



## 101ST GENERAL ASSEMBLY

### State of Illinois

2019 and 2020

SB2544

Introduced 1/29/2020, by Sen. Emil Jones, III

#### SYNOPSIS AS INTRODUCED:

See Index

Amends the State Revenue Sharing Act and the Illinois Income Tax Act. Provides that a monthly transfer shall be made to the Local Government Distributive Fund an amount certified by the Department of Revenue equal to: (1) the amount that would have been distributed under the State Revenue Sharing Act to all financially distressed cities if a sum calculated using 10% of the net revenue realized from the tax imposed by the Illinois Income Tax Act upon individuals, trusts, estates, and corporations during the preceding month had been transferred to the Local Government Distributive Fund; and (2) subtracting the amount distributed to all financially distressed cities from the Local Government Distributive Fund under the State Revenue Sharing Act. Provides for continuing appropriation if insufficient appropriations are made. Amends the Financially Distressed City Law of the Illinois Municipal Code. Makes the law applicable to both home rule and non-home rule municipalities. Provides that a State agency or unit of local government may also render technical assistance to a municipality's Financial Advisory Authority as the Authority may request. Provides that the State shall not reduce revenues or impose additional costs affecting a financially distressed city affecting the municipality unless it is consistent with the Financial Plan and Budget in effect. Provides that State mandates enacted while a municipality is designated as a financially distressed city that would cause the municipality to incur costs are not valid or enforceable during the period when the municipality is under the financially distressed city designation. Effective January 1, 2021.

LRB101 15646 AWJ 64994 b

FISCAL NOTE ACT  
MAY APPLY

A BILL FOR

1 AN ACT concerning local government.

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

4 Section 5. The State Revenue Sharing Act is amended by  
5 changing Section 2 as follows:

6 (30 ILCS 115/2) (from Ch. 85, par. 612)

7 Sec. 2. Allocation and Disbursement.

8 (a) As soon as may be after the first day of each month,  
9 the Department of Revenue shall allocate among the several  
10 municipalities and counties of this State the amount available  
11 in the Local Government Distributive Fund and in the Income Tax  
12 Surcharge Local Government Distributive Fund, determined as  
13 provided in Sections 1 and 1a above. Except as provided in  
14 Sections 13 and 13.1 of this Act, the Department shall then  
15 certify such allocations to the State Comptroller, who shall  
16 pay over to the several municipalities and counties the  
17 respective amounts allocated to them. The amount of such Funds  
18 allocable to each such municipality and county shall be in  
19 proportion to the number of individual residents of such  
20 municipality or county to the total population of the State,  
21 determined in each case on the basis of the latest census of  
22 the State, municipality or county conducted by the Federal  
23 government and certified by the Secretary of State and for

1 annexations to municipalities, the latest Federal, State or  
2 municipal census of the annexed area which has been certified  
3 by the Department of Revenue. Allocations to the City of  
4 Chicago under this Section are subject to Section 6 of the  
5 Hotel Operators' Occupation Tax Act. For the purpose of this  
6 Section, the number of individual residents of a county shall  
7 be reduced by the number of individuals residing therein in  
8 municipalities, but the number of individual residents of the  
9 State, county and municipality shall reflect the latest census  
10 of any of them. The amounts transferred into the Local  
11 Government Distributive Fund pursuant to Section 9 of the Use  
12 Tax Act, Section 9 of the Service Use Tax Act, Section 9 of the  
13 Service Occupation Tax Act, and Section 3 of the Retailers'  
14 Occupation Tax Act, each as now or hereafter amended, pursuant  
15 to the amendments of such Sections by Public Act 85-1135, shall  
16 be distributed as provided in said Sections.

17 (a-5) The Department of Revenue shall allocate, as soon as  
18 may be practicable after the first day of each month, among  
19 each financially distressed city, as that term is defined in  
20 Section 8-12-3 of the Illinois Municipal Code, funds  
21 transferred to the Local Government Distributive Fund under  
22 subsection (b-5) of Section 901 of the Illinois Income Tax Act.  
23 The Department shall then certify such allocations to the State  
24 Comptroller who shall pay over to each financially distressed  
25 city the respective amounts allocated to it. The amount of  
26 funds allocable to each financially distressed city shall be in

1 proportion to the number of individual residents of the  
2 financially distressed city to the total population of all  
3 financially distressed cities combined, determined in each  
4 case on the basis of the latest census of the State,  
5 municipality, or county conducted by the Federal government and  
6 certified by the Secretary of State and for annexations to  
7 municipalities, the latest Federal, State, or municipal census  
8 of the annexed area which has been certified to the Department  
9 of Revenue. However, nothing in this subsection shall reduce an  
10 amount certified to the Comptroller under subsection (c) of  
11 Section 3-125 or subsection (b-5) of Section 4-118 of the  
12 Illinois Pension Code for failure to transmit contributions  
13 required by the financially distressed city to the Article 3 or  
14 Article 4 pension fund in its jurisdiction. The Comptroller  
15 shall continue to deduct and remit the certified amount to the  
16 Article 3 or Article 4 pension fund consistent with the  
17 requirements of subsection (c) of Section 3-125 or subsection  
18 (b-5) of Section 4-118 of the Illinois Pension Code. The  
19 Comptroller shall continue to deduct and remit all funds  
20 necessary to enforce the terms of existing settlement  
21 agreements between a municipality designated a financially  
22 distressed city and an Article 3 or Article 4 Pension Fund.

23 If for any reason the aggregate appropriations made  
24 available are insufficient to meet the amount certified under  
25 this subsection:

26 (1) The Governor shall submit to the General Assembly a

1 proposed budget for the amount certified under this  
2 subsection from the Local Government Distributive Fund to  
3 each financially distressed city for each fiscal year so  
4 that the total Local Government Distributive Fund proposed  
5 budget is no less than the amount certified and allocated  
6 under this subsection. In addition, the Governor shall  
7 specify the total amount of funds to be transferred from  
8 the Local Government Distributive Fund to each financially  
9 distressed city during the budget year, which shall be no  
10 less than the amount certified and allocated under this  
11 subsection. The Governor may submit a proposed budget in  
12 which the total appropriated and transferred amounts are  
13 less than the amount certified and allocated under this  
14 subsection if the Governor declares in writing to the  
15 General Assembly the reason for the lesser amounts.

16 (2) The General Assembly shall appropriate the amount  
17 certified under this subsection from the Local Government  
18 Distributive Fund to each financially distressed city for  
19 each fiscal year so that the total Local Government  
20 Distributive Fund appropriation is no less than the amount  
21 certified under this subsection. In addition, the General  
22 Assembly shall legislatively transfer from the Local  
23 Government Distributive Fund to each financially  
24 distressed city for the fiscal year a total amount that is  
25 no less than the amount certified and allocated under this  
26 subsection. The General Assembly may appropriate or

1       transfer lesser amounts if it declares by Joint Resolution  
2       the reason for the lesser amounts.

