



## 96TH GENERAL ASSEMBLY

### State of Illinois

2009 and 2010

HB6265

Introduced 2/11/2010, by Rep. Sandy Cole - Jim Durkin - Patricia R. Bellock - Sidney H. Mathias - Michael P. McAuliffe, et al.

#### SYNOPSIS AS INTRODUCED:

30 ILCS 105/25

from Ch. 127, par. 161

Amends the State Finance Act concerning fiscal year limitations on expenditures with respect to certain tuition reimbursement claims, veteran's medical payments, medical and child care payments, substance abuse treatment payments, Immigration Reform and Control Fund payments, and medical payments for persons suffering various conditions, all of which now may be paid without regard to the fiscal year in which the liability was incurred. Sets dollar amount limits on what may be expended per fiscal year through October 1, 2015, after which the payments for liabilities incurred may be paid only during the 3-month period following the end of the fiscal year. Effective immediately.

LRB096 18629 JAM 34012 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:**

4 Section 5. The State Finance Act is amended by changing  
5 Section 25 as follows:

6 (30 ILCS 105/25) (from Ch. 127, par. 161)

7 Sec. 25. Fiscal year limitations.

8 (a) All appropriations shall be available for expenditure  
9 for the fiscal year or for a lesser period if the Act making  
10 that appropriation so specifies. A deficiency or emergency  
11 appropriation shall be available for expenditure only through  
12 June 30 of the year when the Act making that appropriation is  
13 enacted unless that Act otherwise provides.

14 (b) Outstanding liabilities as of June 30, payable from  
15 appropriations which have otherwise expired, may be paid out of  
16 the expiring appropriations during the 2-month period ending at  
17 the close of business on August 31. Any service involving  
18 professional or artistic skills or any personal services by an  
19 employee whose compensation is subject to income tax  
20 withholding must be performed as of June 30 of the fiscal year  
21 in order to be considered an "outstanding liability as of June  
22 30" that is thereby eligible for payment out of the expiring  
23 appropriation.

1       (b-1) However, payment of tuition reimbursement claims  
2 under Section 14-7.03 or 18-3 of the School Code may be made by  
3 the State Board of Education from its appropriations for those  
4 respective purposes for any fiscal year, even though the claims  
5 reimbursed by the payment may be claims attributable to a prior  
6 fiscal year, and payments may be made at the direction of the  
7 State Superintendent of Education from the fund from which the  
8 appropriation is made without regard to any fiscal year  
9 limitations, except as required by subsection (j) of this  
10 Section. Beginning on June 30, 2015, payment of tuition  
11 reimbursement claims under Section 14-7.03 or 18-3 of the  
12 School Code as of June 30, payable from appropriations that  
13 have otherwise expired, may be paid out of the expiring  
14 appropriation during the 3-month period ending at the close of  
15 business on September 30.

16       (b-2) Medical payments may be made by the Department of  
17 Veterans' Affairs from its appropriations for those purposes  
18 for any fiscal year, without regard to the fact that the  
19 medical services being compensated for by such payment may have  
20 been rendered in a prior fiscal year, except as required by  
21 subsection (j) of this Section. Beginning on June 30, 2015,  
22 medical payments payable from appropriations that have  
23 otherwise expired may be paid out of the expiring appropriation  
24 during the 3-month period ending at the close of business on  
25 September 30.

26       (b-3) Medical payments may be made by the Department of

1 Healthcare and Family Services and medical payments and child  
2 care payments may be made by the Department of Human Services  
3 (as successor to the Department of Public Aid) from  
4 appropriations for those purposes for any fiscal year, without  
5 regard to the fact that the medical or child care services  
6 being compensated for by such payment may have been rendered in  
7 a prior fiscal year; and payments may be made at the direction  
8 of the Department of Central Management Services from the  
9 Health Insurance Reserve Fund and the Local Government Health  
10 Insurance Reserve Fund without regard to any fiscal year  
11 limitations, except as required by subsection (j) of this  
12 Section. Beginning on June 30, 2015, medical payments made by  
13 the Department of Healthcare and Family Services and child care  
14 payments made by the Department of Human Services payable from  
15 appropriations that have otherwise expired may be paid out of  
16 the expiring appropriation during the 3-month period ending at  
17 the close of business on September 30.

