

AN ACT concerning State government.

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

Section 5. The Voluntary Payroll Deductions Act of 1983 is amended by changing Section 3 as follows:

(5 ILCS 340/3) (from Ch. 15, par. 503)

Sec. 3. Definitions. As used in this Act unless the context otherwise requires:

(a) "Employee" means any regular officer or employee who receives salary or wages for personal services rendered to the State of Illinois, and includes an individual hired as an employee by contract with that individual.

(b) "Qualified organization" means an organization representing one or more benefiting agencies, which organization is designated by the State Comptroller as qualified to receive payroll deductions under this Act. An organization desiring to be designated as a qualified organization shall:

(1) Submit written designations on forms approved by the State Comptroller by 4,000 or more employees or State annuitants, in which such employees or State annuitants indicate that the organization is one for which the employee or State annuitant intends to authorize withholding. The forms shall require the name, last 4 digits only of the social security number, and employing State agency for each employee. Upon notification by the Comptroller that such forms have been approved, the organization shall, within 30 days, notify in writing the Governor or his or her designee of its intention to obtain the required number of designations. Such organization shall have 12 months from that date to obtain the necessary designations and return to the State Comptroller's office

the completed designations, which shall be subject to verification procedures established by the State Comptroller;

(2) Certify that all benefiting agencies are tax exempt under Section 501(c) (3) of the Internal Revenue Code;

(3) Certify that all benefiting agencies are in compliance with the Illinois Human Rights Act;

(4) Certify that all benefiting agencies are in compliance with the Charitable Trust Act and the Solicitation for Charity Act;

(5) Certify that all benefiting agencies actively conduct health or welfare programs and provide services to individuals directed at one or more of the following common human needs within a community: service, research, and education in the health fields; family and child care services; protective services for children and adults; services for children and adults in foster care; services related to the management and maintenance of the home; day care services for adults; transportation services; information, referral and counseling services; services to eliminate illiteracy; the preparation and delivery of meals; adoption services; emergency shelter care and relief services; disaster relief services; safety services; neighborhood and community organization services; recreation services; social adjustment and rehabilitation services; health support services; or a combination of such services designed to meet the special needs of specific groups, such as children and youth, the ill and infirm, and the physically handicapped; and that all such benefiting agencies provide the above described services to individuals and their families in the community and surrounding area in which the organization conducts its fund drive, or that such benefiting agencies provide relief to victims of natural disasters and other emergencies on a where and as needed basis;

(6) Certify that the organization has disclosed the

percentage of the organization's total collected receipts from employees or State annuitants that are distributed to the benefiting agencies and the percentage of the organization's total collected receipts from employees or State annuitants that are expended for fund-raising and overhead costs. These percentages shall be the same percentage figures annually disclosed by the organization to the Attorney General. The disclosure shall be made to all solicited employees and State annuitants and shall be in the form of a factual statement on all petitions and in the campaign's brochures for employees and State annuitants;

(7) Certify that all benefiting agencies receiving funds which the employee or State annuitant has requested or designated for distribution to a particular community and surrounding area use a majority of such funds distributed for services in the actual provision of services in that community and surrounding area;

(8) Certify that neither it nor its member organizations will solicit State employees for contributions at their workplace, except pursuant to this Act and the rules promulgated thereunder. Each qualified organization, and each participating United Fund, is encouraged to cooperate with all others and with all State agencies and educational institutions so as to simplify procedures, to resolve differences and to minimize costs;

(9) Certify that it will pay its share of the campaign costs and will comply with the Code of Campaign Conduct as approved by the Governor or other agency as designated by the Governor; and

(10) Certify that it maintains a year-round office, the telephone number, and person responsible for the operations of the organization in Illinois. That information shall be provided to the State Comptroller at the time the organization is seeking participation under this Act.

Each qualified organization shall submit to the State Comptroller between January 1 and March 1 of each year, a statement that the organization is in compliance with all of the requirements set forth in paragraphs (2) through (10). The State Comptroller shall exclude any organization that fails to submit the statement from the next solicitation period.

In order to be designated as a qualified organization, the organization shall have existed at least 2 years prior to submitting the written designation forms required in paragraph (1) and shall certify to the State Comptroller that such organization has been providing services described in paragraph (5) in Illinois. If the organization seeking designation represents more than one benefiting agency, it need not have existed for 2 years but shall certify to the State Comptroller that each of its benefiting agencies has existed for at least 2 years prior to submitting the written designation forms required in paragraph (1) and that each has been providing services described in paragraph (5) in Illinois.

Organizations which have met the requirements of this Act shall be permitted to participate in the State and Universities Combined Appeal as of January 1st of the year immediately following their approval by the Comptroller.

Where the certifications described in paragraphs (2), (3), (4), (5), (6), (7), (8), (9), and (10) above are made by an organization representing more than one benefiting agency they shall be based upon the knowledge and belief of such qualified organization. Any qualified organization shall immediately notify the State Comptroller in writing if the qualified organization receives information or otherwise believes that a benefiting agency is no longer in compliance with the certification of the qualified organization. A qualified organization representing more than one benefiting agency shall thereafter withhold and refrain from distributing to such benefiting agency those funds received pursuant to this Act until the benefiting agency is again in compliance with the qualified organization's certification. The qualified

organization shall immediately notify the State Comptroller of the benefiting agency's resumed compliance with the certification, based upon the qualified organization's knowledge and belief, and shall pay over to the benefiting agency those funds previously withheld.

In order to qualify, a qualified organization must receive 250 deduction pledges from the immediately preceding solicitation period as set forth in Section 6. The Comptroller shall, by February 1st of each year, so notify any qualified organization that failed to receive the minimum deduction requirement. ~~at least 500 payroll deduction pledges during each immediately preceding solicitation period as set forth in Section 6.~~ The notification shall give such qualified organization until March 1st to provide the Comptroller with documentation that the minimum ~~500~~ deduction requirement has been met. On the basis of all the documentation, the Comptroller shall, by March 15th of each year, submit to the Governor or his or her designee, or such other agency as may be determined by the Governor, a list of all organizations which have met the minimum ~~500~~ payroll deduction requirement. Only those organizations which have met such requirements, as well as the other requirements of this Section, shall be permitted to solicit State employees or State annuitants for voluntary contributions, and the Comptroller shall discontinue withholding for any such organization which fails to meet these requirements, except qualified organizations that received deduction pledges during the 2004 solicitation period are deemed to be qualified for the 2005 solicitation period.

(c) "United Fund" means the organization conducting the single, annual, consolidated effort to secure funds for distribution to agencies engaged in charitable and public health, welfare and services purposes, which is commonly known as the United Fund, or the organization which serves in place of the United Fund organization in communities where an organization known as the United Fund is not organized.

In order for a United Fund to participate in the State and

Universities Employees Combined Appeal, it shall comply with the provisions of paragraph (9) of subsection (b).

(d) "State and Universities Employees Combined Appeal", otherwise known as "SECA", means the State-directed joint effort of all of the qualified organizations, together with the United Funds, for the solicitation of voluntary contributions from State and University employees and State annuitants.

(e) "Retirement system" means any or all of the following: the General Assembly Retirement System, the State Employees' Retirement System of Illinois, the State Universities Retirement System, the Teachers' Retirement System of the State of Illinois, and the Judges Retirement System.

(f) "State annuitant" means a person receiving an annuity or disability benefit under Article 2, 14, 15, 16, or 18 of the Illinois Pension Code.

(Source: P.A. 91-357, eff. 7-29-99; 91-533, eff. 8-13-99; 91-896, eff. 7-6-00; 92-634, eff. 7-11-02.)

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