



Rep. Barbara Flynn Currie

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1 AMENDMENT TO SENATE BILL 2206

2 AMENDMENT NO. \_\_\_\_\_. Amend Senate Bill 2206, AS AMENDED,  
3 by replacing everything after the enacting clause with the  
4 following:

5 "ARTICLE I

6 Section 1-1. Short title. This Act may be cited as the  
7 FY2005 Budget Implementation (Finance) Act.

8 Section 1-5. Purpose. It is the purpose of this Act to make  
9 changes in State programs that are necessary to implement the  
10 Governor's FY2005 budget recommendations concerning finance.

11 ARTICLE 5

12 Section 5-1. Short title. This Act may be cited as the  
13 State Facilities Closure Act. All references in this Article to  
14 "this Act" mean this Article.

15 Section 5-5. Definitions. In this Act:

16 "Commission" means the Illinois Economic and Fiscal  
17 Commission.

18 "State facility" means any facility (i) that is owned and  
19 operated by the State or leased and operated by the State and  
20 (ii) that is the primary stationary work location for 25 or

1 more State employees. "State facility" does not include any  
2 facility under the jurisdiction of the legislative branch,  
3 including the Auditor General, or the judicial branch.

4 Section 5-10. Facility closure process.

5 (a) Before a State facility may be closed, the State  
6 executive branch officer with jurisdiction over the facility  
7 shall file notice of the proposed closure with the Commission.  
8 The notice must be filed within 2 days after the first public  
9 announcement of any planned or proposed closure. Within 10 days  
10 after it receives notice of the proposed closure, the  
11 Commission, in its discretion, may require the State executive  
12 branch officer with jurisdiction over the facility to file a  
13 recommendation for the closure of the facility with the  
14 Commission. The recommendation must be filed within 30 days  
15 after the Commission delivers the request for recommendation to  
16 the State executive branch officer. The recommendation must  
17 include, but is not limited to, the following:

18 (1) the location and identity of the State facility  
19 proposed to be closed;

20 (2) the number of employees for which the State  
21 facility is the primary stationary work location and the  
22 effect of the closure of the facility on those employees;

23 (3) the location or locations to which the functions  
24 and employees of the State facility would be moved;

25 (4) the availability and condition of land and  
26 facilities at both the existing location and any potential  
27 locations;

28 (5) the ability to accommodate the functions and  
29 employees at the existing and at any potential locations;

30 (6) the cost of operations of the State facility and at  
31 any potential locations and any other related budgetary  
32 impacts;

33 (7) the economic impact on existing communities in the

1 vicinity of the State facility and any potential facility;

2 (8) the ability of the existing and any potential  
3 community's infrastructure to support the functions and  
4 employees;

5 (9) the impact on State services delivered at the  
6 existing location, in direct relation to the State services  
7 expected to be delivered at any potential locations; and

8 (10) the environmental impact, including the impact of  
9 costs related to potential environmental restoration,  
10 waste management, and environmental compliance activities.

11 (b) If a recommendation is required by the Commission, a  
12 30-day public comment period must follow the filing of the  
13 recommendation. The Commission, in its discretion, may conduct  
14 one or more public hearings on the recommendation. Public  
15 hearings conducted by the Commission shall be conducted no  
16 later than 35 days after the filing of the recommendation. At  
17 least one of the public hearings on the recommendation shall be  
18 held at a convenient location within 25 miles of the facility  
19 for which closure is recommended. The Commission shall provide  
20 reasonable notice of the comment period and of any public  
21 hearings to the public and to units of local government and  
22 school districts that are located within 25 miles of the  
23 facility.

24 (c) Within 50 days after the State executive branch officer  
25 files the required recommendation, the Commission shall issue  
26 an advisory opinion on that recommendation. The Commission  
27 shall file the advisory opinion with the appropriate State  
28 executive branch officer, the Governor, the General Assembly,  
29 and the Index Department of the Office of the Secretary of  
30 State and shall make copies of the advisory opinion available  
31 to the public upon request.

32 (d) No action may be taken to implement the recommendation  
33 for closure of a State facility until 50 days after the filing  
34 of any required recommendation.

1 (e) The requirements of this Section do not apply if all of  
2 the functions and employees of a State facility are relocated  
3 to another State facility that is within 10 miles of the closed  
4 facility.

5 ARTICLE 10

6 Section 10-50. The Intergovernmental Cooperation Act is  
7 amended by adding Section 4.5 as follows:

8 (5 ILCS 220/4.5 new)

9 Sec. 4.5. Prohibited agreements and contracts. No  
10 intergovernmental or interagency agreement or contract may be  
11 entered into, implemented, or given effect if the agreement's  
12 or contract's intent or effect is (i) to circumvent any  
13 limitation established by law on State appropriation or State  
14 expenditure authority with respect to health care and employee  
15 benefits contracts or (ii) to expend State moneys in a manner  
16 inconsistent with the purpose for which they were appropriated  
17 with respect to health care and employee benefits contracts.

18 Section 10-52. The Illinois Public Labor Relations Act is  
19 amended by changing Section 15 as follows:

20 (5 ILCS 315/15) (from Ch. 48, par. 1615)

21 Sec. 15. Act Takes Precedence. (a) In case of any conflict  
22 between the provisions of this Act and any other law (other  
23 than Section 5 of the State Employees Group Insurance Act of  
24 1971), executive order or administrative regulation relating  
25 to wages, hours and conditions of employment and employment  
26 relations, the provisions of this Act or any collective  
27 bargaining agreement negotiated thereunder shall prevail and  
28 control. Nothing in this Act shall be construed to replace or  
29 diminish the rights of employees established by Sections 28 and

1 28a of the Metropolitan Transit Authority Act, Sections 2.15  
2 through 2.19 of the Regional Transportation Authority Act. The  
3 provisions of this Act are subject to Section 5 of the State  
4 Employees Group Insurance Act of 1971.

5 (b) Except as provided in subsection (a) above, any  
6 collective bargaining contract between a public employer and a  
7 labor organization executed pursuant to this Act shall  
8 supersede any contrary statutes, charters, ordinances, rules  
9 or regulations relating to wages, hours and conditions of  
10 employment and employment relations adopted by the public  
11 employer or its agents. Any collective bargaining agreement  
12 entered into prior to the effective date of this Act shall  
13 remain in full force during its duration.

14 (c) It is the public policy of this State, pursuant to  
15 paragraphs (h) and (i) of Section 6 of Article VII of the  
16 Illinois Constitution, that the provisions of this Act are the  
17 exclusive exercise by the State of powers and functions which  
18 might otherwise be exercised by home rule units. Such powers  
19 and functions may not be exercised concurrently, either  
20 directly or indirectly, by any unit of local government,  
21 including any home rule unit, except as otherwise authorized by  
22 this Act.

23 (Source: P.A. 83-1012.)

24 Section 10-55. The State Employees Group Insurance Act of  
25 1971 is amended by changing Section 5 as follows:

26 (5 ILCS 375/5) (from Ch. 127, par. 525)

27 Sec. 5. Employee benefits; declaration of State policy.  
28 The General Assembly declares that it is the policy of the  
29 State and in the best interest of the State to assure quality  
30 benefits to members and their dependents under this Act. The  
31 implementation of this policy depends upon, among other things,  
32 stability and continuity of coverage, care, and services under

1 benefit programs for members and their dependents.  
2 Specifically, but without limitation, members should have  
3 continued access, on substantially similar terms and  
4 conditions, to trusted family health care providers with whom  
5 they have developed long-term relationships through a benefit  
6 program under this Act. Therefore, the Director must administer  
7 this Act consistent with that State policy, but may consider  
8 affordability, cost of coverage and care, and competition among  
9 health insurers and providers. All contracts for provision of  
10 employee benefits, including those portions of any proposed  
11 collective bargaining agreement that would require  
12 implementation through contracts entered into under this Act,  
13 are subject to the following requirements:

14 (i) By April 1 of each year, the Director must report  
15 and provide information to the Commission concerning the  
16 status of the employee benefits program to be offered for  
17 the next fiscal year. Information includes, but is not  
18 limited to, documents, reports of negotiations, bid  
19 invitations, requests for proposals, specifications,  
20 copies of proposed and final contracts or agreements, and  
21 any other materials concerning contracts or agreements for  
22 the employee benefits program. By the first of each month  
23 thereafter, the Director must provide updated, and any new,  
24 information to the Commission until the employee benefits  
25 program for the next fiscal year is determined. In addition  
26 to these monthly reporting requirements, at any time the  
27 Commission makes a written request, the Director must  
28 promptly, but in no event later than 5 business days after  
29 receipt of the request, provide to the Commission any  
30 additional requested information in the possession of the  
31 Director concerning employee benefits programs. The  
32 Commission may waive any of the reporting requirements of  
33 this item (i) upon the written request by the Director. Any  
34 waiver granted under this item (i) must be in writing.

1 Nothing in this item is intended to abrogate any  
2 attorney-client privilege.

3 (ii) Within 30 days after notice of the awarding or  
4 letting of a contract has appeared in the Illinois  
5 Procurement Bulletin in accordance with subsection (b) of  
6 Section 15-25 of the Illinois Procurement Code, the  
7 Commission may request in writing from the Director and the  
8 Director shall promptly, but in no event later than 5  
9 business days after receipt of the request, provide to the  
10 Commission information in the possession of the Director  
11 concerning the proposed contract. Nothing in this item is  
12 intended to waive or abrogate any privilege or right of  
13 confidentiality authorized by law.

14 (iii) No contract subject to this Section may be  
15 entered into until the 30-day period described in item (ii)  
16 has expired, unless the Director requests in writing that  
17 the Commission waive the period and the Commission grants  
18 the waiver in writing.

19 (iv) If the Director seeks to make any substantive  
20 modification to any provision of a proposed contract after  
21 it is submitted to the Commission in accordance with item  
22 (ii), the modified contract shall be subject to the  
23 requirements of items (ii) and (iii) unless the Commission  
24 agrees, in writing, to a waiver of those requirements with  
25 respect to the modified contract.

26 (v) By the date of the beginning of the annual benefit  
27 choice period, the Director must transmit to the Commission  
28 a copy of each final contract or agreement for the employee  
29 benefits program to be offered for the next fiscal year.  
30 The annual benefit choice period for an employee benefits  
31 program must begin on May 1 of the fiscal year preceding  
32 the year for which the program is to be offered. If,  
33 however, in any such preceding fiscal year collective  
34 bargaining over employee benefit programs for the next

1 fiscal year remains pending on April 15, the beginning date  
2 of the annual benefit choice period shall be not later than  
3 15 days after ratification of the collective bargaining  
4 agreement.

5 (vi) The Director must provide the reports,  
6 information, and contracts required under items (i), (ii),  
7 (iv), and (v) by electronic or other means satisfactory to  
8 the Commission. Reports, information, and contracts in the  
9 possession of the Commission pursuant to items (i), (ii),  
10 (iv), and (v) are exempt from disclosure by the Commission  
11 and its members and employees under the Freedom of  
12 Information Act. Reports, information, and contracts  
13 received by the Commission pursuant to items (i), (ii),  
14 (iv), and (v) must be kept confidential by and may not be  
15 disclosed or used by the Commission or its members or  
16 employees if such disclosure or use could compromise the  
17 fairness or integrity of the procurement, bidding, or  
18 contract process. Commission meetings, or portions of  
19 Commission meetings, in which reports, information, and  
20 contracts received by the Commission pursuant to items (i),  
21 (ii), (iv), and (v) are discussed must be closed if  
22 disclosure or use of the report or information could  
23 compromise the fairness or integrity of the procurement,  
24 bidding, or contract process.

25 All contracts entered into under this Section are subject  
26 to appropriation and shall comply with Section 20-60(b) of the  
27 Illinois Procurement Code (30 ILCS 500/20-60(b)).

28 The Director shall contract or otherwise make available  
29 group life insurance, health benefits and other employee  
30 benefits to eligible members and, where elected, their eligible  
31 dependents. Any contract or, if applicable, contracts or other  
32 arrangement for provision of benefits shall be on terms  
33 consistent with State policy and ~~deemed by the Director to be~~  
34 ~~in the best interest of the State of Illinois and its members~~



1 based on, but not limited to, such criteria as administrative  
2 cost, service capabilities of the carrier or other contractor  
3 and premiums, fees or charges as related to benefits.

4 The Director may prepare and issue specifications for group  
5 life insurance, health benefits, other employee benefits and  
6 administrative services for the purpose of receiving proposals  
7 from interested parties.

8 The Director is authorized to execute a contract, or  
9 contracts, for the programs of group life insurance, health  
10 benefits, other employee benefits and administrative services  
11 authorized by this Act (including, without limitation,  
12 prescription drug benefits). All of the benefits provided under  
13 this Act may be included in one or more contracts, or the  
14 benefits may be classified into different types with each type  
15 included under one or more similar contracts with the same or  
16 different companies.

17 The term of any contract may not extend beyond 5 fiscal  
18 years. Upon recommendation of the Commission, the Director may  
19 exercise renewal options of the same contract for up to a  
20 period of 5 years. Any increases in premiums, fees or charges  
21 requested by a contractor whose contract may be renewed  
22 pursuant to a renewal option contained therein, must be  
23 justified on the basis of (1) audited experience data, (2)  
24 increases in the costs of health care services provided under  
25 the contract, (3) contractor performance, (4) increases in  
26 contractor responsibilities, or (5) any combination thereof.

27 Any contractor shall agree to abide by all requirements of  
28 this Act and Rules and Regulations promulgated and adopted  
29 thereto; to submit such information and data as may from time  
30 to time be deemed necessary by the Director for effective  
31 administration of the provisions of this Act and the programs  
32 established hereunder, and to fully cooperate in any audit.

33 (Source: P.A. 91-390, eff. 7-30-99.)

1           Section 10-58. The Aquaculture Development Act is amended  
2 by changing Section 5.5 as follows:

3           (20 ILCS 215/5.5)

4           (Section scheduled to be repealed on June 30, 2009)

5           Sec. 5.5. Aquaculture Cooperative.

6           (a) The Department of Agriculture shall make grants to an  
7 Aquaculture Cooperative from the Illinois Aquaculture  
8 Development Fund, a special fund created in the State Treasury.  
9 On July 1, 1999 and on each July 1 thereafter through July 1,  
10 2008, the Comptroller shall order transferred and the Treasurer  
11 shall transfer \$1,000,000 from the General Revenue Fund into  
12 the Illinois Aquaculture Development Fund. The Aquaculture  
13 Cooperative shall consist of any individual or entity of the  
14 aquaculture industry in this State that seeks membership  
15 pursuant to the Agricultural Co-Operative Act. The grants for  
16 the Cooperative shall be distributed from the Illinois  
17 Aquaculture Development Fund as provided by rule. At the  
18 beginning of each fiscal period, the Cooperative shall prepare  
19 a budget plan for the next fiscal period, including the  
20 probable cost of all programs, projects, and contracts. The  
21 Cooperative shall submit the proposed budget to the Director  
22 for review and comment. The Director may recommend programs and  
23 activities considered appropriate for the Cooperative. The  
24 Cooperative shall keep minutes, books, and records that clearly  
25 reflect all of the acts and transactions of the Cooperative and  
26 shall make this information public. The financial books and  
27 records of the Cooperative shall be audited by a certified  
28 public accountant at least once each fiscal year and at other  
29 times as designated by the Director. The expense of the audit  
30 shall be the responsibility of the Cooperative. Copies of the  
31 audit shall be provided to all members of the Cooperative, to  
32 the Department, and to other requesting members of the  
33 aquaculture industry.

1 (b) The grants to an Aquaculture Cooperative and the  
2 proceeds generated by the Cooperative may be used for the  
3 following purposes:

4 (1) To buy aquatic organisms from members of the  
5 Cooperative.

6 (2) To buy aquatic organism food in bulk quantities for  
7 resale to the members of the Cooperative.

8 (3) For transportation, hauling, and delivery  
9 equipment.

10 (4) For employee salaries, building leases, and other  
11 administrative costs.

12 (5) To purchase equipment for use by the Cooperative  
13 members.

14 (6) Any other related costs.

15 (c) The Illinois Aquaculture Development Fund is abolished  
16 on August 31, 2004. Any balance remaining in the Fund on that  
17 date shall be transferred to the General Revenue Fund. The  
18 Department shall submit a report to the General Assembly before  
19 January 1, 2009 with a determination of whether the funding for  
20 the Aquaculture Cooperative should be extended beyond June 30,  
21 2009. If the Department recommends an extension of the funding  
22 for the Cooperative, then the report shall detail whether the  
23 Cooperative funding should be increased, decreased, or  
24 eliminated. The report shall be submitted according to Section  
25 5-140 of the Illinois Administrative Procedure Act.

26 (d) This Section is repealed on June 30, 2009.

27 (Source: P.A. 91-530, eff. 8-13-99.)

28 Section 10-60. The Department of Central Management  
29 Services Law of the Civil Administrative Code of Illinois is  
30 amended by changing Sections 405-105, 405-315, and 405-410 and  
31 by adding Sections 405-293, 405-411, and 405-415 as follows:

32 (20 ILCS 405/405-105) (was 20 ILCS 405/64.1)

1           Sec. 405-105. Fidelity, surety, property, and casualty  
2 insurance. The Department shall establish and implement a  
3 program to coordinate the handling of all fidelity, surety,  
4 property, and casualty insurance exposures of the State and the  
5 departments, divisions, agencies, branches, and universities  
6 of the State. In performing this responsibility, the Department  
7 shall have the power and duty to do the following:

8           (1) Develop and maintain loss and exposure data on all  
9 State property.

10          (2) Study the feasibility of establishing a self-insurance  
11 plan for State property and prepare estimates of the costs of  
12 reinsurance for risks beyond the realistic limits of the  
13 self-insurance.

14          (3) Prepare a plan for centralizing the purchase of  
15 property and casualty insurance on State property under a  
16 master policy or policies and purchase the insurance contracted  
17 for as provided in the Illinois Purchasing Act.

18          (4) Evaluate existing provisions for fidelity bonds  
19 required of State employees and recommend changes that are  
20 appropriate commensurate with risk experience and the  
21 determinations respecting self-insurance or reinsurance so as  
22 to permit reduction of costs without loss of coverage.

23          (5) Investigate procedures for inclusion of school  
24 districts, public community college districts, and other units  
25 of local government in programs for the centralized purchase of  
26 insurance.

27          (6) Implement recommendations of the State Property  
28 Insurance Study Commission that the Department finds necessary  
29 or desirable in the performance of its powers and duties under  
30 this Section to achieve efficient and comprehensive risk  
31 management.

32          (7) Prepare and, in the discretion of the Director,  
33 implement a plan providing for the purchase of public liability  
34 insurance or for self-insurance for public liability or for a

1 combination of purchased insurance and self-insurance for  
2 public liability (i) covering the State and drivers of motor  
3 vehicles owned, leased, or controlled by the State of Illinois  
4 pursuant to the provisions and limitations contained in the  
5 Illinois Vehicle Code, (ii) covering other public liability  
6 exposures of the State and its employees within the scope of  
7 their employment, and (iii) covering drivers of motor vehicles  
8 not owned, leased, or controlled by the State but used by a  
9 State employee on State business, in excess of liability  
10 covered by an insurance policy obtained by the owner of the  
11 motor vehicle or in excess of the dollar amounts that the  
12 Department shall determine to be reasonable. Any contract of  
13 insurance let under this Law shall be by bid in accordance with  
14 the procedure set forth in the Illinois Purchasing Act. Any  
15 provisions for self-insurance shall conform to subdivision  
16 (11).

17 The term "employee" as used in this subdivision (7) and in  
18 subdivision (11) means a person while in the employ of the  
19 State who is a member of the staff or personnel of a State  
20 agency, bureau, board, commission, committee, department,  
21 university, or college or who is a State officer, elected  
22 official, commissioner, member of or ex officio member of a  
23 State agency, bureau, board, commission, committee,  
24 department, university, or college, or a member of the National  
25 Guard while on active duty pursuant to orders of the Governor  
26 of the State of Illinois, or any other person while using a  
27 licensed motor vehicle owned, leased, or controlled by the  
28 State of Illinois with the authorization of the State of  
29 Illinois, provided the actual use of the motor vehicle is  
30 within the scope of that authorization and within the course of  
31 State service.

32 Subsequent to payment of a claim on behalf of an employee  
33 pursuant to this Section and after reasonable advance written  
34 notice to the employee, the Director may exclude the employee

1 from future coverage or limit the coverage under the plan if  
2 (i) the Director determines that the claim resulted from an  
3 incident in which the employee was grossly negligent or had  
4 engaged in willful and wanton misconduct or (ii) the Director  
5 determines that the employee is no longer an acceptable risk  
6 based on a review of prior accidents in which the employee was  
7 at fault and for which payments were made pursuant to this  
8 Section.

9 The Director is authorized to promulgate administrative  
10 rules that may be necessary to establish and administer the  
11 plan.

12 Appropriations from the Road Fund shall be used to pay auto  
13 liability claims and related expenses involving employees of  
14 the Department of Transportation, the Illinois State Police,  
15 and the Secretary of State.

16 (8) Charge, collect, and receive from all other agencies of  
17 the State government fees or monies equivalent to the cost of  
18 purchasing the insurance.

19 (9) Establish, through the Director, charges for risk  
20 management services rendered to State agencies by the  
21 Department. The State agencies so charged shall reimburse the  
22 Department by vouchers drawn against their respective  
23 appropriations. The reimbursement shall be determined by the  
24 Director as amounts sufficient to reimburse the Department for  
25 expenditures incurred in rendering the service.

26 The Department shall charge the employing State agency or  
27 university for workers' compensation payments for temporary  
28 total disability paid to any employee after the employee has  
29 received temporary total disability payments for 120 days if  
30 the employee's treating physician has issued a release to  
31 return to work with restrictions and the employee is able to  
32 perform modified duty work but the employing State agency or  
33 university does not return the employee to work at modified  
34 duty. Modified duty shall be duties assigned that may or may

1 not be delineated as part of the duties regularly performed by  
2 the employee. Modified duties shall be assigned within the  
3 prescribed restrictions established by the treating physician  
4 and the physician who performed the independent medical  
5 examination. The amount of all reimbursements shall be  
6 deposited into the Workers' Compensation Revolving Fund which  
7 is hereby created as a revolving ~~special~~ fund in the State  
8 treasury. In addition to any other purpose authorized by law,  
9 moneys ~~Moneys~~ in the Fund shall be used, subject to  
10 appropriation, to pay these or other temporary total disability  
11 claims of employees of State agencies and universities.

12 Beginning with fiscal year 1996, all amounts recovered by  
13 the Department through subrogation in workers' compensation  
14 and workers' occupational disease cases shall be deposited into  
15 the Workers' Compensation Revolving Fund created under this  
16 subdivision (9).

17 (10) Establish rules, procedures, and forms to be used by  
18 State agencies in the administration and payment of workers'  
19 compensation claims. The Department shall initially evaluate  
20 and determine the compensability of any injury that is the  
21 subject of a workers' compensation claim and provide for the  
22 administration and payment of such a claim for all State  
23 agencies. The Director may delegate to any agency with the  
24 agreement of the agency head the responsibility for evaluation,  
25 administration, and payment of that agency's claims.

26 (11) Any plan for public liability self-insurance  
27 implemented under this Section shall provide that (i) the  
28 Department shall attempt to settle and may settle any public  
29 liability claim filed against the State of Illinois or any  
30 public liability claim filed against a State employee on the  
31 basis of an occurrence in the course of the employee's State  
32 employment; (ii) any settlement of such a claim must be  
33 approved by the Director and, in cases of settlements exceeding  
34 \$100,000, by the Governor; and (iii) a settlement of any public

1 liability claim against the State or a State employee shall  
2 require an unqualified release of any right of action against  
3 the State and the employee for acts within the scope of the  
4 employee's employment giving rise to the claim.

5 Whenever and to the extent that a State employee operates a  
6 motor vehicle or engages in other activity covered by  
7 self-insurance under this Section, the State of Illinois shall  
8 defend, indemnify, and hold harmless the employee against any  
9 claim in tort filed against the employee for acts or omissions  
10 within the scope of the employee's employment in any proper  
11 judicial forum and not settled pursuant to this subdivision  
12 (11), provided that this obligation of the State of Illinois  
13 shall not exceed a maximum liability of \$2,000,000 for any  
14 single occurrence in connection with the operation of a motor  
15 vehicle or \$100,000 per person per occurrence for any other  
16 single occurrence, or \$500,000 for any single occurrence in  
17 connection with the provision of medical care by a licensed  
18 physician employee.

19 Any claims against the State of Illinois under a  
20 self-insurance plan that are not settled pursuant to this  
21 subdivision (11) shall be heard and determined by the Court of  
22 Claims and may not be filed or adjudicated in any other forum.  
23 The Attorney General of the State of Illinois or the Attorney  
24 General's designee shall be the attorney with respect to all  
25 public liability self-insurance claims that are not settled  
26 pursuant to this subdivision (11) and therefore result in  
27 litigation. The payment of any award of the Court of Claims  
28 entered against the State relating to any public liability  
29 self-insurance claim shall act as a release against any State  
30 employee involved in the occurrence.

31 (12) Administer a plan the purpose of which is to make  
32 payments on final settlements or final judgments in accordance  
33 with the State Employee Indemnification Act. The plan shall be  
34 funded through appropriations from the General Revenue Fund



1 specifically designated for that purpose, except that  
2 indemnification expenses for employees of the Department of  
3 Transportation, the Illinois State Police, and the Secretary of  
4 State shall be paid from the Road Fund. The term "employee" as  
5 used in this subdivision (12) has the same meaning as under  
6 subsection (b) of Section 1 of the State Employee  
7 Indemnification Act. Subject to sufficient appropriation, the  
8 Director shall approve payment of any claim presented to the  
9 Director that is supported by a final settlement or final  
10 judgment when the Attorney General and the chief officer of the  
11 public body against whose employee the claim or cause of action  
12 is asserted certify to the Director that the claim is in  
13 accordance with the State Employee Indemnification Act and that  
14 they approve of the payment. In no event shall an amount in  
15 excess of \$150,000 be paid from this plan to or for the benefit  
16 of any claimant.

17 (13) Administer a plan the purpose of which is to make  
18 payments on final settlements or final judgments for employee  
19 wage claims in situations where there was an appropriation  
20 relevant to the wage claim, the fiscal year and lapse period  
21 have expired, and sufficient funds were available to pay the  
22 claim. The plan shall be funded through appropriations from the  
23 General Revenue Fund specifically designated for that purpose.

24 Subject to sufficient appropriation, the Director is  
25 authorized to pay any wage claim presented to the Director that  
26 is supported by a final settlement or final judgment when the  
27 chief officer of the State agency employing the claimant  
28 certifies to the Director that the claim is a valid wage claim  
29 and that the fiscal year and lapse period have expired. Payment  
30 for claims that are properly submitted and certified as valid  
31 by the Director shall include interest accrued at the rate of  
32 7% per annum from the forty-fifth day after the claims are  
33 received by the Department or 45 days from the date on which  
34 the amount of payment is agreed upon, whichever is later, until

1 the date the claims are submitted to the Comptroller for  
2 payment. When the Attorney General has filed an appearance in  
3 any proceeding concerning a wage claim settlement or judgment,  
4 the Attorney General shall certify to the Director that the  
5 wage claim is valid before any payment is made. In no event  
6 shall an amount in excess of \$150,000 be paid from this plan to  
7 or for the benefit of any claimant.

8 Nothing in Public Act 84-961 shall be construed to affect  
9 in any manner the jurisdiction of the Court of Claims  
10 concerning wage claims made against the State of Illinois.

11 (14) Prepare and, in the discretion of the Director,  
12 implement a program for self-insurance for official fidelity  
13 and surety bonds for officers and employees as authorized by  
14 the Official Bond Act.

15 (Source: P.A. 91-239, eff. 1-1-00.)

16 (20 ILCS 405/405-293 new)

17 Sec. 405-293. Professional Services.

18 (a) The Department of Central Management Services (the  
19 "Department") is responsible for providing professional  
20 services for or on behalf of State agencies for all functions  
21 transferred to the Department by Executive Order No. 2003-10  
22 (as modified by Section 5.5 of the Executive Reorganization  
23 Implementation Act) and may, with the approval of the Governor,  
24 provide additional services to or on behalf of State agencies.  
25 To the extent not compensated by direct fund transfers, the  
26 Department shall be reimbursed from each State agency receiving  
27 the benefit of these services. The reimbursement shall be  
28 determined by the Director of Central Management Services as  
29 the amount required to reimburse the Professional Services Fund  
30 for the Department's costs of rendering the professional  
31 services on behalf of that State agency.

32 (b) For the purposes of this Section, "State agency" means  
33 each State agency, department, board, and commission directly

1 responsible to the Governor. "Professional services" means  
2 legal services, internal audit services, and other services as  
3 approved by the Governor.

4 (20 ILCS 405/405-315) (was 20 ILCS 405/67.24)

5 Sec. 405-315. Management of State buildings; security  
6 force; fees.

7 (a) To manage, operate, maintain, and preserve from waste  
8 the State buildings, facilities, structures, grounds, or other  
9 real property transferred to the Department under Section  
10 405-415, including, without limitation, the State buildings  
11 listed below. The Department may rent portions of these and  
12 other State buildings when in the judgment of the Director  
13 those leases or subleases will be in the best interests of the  
14 State. The leases or subleases shall not exceed 5 years unless  
15 a greater term is specifically authorized.

16 a. Peoria Regional Office Building

17 5415 North University

18 Peoria, Illinois 61614

19 b. Springfield Regional Office Building

20 4500 South 6th Street

21 Springfield, Illinois 62703

22 c. Champaign Regional Office Building

23 2125 South 1st Street

24 Champaign, Illinois 61820

25 d. Illinois State Armory Building

26 124 East Adams

27 Springfield, Illinois 62706

28 e. Marion Regional Office Building

29 2209 West Main Street

30 Marion, Illinois 62959

31 f. Kenneth Hall Regional State Office

32 Building

33 #10 Collinsville Avenue

- 1 East St. Louis, Illinois 62201
- 2 g. Rockford Regional Office Building
- 3 4402 North Main Street
- 4 P.O. Box 915
- 5 Rockford, Illinois 61105
- 6 h. State of Illinois Building
- 7 160 North LaSalle
- 8 Chicago, Illinois 60601
- 9 i. Office and Laboratory Building
- 10 2121 West Taylor Street
- 11 Chicago, Illinois 60602
- 12 j. Central Computer Facility
- 13 201 West Adams
- 14 Springfield, Illinois 62706
- 15 k. Elgin Office Building
- 16 595 South State Street
- 17 Elgin, Illinois 60120
- 18 l. James R. Thompson Center
- 19 Bounded by Lake, Clark, Randolph and
- 20 LaSalle Streets
- 21 Chicago, Illinois
- 22 m. The following buildings located within the Chicago
- 23 Medical Center District:
- 24 1. Lawndale Day Care Center
- 25 2929 West 19th Street
- 26 2. Edwards Center
- 27 2020 Roosevelt Road
- 28 3. Illinois Center for
- 29 Rehabilitation and Education
- 30 1950 West Roosevelt Road and 1151 South Wood Street
- 31 4. Department of Children and
- 32 Family Services District Office
- 33 1026 South Damen
- 34 5. The William Heally School

- 1           1731 West Taylor
- 2           6. Administrative Office Building
- 3           1100 South Paulina Street
- 4           7. Metro Children and Adolescents Center
- 5           1601 West Taylor Street
- 6       n. E.J. "Zeke" Giorgi Center
- 7           200 Wyman Street
- 8           Rockford, Illinois
- 9       o. Suburban North Facility
- 10          9511 Harrison
- 11          Des Plaines, Illinois
- 12       p. The following buildings located within the Revenue
- 13          Center in Springfield:
- 14          1. State Property Control Warehouse
- 15          11th & Ash
- 16          2. Illinois State Museum Research & Collections
- 17          Center
- 18          1011 East Ash Street
- 19       q. Effingham Regional Office Building
- 20          401 Industrial Drive
- 21          Effingham, Illinois
- 22       r. The Communications Center
- 23          120 West Jefferson
- 24          Springfield, Illinois
- 25       s. Portions or all of the basement and
- 26          ground floor of the
- 27          State of Illinois Building
- 28          160 North LaSalle
- 29          Chicago, Illinois 60601
- 30       may be leased or subleased to persons, firms, partnerships,
- 31       associations, or individuals for terms not to exceed 15 years
- 32       when in the judgment of the Director those leases or subleases
- 33       will be in the best interests of the State.
- 34       Portions or all of the commercial space, which includes the

1 sub-basement, storage mezzanine, concourse, and ground and  
2 second floors of the

3 James R. Thompson Center

4 Bounded by Lake, Clark, Randolph and LaSalle Streets

5 Chicago, Illinois

6 may be leased or subleased to persons, firms, partnerships,  
7 associations, or individuals for terms not to exceed 15 years  
8 subject to renewals when in the judgment of the Director those  
9 leases or subleases will be in the best interests of the State.

10 The Director is authorized to rent portions of the above  
11 described facilities to persons, firms, partnerships,  
12 associations, or individuals for terms not to exceed 30 days  
13 when those leases or subleases will not interfere with State  
14 usage of the facility. This authority is meant to supplement  
15 and shall not in any way be interpreted to restrict the  
16 Director's ability to make portions of the State of Illinois  
17 Building and the James R. Thompson Center available for  
18 long-term commercial leases or subleases.

19 Provided however, that all rentals or fees charged to  
20 persons, firms, partnerships, associations, or individuals for  
21 any lease or use of space in the above described facilities  
22 made for terms not to exceed 30 days in length shall be  
23 deposited in a special fund in the State treasury to be known  
24 as the Special Events Revolving Fund.

25 Notwithstanding the provisions above, the Department of  
26 Children and Family Services and the Department of Human  
27 Services (as successor to the Department of Rehabilitation  
28 Services and the Department of Mental Health and Developmental  
29 Disabilities) shall determine the allocation of space for  
30 direct recipient care in their respective facilities. The  
31 Department of Central Management Services shall consult with  
32 the affected agency in the allocation and lease of surplus  
33 space in these facilities. Potential lease arrangements shall  
34 not endanger the direct recipient care responsibilities in

1 these facilities.