3       (b) It is the intent of the General Assembly that  
4       allocations made under this Section shall be made in a fair and  
5       equitable manner. Accordingly, the clerk of any municipality to  
6       which territory has been annexed, or from which territory has  
7       been disconnected, shall notify the Department of Revenue in  
8       writing of that annexation or disconnection and shall (1) state  
9       the number of residents within the territory that was annexed  
10      or disconnected, based on the last census conducted by the  
11      federal, State, or municipal government and certified by the  
12      Illinois Secretary of State, and (2) furnish therewith a  
13      certified copy of the plat of annexation or, in the case of  
14      disconnection, the ordinance, final judgment, or resolution of  
15      disconnection together with an accurate depiction of the  
16      territory disconnected. The county in which the annexed or  
17      disconnected territory is located shall verify that the number  
18      of residents stated on the written notice that is to be sent to  
19      the Department of Revenue is true and accurate. The verified  
20      statement of the county shall accompany the written notice.  
21      However, if the county does not respond to the municipality's  
22      request for verification within 30 days, this verification  
23      requirement shall be waived. The written notice shall be  
24      provided to the Department of Revenue (1) within 30 days after  
25      the effective date of this amendatory Act of the 96th General  
26      Assembly for disconnections occurring after January 1, 2007 and

1 before the effective date of this amendatory Act of the 96th  
2 General Assembly or (2) within 30 days after the annexation or  
3 disconnection for annexations or disconnections occurring on  
4 or after the effective date of this amendatory Act of the 96th  
5 General Assembly. For purposes of this Section, a disconnection  
6 or annexation through court order is deemed to be effective 30  
7 days after the entry of a final judgment order, unless stayed  
8 pending appeal. Thereafter, the monthly allocation made to the  
9 municipality and to any other municipality or county affected  
10 by the annexation or disconnection shall be adjusted in  
11 accordance with this Section to reflect the change in residency  
12 of the residents of the territory that was annexed or  
13 disconnected. The adjustment shall be made no later than 30  
14 days after the Department of Revenue's receipt of the written  
15 notice of annexation or disconnection described in this  
16 Section.

17 (Source: P.A. 96-1040, eff. 7-14-10.)

18 Section 10. The Illinois Income Tax Act is amended by  
19 changing Section 901 as follows:

20 (35 ILCS 5/901)

21 (Text of Section before amendment by P.A. 101-8)

22 Sec. 901. Collection authority.

23 (a) In general. The Department shall collect the taxes  
24 imposed by this Act. The Department shall collect certified

1 past due child support amounts under Section 2505-650 of the  
2 Department of Revenue Law of the Civil Administrative Code of  
3 Illinois. Except as provided in subsections (b), (c), (e), (f),  
4 (g), and (h) of this Section, money collected pursuant to  
5 subsections (a) and (b) of Section 201 of this Act shall be  
6 paid into the General Revenue Fund in the State treasury; money  
7 collected pursuant to subsections (c) and (d) of Section 201 of  
8 this Act shall be paid into the Personal Property Tax  
9 Replacement Fund, a special fund in the State Treasury; and  
10 money collected under Section 2505-650 of the Department of  
11 Revenue Law of the Civil Administrative Code of Illinois shall  
12 be paid into the Child Support Enforcement Trust Fund, a  
13 special fund outside the State Treasury, or to the State  
14 Disbursement Unit established under Section 10-26 of the  
15 Illinois Public Aid Code, as directed by the Department of  
16 Healthcare and Family Services.

17 (b) Local Government Distributive Fund. Beginning August  
18 1, 2017, the Treasurer shall transfer each month from the  
19 General Revenue Fund to the Local Government Distributive Fund  
20 an amount equal to the sum of (i) 6.06% (10% of the ratio of the  
21 3% individual income tax rate prior to 2011 to the 4.95%  
22 individual income tax rate after July 1, 2017) of the net  
23 revenue realized from the tax imposed by subsections (a) and  
24 (b) of Section 201 of this Act upon individuals, trusts, and  
25 estates during the preceding month and (ii) 6.85% (10% of the  
26 ratio of the 4.8% corporate income tax rate prior to 2011 to



1 the 7% corporate income tax rate after July 1, 2017) of the net  
2 revenue realized from the tax imposed by subsections (a) and  
3 (b) of Section 201 of this Act upon corporations during the  
4 preceding month. Net revenue realized for a month shall be  
5 defined as the revenue from the tax imposed by subsections (a)  
6 and (b) of Section 201 of this Act which is deposited in the  
7 General Revenue Fund, the Education Assistance Fund, the Income  
8 Tax Surcharge Local Government Distributive Fund, the Fund for  
9 the Advancement of Education, and the Commitment to Human  
10 Services Fund during the month minus the amount paid out of the  
11 General Revenue Fund in State warrants during that same month  
12 as refunds to taxpayers for overpayment of liability under the  
13 tax imposed by subsections (a) and (b) of Section 201 of this  
14 Act.

15 Notwithstanding any provision of law to the contrary,  
16 beginning on July 6, 2017 (the effective date of Public Act  
17 100-23), those amounts required under this subsection (b) to be  
18 transferred by the Treasurer into the Local Government  
19 Distributive Fund from the General Revenue Fund shall be  
20 directly deposited into the Local Government Distributive Fund  
21 as the revenue is realized from the tax imposed by subsections  
22 (a) and (b) of Section 201 of this Act.

23 For State fiscal year 2020 only, notwithstanding any  
24 provision of law to the contrary, the total amount of revenue  
25 and deposits under this Section attributable to revenues  
26 realized during State fiscal year 2020 shall be reduced by 5%.

1       (b-5) Financially Distressed Cities Allocation. The  
2 Department of Revenue shall certify to the Treasurer an amount  
3 equal to:

4           (1) the amount that would have been distributed under  
5 subsection (a) of Section 2 of the State Revenue Sharing  
6 Act to all financially distressed cities, as that term is  
7 defined in Section 8-12-3 of the Illinois Municipal Code,  
8 if the Treasurer had transferred under subsection (b) to  
9 the Local Government Distributive Fund a sum calculated  
10 using (i) 10% of the net revenue realized from the tax  
11 imposed by subsections (a) and (b) of Section 201 of this  
12 Act upon individuals, trusts, and estates during the  
13 preceding month and (ii) 10% of the net revenue realized  
14 from the tax imposed by subsections (a) and (b) of Section  
15 201 of this Act upon corporations during the preceding  
16 month; and

17           (2) subtracting from the amount calculated under  
18 paragraph (1) the amount distributed to all financially  
19 distressed cities under subsection (a) of Section 2 of the  
20 State Revenue Sharing Act during the current month.

21       Upon receipt of the certification from the Department of  
22 Revenue, the Treasurer shall order transferred and the  
23 Comptroller shall transfer from the General Revenue Fund to the  
24 Local Government Distributive Fund the amount shown on the  
25 certification.

