

1 AN ACT concerning truth in budgeting.

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 Sections 50-5 and 50-10 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.

28 The Governor shall not propose expenditures and the
29 General Assembly shall not enact appropriations that exceed
30 the resources estimated to be available, as provided in this
31 Section.

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

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

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

29 Expenditure estimates for the budgeted funds included in
30 the State budget shall include the costs to be incurred by
31 the State for the budgeted year, to be paid in the next
32 fiscal year, excluding costs paid in the budgeted year which
33 were carried over from the prior year, where the payment is
34 authorized by Section 25 of the State Finance Act. For any

1 budgeted fund for which expenditures are expected to exceed
2 revenues in the current fiscal year, the deficit shall be
3 considered as a use of funds in the budgeted fiscal year.

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

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

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

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

18 (15 ILCS 20/50-10) (was 15 ILCS 20/38.1)

19 Sec. 50-10. Budget contents. The budget shall be
20 submitted by the Governor with line item and program data.
21 The budget shall also contain performance data presenting an
22 estimate for the current fiscal year, projections for the
23 budget year, and information for the 3 prior fiscal years
24 comparing department objectives with actual accomplishments,
25 formulated according to the various functions and activities,
26 and, wherever the nature of the work admits, according to the
27 work units, for which the respective departments, offices,
28 and institutions of the State government (including the
29 elective officers in the executive department and including
30 the University of Illinois and the judicial department) are
31 responsible.

32 For the fiscal year beginning July 1, 1992 and for each
33 fiscal year thereafter, the budget shall include the

1 performance measures of each department's accountability
2 report.

3 For the fiscal year beginning July 1, 1997 and for each
4 fiscal year thereafter, the budget shall include one or more
5 line items appropriating moneys to the Department of Human
6 Services to fund participation in the Home-Based Support
7 Services Program for Mentally Disabled Adults under the
8 Developmental Disability and Mental Disability Services Act
9 by persons described in Section 2-17 of that Act.

10 For the fiscal year beginning July 1, 2005 and for each
11 fiscal year thereafter, the budget must contain one or more
12 line items appropriating moneys to fund all costs in the
13 budget year estimated for payment of liabilities incurred in
14 a prior fiscal year and authorized to be paid in the budget
15 year under Section 25 of the State Finance Act.

16 The budget shall contain a capital development Section in
17 which the Governor will present (1) information on the
18 capital projects and capital programs for which
19 appropriations are requested, (2) the capital spending plans,
20 which shall document the first and subsequent years cash
21 requirements by fund for the proposed bonded program, and (3)
22 a statement that shall identify by year the principal and
23 interest costs until retirement of the State's general
24 obligation debt. In addition, the principal and interest
25 costs of the budget year program shall be presented
26 separately, to indicate the marginal cost of principal and
27 interest payments necessary to retire the additional bonds
28 needed to finance the budget year's capital program.

29 For the budget year, the current year, and 3 prior fiscal
30 years, the Governor shall also include in the budget
31 estimates of or actual values for the assets and liabilities
32 for General Assembly Retirement System, State Employees'
33 Retirement System of Illinois, State Universities Retirement
34 System, Teachers' Retirement System of the State of Illinois,

1 and Judges Retirement System of Illinois.

2 The budget submitted by the Governor shall contain, in
3 addition, in a separate book, a tabulation of all position
4 and employment titles in each such department, office, and
5 institution, the number of each, and the salaries for each,
6 formulated according to divisions, bureaus, sections,
7 offices, departments, boards, and similar subdivisions, which
8 shall correspond as nearly as practicable to the functions
9 and activities for which the department, office, or
10 institution is responsible.

11 Together with the budget, the Governor shall transmit the
12 estimates of receipts and expenditures, as received by the
13 director of the Bureau of the Budget, of the elective
14 officers in the executive and judicial departments and of the
15 University of Illinois.

16 (Source: P.A. 91-239, eff. 1-1-00.)

17 Section 10. The State Finance Act is amended by changing
18 Section 25 as follows:

19 (30 ILCS 105/25) (from Ch. 127, par. 161)

20 Sec. 25. Fiscal year limitations.

21 (a) All appropriations shall be available for
22 expenditure for the fiscal year or for a lesser period if the
23 Act making that appropriation so specifies. A deficiency or
24 emergency appropriation shall be available for expenditure
25 only through June 30 of the year when the Act making that
26 appropriation is enacted unless that Act otherwise provides.

27 (b) Outstanding liabilities as of June 30, payable from
28 appropriations which have otherwise expired, may be paid out
29 of the expiring appropriations during the 2-month period
30 ending at the close of business on August 31. Any service
31 involving professional or artistic skills or any personal
32 services by an employee whose compensation is subject to

1 income tax withholding must be performed as of June 30 of the
2 fiscal year in order to be considered an "outstanding
3 liability as of June 30" that is thereby eligible for payment
4 out of the expiring appropriation.

5 Notwithstanding the provisions of subsections (b-5) and
6 (c) of this Section, when a State agency receives and
7 approves a request for payment of an outstanding liability
8 prior to June 30 of a fiscal year, the payment must be made
9 from the appropriations for that purpose for the fiscal year
10 in which the State agency received and approved the request
11 for payment.

12 (b-5) However, Payment of tuition reimbursement claims
13 under Section 14-7.03 or 18-3 of the School Code may be made
14 by the State Board of Education from its appropriations for
15 those respective purposes for any fiscal year, even though
16 the claims reimbursed by the payment may be claims
17 attributable to a prior fiscal year, and payments may be made
18 at the direction of the State Superintendent of Education
19 from the fund from which the appropriation is made without
20 regard to any fiscal year limitations.