2 (b) To appoint, subject to the Personnel Code, persons to  
3 be members of a police and security force. Members of the  
4 security force shall be peace officers when performing duties  
5 pursuant to this Section and as such shall have all of the  
6 powers possessed by policemen in cities and sheriffs, including  
7 the power to make arrests on view or issue citations for  
8 violations of State statutes or city or county ordinances,  
9 except that in counties of more than 1,000,000 population, any  
10 powers created by this subsection shall be exercised only (i)  
11 when necessary to protect the property, personnel, or interests  
12 of the Department or any State agency for whom the Department  
13 manages, operates, or maintains property or (ii) when  
14 specifically requested by appropriate State or local law  
15 enforcement officials, and except that within counties of  
16 1,000,000 or less population, these powers shall be exercised  
17 only when necessary to protect the property, personnel, or  
18 interests of the State of Illinois and only while on property  
19 managed, operated, or maintained by the Department.

20 Nothing in this subsection shall be construed so as to make  
21 it conflict with any provisions of, or rules promulgated under,  
22 the Personnel Code.

23 (c) To charge reasonable fees for the lease, rental, use,  
24 or occupancy of ~~to all State agencies utilizing~~ facilities  
25 managed, operated, or maintained by the Department ~~for~~  
26 ~~occupancy related fees and charges.~~ Except as provided in  
27 subsection (a) regarding amounts to be deposited into the  
28 Special Events Revolving Fund, all moneys ~~All fees~~ collected  
29 under this subsection shall be deposited in a revolving ~~special~~  
30 fund in the State treasury known as the Facilities Management  
31 Revolving Fund. ~~As used in this subsection, the term "State~~  
32 ~~agencies" means all departments, officers, commissions,~~  
33 ~~institutions, boards, and bodies politic and corporate of the~~  
34 ~~State.~~

1 (d) Provisions of this Section relating to the James R.  
2 Thompson Center are subject to the provisions of Section 7.4 of  
3 the State Property Control Act.

4 (Source: P.A. 92-302, eff. 8-9-01; 93-19, eff. 6-20-03.)

5 (20 ILCS 405/405-410)

6 Sec. 405-410. Transfer of Information Technology  
7 functions.

8 (a) Notwithstanding any other law to the contrary, ~~on or~~  
9 ~~before June 30, 2004,~~ the Director of Central Management  
10 Services, working in cooperation with the Director of any other  
11 agency, department, board, or commission directly responsible  
12 to the Governor, may direct the transfer, to the Department of  
13 Central Management Services, of those information technology  
14 functions at that agency, department, board, or commission that  
15 are suitable for centralization.

16 Upon receipt of the written direction to transfer  
17 information technology functions to the Department of Central  
18 Management Services, the personnel, equipment, and property  
19 (both real and personal) directly relating to the transferred  
20 functions shall be transferred to the Department of Central  
21 Management Services, and the relevant documents, records, and  
22 correspondence shall be transferred or copied, as the Director  
23 may prescribe.

24 (b) Upon receiving written direction from the Director of  
25 Central Management Services, the Comptroller and Treasurer are  
26 authorized to transfer the unexpended balance of any  
27 appropriations related to the information technology functions  
28 transferred to the Department of Central Management Services  
29 and shall make the necessary fund transfers from any special  
30 fund in the State Treasury or from any other federal or State  
31 trust fund held by the Treasurer to the General Revenue Fund  
32 for use by the Department of Central Management Services in  
33 support of information technology functions or any other



1 related costs or expenses of the Department of Central  
2 Management Services.

3 (c) The rights of employees and the State and its agencies  
4 under the Personnel Code and applicable collective bargaining  
5 agreements or under any pension, retirement, or annuity plan  
6 shall not be affected by any transfer under this Section.

7 (d) The functions transferred to the Department of Central  
8 Management Services by this Section shall be vested in and  
9 shall be exercised by the Department of Central Management  
10 Services. Each act done in the exercise of those functions  
11 shall have the same legal effect as if done by the agencies,  
12 offices, divisions, departments, bureaus, boards and  
13 commissions from which they were transferred.

14 Every person or other entity shall be subject to the same  
15 obligations and duties and any penalties, civil or criminal,  
16 arising therefrom, and shall have the same rights arising from  
17 the exercise of such rights, powers, and duties as had been  
18 exercised by the agencies, offices, divisions, departments,  
19 bureaus, boards, and commissions from which they were  
20 transferred.

21 Whenever reports or notices are now required to be made or  
22 given or papers or documents furnished or served by any person  
23 in regards to the functions transferred to or upon the  
24 agencies, offices, divisions, departments, bureaus, boards,  
25 and commissions from which the functions were transferred, the  
26 same shall be made, given, furnished or served in the same  
27 manner to or upon the Department of Central Management  
28 Services.

29 This Section does not affect any act done, ratified, or  
30 cancelled or any right occurring or established or any action  
31 or proceeding had or commenced in an administrative, civil, or  
32 criminal cause regarding the functions transferred, but those  
33 proceedings may be continued by the Department of Central  
34 Management Services.

1           This Section does not affect the legality of any rules in  
2 the Illinois Administrative Code regarding the functions  
3 transferred in this Section that are in force on the effective  
4 date of this Section. If necessary, however, the affected  
5 agencies shall propose, adopt, or repeal rules, rule  
6 amendments, and rule recodifications as appropriate to  
7 effectuate this Section.

8           (Source: P.A. 93-25, eff. 6-20-03.)

9           (20 ILCS 405/405-411 new)

10          Sec. 405-411. Consolidation of workers' compensation  
11 functions.

12          (a) Notwithstanding any other law to the contrary, the  
13 Director of Central Management Services, working in  
14 cooperation with the Director of any other agency, department,  
15 board, or commission directly responsible to the Governor, may  
16 direct the consolidation, within the Department of Central  
17 Management Services, of those workers' compensation functions  
18 at that agency, department, board, or commission that are  
19 suitable for centralization.

20          Upon receipt of the written direction to transfer workers'  
21 compensation functions to the Department of Central Management  
22 Services, the personnel, equipment, and property (both real and  
23 personal) directly relating to the transferred functions shall  
24 be transferred to the Department of Central Management  
25 Services, and the relevant documents, records, and  
26 correspondence shall be transferred or copied, as the Director  
27 may prescribe.

28          (b) Upon receiving written direction from the Director of  
29 Central Management Services, the Comptroller and Treasurer are  
30 authorized to transfer the unexpended balance of any  
31 appropriations related to the workers' compensation functions  
32 transferred to the Department of Central Management Services  
33 and shall make the necessary fund transfers from the General

1 Revenue Fund, any special fund in the State treasury, or any  
2 other federal or State trust fund held by the Treasurer to the  
3 Workers' Compensation Revolving Fund for use by the Department  
4 of Central Management Services in support of workers'  
5 compensation functions or any other related costs or expenses  
6 of the Department of Central Management Services.

7 (c) The rights of employees and the State and its agencies  
8 under the Personnel Code and applicable collective bargaining  
9 agreements or under any pension, retirement, or annuity plan  
10 shall not be affected by any transfer under this Section.

11 (d) The functions transferred to the Department of Central  
12 Management Services by this Section shall be vested in and  
13 shall be exercised by the Department of Central Management  
14 Services. Each act done in the exercise of those functions  
15 shall have the same legal effect as if done by the agencies,  
16 offices, divisions, departments, bureaus, boards and  
17 commissions from which they were transferred.

18 Every person or other entity shall be subject to the same  
19 obligations and duties and any penalties, civil or criminal,  
20 arising therefrom, and shall have the same rights arising from  
21 the exercise of such rights, powers, and duties as had been  
22 exercised by the agencies, offices, divisions, departments,  
23 bureaus, boards, and commissions from which they were  
24 transferred.

25 Whenever reports or notices are now required to be made or  
26 given or papers or documents furnished or served by any person  
27 in regards to the functions transferred to or upon the  
28 agencies, offices, divisions, departments, bureaus, boards,  
29 and commissions from which the functions were transferred, the  
30 same shall be made, given, furnished or served in the same  
31 manner to or upon the Department of Central Management  
32 Services.

33 This Section does not affect any act done, ratified, or  
34 cancelled or any right occurring or established or any action

1 or proceeding had or commenced in an administrative, civil, or  
2 criminal cause regarding the functions transferred, but those  
3 proceedings may be continued by the Department of Central  
4 Management Services.

5 This Section does not affect the legality of any rules in  
6 the Illinois Administrative Code regarding the functions  
7 transferred in this Section that are in force on the effective  
8 date of this Section. If necessary, however, the affected  
9 agencies shall propose, adopt, or repeal rules, rule  
10 amendments, and rule recodifications as appropriate to  
11 effectuate this Section.

12 (20 ILCS 405/405-415 new)

13 Sec. 405-415. Transfer of facilities and facility  
14 management functions.

15 (a) Notwithstanding any other law to the contrary, the  
16 Director of Central Management Services may direct the  
17 transfer, to the Department of Central Management Services, of  
18 those facilities and facility management functions authorized  
19 to be transferred under Executive Order 10 (2003). Upon receipt  
20 of the written direction to transfer facilities or facility  
21 management functions to the Department of Central Management  
22 Services, the personnel, equipment, and property (both real and  
23 personal) directly relating to the transferred functions shall  
24 be transferred to the Department of Central Management  
25 Services, and the relevant documents, records, and  
26 correspondence shall be transferred or copied, as the Director  
27 may prescribe.

28 (b) Upon receiving written direction from the Director of  
29 Central Management Services, the Comptroller and Treasurer are  
30 authorized to transfer the unexpended balance of any  
31 appropriations related to the facilities or facility  
32 management functions transferred to the Department of Central  
33 Management Services and shall make the necessary fund transfers

1 from the General Revenue Fund, any special fund in the State  
2 Treasury, or any other federal or State trust fund held by the  
3 Treasurer to the Facilities Management Revolving Fund for use  
4 by the Department of Central Management Services in support of  
5 facilities and facility management functions or any other  
6 related costs or expenses of the Department of Central  
7 Management Services.

8 (c) The Department may adopt rules establishing standards  
9 for the maintenance, management, operations, and occupancy of  
10 State facilities and the disposition of excess State facilities  
11 that are subject to the transfer of ownership and control  
12 authorized by Executive Order 10 (2003) and this Section,  
13 regardless of whether the Department has actually exercised its  
14 rights of ownership and control.

15 Section 10-65. The Personnel Code is amended by adding  
16 Section 12f as follows:

17 (20 ILCS 415/12f new)

18 Sec. 12f. Merit compensation/salary grade employees;  
19 layoffs.

20 (a) Each State agency shall make every attempt to minimize  
21 the number of its employees that are laid off. In an effort to  
22 minimize layoffs, each merit compensation/salary grade  
23 employee who is subject to layoff shall be offered any vacant  
24 positions for the same title held by that employee within the  
25 same agency and county from which the employee is subject to  
26 layoff and within 2 additional alternate counties designated by  
27 the employee (or 3 additional counties if the employee's  
28 facility or office is closing), excluding titles that are  
29 subject to collective bargaining. If no such vacancies exist,  
30 then the employee shall be placed on the agency's reemployment  
31 list for (i) the title from which the employee was laid off and  
32 (ii) any other titles or successor titles previously held by

1 that employee in which the employee held certified status  
2 within the county from which the employee was laid off and  
3 within 2 additional alternate counties designated by the  
4 employee (or 3 additional counties if the employee's facility  
5 or office is closing), excluding titles that are subject to  
6 collective bargaining. Laid-off employees shall remain on a  
7 reemployment list for 3 years, commencing with the date of  
8 layoff.

9 (b) Merit compensation/salary grade employees who are laid  
10 off shall be extended the same medical and dental insurance  
11 benefits to which employees laid off from positions subject to  
12 collective bargaining are entitled and on the same terms.

13 (c) Employees laid off from merit compensation/salary  
14 grade positions may apply to be qualified for any titles  
15 subject to collective bargaining.

16 (d) Merit compensation/salary grade employees subject to  
17 layoff shall be given 30 days' notice of the layoff. A list of  
18 all current vacancies of all titles within the agency shall be  
19 provided to the employee with the notice of the layoff.

20 Section 10-70. The Department of Commerce and Economic  
21 Opportunity Law of the Civil Administrative Code of Illinois is  
22 amended by changing Section 605-365 as follows:

23 (20 ILCS 605/605-365) (was 20 ILCS 605/46.19a in part)

24 (Section scheduled to be repealed on September 1, 2004)

25 Sec. 605-365. Technology Innovation and Commercialization  
26 Fund. There is hereby created a special fund in the State  
27 treasury to be known as the Technology Innovation and  
28 Commercialization Fund. The moneys in the Fund may be used,  
29 subject to appropriation, only for making grants pursuant to  
30 Section 605-355 and for the purposes of the Technology  
31 Advancement and Development Act. All royalties received by the  
32 Department shall be deposited into the Fund.

1       The Technology Innovation and Commercialization Fund is  
2 abolished on August 31, 2004. Any balance remaining in the Fund  
3 on that date shall be transferred to the General Revenue Fund.

4       This Section is repealed on September 1, 2004.

5       (Source: P.A. 90-454, eff. 8-16-97; 91-239, eff. 1-1-00.)

6       Section 10-75. The Department of Veterans Affairs Act is  
7 amended by changing Section 2 as follows:

8       (20 ILCS 2805/2) (from Ch. 126 1/2, par. 67)

9       Sec. 2. Powers and duties. The Department shall have the  
10 following powers and duties:

11       To perform such acts at the request of any veteran, or his  
12 or her spouse, surviving spouse or dependents as shall be  
13 reasonably necessary or reasonably incident to obtaining or  
14 endeavoring to obtain for the requester any advantage, benefit  
15 or emolument accruing or due to such person under any law of  
16 the United States, the State of Illinois or any other state or  
17 governmental agency by reason of the service of such veteran,  
18 and in pursuance thereof shall:

19           1. Contact veterans, their survivors and dependents  
20 and advise them of the benefits of state and federal laws  
21 and assist them in obtaining such benefits;

22           2. Establish field offices and direct the activities of  
23 the personnel assigned to such offices;

24           3. Create a volunteer field force of accredited  
25 representatives, representing educational institutions,  
26 labor organizations, veterans organizations, employers,  
27 churches, and farm organizations;

28           4. Conduct informational and training services;

29           5. Conduct educational programs through newspapers,  
30 periodicals and radio for the specific purpose of  
31 disseminating information affecting veterans and their  
32 dependents;

1           6. Coordinate the services and activities of all state  
2 departments having services and resources affecting  
3 veterans and their dependents;

4           7. Encourage and assist in the coordination of agencies  
5 within counties giving service to veterans and their  
6 dependents;

7           8. Cooperate with veterans organizations and other  
8 governmental agencies;

9           9. Make, alter, amend and promulgate reasonable rules  
10 and procedures for the administration of this Act;

11           10. Make and publish annual reports to the Governor  
12 regarding the administration and general operation of the  
13 Department; and

14           11. Encourage the State to implement more programs to  
15 address the wide range of issues faced by Persian Gulf War  
16 Veterans, especially those who took part in combat, by  
17 creating an official commission to further study Persian  
18 Gulf War Diseases. The commission shall consist of 9  
19 members appointed as follows: the Speaker and Minority  
20 Leader of the House of Representatives and the President  
21 and Minority Leader of the Senate shall each appoint one  
22 member from the General Assembly, the Governor shall  
23 appoint 4 members to represent veterans' organizations,  
24 and the Department shall appoint one member. The commission  
25 members shall serve without compensation.

26           The Department may accept and hold on behalf of the State,  
27 if for the public interest, a grant, gift, devise or bequest of  
28 money or property to the Department made for the general  
29 benefit of Illinois veterans, including the conduct of  
30 informational and training services by the Department and other  
31 authorized purposes of the Department. The Department shall  
32 cause each grant, gift, devise or bequest to be kept as a  
33 distinct fund and shall invest such funds in the manner  
34 provided by the Public Funds Investment Act, as now or



1 hereafter amended, and shall make such reports as may be  
2 required by the Comptroller concerning what funds are so held  
3 and the manner in which such funds are invested. The Department  
4 may make grants from these funds for the general benefit of  
5 Illinois veterans. Grants from these funds, except for the  
6 funds established under Sections 2.01a and 2.03, shall be  
7 subject to appropriation.

8 The Department has the power to make grants, from funds  
9 appropriated from the Korean War Veterans National Museum and  
10 Library Fund, to private organizations for the benefit of the  
11 Korean War Veterans National Museum and Library.

12 The Department has the power to make grants, from funds  
13 appropriated from the Illinois Military Family Relief Fund, for  
14 benefits authorized under the Survivors Compensation Act.

15 (Source: P.A. 92-198, eff. 8-1-01; 92-651, eff. 7-11-02.)

16 Section 10-85. The Illinois Economic and Fiscal Commission  
17 Act is amended by changing Section 3 as follows:

18 (25 ILCS 155/3) (from Ch. 63, par. 343)

19 Sec. 3. The Commission shall:

20 (1) Study from time to time and report to the General  
21 Assembly on economic development and trends in the State.

22 (2) Make such special economic and fiscal studies as it  
23 deems appropriate or desirable or as the General Assembly may  
24 request.

25 (3) Based on its studies, recommend such State fiscal and  
26 economic policies as it deems appropriate or desirable to  
27 improve the functioning of State government and the economy of  
28 the various regions within the State.

29 (4) Prepare annually a State economic report.

30 (5) Provide information for all appropriate legislative  
31 organizations and personnel on economic trends in relation to  
32 long range planning and budgeting.

1           (6) Study and make such recommendations as it deems  
2 appropriate to the General Assembly on local and regional  
3 economic and fiscal policy and on federal fiscal policy as it  
4 may affect Illinois.

5           (7) Review capital expenditures, appropriations and  
6 authorizations for both the State's general obligation and  
7 revenue bonding authorities. At the direction of the  
8 Commission, specific reviews may include economic feasibility  
9 reviews of existing or proposed revenue bond projects to  
10 determine the accuracy of the original estimate of useful life  
11 of the projects, maintenance requirements and ability to meet  
12 debt service requirements through their operating expenses.

13           (8) Receive and review all executive agency and revenue  
14 bonding authority annual and 3 year plans. The Commission shall  
15 prepare a consolidated review of these plans, an updated  
16 assessment of current State agency capital plans, a report on  
17 the outstanding and unissued bond authorizations, an  
18 evaluation of the State's ability to market further bond issues  
19 and shall submit them as the "Legislative Capital Plan  
20 Analysis" to the House and Senate Appropriations Committees at  
21 least once a year. The Commission shall annually submit to the  
22 General Assembly on the first Wednesday of April a report on  
23 the State's long-term capital needs, with particular emphasis  
24 upon and detail of the 5-year period in the immediate future.

25           (9) Study and make recommendations it deems appropriate to  
26 the General Assembly on State bond financing, bondability  
27 guidelines, and debt management. At the direction of the  
28 Commission, specific studies and reviews may take into  
29 consideration short and long-run implications of State bonding  
30 and debt management policy.

31           (10) Comply with the provisions of the "State Debt Impact  
32 Note Act" as now or hereafter amended.

33           (11) Comply with the provisions of the Pension Impact Note  
34 Act, as now or hereafter amended.

1           (12) By August 1st of each year, the Commission must  
2 prepare and cause to be published a summary report of State  
3 appropriations for the State fiscal year beginning the previous  
4 July 1st. The summary report must discuss major categories of  
5 appropriations, the issues the General Assembly faced in  
6 allocating appropriations, comparisons with appropriations for  
7 previous State fiscal years, and other matters helpful in  
8 providing the citizens of Illinois with an overall  
9 understanding of appropriations for that fiscal year. The  
10 summary report must be written in plain language and designed  
11 for readability. Publication must be in newspapers of general  
12 circulation in the various areas of the State to ensure  
13 distribution statewide. The summary report must also be  
14 published on the General Assembly's web site.

15           (13) Comply with the provisions of the State Facilities  
16 Closure Act.

17           The requirement for reporting to the General Assembly shall  
18 be satisfied by filing copies of the report with the Speaker,  
19 the Minority Leader and the Clerk of the House of  
20 Representatives and the President, the Minority Leader and the  
21 Secretary of the Senate and the Legislative Research Unit, as  
22 required by Section 3.1 of the General Assembly Organization  
23 Act, and filing such additional copies with the State  
24 Government Report Distribution Center for the General Assembly  
25 as is required under paragraph (t) of Section 7 of the State  
26 Library Act.

27           (Source: P.A. 92-67, eff. 7-12-01; 93-632, eff. 2-1-04.)

28           Section 10-90. The Fiscal Note Act is amended by changing  
29 Section 1 as follows:

30           (25 ILCS 50/1) (from Ch. 63, par. 42.31)

31           Sec. 1. Every bill, except those bills making a direct  
32 appropriation, (1) the purpose or effect of which is (i) to

1 expend any State funds or to increase or decrease the revenues  
2 of the State, either directly or indirectly, or (ii) to require  
3 the expenditure of their own funds by, or to increase or  
4 decrease the revenues of, units of local government, school  
5 districts or community college districts, or to revise the  
6 distribution of State funds among units of local government,  
7 school districts, or community college districts, either  
8 directly or indirectly, or (2) that amends the Mental Health  
9 and Developmental Disabilities Code or the Developmental  
10 Disability and Mental Disability Services Act shall have  
11 prepared for it prior to second reading in the house of  
12 introduction a brief explanatory statement or note which, for a  
13 bill under item (1), shall include a reliable estimate of the  
14 anticipated change in State, local governmental, school  
15 district, or community college district expenditures or  
16 revenues under its provisions and, for a bill under item (2),  
17 shall include a reliable estimate of the fiscal impact of its  
18 provisions upon community agencies. For purposes of this Act,  
19 indirect revenues include, but are not limited to, increased  
20 tax revenues or other increased revenues resulting from  
21 economic development, job creation, or cost reduction. The  
22 statement or note shall also include an explanation of the  
23 methodology used to determine the estimated direct and indirect  
24 costs or estimated impact on community agencies. Any notes for  
25 bills having a fiscal impact on units of local government,  
26 school districts or community college districts shall include  
27 such cost estimates as may be required under the State Mandates  
28 Act.

29 If a bill authorizes capital expenditures or appropriates  
30 funds for capital expenditures, a statement shall be prepared  
31 by the Governor's Office of Management and Budget ~~Bureau of the~~  
32 ~~Budget~~ specifying by year any principal and interest payments  
33 required to finance such capital expenditures.

34 If a bill authorizes the issuance of bonds, a statement or

1 note shall be prepared by the Governor's Office of Management  
2 and Budget specifying the estimated total principal and  
3 interest payments (assuming interest is paid at a fixed rate)  
4 if all of the bonds authorized were issued. The statement or  
5 note shall include the total principal on all other  
6 then-outstanding Bonds of the State.

7 These statements or notes shall be known as "fiscal notes".  
8 (Source: P.A. 92-567, eff. 1-1-03; revised 8-23-03.)

9 Section 10-95. The State Debt Impact Note Act is amended by  
10 changing Section 4 as follows:

11 (25 ILCS 65/4) (from Ch. 63, par. 42.74)

12 Sec. 4. The State Debt Impact Note shall be factual in  
13 nature and as brief and concise as possible. For bills which  
14 would appropriate from bond funds, the note shall provide a  
15 reliable estimate of the impact of the bill on the State's debt  
16 service requirements; a description of the estimated useful  
17 life and intended use of the project; and maintenance and  
18 operating costs associated with the project. For bills which  
19 would add new or increase existing bond authorization levels  
20 the note shall assess current outstanding, unissued, and  
21 retired bond authorization levels and make reasonable  
22 projections of the cost associated with the retirement of the  
23 additional bonds. The estimated costs shall specify the  
24 estimated total principal and interest payments (assuming  
25 interest is paid at a fixed rate) if all of the Bonds  
26 authorized were issued. The statement or note shall include the  
27 total principal on all other then-outstanding Bonds of the  
28 State. A brief summary or work sheet of computations used in  
29 arriving at State Debt Impact Notes shall be attached.

30 (Source: P.A. 81-615.)

31 Section 10-100. The State Finance Act is amended by

1 changing Sections 6z-32, 8g, 8h, 8.3, 8.12, 8.43, 9, 13.2, 14,  
2 and 25 and by adding Sections 5.625, 6z-27.1, 6z-63, 6z-64,  
3 6z-65, 8k, 8m, 14c, and 24.11 as follows:

4 (30 ILCS 105/5.625 new)

5 Sec. 5.625. The Professional Services Fund.

6 (30 ILCS 105/6z-27.1 new)

7 Sec. 6z-27.1. Transfer from Efficiency Initiative Fund.

8 The sum of \$750,000 is ordered transferred from the Efficiency  
9 Initiative Fund to the Comptroller's Administrative Fund to  
10 reimburse the Comptroller's office for costs and expenses  
11 incurred by that office in relation to efficiency initiatives  
12 and agency consolidation, reorganization, and restructuring  
13 pursuant to Section 405-292 of the Department of Central  
14 Management Services Law of the Civil Administrative Code of  
15 Illinois (20 ILCS 405/405-292).

16 (30 ILCS 105/6z-32)

17 Sec. 6z-32. Conservation 2000.

18 (a) The Conservation 2000 Fund and the Conservation 2000  
19 Projects Fund are created as special funds in the State  
20 Treasury. These funds shall be used to establish a  
21 comprehensive program to protect Illinois' natural resources  
22 through cooperative partnerships between State government and  
23 public and private landowners. Moneys in these Funds may be  
24 used, subject to appropriation, by the Environmental  
25 Protection Agency and the Departments of Agriculture, Natural  
26 Resources, and Transportation for purposes relating to natural  
27 resource protection, recreation, tourism, and compatible  
28 agricultural and economic development activities. Without  
29 limiting these general purposes, moneys in these Funds may be  
30 used, subject to appropriation, for the following specific  
31 purposes:

1           (1) To foster sustainable agriculture practices and  
2 control soil erosion and sedimentation, including grants  
3 to Soil and Water Conservation Districts for conservation  
4 practice cost-share grants and for personnel, educational,  
5 and administrative expenses.

6           (2) To establish and protect a system of ecosystems in  
7 public and private ownership through conservation  
8 easements, incentives to public and private landowners,  
9 including technical assistance and grants, and land  
10 acquisition provided these mechanisms are all voluntary on  
11 the part of the landowner and do not involve the use of  
12 eminent domain.

13           (3) To develop a systematic and long-term program to  
14 effectively measure and monitor natural resources and  
15 ecological conditions through investments in technology  
16 and involvement of scientific experts.

17           (4) To initiate strategies to enhance, use, and  
18 maintain Illinois' inland lakes through education,  
19 technical assistance, research, and financial incentives.

20           (5) To conduct an extensive review of existing Illinois  
21 water laws.

22           (b) The State Comptroller and State Treasurer shall  
23 automatically transfer on the last day of each month, beginning  
24 on September 30, 1995 and ending on June 30, 2009, from the  
25 General Revenue Fund to the Conservation 2000 Fund, an amount  
26 equal to 1/10 of the amount set forth below in fiscal year 1996  
27 and an amount equal to 1/12 of the amount set forth below in  
28 each of the other specified fiscal years:

29 Fiscal Year	Amount
30 1996	\$ 3,500,000
31 1997	\$ 9,000,000
32 1998	\$10,000,000
33 1999	\$11,000,000
34 2000	\$12,500,000

1	2001 through <u>2004</u> <del>2009</del>	\$14,000,000
2	<u>2005</u>	<u>\$7,000,000</u>
3	<u>2006 through 2009</u> .....	<u>\$14,000,000</u>

4 (c) There shall be deposited into the Conservation 2000  
5 Projects Fund such bond proceeds and other moneys as may, from  
6 time to time, be provided by law.

7 (Source: P.A. 90-14, eff. 7-1-97; 90-490, eff. 8-17-97; 91-379,  
8 eff. 1-1-00.)

9 (30 ILCS 105/6z-63 new)

10 Sec. 6z-63. The Professional Services Fund.

11 (a) The Professional Services Fund is created as a  
12 revolving fund in the State treasury. The following moneys  
13 shall be deposited into the Fund:

14 (1) amounts authorized for transfer to the Fund from  
15 the General Revenue Fund and other State funds (except for  
16 funds classified by the Comptroller as federal trust funds  
17 or State trust funds) pursuant to State law or Executive  
18 Order;

19 (2) federal funds received by the Department of Central  
20 Management Services (the "Department") as a result of  
21 expenditures from the Fund;

22 (3) interest earned on moneys in the Fund; and

23 (4) receipts or inter-fund transfers resulting from  
24 billings issued by the Department to State agencies for the  
25 cost of professional services rendered by the Department  
26 that are not compensated through the specific fund  
27 transfers authorized by this Section.

28 (b) Moneys in the Fund may be used by the Department for  
29 reimbursement or payment for:

30 (1) providing professional services to State agencies;

31 (2) rendering other services at the Governor's  
32 direction to State agencies; or

33 (3) providing for payment of administrative and other



1 expenses incurred by the Department in providing  
2 professional services.

3 (c) State agencies may direct the Comptroller to process  
4 inter-fund transfers or make payment through the voucher and  
5 warrant process to the Professional Services Fund in  
6 satisfaction of billings issued under subsection (a) of this  
7 Section.

8 (d) Reconciliation. The Director of Central Management  
9 Services (the "Director") shall order that each State agency's  
10 payments and transfers made to the Fund be reconciled with  
11 actual Fund costs for professional services provided by the  
12 Department on no less than an annual basis. The Director may  
13 require reports from State agencies as deemed necessary to  
14 perform this reconciliation.

15 (e) The following amounts are authorized for transfer into  
16 the Professional Services Fund for the fiscal year beginning  
17 July 1, 2004:

18	<u>General Revenue Fund</u>	<u>.....\$5,440,431</u>
19	<u>Road Fund</u>	<u>.....\$814,468</u>
20	<u>Motor Fuel Tax Fund</u>	<u>.....\$263,500</u>
21	<u>Child Support Administrative Fund</u>	<u>.....\$234,013</u>
22	<u>Professions Indirect Cost Fund</u>	<u>.....\$276,800</u>
23	<u>Capital Development Board Revolving Fund</u>	<u>.....\$207,610</u>
24	<u>Bank &amp; Trust Company Fund</u>	<u>.....\$200,214</u>
25	<u>State Lottery Fund</u>	<u>.....\$193,691</u>
26	<u>Insurance Producer Administration Fund</u>	<u>.....\$174,672</u>
27	<u>Insurance Financial Regulation Fund</u>	<u>.....\$168,327</u>
28	<u>Illinois Clean Water Fund</u>	<u>.....\$124,675</u>
29	<u>Clean Air Act (CAA) Permit Fund</u>	<u>..... \$91,803</u>
30	<u>Statistical Services Revolving Fund</u>	<u>..... \$90,959</u>
31	<u>Financial Institution Fund</u>	<u>.....\$109,428</u>
32	<u>Horse Racing Fund</u>	<u>..... \$71,127</u>
33	<u>Health Insurance Reserve Fund</u>	<u>..... \$66,577</u>
34	<u>Solid Waste Management Fund</u>	<u>..... \$61,081</u>

1	<u>Guardianship and Advocacy Fund</u>	<u>.....\$1,068</u>
2	<u>Agricultural Premium Fund</u>	<u>.....\$493</u>
3	<u>Wildlife and Fish Fund</u>	<u>.....\$247</u>
4	<u>Radiation Protection Fund</u>	<u>..... \$33,277</u>
5	<u>Nuclear Safety Emergency Preparedness Fund</u>	<u>..... \$25,652</u>
6	<u>Tourism Promotion Fund</u>	<u>.....\$6,814</u>

7 All of these transfers shall be made on July 1, 2004, or as  
8 soon thereafter as practical. These transfers shall be made  
9 notwithstanding any other provision of State law to the  
10 contrary.

11 (f) The term "professional services" means services  
12 rendered on behalf of State agencies pursuant to Section  
13 405-293 of the Department of Central Management Services Law of  
14 the Civil Administrative Code of Illinois.

15 (30 ILCS 105/6z-64 new)  
16 Sec. 6z-64. The Workers' Compensation Revolving Fund.

17 (a) The Workers' Compensation Revolving Fund is created as  
18 a revolving fund in the State treasury. The following moneys  
19 shall be deposited into the Fund:

20 (1) amounts authorized for transfer to the Fund from  
21 the General Revenue Fund and other State funds (except for  
22 funds classified by the Comptroller as federal trust funds  
23 or State trust funds) pursuant to State law or Executive  
24 Order;

25 (2) federal funds received by the Department of Central  
26 Management Services (the "Department") as a result of  
27 expenditures from the Fund;

28 (3) interest earned on moneys in the Fund;

29 (4) receipts or inter-fund transfers resulting from  
30 billings issued by the Department to State agencies for the  
31 cost of workers' compensation services rendered by the  
32 Department that are not compensated through the specific  
33 fund transfers authorized by this Section, if any;

1           (5) amounts received from a State agency or university  
2           for workers' compensation payments for temporary total  
3           disability, as provided in Section 405-105 of the  
4           Department of Central Management Services Law of the Civil  
5           Administrative Code of Illinois; and

6           (6) amounts recovered through subrogation in workers'  
7           compensation and workers' occupational disease cases.

8           (b) Moneys in the Fund may be used by the Department for  
9           reimbursement or payment for:

10           (1) providing workers' compensation services to State  
11           agencies and State universities; or

12           (2) providing for payment of administrative and other  
13           expenses incurred by the Department in providing workers'  
14           compensation services.

15           (c) State agencies may direct the Comptroller to process  
16           inter-fund transfers or make payment through the voucher and  
17           warrant process to the Workers' Compensation Revolving Fund in  
18           satisfaction of billings issued under subsection (a) of this  
19           Section.

20           (d) Reconciliation. The Director of Central Management  
21           Services (the "Director") shall order that each State agency's  
22           payments and transfers made to the Fund be reconciled with  
23           actual Fund costs for workers' compensation services provided  
24           by the Department and attributable to the State agency and  
25           relevant fund on no less than an annual basis. The Director may  
26           require reports from State agencies as deemed necessary to  
27           perform this reconciliation.

