95TH GENERAL ASSEMBLY

State of Illinois

2007 and 2008

HB3480

Introduced 2/28/2007, by Rep. Fred Crespo

SYNOPSIS AS INTRODUCED:

30 ILCS 105/8.3 30 ILCS 105/8h from Ch. 127, par. 144.3

Amends the State Finance Act. Caps transfers in FY08 and thereafter from the Road Fund to the Department of State Police at \$45,000,000 per fiscal year (now, capped at 1990 levels) and to the Secretary of State at \$30,000,000 per fiscal year (now, \$30,500,000). Terminates certain authority in FY08 and thereafter to make transfers to the General Revenue Fund from the Road Fund, State Construction Account Fund, Criminal Justice Information Systems Trust Fund, Wireless Emergency Service Fund, and Mandatory Arbitration Fund. Effective July 1, 2007.

LRB095 08911 RCE 29098 b

FISCAL NOTE ACT MAY APPLY

A BILL FOR

1

AN ACT concerning finance.

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

Section 5. The State Finance Act is amended by changing
Sections 8.3 and 8h as follows:

6 (30 ILCS 105/8.3) (from Ch. 127, par. 144.3)

7 Sec. 8.3. Money in the Road Fund shall, if and when the 8 State of Illinois incurs any bonded indebtedness for the 9 construction of permanent highways, be set aside and used for the purpose of paying and discharging annually the principal 10 and interest on that bonded indebtedness then due and payable, 11 12 and for no other purpose. The surplus, if any, in the Road Fund 13 after the payment of principal and interest on that bonded 14 indebtedness then annually due shall be used as follows:

15 first -- to pay the cost of administration of Chapters 16 2 through 10 of the Illinois Vehicle Code, except the cost 17 of administration of Articles I and II of Chapter 3 of that 18 Code; and

19 secondly -- for expenses of the Department of 20 for construction, Transportation reconstruction, 21 improvement, repair, maintenance, operation, and 22 of highways in accordance administration with the provisions of laws relating thereto, or for any purpose 23

related or incident to and connected therewith, including 1 2 the separation of grades of those highways with railroads 3 and with highways and including the payment of awards made by the Illinois Workers' Compensation Commission under the 4 terms of the Workers' Compensation Act or 5 Workers' Occupational Diseases Act for injury or 6 death of an 7 employee of the Division of Highways in the Department of 8 Transportation; or for the acquisition of land and the 9 erection of buildings for highway purposes, including the 10 acquisition of highway right-of-way or for investigations 11 to determine the reasonably anticipated future highway 12 needs; or for making of surveys, plans, specifications and estimates for and in the construction and maintenance of 13 14 flight strips and of highways necessary to provide access 15 to military and naval reservations, to defense industries 16 and defense-industry sites, and to the sources of raw materials and for replacing existing highways and highway 17 connections shut off from general public use at military 18 19 and naval reservations and defense-industry sites, or for 20 the purchase of right-of-way, except that the State shall 21 be reimbursed in full for any expense incurred in building 22 the flight strips; or for the operating and maintaining of 23 highway garages; or for patrolling and policing the public 24 highways and conserving the peace; or for the operating 25 expenses of the Department relating to the administration 26 of public transportation programs; or for any of those

1 purposes or any other purpose that may be provided by law. 2 Appropriations for any of those purposes are payable from 3 the Road Fund. Appropriations may also be made from the Road 4 Fund for the administrative expenses of any State agency that 5 are related to motor vehicles or arise from the use of motor 6 vehicles.

Beginning with fiscal year 1980 and thereafter, no Road Fund monies shall be appropriated to the following Departments or agencies of State government for administration, grants, or operations; but this limitation is not a restriction upon appropriating for those purposes any Road Fund monies that are eligible for federal reimbursement;

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1. Department of Public Health;

Department of Transportation, only with respect to
 subsidies for one-half fare Student Transportation and
 Reduced Fare for Elderly;

17 3. Department of Central Management Services, except
18 for expenditures incurred for group insurance premiums of
19 appropriate personnel;

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4. Judicial Systems and Agencies.