18 (b-4) Medical payments may be made by the Department of  
19 Human Services from its appropriations relating to substance  
20 abuse treatment services for any fiscal year, without regard to  
21 the fact that the medical services being compensated for by  
22 such payment may have been rendered in a prior fiscal year,  
23 provided the payments are made on a fee-for-service basis  
24 consistent with requirements established for Medicaid  
25 reimbursement by the Department of Healthcare and Family  
26 Services, except as required by subsection (j) of this Section.

1 Beginning on June 30, 2015, medical payments made by the  
2 Department of Human Services relating to substance abuse  
3 treatment services payable from appropriations that have  
4 otherwise expired may be paid out of the expiring appropriation  
5 during the 3-month period ending at the close of business on  
6 September 30.

7 (b-5) Additionally, payments may be made by the Department  
8 of Human Services from its appropriations, or any other State  
9 agency from its appropriations with the approval of the  
10 Department of Human Services, from the Immigration Reform and  
11 Control Fund for purposes authorized pursuant to the  
12 Immigration Reform and Control Act of 1986, without regard to  
13 any fiscal year limitations, except as required by subsection  
14 (j) of this Section. Beginning on June 30, 2015, payments made  
15 by the Department of Human Services from the Immigration Reform  
16 and Control Fund for purposes authorized pursuant to the  
17 Immigration Reform and Control Act of 1986 payable from  
18 appropriations that have otherwise expired may be paid out of  
19 the expiring appropriation during the 3-month period ending at  
20 the close of business on September 30.

21 ~~Further, with respect to costs incurred in fiscal years~~  
22 ~~2002 and 2003 only, payments may be made by the State Treasurer~~  
23 ~~from its appropriations from the Capital Litigation Trust Fund~~  
24 ~~without regard to any fiscal year limitations.~~

25 ~~Lease payments may be made by the Department of Central~~  
26 ~~Management Services under the sale and leaseback provisions of~~

1 ~~Section 7.4 of the State Property Control Act with respect to~~  
2 ~~the James R. Thompson Center and the Elgin Mental Health Center~~  
3 ~~and surrounding land from appropriations for that purpose~~  
4 ~~without regard to any fiscal year limitations.~~

5 ~~Lease payments may be made under the sale and leaseback~~  
6 ~~provisions of Section 7.5 of the State Property Control Act~~  
7 ~~with respect to the Illinois State Toll Highway Authority~~  
8 ~~headquarters building and surrounding land without regard to~~  
9 ~~any fiscal year limitations.~~

10 (c) Further, payments may be made by the Department of  
11 Public Health and the Department of Human Services (acting as  
12 successor to the Department of Public Health under the  
13 Department of Human Services Act) from their respective  
14 appropriations for grants for medical care to or on behalf of  
15 persons suffering from chronic renal disease, persons  
16 suffering from hemophilia, rape victims, and premature and  
17 high-mortality risk infants and their mothers and for grants  
18 for supplemental food supplies provided under the United States  
19 Department of Agriculture Women, Infants and Children  
20 Nutrition Program, for any fiscal year without regard to the  
21 fact that the services being compensated for by such payment  
22 may have been rendered in a prior fiscal year, except as  
23 required by subsection (j) of this Section. Beginning on June  
24 30, 2015, payments made by the Department of Public Health and  
25 the Department of Human Services from their respective  
26 appropriations for grants for medical care to or on behalf of

1 persons suffering from chronic renal disease, persons  
2 suffering from hemophilia, rape victims, and premature and  
3 high-mortality risk infants and their mothers and for grants  
4 for supplemental food supplies provided under the United States  
5 Department of Agriculture Women, Infants and Children  
6 Nutrition Program payable from appropriations that have  
7 otherwise expired may be paid out of the expiring  
8 appropriations during the 3-month period ending at the close of  
9 business on September 30.