28           (e) The term "workers' compensation services" means  
29           services, claims expenses, and related administrative costs  
30           incurred in performing the functions consolidated within the  
31           Department of Central Management Services under Section  
32           405-411 of the Department of Central Management Services Law of  
33           the Civil Administrative Code of Illinois.

1 (30 ILCS 105/6z-65 new)

2 Sec. 6z-65. The Facilities Management Revolving Fund.

3 (a) The Facilities Management Revolving Fund is created as  
4 a revolving fund in the State treasury. The following moneys  
5 shall be deposited into the Fund:

6 (1) amounts authorized for transfer to the Fund from  
7 the General Revenue Fund and other State funds (except for  
8 funds classified by the Comptroller as federal trust funds  
9 or State trust funds) pursuant to State law or Executive  
10 Order;

11 (2) federal funds received by the Department of Central  
12 Management Services (the "Department") as a result of  
13 expenditures from the Fund;

14 (3) interest earned on moneys in the Fund;

15 (4) receipts or inter-fund transfers resulting from  
16 billings issued by the Department to State agencies for the  
17 cost of facilities management services rendered by the  
18 Department that are not compensated through the specific  
19 fund transfers authorized by this Section, if any; and

20 (5) fees from the lease, rental, use, or occupancy of  
21 State facilities managed, operated, or maintained by the  
22 Department.

23 (b) Moneys in the Fund may be used by the Department for  
24 reimbursement or payment for:

25 (1) the acquisition and operation of State facilities,  
26 including, without limitation, rental or installment  
27 payments and interest, personal services, utilities,  
28 maintenance, and remodeling; or

29 (2) providing for payment of administrative and other  
30 expenses incurred by the Department in providing  
31 facilities management services.

32 (c) State agencies may direct the Comptroller to process  
33 inter-fund transfers or make payment through the voucher and  
34 warrant process to the Facilities Management Revolving Fund in

1 satisfaction of billings issued under subsection (a) of this  
2 Section.

3 (d) Reconciliation. The Director of Central Management  
4 Services (the "Director") shall order that each State agency's  
5 payments and transfers made to the Fund be reconciled with  
6 actual Fund costs for facilities management services provided  
7 by the Department and attributable to the State agency and  
8 relevant fund on no less than an annual basis. The Director may  
9 require reports from State agencies as deemed necessary to  
10 perform this reconciliation.

11 (e) The term "facilities management services" means  
12 services performed by the Department in providing for the  
13 acquisition, occupancy, management, and operation of State  
14 owned and leased buildings, facilities, structures, grounds,  
15 or the real property under management of the Department.

16 (30 ILCS 105/8.12) (from Ch. 127, par. 144.12)

17 Sec. 8.12. State Pensions Fund.

18 (a) The moneys in the State Pensions Fund shall be used  
19 exclusively for the administration of the Uniform Disposition  
20 of Unclaimed Property Act and for the payment of or repayment  
21 to the General Revenue Fund a portion of the required State  
22 contributions to the designated retirement systems.

23 "Designated retirement systems" means:

24 (1) the State Employees' Retirement System of  
25 Illinois;

26 (2) the Teachers' Retirement System of the State of  
27 Illinois;

28 (3) the State Universities Retirement System;

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

30 (5) the General Assembly Retirement System.

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

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

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

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

1 Pensions Fund below \$5,000,000. If the amount in the State  
2 Pensions Fund does not exceed the sum of the amounts certified  
3 in Sections 15-165, 18-140, and 2-134 by at least \$5,000,000,  
4 the amount paid to each designated retirement system under this  
5 subsection shall be reduced in proportion to the amount  
6 certified by each of those designated retirement systems. For  
7 each State fiscal year beginning with State fiscal year 2006,  
8 ~~Each year~~ the General Assembly shall appropriate a total amount  
9 equal to the balance in the State Pensions Fund at the close of  
10 business on June 30 of the preceding fiscal year, less  
11 \$5,000,000, as part of the required State contributions to the  
12 designated retirement systems. The amount of the appropriation  
13 to ~~each~~ designated retirement systems ~~system~~ shall constitute a  
14 portion of the total appropriation under this subsection for  
15 that fiscal year which is the same as that retirement system's  
16 portion of the total actuarial reserve deficiency of the  
17 systems, as most recently determined by the Governor's Office  
18 of Management and Budget.

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

27 (d-1) As soon as practicable after the effective date of  
28 this amendatory Act of the 93rd General Assembly, the  
29 Comptroller shall direct and the Treasurer shall transfer from  
30 the State Pensions Fund to the General Revenue Fund, as funds  
31 become available, a sum equal to the amounts that would have  
32 been paid from the State Pensions Fund to the Teachers'  
33 Retirement System of the State of Illinois, the State  
34 Universities Retirement System, the Judges Retirement System

1 of Illinois, the General Assembly Retirement System, and the  
 2 State Employees' Retirement System of Illinois after the  
 3 effective date of this amendatory Act during the remainder of  
 4 fiscal year 2004 to the designated retirement systems from the  
 5 appropriations provided for in this Section if the transfers  
 6 provided in Section 6z-61 had not occurred. The transfers  
 7 described in this subsection (d-1) are to partially repay the  
 8 General Revenue Fund for the costs associated with the bonds  
 9 used to fund the moneys transferred to the designated  
 10 retirement systems under Section 6z-61.

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

14 (Source: P.A. 93-665, eff. 3-5-04.)

15 (30 ILCS 105/8.43 new)

16 Sec. 8.43. Special fund transfers.

17 (a) In order to maintain the integrity of special funds and  
 18 improve stability in the General Revenue Fund, the following  
 19 transfers are authorized from the designated funds into the  
 20 General Revenue Fund:

21 SECRETARY OF STATE SPECIAL LICENSE

22 PLATE FUND .....\$856,000

23 SECURITIES INVESTORS EDUCATION FUND .....\$3,271,000

24 SECURITIES AUDIT & ENFORCEMENT FUND ..... \$17,014,000

25 DEPARTMENT OF BUSINESS SERVICES SPECIAL

26 OPERATIONS FUND .....\$524,000

27 SECRETARY OF STATE SPECIAL SERVICES FUND .....\$600,000

28 SECRETARY OF STATE DUI ADMINISTRATION FUND .....\$582,000

29 FOOD & DRUG SAFETY FUND .....\$817,000

30 TRANSPORTATION REGULATORY FUND .....\$2,379,000

31 FINANCIAL INSTITUTION FUND .....\$2,003,000

32 GENERAL PROFESSIONS DEDICATED FUND .....\$497,000

33 DRIVERS EDUCATION FUND .....\$2,967,000



1	<u>STATE BOATING ACT FUND</u> .....	\$1,072,000
2	<u>AGRICULTURAL PREMIUM FUND</u> .....	\$7,777,000
3	<u>PUBLIC UTILITY FUND</u> .....	\$8,202,000
4	<u>RADIATION PROTECTION FUND</u> .....	\$750,000
5	<u>SOLID WASTE MANAGEMENT FUND</u> .....	\$10,084,000
6	<u>SUBTITLE D MANAGEMENT FUND</u> .....	\$3,006,000
7	<u>PLUGGING AND RESTORATION FUND</u> .....	\$1,255,000
8	<u>REGISTERED CERTIFIED PUBLIC ACCOUNTANTS</u>	
9	<u>ADMINISTRATION AND DISCIPLINARY FUND</u> .....	\$819,000
10	<u>WEIGHTS AND MEASURES FUND</u> .....	\$1,800,000
11	<u>SOLID WASTE MANAGEMENT REVOLVING LOAN FUND</u> .....	\$647,000
12	<u>RESPONSE CONTRACTORS INDEMNIFICATION FUND</u> .....	\$107,000
13	<u>CAPITAL DEVELOPMENT BOARD REVOLVING LOAN FUND</u> ...	\$1,229,000
14	<u>PROFESSIONS INDIRECT COST FUND</u> .....	\$39,000
15	<u>ILLINOIS HEALTH FACILITIES PLANNING FUND</u> .....	\$2,351,000
16	<u>OPTOMETRIC LICENSING AND DISCIPLINARY</u>	
17	<u>BOARD FUND</u> .....	\$1,121,000
18	<u>STATE RAIL FREIGHT LOAN REPAYMENT FUND</u> .....	\$3,500,000
19	<u>ILLINOIS TAX INCREMENT FUND</u> .....	\$1,500,000
20	<u>USED TIRE MANAGEMENT FUND</u> .....	\$3,278,000
21	<u>AUDIT EXPENSE FUND</u> .....	\$1,237,000
22	<u>INSURANCE PREMIUM TAX REFUND FUND</u> .....	\$2,500,000
23	<u>CORPORATE FRANCHISE TAX REFUND FUND</u> .....	\$1,650,000
24	<u>TAX COMPLIANCE AND ADMINISTRATION FUND</u> .....	\$9,513,000
25	<u>APPRAISAL ADMINISTRATION FUND</u> .....	\$1,107,000
26	<u>STATE ASSET FORFEITURE FUND</u> .....	\$1,500,000
27	<u>FEDERAL ASSET FORFEITURE FUND</u> .....	\$3,943,000
28	<u>DEPARTMENT OF CORRECTIONS REIMBURSEMENT</u>	
29	<u>AND EDUCATION FUND</u> .....	\$14,500,000
30	<u>LEADS MAINTENANCE FUND</u> .....	\$2,000,000
31	<u>STATE OFFENDER DNA IDENTIFICATION SYSTEM FUND</u> .....	\$250,000
32	<u>WORKFORCE, TECHNOLOGY, AND ECONOMIC</u>	
33	<u>DEVELOPMENT FUND</u> .....	\$1,500,000
34	<u>RENEWABLE ENERGY RESOURCES TRUST FUND</u> .....	\$9,510,000

1	<u>ENERGY EFFICIENCY TRUST FUND</u> .....	\$3,040,000
2	<u>CONSERVATION 2000 FUND</u> .....	\$7,439,000
3	<u>HORSE RACING FUND</u> .....	\$2,500,000
4	<u>STATE POLICE WIRELESS SERVICE EMERGENCY FUND</u> .....	\$500,000
5	<u>WHISTLEBLOWER REWARD AND PROTECTION FUND</u> .....	\$750,000
6	<u>TOBACCO SETTLEMENT RECOVERY FUND</u> .....	\$19,300,000
7	<u>PRESIDENTIAL LIBRARY AND MUSEUM FUND</u> .....	\$500,000
8	<u>MEDICAL SPECIAL PURPOSES TRUST FUND</u> .....	\$967,000
9	<u>DRAM SHOP FUND</u> .....	\$1,517,000
10	<u>DESIGN PROFESSIONALS ADMINISTRATION AND</u>	
11	<u>INVESTIGATION FUND</u> .....	\$1,172,000
12	<u>ILLINOIS FORESTRY DEVELOPMENT FUND</u> .....	\$1,257,000
13	<u>STATE POLICE SERVICES FUND</u> .....	\$250,000
14	<u>METABOLIC SCREENING AND TREATMENT FUND</u> .....	\$3,435,000
15	<u>INSURANCE PRODUCER ADMINISTRATION FUND</u> .....	\$12,727,000
16	<u>LOW-LEVEL RADIOACTIVE WASTE FACILITY</u>	
17	<u>DEVELOPMENT AND OPERATION FUND</u> .....	\$2,202,000
18	<u>LOW-LEVEL RADIOACTIVE WASTE FACILITY CLOSURE,</u>	
19	<u>POST-CLOSURE CARE AND COMPENSATION FUND</u> .....	\$6,000,000
20	<u>ENVIRONMENTAL PROTECTION PERMIT AND</u>	
21	<u>INSPECTION FUND</u> .....	\$874,000
22	<u>PARK AND CONSERVATION FUND</u> .....	\$1,000,000
23	<u>PUBLIC INFRASTRUCTURE CONSTRUCTION LOAN</u>	
24	<u>REVOLVING FUND</u> .....	\$1,822,000
25	<u>LOBBYIST REGISTRATION ADMINISTRATION FUND</u> .....	\$327,000
26	<u>DIVISION OF CORPORATIONS REGISTERED</u>	
27	<u>LIMITED LIABILITY PARTNERSHIP FUND</u> .....	\$356,000
28	<u>WORKING CAPITAL REVOLVING FUND</u>	
29	<u>(30 ILCS 105/6)</u> .....	\$12,000,000

30 All of these transfers shall be made on the effective date  
31 of this amendatory Act of the 93rd General Assembly, or as soon  
32 thereafter as practical. These transfers shall be made  
33 notwithstanding any other provision of State law to the  
34 contrary.

1       (b) On and after the effective date of this amendatory Act  
2 of the 93rd General Assembly through June 30, 2005, when any of  
3 the funds listed in subsection (a) have insufficient cash from  
4 which the State Comptroller may make expenditures properly  
5 supported by appropriations from the fund, then the State  
6 Treasurer and State Comptroller shall transfer from the General  
7 Revenue Fund to the fund only such amount as is immediately  
8 necessary to satisfy outstanding expenditure obligations on a  
9 timely basis, subject to the provisions of the State Prompt  
10 Payment Act. Any amounts transferred from the General Revenue  
11 Fund to a fund pursuant to this subsection (b) from time to  
12 time shall be re-transferred by the State Comptroller and the  
13 State Treasurer from the receiving fund into the General  
14 Revenue Fund as soon as and to the extent that deposits are  
15 made into or receipts are collected by the receiving fund. In  
16 all events, the full amounts of all transfers from the General  
17 Revenue Fund to receiving funds shall be re-transferred to the  
18 General Revenue Fund no later than June 30, 2005.

19       (c) The sum of \$57,700,000 shall be transferred, pursuant  
20 to appropriation, from the State Pensions Fund to the  
21 designated retirement systems (as defined in Section 8.12 of  
22 the State Finance Act) on the effective date of this amendatory  
23 Act of the 93rd General Assembly, or as soon thereafter as  
24 practical. On April 16, 2005, or as soon thereafter as  
25 practical, there shall be transferred, pursuant to  
26 appropriation, from the State Pensions Fund to the designated  
27 retirement systems (as defined in Section 8.12 of the State  
28 Finance Act) the lesser of (i) an amount equal to the balance  
29 in the State Pensions Fund on April 16, 2005, minus an amount  
30 equal to 75% of the total amount of fiscal year 2005  
31 appropriations from the State Pensions Fund that were  
32 appropriated to the State Treasurer for administration of the  
33 Uniform Disposition of Unclaimed Property Act or (ii)  
34 \$35,000,000. These transfers are intended to be all or part of

1 the transfer required under Section 8.12 of the State Finance  
2 Act for fiscal year 2005.

3 (d) The sum of \$49,775,000 shall be transferred from the  
4 School Technology Revolving Loan Fund to the Common School Fund  
5 on the effective date of this amendatory Act of the 93rd  
6 General Assembly, or as soon thereafter as practical,  
7 notwithstanding any other provision of State law to the  
8 contrary.

9 (e) The sum of \$80,000,000 shall be transferred from the  
10 General Revenue Fund to the State Pensions Fund on the  
11 effective date of this amendatory Act of the 93rd General  
12 Assembly, or as soon thereafter as practical.

13 (30 ILCS 105/8g)

14 Sec. 8g. Fund transfers ~~Transfers from General Revenue~~  
15 ~~Fund.~~

16 (a) In addition to any other transfers that may be provided  
17 for by law, as soon as may be practical after the effective  
18 date of this amendatory Act of the 91st General Assembly, the  
19 State Comptroller shall direct and the State Treasurer shall  
20 transfer the sum of \$10,000,000 from the General Revenue Fund  
21 to the Motor Vehicle License Plate Fund created by Senate Bill  
22 1028 of the 91st General Assembly.

23 (b) In addition to any other transfers that may be provided  
24 for by law, as soon as may be practical after the effective  
25 date of this amendatory Act of the 91st General Assembly, the  
26 State Comptroller shall direct and the State Treasurer shall  
27 transfer the sum of \$25,000,000 from the General Revenue Fund  
28 to the Fund for Illinois' Future created by Senate Bill 1066 of  
29 the 91st General Assembly.

30 (c) In addition to any other transfers that may be provided  
31 for by law, on August 30 of each fiscal year's license period,  
32 the Illinois Liquor Control Commission shall direct and the  
33 State Comptroller and State Treasurer shall transfer from the

1 General Revenue Fund to the Youth Alcoholism and Substance  
2 Abuse Prevention Fund an amount equal to the number of retail  
3 liquor licenses issued for that fiscal year multiplied by \$50.

4 (d) The payments to programs required under subsection (d)  
5 of Section 28.1 of the Horse Racing Act of 1975 shall be made,  
6 pursuant to appropriation, from the special funds referred to  
7 in the statutes cited in that subsection, rather than directly  
8 from the General Revenue Fund.

9 Beginning January 1, 2000, on the first day of each month,  
10 or as soon as may be practical thereafter, the State  
11 Comptroller shall direct and the State Treasurer shall transfer  
12 from the General Revenue Fund to each of the special funds from  
13 which payments are to be made under Section 28.1(d) of the  
14 Horse Racing Act of 1975 an amount equal to 1/12 of the annual  
15 amount required for those payments from that special fund,  
16 which annual amount shall not exceed the annual amount for  
17 those payments from that special fund for the calendar year  
18 1998. The special funds to which transfers shall be made under  
19 this subsection (d) include, but are not necessarily limited  
20 to, the Agricultural Premium Fund; the Metropolitan Exposition  
21 Auditorium and Office Building Fund; the Fair and Exposition  
22 Fund; the Standardbred Breeders Fund; the Thoroughbred  
23 Breeders Fund; and the Illinois Veterans' Rehabilitation Fund.

24 (e) In addition to any other transfers that may be provided  
25 for by law, as soon as may be practical after the effective  
26 date of this amendatory Act of the 91st General Assembly, but  
27 in no event later than June 30, 2000, the State Comptroller  
28 shall direct and the State Treasurer shall transfer the sum of  
29 \$15,000,000 from the General Revenue Fund to the Fund for  
30 Illinois' Future.

31 (f) In addition to any other transfers that may be provided  
32 for by law, as soon as may be practical after the effective  
33 date of this amendatory Act of the 91st General Assembly, but  
34 in no event later than June 30, 2000, the State Comptroller

1 shall direct and the State Treasurer shall transfer the sum of  
2 \$70,000,000 from the General Revenue Fund to the Long-Term Care  
3 Provider Fund.

4 (f-1) In fiscal year 2002, in addition to any other  
5 transfers that may be provided for by law, at the direction of  
6 and upon notification from the Governor, the State Comptroller  
7 shall direct and the State Treasurer shall transfer amounts not  
8 exceeding a total of \$160,000,000 from the General Revenue Fund  
9 to the Long-Term Care Provider Fund.

10 (g) In addition to any other transfers that may be provided  
11 for by law, on July 1, 2001, or as soon thereafter as may be  
12 practical, the State Comptroller shall direct and the State  
13 Treasurer shall transfer the sum of \$1,200,000 from the General  
14 Revenue Fund to the Violence Prevention Fund.

15 (h) In each of fiscal years 2002 through 2004 ~~2007~~, but not  
16 thereafter, in addition to any other transfers that may be  
17 provided for by law, the State Comptroller shall direct and the  
18 State Treasurer shall transfer \$5,000,000 from the General  
19 Revenue Fund to the Tourism Promotion Fund.

20 (i) On or after July 1, 2001 and until May 1, 2002, in  
21 addition to any other transfers that may be provided for by  
22 law, at the direction of and upon notification from the  
23 Governor, the State Comptroller shall direct and the State  
24 Treasurer shall transfer amounts not exceeding a total of  
25 \$80,000,000 from the General Revenue Fund to the Tobacco  
26 Settlement Recovery Fund. Any amounts so transferred shall be  
27 re-transferred by the State Comptroller and the State Treasurer  
28 from the Tobacco Settlement Recovery Fund to the General  
29 Revenue Fund at the direction of and upon notification from the  
30 Governor, but in any event on or before June 30, 2002.

31 (i-1) On or after July 1, 2002 and until May 1, 2003, in  
32 addition to any other transfers that may be provided for by  
33 law, at the direction of and upon notification from the  
34 Governor, the State Comptroller shall direct and the State

1 Treasurer shall transfer amounts not exceeding a total of  
 2 \$80,000,000 from the General Revenue Fund to the Tobacco  
 3 Settlement Recovery Fund. Any amounts so transferred shall be  
 4 re-transferred by the State Comptroller and the State Treasurer  
 5 from the Tobacco Settlement Recovery Fund to the General  
 6 Revenue Fund at the direction of and upon notification from the  
 7 Governor, but in any event on or before June 30, 2003.

8 (j) On or after July 1, 2001 and no later than June 30,  
 9 2002, in addition to any other transfers that may be provided  
 10 for by law, at the direction of and upon notification from the  
 11 Governor, the State Comptroller shall direct and the State  
 12 Treasurer shall transfer amounts not to exceed the following  
 13 sums into the Statistical Services Revolving Fund:

14	From the General Revenue Fund .....	\$8,450,000
15	From the Public Utility Fund .....	1,700,000
16	From the Transportation Regulatory Fund .....	2,650,000
17	From the Title III Social Security and	
18	Employment Fund .....	3,700,000
19	From the Professions Indirect Cost Fund .....	4,050,000
20	From the Underground Storage Tank Fund .....	550,000
21	From the Agricultural Premium Fund .....	750,000
22	From the State Pensions Fund .....	200,000
23	From the Road Fund .....	2,000,000
24	From the Health Facilities	
25	Planning Fund .....	1,000,000
26	From the Savings and Residential Finance	
27	Regulatory Fund .....	130,800
28	From the Appraisal Administration Fund .....	28,600
29	From the Pawnbroker Regulation Fund .....	3,600
30	From the Auction Regulation	
31	Administration Fund .....	35,800
32	From the Bank and Trust Company Fund.....	634,800
33	From the Real Estate License	
34	Administration Fund .....	313,600

1 (k) In addition to any other transfers that may be provided  
 2 for by law, as soon as may be practical after the effective  
 3 date of this amendatory Act of the 92nd General Assembly, the  
 4 State Comptroller shall direct and the State Treasurer shall  
 5 transfer the sum of \$2,000,000 from the General Revenue Fund to  
 6 the Teachers Health Insurance Security Fund.

7 (k-1) In addition to any other transfers that may be  
 8 provided for by law, on July 1, 2002, or as soon as may be  
 9 practical thereafter, the State Comptroller shall direct and  
 10 the State Treasurer shall transfer the sum of \$2,000,000 from  
 11 the General Revenue Fund to the Teachers Health Insurance  
 12 Security Fund.

13 (k-2) In addition to any other transfers that may be  
 14 provided for by law, on July 1, 2003, or as soon as may be  
 15 practical thereafter, the State Comptroller shall direct and  
 16 the State Treasurer shall transfer the sum of \$2,000,000 from  
 17 the General Revenue Fund to the Teachers Health Insurance  
 18 Security Fund.

19 (k-3) On or after July 1, 2002 and no later than June 30,  
 20 2003, in addition to any other transfers that may be provided  
 21 for by law, at the direction of and upon notification from the  
 22 Governor, the State Comptroller shall direct and the State  
 23 Treasurer shall transfer amounts not to exceed the following  
 24 sums into the Statistical Services Revolving Fund:

25	Appraisal Administration Fund .....	\$150,000
26	General Revenue Fund .....	10,440,000
27	Savings and Residential Finance	
28	Regulatory Fund .....	200,000
29	State Pensions Fund .....	100,000
30	Bank and Trust Company Fund .....	100,000
31	Professions Indirect Cost Fund .....	3,400,000
32	Public Utility Fund .....	2,081,200
33	Real Estate License Administration Fund .....	150,000
34	Title III Social Security and	



1	Employment Fund.....	1,000,000
2	Transportation Regulatory Fund .....	3,052,100
3	Underground Storage Tank Fund .....	50,000

4 (l) In addition to any other transfers that may be provided  
5 for by law, on July 1, 2002, or as soon as may be practical  
6 thereafter, the State Comptroller shall direct and the State  
7 Treasurer shall transfer the sum of \$3,000,000 from the General  
8 Revenue Fund to the Presidential Library and Museum Operating  
9 Fund.

10 (m) In addition to any other transfers that may be provided  
11 for by law, on July 1, 2002 and on the effective date of this  
12 amendatory Act of the 93rd General Assembly, or as soon  
13 thereafter as may be practical, the State Comptroller shall  
14 direct and the State Treasurer shall transfer the sum of  
15 \$1,200,000 from the General Revenue Fund to the Violence  
16 Prevention Fund.

17 (n) In addition to any other transfers that may be provided  
18 for by law, on July 1, 2003, or as soon thereafter as may be  
19 practical, the State Comptroller shall direct and the State  
20 Treasurer shall transfer the sum of \$6,800,000 from the General  
21 Revenue Fund to the DHS Recoveries Trust Fund.

22 (o) On or after July 1, 2003, and no later than June 30,  
23 2004, in addition to any other transfers that may be provided  
24 for by law, at the direction of and upon notification from the  
25 Governor, the State Comptroller shall direct and the State  
26 Treasurer shall transfer amounts not to exceed the following  
27 sums into the Vehicle Inspection Fund:

28 From the Underground Storage Tank Fund .....\$35,000,000.

29 (p) On or after July 1, 2003 and until May 1, 2004, in  
30 addition to any other transfers that may be provided for by  
31 law, at the direction of and upon notification from the  
32 Governor, the State Comptroller shall direct and the State  
33 Treasurer shall transfer amounts not exceeding a total of  
34 \$80,000,000 from the General Revenue Fund to the Tobacco

1 Settlement Recovery Fund. Any amounts so transferred shall be  
2 re-transferred from the Tobacco Settlement Recovery Fund to the  
3 General Revenue Fund at the direction of and upon notification  
4 from the Governor, but in any event on or before June 30, 2004.

5 (q) In addition to any other transfers that may be provided  
6 for by law, on July 1, 2003, or as soon as may be practical  
7 thereafter, the State Comptroller shall direct and the State  
8 Treasurer shall transfer the sum of \$5,000,000 from the General  
9 Revenue Fund to the Illinois Military Family Relief Fund.

10 (r) In addition to any other transfers that may be provided  
11 for by law, on July 1, 2003, or as soon as may be practical  
12 thereafter, the State Comptroller shall direct and the State  
13 Treasurer shall transfer the sum of \$1,922,000 from the General  
14 Revenue Fund to the Presidential Library and Museum Operating  
15 Fund.

16 (s) In addition to any other transfers that may be provided  
17 for by law, on or after July 1, 2003, the State Comptroller  
18 shall direct and the State Treasurer shall transfer the sum of  
19 \$4,800,000 from the Statewide Economic Development Fund to the  
20 General Revenue Fund.

21 (t) In addition to any other transfers that may be provided  
22 for by law, on or after July 1, 2003, the State Comptroller  
23 shall direct and the State Treasurer shall transfer the sum of  
24 \$50,000,000 from the General Revenue Fund to the Budget  
25 Stabilization Fund.

26 (u) On or after July 1, 2004 and until May 1, 2005, in  
27 addition to any other transfers that may be provided for by  
28 law, at the direction of and upon notification from the  
29 Governor, the State Comptroller shall direct and the State  
30 Treasurer shall transfer amounts not exceeding a total of  
31 \$80,000,000 from the General Revenue Fund to the Tobacco  
32 Settlement Recovery Fund. Any amounts so transferred shall be  
33 retransferred by the State Comptroller and the State Treasurer  
34 from the Tobacco Settlement Recovery Fund to the General

1 Revenue Fund at the direction of and upon notification from the  
2 Governor, but in any event on or before June 30, 2005.

3 (v) In addition to any other transfers that may be provided  
4 for by law, on July 1, 2004, or as soon thereafter as may be  
5 practical, the State Comptroller shall direct and the State  
6 Treasurer shall transfer the sum of \$1,200,000 from the General  
7 Revenue Fund to the Violence Prevention Fund.

8 (w) In addition to any other transfers that may be provided  
9 for by law, on July 1, 2004, or as soon thereafter as may be  
10 practical, the State Comptroller shall direct and the State  
11 Treasurer shall transfer the sum of \$6,445,000 from the General  
12 Revenue Fund to the Presidential Library and Museum Operating  
13 Fund.

14 (Source: P.A. 92-11, eff. 6-11-01; 92-505, eff. 12-20-01;  
15 92-600, eff. 6-28-02; 93-32, eff. 6-20-03; 93-648, eff.  
16 1-8-04.)

17 (30 ILCS 105/8h)

18 Sec. 8h. Transfers to General Revenue Fund.

19 (a) Except as provided in subsection (b), notwithstanding  
20 any other State law to the contrary, the Governor ~~Director of~~  
21 ~~the Governor's Office of Management and Budget~~ may, through  
22 June 30, 2007, from time to time direct the State Treasurer and  
23 Comptroller to transfer a specified sum from any fund held by  
24 the State Treasurer to the General Revenue Fund in order to  
25 help defray the State's operating costs for the fiscal year.  
26 The total transfer under this Section from any fund in any  
27 fiscal year shall not exceed the lesser of (i) 8% of the  
28 revenues to be deposited into the fund during that fiscal year  
29 or (ii) an amount that leaves a remaining fund balance of 25%  
30 of the July 1 fund balance of that fiscal year ~~of the beginning~~  
31 ~~balance in the fund.~~ In fiscal year 2005 only, prior to  
32 calculating the July 1, 2004 final balances, the Governor may  
33 calculate and direct the State Treasurer with the Comptroller

1 to transfer additional amounts determined by applying the  
2 formula authorized in this amendatory Act of the 93rd General  
3 Assembly to the funds balances on July 1, 2003. No transfer may  
4 be made from a fund under this Section that would have the  
5 effect of reducing the available balance in the fund to an  
6 amount less than the amount remaining unexpended and unreserved  
7 from the total appropriation from that fund estimated to be  
8 expended for that fiscal year. This Section does not apply to  
9 any funds that are restricted by federal law to a specific use  
10 or to any funds in the Motor Fuel Tax Fund, the Hospital  
11 Provider Fund, or the Medicaid Provider Relief Fund.  
12 Notwithstanding any other provision of this Section, for fiscal  
13 year 2004, the total transfer under this Section from the Road  
14 Fund or the State Construction Account Fund shall not exceed  
15 the lesser of (i) 5% of the revenues to be deposited into the  
16 fund during that fiscal year or (ii) 25% of the beginning  
17 balance in the fund. For fiscal year 2005 through fiscal year  
18 2007, no amounts may be transferred under this Section from the  
19 Road Fund, the State Construction Account Fund, the Criminal  
20 Justice Information Systems Trust Fund, the Wireless Carrier  
21 Reimbursement Fund, or the Mandatory Arbitration Fund.

22 In determining the available balance in a fund, the  
23 ~~Governor~~ ~~Director of the Governor's Office of Management and~~  
24 ~~Budget~~ may include receipts, transfers into the fund, and other  
25 resources anticipated to be available in the fund in that  
26 fiscal year.

27 The State Treasurer and Comptroller shall transfer the  
28 amounts designated under this Section as soon as may be  
29 practicable after receiving the direction to transfer from the  
30 ~~Governor~~ ~~Director of the Governor's Office of Management and~~  
31 ~~Budget~~.

32 (b) This Section does not apply to any fund established  
33 under the Community Senior Services and Resources Act.

34 (Source: P.A. 93-32, eff. 6-20-03; 93-659, eff. 2-3-04; 93-674,

1 eff. 6-10-04; 93-714, eff. 7-12-04; revised 7-20-04.)

2 (30 ILCS 105/8k new)

3 Sec. 8k. Interfund transfers from inactive funds.  
4 Notwithstanding any other provision of law to the contrary, on  
5 June 30, 2004, or as soon thereafter as may be practical, the  
6 State Comptroller shall direct and the State Treasurer shall  
7 transfer the remaining balance from the designated funds into  
8 the General Revenue Fund:

9 (1) the Grape and Wine Resources Fund; and

10 (2) the Statewide Economic Development Fund.

11 (30 ILCS 105/8m new)

12 Sec. 8m. Transfers from the Board of Higher Education State  
13 Projects Fund. On September 1, 2004, or as soon thereafter as  
14 may be practical, the Comptroller shall order and the Treasurer  
15 shall transfer remaining moneys in the Board of Higher  
16 Education State Projects Fund, certified by the Board of Higher  
17 Education to be attributable to the Illinois Century Network,  
18 into the Communications Revolving Fund.

19 (30 ILCS 105/8.3) (from Ch. 127, par. 144.3)

20 Sec. 8.3. Money in the Road Fund shall, if and when the  
21 State of Illinois incurs any bonded indebtedness for the  
22 construction of permanent highways, be set aside and used for  
23 the purpose of paying and discharging annually the principal  
24 and interest on that bonded indebtedness then due and payable,  
25 and for no other purpose. The surplus, if any, in the Road Fund  
26 after the payment of principal and interest on that bonded  
27 indebtedness then annually due shall be used as follows:

28 first -- to pay the cost of administration of Chapters  
29 2 through 10 of the Illinois Vehicle Code, except the cost  
30 of administration of Articles I and II of Chapter 3 of that  
31 Code; and

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

33          Appropriations for any of those purposes are payable from  
34          the Road Fund. Appropriations may also be made from the Road

1 Fund for the administrative expenses of any State agency that  
2 are related to motor vehicles or arise from the use of motor  
3 vehicles.

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

- 10 1. Department of Public Health;
- 11 2. Department of Transportation, only with respect to  
12 subsidies for one-half fare Student Transportation and  
13 Reduced Fare for Elderly;
- 14 3. Department of Central Management Services, except  
15 for expenditures incurred for group insurance premiums of  
16 appropriate personnel;
- 17 4. Judicial Systems and Agencies.

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

- 24 1. Department of State Police, except for expenditures  
25 with respect to the Division of Operations;
- 26 2. Department of Transportation, only with respect to  
27 Intercity Rail Subsidies and Rail Freight Services.

28 Beginning with fiscal year 1982 and thereafter, no Road  
29 Fund monies shall be appropriated to the following Departments  
30 or agencies of State government for administration, grants, or  
31 operations; but this limitation is not a restriction upon  
32 appropriating for those purposes any Road Fund monies that are  
33 eligible for federal reimbursement: Department of Central  
34 Management Services, except for awards made by the Industrial

1 Commission under the terms of the Workers' Compensation Act or  
2 Workers' Occupational Diseases Act for injury or death of an  
3 employee of the Division of Highways in the Department of  
4 Transportation.