Beginning with fiscal year 1981 and thereafter, no Road Fund monies shall be appropriated to the following Departments or agencies of State government for administration, grants, or operations; but this limitation is not a restriction upon appropriating for those purposes any Road Fund monies that are eligible for federal reimbursement:

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Department of State Police, except for expenditures
 with respect to the Division of Operations;

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2. Department of Transportation, only with respect to Intercity Rail Subsidies and Rail Freight Services.

5 Beginning with fiscal year 1982 and thereafter, no Road Fund monies shall be appropriated to the following Departments 6 7 or agencies of State government for administration, grants, or operations; but this limitation is not a restriction upon 8 9 appropriating for those purposes any Road Fund monies that are 10 eligible for federal reimbursement: Department of Central 11 Management Services, except for awards made by the Illinois 12 Workers' Compensation Commission under the terms of the 13 Workers' Compensation Act or Workers' Occupational Diseases Act for injury or death of an employee of the Division of 14 15 Highways in the Department of Transportation.

Beginning with fiscal year 1984 and thereafter, no Road Fund monies shall be appropriated to the following Departments or agencies of State government for administration, grants, or operations; but this limitation is not a restriction upon appropriating for those purposes any Road Fund monies that are eligible for federal reimbursement:

1. Department of State Police, except not more than 40%

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of the funds appropriated for the Division of Operations;

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2. State Officers.

25 Beginning with fiscal year 1984 and thereafter, no Road 26 Fund monies shall be appropriated to any Department or agency

of State government for administration, grants, or operations 1 2 except as provided hereafter; but this limitation is not a 3 restriction upon appropriating for those purposes any Road Fund monies that are eligible for federal reimbursement. It shall 4 5 not be lawful to circumvent the above appropriation limitations 6 bv governmental reorganization or other methods. 7 Appropriations shall be made from the Road Fund only in 8 accordance with the provisions of this Section.

9 Money in the Road Fund shall, if and when the State of Illinois incurs any bonded indebtedness for the construction of 10 11 permanent highways, be set aside and used for the purpose of 12 paying and discharging during each fiscal year the principal 13 and interest on that bonded indebtedness as it becomes due and 14 payable as provided in the Transportation Bond Act, and for no other purpose. The surplus, if any, in the Road Fund after the 15 16 payment of principal and interest on that bonded indebtedness 17 then annually due shall be used as follows:

18 first -- to pay the cost of administration of Chapters
19 2 through 10 of the Illinois Vehicle Code; and

secondly -- no Road Fund monies derived from fees, 20 license taxes relating to registration, 21 excises, or 22 operation and use of vehicles on public highways or to 23 fuels used for the propulsion of those vehicles, shall be 24 appropriated or expended other than for costs of 25 administering the laws imposing those fees, excises, and 26 license taxes, statutory refunds and adjustments allowed

thereunder, administrative costs of the Department of 1 2 Transportation, including, but not limited to, the 3 operating expenses of the Department relating to the administration of public transportation programs, payment 4 5 of debts and liabilities incurred in construction and reconstruction of public highways and bridges, acquisition 6 7 rights-of-way for and the cost of construction, of 8 reconstruction, maintenance, repair, and operation of 9 public highways and bridges under the direction and 10 supervision of the State, political subdivision, or 11 municipality collecting those monies, and the costs for 12 patrolling and policing the public highways (by State, 13 political subdivision, or municipality collecting that money) for enforcement of traffic laws. The separation of 14 15 grades of such highways with railroads and costs associated with protection of at-grade highway and railroad crossing 16 17 shall also be permissible.

Appropriations for any of such purposes are payable from the Road Fund or the Grade Crossing Protection Fund as provided in Section 8 of the Motor Fuel Tax Law.

Except as provided in this paragraph, beginning with fiscal year 1991 and thereafter, no Road Fund monies shall be appropriated to the Department of State Police for the purposes of this Section in excess of its total fiscal year 1990 Road Fund appropriations for those purposes unless otherwise provided in Section 5g of this Act. For fiscal years 2003, - 7 - LRB095 08911 RCE 29098 b

2004, 2005, 2006, and 2007 only, no Road Fund monies shall be 1 appropriated to the Department of State Police for the purposes 2 of this Section in excess of \$97,310,000. For fiscal year 2008 3 and each fiscal year thereafter, no Road Fund moneys shall be 4 5 appropriated to the Department of State Police for purposes of this Section in excess of \$45,000,000. It shall not be lawful 6 7 circumvent this limitation on to appropriations by 8 governmental reorganization or other methods unless otherwise 9 provided in Section 5g of this Act.