21 Medical payments may be made by the Department of
22 Veterans' Affairs from its appropriations for those purposes
23 for any fiscal year, without regard to the fact that the
24 medical services being compensated for by such payment may
25 have been rendered in a prior fiscal year.

26 Medical payments may be made by the Department of Public
27 Aid and child care payments may be made by the Department of
28 Human Services (as successor to the Department of Public Aid)
29 from appropriations for those purposes for any fiscal year,
30 without regard to the fact that the medical or child care
31 services being compensated for by such payment may have been
32 rendered in a prior fiscal year; and payments may be made at
33 the direction of the Department of Central Management
34 Services from the Health Insurance Reserve Fund and the Local

1 Government Health Insurance Reserve Fund without regard to
2 any fiscal year limitations.

3 Additionally, payments may be made by the Department of
4 Human Services from its appropriations, or any other State
5 agency from its appropriations with the approval of the
6 Department of Human Services, from the Immigration Reform and
7 Control Fund for purposes authorized pursuant to the
8 Immigration Reform and Control Act of 1986, without regard to
9 any fiscal year limitations.

10 Further, with respect to costs incurred in fiscal years
11 2002 and 2003 only, payments may be made by the State
12 Treasurer from its appropriations from the Capital Litigation
13 Trust Fund without regard to any fiscal year limitations.

14 (c) Further, payments may be made by the Department of
15 Public Health and the Department of Human Services (acting as
16 successor to the Department of Public Health under the
17 Department of Human Services Act) from their respective
18 appropriations for grants for medical care to or on behalf of
19 persons suffering from chronic renal disease, persons
20 suffering from hemophilia, rape victims, and premature and
21 high-mortality risk infants and their mothers and for grants
22 for supplemental food supplies provided under the United
23 States Department of Agriculture Women, Infants and Children
24 Nutrition Program, for any fiscal year without regard to the
25 fact that the services being compensated for by such payment
26 may have been rendered in a prior fiscal year.

27 (d) The Department of Public Health and the Department
28 of Human Services (acting as successor to the Department of
29 Public Health under the Department of Human Services Act)
30 shall each annually submit to the State Comptroller, Senate
31 President, Senate Minority Leader, Speaker of the House,
32 House Minority Leader, and the respective Chairmen and
33 Minority Spokesmen of the Appropriations Committees of the
34 Senate and the House, on or before December 31, a report of

1 fiscal year funds used to pay for services provided in any
2 prior fiscal year. This report shall document by program or
3 service category those expenditures from the most recently
4 completed fiscal year used to pay for services provided in
5 prior fiscal years.

6 (e) The Department of Public Aid and the Department of
7 Human Services (acting as successor to the Department of
8 Public Aid) shall each annually submit to the State
9 Comptroller, Senate President, Senate Minority Leader,
10 Speaker of the House, House Minority Leader, the respective
11 Chairmen and Minority Spokesmen of the Appropriations
12 Committees of the Senate and the House, on or before November
13 30, a report that shall document by program or service
14 category those expenditures from the most recently completed
15 fiscal year used to pay for (i) services provided in prior
16 fiscal years and (ii) services for which claims were received
17 in prior fiscal years.

18 (f) The Department of Human Services (as successor to
19 the Department of Public Aid) shall annually submit to the
20 State Comptroller, Senate President, Senate Minority Leader,
21 Speaker of the House, House Minority Leader, and the
22 respective Chairmen and Minority Spokesmen of the
23 Appropriations Committees of the Senate and the House, on or
24 before December 31, a report of fiscal year funds used to pay
25 for services (other than medical care) provided in any prior
26 fiscal year. This report shall document by program or
27 service category those expenditures from the most recently
28 completed fiscal year used to pay for services provided in
29 prior fiscal years.

30 (g) In addition, each annual report required to be
31 submitted by the Department of Public Aid under subsection
32 (e) shall include the following information with respect to
33 the State's Medicaid program:

34 (1) Explanations of the exact causes of the

1 variance between the previous year's estimated and actual
2 liabilities.

3 (2) Factors affecting the Department of Public
4 Aid's liabilities, including but not limited to numbers
5 of aid recipients, levels of medical service utilization
6 by aid recipients, and inflation in the cost of medical
7 services.

8 (3) The results of the Department's efforts to
9 combat fraud and abuse.

10 (h) As provided in Section 4 of the General Assembly
11 Compensation Act, any utility bill for service provided to a
12 General Assembly member's district office for a period
13 including portions of 2 consecutive fiscal years may be paid
14 from funds appropriated for such expenditure in either fiscal
15 year.

16 (i) An agency which administers a fund classified by the
17 Comptroller as an internal service fund may issue rules for:

18 (1) billing user agencies in advance based on
19 estimated charges for goods or services;

20 (2) issuing credits during the subsequent fiscal
21 year for all user agency payments received during the
22 prior fiscal year which were in excess of the final
23 amounts owed by the user agency for that period; and

24 (3) issuing catch-up billings to user agencies
25 during the subsequent fiscal year for amounts remaining
26 due when payments received from the user agency during
27 the prior fiscal year were less than the total amount
28 owed for that period.

29 User agencies are authorized to reimburse internal service
30 funds for catch-up billings by vouchers drawn against their
31 respective appropriations for the fiscal year in which the
32 catch-up billing was issued.

33 (Source: P.A. 92-885, eff. 1-13-03.)

1 Section 99. Effective date. This Act takes effect upon
2 becoming law.