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

- 11 1. Department of State Police, except not more than 40%  
12 of the funds appropriated for the Division of Operations;
- 13 2. State Officers.

14 Beginning with fiscal year 1984 and thereafter, no Road  
15 Fund monies shall be appropriated to any Department or agency  
16 of State government for administration, grants, or operations  
17 except as provided hereafter; but this limitation is not a  
18 restriction upon appropriating for those purposes any Road Fund  
19 monies that are eligible for federal reimbursement. It shall  
20 not be lawful to circumvent the above appropriation limitations  
21 by governmental reorganization or other methods.  
22 Appropriations shall be made from the Road Fund only in  
23 accordance with the provisions of this Section.

24 Money in the Road Fund shall, if and when the State of  
25 Illinois incurs any bonded indebtedness for the construction of  
26 permanent highways, be set aside and used for the purpose of  
27 paying and discharging during each fiscal year the principal  
28 and interest on that bonded indebtedness as it becomes due and  
29 payable as provided in the Transportation Bond Act, and for no  
30 other purpose. The surplus, if any, in the Road Fund after the  
31 payment of principal and interest on that bonded indebtedness  
32 then annually due shall be used as follows:

- 33 first -- to pay the cost of administration of Chapters  
34 2 through 10 of the Illinois Vehicle Code; and



1           secondly -- no Road Fund monies derived from fees,  
2           excises, or license taxes relating to registration,  
3           operation and use of vehicles on public highways or to  
4           fuels used for the propulsion of those vehicles, shall be  
5           appropriated or expended other than for costs of  
6           administering the laws imposing those fees, excises, and  
7           license taxes, statutory refunds and adjustments allowed  
8           thereunder, administrative costs of the Department of  
9           Transportation, including, but not limited to, the  
10          operating expenses of the Department relating to the  
11          administration of public transportation programs, payment  
12          of debts and liabilities incurred in construction and  
13          reconstruction of public highways and bridges, acquisition  
14          of rights-of-way for and the cost of construction,  
15          reconstruction, maintenance, repair, and operation of  
16          public highways and bridges under the direction and  
17          supervision of the State, political subdivision, or  
18          municipality collecting those monies, and the costs for  
19          patrolling and policing the public highways (by State,  
20          political subdivision, or municipality collecting that  
21          money) for enforcement of traffic laws. The separation of  
22          grades of such highways with railroads and costs associated  
23          with protection of at-grade highway and railroad crossing  
24          shall also be permissible.

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

28          Except as provided in this paragraph, beginning with fiscal  
29          year 1991 and thereafter, no Road Fund monies shall be  
30          appropriated to the Department of State Police for the purposes  
31          of this Section in excess of its total fiscal year 1990 Road  
32          Fund appropriations for those purposes unless otherwise  
33          provided in Section 5g of this Act. For fiscal years 2003, ~~and~~  
34          2004, and 2005 only, no Road Fund monies shall be appropriated

1 to the Department of State Police for the purposes of this  
 2 Section in excess of \$97,310,000. It shall not be lawful to  
 3 circumvent this limitation on appropriations by governmental  
 4 reorganization or other methods unless otherwise provided in  
 5 Section 5g of this Act.

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

13 Beginning with fiscal year 1995 and thereafter, no Road  
 14 Fund monies shall be appropriated to the Secretary of State for  
 15 the purposes of this Section in excess of the total fiscal year  
 16 1994 Road Fund appropriations to the Secretary of State for  
 17 those purposes. It shall not be lawful to circumvent this  
 18 limitation on appropriations by governmental reorganization or  
 19 other methods.

20 Beginning with fiscal year 2000, total Road Fund  
 21 appropriations to the Secretary of State for the purposes of  
 22 this Section shall not exceed the amounts specified for the  
 23 following fiscal years:

24	Fiscal Year 2000	\$80,500,000;
25	Fiscal Year 2001	\$80,500,000;
26	Fiscal Year 2002	\$80,500,000;
27	Fiscal Year 2003	\$130,500,000;
28	Fiscal Year 2004	\$130,500,000;
29	Fiscal Year 2005 <del>and</del>	<u>\$130,500,000;</u>
30	<u>Fiscal Year 2006 and</u>	
31	each year thereafter	\$30,500,000.

32 It shall not be lawful to circumvent this limitation on  
 33 appropriations by governmental reorganization or other  
 34 methods.

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

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

9 The additional amounts authorized for expenditure in this  
10 Section by Public Acts 92-0600 and 93-0025 ~~this amendatory Act~~  
11 ~~of the 92nd General Assembly~~ shall be repaid to the Road Fund  
12 from the General Revenue Fund in the next succeeding fiscal  
13 year that the General Revenue Fund has a positive budgetary  
14 balance, as determined by generally accepted accounting  
15 principles applicable to government.

16 The additional amounts authorized for expenditure by the  
17 Secretary of State and the Department of State Police in this  
18 Section by this amendatory Act of the 93rd General Assembly  
19 shall be repaid to the Road Fund from the General Revenue Fund  
20 in the next succeeding fiscal year that the General Revenue  
21 Fund has a positive budgetary balance, as determined by  
22 generally accepted accounting principles applicable to  
23 government.

24 (Source: P.A. 92-600, eff. 6-28-02; 93-25, eff. 6-20-03.)

25 (30 ILCS 105/9) (from Ch. 127, par. 145)

26 Sec. 9. (a) No disbursements from appropriations shall be  
27 made for rental or purchase of office or other space, buildings  
28 or land, except in pursuance of a written lease or purchase  
29 contract entered into by the proper State authority and the  
30 owner or authorized agent of the property. Such lease shall not  
31 exceed 5 years unless a greater term is authorized by law, but  
32 such lease may contain a renewal clause subject to acceptance  
33 by the State after that date or an option to purchase. Such

1 purchase contract may provide for the title to the property to  
2 transfer immediately to the State or a trustee or nominee for  
3 the benefit of the State and for the consideration to be paid  
4 in installments to be made at stated intervals during a certain  
5 term not to exceed 30 years from the date of the contract and  
6 may provide for the payment of interest on the unpaid balance  
7 at a rate that does not exceed a rate determined by adding 3  
8 percentage points to the annual yield on United States Treasury  
9 obligations of comparable maturity as most recently published  
10 in the Wall Street Journal at the time such contract is signed.  
11 Such lease or purchase contract shall be and shall recite that  
12 it is subject to termination and cancellation in any year for  
13 which the General Assembly fails to make an appropriation to  
14 pay the rent or purchase installments payable under the terms  
15 of such lease or purchase contract. Additionally such purchase  
16 contract shall specify that title to the office and storage  
17 space, buildings, land and other facilities being acquired  
18 under such a contract shall revert to the Seller in the event  
19 of the failure of the General Assembly to appropriate suitable  
20 funds. This limitation does not apply to leases for office or  
21 other space, buildings, or land, where such leases or purchase  
22 contracts contain a provision limiting the liability for the  
23 payment of the rental or installments thereunder solely to  
24 funds received from the Federal Government. A copy of each such  
25 lease or purchase contract shall be filed in the office of the  
26 Secretary of State within 15 days after execution.

27 (b) The State shall not enter into any third-party vendor  
28 or other arrangement relating to the issuance of certificates  
29 of participation or other forms of financing relating to the  
30 rental or purchase of office or other space, buildings, or land  
31 unless otherwise authorized by law. ~~through the Bureau of the~~  
32 ~~Budget for real property and improvements and personal property~~  
33 ~~related thereto, and through the Department of Central~~  
34 ~~Management Services for personal property, may issue or cause~~

1 ~~to be issued certificates of participation or similar~~  
2 ~~instruments representing the right to receive a proportionate~~  
3 ~~share in lease purchase or installment purchase payments to be~~  
4 ~~made by or for the benefit of one or more State agencies for~~  
5 ~~the acquisition or improvement of real or personal property, or~~  
6 ~~refinancing of such property or payment of expenses related to~~  
7 ~~the issuance. The total principal amount of the certificates~~  
8 ~~issued or caused to be issued pursuant to this Section for~~  
9 ~~acquisition of real property shall not exceed \$125,000,000.~~  
10 ~~Certificates issued or caused to be issued pursuant to this~~  
11 ~~Section shall mean certificates heretofore or hereafter signed~~  
12 ~~and delivered by the State or signed and delivered by a trustee~~  
13 ~~or fiscal agent pursuant to the written direction of the State.~~  
14 ~~Nothing in this Section shall (i) prohibit or restrict the~~  
15 ~~issuance of or affect the validity or enforceability of~~  
16 ~~certificates heretofore or hereafter signed and delivered by~~  
17 ~~any lessor or seller or an assignee of either under a lease~~  
18 ~~purchase or installment purchase contract with the State or~~  
19 ~~signed and delivered by a trustee or fiscal agent pursuant to~~  
20 ~~the written direction of such lessor or seller or an assignee~~  
21 ~~of either, or (ii) affect the validity or enforceability of any~~  
22 ~~such lease purchase or installment purchase contract.~~

23 ~~(1) Certificates may be issued or caused to be issued~~  
24 ~~pursuant to this Section if the Director of the Bureau of~~  
25 ~~the Budget determines that it is financially desirable and~~  
26 ~~in the best interest of the State to use certificates of~~  
27 ~~participation to finance or refinance installment purchase~~  
28 ~~or lease purchase contracts entered into by State~~  
29 ~~departments, agencies, or universities or to refund or~~  
30 ~~advance refund prior issuances of certificates of~~  
31 ~~participation or similar instruments including~~  
32 ~~certificates of participation issued under this Section~~  
33 ~~and certificates of participation issued before the~~  
34 ~~effective date of this amendatory Act of 1997. The State,~~

1 ~~through the Bureau of the Budget for real property and~~  
2 ~~improvements and personal property related thereto, and~~  
3 ~~through the Department of Central Management Services for~~  
4 ~~personal property, may enter into arrangements for~~  
5 ~~issuing, securing, and marketing certificates of~~  
6 ~~participation, including agreements, trust indentures and~~  
7 ~~other arrangements necessary or desirable to carry out the~~  
8 ~~foregoing, and any reserve funds or other amounts securing~~  
9 ~~the certificates may be held and invested as provided in~~  
10 ~~such agreements and trust indentures.~~

11 ~~(2) Certificates of participation or similar~~  
12 ~~instruments issued or caused to be issued pursuant to this~~  
13 ~~Section and the underlying lease purchase or installment~~  
14 ~~purchase contracts shall not constitute or create debt of~~  
15 ~~the State as defined in the Illinois Constitution, nor a~~  
16 ~~contractual obligation in excess of the amounts~~  
17 ~~appropriated therefor, and the State shall have no~~  
18 ~~continuing obligation to appropriate money for said~~  
19 ~~payments or other obligations due under the lease purchase~~  
20 ~~or installment purchase contracts; provided, however, that~~  
21 ~~the Governor shall include in the annual budget request to~~  
22 ~~the General Assembly for each relevant fiscal year~~  
23 ~~appropriations sufficient to permit payment of all amounts~~  
24 ~~which will be due and payable during the fiscal year with~~  
25 ~~respect to certificates of participation issued or caused~~  
26 ~~to be issued pursuant to this Section.~~

27 ~~(3) The maximum term of certificates of participation~~  
28 ~~issued to finance personal property shall be 10 years. The~~  
29 ~~maximum term of certificates of participation to finance~~  
30 ~~the acquisition or improvement of real property shall be 25~~  
31 ~~years. In no event, however, shall the term exceed the~~  
32 ~~expected useful life of the property being financed, with~~  
33 ~~the term calculated from the date of delivery, with respect~~  
34 ~~to personal property, and the date of occupancy, with~~

1 ~~respect to real property.~~

2 ~~(4) Ten days before the issuance of certificates of~~  
3 ~~participation under this Section, the Director of the~~  
4 ~~Bureau of the Budget for real property and improvements and~~  
5 ~~personal property related thereto and the Department of~~  
6 ~~Central Management Services for personal property shall~~  
7 ~~transmit to the Executive Director of the Economic and~~  
8 ~~Fiscal Commission, to the Auditor General, to the President~~  
9 ~~of the Senate, the Minority Leader of the Senate, the~~  
10 ~~Speaker of the House of Representatives, and the Minority~~  
11 ~~Leader of the House of Representatives, to the Chairs of~~  
12 ~~the Appropriations Committees, and to the Secretary of the~~  
13 ~~Senate and Clerk of the House a notice providing the~~  
14 ~~following information pertaining to the property to be~~  
15 ~~financed by the certificates:~~

16 ~~(1) The agency and program procuring the property.~~

17 ~~(2) A brief description of the property.~~

18 ~~(3) The estimated cost of the property if purchased~~  
19 ~~outright.~~

20 ~~(4) The estimated terms of the financings.~~

21 ~~(5) The estimated total lease or installment~~  
22 ~~purchase payments for property.~~

23 ~~(6) The estimated lease or installment purchase~~  
24 ~~payments by fiscal year for the current fiscal year and~~  
25 ~~the next 5 fiscal years.~~

26 ~~(7) The anticipated source of funds to make lease~~  
27 ~~or installment purchase payments.~~

28 ~~(8) Those items not anticipated to be financed upon~~  
29 ~~enactment of the budget for the fiscal year.~~

30 ~~A copy of the Preliminary Official Statement shall also be~~  
31 ~~transmitted to the Executive Director of the Economic and~~  
32 ~~Fiscal Commission, to the Auditor General, to the President of~~  
33 ~~the Senate, the Minority Leader of the Senate, the Speaker of~~  
34 ~~the House of Representatives, the Minority Leader of the House~~

1 ~~of Representatives, to the Chairs of the Appropriations~~  
2 ~~Committees, and to the Secretary of the Senate and Clerk of the~~  
3 ~~House at the time it is submitted for publication. After the~~  
4 ~~issuance of the certificates, a copy of the final official~~  
5 ~~statement accompanying the issuance shall be filed with the~~  
6 ~~Economic and Fiscal Commission, with the Auditor General, with~~  
7 ~~the President of the Senate, the Minority Leader of the Senate,~~  
8 ~~the Speaker of the House of Representatives, and the Minority~~  
9 ~~Leader of the House of Representatives, with the Chairs of the~~  
10 ~~Appropriations Committees, and with the Secretary of the Senate~~  
11 ~~and Clerk of the House.~~

12 ~~(5) The Bureau of the Budget may, based on a cost~~  
13 ~~benefit analysis, issue general obligation bonds to~~  
14 ~~finance or refinance installment purchase or lease~~  
15 ~~purchase contracts entered into by State departments,~~  
16 ~~agencies, or universities or to refund or advance refund~~  
17 ~~prior issuances of certificates of participation or~~  
18 ~~similar instruments, including certificates of~~  
19 ~~participation issued under this Section and certificates~~  
20 ~~of participation issued before the effective date of this~~  
21 ~~amendatory Act of 1997.~~

22 ~~(6) The Department of Central Management Services may~~  
23 ~~promulgate rules governing its issuance and conditions of~~  
24 ~~use of certificates of participation and similar~~  
25 ~~instruments.~~

26 (c) Amounts paid from appropriations for personal service  
27 of any officer or employee of the State, either temporary or  
28 regular, shall be considered as full payment for all services  
29 rendered between the dates specified in the payroll or other  
30 voucher and no additional sum shall be paid to such officer or  
31 employee from any lump sum appropriation, appropriation for  
32 extra help or other purpose or any accumulated balances in  
33 specific appropriations, which payments would constitute in  
34 fact an additional payment for work already performed and for



1 which remuneration had already been made, except that wage  
2 payments made pursuant to the application of the prevailing  
3 rate principle or based upon the effective date of a collective  
4 bargaining agreement between the State, or a State agency and  
5 an employee group, or payment of funds as an adjustment to  
6 wages paid employees or officers of the State for the purpose  
7 of correcting a clerical or administrative error or oversight  
8 or pursuant to a backpay order issued by an appropriate State  
9 or federal administrative or judicial body or officer shall not  
10 be construed as an additional payment for work already  
11 performed.

12 (d) Disbursements from appropriations which are subject to  
13 the approval or certification of the Department of Central  
14 Management Services are subject to the following restrictions.

15 Payments for personal service except for positions  
16 specified in all appropriation Acts shall be made in conformity  
17 with schedules and amendments thereto submitted by the  
18 respective officers and approved by the Department of Central  
19 Management Services before becoming effective. Such schedules  
20 and amendments thereto may set up groups of employment showing  
21 the approximate number to be employed, with fixed or minimum  
22 and maximum salary rates.

23 This Section is subject to the provisions of Section 9.02.  
24 (Source: P.A. 90-520, eff. 6-1-98; revised 8-23-03.)

25 (30 ILCS 105/13.2) (from Ch. 127, par. 149.2)

26 Sec. 13.2. Transfers among line item appropriations.

27 (a) Transfers among line item appropriations from the same  
28 treasury fund for the objects specified in this Section may be  
29 made in the manner provided in this Section when the balance  
30 remaining in one or more such line item appropriations is  
31 insufficient for the purpose for which the appropriation was  
32 made.

33 (a-1) No transfers may be made from one agency to another

1 agency, nor may transfers be made from one institution of  
2 higher education to another institution of higher education.

3 (a-2) Except as otherwise provided in this Section,  
4 transfers ~~Transfers~~ may be made only among the objects of  
5 expenditure enumerated in this Section, except that no funds  
6 may be transferred from any appropriation for personal  
7 services, from any appropriation for State contributions to the  
8 State Employees' Retirement System, from any separate  
9 appropriation for employee retirement contributions paid by  
10 the employer, nor from any appropriation for State contribution  
11 for employee group insurance. During State fiscal year 2005, an  
12 agency may transfer amounts among its appropriations within the  
13 same treasury fund for personal services, employee retirement  
14 contributions paid by employer, and State Contributions to  
15 retirement systems; notwithstanding and in addition to the  
16 transfers authorized in subsection (c) of this Section, the  
17 fiscal year 2005 transfers authorized in this sentence may be  
18 made in an amount not to exceed 2% of the aggregate amount  
19 appropriated to an agency within the same treasury fund.

20 (a-3) Further, if an agency receives a separate  
21 appropriation for employee retirement contributions paid by  
22 the employer, any transfer by that agency into an appropriation  
23 for personal services must be accompanied by a corresponding  
24 transfer into the appropriation for employee retirement  
25 contributions paid by the employer, in an amount sufficient to  
26 meet the employer share of the employee contributions required  
27 to be remitted to the retirement system.

28 (b) In addition to the general transfer authority provided  
29 under subsection (c), the following agencies have the specific  
30 transfer authority granted in this subsection:

31 The Illinois Department of Public Aid is authorized to make  
32 transfers representing savings attributable to not increasing  
33 grants due to the births of additional children from line items  
34 for payments of cash grants to line items for payments for

1 employment and social services for the purposes outlined in  
2 subsection (f) of Section 4-2 of the Illinois Public Aid Code.

3 The Department of Children and Family Services is  
4 authorized to make transfers not exceeding 2% of the aggregate  
5 amount appropriated to it within the same treasury fund for the  
6 following line items among these same line items: Foster Home  
7 and Specialized Foster Care and Prevention, Institutions and  
8 Group Homes and Prevention, and Purchase of Adoption and  
9 Guardianship Services.

10 The Department on Aging is authorized to make transfers not  
11 exceeding 2% of the aggregate amount appropriated to it within  
12 the same treasury fund for the following Community Care Program  
13 line items among these same line items: Homemaker and Senior  
14 Companion Services, Case Coordination Units, and Adult Day Care  
15 Services.

16 The State Treasurer is authorized to make transfers among  
17 line item appropriations from the Capital Litigation Trust  
18 Fund, with respect to costs incurred in fiscal years 2002 and  
19 2003 only, when the balance remaining in one or more such line  
20 item appropriations is insufficient for the purpose for which  
21 the appropriation was made, provided that no such transfer may  
22 be made unless the amount transferred is no longer required for  
23 the purpose for which that appropriation was made.

24 (c) The sum of such transfers for an agency in a fiscal  
25 year shall not exceed 2% of the aggregate amount appropriated  
26 to it within the same treasury fund for the following objects:  
27 Personal Services; Extra Help; Student and Inmate  
28 Compensation; State Contributions to Retirement Systems; State  
29 Contributions to Social Security; State Contribution for  
30 Employee Group Insurance; Contractual Services; Travel;  
31 Commodities; Printing; Equipment; Electronic Data Processing;  
32 Operation of Automotive Equipment; Telecommunications  
33 Services; Travel and Allowance for Committed, Paroled and  
34 Discharged Prisoners; Library Books; Federal Matching Grants

1 for Student Loans; Refunds; Workers' Compensation,  
2 Occupational Disease, and Tort Claims; and, in appropriations  
3 to institutions of higher education, Awards and Grants.  
4 Notwithstanding the above, any amounts appropriated for  
5 payment of workers' compensation claims to an agency to which  
6 the authority to evaluate, administer and pay such claims has  
7 been delegated by the Department of Central Management Services  
8 may be transferred to any other expenditure object where such  
9 amounts exceed the amount necessary for the payment of such  
10 claims.

11 (c-1) Special provisions for State fiscal year 2003.  
12 Notwithstanding any other provision of this Section to the  
13 contrary, for State fiscal year 2003 only, transfers among line  
14 item appropriations to an agency from the same treasury fund  
15 may be made provided that the sum of such transfers for an  
16 agency in State fiscal year 2003 shall not exceed 3% of the  
17 aggregate amount appropriated to that State agency for State  
18 fiscal year 2003 for the following objects: personal services,  
19 except that no transfer may be approved which reduces the  
20 aggregate appropriations for personal services within an  
21 agency; extra help; student and inmate compensation; State  
22 contributions to retirement systems; State contributions to  
23 social security; State contributions for employee group  
24 insurance; contractual services; travel; commodities;  
25 printing; equipment; electronic data processing; operation of  
26 automotive equipment; telecommunications services; travel and  
27 allowance for committed, paroled, and discharged prisoners;  
28 library books; federal matching grants for student loans;  
29 refunds; workers' compensation, occupational disease, and tort  
30 claims; and, in appropriations to institutions of higher  
31 education, awards and grants.

32 (c-2) Special provisions for State fiscal year 2005.  
33 Notwithstanding subsections (a), (a-2), and (c), for State  
34 fiscal year 2005 only, transfers may be made among any line

1 item appropriations from the same or any other treasury fund  
2 for any objects or purposes, without limitation, when the  
3 balance remaining in one or more such line item appropriations  
4 is insufficient for the purpose for which the appropriation was  
5 made, provided that the sum of those transfers by a State  
6 agency shall not exceed 4% of the aggregate amount appropriated  
7 to that State agency for fiscal year 2005.

8 (d) Transfers among appropriations made to agencies of the  
9 Legislative and Judicial departments and to the  
10 constitutionally elected officers in the Executive branch  
11 require the approval of the officer authorized in Section 10 of  
12 this Act to approve and certify vouchers. Transfers among  
13 appropriations made to the University of Illinois, Southern  
14 Illinois University, Chicago State University, Eastern  
15 Illinois University, Governors State University, Illinois  
16 State University, Northeastern Illinois University, Northern  
17 Illinois University, Western Illinois University, the Illinois  
18 Mathematics and Science Academy and the Board of Higher  
19 Education require the approval of the Board of Higher Education  
20 and the Governor. Transfers among appropriations to all other  
21 agencies require the approval of the Governor.

22 The officer responsible for approval shall certify that the  
23 transfer is necessary to carry out the programs and purposes  
24 for which the appropriations were made by the General Assembly  
25 and shall transmit to the State Comptroller a certified copy of  
26 the approval which shall set forth the specific amounts  
27 transferred so that the Comptroller may change his records  
28 accordingly. The Comptroller shall furnish the Governor with  
29 information copies of all transfers approved for agencies of  
30 the Legislative and Judicial departments and transfers  
31 approved by the constitutionally elected officials of the  
32 Executive branch other than the Governor, showing the amounts  
33 transferred and indicating the dates such changes were entered  
34 on the Comptroller's records.

1 (Source: P.A. 92-600, eff. 6-28-02; 92-885, eff. 1-13-03;  
2 93-680, eff. 7-1-04.)

3 (30 ILCS 105/14) (from Ch. 127, par. 150)

4 Sec. 14. The item "personal services", when used in an  
5 appropriation Act, means the reward or recompense made for  
6 personal services rendered for the State by an officer or  
7 employee of the State or of an instrumentality thereof, or for  
8 the purpose of Section 14a of this Act, or any amount required  
9 or authorized to be deducted from the salary of any such person  
10 under the provisions of Section 30c of this Act, or any  
11 retirement or tax law, or both, or deductions from the salary  
12 of any such person under the Social Security Enabling Act or  
13 deductions from the salary of such person pursuant to the  
14 Voluntary Payroll Deductions Act of 1983.

15 If no home is furnished to a person who is a full-time  
16 chaplain employed by the State or a former full-time chaplain  
17 retired from State employment, 20% of the salary or pension  
18 paid to that person for his personal services to the State as  
19 chaplain are considered to be a rental allowance paid to him to  
20 rent or otherwise provide a home. This amendatory Act of 1973  
21 applies to State salary amounts received after December 31,  
22 1973.

23 When any appropriation payable from trust funds or federal  
24 funds includes an item for personal services but does not  
25 include a separate item for State contribution for employee  
26 group insurance, the State contribution for employee group  
27 insurance in relation to employees paid under that personal  
28 services line item shall also be payable under that personal  
29 services line item.

30 When any appropriation payable from trust funds or federal  
31 funds includes an item for personal services but does not  
32 include a separate item for employee retirement contributions  
33 paid by the employer, the State contribution for employee

1 retirement contributions paid by the employer in relation to  
2 employees paid under that personal services line item shall  
3 also be payable under that personal services line item.

4 The item "personal services", when used in an appropriation  
5 Act, shall also mean and include a payment to a State  
6 retirement system by a State agency to discharge a debt arising  
7 from the over-refund to an employee of retirement  
8 contributions. The payment to a State retirement system  
9 authorized by this paragraph shall not be construed to release  
10 the employee from his or her obligation to return to the State  
11 the amount of the over-refund.

12 The item "personal services", when used in an appropriation  
13 Act, also includes a payment to reimburse the Department of  
14 Central Management Services for temporary total disability  
15 benefit payments in accordance with subdivision (9) of Section  
16 405-105 of the Department of Central Management Services Law  
17 (20 ILCS 405/405-105).

18 Beginning July 1, 1993, the item "personal services" and  
19 related line items, when used in an appropriation Act or this  
20 Act, shall also mean and include back wage claims of State  
21 officers and employees to the extent those claims have not been  
22 satisfied from the back wage appropriation to the Department of  
23 Central Management Services in the preceding fiscal year, as  
24 provided in Section 14b of this Act and subdivision (13) of  
25 Section 405-105 of the Department of Central Management  
26 Services Law (20 ILCS 405/405-105).

27 The item "personal services", when used with respect to  
28 State police officers in an appropriation Act, also includes a  
29 payment for the burial expenses of a State police officer  
30 killed in the line of duty, made in accordance with Section  
31 12.2 of the State Police Act and any rules adopted under that  
32 Section.

33 For State fiscal year 2005, the item "personal services",  
34 when used in an appropriation Act, also includes payments for

1 employee retirement contributions paid by the employer.

2 (Source: P.A. 90-178, eff. 7-23-97; 91-239, eff. 1-1-00.)

3 (30 ILCS 105/14c new)

4 Sec. 14c. Prescription drug benefits. For contracts  
5 entered into on or after the effective date of this amendatory  
6 Act of the 93rd General Assembly, no appropriation may be  
7 expended for prescription drug benefits under the State  
8 Employees Group Insurance Act of 1971 unless the benefit  
9 program allows all prescription drug benefits to be provided on  
10 the same terms and conditions by any willing provider that is  
11 qualified for network participation and is authorized to  
12 dispense prescription drugs.

13 (30 ILCS 105/24.11 new)

14 Sec. 24.11. "State contributions to Employees' Retirement  
15 System" defined. The item "State contributions to Employees'  
16 Retirement System", when used in an appropriation Act, shall  
17 include an additional amount determined by the State Employees'  
18 Retirement System to be paid over by the State Employees'  
19 Retirement System to the General Obligation Bond Retirement and  
20 Interest Fund to be used to pay principal of and interest on  
21 those general obligation bonds due that fiscal year authorized  
22 by subsection (a) of Section 7.2 of the General Obligation Bond  
23 Act and issued to provide the proceeds deposited by the State  
24 with the State Employees' Retirement System in July 2004,  
25 representing deposits other than amounts reserved under  
26 subsection (c) of Section 7.2 of the General Obligation Bond  
27 Act.

28 (30 ILCS 105/25) (from Ch. 127, par. 161)

29 Sec. 25. Fiscal year limitations.

30 (a) All appropriations shall be available for expenditure  
31 for the fiscal year or for a lesser period if the Act making



1 that appropriation so specifies. A deficiency or emergency  
2 appropriation shall be available for expenditure only through  
3 June 30 of the year when the Act making that appropriation is  
4 enacted unless that Act otherwise provides.

5 (b) Outstanding liabilities as of June 30, payable from  
6 appropriations which have otherwise expired, may be paid out of  
7 the expiring appropriations during the 2-month period ending at  
8 the close of business on August 31. Any service involving  
9 professional or artistic skills or any personal services by an  
10 employee whose compensation is subject to income tax  
11 withholding must be performed as of June 30 of the fiscal year  
12 in order to be considered an "outstanding liability as of June  
13 30" that is thereby eligible for payment out of the expiring  
14 appropriation.

15 However, payment of tuition reimbursement claims under  
16 Section 14-7.03 or 18-3 of the School Code may be made by the  
17 State Board of Education from its appropriations for those  
18 respective purposes for any fiscal year, even though the claims  
19 reimbursed by the payment may be claims attributable to a prior  
20 fiscal year, and payments may be made at the direction of the  
21 State Superintendent of Education from the fund from which the  
22 appropriation is made without regard to any fiscal year  
23 limitations.

24 Medical payments may be made by the Department of Veterans'  
25 Affairs from its appropriations for those purposes for any  
26 fiscal year, without regard to the fact that the medical  
27 services being compensated for by such payment may have been  
28 rendered in a prior fiscal year.

29 Medical payments may be made by the Department of Public  
30 Aid and child care payments may be made by the Department of  
31 Human Services (as successor to the Department of Public Aid)  
32 from appropriations for those purposes for any fiscal year,  
33 without regard to the fact that the medical or child care  
34 services being compensated for by such payment may have been

1 rendered in a prior fiscal year; and payments may be made at  
2 the direction of the Department of Central Management Services  
3 from the Health Insurance Reserve Fund and the Local Government  
4 Health Insurance Reserve Fund without regard to any fiscal year  
5 limitations.

6 Additionally, payments may be made by the Department of  
7 Human Services from its appropriations, or any other State  
8 agency from its appropriations with the approval of the  
9 Department of Human Services, from the Immigration Reform and  
10 Control Fund for purposes authorized pursuant to the  
11 Immigration Reform and Control Act of 1986, without regard to  
12 any fiscal year limitations.

13 Further, with respect to costs incurred in fiscal years  
14 2002 and 2003 only, payments may be made by the State Treasurer  
15 from its appropriations from the Capital Litigation Trust Fund  
16 without regard to any fiscal year limitations.

17 Lease payments may be made by the Department of Central  
18 Management Services under the sale and leaseback provisions of  
19 Section 7.4 of the State Property Control Act with respect to  
20 the James R. Thompson Center and the Elgin Mental Health Center  
21 and surrounding land from appropriations for that purpose  
22 without regard to any fiscal year limitations.

23 Lease payments may be made under the sale and leaseback  
24 provisions of Section 7.5 of the State Property Control Act  
25 with respect to the Illinois State Toll Highway Authority  
26 headquarters building and surrounding land without regard to  
27 any fiscal year limitations.

28 (c) Further, payments may be made by the Department of  
29 Public Health and the Department of Human Services (acting as  
30 successor to the Department of Public Health under the  
31 Department of Human Services Act) from their respective  
32 appropriations for grants for medical care to or on behalf of  
33 persons suffering from chronic renal disease, persons  
34 suffering from hemophilia, rape victims, and premature and

1 high-mortality risk infants and their mothers and for grants  
2 for supplemental food supplies provided under the United States  
3 Department of Agriculture Women, Infants and Children  
4 Nutrition Program, for any fiscal year without regard to the  
5 fact that the services being compensated for by such payment  
6 may have been rendered in a prior fiscal year.

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

19 (e) The Department of Public Aid and the Department of  
20 Human Services (acting as successor to the Department of Public  
21 Aid) shall each annually submit to the State Comptroller,  
22 Senate President, Senate Minority Leader, Speaker of the House,  
23 House Minority Leader, the respective Chairmen and Minority  
24 Spokesmen of the Appropriations Committees of the Senate and  
25 the House, on or before November 30, a report that shall  
26 document by program or service category those expenditures from  
27 the most recently completed fiscal year used to pay for (i)  
28 services provided in prior fiscal years and (ii) services for  
29 which claims were received in prior fiscal years.

30 (f) The Department of Human Services (as successor to the  
31 Department of Public Aid) shall annually submit to the State  
32 Comptroller, Senate President, Senate Minority Leader, Speaker  
33 of the House, House Minority Leader, and the respective  
34 Chairmen and Minority Spokesmen of the Appropriations

1 Committees of the Senate and the House, on or before December  
2 31, a report of fiscal year funds used to pay for services  
3 (other than medical care) provided in any prior fiscal year.  
4 This report shall document by program or service category those  
5 expenditures from the most recently completed fiscal year used  
6 to pay for services provided in prior fiscal years.

7 (g) In addition, each annual report required to be  
8 submitted by the Department of Public Aid under subsection (e)  
9 shall include the following information with respect to the  
10 State's Medicaid program:

11 (1) Explanations of the exact causes of the variance  
12 between the previous year's estimated and actual  
13 liabilities.

14 (2) Factors affecting the Department of Public Aid's  
15 liabilities, including but not limited to numbers of aid  
16 recipients, levels of medical service utilization by aid  
17 recipients, and inflation in the cost of medical services.