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In fiscal year 1994, no Road Fund monies shall be appropriated to the Secretary of State for the purposes of this Section in excess of the total fiscal year 1991 Road Fund appropriations to the Secretary of State for those purposes, plus \$9,800,000. It shall not be lawful to circumvent this limitation on appropriations by governmental reorganization or other method.

Beginning with fiscal year 1995 and thereafter, no Road Fund monies shall be appropriated to the Secretary of State for the purposes of this Section in excess of the total fiscal year 1994 Road Fund appropriations to the Secretary of State for those purposes. It shall not be lawful to circumvent this limitation on appropriations by governmental reorganization or other methods.

Beginning with fiscal year 2000, total Road Fund appropriations to the Secretary of State for the purposes of this Section shall not exceed the amounts specified for the

1 following fiscal years:

2	Fiscal Year 2000	\$80,500,000;
3	Fiscal Year 2001	\$80,500,000;
4	Fiscal Year 2002	\$80,500,000;
5	Fiscal Year 2003	\$130,500,000;
6	Fiscal Year 2004	\$130,500,000;
7	Fiscal Year 2005	\$130,500,000;
8	Fiscal Year 2006	\$130,500,000;
9	Fiscal Year 2007	\$130,500,000;
10	Fiscal Year 2008 and	

11 each year thereafter

<u>\$30,000,000</u> \$30,500,000.

12 It shall not be lawful to circumvent this limitation on 13 appropriations by governmental reorganization or other 14 methods.

No new program may be initiated in fiscal year 1991 and thereafter that is not consistent with the limitations imposed by this Section for fiscal year 1984 and thereafter, insofar as appropriation of Road Fund monies is concerned.

Nothing in this Section prohibits transfers from the Road Fund to the State Construction Account Fund under Section 5e of this Act; nor to the General Revenue Fund, as authorized by this amendatory Act of the 93rd General Assembly.

The additional amounts authorized for expenditure in this Section by Public Acts 92-0600, 93-0025, 93-0839, and 94-91 shall be repaid to the Road Fund from the General Revenue Fund in the next succeeding fiscal year that the General Revenue Fund has a positive budgetary balance, as determined by generally accepted accounting principles applicable to government.

4 The additional amounts authorized for expenditure by the 5 Secretary of State and the Department of State Police in this Section by this amendatory Act of the 94th General Assembly 6 shall be repaid to the Road Fund from the General Revenue Fund 7 8 in the next succeeding fiscal year that the General Revenue 9 Fund has a positive budgetary balance, as determined by generally accepted accounting principles 10 applicable to 11 government.

12 (Source: P.A. 93-25, eff. 6-20-03; 93-721, eff. 1-1-05; 93-839,
13 eff. 7-30-04; 94-91, eff. 7-1-05; 94-839, eff. 6-6-06.)

14 (30 ILCS 105/8h)

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Sec. 8h. Transfers to General Revenue Fund.

16 (a) Except as otherwise provided in this Section and Section 8n of this Act, and (c), (d), or (e), notwithstanding 17 18 any other State law to the contrary, the Governor may, through 19 June 30, 2007, from time to time direct the State Treasurer and 20 Comptroller to transfer a specified sum from any fund held by 21 the State Treasurer to the General Revenue Fund in order to 22 help defray the State's operating costs for the fiscal year. The total transfer under this Section from any fund in any 23 24 fiscal year shall not exceed the lesser of (i) 8% of the 25 revenues to be deposited into the fund during that fiscal year