26       However, nothing in this subsection shall reduce an amount

1 certified to the Comptroller under subsection (c) of Section  
2 3-125 or subsection (b-5) of Section 4-118 of the Illinois  
3 Pension Code for failure to transmit contributions required by  
4 the financially distressed city to the Article 3 or Article 4  
5 pension fund in its jurisdiction. The Comptroller shall  
6 continue to deduct and remit the certified amount to the  
7 Article 3 or Article 4 pension fund consistent with the  
8 requirements of subsection (c) of Section 3-125 or subsection  
9 (b-5) of Section 4-118 of the Illinois Pension Code. The  
10 Comptroller shall continue to deduct and remit all funds  
11 necessary to enforce the terms of existing settlement  
12 agreements between a municipality designated a financially  
13 distressed city and an Article 3 or Article 4 Pension Fund.

14 If for any reason the aggregate appropriations made  
15 available are insufficient to meet the amount certified under  
16 this subsection:

17 (1) The Governor shall submit to the General Assembly a  
18 proposed budget for the amount certified under this  
19 subsection from the General Revenue Fund to the Local  
20 Government Distributive Fund for each fiscal year so that  
21 the total General Revenue Fund proposed budget is no less  
22 than the amount certified under this subsection. In  
23 addition, the Governor shall specify the total amount of  
24 funds to be transferred from the General Revenue Fund to  
25 the Local Government Distributive Fund during the budget  
26 year, which shall be no less than the amount certified

1       under this subsection. The Governor may submit a proposed  
2       budget in which the total appropriated and transferred  
3       amounts are less than the amount certified under this  
4       subsection if the Governor declares in writing to the  
5       General Assembly the reason for the lesser amounts.

6           (2) The General Assembly shall appropriate the amount  
7       certified under this subsection from the General Revenue  
8       Fund to the Local Government Distributive Fund for each  
9       fiscal year so that the total General Revenue Fund  
10       appropriation is no less than the amount certified under  
11       this subsection. In addition, the General Assembly shall  
12       legislatively transfer from the General Revenue Fund to the  
13       Local Government Distributive Fund for the fiscal year a  
14       total amount that is no less than the amount certified  
15       under this subsection. The General Assembly may  
16       appropriate or transfer lesser amounts if it declares by  
17       Joint Resolution the reason for the lesser amounts.

18       (c) Deposits Into Income Tax Refund Fund.

19           (1) Beginning on January 1, 1989 and thereafter, the  
20       Department shall deposit a percentage of the amounts  
21       collected pursuant to subsections (a) and (b) (1), (2), and  
22       (3) of Section 201 of this Act into a fund in the State  
23       treasury known as the Income Tax Refund Fund. Beginning  
24       with State fiscal year 1990 and for each fiscal year  
25       thereafter, the percentage deposited into the Income Tax  
26       Refund Fund during a fiscal year shall be the Annual

1 Percentage. For fiscal year 2011, the Annual Percentage  
2 shall be 8.75%. For fiscal year 2012, the Annual Percentage  
3 shall be 8.75%. For fiscal year 2013, the Annual Percentage  
4 shall be 9.75%. For fiscal year 2014, the Annual Percentage  
5 shall be 9.5%. For fiscal year 2015, the Annual Percentage  
6 shall be 10%. For fiscal year 2018, the Annual Percentage  
7 shall be 9.8%. For fiscal year 2019, the Annual Percentage  
8 shall be 9.7%. For fiscal year 2020, the Annual Percentage  
9 shall be 9.5%. For all other fiscal years, the Annual  
10 Percentage shall be calculated as a fraction, the numerator  
11 of which shall be the amount of refunds approved for  
12 payment by the Department during the preceding fiscal year  
13 as a result of overpayment of tax liability under  
14 subsections (a) and (b) (1), (2), and (3) of Section 201 of  
15 this Act plus the amount of such refunds remaining approved  
16 but unpaid at the end of the preceding fiscal year, minus  
17 the amounts transferred into the Income Tax Refund Fund  
18 from the Tobacco Settlement Recovery Fund, and the  
19 denominator of which shall be the amounts which will be  
20 collected pursuant to subsections (a) and (b) (1), (2), and  
21 (3) of Section 201 of this Act during the preceding fiscal  
22 year; except that in State fiscal year 2002, the Annual  
23 Percentage shall in no event exceed 7.6%. The Director of  
24 Revenue shall certify the Annual Percentage to the  
25 Comptroller on the last business day of the fiscal year  
26 immediately preceding the fiscal year for which it is to be

1 effective.

2 (2) Beginning on January 1, 1989 and thereafter, the  
3 Department shall deposit a percentage of the amounts  
4 collected pursuant to subsections (a) and (b) (6), (7), and  
5 (8), (c) and (d) of Section 201 of this Act into a fund in  
6 the State treasury known as the Income Tax Refund Fund.  
7 Beginning with State fiscal year 1990 and for each fiscal  
8 year thereafter, the percentage deposited into the Income  
9 Tax Refund Fund during a fiscal year shall be the Annual  
10 Percentage. For fiscal year 2011, the Annual Percentage  
11 shall be 17.5%. For fiscal year 2012, the Annual Percentage  
12 shall be 17.5%. For fiscal year 2013, the Annual Percentage  
13 shall be 14%. For fiscal year 2014, the Annual Percentage  
14 shall be 13.4%. For fiscal year 2015, the Annual Percentage  
15 shall be 14%. For fiscal year 2018, the Annual Percentage  
16 shall be 17.5%. For fiscal year 2019, the Annual Percentage  
17 shall be 15.5%. For fiscal year 2020, the Annual Percentage  
18 shall be 14.25%. For all other fiscal years, the Annual  
19 Percentage shall be calculated as a fraction, the numerator  
20 of which shall be the amount of refunds approved for  
21 payment by the Department during the preceding fiscal year  
22 as a result of overpayment of tax liability under  
23 subsections (a) and (b) (6), (7), and (8), (c) and (d) of  
24 Section 201 of this Act plus the amount of such refunds  
25 remaining approved but unpaid at the end of the preceding  
26 fiscal year, and the denominator of which shall be the

1 amounts which will be collected pursuant to subsections (a)  
2 and (b) (6), (7), and (8), (c) and (d) of Section 201 of  
3 this Act during the preceding fiscal year; except that in  
4 State fiscal year 2002, the Annual Percentage shall in no  
5 event exceed 23%. The Director of Revenue shall certify the  
6 Annual Percentage to the Comptroller on the last business  
7 day of the fiscal year immediately preceding the fiscal  
8 year for which it is to be effective.

9 (3) The Comptroller shall order transferred and the  
10 Treasurer shall transfer from the Tobacco Settlement  
11 Recovery Fund to the Income Tax Refund Fund (i) \$35,000,000  
12 in January, 2001, (ii) \$35,000,000 in January, 2002, and  
13 (iii) \$35,000,000 in January, 2003.

14 (d) Expenditures from Income Tax Refund Fund.