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

20 (h) As provided in Section 4 of the General Assembly  
21 Compensation Act, any utility bill for service provided to a  
22 General Assembly member's district office for a period  
23 including portions of 2 consecutive fiscal years may be paid  
24 from funds appropriated for such expenditure in either fiscal  
25 year.

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

28 (1) billing user agencies in advance for payments or  
29 authorized inter-fund transfers based on estimated charges  
30 for goods or services;

31 (2) issuing credits, refunding through inter-fund  
32 transfers, or reducing future inter-fund transfers during  
33 the subsequent fiscal year for all user agency payments or  
34 authorized inter-fund transfers received during the prior

1 fiscal year which were in excess of the final amounts owed  
2 by the user agency for that period; and

3 (3) issuing catch-up billings to user agencies during  
4 the subsequent fiscal year for amounts remaining due when  
5 payments or authorized inter-fund transfers received from  
6 the user agency during the prior fiscal year were less than  
7 the total amount owed for that period.

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

16 (Source: P.A. 92-885, eff. 1-13-03; 93-19, eff. 6-20-03.)

17 Section 10-105. The State Officers and Employees Money  
18 Disposition Act is amended by adding Section 5a as follows:

19 (30 ILCS 230/5a new)

20 Sec. 5a. The Secretary of State shall deposit all fees into  
21 the funds specified in the statute imposing or authorizing the  
22 fee no more than 30 days after receipt of the fee by the  
23 Secretary of State.

24 Section 10-110. The General Obligation Bond Act is amended  
25 by changing Sections 2, 8, 9, 11, and 16 and by adding Sections  
26 2.5, 15.5, and 21 as follows:

27 (30 ILCS 330/2) (from Ch. 127, par. 652)

28 Sec. 2. Authorization for Bonds. The State of Illinois is  
29 authorized to issue, sell and provide for the retirement of  
30 General Obligation Bonds of the State of Illinois for the

1 categories and specific purposes expressed in Sections 2  
2 through 8 of this Act, in the total amount of \$27,658,149,369.

3 The bonds authorized in this Section 2 and in Section 16 of  
4 this Act are herein called "Bonds".

5 Of the total amount of Bonds authorized in this Act, up to  
6 \$2,200,000,000 in aggregate original principal amount may be  
7 issued and sold in accordance with the Baccalaureate Savings  
8 Act in the form of General Obligation College Savings Bonds.

9 Of the total amount of Bonds authorized in this Act, up to  
10 \$300,000,000 in aggregate original principal amount may be  
11 issued and sold in accordance with the Retirement Savings Act  
12 in the form of General Obligation Retirement Savings Bonds.

13 Of the total amount of Bonds authorized in this Act, the  
14 additional \$10,000,000,000 authorized by this amendatory Act  
15 of the 93rd General Assembly shall be used solely as provided  
16 in Section 7.2.

17 The issuance and sale of Bonds pursuant to the General  
18 Obligation Bond Act is an economical and efficient method of  
19 financing the long-term capital ~~and general operating~~ needs of  
20 the State. This Act will permit the issuance of a multi-purpose  
21 General Obligation Bond with uniform terms and features. This  
22 will not only lower the cost of registration but also reduce  
23 the overall cost of issuing debt by improving the marketability  
24 of Illinois General Obligation Bonds.

25 (Source: P.A. 92-13, eff. 6-22-01; 92-596, eff. 6-28-02;  
26 92-598, eff. 6-28-02; 93-2, eff. 4-7-03.)

27 (30 ILCS 330/2.5 new)

28 Sec. 2.5. Limitation on issuance of Bonds.

29 (a) Except as provided in subsection (b), no Bonds may be  
30 issued if, after the issuance, in the next State fiscal year  
31 after the issuance of the Bonds, the amount of debt service  
32 (including principal, whether payable at maturity or pursuant  
33 to mandatory sinking fund installments, and interest) on all

1 then-outstanding Bonds would exceed 7% of the aggregate  
2 appropriations from the general funds (which consist of the  
3 General Revenue Fund, the Common School Fund, the General  
4 Revenue Common School Special Account Fund, and the Education  
5 Assistance Fund) and the Road Fund for the fiscal year  
6 immediately prior to the fiscal year of the issuance.

7 (b) If the Comptroller and Treasurer each consent in  
8 writing, Bonds may be issued even if the issuance does not  
9 comply with subsection (a).

10 (30 ILCS 330/8) (from Ch. 127, par. 658)

11 Sec. 8. Bond sale expenses, ~~capitalized interest.~~

12 (a) An amount not to exceed 0.5 percent of the principal  
13 amount of the proceeds of sale of each bond sale is authorized  
14 to be used to pay the reasonable costs of issuance and sale,  
15 including, without limitation, underwriter's discounts and  
16 fees, but excluding bond insurance, of State of Illinois  
17 general obligation bonds authorized and sold pursuant to this  
18 Act, provided that no salaries of State employees or other  
19 State office operating expenses shall be paid out of  
20 non-appropriated proceeds. The Governor's Office of Management  
21 and Budget shall compile a summary of all costs of issuance on  
22 each sale (including both costs paid out of proceeds and those  
23 paid out of appropriated funds) and post that summary on its  
24 web site within 20 business days after the issuance of the  
25 Bonds. The summary shall include, as applicable, the respective  
26 percentages of participation and compensation of each  
27 underwriter that is a member of the underwriting syndicate,  
28 legal counsel, financial advisors, and other professionals for  
29 the bond issue and an identification of all costs of issuance  
30 paid to minority owned businesses, female owned businesses, and  
31 businesses owned by persons with disabilities. The terms  
32 "minority owned businesses", "female owned businesses", and  
33 "business owned by a person with a disability" have the

1 meanings given to those terms in the Business Enterprise for  
2 Minorities, Females, and Persons with Disabilities Act. That  
3 posting shall be maintained on the web site for a period of at  
4 least 30 days. In addition, the Governor's Office of Management  
5 and Budget shall provide a written copy of each summary of  
6 costs to the Speaker and Minority Leader of the House of  
7 Representatives, the President and Minority Leader of the  
8 Senate, and the Illinois Economic and Fiscal Commission within  
9 20 business days after each issuance of the Bonds. In addition,  
10 the Governor's Office of Management and Budget shall provide  
11 copies of all contracts under which any costs of issuance are  
12 paid or to be paid to the Illinois Economic and Fiscal  
13 Commission within 20 business days after the issuance of Bonds  
14 for which those costs are paid or to be paid. Instead of filing  
15 a second or subsequent copy of the same contract, the  
16 Governor's Office of Management and Budget may file a statement  
17 that specified costs are paid under specified contracts filed  
18 earlier with the Commission.

19 (b) The Director of the Governor's Office of Management and  
20 Budget shall not, in connection with the issuance of Bonds,  
21 contract with any underwriter, financial advisor, or attorney  
22 unless that underwriter, financial advisor, or attorney  
23 certifies that the underwriter, financial advisor, or attorney  
24 has not and will not pay a contingent fee, whether directly or  
25 indirectly, to a third party for having promoted the selection  
26 of the underwriter, financial advisor, or attorney for that  
27 contract. In the event that the Governor's Office of Management  
28 and Budget determines that an underwriter, financial advisor,  
29 or attorney has filed a false certification with respect to the  
30 payment of contingent fees, the Governor's Office of Management  
31 and Budget shall not contract with that underwriter, financial  
32 advisor, or attorney, or with any firm employing any person who  
33 signed false certifications, for a period of 2 calendar years,  
34 beginning with the date the determination is made. The validity



1 of Bonds issued under such circumstances of violation pursuant  
2 to this Section shall not be affected. ~~The Bond Sale Order may~~  
3 ~~provide for a portion of the proceeds of the bond sale,~~  
4 ~~representing up to 12 months' interest on the bonds, to be~~  
5 ~~deposited directly into the capitalized interest account of the~~  
6 ~~General Obligation Bond Retirement and Interest Fund.~~

7 (Source: P.A. 93-2, eff. 4-7-03.)

8 (30 ILCS 330/9) (from Ch. 127, par. 659)

9 Sec. 9. Conditions for Issuance and Sale of Bonds -  
10 Requirements for Bonds.

11 (a) Except as otherwise provided in this subsection, Bonds  
12 ~~Bonds~~ shall be issued and sold from time to time, in one or  
13 more series, in such amounts and at such prices as may be  
14 directed by the Governor, upon recommendation by the Director  
15 of the Governor's Office of Management and Budget. Bonds shall  
16 be in such form (either coupon, registered or book entry), in  
17 such denominations, payable within 25 ~~30~~ years from their date,  
18 subject to such terms of redemption with or without premium,  
19 bear interest payable at such times and at such fixed or  
20 variable rate or rates, and be dated as shall be fixed and  
21 determined by the Director of the Governor's Office of  
22 Management and Budget in the order authorizing the issuance and  
23 sale of any series of Bonds, which order shall be approved by  
24 the Governor and is herein called a "Bond Sale Order"; provided  
25 however, that interest payable at fixed or variable rates shall  
26 not exceed that permitted in the Bond Authorization Act, as now  
27 or hereafter amended. Bonds shall be payable at such place or  
28 places, within or without the State of Illinois, and may be  
29 made registrable as to either principal or as to both principal  
30 and interest, as shall be specified in the Bond Sale Order.  
31 Bonds may be callable or subject to purchase and retirement or  
32 tender and remarketing as fixed and determined in the Bond Sale  
33 Order. Bonds must be issued with principal or mandatory

1 redemption amounts in equal amounts, with the first maturity  
2 issued occurring within the fiscal year in which the Bonds are  
3 issued or within the next succeeding fiscal year, with Bonds  
4 issued maturing or subject to mandatory redemption each fiscal  
5 year thereafter up to 25 years.

6 In the case of any series of Bonds bearing interest at a  
7 variable interest rate ("Variable Rate Bonds"), in lieu of  
8 determining the rate or rates at which such series of Variable  
9 Rate Bonds shall bear interest and the price or prices at which  
10 such Variable Rate Bonds shall be initially sold or remarketed  
11 (in the event of purchase and subsequent resale), the Bond Sale  
12 Order may provide that such interest rates and prices may vary  
13 from time to time depending on criteria established in such  
14 Bond Sale Order, which criteria may include, without  
15 limitation, references to indices or variations in interest  
16 rates as may, in the judgment of a remarketing agent, be  
17 necessary to cause Variable Rate Bonds of such series to be  
18 remarketable from time to time at a price equal to their  
19 principal amount, and may provide for appointment of a bank,  
20 trust company, investment bank, or other financial institution  
21 to serve as remarketing agent in that connection. The Bond Sale  
22 Order may provide that alternative interest rates or provisions  
23 for establishing alternative interest rates, different  
24 security or claim priorities, or different call or amortization  
25 provisions will apply during such times as Variable Rate Bonds  
26 of any series are held by a person providing credit or  
27 liquidity enhancement arrangements for such Bonds as  
28 authorized in subsection (b) of this Section. The Bond Sale  
29 Order may also provide for such variable interest rates to be  
30 established pursuant to a process generally known as an auction  
31 rate process and may provide for appointment of one or more  
32 financial institutions to serve as auction agents and  
33 broker-dealers in connection with the establishment of such  
34 interest rates and the sale and remarketing of such Bonds.

1 (b) In connection with the issuance of any series of Bonds,  
2 the State may enter into arrangements to provide additional  
3 security and liquidity for such Bonds, including, without  
4 limitation, bond or interest rate insurance or letters of  
5 credit, lines of credit, bond purchase contracts, or other  
6 arrangements whereby funds are made available to retire or  
7 purchase Bonds, thereby assuring the ability of owners of the  
8 Bonds to sell or redeem their Bonds. The State may enter into  
9 contracts and may agree to pay fees to persons providing such  
10 arrangements, but only under circumstances where the Director  
11 of the Governor's Office of Management and Budget certifies  
12 that he or she reasonably expects the total interest paid or to  
13 be paid on the Bonds, together with the fees for the  
14 arrangements (being treated as if interest), would not, taken  
15 together, cause the Bonds to bear interest, calculated to their  
16 stated maturity, at a rate in excess of the rate that the Bonds  
17 would bear in the absence of such arrangements.

18 The State may, with respect to Bonds issued or anticipated  
19 to be issued, participate in and enter into arrangements with  
20 respect to interest rate protection or exchange agreements,  
21 guarantees, or financial futures contracts for the purpose of  
22 limiting, reducing, or managing interest rate exposure. The  
23 authority granted under this paragraph, however, shall not  
24 increase the principal amount of Bonds authorized to be issued  
25 by law. The arrangements may be executed and delivered by the  
26 Director of the Governor's Office of Management and Budget on  
27 behalf of the State. Net payments for such arrangements shall  
28 constitute interest on the Bonds and shall be paid from the  
29 General Obligation Bond Retirement and Interest Fund. The  
30 Director of the Governor's Office of Management and Budget  
31 shall at least annually certify to the Governor and the State  
32 Comptroller his or her estimate of the amounts of such net  
33 payments to be included in the calculation of interest required  
34 to be paid by the State.

1 (c) Prior to the issuance of any Variable Rate Bonds  
2 pursuant to subsection (a), the Director of the Governor's  
3 Office of Management and Budget shall adopt an interest rate  
4 risk management policy providing that the amount of the State's  
5 variable rate exposure with respect to Bonds shall not exceed  
6 20%. This policy shall remain in effect while any Bonds are  
7 outstanding and the issuance of Bonds shall be subject to the  
8 terms of such policy. The terms of this policy may be amended  
9 from time to time by the Director of the Governor's Office of  
10 Management and Budget but in no event shall any amendment cause  
11 the permitted level of the State's variable rate exposure with  
12 respect to Bonds to exceed 20%.

13 (Source: P.A. 92-16, eff. 6-28-01; 93-9, eff. 6-3-03; 93-666,  
14 eff. 3-5-04.)

15 (30 ILCS 330/11) (from Ch. 127, par. 661)

16 Sec. 11. Sale of Bonds. Except as otherwise provided in  
17 this Section, Bonds shall be sold from time to time pursuant to  
18 notice of sale and public bid or by negotiated sale in such  
19 amounts and at such times as is directed by the Governor, upon  
20 recommendation by the Director of the Governor's Office of  
21 Management and Budget. At least 25%, based on total principal  
22 amount, of all Bonds issued each fiscal year shall be sold  
23 pursuant to notice of sale and public bid. At all times during  
24 each fiscal year, no more than 75%, based on total principal  
25 amount, of the Bonds issued each fiscal year, shall have been  
26 sold by negotiated sale. Failure to satisfy the requirements in  
27 the preceding 2 sentences shall not affect the validity of any  
28 previously issued Bonds ~~Bureau of the Budget.~~

29 If any Bonds, including refunding Bonds, are to be sold by  
30 negotiated sale, the Director of the Governor's Office of  
31 Management and Budget ~~Bureau of the Budget~~ shall comply with  
32 the competitive request for proposal process set forth in the  
33 Illinois Procurement Code and all other applicable

1 requirements of that Code.

2 If Bonds are to be sold pursuant to notice of sale and  
3 public bid, the Director of the Governor's Office of Management  
4 and Budget ~~Bureau of the Budget~~ shall, from time to time, as  
5 Bonds are to be sold, advertise the sale of the Bonds in at  
6 least 2 ~~two~~ daily newspapers, one of which is published in the  
7 City of Springfield and one in the City of Chicago. The sale of  
8 the Bonds shall also be advertised in the volume of the  
9 Illinois Procurement Bulletin that is published by the  
10 Department of Central Management Services. Each of the  
11 advertisements for proposals shall be published once at least  
12 10 days prior to the date fixed for the opening of the bids.  
13 The Director of the Governor's Office of Management and Budget  
14 ~~Bureau of the Budget~~ may reschedule the date of sale upon the  
15 giving of such additional notice as the Director deems adequate  
16 to inform prospective bidders of such change; provided,  
17 however, that all other conditions of the sale shall continue  
18 as originally advertised.

19 Executed Bonds shall, upon payment therefor, be delivered  
20 to the purchaser, and the proceeds of Bonds shall be paid into  
21 the State Treasury as directed by Section 12 of this Act.

22 (Source: P.A. 91-39, eff. 6-15-99; revised 8-23-03.)

23 (30 ILCS 330/15.5 new)

24 Sec. 15.5. Compliance with the Business Enterprise for  
25 Minorities, Females, and Persons with Disabilities Act.  
26 Notwithstanding any other provision of law, the Governor's  
27 Office of Management and Budget shall comply with the Business  
28 Enterprise for Minorities, Females, and Persons with  
29 Disabilities Act.

30 (30 ILCS 330/16) (from Ch. 127, par. 666)

31 Sec. 16. Refunding Bonds. The State of Illinois is  
32 authorized to issue, sell, and provide for the retirement of

1 General Obligation Bonds of the State of Illinois in the amount  
2 of \$2,839,025,000, at any time and from time to time  
3 outstanding, for the purpose of refunding any State of Illinois  
4 general obligation Bonds then outstanding, including the  
5 payment of any redemption premium thereon, any reasonable  
6 expenses of such refunding, any interest accrued or to accrue  
7 to the earliest or any subsequent date of redemption or  
8 maturity of such outstanding Bonds and any interest to accrue  
9 to the first interest payment on the refunding Bonds; provided  
10 that all non-refunding Bonds in an issue that includes such  
11 refunding Bonds shall mature no later than the final maturity  
12 date of Bonds being refunded; provided that no refunding Bonds  
13 shall be offered for sale unless the net present value of debt  
14 service savings to be achieved by the issuance of the refunding  
15 Bonds is 3% or more of the principal amount of the refunding  
16 Bonds to be issued; and further provided that the maturities of  
17 the refunding Bonds shall not extend beyond the maturities of  
18 the Bonds they refund, so that for each fiscal year in the  
19 maturity schedule of a particular issue of refunding Bonds, the  
20 total amount of refunding principal maturing and redemption  
21 amounts due in that fiscal year and all prior fiscal years in  
22 that schedule shall be greater than or equal to the total  
23 amount of refunded principal and redemption amounts that had  
24 been due over that year and all prior fiscal years prior to the  
25 refunding.

26 ~~Refunding Bonds may be sold from time to time pursuant to~~  
27 ~~notice of sale and public bid or by negotiated sale in such~~  
28 ~~amounts and at such times, as directed by the Governor, upon~~  
29 ~~recommendation by the Director of the Bureau of the Budget. The~~  
30 Governor shall notify the State Treasurer and Comptroller of  
31 such refunding. The proceeds received from the sale of  
32 refunding Bonds shall be used for the retirement at maturity or  
33 redemption of such outstanding Bonds on any maturity or  
34 redemption date and, pending such use, shall be placed in

1 escrow, subject to such terms and conditions as shall be  
2 provided for in the Bond Sale Order relating to the Refunding  
3 Bonds. Proceeds not needed for deposit in an escrow account  
4 shall be deposited in the General Obligation Bond Retirement  
5 and Interest Fund. This Act shall constitute an irrevocable and  
6 continuing appropriation of all amounts necessary to establish  
7 an escrow account for the purpose of refunding outstanding  
8 general obligation Bonds and to pay the reasonable expenses of  
9 such refunding and of the issuance and sale of the refunding  
10 Bonds. Any such escrowed proceeds may be invested and  
11 reinvested in direct obligations of the United States of  
12 America, maturing at such time or times as shall be appropriate  
13 to assure the prompt payment, when due, of the principal of and  
14 interest and redemption premium, if any, on the refunded Bonds.  
15 After the terms of the escrow have been fully satisfied, any  
16 remaining balance of such proceeds and interest, income and  
17 profits earned or realized on the investments thereof shall be  
18 paid into the General Revenue Fund. The liability of the State  
19 upon the Bonds shall continue, provided that the holders  
20 thereof shall thereafter be entitled to payment only out of the  
21 moneys deposited in the escrow account.

22 Except as otherwise herein provided in this Section, such  
23 refunding Bonds shall in all other respects be subject to the  
24 terms and conditions of this Act.

25 (Source: P.A. 91-39, eff. 6-15-99; 91-53, eff. 6-30-99; 91-710,  
26 eff. 5-17-00; revised 8-23-03.)

27 (30 ILCS 330/21 new)

28 Sec. 21. Truth in borrowing disclosures.

29 (a) Within 20 business days after the issuance of any Bonds  
30 under this Act, the Director of the Governor's Office of  
31 Management and Budget shall publish a truth in borrowing  
32 disclosure that discloses the total principal and interest  
33 payments to be paid on the Bonds over the full stated term of

1 the Bonds. The disclosure also shall include principal and  
2 interest payments to be made by each fiscal year over the full  
3 stated term of the Bonds and total principal and interest  
4 payments to be made by each fiscal year on all other  
5 outstanding Bonds issued under this Act over the full stated  
6 terms of those Bonds.

7 (b) Within 20 business days after the issuance of any  
8 refunding bonds under Section 16 of this Act, the Director of  
9 the Governor's Office of Management and Budget shall publish a  
10 truth in borrowing disclosure that discloses the estimated  
11 present-valued savings to be obtained through the refunding, in  
12 total and by each fiscal year that the refunding Bonds may be  
13 outstanding.

14 (c) The disclosures required in subsections (a) and (b)  
15 shall be published by posting the disclosures for no less than  
16 30 days on the web site of the Governor's Office of Management  
17 and Budget and by providing the disclosures in written form to  
18 the Illinois Economic and Fiscal Commission. These disclosures  
19 shall be calculated assuming Bonds are not redeemed or refunded  
20 prior to their stated maturities. Amounts included in these  
21 disclosures as payment of interest on variable rate Bonds shall  
22 be computed at an interest rate equal to the rate at which the  
23 variable rate Bonds are first set upon issuance, plus 2.5%,  
24 after taking into account any credits permitted in the related  
25 indenture or other instrument against the amount of such  
26 interest for each fiscal year. Amounts included in these  
27 disclosures as payment of interest on variable rate Bonds shall  
28 include the amounts certified by the Director of the Governor's  
29 Office of Management and Budget under subsection (b) of Section  
30 9 of this Act.

31 Section 10-115. The Metropolitan Civic Center Support Act  
32 is amended by changing Section 14 as follows:



1 (30 ILCS 355/14) (from Ch. 85, par. 1397g)

2 Sec. 14. (a) To provide for the manner of repayment of  
3 Bonds, the Governor shall include an appropriation in each  
4 annual State Budget of monies in such amount as shall be  
5 necessary and sufficient, for the period covered by such  
6 budget, to pay the interest, as it shall accrue, on all Bonds  
7 issued under this Act, to pay and discharge the principal of  
8 such Bonds as shall, by their terms fall due during such period  
9 and to pay a premium, if any, on Bonds to be redeemed prior to  
10 the maturity date and to replenish any reserve fund as may be  
11 required under any trust indenture.

12 (b) A separate fund in the State Treasury called the  
13 "Illinois Civic Center Bond Retirement and Interest Fund" is  
14 hereby created.

15 (c) The Governor's Office of Management and Budget  
16 ~~Department~~ shall pay subject to annual appropriation by the  
17 General Assembly the principal of, interest on, and premium, if  
18 any, on Bonds sold under this Act from the Bond Retirement  
19 Fund.

20 (Source: P.A. 84-245.)

21 Section 10-120. The Build Illinois Bond Act is amended by  
22 changing Sections 3, 5, 6, 8, 9, and 15 and by adding Sections  
23 8.3 and 8.5 as follows:

24 (30 ILCS 425/3) (from Ch. 127, par. 2803)

25 Sec. 3. Findings. The General Assembly hereby makes the  
26 following findings and determinations:

27 (a) The issuance and sale of Bonds pursuant to this Act is  
28 an economical and efficient method of financing long-term  
29 capital needs, including certain of the purposes of the State,  
30 as set forth in Section 4 hereof.

31 (b) This Act will permit the issuance of Bonds, from time  
32 to time, for various purposes and with varying terms, features

1 and conditions in order to enhance marketability and lower  
2 interest costs incurred by the State. Subsection (a) of Section  
3 6 of this Act authorizes the issuance, from time to time, of  
4 Bonds in one or more series, in such principal amounts, bearing  
5 interest at such fixed rates or variable rates and having such  
6 other terms and provisions as designated State officers may fix  
7 and determine pursuant to the authority delegated under this  
8 Act. Subsection (b) of Section 6 of this Act authorizes, in  
9 connection with the issuance of and as security for any series  
10 of Bonds, the purchase of bond or interest rate insurance, the  
11 establishment of credit and liquidity enhancement arrangements  
12 with financial institutions, and participation in interest  
13 rate swaps or guarantee agreements or other arrangements to  
14 limit interest rate risk.

15 (c) The financing of the facilities and other purposes  
16 described in Section 4 of this Act through the issuance of  
17 Bonds will involve numerous expenditures over extended periods  
18 of time, all of which expenditures shall be made only pursuant  
19 to and in conformity with appropriations from Bond proceeds by  
20 the General Assembly prior to the making of such expenditures.

21 (d) Determinations with respect to (i) advantageous timing  
22 and amounts of such expenditures for particular approved  
23 facilities or purposes, (ii) establishing an advantageous mix  
24 of short-term and long-term debt instruments under bond market  
25 conditions prevailing from time to time, and (iii) specific  
26 allocations of Bond proceeds to particular facilities and  
27 purposes should be based upon financial, engineering and  
28 construction management judgments made from time to time.

29 (e) The State's ability to issue Bonds from time to time,  
30 without further action by the General Assembly, in separate  
31 series, in various principal amounts and with various interest  
32 rates, maturities, redemption provisions and other terms will  
33 enhance the State's opportunities to obtain such financing as  
34 needed, upon favorable terms.

1           In order to provide for flexibility in meeting the  
2 financial, engineering and construction needs of the State and  
3 its agencies and departments and in order to provide continuing  
4 and adequate financing for the aforesaid purposes on favorable  
5 terms, the delegations of authority to the Governor, the  
6 Director of the Governor's Office of Management and Budget  
7 ~~Bureau of the Budget~~, the State Comptroller, the State  
8 Treasurer and other officers of the State which are contained  
9 in this Act are necessary and desirable because this General  
10 Assembly cannot itself as understandingly, advantageously,  
11 expeditiously or conveniently exercise such authority and make  
12 such specific determinations.

13           (Source: P.A. 84-111; revised 8-23-03.)

14           (30 ILCS 425/5) (from Ch. 127, par. 2805)

15           Sec. 5. Bond Sale Expenses.

16           (a) An amount not to exceed 0.5% of the principal amount of  
17 the proceeds of the sale of each bond sale is authorized to be  
18 used to pay ~~necessary to pay the~~ reasonable costs of each  
19 issuance and sale of Bonds authorized and sold pursuant to this  
20 Act, including, without limitation, underwriter's discounts  
21 and fees, but excluding bond insurance, advertising, printing,  
22 bond rating, travel of outside vendors, security, delivery,  
23 legal and financial advisory services, ~~insurance,~~ initial fees  
24 of trustees, registrars, paying agents and other fiduciaries,  
25 initial costs of credit or liquidity enhancement arrangements,  
26 initial fees of indexing and remarketing agents, and initial  
27 costs of interest rate swaps, guarantees or arrangements to  
28 limit interest rate risk, as determined in the related Bond  
29 Sale Order, ~~is hereby authorized to be paid~~ from the proceeds  
30 of each Bond sale, provided that no salaries of State employees  
31 or other State office operating expenses shall be paid out of  
32 non-appropriated proceeds. The Governor's Office of Management  
33 and Budget shall compile a summary of all costs of issuance on

1 each sale (including both costs paid out of proceeds and those  
2 paid out of appropriated funds) and post that summary on its  
3 web site within 20 business days after the issuance of the  
4 bonds. That posting shall be maintained on the web site for a  
5 period of at least 30 days. In addition, the Governor's Office  
6 of Management and Budget shall provide a written copy of each  
7 summary of costs to the Speaker and Minority Leader of the  
8 House of Representatives, the President and Minority Leader of  
9 the Senate, and the Illinois Economic and Fiscal Commission  
10 within 20 business days after each issuance of the bonds. This  
11 summary shall include, as applicable, the respective  
12 percentage of participation and compensation of each  
13 underwriter that is a member of the underwriting syndicate,  
14 legal counsel, financial advisors, and other professionals for  
15 the Bond issue, and an identification of all costs of issuance  
16 paid to minority owned businesses, female owned businesses, and  
17 businesses owned by persons with disabilities. The terms  
18 "minority owned businesses", "female owned businesses", and  
19 "business owned by a person with a disability" have the  
20 meanings given to those terms in the Business Enterprise for  
21 Minorities, Females, and Persons with Disabilities Act. In  
22 addition, the Governor's Office of Management and Budget shall  
23 provide copies of all contracts under which any costs of  
24 issuance are paid or to be paid to the Illinois Economic and  
25 Fiscal Commission within 20 business days after the issuance of  
26 Bonds for which those costs are paid or to be paid. Instead of  
27 filing a second or subsequent copy of the same contract, the  
28 Governor's Office of Management and Budget may file a statement  
29 that specified costs are paid under specified contracts filed  
30 earlier with the Commission.

31 (b) The Director of the Governor's Office of Management and  
32 Budget shall not, in connection with the issuance of Bonds,  
33 contract with any underwriter, financial advisor, or attorney  
34 unless that underwriter, financial advisor, or attorney

1 certifies that the underwriter, financial advisor, or attorney  
2 has not and will not pay a contingent fee, whether directly or  
3 indirectly, to any third party for having promoted the  
4 selection of the underwriter, financial advisor, or attorney  
5 for that contract. In the event that the Governor's Office of  
6 Management and Budget determines that an underwriter,  
7 financial advisor, or attorney has filed a false certification  
8 with respect to the payment of contingent fees, the Governor's  
9 Office of Management and Budget shall not contract with that  
10 underwriter, financial advisor, or attorney, or with any firm  
11 employing any person who signed false certifications, for a  
12 period of 2 calendar years, beginning with the date the  
13 determination is made. The validity of Bonds issued under such  
14 circumstances of violation pursuant to this Section shall not  
15 be affected.

16 (Source: P.A. 84-111.)

17 (30 ILCS 425/6) (from Ch. 127, par. 2806)

18 Sec. 6. Conditions for Issuance and Sale of Bonds -  
19 Requirements for Bonds - Master and Supplemental Indentures -  
20 Credit and Liquidity Enhancement. (a) Bonds shall be issued and  
21 sold from time to time, in one or more series, in such amounts  
22 and at such prices as directed by the Governor, upon  
23 recommendation by the Director of the Governor's Office of  
24 Management and Budget ~~Bureau of the Budget~~. Bonds shall be  
25 payable only from the specific sources and secured in the  
26 manner provided in this Act. Bonds shall be in such form, in  
27 such denominations, mature on such dates within 25 ~~30~~ years  
28 from their date of issuance, be subject to optional or  
29 mandatory redemption, bear interest payable at such times and  
30 at such rate or rates, fixed or variable, and be dated as shall  
31 be fixed and determined by the Director of the Governor's  
32 Office of Management and Budget ~~Bureau of the Budget~~ in an  
33 order authorizing the issuance and sale of any series of Bonds,

1 which order shall be approved by the Governor and is herein  
2 called a "Bond Sale Order"; provided, however, that interest  
3 payable at fixed rates shall not exceed that permitted in "An  
4 Act to authorize public corporations to issue bonds, other  
5 evidences of indebtedness and tax anticipation warrants  
6 subject to interest rate limitations set forth therein",  
7 approved May 26, 1970, as now or hereafter amended, and  
8 interest payable at variable rates shall not exceed the maximum  
9 rate permitted in the Bond Sale Order. Said Bonds shall be  
10 payable at such place or places, within or without the State of  
11 Illinois, and may be made registrable as to either principal  
12 only or as to both principal and interest, as shall be  
13 specified in the Bond Sale Order. Bonds may be callable or  
14 subject to purchase and retirement or remarketing as fixed and  
15 determined in the Bond Sale Order. Bonds must be issued with  
16 principal or mandatory redemption amounts in equal amounts,  
17 with the first maturity issued occurring within the fiscal year  
18 in which the Bonds are issued or within the next succeeding  
19 fiscal year, with Bonds issued maturing or subject to mandatory  
20 redemption each fiscal year thereafter up to 25 years.

21 All Bonds authorized under this Act shall be issued  
22 pursuant to a master trust indenture ("Master Indenture")  
23 executed and delivered on behalf of the State by the Director  
24 of the Governor's Office of Management and Budget ~~Bureau of the~~  
25 ~~Budget~~, such Master Indenture to be in substantially the form  
26 approved in the Bond Sale Order authorizing the issuance and  
27 sale of the initial series of Bonds issued under this Act. Such  
28 initial series of Bonds may, and each subsequent series of  
29 Bonds shall, also be issued pursuant to a supplemental trust  
30 indenture ("Supplemental Indenture") executed and delivered on  
31 behalf of the State by the Director of the Governor's Office of  
32 Management and Budget ~~Bureau of the~~ ~~Budget~~, each such  
33 Supplemental Indenture to be in substantially the form approved  
34 in the Bond Sale Order relating to such series. The Master

1 Indenture and any Supplemental Indenture shall be entered into  
2 with a bank or trust company in the State of Illinois having  
3 trust powers and possessing capital and surplus of not less  
4 than \$100,000,000. Such indentures shall set forth the terms  
5 and conditions of the Bonds and provide for payment of and  
6 security for the Bonds, including the establishment and  
7 maintenance of debt service and reserve funds, and for other  
8 protections for holders of the Bonds. The term "reserve funds"  
9 as used in this Act shall include funds and accounts  
10 established under indentures to provide for the payment of  
11 principal of and premium and interest on Bonds, to provide for  
12 the purchase, retirement or defeasance of Bonds, to provide for  
13 fees of trustees, registrars, paying agents and other  
14 fiduciaries and to provide for payment of costs of and debt  
15 service payable in respect of credit or liquidity enhancement  
16 arrangements, interest rate swaps or guarantees or financial  
17 futures contracts and indexing and remarketing agents'  
18 services.

