



94TH GENERAL ASSEMBLY

State of Illinois

2005 and 2006

HB1146

Introduced 02/08/05, by Rep. Jim Watson

SYNOPSIS AS INTRODUCED:

30 ILCS 105/8.12

from Ch. 127, par. 144.12

Amends the State Finance Act. Provides that, in each fiscal year in which the State's cash balance at the end of the fiscal year is in excess of \$750,000,000, that excess must be transferred into the State Pensions Fund for immediate disbursement. Provides that the State Pensions Fund shall also include moneys appropriated or otherwise transferred into that Fund, as otherwise provided by law. Effective immediately.

LRB094 06360 BDD 36439 b

FISCAL NOTE ACT
MAY APPLY

1 AN ACT concerning finance.

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

4 Section 5. The State Finance Act is amended by changing
5 Section 8.12 as follows:

6 (30 ILCS 105/8.12) (from Ch. 127, par. 144.12)

7 Sec. 8.12. State Pensions Fund.

8 (a) The moneys in the State Pensions Fund shall be used
9 exclusively for the administration of the Uniform Disposition
10 of Unclaimed Property Act and for the payment of or repayment
11 to the General Revenue Fund a portion of the required State
12 contributions to the designated retirement systems.

13 "Designated retirement systems" means:

14 (1) the State Employees' Retirement System of
15 Illinois;

16 (2) the Teachers' Retirement System of the State of
17 Illinois;

18 (3) the State Universities Retirement System;

19 (4) the Judges Retirement System of Illinois; and

20 (5) the General Assembly Retirement System.

21 (a-5) Notwithstanding any other provision of law, in each
22 fiscal year in which the State's cash balance at the end of the
23 fiscal year is in excess of \$750,000,000, that excess must be
24 transferred into the State Pensions Fund for immediate
25 disbursement. The State Pensions Fund shall also include moneys
26 appropriated or otherwise transferred into that Fund, as
27 otherwise provided by law.

28 (b) Each year the General Assembly may make appropriations
29 from the State Pensions Fund for the administration of the
30 Uniform Disposition of Unclaimed Property Act.

31 Each month, the Commissioner of the Office of Banks and
32 Real Estate shall certify to the State Treasurer the actual

1 expenditures that the Office of Banks and Real Estate incurred
2 conducting unclaimed property examinations under the Uniform
3 Disposition of Unclaimed Property Act during the immediately
4 preceding month. Within a reasonable time following the
5 acceptance of such certification by the State Treasurer, the
6 State Treasurer shall pay from its appropriation from the State
7 Pensions Fund to the Bank and Trust Company Fund and the
8 Savings and Residential Finance Regulatory Fund an amount equal
9 to the expenditures incurred by each Fund for that month.

10 Each month, the Director of Financial Institutions shall
11 certify to the State Treasurer the actual expenditures that the
12 Department of Financial Institutions incurred conducting
13 unclaimed property examinations under the Uniform Disposition
14 of Unclaimed Property Act during the immediately preceding
15 month. Within a reasonable time following the acceptance of
16 such certification by the State Treasurer, the State Treasurer
17 shall pay from its appropriation from the State Pensions Fund
18 to the Financial Institutions Fund and the Credit Union Fund an
19 amount equal to the expenditures incurred by each Fund for that
20 month.

21 (c) As soon as possible after the effective date of this
22 amendatory Act of the 93rd General Assembly, the General
23 Assembly shall appropriate from the State Pensions Fund (1) to
24 the State Universities Retirement System the amount certified
25 under Section 15-165 during the prior year, (2) to the Judges
26 Retirement System of Illinois the amount certified under
27 Section 18-140 during the prior year, and (3) to the General
28 Assembly Retirement System the amount certified under Section
29 2-134 during the prior year as part of the required State
30 contributions to each of those designated retirement systems;
31 except that amounts appropriated under this subsection (c) in
32 State fiscal year 2005 shall not reduce the amount in the State
33 Pensions Fund below \$5,000,000. If the amount in the State
34 Pensions Fund does not exceed the sum of the amounts certified
35 in Sections 15-165, 18-140, and 2-134 by at least \$5,000,000,
36 the amount paid to each designated retirement system under this

1 subsection shall be reduced in proportion to the amount
2 certified by each of those designated retirement systems. For
3 each State fiscal year beginning with State fiscal year 2006,
4 the General Assembly shall appropriate a total amount equal to
5 the balance in the State Pensions Fund at the close of business
6 on June 30 of the preceding fiscal year, less \$5,000,000, as
7 part of the required State contributions to the designated
8 retirement systems. The amount of the appropriation to
9 designated retirement systems shall constitute a portion of the
10 total appropriation under this subsection for that fiscal year
11 which is the same as that retirement system's portion of the
12 total actuarial reserve deficiency of the systems, as most
13 recently determined by the Governor's Office of Management and
14 Budget.

15 (d) The Governor's Office of Management and Budget shall
16 determine the individual and total reserve deficiencies of the
17 designated retirement systems. For this purpose, the
18 Governor's Office of Management and Budget shall utilize the
19 latest available audit and actuarial reports of each of the
20 retirement systems and the relevant reports and statistics of
21 the Public Employee Pension Fund Division of the Department of
22 Insurance.

23 (d-1) As soon as practicable after the effective date of
24 this amendatory Act of the 93rd General Assembly, the
25 Comptroller shall direct and the Treasurer shall transfer from
26 the State Pensions Fund to the General Revenue Fund, as funds
27 become available, a sum equal to the amounts that would have
28 been paid from the State Pensions Fund to the Teachers'
29 Retirement System of the State of Illinois, the State
30 Universities Retirement System, the Judges Retirement System
31 of Illinois, the General Assembly Retirement System, and the
32 State Employees' Retirement System of Illinois after the
33 effective date of this amendatory Act during the remainder of
34 fiscal year 2004 to the designated retirement systems from the
35 appropriations provided for in this Section if the transfers
36 provided in Section 6z-61 had not occurred. The transfers

1 described in this subsection (d-1) are to partially repay the
2 General Revenue Fund for the costs associated with the bonds
3 used to fund the moneys transferred to the designated
4 retirement systems under Section 6z-61.

5 (e) The changes to this Section made by this amendatory Act
6 of 1994 shall first apply to distributions from the Fund for
7 State fiscal year 1996.

8 (Source: P.A. 93-665, eff. 3-5-04; 93-839, eff. 7-30-04.)

9 Section 99. Effective date. This Act takes effect upon
10 becoming law.