10 (d) The Department of Public Health and the Department of  
11 Human Services (acting as successor to the Department of Public  
12 Health under the Department of Human Services Act) shall each  
13 annually submit to the State Comptroller, Senate President,  
14 Senate Minority Leader, Speaker of the House, House Minority  
15 Leader, and the respective Chairmen and Minority Spokesmen of  
16 the Appropriations Committees of the Senate and the House, on  
17 or before December 31, a report of fiscal year funds used to  
18 pay for services provided in any prior fiscal year. This report  
19 shall document by program or service category those  
20 expenditures from the most recently completed fiscal year used  
21 to pay for services provided in prior fiscal years.

22 (e) The Department of Healthcare and Family Services, the  
23 Department of Human Services (acting as successor to the  
24 Department of Public Aid), and the Department of Human Services  
25 making fee-for-service payments relating to substance abuse  
26 treatment services provided during a previous fiscal year shall

1 each annually submit to the State Comptroller, Senate  
2 President, Senate Minority Leader, Speaker of the House, House  
3 Minority Leader, the respective Chairmen and Minority  
4 Spokesmen of the Appropriations Committees of the Senate and  
5 the House, on or before November 30, a report that shall  
6 document by program or service category those expenditures from  
7 the most recently completed fiscal year used to pay for (i)  
8 services provided in prior fiscal years and (ii) services for  
9 which claims were received in prior fiscal years.

10 (f) The Department of Human Services (as successor to the  
11 Department of Public Aid) shall annually submit to the State  
12 Comptroller, Senate President, Senate Minority Leader, Speaker  
13 of the House, House Minority Leader, and the respective  
14 Chairmen and Minority Spokesmen of the Appropriations  
15 Committees of the Senate and the House, on or before December  
16 31, a report of fiscal year funds used to pay for services  
17 (other than medical care) provided in any prior fiscal year.  
18 This report shall document by program or service category those  
19 expenditures from the most recently completed fiscal year used  
20 to pay for services provided in prior fiscal years.

21 (g) In addition, each annual report required to be  
22 submitted by the Department of Healthcare and Family Services  
23 under subsection (e) shall include the following information  
24 with respect to the State's Medicaid program:

25 (1) Explanations of the exact causes of the variance  
26 between the previous year's estimated and actual



1 liabilities.

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

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

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

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

17 (1) billing user agencies in advance for payments or  
18 authorized inter-fund transfers based on estimated charges  
19 for goods or services;

20 (2) issuing credits, refunding through inter-fund  
21 transfers, or reducing future inter-fund transfers during  
22 the subsequent fiscal year for all user agency payments or  
23 authorized inter-fund transfers received during the prior  
24 fiscal year which were in excess of the final amounts owed  
25 by the user agency for that period; and

26 (3) issuing catch-up billings to user agencies during

1 the subsequent fiscal year for amounts remaining due when  
2 payments or authorized inter-fund transfers received from  
3 the user agency during the prior fiscal year were less than  
4 the total amount owed for that period.

5 User agencies are authorized to reimburse internal service  
6 funds for catch-up billings by vouchers drawn against their  
7 respective appropriations for the fiscal year in which the  
8 catch-up billing was issued or by increasing an authorized  
9 inter-fund transfer during the current fiscal year. For the  
10 purposes of this Act, "inter-fund transfers" means transfers  
11 without the use of the voucher-warrant process, as authorized  
12 by Section 9.01 of the State Comptroller Act.

13 (j) Notwithstanding any other provision of this Act, the  
14 aggregate amount of payments to be made without regard for  
15 fiscal year limitations as contained in subsections (b-1),  
16 (b-2), (b-3), (b-4), (b-5), and (c) of this Section, and  
17 determined by using Generally Accepted Accounting Principles,  
18 shall not exceed the following amounts:

19 (1) \$2,500,000,000 as of October 1, 2010;

20 (2) \$2,000,000,000 as of October 1, 2011;

21 (3) \$1,500,000,000 as of October 1, 2012;

22 (4) \$1,000,000,000 as of October 1, 2013;

23 (5) \$500,000,000 as of October 1, 2014; and

24 (6) \$0 as of October 1, 2015 and thereafter.

25 (Source: P.A. 95-331, eff. 8-21-07.)

26 Section 99. Effective date. This Act takes effect upon

1 becoming law.