15 (1) Beginning January 1, 1989, money in the Income Tax  
16 Refund Fund shall be expended exclusively for the purpose  
17 of paying refunds resulting from overpayment of tax  
18 liability under Section 201 of this Act and for making  
19 transfers pursuant to this subsection (d).

20 (2) The Director shall order payment of refunds  
21 resulting from overpayment of tax liability under Section  
22 201 of this Act from the Income Tax Refund Fund only to the  
23 extent that amounts collected pursuant to Section 201 of  
24 this Act and transfers pursuant to this subsection (d) and  
25 item (3) of subsection (c) have been deposited and retained  
26 in the Fund.

1           (3) As soon as possible after the end of each fiscal  
2 year, the Director shall order transferred and the State  
3 Treasurer and State Comptroller shall transfer from the  
4 Income Tax Refund Fund to the Personal Property Tax  
5 Replacement Fund an amount, certified by the Director to  
6 the Comptroller, equal to the excess of the amount  
7 collected pursuant to subsections (c) and (d) of Section  
8 201 of this Act deposited into the Income Tax Refund Fund  
9 during the fiscal year over the amount of refunds resulting  
10 from overpayment of tax liability under subsections (c) and  
11 (d) of Section 201 of this Act paid from the Income Tax  
12 Refund Fund during the fiscal year.

13           (4) As soon as possible after the end of each fiscal  
14 year, the Director shall order transferred and the State  
15 Treasurer and State Comptroller shall transfer from the  
16 Personal Property Tax Replacement Fund to the Income Tax  
17 Refund Fund an amount, certified by the Director to the  
18 Comptroller, equal to the excess of the amount of refunds  
19 resulting from overpayment of tax liability under  
20 subsections (c) and (d) of Section 201 of this Act paid  
21 from the Income Tax Refund Fund during the fiscal year over  
22 the amount collected pursuant to subsections (c) and (d) of  
23 Section 201 of this Act deposited into the Income Tax  
24 Refund Fund during the fiscal year.

25           (4.5) As soon as possible after the end of fiscal year  
26 1999 and of each fiscal year thereafter, the Director shall



1 order transferred and the State Treasurer and State  
2 Comptroller shall transfer from the Income Tax Refund Fund  
3 to the General Revenue Fund any surplus remaining in the  
4 Income Tax Refund Fund as of the end of such fiscal year;  
5 excluding for fiscal years 2000, 2001, and 2002 amounts  
6 attributable to transfers under item (3) of subsection (c)  
7 less refunds resulting from the earned income tax credit.

8 (5) This Act shall constitute an irrevocable and  
9 continuing appropriation from the Income Tax Refund Fund  
10 for the purpose of paying refunds upon the order of the  
11 Director in accordance with the provisions of this Section.

12 (e) Deposits into the Education Assistance Fund and the  
13 Income Tax Surcharge Local Government Distributive Fund. On  
14 July 1, 1991, and thereafter, of the amounts collected pursuant  
15 to subsections (a) and (b) of Section 201 of this Act, minus  
16 deposits into the Income Tax Refund Fund, the Department shall  
17 deposit 7.3% into the Education Assistance Fund in the State  
18 Treasury. Beginning July 1, 1991, and continuing through  
19 January 31, 1993, of the amounts collected pursuant to  
20 subsections (a) and (b) of Section 201 of the Illinois Income  
21 Tax Act, minus deposits into the Income Tax Refund Fund, the  
22 Department shall deposit 3.0% into the Income Tax Surcharge  
23 Local Government Distributive Fund in the State Treasury.  
24 Beginning February 1, 1993 and continuing through June 30,  
25 1993, of the amounts collected pursuant to subsections (a) and  
26 (b) of Section 201 of the Illinois Income Tax Act, minus

1 deposits into the Income Tax Refund Fund, the Department shall  
2 deposit 4.4% into the Income Tax Surcharge Local Government  
3 Distributive Fund in the State Treasury. Beginning July 1,  
4 1993, and continuing through June 30, 1994, of the amounts  
5 collected under subsections (a) and (b) of Section 201 of this  
6 Act, minus deposits into the Income Tax Refund Fund, the  
7 Department shall deposit 1.475% into the Income Tax Surcharge  
8 Local Government Distributive Fund in the State Treasury.

9 (f) Deposits into the Fund for the Advancement of  
10 Education. Beginning February 1, 2015, the Department shall  
11 deposit the following portions of the revenue realized from the  
12 tax imposed upon individuals, trusts, and estates by  
13 subsections (a) and (b) of Section 201 of this Act, minus  
14 deposits into the Income Tax Refund Fund, into the Fund for the  
15 Advancement of Education:

16 (1) beginning February 1, 2015, and prior to February  
17 1, 2025, 1/30; and

18 (2) beginning February 1, 2025, 1/26.

19 If the rate of tax imposed by subsection (a) and (b) of  
20 Section 201 is reduced pursuant to Section 201.5 of this Act,  
21 the Department shall not make the deposits required by this  
22 subsection (f) on or after the effective date of the reduction.

23 (g) Deposits into the Commitment to Human Services Fund.  
24 Beginning February 1, 2015, the Department shall deposit the  
25 following portions of the revenue realized from the tax imposed  
26 upon individuals, trusts, and estates by subsections (a) and

1 (b) of Section 201 of this Act, minus deposits into the Income  
2 Tax Refund Fund, into the Commitment to Human Services Fund:

3 (1) beginning February 1, 2015, and prior to February  
4 1, 2025, 1/30; and

5 (2) beginning February 1, 2025, 1/26.

6 If the rate of tax imposed by subsection (a) and (b) of  
7 Section 201 is reduced pursuant to Section 201.5 of this Act,  
8 the Department shall not make the deposits required by this  
9 subsection (g) on or after the effective date of the reduction.

10 (h) Deposits into the Tax Compliance and Administration  
11 Fund. Beginning on the first day of the first calendar month to  
12 occur on or after August 26, 2014 (the effective date of Public  
13 Act 98-1098), each month the Department shall pay into the Tax  
14 Compliance and Administration Fund, to be used, subject to  
15 appropriation, to fund additional auditors and compliance  
16 personnel at the Department, an amount equal to 1/12 of 5% of  
17 the cash receipts collected during the preceding fiscal year by  
18 the Audit Bureau of the Department from the tax imposed by  
19 subsections (a), (b), (c), and (d) of Section 201 of this Act,  
20 net of deposits into the Income Tax Refund Fund made from those  
21 cash receipts.

22 (Source: P.A. 100-22, eff. 7-6-17; 100-23, eff. 7-6-17;  
23 100-587, eff. 6-4-18; 100-621, eff. 7-20-18; 100-863, eff.  
24 8-14-18; 100-1171, eff. 1-4-19; 101-10, eff. 6-5-19; 101-81,  
25 eff. 7-12-19.)