19 In the case of any series of Bonds bearing interest at a  
20 variable interest rate ("Variable Rate Bonds"), in lieu of  
21 determining the rate or rates at which such series of Variable  
22 Rate Bonds shall bear interest and the price or prices at which  
23 such Variable Rate Bonds shall be initially sold or remarketed  
24 (in the event of purchase and subsequent resale), the Bond Sale  
25 Order may provide that such interest rates and prices may vary  
26 from time to time depending on criteria established in such  
27 Bond Sale Order, which criteria may include, without  
28 limitation, references to indices or variations in interest  
29 rates as may, in the judgment of a remarketing agent, be  
30 necessary to cause Bonds of such series to be remarketable from  
31 time to time at a price equal to their principal amount (or  
32 compound accreted value in the case of original issue discount  
33 Bonds), and may provide for appointment of indexing agents and  
34 a bank, trust company, investment bank or other financial

1 institution to serve as remarketing agent in that connection.  
2 The Bond Sale Order may provide that alternative interest rates  
3 or provisions for establishing alternative interest rates,  
4 different security or claim priorities or different call or  
5 amortization provisions will apply during such times as Bonds  
6 of any series are held by a person providing credit or  
7 liquidity enhancement arrangements for such Bonds as  
8 authorized in subsection (b) of Section 6 of this Act.

9 (b) In connection with the issuance of any series of Bonds,  
10 the State may enter into arrangements to provide additional  
11 security and liquidity for such Bonds, including, without  
12 limitation, bond or interest rate insurance or letters of  
13 credit, lines of credit, bond purchase contracts or other  
14 arrangements whereby funds are made available to retire or  
15 purchase Bonds, thereby assuring the ability of owners of the  
16 Bonds to sell or redeem their Bonds. The State may enter into  
17 contracts and may agree to pay fees to persons providing such  
18 arrangements, but only under circumstances where the Director  
19 of the Bureau of the Budget (now Governor's Office of  
20 Management and Budget) certifies that he reasonably expects the  
21 total interest paid or to be paid on the Bonds, together with  
22 the fees for the arrangements (being treated as if interest),  
23 would not, taken together, cause the Bonds to bear interest,  
24 calculated to their stated maturity, at a rate in excess of the  
25 rate which the Bonds would bear in the absence of such  
26 arrangements. Any bonds, notes or other evidences of  
27 indebtedness issued pursuant to any such arrangements for the  
28 purpose of retiring and discharging outstanding Bonds shall  
29 constitute refunding Bonds under Section 15 of this Act. The  
30 State may participate in and enter into arrangements with  
31 respect to interest rate swaps or guarantees or financial  
32 futures contracts for the purpose of limiting or restricting  
33 interest rate risk; provided that such arrangements shall be  
34 made with or executed through banks having capital and surplus



1 of not less than \$100,000,000 or insurance companies holding  
2 the highest policyholder rating accorded insurers by A.M. Best  
3 & Co. or any comparable rating service or government bond  
4 dealers reporting to, trading with, and recognized as primary  
5 dealers by a Federal Reserve Bank and having capital and  
6 surplus of not less than \$100,000,000, or other persons whose  
7 debt securities are rated in the highest long-term categories  
8 by both Moody's Investors' Services, Inc. and Standard & Poor's  
9 Corporation. Agreements incorporating any of the foregoing  
10 arrangements may be executed and delivered by the Director of  
11 the Governor's Office of Management and Budget ~~Bureau of the~~  
12 ~~Budget~~ on behalf of the State in substantially the form  
13 approved in the Bond Sale Order relating to such Bonds.

14 (Source: P.A. 84-111; revised 8-23-03.)

15 (30 ILCS 425/8) (from Ch. 127, par. 2808)

16 Sec. 8. Sale of Bonds. Bonds, except as otherwise provided  
17 in this Section, shall be sold from time to time pursuant to  
18 notice of sale and public bid or by negotiated sale in such  
19 amounts and at such times as are directed by the Governor, upon  
20 recommendation by the Director of the Governor's Office of  
21 Management and Budget. At least 25%, based on total principal  
22 amount, of all Bonds issued each fiscal year shall be sold  
23 pursuant to notice of sale and public bid. At all times during  
24 each fiscal year, no more than 75%, based on total principal  
25 amount, of the Bonds issued each fiscal year shall have been  
26 sold by negotiated sale. Failure to satisfy the requirements in  
27 the preceding 2 sentences shall not affect the validity of any  
28 previously issued Bonds.

29 If any Bonds are to be sold pursuant to notice of sale and  
30 public bid, the Director of the Governor's Office of Management  
31 and Budget shall comply with the competitive request for  
32 proposal process set forth in the Illinois Procurement Code and  
33 all other applicable requirements of that Code.

1       If Bonds are to be sold pursuant to notice of sale and  
2 public bid, the Director of the Governor's Office of Management  
3 and Budget shall, from time to time, as Bonds are to be sold,  
4 advertise the sale of the Bonds in at least 2 daily newspapers,  
5 one of which is published in the City of Springfield and one in  
6 the City of Chicago. The sale of the Bonds shall also be  
7 advertised in the volume of the Illinois Procurement Bulletin  
8 that is published by the Department of Central Management  
9 Services. Each of the advertisements for proposals shall be  
10 published once at least 10 days prior to the date fixed for the  
11 opening of the bids. The Director of the Governor's Office of  
12 Management and Budget may reschedule the date of sale upon the  
13 giving of such additional notice as the Director deems adequate  
14 to inform prospective bidders of the change; provided, however,  
15 that all other conditions of the sale shall continue as  
16 originally advertised. Bonds shall be sold from time to time  
17 ~~pursuant to advertised notice of sale and public bid or by~~  
18 ~~negotiated sale as the Director of the Bureau of the Budget~~  
19 ~~shall, in his sole discretion, determine in order to market the~~  
20 ~~Bonds in an economic, effective manner.~~ Executed Bonds shall,  
21 upon payment therefor, be delivered to the purchaser, and the  
22 proceeds of Bonds shall be paid into the State Treasury as  
23 directed by Section 9 of this Act. The Governor or the Director  
24 of the Governor's Office of Management and Budget ~~Bureau of the~~  
25 ~~Budget~~ is hereby authorized and directed to execute and deliver  
26 contracts of sale with underwriters and to execute and deliver  
27 such certificates, indentures, agreements and documents,  
28 including any supplements or amendments thereto, and to take  
29 such actions and do such things as shall be necessary or  
30 desirable to carry out the purposes of this Act. Any action  
31 authorized or permitted to be taken by the Director of the  
32 Governor's Office of Management and Budget ~~Bureau of the Budget~~  
33 pursuant to this Act is hereby authorized to be taken by any  
34 person specifically designated by the Governor to take such

1 action in a certificate signed by the Governor and filed with  
2 the Secretary of State.

3 (Source: P.A. 84-111; revised 8-23-03.)

4 (30 ILCS 425/8.3 new)

5 Sec. 8.3. Compliance with the Business Enterprise for  
6 Minorities, Females, and Persons with Disabilities Act.  
7 Notwithstanding any other provision of law, the Governor's  
8 Office of Management and Budget shall comply with the Business  
9 Enterprise for Minorities, Females, and Persons with  
10 Disabilities Act.

11 (30 ILCS 425/8.5 new)

12 Sec. 8.5. Truth in borrowing disclosures.

13 (a) Within 20 business days after the issuance of any Bonds  
14 under this Act, the Director of the Governor's Office of  
15 Management and Budget shall publish a truth in borrowing  
16 disclosure that discloses the total principal and interest  
17 payments to be paid on the Bonds over the full stated term of  
18 the Bonds. The disclosure also shall include principal and  
19 interest payments to be made by each fiscal year over the full  
20 stated term of the Bonds and total principal and interest  
21 payments to be made by each fiscal year on all other  
22 outstanding Bonds issued under this Act over the full stated  
23 terms of those Bonds.

24 (b) Within 20 business days after the issuance of any  
25 refunding bonds under Section 15 of this Act, the Director of  
26 the Governor's Office of Management and Budget shall publish a  
27 truth in borrowing disclosure that discloses the estimated  
28 present-valued savings to be obtained through the refunding, in  
29 total and by each fiscal year that the refunding Bonds may be  
30 outstanding.

31 (c) The disclosures required in subsections (a) and (b)  
32 shall be published by posting the disclosures for no less than

1 30 days on the web site of the Governor's Office of Management  
2 and Budget and by providing the disclosures in written form to  
3 the Illinois Economic and Fiscal Commission. These disclosures  
4 shall be calculated assuming Bonds are not redeemed or refunded  
5 prior to their stated maturities. Amounts included in these  
6 disclosures as payment of interest on variable rate Bonds shall  
7 be computed at an interest rate equal to the rate at which the  
8 variable rate Bonds are first set upon issuance, plus 2.5%,  
9 after taking into account any credits permitted in the related  
10 indenture or other instrument against the amount of such  
11 interest for each fiscal year. Amounts included in these  
12 disclosure as payments of interest shall include those amounts  
13 paid pursuant to arrangements authorized pursuant to  
14 subsection (b) of Section 6 of this Act.

15 (30 ILCS 425/9) (from Ch. 127, par. 2809)

16 Sec. 9. Allocation of Proceeds from Sale of Bonds. Proceeds  
17 from the sale of Bonds (other than refunding Bonds) shall be  
18 deposited in the separate fund in the State Treasury known as  
19 the Build Illinois Bond Fund and shall be expended only  
20 pursuant to appropriation by the General Assembly. Proceeds to  
21 be deposited into any debt service or reserve funds as may be  
22 required under any trust indenture shall be paid from the Build  
23 Illinois Bond Fund to the trustee under the trust indenture  
24 specified in the Bond Sale Order at the time of the delivery of  
25 the Bonds ~~and proceeds to be used to pay expenses of issuance~~  
26 ~~and sale shall be paid from the Build Illinois Bond Fund as~~  
27 directed in the Bond Sale Order. Accrued interest paid to the  
28 State at the time of the delivery of any series of Bonds shall  
29 be deposited into the Build Illinois Bond Retirement and  
30 Interest Fund in the State Treasury and shall be paid  
31 immediately from that Fund to the trustee under the trust  
32 indenture specified in the Bond Sale Order.

33 (Source: P.A. 86-44.)

1 (30 ILCS 425/15) (from Ch. 127, par. 2815)

2 Sec. 15. Refunding Bonds. Refunding Bonds are hereby  
3 authorized for the purpose of refunding any outstanding Bonds,  
4 including the payment of any redemption premium thereon, any  
5 reasonable expenses of such refunding, and any interest accrued  
6 or to accrue to the earliest or any subsequent date of  
7 redemption or maturity of outstanding Bonds; provided that all  
8 non-refunding Bonds in an issue that includes ~~such~~ refunding  
9 Bonds shall mature no later than the final maturity date of  
10 Bonds being refunded; provided that no refunding Bonds shall be  
11 offered for sale unless the net present value of debt service  
12 savings to be achieved by the issuance of the refunding Bonds  
13 is 3% or more of the principal amount of the refunding Bonds to  
14 be issued; and further provided that the maturities of the  
15 refunding Bonds shall not extend beyond the maturities of the  
16 Bonds they refund, so that for each fiscal year in the maturity  
17 schedule of a particular issue of refunding Bonds, the total  
18 amount of refunding principal maturing and redemption amounts  
19 due in that fiscal year and all prior fiscal years in that  
20 schedule shall be greater than or equal to the total amount of  
21 refunded principal and redemption amounts that had been due  
22 over that year and all prior fiscal years prior to the  
23 refunding.

24 Refunding Bonds may be sold in such amounts and at such  
25 times, as directed by the Governor upon recommendation by the  
26 Director of the Governor's Office of Management and Budget  
27 ~~Bureau of the Budget~~. The Governor shall notify the State  
28 Treasurer and Comptroller of such refunding. The proceeds  
29 received from the sale of refunding Bonds shall be used for the  
30 retirement at maturity or redemption of such outstanding Bonds  
31 on any maturity or redemption date and, pending such use, shall  
32 be placed in escrow, subject to such terms and conditions as  
33 shall be provided for in the Bond Sale Order relating to the

1 refunding Bonds. This Act shall constitute an irrevocable and  
2 continuing appropriation of all amounts necessary to establish  
3 an escrow account for the purpose of refunding outstanding  
4 Bonds and to pay the reasonable expenses of such refunding and  
5 of the issuance and sale of the refunding Bonds. Any such  
6 escrowed proceeds may be invested and reinvested in direct  
7 obligations of the United States of America, maturing at such  
8 time or times as shall be appropriate to assure the prompt  
9 payment, when due, of the principal of and interest and  
10 redemption premium, if any, on the refunded Bonds. After the  
11 terms of the escrow have been fully satisfied, any remaining  
12 balance of such proceeds and interest, income and profits  
13 earned or realized on the investments thereof shall be paid  
14 into the General Revenue Fund. The liability of the State upon  
15 the refunded Bonds shall continue, provided that the holders  
16 thereof shall thereafter be entitled to payment only out of the  
17 moneys deposited in the escrow account and the refunded Bonds  
18 shall be deemed paid, discharged and no longer to be  
19 outstanding.

20 Except as otherwise herein provided in this Section, such  
21 refunding Bonds shall in all other respects be issued pursuant  
22 to and subject to the terms and conditions of this Act and  
23 shall be secured by and payable from only the funds and sources  
24 which are provided under this Act.

25 (Source: P.A. 84-111; revised 8-23-03.)

26 Section 10-130. The Illinois Procurement Code is amended by  
27 changing Sections 5-5, 5-25, and 40-15 and by adding Sections  
28 5-30, 20-150, 25-200, 30-150, 35-150, 40-55, 40-150, and 53-150  
29 as follows:

30 (30 ILCS 500/5-5)

31 Sec. 5-5. Procurement Policy Board.

32 (a) Creation. There is created a Procurement Policy Board,l

1 an agency of the State of Illinois.

2 (b) Authority and duties. The Board shall have the  
3 authority and responsibility to review, comment upon, and  
4 recommend, consistent with this Code, rules and practices  
5 governing the procurement, management, control, and disposal  
6 of supplies, services, professional or artistic services,  
7 construction, and real property and capital improvement leases  
8 procured by the State.

9 Upon a three-fifths vote of its members, the Board may  
10 review a contract. Upon a three-fifths vote of its members, the  
11 Board may propose procurement rules for consideration by chief  
12 procurement officers. These proposals shall be published in  
13 each volume of the Procurement Bulletin. Except as otherwise  
14 provided by law, the Board shall act upon the vote of a  
15 majority of its members who have been appointed and are  
16 serving.

17 (b-5) Reviews, studies, and hearings. The Board may review,  
18 study, and hold public hearings concerning the implementation  
19 and administration of this Code. Each chief procurement  
20 officer, associate procurement officer, State purchasing  
21 officer, and State agency shall cooperate with the Board,  
22 provide information to the Board, and be responsive to the  
23 Board in the Board's conduct of its reviews, studies, and  
24 hearings.

25 (c) Members. The Board shall consist of 5 members appointed  
26 one each by the 4 legislative leaders and the Governor. Each  
27 member shall have demonstrated sufficient business or  
28 professional experience in the area of procurement to perform  
29 the functions of the Board. No member may be a member of the  
30 General Assembly.

31 (d) Terms. Of the initial appointees, the Governor shall  
32 designate one member, as Chairman, to serve a one-year term,  
33 the President of the Senate and the Speaker of the House shall  
34 each appoint one member to serve 3-year terms, and the Minority

1 Leader of the House and the Minority Leader of the Senate shall  
2 each appoint one member to serve 2-year terms. Subsequent terms  
3 shall be 4 years. Members may be reappointed for succeeding  
4 terms.

5 (e) Reimbursement. Members shall receive no compensation  
6 but shall be reimbursed for any expenses reasonably incurred in  
7 the performance of their duties.

8 (f) Staff support. Upon a three-fifths vote of its members,  
9 the Board may employ an executive director. Subject to  
10 appropriation, the Board also may employ a reasonable and  
11 necessary number of ~~have up to 3~~ staff persons. ~~Other support~~  
12 ~~services shall be provided by the chief procurement officers.~~

13 (g) Meetings. Meetings of the Board may be conducted  
14 telephonically, electronically, or through the use of other  
15 telecommunications. Written minutes of such meetings shall be  
16 created and available for public inspection and copying.

17 (Source: P.A. 90-572, eff. date - See Sec. 99-5.)

18 (30 ILCS 500/5-25)

19 Sec. 5-25. Rulemaking authority; agency policy; agency  
20 response.

21 (a) Rulemaking. A State agency authorized to make  
22 procurements under this Code shall have the authority to  
23 promulgate rules to carry out that authority. That rulemaking  
24 on specific procurement topics is mentioned in specific  
25 Sections of this Code shall not be construed as prohibiting or  
26 limiting rulemaking on other procurement topics.

27 All rules shall be promulgated in accordance with the  
28 Illinois Administrative Procedure Act. Contractual provisions,  
29 specifications, and procurement descriptions are not rules and  
30 are not subject to the Illinois Administrative Procedure Act.  
31 All rules other than those promulgated by the Board shall be  
32 presented in writing to the Board for its review and comment.  
33 The Board shall express its opinions and recommendations in



1 writing. Both the proposed rules and Board recommendations  
2 shall be made available for public review. The rules shall also  
3 be approved by the applicable chief procurement officer and the  
4 Joint Committee on Administrative Rules.

5 (b) Policy. Each chief procurement officer, associate  
6 procurement officer, and State agency shall promptly notify the  
7 Procurement Policy Board in writing of any proposed new  
8 procurement rule or policy or any proposed change in an  
9 existing procurement rule or policy.

10 (c) Response. Each State agency must respond promptly in  
11 writing to all inquiries and comments of the Procurement Policy  
12 Board.

13 (Source: P.A. 90-572, eff. date - See Sec. 99-5.)

14 (30 ILCS 500/5-30 new)

15 Sec. 5-30. Proposed contracts; Procurement Policy Board.

16 (a) Except as provided in subsection (c), within 30 days  
17 after notice of the awarding or letting of a contract has  
18 appeared in the Procurement Bulletin in accordance with  
19 subsection (b) of Section 15-25, the Board may request in  
20 writing from the contracting agency and the contracting agency  
21 shall promptly, but in no event later than 5 business days  
22 after receipt of the request, provide to the Board, by  
23 electronic or other means satisfactory to the Board,  
24 documentation in the possession of the contracting agency  
25 concerning the proposed contract. Nothing in this subsection is  
26 intended to waive or abrogate any privilege or right of  
27 confidentiality authorized by law.

28 (b) No contract subject to this Section may be entered into  
29 until the 30-day period described in subsection (a) has  
30 expired, unless the contracting agency requests in writing that  
31 the Board waive the period and the Board grants the waiver in  
32 writing.

33 (c) This Section does not apply to (i) contracts entered

1 into under this Code for small and emergency procurements as  
2 those procurements are defined in Article 20 and (ii) contracts  
3 for professional and artistic services that are nonrenewable,  
4 one year or less in duration, and have a value of less than  
5 \$20,000. If requested in writing by the Board, however, the  
6 contracting agency must promptly, but in no event later than 8  
7 business days after receipt of the request, transmit to the  
8 Board a copy of the contract for an emergency procurement and  
9 documentation in the possession of the contracting agency  
10 concerning the contract.

11 (30 ILCS 500/20-150 new)

12 Sec. 20-150. Proposed contracts; Procurement Policy Board.  
13 This Article is subject to Section 5-30 of this Code.

14 (30 ILCS 500/25-200 new)

15 Sec. 25-200. Proposed contracts; Procurement Policy Board.  
16 This Article is subject to Section 5-30 of this Code.

17 (30 ILCS 500/30-150 new)

18 Sec. 30-150. Proposed contracts; Procurement Policy Board.  
19 This Article is subject to Section 5-30 of this Code.

20 (30 ILCS 500/35-150 new)

21 Sec. 35-150. Proposed contracts; Procurement Policy Board.  
22 This Article is subject to Section 5-30 of this Code.

23 (30 ILCS 500/40-15)

24 Sec. 40-15. Method of source selection.

25 (a) Request for information. Except as provided in  
26 subsections (b) and (c), all State contracts for leases of real  
27 property or capital improvements shall be awarded by a request  
28 for information process in accordance with Section 40-20.

29 (b) Other methods. A request for information process need

1 not be used in procuring any of the following leases:

2 (1) Property of less than 10,000 square feet.

3 (2) Rent of less than \$100,000 per year.

4 (3) Duration of less than one year that cannot be  
5 renewed.

6 (4) Specialized space available at only one location.

7 (5) Renewal or extension of a lease in effect before  
8 July 1, 2002 ~~1999~~; provided that: (i) the chief procurement  
9 officer determines in writing that the renewal or extension  
10 is in the best interest of the State; (ii) the chief  
11 procurement officer submits his or her written  
12 determination and the renewal or extension to the Board;  
13 (iii) the Board does not object in writing to the renewal  
14 or extension within 30 days after its submission; and (iv)  
15 the chief procurement officer publishes the renewal or  
16 extension in the appropriate volume of the Procurement  
17 Bulletin.

18 (c) Leases with governmental units. Leases with other  
19 governmental units may be negotiated without using the request  
20 for information process when deemed by the chief procurement  
21 officer to be in the best interest of the State.

22 (Source: P.A. 93-133, eff. 1-1-04.)

23 (30 ILCS 500/40-55 new)

24 Sec. 40-55. Lessor's failure to make improvements. Each  
25 lease must provide for a penalty upon the lessor's failure to  
26 make improvements agreed upon in the lease. The penalty shall  
27 consist of a reduction in lease payments equal to the  
28 corresponding percentage of the improvement value to the lease  
29 value. The penalty shall continue until the lessor complies  
30 with the lease and the improvements are certified by the chief  
31 procurement officer and the leasing State agency.

32 (30 ILCS 500/40-150 new)

1       Sec. 40-150. Proposed contracts; Procurement Policy Board.  
2       This Article is subject to Section 5-30 of this Code.

3           (30 ILCS 500/53-150 new)

4       Sec. 53-150. Proposed contracts; Procurement Policy Board.  
5       This Article is subject to Section 5-30 of this Code.

6           Section 10-133. The Illinois Coal Technology Development  
7       Assistance Act is amended by changing Section 3 as follows:

8           (30 ILCS 730/3) (from Ch. 96 1/2, par. 8203)

9           Sec. 3. Transfers to Coal Technology Development  
10       Assistance Funds. As soon as may be practicable after the first  
11       day of each month, the Department of Revenue shall certify to  
12       the Treasurer an amount equal to 1/64 of the revenue realized  
13       from the tax imposed by the Electricity Excise Tax Law, Section  
14       2 of the Public Utilities Revenue Act, Section 2 of the  
15       Messages Tax Act, and Section 2 of the Gas Revenue Tax Act,  
16       during the preceding month. Upon receipt of the certification,  
17       the Treasurer shall transfer the amount shown on such  
18       certification from the General Revenue Fund to the Coal  
19       Technology Development Assistance Fund, which is hereby  
20       created as a special fund in the State treasury, except that no  
21       transfer shall be made in any month in which the Fund has  
22       reached the following balance:

23           (1) \$7,000,000 during fiscal year 1994.

24           (2) \$8,500,000 during fiscal year 1995.

25           (3) \$10,000,000 during fiscal years 1996 and 1997.

26           (4) During fiscal year 1998 through fiscal year 2004  
27       ~~and each year thereafter~~, an amount equal to the sum of  
28       \$10,000,000 plus additional moneys deposited into the Coal  
29       Technology Development Assistance Fund from the Renewable  
30       Energy Resources and Coal Technology Development Assistance  
31       Charge under Section 6.5 of the Renewable Energy, Energy

1 Efficiency, and Coal Resources Development Law of 1997.

2 (5) During fiscal year 2005, an amount equal to the sum  
3 of \$7,000,000 plus additional moneys deposited into the  
4 Coal Technology Development Assistance Fund from the  
5 Renewable Energy Resources and Coal Technology Development  
6 Assistance Charge under Section 6.5 of the Renewable  
7 Energy, Energy Efficiency, and Coal Resources Development  
8 Law of 1997.

9 (6) During fiscal year 2006 and each fiscal year  
10 thereafter, an amount equal to the sum of \$10,000,000 plus  
11 additional moneys deposited into the Coal Technology  
12 Development Assistance Fund from the Renewable Energy  
13 Resources and Coal Technology Development Assistance  
14 Charge under Section 6.5 of the Renewable Energy, Energy  
15 Efficiency, and Coal Resources Development Law of 1997.

16 (Source: P.A. 90-561, eff. 12-16-97; 90-624, eff. 7-10-98.)

17 Section 10-135. The Illinois Income Tax Act is amended by  
18 changing Section 901 as follows:

19 (35 ILCS 5/901) (from Ch. 120, par. 9-901)

20 Sec. 901. Collection Authority.

21 (a) In general.

22 The Department shall collect the taxes imposed by this Act.  
23 The Department shall collect certified past due child support  
24 amounts under Section 2505-650 of the Department of Revenue Law  
25 (20 ILCS 2505/2505-650). Except as provided in subsections (c)  
26 and (e) of this Section, money collected pursuant to  
27 subsections (a) and (b) of Section 201 of this Act shall be  
28 paid into the General Revenue Fund in the State treasury; money  
29 collected pursuant to subsections (c) and (d) of Section 201 of  
30 this Act shall be paid into the Personal Property Tax  
31 Replacement Fund, a special fund in the State Treasury; and  
32 money collected under Section 2505-650 of the Department of

1 Revenue Law (20 ILCS 2505/2505-650) shall be paid into the  
2 Child Support Enforcement Trust Fund, a special fund outside  
3 the State Treasury, or to the State Disbursement Unit  
4 established under Section 10-26 of the Illinois Public Aid  
5 Code, as directed by the Department of Public Aid.

6 (b) Local Governmental Distributive Fund.

7 Beginning August 1, 1969, and continuing through June 30,  
8 1994, the Treasurer shall transfer each month from the General  
9 Revenue Fund to a special fund in the State treasury, to be  
10 known as the "Local Government Distributive Fund", an amount  
11 equal to 1/12 of the net revenue realized from the tax imposed  
12 by subsections (a) and (b) of Section 201 of this Act during  
13 the preceding month. Beginning July 1, 1994, and continuing  
14 through June 30, 1995, the Treasurer shall transfer each month  
15 from the General Revenue Fund to the Local Government  
16 Distributive Fund an amount equal to 1/11 of the net revenue  
17 realized from the tax imposed by subsections (a) and (b) of  
18 Section 201 of this Act during the preceding month. Beginning  
19 July 1, 1995, the Treasurer shall transfer each month from the  
20 General Revenue Fund to the Local Government Distributive Fund  
21 an amount equal to the net of (i) 1/10 of the net revenue  
22 realized from the tax imposed by subsections (a) and (b) of  
23 Section 201 of the Illinois Income Tax Act during the preceding  
24 month (ii) minus, beginning July 1, 2003 and ending June 30,  
25 2004, \$6,666,666, and beginning July 1, 2004, zero. Net revenue  
26 realized for a month shall be defined as the revenue from the  
27 tax imposed by subsections (a) and (b) of Section 201 of this  
28 Act which is deposited in the General Revenue Fund, the  
29 Educational Assistance Fund and the Income Tax Surcharge Local  
30 Government Distributive Fund during the month minus the amount  
31 paid out of the General Revenue Fund in State warrants during  
32 that same month as refunds to taxpayers for overpayment of  
33 liability under the tax imposed by subsections (a) and (b) of  
34 Section 201 of this Act.

1 (c) Deposits Into Income Tax Refund Fund.

2 (1) 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) (1), (2), and  
5 (3), of Section 201 of this Act into a fund in the State  
6 treasury known as the Income Tax Refund Fund. The  
7 Department shall deposit 6% of such amounts during the  
8 period beginning January 1, 1989 and ending on June 30,  
9 1989. Beginning with State fiscal year 1990 and for each  
10 fiscal year thereafter, the percentage deposited into the  
11 Income Tax Refund Fund during a fiscal year shall be the  
12 Annual Percentage. For fiscal years 1999 through 2001, the  
13 Annual Percentage shall be 7.1%. For fiscal year 2003, the  
14 Annual Percentage shall be 8%. For fiscal year 2004, the  
15 Annual Percentage shall be 11.7%. Upon the effective date  
16 of this amendatory Act of the 93rd General Assembly, the  
17 Annual Percentage shall be 10% for fiscal year 2005. For  
18 all other fiscal years, the Annual Percentage shall be  
19 calculated as a fraction, the numerator of which shall be  
20 the amount of refunds approved for payment by the  
21 Department during the preceding fiscal year as a result of  
22 overpayment of tax liability under subsections (a) and  
23 (b) (1), (2), and (3) of Section 201 of this Act plus the  
24 amount of such refunds remaining approved but unpaid at the  
25 end of the preceding fiscal year, minus the amounts  
26 transferred into the Income Tax Refund Fund from the  
27 Tobacco Settlement Recovery Fund, and the denominator of  
28 which shall be the amounts which will be collected pursuant  
29 to subsections (a) and (b) (1), (2), and (3) of Section 201  
30 of this Act during the preceding fiscal year; except that  
31 in State fiscal year 2002, the Annual Percentage shall in  
32 no event exceed 7.6%. The Director of Revenue shall certify  
33 the Annual Percentage to the Comptroller on the last  
34 business day of the fiscal year immediately preceding the

1 fiscal year for which it is to be 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. The  
7 Department shall deposit 18% of such amounts during the  
8 period beginning January 1, 1989 and ending on June 30,  
9 1989. Beginning with State fiscal year 1990 and for each  
10 fiscal year thereafter, the percentage deposited into the  
11 Income Tax Refund Fund during a fiscal year shall be the  
12 Annual Percentage. For fiscal years 1999, 2000, and 2001,  
13 the Annual Percentage shall be 19%. For fiscal year 2003,  
14 the Annual Percentage shall be 27%. For fiscal year 2004,  
15 the Annual Percentage shall be 32%. Upon the effective date  
16 of this amendatory Act of the 93rd General Assembly, the  
17 Annual Percentage shall be 24% for fiscal year 2005. For  
18 all other fiscal years, the Annual Percentage shall be  
19 calculated as a fraction, the numerator of which shall be  
20 the amount of refunds approved for payment by the  
21 Department during the preceding fiscal year as a result of  
22 overpayment of tax liability under subsections (a) and  
23 (b) (6), (7), and (8), (c) and (d) of Section 201 of this  
24 Act plus the amount of such refunds remaining approved but  
25 unpaid at the end of the preceding fiscal year, and the  
26 denominator of which shall be the amounts which will be  
27 collected pursuant to subsections (a) and (b) (6), (7), and  
28 (8), (c) and (d) of Section 201 of this Act during the  
29 preceding fiscal year; except that in State fiscal year  
30 2002, the Annual Percentage shall in no event exceed 23%.  
31 The Director of Revenue shall certify the Annual Percentage  
32 to the Comptroller on the last business day of the fiscal  
33 year immediately preceding the fiscal year for which it is  
34 to be effective.



1           (3) The Comptroller shall order transferred and the  
2           Treasurer shall transfer from the Tobacco Settlement  
3           Recovery Fund to the Income Tax Refund Fund (i) \$35,000,000  
4           in January, 2001, (ii) \$35,000,000 in January, 2002, and  
5           (iii) \$35,000,000 in January, 2003.

6           (d) Expenditures from Income Tax Refund Fund.

7           (1) Beginning January 1, 1989, money in the Income Tax  
8           Refund Fund shall be expended exclusively for the purpose  
9           of paying refunds resulting from overpayment of tax  
10          liability under Section 201 of this Act, for paying rebates  
11          under Section 208.1 in the event that the amounts in the  
12          Homeowners' Tax Relief Fund are insufficient for that  
13          purpose, and for making transfers pursuant to this  
14          subsection (d).

15          (2) The Director shall order payment of refunds  
16          resulting from overpayment of tax liability under Section  
17          201 of this Act from the Income Tax Refund Fund only to the  
18          extent that amounts collected pursuant to Section 201 of  
19          this Act and transfers pursuant to this subsection (d) and  
20          item (3) of subsection (c) have been deposited and retained  
21          in the Fund.

22          (3) As soon as possible after the end of each fiscal  
23          year, the Director shall order transferred and the State  
24          Treasurer and State Comptroller shall transfer from the  
25          Income Tax Refund Fund to the Personal Property Tax  
26          Replacement Fund an amount, certified by the Director to  
27          the Comptroller, equal to the excess of the amount  
28          collected pursuant to subsections (c) and (d) of Section  
29          201 of this Act deposited into the Income Tax Refund Fund  
30          during the fiscal year over the amount of refunds resulting  
31          from overpayment of tax liability under subsections (c) and  
32          (d) of Section 201 of this Act paid from the Income Tax  
33          Refund Fund during the fiscal year.

34          (4) As soon as possible after the end of each fiscal

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

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

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

25 (e) Deposits into the Education Assistance Fund and the  
26 Income Tax Surcharge Local Government Distributive Fund.

27 On July 1, 1991, and thereafter, of the amounts collected  
28 pursuant to subsections (a) and (b) of Section 201 of this Act,  
29 minus deposits into the Income Tax Refund Fund, the Department  
30 shall deposit 7.3% into the Education Assistance Fund in the  
31 State Treasury. Beginning July 1, 1991, and continuing through  
32 January 31, 1993, of the amounts collected pursuant to  
33 subsections (a) and (b) of Section 201 of the Illinois Income  
34 Tax Act, minus deposits into the Income Tax Refund Fund, the

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

14 (Source: P.A. 92-11, eff. 6-11-01; 92-16, eff. 6-28-01; 92-600,  
15 eff. 6-28-02; 93-32, eff. 6-20-03.)

