Publication of performance management  
15 practices data. The Comptroller shall, in cooperation with  
16 the Bureau of the Budget, compile and publish the data  
17 developed under subsection (b) of Section 6.5 of the Bureau  
18 of the Budget Act.

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