1 (Text of Section after amendment by P.A. 101-8)

2 Sec. 901. Collection authority.

3 (a) In general. The Department shall collect the taxes  
4 imposed by this Act. The Department shall collect certified  
5 past due child support amounts under Section 2505-650 of the  
6 Department of Revenue Law of the Civil Administrative Code of  
7 Illinois. Except as provided in subsections (b), (c), (e), (f),  
8 (g), and (h) of this Section, money collected pursuant to  
9 subsections (a) and (b) of Section 201 of this Act shall be  
10 paid into the General Revenue Fund in the State treasury; money  
11 collected pursuant to subsections (c) and (d) of Section 201 of  
12 this Act shall be paid into the Personal Property Tax  
13 Replacement Fund, a special fund in the State Treasury; and  
14 money collected under Section 2505-650 of the Department of  
15 Revenue Law of the Civil Administrative Code of Illinois shall  
16 be paid into the Child Support Enforcement Trust Fund, a  
17 special fund outside the State Treasury, or to the State  
18 Disbursement Unit established under Section 10-26 of the  
19 Illinois Public Aid Code, as directed by the Department of  
20 Healthcare and Family Services.

21 (b) Local Government Distributive Fund. Beginning August  
22 1, 2017 and continuing through January 31, 2021, the Treasurer  
23 shall transfer each month from the General Revenue Fund to the  
24 Local Government Distributive Fund an amount equal to the sum  
25 of (i) 6.06% (10% of the ratio of the 3% individual income tax  
26 rate prior to 2011 to the 4.95% individual income tax rate

1 after July 1, 2017) of the net revenue realized from the tax  
2 imposed by subsections (a) and (b) of Section 201 of this Act  
3 upon individuals, trusts, and estates during the preceding  
4 month and (ii) 6.85% (10% of the ratio of the 4.8% corporate  
5 income tax rate prior to 2011 to the 7% corporate income tax  
6 rate after July 1, 2017) of the net revenue realized from the  
7 tax imposed by subsections (a) and (b) of Section 201 of this  
8 Act upon corporations during the preceding month. Beginning  
9 February 1, 2021, the Treasurer shall transfer each month from  
10 the General Revenue Fund to the Local Government Distributive  
11 Fund an amount equal to the sum of (i) 5.32% of the net revenue  
12 realized from the tax imposed by subsections (a) and (b) of  
13 Section 201 of this Act upon individuals, trusts, and estates  
14 during the preceding month and (ii) 6.16% of the net revenue  
15 realized from the tax imposed by subsections (a) and (b) of  
16 Section 201 of this Act upon corporations during the preceding  
17 month. Net revenue realized for a month shall be defined as the  
18 revenue from the tax imposed by subsections (a) and (b) of  
19 Section 201 of this Act which is deposited in the General  
20 Revenue Fund, the Education Assistance Fund, the Income Tax  
21 Surcharge Local Government Distributive Fund, the Fund for the  
22 Advancement of Education, and the Commitment to Human Services  
23 Fund during the month minus the amount paid out of the General  
24 Revenue Fund in State warrants during that same month as  
25 refunds to taxpayers for overpayment of liability under the tax  
26 imposed by subsections (a) and (b) of Section 201 of this Act.

1 Notwithstanding any provision of law to the contrary,  
2 beginning on July 6, 2017 (the effective date of Public Act  
3 100-23), those amounts required under this subsection (b) to be  
4 transferred by the Treasurer into the Local Government  
5 Distributive Fund from the General Revenue Fund shall be  
6 directly deposited into the Local Government Distributive Fund  
7 as the revenue is realized from the tax imposed by subsections  
8 (a) and (b) of Section 201 of this Act.

9 For State fiscal year 2020 only, notwithstanding any  
10 provision of law to the contrary, the total amount of revenue  
11 and deposits under this Section attributable to revenues  
12 realized during State fiscal year 2020 shall be reduced by 5%.

13 (b-5) Financially Distressed Cities Allocation. The  
14 Department of Revenue shall certify to the Treasurer an amount  
15 equal to:

16 (1) the amount that would have been distributed under  
17 subsection (a) of Section 2 of the State Revenue Sharing  
18 Act to all financially distressed cities, as that term is  
19 defined in Section 8-12-3 of the Illinois Municipal Code,  
20 if the Treasurer had transferred under subsection (b) to  
21 the Local Government Distributive Fund a sum calculated  
22 using (i) 10% of the net revenue realized from the tax  
23 imposed by subsections (a) and (b) of Section 201 of this  
24 Act upon individuals, trusts, and estates during the  
25 preceding month and (ii) 10% of the net revenue realized  
26 from the tax imposed by subsections (a) and (b) of Section

1 201 of this Act upon corporations during the preceding  
2 month; and

3 (2) subtracting from the amount calculated under  
4 paragraph (1) the amount distributed to all financially  
5 distressed cities under subsection (a) of Section 2 of the  
6 State Revenue Sharing Act during the current month.

7 Upon receipt of the certification from the Department of  
8 Revenue, the Treasurer shall order transferred and the  
9 Comptroller shall transfer from the General Revenue Fund to the  
10 Local Government Distributive Fund the amount shown on the  
11 certification.

12 However, nothing in this subsection shall reduce an amount  
13 certified to the Comptroller under subsection (c) of Section  
14 3-125 or subsection (b-5) of Section 4-118 of the Illinois  
15 Pension Code for failure to transmit contributions required by  
16 the financially distressed city to the Article 3 or Article 4  
17 pension fund in its jurisdiction. The Comptroller shall  
18 continue to deduct and remit the certified amount to the  
19 Article 3 or Article 4 pension fund consistent with the  
20 requirements of subsection (c) of Section 3-125 or subsection  
21 (b-5) of Section 4-118 of the Illinois Pension Code. The  
22 Comptroller shall continue to deduct and remit all funds  
23 necessary to enforce the terms of existing settlement  
24 agreements between a municipality designated a financially  
25 distressed city and an Article 3 or Article 4 Pension Fund.

26 If for any reason the aggregate appropriations made

1 available are insufficient to meet the amount certified under  
2 this subsection:

3 (1) The Governor shall submit to the General Assembly a  
4 proposed budget for the amount certified under this  
5 subsection from the General Revenue Fund to the Local  
6 Government Distributive Fund for each fiscal year so that  
7 the total General Revenue Fund proposed budget is no less  
8 than the amount certified under this subsection. In  
9 addition, the Governor shall specify the total amount of  
10 funds to be transferred from the General Revenue Fund to  
11 the Local Government Distributive Fund during the budget  
12 year, which shall be no less than the amount certified  
13 under this subsection. The Governor may submit a proposed  
14 budget in which the total appropriated and transferred  
15 amounts are less than the amount certified under this  
16 subsection if the Governor declares in writing to the  
17 General Assembly the reason for the lesser amounts.