16 Section 10-140. The Cigarette Tax Act is amended by  
17 changing Section 2 as follows:

18 (35 ILCS 130/2) (from Ch. 120, par. 453.2)

19 Sec. 2. Tax imposed; rate; collection, payment, and  
20 distribution; discount.

21 (a) A tax is imposed upon any person engaged in business as  
22 a retailer of cigarettes in this State at the rate of 5 1/2  
23 mills per cigarette sold, or otherwise disposed of in the  
24 course of such business in this State. In addition to any other  
25 tax imposed by this Act, a tax is imposed upon any person  
26 engaged in business as a retailer of cigarettes in this State  
27 at a rate of 1/2 mill per cigarette sold or otherwise disposed  
28 of in the course of such business in this State on and after  
29 January 1, 1947, and shall be paid into the Metropolitan Fair  
30 and Exposition Authority Reconstruction Fund. On and after  
31 December 1, 1985, in addition to any other tax imposed by this  
32 Act, a tax is imposed upon any person engaged in business as a

1 retailer of cigarettes in this State at a rate of 4 mills per  
2 cigarette sold or otherwise disposed of in the course of such  
3 business in this State. Of the additional tax imposed by this  
4 amendatory Act of 1985, \$9,000,000 of the moneys received by  
5 the Department of Revenue pursuant to this Act shall be paid  
6 each month into the Common School Fund. On and after the  
7 effective date of this amendatory Act of 1989, in addition to  
8 any other tax imposed by this Act, a tax is imposed upon any  
9 person engaged in business as a retailer of cigarettes at the  
10 rate of 5 mills per cigarette sold or otherwise disposed of in  
11 the course of such business in this State. On and after the  
12 effective date of this amendatory Act of 1993, in addition to  
13 any other tax imposed by this Act, a tax is imposed upon any  
14 person engaged in business as a retailer of cigarettes at the  
15 rate of 7 mills per cigarette sold or otherwise disposed of in  
16 the course of such business in this State. On and after  
17 December 15, 1997, in addition to any other tax imposed by this  
18 Act, a tax is imposed upon any person engaged in business as a  
19 retailer of cigarettes at the rate of 7 mills per cigarette  
20 sold or otherwise disposed of in the course of such business of  
21 this State. All of the moneys received by the Department of  
22 Revenue pursuant to this Act and the Cigarette Use Tax Act from  
23 the additional taxes imposed by this amendatory Act of 1997,  
24 shall be paid each month into the Common School Fund. On and  
25 after July 1, 2002, in addition to any other tax imposed by  
26 this Act, a tax is imposed upon any person engaged in business  
27 as a retailer of cigarettes at the rate of 20.0 mills per  
28 cigarette sold or otherwise disposed of in the course of such  
29 business in this State. The payment of such taxes shall be  
30 evidenced by a stamp affixed to each original package of  
31 cigarettes, or an authorized substitute for such stamp  
32 imprinted on each original package of such cigarettes  
33 underneath the sealed transparent outside wrapper of such  
34 original package, as hereinafter provided. However, such taxes

1 are not imposed upon any activity in such business in  
2 interstate commerce or otherwise, which activity may not under  
3 the Constitution and statutes of the United States be made the  
4 subject of taxation by this State.

5 Beginning on the effective date of this amendatory Act of  
6 the 92nd General Assembly, all of the moneys received by the  
7 Department of Revenue pursuant to this Act and the Cigarette  
8 Use Tax Act, other than the moneys that are dedicated to the  
9 Metropolitan Fair and Exposition Authority Reconstruction Fund  
10 and the Common School Fund, shall be distributed each month as  
11 follows: first, there shall be paid into the General Revenue  
12 Fund an amount which, when added to the amount paid into the  
13 Common School Fund for that month, equals \$33,300,000, except  
14 that in the month of August of 2004, this amount shall equal  
15 \$83,300,000; then, from the moneys remaining, if any amounts  
16 required to be paid into the General Revenue Fund in previous  
17 months remain unpaid, those amounts shall be paid into the  
18 General Revenue Fund; then, beginning on April 1, 2003, from  
19 the moneys remaining, \$5,000,000 per month shall be paid into  
20 the School Infrastructure Fund; then, if any amounts required  
21 to be paid into the School Infrastructure Fund in previous  
22 months remain unpaid, those amounts shall be paid into the  
23 School Infrastructure Fund; then the moneys remaining, if any,  
24 shall be paid into the Long-Term Care Provider Fund. To the  
25 extent that more than \$25,000,000 has been paid into the  
26 General Revenue Fund and Common School Fund per month for the  
27 period of July 1, 1993 through the effective date of this  
28 amendatory Act of 1994 from combined receipts of the Cigarette  
29 Tax Act and the Cigarette Use Tax Act, notwithstanding the  
30 distribution provided in this Section, the Department of  
31 Revenue is hereby directed to adjust the distribution provided  
32 in this Section to increase the next monthly payments to the  
33 Long Term Care Provider Fund by the amount paid to the General  
34 Revenue Fund and Common School Fund in excess of \$25,000,000

1 per month and to decrease the next monthly payments to the  
2 General Revenue Fund and Common School Fund by that same excess  
3 amount.

4 When any tax imposed herein terminates or has terminated,  
5 distributors who have bought stamps while such tax was in  
6 effect and who therefore paid such tax, but who can show, to  
7 the Department's satisfaction, that they sold the cigarettes to  
8 which they affixed such stamps after such tax had terminated  
9 and did not recover the tax or its equivalent from purchasers,  
10 shall be allowed by the Department to take credit for such  
11 absorbed tax against subsequent tax stamp purchases from the  
12 Department by such distributor.

13 The impact of the tax levied by this Act is imposed upon  
14 the retailer and shall be prepaid or pre-collected by the  
15 distributor for the purpose of convenience and facility only,  
16 and the amount of the tax shall be added to the price of the  
17 cigarettes sold by such distributor. Collection of the tax  
18 shall be evidenced by a stamp or stamps affixed to each  
19 original package of cigarettes, as hereinafter provided.

20 Each distributor shall collect the tax from the retailer at  
21 or before the time of the sale, shall affix the stamps as  
22 hereinafter required, and shall remit the tax collected from  
23 retailers to the Department, as hereinafter provided. Any  
24 distributor who fails to properly collect and pay the tax  
25 imposed by this Act shall be liable for the tax. Any  
26 distributor having cigarettes to which stamps have been affixed  
27 in his possession for sale on the effective date of this  
28 amendatory Act of 1989 shall not be required to pay the  
29 additional tax imposed by this amendatory Act of 1989 on such  
30 stamped cigarettes. Any distributor having cigarettes to which  
31 stamps have been affixed in his or her possession for sale at  
32 12:01 a.m. on the effective date of this amendatory Act of  
33 1993, is required to pay the additional tax imposed by this  
34 amendatory Act of 1993 on such stamped cigarettes. This

1 payment, less the discount provided in subsection (b), shall be  
2 due when the distributor first makes a purchase of cigarette  
3 tax stamps after the effective date of this amendatory Act of  
4 1993, or on the first due date of a return under this Act after  
5 the effective date of this amendatory Act of 1993, whichever  
6 occurs first. Any distributor having cigarettes to which stamps  
7 have been affixed in his possession for sale on December 15,  
8 1997 shall not be required to pay the additional tax imposed by  
9 this amendatory Act of 1997 on such stamped cigarettes.

10 Any distributor having cigarettes to which stamps have been  
11 affixed in his or her possession for sale on July 1, 2002 shall  
12 not be required to pay the additional tax imposed by this  
13 amendatory Act of the 92nd General Assembly on those stamped  
14 cigarettes.

15 The amount of the Cigarette Tax imposed by this Act shall  
16 be separately stated, apart from the price of the goods, by  
17 both distributors and retailers, in all advertisements, bills  
18 and sales invoices.

19 (b) The distributor shall be required to collect the taxes  
20 provided under paragraph (a) hereof, and, to cover the costs of  
21 such collection, shall be allowed a discount during any year  
22 commencing July 1st and ending the following June 30th in  
23 accordance with the schedule set out hereinbelow, which  
24 discount shall be allowed at the time of purchase of the stamps  
25 when purchase is required by this Act, or at the time when the  
26 tax is remitted to the Department without the purchase of  
27 stamps from the Department when that method of paying the tax  
28 is required or authorized by this Act. Prior to December 1,  
29 1985, a discount equal to 1 2/3% of the amount of the tax up to  
30 and including the first \$700,000 paid hereunder by such  
31 distributor to the Department during any such year; 1 1/3% of  
32 the next \$700,000 of tax or any part thereof, paid hereunder by  
33 such distributor to the Department during any such year; 1% of  
34 the next \$700,000 of tax, or any part thereof, paid hereunder

1 by such distributor to the Department during any such year, and  
2 2/3 of 1% of the amount of any additional tax paid hereunder by  
3 such distributor to the Department during any such year shall  
4 apply. On and after December 1, 1985, a discount equal to 1.75%  
5 of the amount of the tax payable under this Act up to and  
6 including the first \$3,000,000 paid hereunder by such  
7 distributor to the Department during any such year and 1.5% of  
8 the amount of any additional tax paid hereunder by such  
9 distributor to the Department during any such year shall apply.

10 Two or more distributors that use a common means of  
11 affixing revenue tax stamps or that are owned or controlled by  
12 the same interests shall be treated as a single distributor for  
13 the purpose of computing the discount.

14 (c) The taxes herein imposed are in addition to all other  
15 occupation or privilege taxes imposed by the State of Illinois,  
16 or by any political subdivision thereof, or by any municipal  
17 corporation.

18 (Source: P.A. 92-536, eff. 6-6-02.)

19 Section 10-145. The Motor Fuel Tax Law is amended by  
20 changing Section 8 as follows:

21 (35 ILCS 505/8) (from Ch. 120, par. 424)

22 Sec. 8. Except as provided in Section 8a, subdivision  
23 (h) (1) of Section 12a, Section 13a.6, and items 13, 14, 15, and  
24 16 of Section 15, all money received by the Department under  
25 this Act, including payments made to the Department by member  
26 jurisdictions participating in the International Fuel Tax  
27 Agreement, shall be deposited in a special fund in the State  
28 treasury, to be known as the "Motor Fuel Tax Fund", and shall  
29 be used as follows:

30 (a) 2 1/2 cents per gallon of the tax collected on special  
31 fuel under paragraph (b) of Section 2 and Section 13a of this  
32 Act shall be transferred to the State Construction Account Fund



1 in the State Treasury;

2 (b) \$420,000 shall be transferred each month to the State  
3 Boating Act Fund to be used by the Department of Natural  
4 Resources for the purposes specified in Article X of the Boat  
5 Registration and Safety Act;

6 (c) \$2,250,000 shall be transferred each month to the Grade  
7 Crossing Protection Fund to be used as follows: not less than  
8 \$6,000,000 each fiscal year shall be used for the construction  
9 or reconstruction of rail highway grade separation structures;  
10 \$2,250,000 in fiscal year 2004 and each fiscal year thereafter  
11 shall be transferred to the Transportation Regulatory Fund and  
12 shall be accounted for as part of the rail carrier portion of  
13 such funds and shall be used to pay the cost of administration  
14 of the Illinois Commerce Commission's railroad safety program  
15 in connection with its duties under subsection (3) of Section  
16 18c-7401 of the Illinois Vehicle Code, with the remainder to be  
17 used by the Department of Transportation upon order of the  
18 Illinois Commerce Commission, to pay that part of the cost  
19 apportioned by such Commission to the State to cover the  
20 interest of the public in the use of highways, roads, streets,  
21 or pedestrian walkways in the county highway system, township  
22 and district road system, or municipal street system as defined  
23 in the Illinois Highway Code, as the same may from time to time  
24 be amended, for separation of grades, for installation,  
25 construction or reconstruction of crossing protection or  
26 reconstruction, alteration, relocation including construction  
27 or improvement of any existing highway necessary for access to  
28 property or improvement of any grade crossing including the  
29 necessary highway approaches thereto of any railroad across the  
30 highway or public road, or for the installation, construction,  
31 reconstruction, or maintenance of a pedestrian walkway over or  
32 under a railroad right-of-way, as provided for in and in  
33 accordance with Section 18c-7401 of the Illinois Vehicle Code.  
34 The Commission shall not order more than \$2,000,000 per year in

1 Grade Crossing Protection Fund moneys for pedestrian walkways.  
2 In entering orders for projects for which payments from the  
3 Grade Crossing Protection Fund will be made, the Commission  
4 shall account for expenditures authorized by the orders on a  
5 cash rather than an accrual basis. For purposes of this  
6 requirement an "accrual basis" assumes that the total cost of  
7 the project is expended in the fiscal year in which the order  
8 is entered, while a "cash basis" allocates the cost of the  
9 project among fiscal years as expenditures are actually made.  
10 To meet the requirements of this subsection, the Illinois  
11 Commerce Commission shall develop annual and 5-year project  
12 plans of rail crossing capital improvements that will be paid  
13 for with moneys from the Grade Crossing Protection Fund. The  
14 annual project plan shall identify projects for the succeeding  
15 fiscal year and the 5-year project plan shall identify projects  
16 for the 5 directly succeeding fiscal years. The Commission  
17 shall submit the annual and 5-year project plans for this Fund  
18 to the Governor, the President of the Senate, the Senate  
19 Minority Leader, the Speaker of the House of Representatives,  
20 and the Minority Leader of the House of Representatives on the  
21 first Wednesday in April of each year;

22 (d) of the amount remaining after allocations provided for  
23 in subsections (a), (b) and (c), a sufficient amount shall be  
24 reserved to pay all of the following:

25 (1) the costs of the Department of Revenue in  
26 administering this Act;

27 (2) the costs of the Department of Transportation in  
28 performing its duties imposed by the Illinois Highway Code  
29 for supervising the use of motor fuel tax funds apportioned  
30 to municipalities, counties and road districts;

31 (3) refunds provided for in Section 13 of this Act and  
32 under the terms of the International Fuel Tax Agreement  
33 referenced in Section 14a;

34 (4) from October 1, 1985 until June 30, 1994, the

1 administration of the Vehicle Emissions Inspection Law,  
2 which amount shall be certified monthly by the  
3 Environmental Protection Agency to the State Comptroller  
4 and shall promptly be transferred by the State Comptroller  
5 and Treasurer from the Motor Fuel Tax Fund to the Vehicle  
6 Inspection Fund, and for the period July 1, 1994 through  
7 June 30, 2000, one-twelfth of \$25,000,000 each month, for  
8 the period July 1, 2000 through June 30, 2003, one-twelfth  
9 of \$30,000,000 each month, and \$15,000,000 on July 1, 2003,  
10 and \$15,000,000 on January 1, 2004, and \$15,000,000 on each  
11 July 1 and October 1, or as soon thereafter as may be  
12 practical, during ~~of each calendar year for~~ the period July  
13 ~~January~~ 1, 2004 through June 30, 2006, for the  
14 administration of the Vehicle Emissions Inspection Law of  
15 1995, to be transferred by the State Comptroller and  
16 Treasurer from the Motor Fuel Tax Fund into the Vehicle  
17 Inspection Fund;

18 (5) amounts ordered paid by the Court of Claims; and

19 (6) payment of motor fuel use taxes due to member  
20 jurisdictions under the terms of the International Fuel Tax  
21 Agreement. The Department shall certify these amounts to  
22 the Comptroller by the 15th day of each month; the  
23 Comptroller shall cause orders to be drawn for such  
24 amounts, and the Treasurer shall administer those amounts  
25 on or before the last day of each month;

26 (e) after allocations for the purposes set forth in  
27 subsections (a), (b), (c) and (d), the remaining amount shall  
28 be apportioned as follows:

29 (1) Until January 1, 2000, 58.4%, and beginning January  
30 1, 2000, 45.6% shall be deposited as follows:

31 (A) 37% into the State Construction Account Fund,  
32 and

33 (B) 63% into the Road Fund, \$1,250,000 of which  
34 shall be reserved each month for the Department of

1           Transportation to be used in accordance with the  
2           provisions of Sections 6-901 through 6-906 of the  
3           Illinois Highway Code;

4           (2) Until January 1, 2000, 41.6%, and beginning January  
5           1, 2000, 54.4% shall be transferred to the Department of  
6           Transportation to be distributed as follows:

7                   (A) 49.10% to the municipalities of the State,

8                   (B) 16.74% to the counties of the State having  
9                   1,000,000 or more inhabitants,

10                  (C) 18.27% to the counties of the State having less  
11                  than 1,000,000 inhabitants,

12                  (D) 15.89% to the road districts of the State.

13           As soon as may be after the first day of each month the  
14           Department of Transportation shall allot to each municipality  
15           its share of the amount apportioned to the several  
16           municipalities which shall be in proportion to the population  
17           of such municipalities as determined by the last preceding  
18           municipal census if conducted by the Federal Government or  
19           Federal census. If territory is annexed to any municipality  
20           subsequent to the time of the last preceding census the  
21           corporate authorities of such municipality may cause a census  
22           to be taken of such annexed territory and the population so  
23           ascertained for such territory shall be added to the population  
24           of the municipality as determined by the last preceding census  
25           for the purpose of determining the allotment for that  
26           municipality. If the population of any municipality was not  
27           determined by the last Federal census preceding any  
28           apportionment, the apportionment to such municipality shall be  
29           in accordance with any census taken by such municipality. Any  
30           municipal census used in accordance with this Section shall be  
31           certified to the Department of Transportation by the clerk of  
32           such municipality, and the accuracy thereof shall be subject to  
33           approval of the Department which may make such corrections as  
34           it ascertains to be necessary.

1           As soon as may be after the first day of each month the  
2 Department of Transportation shall allot to each county its  
3 share of the amount apportioned to the several counties of the  
4 State as herein provided. Each allotment to the several  
5 counties having less than 1,000,000 inhabitants shall be in  
6 proportion to the amount of motor vehicle license fees received  
7 from the residents of such counties, respectively, during the  
8 preceding calendar year. The Secretary of State shall, on or  
9 before April 15 of each year, transmit to the Department of  
10 Transportation a full and complete report showing the amount of  
11 motor vehicle license fees received from the residents of each  
12 county, respectively, during the preceding calendar year. The  
13 Department of Transportation shall, each month, use for  
14 allotment purposes the last such report received from the  
15 Secretary of State.

16           As soon as may be after the first day of each month, the  
17 Department of Transportation shall allot to the several  
18 counties their share of the amount apportioned for the use of  
19 road districts. The allotment shall be apportioned among the  
20 several counties in the State in the proportion which the total  
21 mileage of township or district roads in the respective  
22 counties bears to the total mileage of all township and  
23 district roads in the State. Funds allotted to the respective  
24 counties for the use of road districts therein shall be  
25 allocated to the several road districts in the county in the  
26 proportion which the total mileage of such township or district  
27 roads in the respective road districts bears to the total  
28 mileage of all such township or district roads in the county.  
29 After July 1 of any year, no allocation shall be made for any  
30 road district unless it levied a tax for road and bridge  
31 purposes in an amount which will require the extension of such  
32 tax against the taxable property in any such road district at a  
33 rate of not less than either .08% of the value thereof, based  
34 upon the assessment for the year immediately prior to the year

1 in which such tax was levied and as equalized by the Department  
2 of Revenue or, in DuPage County, an amount equal to or greater  
3 than \$12,000 per mile of road under the jurisdiction of the  
4 road district, whichever is less. If any road district has  
5 levied a special tax for road purposes pursuant to Sections  
6 6-601, 6-602 and 6-603 of the Illinois Highway Code, and such  
7 tax was levied in an amount which would require extension at a  
8 rate of not less than .08% of the value of the taxable property  
9 thereof, as equalized or assessed by the Department of Revenue,  
10 or, in DuPage County, an amount equal to or greater than  
11 \$12,000 per mile of road under the jurisdiction of the road  
12 district, whichever is less, such levy shall, however, be  
13 deemed a proper compliance with this Section and shall qualify  
14 such road district for an allotment under this Section. If a  
15 township has transferred to the road and bridge fund money  
16 which, when added to the amount of any tax levy of the road  
17 district would be the equivalent of a tax levy requiring  
18 extension at a rate of at least .08%, or, in DuPage County, an  
19 amount equal to or greater than \$12,000 per mile of road under  
20 the jurisdiction of the road district, whichever is less, such  
21 transfer, together with any such tax levy, shall be deemed a  
22 proper compliance with this Section and shall qualify the road  
23 district for an allotment under this Section.

24 In counties in which a property tax extension limitation is  
25 imposed under the Property Tax Extension Limitation Law, road  
26 districts may retain their entitlement to a motor fuel tax  
27 allotment if, at the time the property tax extension limitation  
28 was imposed, the road district was levying a road and bridge  
29 tax at a rate sufficient to entitle it to a motor fuel tax  
30 allotment and continues to levy the maximum allowable amount  
31 after the imposition of the property tax extension limitation.  
32 Any road district may in all circumstances retain its  
33 entitlement to a motor fuel tax allotment if it levied a road  
34 and bridge tax in an amount that will require the extension of

1 the tax against the taxable property in the road district at a  
2 rate of not less than 0.08% of the assessed value of the  
3 property, based upon the assessment for the year immediately  
4 preceding the year in which the tax was levied and as equalized  
5 by the Department of Revenue or, in DuPage County, an amount  
6 equal to or greater than \$12,000 per mile of road under the  
7 jurisdiction of the road district, whichever is less.

8 As used in this Section the term "road district" means any  
9 road district, including a county unit road district, provided  
10 for by the Illinois Highway Code; and the term "township or  
11 district road" means any road in the township and district road  
12 system as defined in the Illinois Highway Code. For the  
13 purposes of this Section, "road district" also includes park  
14 districts, forest preserve districts and conservation  
15 districts organized under Illinois law and "township or  
16 district road" also includes such roads as are maintained by  
17 park districts, forest preserve districts and conservation  
18 districts. The Department of Transportation shall determine  
19 the mileage of all township and district roads for the purposes  
20 of making allotments and allocations of motor fuel tax funds  
21 for use in road districts.

22 Payment of motor fuel tax moneys to municipalities and  
23 counties shall be made as soon as possible after the allotment  
24 is made. The treasurer of the municipality or county may invest  
25 these funds until their use is required and the interest earned  
26 by these investments shall be limited to the same uses as the  
27 principal funds.

28 (Source: P.A. 92-16, eff. 6-28-01; 92-30, eff. 7-1-01; 93-32,  
29 eff. 6-20-03.)

30 Section 10-150. The Electricity Excise Tax Law is amended  
31 by changing Sections 2-9 and 2-11 as follows:

32 (35 ILCS 640/2-9)

1           Sec. 2-9. Return and payment of tax by delivering supplier.  
2 Each delivering supplier who is required or authorized to  
3 collect the tax imposed by this Law shall make a return to the  
4 Department on or before the 15th day of each month for the  
5 preceding calendar month stating the following:

6           (1) The delivering supplier's name.

7           (2) The address of the delivering supplier's principal  
8 place of business and the address of the principal place of  
9 business (if that is a different address) from which the  
10 delivering supplier engaged in the business of delivering  
11 electricity in this State.

12           (3) The total number of kilowatt-hours which the  
13 supplier delivered to or for purchasers during the  
14 preceding calendar month and upon the basis of which the  
15 tax is imposed.

16           (4) Amount of tax, computed upon Item (3) at the rates  
17 stated in Section 2-4.

18           (5) An adjustment for uncollectible amounts of tax in  
19 respect of prior period kilowatt-hour deliveries,  
20 determined in accordance with rules and regulations  
21 promulgated by the Department.

22           (5.5) The amount of credits to which the taxpayer is  
23 entitled on account of purchases made under Section 8-403.1  
24 of the Public Utilities Act.

25           (6) Such other information as the Department  
26 reasonably may require.

27           In making such return the delivering supplier may use any  
28 reasonable method to derive reportable "kilowatt-hours" from  
29 the delivering supplier's records.

30           If the average monthly tax liability to the Department of  
31 the delivering supplier does not exceed \$2,500, the Department  
32 may authorize the delivering supplier's returns to be filed on  
33 a quarter-annual basis, with the return for January, February  
34 and March of a given year being due by April 30 of such year;



1 with the return for April, May and June of a given year being  
2 due by July 31 of such year; with the return for July, August  
3 and September of a given year being due by October 31 of such  
4 year; and with the return for October, November and December of  
5 a given year being due by January 31 of the following year.

6 If the average monthly tax liability to the Department of  
7 the delivering supplier does not exceed \$1,000, the Department  
8 may authorize the delivering supplier's returns to be filed on  
9 an annual basis, with the return for a given year being due by  
10 January 31 of the following year.

11 Such quarter-annual and annual returns, as to form and  
12 substance, shall be subject to the same requirements as monthly  
13 returns.

14 Notwithstanding any other provision in this Law concerning  
15 the time within which a delivering supplier may file a return,  
16 any such delivering supplier who ceases to engage in a kind of  
17 business which makes the person responsible for filing returns  
18 under this Law shall file a final return under this Law with  
19 the Department not more than one month after discontinuing such  
20 business.

21 Each delivering supplier whose average monthly liability  
22 to the Department under this Law was \$10,000 or more during the  
23 preceding calendar year, excluding the month of highest  
24 liability and the month of lowest liability in such calendar  
25 year, and who is not operated by a unit of local government,  
26 shall make estimated payments to the Department on or before  
27 the 7th, 15th, 22nd and last day of the month during which tax  
28 liability to the Department is incurred in an amount not less  
29 than the lower of either 22.5% of such delivering supplier's  
30 actual tax liability for the month or 25% of such delivering  
31 supplier's actual tax liability for the same calendar month of  
32 the preceding year. The amount of such quarter-monthly payments  
33 shall be credited against the final tax liability of such  
34 delivering supplier's return for that month. An outstanding

1 credit approved by the Department or a credit memorandum issued  
2 by the Department arising from such delivering supplier's  
3 overpayment of his or her final tax liability for any month may  
4 be applied to reduce the amount of any subsequent  
5 quarter-monthly payment or credited against the final tax  
6 liability of such delivering supplier's return for any  
7 subsequent month. If any quarter-monthly payment is not paid at  
8 the time or in the amount required by this Section, such  
9 delivering supplier shall be liable for penalty and interest on  
10 the difference between the minimum amount due as a payment and  
11 the amount of such payment actually and timely paid, except  
12 insofar as such delivering supplier has previously made  
13 payments for that month to the Department in excess of the  
14 minimum payments previously due.

15 If the Director finds that the information required for the  
16 making of an accurate return cannot reasonably be compiled by  
17 such delivering supplier within 15 days after the close of the  
18 calendar month for which a return is to be made, the Director  
19 may grant an extension of time for the filing of such return  
20 for a period not to exceed 31 calendar days. The granting of  
21 such an extension may be conditioned upon the deposit by such  
22 delivering supplier with the Department of an amount of money  
23 not exceeding the amount estimated by the Director to be due  
24 with the return so extended. All such deposits shall be  
25 credited against such delivering supplier's liabilities under  
26 this Law. If the deposit exceeds such delivering supplier's  
27 present and probable future liabilities under this Law, the  
28 Department shall issue to such delivering supplier a credit  
29 memorandum, which may be assigned by such delivering supplier  
30 to a similar person under this Law, in accordance with  
31 reasonable rules and regulations to be prescribed by the  
32 Department.

33 The delivering supplier making the return provided for in  
34 this Section shall, at the time of making such return, pay to

1 the Department the amount of tax imposed by this Law.

2 Until October 1, 2002, a delivering supplier who has an  
3 average monthly tax liability of \$10,000 or more shall make all  
4 payments required by rules of the Department by electronic  
5 funds transfer. The term "average monthly tax liability" shall  
6 be the sum of the delivering supplier's liabilities under this  
7 Law for the immediately preceding calendar year divided by 12.  
8 Beginning on October 1, 2002, a taxpayer who has a tax  
9 liability in the amount set forth in subsection (b) of Section  
10 2505-210 of the Department of Revenue Law shall make all  
11 payments required by rules of the Department by electronic  
12 funds transfer. Any delivering supplier not required to make  
13 payments by electronic funds transfer may make payments by  
14 electronic funds transfer with the permission of the  
15 Department. All delivering suppliers required to make payments  
16 by electronic funds transfer and any delivering suppliers  
17 authorized to voluntarily make payments by electronic funds  
18 transfer shall make those payments in the manner authorized by  
19 the Department.

20 Through June 30, 2004, each ~~Each~~ month the Department shall  
21 pay into the Public Utility Fund in the State treasury an  
22 amount determined by the Director to be equal to 3.0% of the  
23 funds received by the Department pursuant to this Section.  
24 Through June 30, 2004, the ~~The~~ remainder of all moneys received  
25 by the Department under this Section shall be paid into the  
26 General Revenue Fund in the State treasury. Beginning on July  
27 1, 2004, of the 3% of the funds received pursuant to this  
28 Section, each month the Department shall pay \$416,667 into the  
29 General Revenue Fund and the balance shall be paid into the  
30 Public Utility Fund in the State treasury.

31 (Source: P.A. 92-492, eff. 1-1-02.)

32 (35 ILCS 640/2-11)

33 Sec. 2-11. Direct return and payment by self-assessing

1 purchaser. When electricity is used or consumed by a  
2 self-assessing purchaser subject to the tax imposed by this Law  
3 who did not pay the tax to a delivering supplier maintaining a  
4 place of business within this State and required or authorized  
5 to collect the tax, that self-assessing purchaser shall, on or  
6 before the 15th day of each month, make a return to the  
7 Department for the preceding calendar month, stating all of the  
8 following:

9 (1) The self-assessing purchaser's name and principal  
10 address.

11 (2) The aggregate purchase price paid by the  
12 self-assessing purchaser for the distribution, supply,  
13 furnishing, sale, transmission and delivery of such  
14 electricity to or for the purchaser during the preceding  
15 calendar month, including budget plan and other  
16 purchaser-owned amounts applied during such month in  
17 payment of charges includible in the purchase price, and  
18 upon the basis of which the tax is imposed.

19 (3) Amount of tax, computed upon item (2) at the rate  
20 stated in Section 2-4.

21 (4) Such other information as the Department  
22 reasonably may require.

23 In making such return the self-assessing purchaser may use  
24 any reasonable method to derive reportable "purchase price"  
25 from the self-assessing purchaser's records.

26 If the average monthly tax liability of the self-assessing  
27 purchaser to the Department does not exceed \$2,500, the  
28 Department may authorize the self-assessing purchaser's  
29 returns to be filed on a quarter-annual basis, with the return  
30 for January, February and March of a given year being due by  
31 April 30 of such year; with the return for April, May and June  
32 of a given year being due by July 31 of such year; with the  
33 return for July, August, and September of a given year being  
34 due by October 31 of such year; and with the return for

1 October, November and December of a given year being due by  
2 January 31 of the following year.

3 If the average monthly tax liability of the self-assessing  
4 purchaser to the Department does not exceed \$1,000, the  
5 Department may authorize the self-assessing purchaser's  
6 returns to be filed on an annual basis, with the return for a  
7 given year being due by January 31 of the following year.

8 Such quarter-annual and annual returns, as to form and  
9 substance, shall be subject to the same requirements as monthly  
10 returns.

11 Notwithstanding any other provision in this Law concerning  
12 the time within which a self-assessing purchaser may file a  
13 return, any such self-assessing purchaser who ceases to be  
14 responsible for filing returns under this Law shall file a  
15 final return under this Law with the Department not more than  
16 one month thereafter.

17 Each self-assessing purchaser whose average monthly  
18 liability to the Department pursuant to this Section was  
19 \$10,000 or more during the preceding calendar year, excluding  
20 the month of highest liability and the month of lowest  
21 liability during such calendar year, and which is not operated  
22 by a unit of local government, shall make estimated payments to  
23 the Department on or before the 7th, 15th, 22nd and last day of  
24 the month during which tax liability to the Department is  
25 incurred in an amount not less than the lower of either 22.5%  
26 of such self-assessing purchaser's actual tax liability for the  
27 month or 25% of such self-assessing purchaser's actual tax  
28 liability for the same calendar month of the preceding year.  
29 The amount of such quarter-monthly payments shall be credited  
30 against the final tax liability of the self-assessing  
31 purchaser's return for that month. An outstanding credit  
32 approved by the Department or a credit memorandum issued by the  
33 Department arising from the self-assessing purchaser's  
34 overpayment of the self-assessing purchaser's final tax

1 liability for any month may be applied to reduce the amount of  
2 any subsequent quarter-monthly payment or credited against the  
3 final tax liability of such self-assessing purchaser's return  
4 for any subsequent month. If any quarter-monthly payment is not  
5 paid at the time or in the amount required by this Section,  
6 such person shall be liable for penalty and interest on the  
7 difference between the minimum amount due as a payment and the  
8 amount of such payment actually and timely paid, except insofar  
9 as such person has previously made payments for that month to  
10 the Department in excess of the minimum payments previously  
11 due.

12 If the Director finds that the information required for the  
13 making of an accurate return cannot reasonably be compiled by a  
14 self-assessing purchaser within 15 days after the close of the  
15 calendar month for which a return is to be made, the Director  
16 may grant an extension of time for the filing of such return  
17 for a period of not to exceed 31 calendar days. The granting of  
18 such an extension may be conditioned upon the deposit by such  
19 self-assessing purchaser with the Department of an amount of  
20 money not exceeding the amount estimated by the Director to be  
21 due with the return so extended. All such deposits shall be  
22 credited against such self-assessing purchaser's liabilities  
23 under this Law. If the deposit exceeds such self-assessing  
24 purchaser's present and probable future liabilities under this  
25 Law, the Department shall issue to such self-assessing  
26 purchaser a credit memorandum, which may be assigned by such  
27 self-assessing purchaser to a similar person under this Law, in  
28 accordance with reasonable rules and regulations to be  
29 prescribed by the Department.

30 The self-assessing purchaser making the return provided  
31 for in this Section shall, at the time of making such return,  
32 pay to the Department the amount of tax imposed by this Law.

33 Until October 1, 2002, a self-assessing purchaser who has  
34 an average monthly tax liability of \$10,000 or more shall make

1 all payments required by rules of the Department by electronic  
2 funds transfer. The term "average monthly tax liability" shall  
3 be the sum of the self-assessing purchaser's liabilities under  
4 this Law for the immediately preceding calendar year divided by  
5 12. Beginning on October 1, 2002, a taxpayer who has a tax  
6 liability in the amount set forth in subsection (b) of Section  
7 2505-210 of the Department of Revenue Law shall make all  
8 payments required by rules of the Department by electronic  
9 funds transfer. Any self-assessing purchaser not required to  
10 make payments by electronic funds transfer may make payments by  
11 electronic funds transfer with the permission of the  
12 Department. All self-assessing purchasers required to make  
13 payments by electronic funds transfer and any self-assessing  
14 purchasers authorized to voluntarily make payments by  
15 electronic funds transfer shall make those payments in the  
16 manner authorized by the Department.