or (ii) an amount that leaves a remaining fund balance of 25% 1 2 of the July 1 fund balance of that fiscal year. In fiscal year 2005 only, prior to calculating the July 1, 2004 final 3 balances, the Governor may calculate and direct the State 4 5 Treasurer with the Comptroller to transfer additional amounts determined by applying the formula authorized in Public Act 6 7 93-839 to the funds balances on July 1, 2003. No transfer may be made from a fund under this Section that would have the 8 9 effect of reducing the available balance in the fund to an 10 amount less than the amount remaining unexpended and unreserved 11 from the total appropriation from that fund estimated to be 12 expended for that fiscal year. This Section does not apply to any funds that are restricted by federal law to a specific use, 13 14 to any funds in the Motor Fuel Tax Fund, the Intercity 15 Passenger Rail Fund, the Hospital Provider Fund, the Medicaid 16 Provider Relief Fund, the Teacher Health Insurance Security 17 Fund, the Reviewing Court Alternative Dispute Resolution Fund, the Voters' Guide Fund, the Foreign Language Interpreter Fund, 18 19 the Lawyers' Assistance Program Fund, the Supreme Court Federal 20 Projects Fund, the Supreme Court Special State Projects Fund, 21 the Supplemental Low-Income Energy Assistance Fund, the Good 22 Samaritan Energy Trust Fund, the Low-Level Radioactive Waste 23 Facility Development and Operation Fund, the Horse Racing 24 Equity Trust Fund, or the Hospital Basic Services Preservation 25 Fund, or to any funds to which subsection (f) of Section 20-40 26 of the Nursing and Advanced Practice Nursing Act applies. No

transfers may be made under this Section from the 1 Pet 2 Population Control Fund. Notwithstanding any other provision of this Section, for fiscal year 2004, the total transfer under 3 this Section from the Road Fund or the State Construction 4 5 Account Fund shall not exceed the lesser of (i) 5% of the 6 revenues to be deposited into the fund during that fiscal year 7 or (ii) 25% of the beginning balance in the fund. For fiscal year 2005 and each fiscal year thereafter through fiscal year 8 9 2007, no amounts may be transferred under this Section from the 10 Road Fund, the State Construction Account Fund, the Criminal 11 Justice Information Systems Trust Fund, the Wireless Service 12 Emergency Fund, or the Mandatory Arbitration Fund.

13 In determining the available balance in a fund, the 14 Governor may include receipts, transfers into the fund, and 15 other resources anticipated to be available in the fund in that 16 fiscal year.

17 The State Treasurer and Comptroller shall transfer the 18 amounts designated under this Section as soon as may be 19 practicable after receiving the direction to transfer from the 20 Governor.

(a-5) Transfers directed to be made under this Section on
or before February 28, 2006 that are still pending on <u>May 19,</u>
<u>2006 (the effective date of Public Act 94-774)</u> this amendatory
Act of the 94th General Assembly shall be redirected as
provided in Section 8n of this Act.

26 (b) This Section does not apply to: (i) the Ticket For The

Cure Fund; (ii) any fund established under the Community Senior
 Services and Resources Act; or (iii) on or after January 1,
 2006 (the effective date of Public Act 94-511), the Child Labor
 and Day and Temporary Labor Enforcement Fund.

5 (c) This Section does not apply to the Demutualization 6 Trust Fund established under the Uniform Disposition of 7 Unclaimed Property Act.

8 (d) This Section does not apply to moneys set aside in the 9 Illinois State Podiatric Disciplinary Fund for podiatric 10 scholarships and residency programs under the Podiatric 11 Scholarship and Residency Act.

(e) Subsection (a) does not apply to, and no transfer may
be made under this Section from, the Pension Stabilization
Fund.

(Source: P.A. 93-32, eff. 6-20-03; 93-659, eff. 2-3-04; 93-674, 15 16 eff. 6-10-04; 93-714, eff. 7-12-04; 93-801, eff. 7-22-04; 17 93-839, eff. 7-30-04; 93-1054, eff. 11-18-04; 93-1067, eff. 1-15-05; 94-91, eff. 7-1-05; 94-120, eff. 7-6-05; 94-511, eff. 18 1-1-06; 94-535, eff. 8-10-05; 94-639, eff. 8-22-05; 94-645, 19 20 eff. 8-22-05; 94-648, eff. 1-1-06; 94-686, eff. 11-2-05; 94-691, eff. 11-2-05; 94-726, eff. 1-20-06; 94-773, eff. 21 22 5-18-06; 94-774, eff. 5-19-06; 94-804, eff. 5-26-06; 94-839, 23 eff. 6-6-06; revised 6-19-06.)

Section 99. Effective date. This Act takes effect July 1,25 2007.