18 (2) The General Assembly shall appropriate the amount  
19 certified under this subsection from the General Revenue  
20 Fund to the Local Government Distributive Fund for each  
21 fiscal year so that the total General Revenue Fund  
22 appropriation is no less than the amount certified under  
23 this subsection. In addition, the General Assembly shall  
24 legislatively transfer from the General Revenue Fund to the  
25 Local Government Distributive Fund for the fiscal year a  
26 total amount that is no less than the amount certified



1       under this subsection. The General Assembly may  
2       appropriate or transfer lesser amounts if it declares by  
3       Joint Resolution the reason for the lesser amounts.

4       (c) Deposits Into Income Tax Refund Fund.

5             (1) Beginning on January 1, 1989 and thereafter, the  
6       Department shall deposit a percentage of the amounts  
7       collected pursuant to subsections (a) and (b) (1), (2), and  
8       (3) of Section 201 of this Act into a fund in the State  
9       treasury known as the Income Tax Refund Fund. Beginning  
10      with State fiscal year 1990 and for each fiscal year  
11      thereafter, the percentage deposited into the Income Tax  
12      Refund Fund during a fiscal year shall be the Annual  
13      Percentage. For fiscal year 2011, the Annual Percentage  
14      shall be 8.75%. For fiscal year 2012, the Annual Percentage  
15      shall be 8.75%. For fiscal year 2013, the Annual Percentage  
16      shall be 9.75%. For fiscal year 2014, the Annual Percentage  
17      shall be 9.5%. For fiscal year 2015, the Annual Percentage  
18      shall be 10%. For fiscal year 2018, the Annual Percentage  
19      shall be 9.8%. For fiscal year 2019, the Annual Percentage  
20      shall be 9.7%. For fiscal year 2020, the Annual Percentage  
21      shall be 9.5%. For all other fiscal years, the Annual  
22      Percentage shall be calculated as a fraction, the numerator  
23      of which shall be the amount of refunds approved for  
24      payment by the Department during the preceding fiscal year  
25      as a result of overpayment of tax liability under  
26      subsections (a) and (b) (1), (2), and (3) of Section 201 of

1           this Act plus the amount of such refunds remaining approved  
2           but unpaid at the end of the preceding fiscal year, minus  
3           the amounts transferred into the Income Tax Refund Fund  
4           from the Tobacco Settlement Recovery Fund, and the  
5           denominator of which shall be the amounts which will be  
6           collected pursuant to subsections (a) and (b) (1), (2), and  
7           (3) of Section 201 of this Act during the preceding fiscal  
8           year; except that in State fiscal year 2002, the Annual  
9           Percentage shall in no event exceed 7.6%. The Director of  
10          Revenue shall certify the Annual Percentage to the  
11          Comptroller on the last business day of the fiscal year  
12          immediately preceding the fiscal year for which it is to be  
13          effective.

14           (2) Beginning on January 1, 1989 and thereafter, the  
15          Department shall deposit a percentage of the amounts  
16          collected pursuant to subsections (a) and (b) (6), (7), and  
17          (8), (c) and (d) of Section 201 of this Act into a fund in  
18          the State treasury known as the Income Tax Refund Fund.  
19          Beginning with State fiscal year 1990 and for each fiscal  
20          year thereafter, the percentage deposited into the Income  
21          Tax Refund Fund during a fiscal year shall be the Annual  
22          Percentage. For fiscal year 2011, the Annual Percentage  
23          shall be 17.5%. For fiscal year 2012, the Annual Percentage  
24          shall be 17.5%. For fiscal year 2013, the Annual Percentage  
25          shall be 14%. For fiscal year 2014, the Annual Percentage  
26          shall be 13.4%. For fiscal year 2015, the Annual Percentage

1 shall be 14%. For fiscal year 2018, the Annual Percentage  
2 shall be 17.5%. For fiscal year 2019, the Annual Percentage  
3 shall be 15.5%. For fiscal year 2020, the Annual Percentage  
4 shall be 14.25%. For all other fiscal years, the Annual  
5 Percentage shall be calculated as a fraction, the numerator  
6 of which shall be the amount of refunds approved for  
7 payment by the Department during the preceding fiscal year  
8 as a result of overpayment of tax liability under  
9 subsections (a) and (b)(6), (7), and (8), (c) and (d) of  
10 Section 201 of this Act plus the amount of such refunds  
11 remaining approved but unpaid at the end of the preceding  
12 fiscal year, and the denominator of which shall be the  
13 amounts which will be collected pursuant to subsections (a)  
14 and (b)(6), (7), and (8), (c) and (d) of Section 201 of  
15 this Act during the preceding fiscal year; except that in  
16 State fiscal year 2002, the Annual Percentage shall in no  
17 event exceed 23%. The Director of Revenue shall certify the  
18 Annual Percentage to the Comptroller on the last business  
19 day of the fiscal year immediately preceding the fiscal  
20 year for which it is to be effective.

21 (3) The Comptroller shall order transferred and the  
22 Treasurer shall transfer from the Tobacco Settlement  
23 Recovery Fund to the Income Tax Refund Fund (i) \$35,000,000  
24 in January, 2001, (ii) \$35,000,000 in January, 2002, and  
25 (iii) \$35,000,000 in January, 2003.

26 (d) Expenditures from Income Tax Refund Fund.

1           (1) Beginning January 1, 1989, money in the Income Tax  
2 Refund Fund shall be expended exclusively for the purpose  
3 of paying refunds resulting from overpayment of tax  
4 liability under Section 201 of this Act and for making  
5 transfers pursuant to this subsection (d).

6           (2) The Director shall order payment of refunds  
7 resulting from overpayment of tax liability under Section  
8 201 of this Act from the Income Tax Refund Fund only to the  
9 extent that amounts collected pursuant to Section 201 of  
10 this Act and transfers pursuant to this subsection (d) and  
11 item (3) of subsection (c) have been deposited and retained  
12 in the Fund.

13           (3) As soon as possible after the end of each fiscal  
14 year, the Director shall order transferred and the State  
15 Treasurer and State Comptroller shall transfer from the  
16 Income Tax Refund Fund to the Personal Property Tax  
17 Replacement Fund an amount, certified by the Director to  
18 the Comptroller, equal to the excess of the amount  
19 collected pursuant to subsections (c) and (d) of Section  
20 201 of this Act deposited into the Income Tax Refund Fund  
21 during the fiscal year over the amount of refunds resulting  
22 from overpayment of tax liability under subsections (c) and  
23 (d) of Section 201 of this Act paid from the Income Tax  
24 Refund Fund during the fiscal year.

25           (4) As soon as possible after the end of each fiscal  
26 year, the Director shall order transferred and the State

1           Treasurer and State Comptroller shall transfer from the  
2           Personal Property Tax Replacement Fund to the Income Tax  
3           Refund Fund an amount, certified by the Director to the  
4           Comptroller, equal to the excess of the amount of refunds  
5           resulting from overpayment of tax liability under  
6           subsections (c) and (d) of Section 201 of this Act paid  
7           from the Income Tax Refund Fund during the fiscal year over  
8           the amount collected pursuant to subsections (c) and (d) of  
9           Section 201 of this Act deposited into the Income Tax  
10          Refund Fund during the fiscal year.

11           (4.5) As soon as possible after the end of fiscal year  
12          1999 and of each fiscal year thereafter, the Director shall  
13          order transferred and the State Treasurer and State  
14          Comptroller shall transfer from the Income Tax Refund Fund  
15          to the General Revenue Fund any surplus remaining in the  
16          Income Tax Refund Fund as of the end of such fiscal year;  
17          excluding for fiscal years 2000, 2001, and 2002 amounts  
18          attributable to transfers under item (3) of subsection (c)  
19          less refunds resulting from the earned income tax credit.

20           (5) This Act shall constitute an irrevocable and  
21          continuing appropriation from the Income Tax Refund Fund  
22          for the purpose of paying refunds upon the order of the  
23          Director in accordance with the provisions of this Section.

24           (e) Deposits into the Education Assistance Fund and the  
25          Income Tax Surcharge Local Government Distributive Fund. On  
26          July 1, 1991, and thereafter, of the amounts collected pursuant

1 to subsections (a) and (b) of Section 201 of this Act, minus  
2 deposits into the Income Tax Refund Fund, the Department shall  
3 deposit 7.3% into the Education Assistance Fund in the State  
4 Treasury. Beginning July 1, 1991, and continuing through  
5 January 31, 1993, of the amounts collected pursuant to  
6 subsections (a) and (b) of Section 201 of the Illinois Income  
7 Tax Act, minus deposits into the Income Tax Refund Fund, the  
8 Department shall deposit 3.0% into the Income Tax Surcharge  
9 Local Government Distributive Fund in the State Treasury.  
10 Beginning February 1, 1993 and continuing through June 30,  
11 1993, of the amounts collected pursuant to subsections (a) and  
12 (b) of Section 201 of the Illinois Income Tax Act, minus  
13 deposits into the Income Tax Refund Fund, the Department shall  
14 deposit 4.4% into the Income Tax Surcharge Local Government  
15 Distributive Fund in the State Treasury. Beginning July 1,  
16 1993, and continuing through June 30, 1994, of the amounts  
17 collected under subsections (a) and (b) of Section 201 of this  
18 Act, minus deposits into the Income Tax Refund Fund, the  
19 Department shall deposit 1.475% into the Income Tax Surcharge  
20 Local Government Distributive Fund in the State Treasury.

21 (f) Deposits into the Fund for the Advancement of  
22 Education. Beginning February 1, 2015, the Department shall  
23 deposit the following portions of the revenue realized from the  
24 tax imposed upon individuals, trusts, and estates by  
25 subsections (a) and (b) of Section 201 of this Act, minus  
26 deposits into the Income Tax Refund Fund, into the Fund for the

1 Advancement of Education:

2 (1) beginning February 1, 2015, and prior to February  
3 1, 2025, 1/30; and

4 (2) beginning February 1, 2025, 1/26.

5 If the rate of tax imposed by subsection (a) and (b) of  
6 Section 201 is reduced pursuant to Section 201.5 of this Act,  
7 the Department shall not make the deposits required by this  
8 subsection (f) on or after the effective date of the reduction.

9 (g) Deposits into the Commitment to Human Services Fund.  
10 Beginning February 1, 2015, the Department shall deposit the  
11 following portions of the revenue realized from the tax imposed  
12 upon individuals, trusts, and estates by subsections (a) and  
13 (b) of Section 201 of this Act, minus deposits into the Income  
14 Tax Refund Fund, into the Commitment to Human Services Fund:

15 (1) beginning February 1, 2015, and prior to February  
16 1, 2025, 1/30; and

17 (2) beginning February 1, 2025, 1/26.

18 If the rate of tax imposed by subsection (a) and (b) of  
19 Section 201 is reduced pursuant to Section 201.5 of this Act,  
20 the Department shall not make the deposits required by this  
21 subsection (g) on or after the effective date of the reduction.

22 (h) Deposits into the Tax Compliance and Administration  
23 Fund. Beginning on the first day of the first calendar month to  
24 occur on or after August 26, 2014 (the effective date of Public  
25 Act 98-1098), each month the Department shall pay into the Tax  
26 Compliance and Administration Fund, to be used, subject to

1 appropriation, to fund additional auditors and compliance  
2 personnel at the Department, an amount equal to 1/12 of 5% of  
3 the cash receipts collected during the preceding fiscal year by  
4 the Audit Bureau of the Department from the tax imposed by  
5 subsections (a), (b), (c), and (d) of Section 201 of this Act,  
6 net of deposits into the Income Tax Refund Fund made from those  
7 cash receipts.

8 (Source: P.A. 100-22, eff. 7-6-17; 100-23, eff. 7-6-17;  
9 100-587, eff. 6-4-18; 100-621, eff. 7-20-18; 100-863, eff.  
10 8-14-18; 100-1171, eff. 1-4-19; 101-8, see Section 99 for  
11 effective date; 101-10, eff. 6-5-19; 101-81, eff. 7-12-19;  
12 revised 10-1-19.)

13 Section 15. The Illinois Municipal Code is amended by  
14 changing Sections 8-12-3, 8-12-4, 8-12-10, 8-12-18, and  
15 8-12-24 as follows:

16 (65 ILCS 5/8-12-3) (from Ch. 24, par. 8-12-3)

17 Sec. 8-12-3. As used in this Division:

18 (1) "Authority" means the "(Name of Financially Distressed  
19 City) Financial Advisory Authority".

20 (2) "Financially distressed city" means any municipality  
21 which: ~~is a home rule unit and which~~ (i) is a home rule unit  
22 certified by the Department of Revenue as being in the highest  
23 5% of all home rule municipalities in terms of the aggregate of  
24 the rate per cent of all taxes levied pursuant to statute or



1 ordinance upon all taxable property of the municipality and as  
2 being in the lowest 5% of all home rule municipalities in terms  
3 of per capita tax yield, or is a non-home rule unit certified  
4 by the Department of Revenue as being in the highest 5% of all  
5 non-home rule municipalities in terms of the aggregate of the  
6 rate per cent of all taxes levied pursuant to statute or  
7 ordinance upon all taxable property of the municipality and as  
8 being in the lowest 5% of all non-home rule municipalities in  
9 terms of per capita tax yield; and (ii) is designated by joint  
10 resolution of the General Assembly as a financially distressed  
11 city.

12 (3) "Home rule municipality" means a municipality which is  
13 a home rule unit as provided in Section 6 of Article VII of the  
14 Illinois Constitution.

15 (4) "Budget" means an annual appropriation ordinance or  
16 annual budget as described in Division 2 of Article 8, as from  
17 time to time in effect in the financially distressed city.

18 (5) "Chairperson" means the chairperson of the Authority  
19 appointed pursuant to Section 8-12-7.

20 (6) "Financial Plan" means the financially distressed  
21 city's financial plan as developed pursuant to Section 8-12-15,  
22 as from time to time in effect.

23 (7) "Fiscal year" means the fiscal year of the financially  
24 distressed city.

25 (8) "Obligations" means bonds, notes or other evidence of  
26 indebtedness issued by the Illinois Finance Authority in

1 connection with the provision of financial aid to a financially  
2 distressed city pursuant to this Division and applicable  
3 provisions of the Illinois Finance Authority Act.

4 (Source: P.A. 93-205, eff. 1-1-04.)

5 (65 ILCS 5/8-12-4) (from Ch. 24, par. 8-12-4)

6 Sec. 8-12-4. In order to receive assistance as provided in  
7 this Division, a ~~home-rule~~ municipality shall first, by  
8 ordinance passed by its corporate authorities, request (i) that  
9 the Department of Revenue certify that it is in the highest 5%  
10 of all home rule or non-home rule municipalities, respectively,  
11 in terms of the aggregate of the rate per cent of all taxes  
12 levied pursuant to statute or ordinance upon all taxable  
13 property of the municipality and in the lowest 5% of all home  
14 rule or non-home rule municipalities, respectively, in terms of  
15 per capita tax yield, and (ii) that the General Assembly by  
16 joint resolution designate it as a financially distressed city.  
17 A ~~home-rule~~ municipality which is so certified and designated  
18 as a financially distressed city and which desires to receive  
19 assistance as provided in this Division shall, by ordinance  
20 passed by its corporate authorities, request that a financial  
21 advisory authority be appointed for the municipality and that  
22 the municipality ~~city and that the city~~ receive assistance as  
23 provided in this Division, and shall file a certified copy of  
24 that ordinance with the Governor, with the Clerk of the House  
25 of Representatives and with the Secretary of the Senate. Upon

1 the filing of the certified copies of that ordinance as  
2 required by this Section this Division and all of its  
3 provisions shall then and thereafter be applicable to the  
4 financially distressed city, shall govern and control its  
5 financial accounting, budgeting and taxing procedures and  
6 practices, and, subject to the limitations of subsection (a) of  
7 Section 8-12-22, shall remain in full force and effect with  
8 respect thereto until such time as the financial advisory  
9 authority established under Section 8-12-5 is abolished as  
10 provided in subsection (c) of Section 8-12-22.

11 (Source: P.A. 86-1211.)

12 (65 ILCS 5/8-12-10) (from Ch. 24, par. 8-12-10)

13 Sec. 8-12-10. Any State agency or unit of local government,  
14 within its respective function, may render such services and  
15 technical assistance to the Authority as the Authority may  
16 request. Upon the Authority's request any such agency or unit  
17 of local government may transfer to the Authority such officers  
18 and employees as the Authority and any such agency or unit of  
19 local government deem necessary to carry out the Authority's  
20 functions and duties. Officers and employees so transferred  
21 shall not lose or forfeit their employment status or rights.

22 (Source: P.A. 86-1211.)

23 (65 ILCS 5/8-12-18) (from Ch. 24, par. 8-12-18)

24 Sec. 8-12-18. (a) The financially distressed city shall

1 meet its debt service obligations as they become due. No other  
2 expenditure shall be made by the city unless it is consistent  
3 with the Financial Plan and Budget in effect. The State shall  
4 not reduce revenues or impose additional costs affecting the  
5 financially distressed city, including, but not limited to,  
6 deductions from warrants under Section 10.05 of the State  
7 Comptroller Act, unless it is consistent with the Financial  
8 Plan and Budget in effect. However, nothing in this subsection  
9 shall reduce an amount certified to the Comptroller under  
10 subsection (c) of Section 3-125 or subsection (b-5) of Section  
11 4-118 of the Illinois Pension Code for failure to transmit  
12 contributions required by the financially distressed city to  
13 the Article 3 or Article 4 pension fund in its jurisdiction.  
14 The Comptroller shall continue to deduct and remit the  
15 certified amount to the Article 3 or Article 4 pension fund  
16 consistent with the requirements of subsection (c) of Section  
17 3-125 or subsection (b-5) of Section 4-118 of the Illinois  
18 Pension Code. The Comptroller shall continue to deduct and  
19 remit all funds necessary to enforce the terms of existing  
20 settlement agreements between a municipality designated a  
21 financially distressed city and an Article 3 or Article 4  
22 Pension Fund. The Department of Revenue shall notify the  
23 Comptroller when a financially distressed city shall not have  
24 revenue offsets or deductions from warrants under Section 10.05  
25 of the State Comptroller Act.

26 This subsection does not limit the Department of Revenue's

1 authority to reduce revenues to correct an error.

2 (b) State mandates enacted while a municipality is  
3 designated as a financially distressed city that would cause  
4 the municipality to incur additional costs are not valid or  
5 enforceable against the municipality during the period when the  
6 municipality is under the financially distressed city  
7 designation.

8 (Source: P.A. 86-1211.)

9 (65 ILCS 5/8-12-24) (from Ch. 24, par. 8-12-24)

10 Sec. 8-12-24. A municipality ~~home rule unit~~ which is a  
11 financially distressed city to which this Division is  
12 applicable as provided in Section 8-12-4 may not employ  
13 financial or fiscal accounting or budgetary procedures or  
14 systems, nor place into effect any Financial Plan or Budget,  
15 nor enter into any contract or make any expenditure, nor  
16 otherwise conduct its financial and fiscal affairs or take  
17 other action in a manner inconsistent with the provisions of  
18 this Division, until such time as the powers and  
19 responsibilities of the Authority are terminated as provided in  
20 Section 8-12-22. This Section is a limitation under subsection  
21 (i) of Section 6 of Article VII of the Illinois Constitution on  
22 the concurrent exercise by home rule units which are  
23 financially distressed cities to which this Division is  
24 applicable as provided in Section 8-12-4 of powers and  
25 functions exercised by the State.

1 (Source: P.A. 86-1211.)

2 Section 95. No acceleration or delay. Where this Act makes  
3 changes in a statute that is represented in this Act by text  
4 that is not yet or no longer in effect (for example, a Section  
5 represented by multiple versions), the use of that text does  
6 not accelerate or delay the taking effect of (i) the changes  
7 made by this Act or (ii) provisions derived from any other  
8 Public Act.

9 Section 99. Effective date. This Act takes effect January  
10 1, 2021.

1 INDEX

2 Statutes amended in order of appearance

3	30 ILCS 115/2	from Ch. 85, par. 612
4	35 ILCS 5/901	
5	65 ILCS 5/8-12-3	from Ch. 24, par. 8-12-3
6	65 ILCS 5/8-12-4	from Ch. 24, par. 8-12-4
7	65 ILCS 5/8-12-10	from Ch. 24, par. 8-12-10
8	65 ILCS 5/8-12-18	from Ch. 24, par. 8-12-18
9	65 ILCS 5/8-12-24	from Ch. 24, par. 8-12-24