17 Through June 30, 2004, each ~~Each~~ month the Department shall  
18 pay into the Public Utility Fund in the State treasury an  
19 amount determined by the Director to be equal to 3.0% of the  
20 funds received by the Department pursuant to this Section.  
21 Through June 30, 2004, the ~~The~~ remainder of all moneys received  
22 by the Department under this Section shall be paid into the  
23 General Revenue Fund in the State treasury. Beginning on July  
24 1, 2004, of the 3% of the funds received pursuant to this  
25 Section, each month the Department shall pay \$416,667 into the  
26 General Revenue Fund and the balance shall be paid into the  
27 Public Utility Fund in the State treasury.

28 (Source: P.A. 91-357, eff. 7-29-99; 92-492, eff. 1-1-02.)

29 Section 10-155. The Illinois Pension Code is amended by  
30 changing Sections 14-103.05, 14-108.3, 14-135.08, 15-106,  
31 15-107, and 16-133.3 and adding Section 14-132.1 as follows:

32 (40 ILCS 5/14-103.05) (from Ch. 108 1/2, par. 14-103.05)

1           Sec. 14-103.05. Employee.

2           (a) Any person employed by a Department who receives salary  
3 for personal services rendered to the Department on a warrant  
4 issued pursuant to a payroll voucher certified by a Department  
5 and drawn by the State Comptroller upon the State Treasurer,  
6 including an elected official described in subparagraph (d) of  
7 Section 14-104, shall become an employee for purpose of  
8 membership in the Retirement System on the first day of such  
9 employment.

10          A person entering service on or after January 1, 1972 and  
11 prior to January 1, 1984 shall become a member as a condition  
12 of employment and shall begin making contributions as of the  
13 first day of employment.

14          A person entering service on or after January 1, 1984  
15 shall, upon completion of 6 months of continuous service which  
16 is not interrupted by a break of more than 2 months, become a  
17 member as a condition of employment. Contributions shall begin  
18 the first of the month after completion of the qualifying  
19 period.

20          The qualifying period of 6 months of service is not  
21 applicable to: (1) a person who has been granted credit for  
22 service in a position covered by the State Universities  
23 Retirement System, the Teachers' Retirement System of the State  
24 of Illinois, the General Assembly Retirement System, or the  
25 Judges Retirement System of Illinois unless that service has  
26 been forfeited under the laws of those systems; (2) a person  
27 entering service on or after July 1, 1991 in a noncovered  
28 position; or (3) a person to whom Section 14-108.2a or  
29 14-108.2b applies.

30          (b) The term "employee" does not include the following:

31           (1) members of the State Legislature, and persons  
32 electing to become members of the General Assembly  
33 Retirement System pursuant to Section 2-105;

34           (2) incumbents of offices normally filled by vote of



1 the people;

2 (3) except as otherwise provided in this Section, any  
3 person appointed by the Governor with the advice and  
4 consent of the Senate unless that person elects to  
5 participate in this system;

6 (4) except as provided in Section 14-108.2 or  
7 14-108.2c, any person who is covered or eligible to be  
8 covered by the Teachers' Retirement System of the State of  
9 Illinois, the State Universities Retirement System, or the  
10 Judges Retirement System of Illinois;

11 (5) an employee of a municipality or any other  
12 political subdivision of the State;

13 (6) any person who becomes an employee after June 30,  
14 1979 as a public service employment program participant  
15 under the Federal Comprehensive Employment and Training  
16 Act and whose wages or fringe benefits are paid in whole or  
17 in part by funds provided under such Act;

18 (7) enrollees of the Illinois Young Adult Conservation  
19 Corps program, administered by the Department of Natural  
20 Resources, authorized grantee pursuant to Title VIII of the  
21 "Comprehensive Employment and Training Act of 1973", 29 USC  
22 993, as now or hereafter amended;

23 (8) enrollees and temporary staff of programs  
24 administered by the Department of Natural Resources under  
25 the Youth Conservation Corps Act of 1970;

26 (9) any person who is a member of any professional  
27 licensing or disciplinary board created under an Act  
28 administered by the Department of Professional Regulation  
29 or a successor agency or created or re-created after the  
30 effective date of this amendatory Act of 1997, and who  
31 receives per diem compensation rather than a salary,  
32 notwithstanding that such per diem compensation is paid by  
33 warrant issued pursuant to a payroll voucher; such persons  
34 have never been included in the membership of this System,

1 and this amendatory Act of 1987 (P.A. 84-1472) is not  
2 intended to effect any change in the status of such  
3 persons;

4 (10) any person who is a member of the Illinois Health  
5 Care Cost Containment Council, and receives per diem  
6 compensation rather than a salary, notwithstanding that  
7 such per diem compensation is paid by warrant issued  
8 pursuant to a payroll voucher; such persons have never been  
9 included in the membership of this System, and this  
10 amendatory Act of 1987 is not intended to effect any change  
11 in the status of such persons; ~~or~~

12 (11) any person who is a member of the Oil and Gas  
13 Board created by Section 1.2 of the Illinois Oil and Gas  
14 Act, and receives per diem compensation rather than a  
15 salary, notwithstanding that such per diem compensation is  
16 paid by warrant issued pursuant to a payroll voucher; or-

17 (12) a person employed by the State Board of Higher  
18 Education in a position with the Illinois Century Network  
19 as of June 30, 2004, who remains continuously employed  
20 after that date by the Department of Central Management  
21 Services in a position with the Illinois Century Network  
22 and participates in the Article 15 system with respect to  
23 that employment.

24 (Source: P.A. 92-14, eff. 6-28-01.)

25 (40 ILCS 5/14-108.3)

26 Sec. 14-108.3. Early retirement incentives.

27 (a) To be eligible for the benefits provided in this  
28 Section, a person must:

29 (1) be a member of this System who, on any day during  
30 June, 2002, is (i) in active payroll status in a position  
31 of employment with a department and an active contributor  
32 to this System with respect to that employment, and  
33 terminates that employment before the retirement annuity

1 under this Article begins, or (ii) on layoff status from  
2 such a position with a right of re-employment or recall to  
3 service, or (iii) receiving benefits under Section 14-123,  
4 14-123.1 or 14-124, but only if the member has not been  
5 receiving those benefits for a continuous period of more  
6 than 2 years as of the date of application;

7 (2) not have received any retirement annuity under this  
8 Article beginning earlier than August 1, 2002;

9 (3) file with the Board on or before December 31, 2002  
10 a written application requesting the benefits provided in  
11 this Section;

12 (4) terminate employment under this Article no later  
13 than December 31, 2002 (or the date established under  
14 subsection (d), if applicable);

15 (5) by the date of termination of service, have at  
16 least 8 years of creditable service under this Article,  
17 without the use of any creditable service established under  
18 this Section;

19 (6) by the date of termination of service, have at  
20 least 5 years of membership service earned while an  
21 employee under this Article, which may include military  
22 service for which credit is established under Section  
23 14-105(b), service during the qualifying period for which  
24 credit is established under Section 14-104(a), and service  
25 for which credit has been established by repaying a refund  
26 under Section 14-130, but shall not include service for  
27 which any other optional service credit has been  
28 established; and

29 (7) not receive any early retirement benefit under  
30 Section 16-133.3 of this Code.

31 (b) An eligible person may establish up to 5 years of  
32 creditable service under this Article, in increments of one  
33 month, by making the contributions specified in subsection (c).  
34 In addition, for each month of creditable service established

1 under this Section, a person's age at retirement shall be  
2 deemed to be one month older than it actually is.

3 The creditable service established under this Section may  
4 be used for all purposes under this Article and the Retirement  
5 Systems Reciprocal Act, except for the computation of final  
6 average compensation under Section 14-103.12 or the  
7 determination of compensation under this or any other Article  
8 of this Code.

9 The age enhancement established under this Section may not  
10 be used to enable any person to begin receiving a retirement  
11 annuity calculated under Section 14-110 before actually  
12 attaining age 50 (without any age enhancement under this  
13 Section). The age enhancement established under this Section  
14 may be used for all other purposes under this Article  
15 (including calculation of a proportionate annuity payable by  
16 this System under the Retirement Systems Reciprocal Act),  
17 except for purposes of the level income option in Section  
18 14-112, the reversionary annuity under Section 14-113, and the  
19 required distributions under Section 14-121.1.

20 The age enhancement established under this Section may be  
21 used in determining benefits payable under Article 16 of this  
22 Code under the Retirement Systems Reciprocal Act, if the person  
23 has at least 5 years of service credit in the Article 16 system  
24 that was earned while participating in that system as a teacher  
25 (as defined in Section 16-106) employed by a department (as  
26 defined in Section 14-103.04). Age enhancement established  
27 under this Section shall not otherwise be used in determining  
28 benefits payable under other Articles of this Code under the  
29 Retirement Systems Reciprocal Act.

30 (c) For all creditable service established under this  
31 Section, a person must pay to the System an employee  
32 contribution to be determined by the System, based on the  
33 member's rate of compensation on June 1, 2002 (or the last date  
34 before June 1, 2002 for which a rate can be determined) and the

1 retirement contribution rate in effect on June 1, 2002 for the  
2 member (or for members with the same social security and  
3 alternative formula status as the member).

4 If the member receives a lump sum payment for accumulated  
5 vacation, sick leave and personal leave upon withdrawal from  
6 service, and the net amount of that lump sum payment is at  
7 least as great as the amount of the contribution required under  
8 this Section, the entire contribution must be paid by the  
9 employee by payroll deduction. If there is no such lump sum  
10 payment, or if it is less than the contribution required under  
11 this Section, the member shall make an initial payment by  
12 payroll deduction, equal to the net amount of the lump sum  
13 payment for accumulated vacation, sick leave, and personal  
14 leave, and have the remaining amount due treated as a reduction  
15 from the retirement annuity in 24 equal monthly installments  
16 beginning in the month in which the retirement annuity takes  
17 effect. The required contribution may be paid as a pre-tax  
18 deduction from earnings. For federal and Illinois tax purposes,  
19 the monthly amount by which the annuitant's benefit is reduced  
20 shall not be treated as a contribution by the annuitant, but  
21 rather as a reduction of the annuitant's monthly benefit.

22 (c-5) The reduction in retirement annuity provided in  
23 subsection (c) of Section 14-108 does not apply to the annuity  
24 of a person who retires under this Section. A person who has  
25 received any age enhancement or creditable service under this  
26 Section may begin to receive an unreduced retirement annuity  
27 upon attainment of age 55 with at least 25 years of creditable  
28 service (including any age enhancement and creditable service  
29 established under this Section).

30 (d) In order to ensure that the efficient operation of  
31 State government is not jeopardized by the simultaneous  
32 retirement of large numbers of key personnel, the director or  
33 other head of a department may, for key employees of that  
34 department, extend the December 31, 2002 deadline for

1 terminating employment under this Article established in  
2 subdivision (a)(4) of this Section to a date not later than  
3 April 30, 2003 by so notifying the System in writing by  
4 December 31, 2002.

5 (e) Notwithstanding Section 14-111, a person who has  
6 received any age enhancement or creditable service under this  
7 Section and who reenters service under this Article (or as an  
8 employee of a department under Article 16) other than as a  
9 temporary employee thereby forfeits that age enhancement and  
10 creditable service and is entitled to a refund of the  
11 contributions made pursuant to this Section.

12 (f) The System shall determine the amount of the increase  
13 in the present value of future benefits ~~unfunded accrued~~  
14 ~~liability~~ resulting from the granting of early retirement  
15 incentives under this Section and shall report that amount to  
16 the Governor and the ~~Pension Laws Commission (or its successor,~~  
17 ~~the Economic and Fiscal Commission)~~ on or after the effective  
18 date of this amendatory Act of the 93rd General Assembly and on  
19 or before November 15, 2004 2003. The increase ~~in liability~~  
20 reported under this subsection (f) shall not be included in the  
21 calculation of the required State contribution under Section  
22 14-131.

23 (g) ~~The System shall determine the amount of the annual~~  
24 ~~State contribution necessary to amortize on a level~~  
25 ~~dollar payment basis, over a period of 10 years at 8.5%~~  
26 ~~interest, compounded annually, an amount equal to the increase~~  
27 ~~in unfunded accrued liability determined under subsection (f)~~  
28 ~~minus \$70,000,000. The System shall certify the amount of this~~  
29 ~~annual State contribution to the Governor, the State~~  
30 ~~Comptroller, the Governor's Office of Management and Budget~~  
31 ~~(formerly Bureau of the Budget), and the Pension Laws~~  
32 ~~Commission (or its successor, the Economic and Fiscal~~  
33 ~~Commission) on or before November 15, 2003. In addition to the~~  
34 contributions otherwise required under this Article, the State

1 shall appropriate and pay to the System (1) an amount equal to  
2 \$70,000,000 in State fiscal years ~~year~~ 2004 and 2005 and (2) in  
3 each of State fiscal years 2006 through 2015, a level  
4 dollar-payment based upon the increase in the present value of  
5 future benefits provided by the early retirement incentives  
6 provided under this Section amortized at 8.5% interest ~~2005~~  
7 ~~through 2013, an amount equal to the annual State contribution~~  
8 ~~certified by the System under this subsection (g).~~

9 (h) The Economic and Fiscal Commission (i) shall hold one  
10 or more hearings on or before the last session day during the  
11 fall veto session of 2004 to review recommendations relating to  
12 funding of early retirement incentives under this Section and  
13 (ii) shall file its report with the General Assembly on or  
14 before December 31, 2004 making its recommendations relating to  
15 funding of early retirement incentives under this Section; the  
16 Commission's report may contain both majority recommendations  
17 and minority recommendations. The System shall recalculate and  
18 recertify to the Governor by January 31, 2005 the amount of the  
19 required State contribution to the System for State fiscal year  
20 2005 with respect to those incentives. The Pension Laws  
21 Commission (or its successor, the Economic and Fiscal  
22 Commission) shall determine and report to the General Assembly,  
23 on or before January 1, 2004 and annually thereafter through  
24 the year 2013, its estimate of (1) the annual amount of payroll  
25 savings likely to be realized by the State as a result of the  
26 early retirement of persons receiving early retirement  
27 incentives under this Section and (2) the net annual savings or  
28 cost to the State from the program of early retirement  
29 incentives created under this Section.

30 The System, the Department of Central Management Services,  
31 the Governor's Office of Management and Budget (formerly Bureau  
32 of the Budget), and all other departments shall provide to the  
33 Commission any assistance that the Commission may request with  
34 respect to its reports under this Section. The Commission may

1 require departments to provide it with any information that it  
2 deems necessary or useful with respect to its reports under  
3 this Section, including without limitation information about  
4 (1) the final earnings of former department employees who  
5 elected to receive benefits under this Section, (2) the  
6 earnings of current department employees holding the positions  
7 vacated by persons who elected to receive benefits under this  
8 Section, and (3) positions vacated by persons who elected to  
9 receive benefits under this Section that have not yet been  
10 refilled.

11 (i) The changes made to this Section by this amendatory Act  
12 of the 92nd General Assembly do not apply to persons who  
13 retired under this Section on or before May 1, 1992.

14 (Source: P.A. 92-566, eff. 6-25-02; 93-632, eff. 2-1-04.)

15 (40 ILCS 5/14-132.2 new)

16 Sec. 14-132.2. Payment into the General Obligation  
17 Retirement and Interest Fund. Notwithstanding any other law, on  
18 the first day of each month, or as soon thereafter as  
19 practical, the System shall pay over to the State for deposit  
20 into the General Obligation Retirement and Interest Fund all  
21 amounts previously received by the System pursuant to Section  
22 14-135.08(b) representing additional amounts to pay principal  
23 of and interest on general obligation bonds authorized by  
24 Section 7.2(a) of the General Obligation Bond Act and issued to  
25 provide those proceeds deposited by the State with the System  
26 in July 2004, representing deposits other than amounts reserved  
27 under Section 7.2 of the General Obligation Bond Act.

28 (40 ILCS 5/14-135.08) (from Ch. 108 1/2, par. 14-135.08)

29 Sec. 14-135.08. To certify required State contributions.

30 (a) To certify to the Governor and to each department, on  
31 or before November 15 of each year, the required rate for State  
32 contributions to the System for the next State fiscal year, as



1 determined under subsection (b) of Section 14-131. The  
2 certification to the Governor shall include a copy of the  
3 actuarial recommendations upon which the rate is based.

4 (b) The certification shall include an additional amount  
5 necessary to pay all principal of and interest on those general  
6 obligation bonds due the next fiscal year authorized by Section  
7 7.2(a) of the General Obligation Bond Act and issued to provide  
8 the proceeds deposited by the State with the System in July  
9 2004, representing deposits other than amounts reserved under  
10 Section 7.2(c) of the General Obligation Bond Act. For State  
11 fiscal year 2005, the Board shall make a supplemental  
12 certification of the additional amount necessary to pay all  
13 principal of and interest on those general obligation bonds due  
14 in State fiscal years 2004 and 2005 authorized by Section  
15 7.2(a) of the General Obligation Bond Act and issued to provide  
16 the proceeds deposited by the State with the System in July  
17 2004, representing deposits other than amounts reserved under  
18 Section 7.2(c) of the General Obligation Bond Act, as soon as  
19 practical after the effective date of this amendatory Act of  
20 the 93rd General Assembly.

21 On or before May 1, 2004, the Board shall recalculate and  
22 recertify to the Governor and to each department the amount of  
23 the required State contribution to the System and the required  
24 rates for State contributions to the System for State fiscal  
25 year 2005, taking into account the amounts appropriated to and  
26 received by the System under subsection (d) of Section 7.2 of  
27 the General Obligation Bond Act.

28 (Source: P.A. 93-2, eff. 4-7-03.)

29 (40 ILCS 5/15-106) (from Ch. 108 1/2, par. 15-106)

30 Sec. 15-106. Employer. "Employer": The University of  
31 Illinois, Southern Illinois University, Chicago State  
32 University, Eastern Illinois University, Governors State  
33 University, Illinois State University, Northeastern Illinois

1 University, Northern Illinois University, Western Illinois  
2 University, the State Board of Higher Education, the Illinois  
3 Mathematics and Science Academy, the State Geological Survey  
4 Division of the Department of Natural Resources, the State  
5 Natural History Survey Division of the Department of Natural  
6 Resources, the State Water Survey Division of the Department of  
7 Natural Resources, the Waste Management and Research Center of  
8 the Department of Natural Resources, the University Civil  
9 Service Merit Board, the Board of Trustees of the State  
10 Universities Retirement System, the Illinois Community College  
11 Board, community college boards, any association of community  
12 college boards organized under Section 3-55 of the Public  
13 Community College Act, the Board of Examiners established under  
14 the Illinois Public Accounting Act, and, only during the period  
15 for which employer contributions required under Section 15-155  
16 are paid, the following organizations: the alumni  
17 associations, the foundations and the athletic associations  
18 which are affiliated with the universities and colleges  
19 included in this Section as employers.

20 A department as defined in Section 14-103.04 is an employer  
21 for any person appointed by the Governor under the Civil  
22 Administrative Code of Illinois who is a participating employee  
23 as defined in Section 15-109. The Department of Central  
24 Management Services is an employer with respect to persons  
25 employed by the State Board of Higher Education in positions  
26 with the Illinois Century Network as of June 30, 2004 who  
27 remain continuously employed after that date by the Department  
28 of Central Management Services in positions with the Illinois  
29 Century Network.

30 The cities of Champaign and Urbana shall be considered  
31 employers, but only during the period for which contributions  
32 are required to be made under subsection (b-1) of Section  
33 15-155 and only with respect to individuals described in  
34 subsection (h) of Section 15-107.

1 (Source: P.A. 89-4, eff. 1-1-96; 89-445, eff. 2-7-96; 90-490,  
2 eff. 8-17-97; 90-511, eff. 8-22-97; 90-576, eff. 3-31-98;  
3 90-655, eff. 7-30-98.)

4 (40 ILCS 5/15-107) (from Ch. 108 1/2, par. 15-107)  
5 Sec. 15-107. Employee.

6 (a) "Employee" means any member of the educational,  
7 administrative, secretarial, clerical, mechanical, labor or  
8 other staff of an employer whose employment is permanent and  
9 continuous or who is employed in a position in which services  
10 are expected to be rendered on a continuous basis for at least  
11 4 months or one academic term, whichever is less, who (A)  
12 receives payment for personal services on a warrant issued  
13 pursuant to a payroll voucher certified by an employer and  
14 drawn by the State Comptroller upon the State Treasurer or by  
15 an employer upon trust, federal or other funds, or (B) is on a  
16 leave of absence without pay. Employment which is irregular,  
17 intermittent or temporary shall not be considered continuous  
18 for purposes of this paragraph.

19 However, a person is not an "employee" if he or she:

20 (1) is a student enrolled in and regularly attending  
21 classes in a college or university which is an employer,  
22 and is employed on a temporary basis at less than full  
23 time;

24 (2) is currently receiving a retirement annuity or a  
25 disability retirement annuity under Section 15-153.2 from  
26 this System;

27 (3) is on a military leave of absence;

28 (4) is eligible to participate in the Federal Civil  
29 Service Retirement System and is currently making  
30 contributions to that system based upon earnings paid by an  
31 employer;

32 (5) is on leave of absence without pay for more than 60  
33 days immediately following termination of disability

1 benefits under this Article;

2 (6) is hired after June 30, 1979 as a public service  
3 employment program participant under the Federal  
4 Comprehensive Employment and Training Act and receives  
5 earnings in whole or in part from funds provided under that  
6 Act; or

7 (7) is employed on or after July 1, 1991 to perform  
8 services that are excluded by subdivision (a)(7)(f) or  
9 (a)(19) of Section 210 of the federal Social Security Act  
10 from the definition of employment given in that Section (42  
11 U.S.C. 410).

12 (b) Any employer may, by filing a written notice with the  
13 board, exclude from the definition of "employee" all persons  
14 employed pursuant to a federally funded contract entered into  
15 after July 1, 1982 with a federal military department in a  
16 program providing training in military courses to federal  
17 military personnel on a military site owned by the United  
18 States Government, if this exclusion is not prohibited by the  
19 federally funded contract or federal laws or rules governing  
20 the administration of the contract.

21 (c) Any person appointed by the Governor under the Civil  
22 Administrative Code of the State is an employee, if he or she  
23 is a participant in this system on the effective date of the  
24 appointment.

25 (d) A participant on lay-off status under civil service  
26 rules is considered an employee for not more than 120 days from  
27 the date of the lay-off.

28 (e) A participant is considered an employee during (1) the  
29 first 60 days of disability leave, (2) the period, not to  
30 exceed one year, in which his or her eligibility for disability  
31 benefits is being considered by the board or reviewed by the  
32 courts, and (3) the period he or she receives disability  
33 benefits under the provisions of Section 15-152, workers'  
34 compensation or occupational disease benefits, or disability

1 income under an insurance contract financed wholly or partially  
2 by the employer.

3 (f) Absences without pay, other than formal leaves of  
4 absence, of less than 30 calendar days, are not considered as  
5 an interruption of a person's status as an employee. If such  
6 absences during any period of 12 months exceed 30 work days,  
7 the employee status of the person is considered as interrupted  
8 as of the 31st work day.

9 (g) A staff member whose employment contract requires  
10 services during an academic term is to be considered an  
11 employee during the summer and other vacation periods, unless  
12 he or she declines an employment contract for the succeeding  
13 academic term or his or her employment status is otherwise  
14 terminated, and he or she receives no earnings during these  
15 periods.

16 (h) An individual who was a participating employee employed  
17 in the fire department of the University of Illinois's  
18 Champaign-Urbana campus immediately prior to the elimination  
19 of that fire department and who immediately after the  
20 elimination of that fire department became employed by the fire  
21 department of the City of Urbana or the City of Champaign shall  
22 continue to be considered as an employee for purposes of this  
23 Article for so long as the individual remains employed as a  
24 firefighter by the City of Urbana or the City of Champaign. The  
25 individual shall cease to be considered an employee under this  
26 subsection (h) upon the first termination of the individual's  
27 employment as a firefighter by the City of Urbana or the City  
28 of Champaign.

29 (i) An individual who is employed on a full-time basis as  
30 an officer or employee of a statewide teacher organization that  
31 serves System participants or an officer of a national teacher  
32 organization that serves System participants may participate  
33 in the System and shall be deemed an employee, provided that  
34 (1) the individual has previously earned creditable service

1 under this Article, (2) the individual files with the System an  
2 irrevocable election to become a participant, and (3) the  
3 individual does not receive credit for that employment under  
4 any other Article of this Code. An employee under this  
5 subsection (i) is responsible for paying to the System both (A)  
6 employee contributions based on the actual compensation  
7 received for service with the teacher organization and (B)  
8 employer contributions equal to the normal costs (as defined in  
9 Section 15-155) resulting from that service; all or any part of  
10 these contributions may be paid on the employee's behalf or  
11 picked up for tax purposes (if authorized under federal law) by  
12 the teacher organization.

13 A person who is an employee as defined in this subsection  
14 (i) may establish service credit for similar employment prior  
15 to becoming an employee under this subsection by paying to the  
16 System for that employment the contributions specified in this  
17 subsection, plus interest at the effective rate from the date  
18 of service to the date of payment. However, credit shall not be  
19 granted under this subsection for any such prior employment for  
20 which the applicant received credit under any other provision  
21 of this Code, or during which the applicant was on a leave of  
22 absence under Section 15-113.2.

23 (j) A person employed by the State Board of Higher  
24 Education in a position with the Illinois Century Network as of  
25 June 30, 2004 shall be considered to be an employee for so long  
26 as he or she remains continuously employed after that date by  
27 the Department of Central Management Services in a position  
28 with the Illinois Century Network and meets the requirements of  
29 subsection (a).

30 (Source: P.A. 93-347, eff. 7-24-03.)

31 (40 ILCS 5/16-133.3) (from Ch. 108 1/2, par. 16-133.3)

32 Sec. 16-133.3. Early retirement incentives for State  
33 employees.

1 (a) To be eligible for the benefits provided in this  
2 Section, a person must:

3 (1) be a member of this System who, on any day during  
4 June, 2002, is (i) in active payroll status as a full-time  
5 teacher employed by a department and an active contributor  
6 to this System with respect to that employment, or (ii) on  
7 layoff status from such a position with a right of  
8 re-employment or recall to service, or (iii) receiving a  
9 disability benefit under Section 16-149 or 16-149.1, but  
10 only if the member has not been receiving that benefit for  
11 a continuous period of more than 2 years as of the date of  
12 application;

13 (2) not have received any retirement annuity under this  
14 Article beginning earlier than August 1, 2002;

15 (3) file with the Board on or before December 31, 2002  
16 a written application requesting the benefits provided in  
17 this Section;

18 (4) terminate employment under this Article no later  
19 than December 31, 2002 (or the date established under  
20 subsection (d), if applicable);

21 (5) by the date of termination of service, have at  
22 least 8 years of creditable service under this Article,  
23 without the use of any creditable service established under  
24 this Section;

25 (6) by the date of termination of service, have at  
26 least 5 years of service credit earned while participating  
27 in the System as a teacher employed by a department; and

28 (7) not receive any early retirement benefit under  
29 Section 14-108.3 of this Code.

30 For the purposes of this Section, "department" means a  
31 department as defined in Section 14-103.04 that employs a  
32 teacher as defined in this Article.

33 (b) An eligible person may establish up to 5 years of  
34 creditable service under this Article by making the

1 contributions specified in subsection (c). In addition, for  
2 each period of creditable service established under this  
3 Section, a person's age at retirement shall be deemed to be  
4 enhanced by an equivalent period.

5 The creditable service established under this Section may  
6 be used for all purposes under this Article and the Retirement  
7 Systems Reciprocal Act, except for the computation of final  
8 average salary, the determination of salary or compensation  
9 under this Article or any other Article of this Code, or the  
10 determination of eligibility for or the computation of benefits  
11 under Section 16-133.2.

12 The age enhancement established under this Section may be  
13 used for all purposes under this Article (including calculation  
14 of a proportionate annuity payable by this System under the  
15 Retirement Systems Reciprocal Act), except for purposes of a  
16 retirement annuity under Section 16-133(a)(A), a reversionary  
17 annuity under Section 16-136, the required distributions under  
18 Section 16-142.3, and the determination of eligibility for or  
19 the computation of benefits under Section 16-133.2. Age  
20 enhancement established under this Section may be used in  
21 determining benefits payable under Article 14 of this Code  
22 under the Retirement Systems Reciprocal Act (subject to the  
23 limitations on the use of age enhancement provided in Section  
24 14-108.3); age enhancement established under this Section  
25 shall not be used in determining benefits payable under other  
26 Articles of this Code under the Retirement Systems Reciprocal  
27 Act.

28 (c) For all creditable service established under this  
29 Section, a person must pay to the System an employee  
30 contribution to be determined by the System, equal to 9.0% of  
31 the member's highest annual salary rate that would be used in  
32 the determination of the average salary for retirement annuity  
33 purposes if the member retired immediately after withdrawal,  
34 for each year of creditable service established under this



1 Section.

2 If the member receives a lump sum payment for accumulated  
3 vacation, sick leave, and personal leave upon withdrawal from  
4 service, and the net amount of that lump sum payment is at  
5 least as great as the amount of the contribution required under  
6 this Section, the entire contribution must be paid by the  
7 employee by payroll deduction. If there is no such lump sum  
8 payment, or if it is less than the contribution required under  
9 this Section, the member shall make an initial payment by  
10 payroll deduction, equal to the net amount of the lump sum  
11 payment for accumulated vacation, sick leave, and personal  
12 leave, and have the remaining amount due treated as a reduction  
13 from the retirement annuity in 24 equal monthly installments  
14 beginning in the month in which the retirement annuity takes  
15 effect. The required contribution may be paid as a pre-tax  
16 deduction from earnings.

17 (d) In order to ensure that the efficient operation of  
18 State government is not jeopardized by the simultaneous  
19 retirement of large numbers of key personnel, the director or  
20 other head of a department may, for key employees of that  
21 department, extend the December 31, 2002 deadline for  
22 terminating employment under this Article established in  
23 subdivision (a)(4) of this Section to a date not later than  
24 April 30, 2003 by so notifying the System in writing by  
25 December 31, 2002.

26 (e) A person who has received any age enhancement or  
27 creditable service under this Section and who reenters  
28 contributing service under this Article or Article 14 shall  
29 thereby forfeit that age enhancement and creditable service,  
30 and become entitled to a refund of the contributions made  
31 pursuant to this Section.

32 (f) The System shall determine the amount of the increase  
33 in the present value of future benefits ~~unfunded accrued~~  
34 ~~liability~~ resulting from the granting of early retirement

1 incentives under this Section and shall report that amount to  
2 the Governor and the ~~Pension Laws Commission (or its successor,~~  
3 ~~the Economic and Fiscal Commission)~~ on or after the effective  
4 date of this amendatory Act of the 93rd General Assembly and on  
5 or before November 15, 2004 2003. The increase in liability  
6 reported under this subsection (f) shall not be included in the  
7 calculation of the required State contribution under Section  
8 16-158.

9 (g) ~~The System shall determine the amount of the annual~~  
10 ~~State contribution necessary to amortize on a level~~  
11 ~~dollar payment basis, over a period of 10 years at 8.5%~~  
12 ~~interest, compounded annually, an amount equal to the increase~~  
13 ~~in unfunded accrued liability determined under subsection (f)~~  
14 ~~minus \$1,000,000. The System shall certify the amount of this~~  
15 ~~annual State contribution to the Governor, the State~~  
16 ~~Comptroller, the Governor's Office of Management and Budget~~  
17 ~~(formerly Bureau of the Budget), and the Pension Laws~~  
18 ~~Commission (or its successor, the Economic and Fiscal~~  
19 ~~Commission) on or before November 15, 2003. In addition to the~~  
20 ~~contributions otherwise required under this Article, the State~~  
21 ~~shall appropriate and pay to the System (1) an amount equal to~~  
22 ~~\$1,000,000 in State fiscal year 2004 and (2) in each of State~~  
23 ~~fiscal years 2006 through 2015, a level dollar-payment based~~  
24 ~~upon the increase in the present value of future benefits~~  
25 ~~provided by the early retirement incentives provided under this~~  
26 ~~Section amortized at 8.5% interest 2005 through 2013, an amount~~  
27 ~~equal to the annual State contribution certified by the System~~  
28 ~~under this subsection (g).~~

29 (h) The Pension Laws Commission (or its successor, the  
30 Economic and Fiscal Commission) shall determine and report to  
31 the General Assembly, on or before January 1, 2004 and annually  
32 thereafter through the year 2013, its estimate of (1) the  
33 annual amount of payroll savings likely to be realized by the  
34 State as a result of the early retirement of persons receiving

1 early retirement incentives under this Section and (2) the net  
2 annual savings or cost to the State from the program of early  
3 retirement incentives created under this Section.

4 The System, the Department of Central Management Services,  
5 the Governor's Office of Management and Budget (formerly Bureau  
6 of the Budget), and all other departments shall provide to the  
7 Commission any assistance that the Commission may request with  
8 respect to its reports under this Section. The Commission may  
9 require departments to provide it with any information that it  
10 deems necessary or useful with respect to its reports under  
11 this Section, including without limitation information about  
12 (1) the final earnings of former department employees who  
13 elected to receive benefits under this Section, (2) the  
14 earnings of current department employees holding the positions  
15 vacated by persons who elected to receive benefits under this  
16 Section, and (3) positions vacated by persons who elected to  
17 receive benefits under this Section that have not yet been  
18 refilled.

19 (i) The changes made to this Section by this amendatory Act  
20 of the 92nd General Assembly do not apply to persons who  
21 retired under this Section on or before May 1, 1992.

22 (Source: P.A. 92-566, eff. 6-25-02; 93-632, eff. 2-1-04.)

23 Section 10-159. The State Pension Funds Continuing  
24 Appropriation Act is amended by changing Section 1.6 as  
25 follows:

26 (40 ILCS 15/1.6)

27 Sec. 1.6. Appropriations for early retirement programs.

28 (a) There is hereby appropriated from the General Revenue  
29 Fund to the State Employees' Retirement System of Illinois, on  
30 a continuing annual basis in each of State fiscal years 2004  
31 through 2015 ~~2013~~, the amount, if any, by which the total  
32 available amount of all other appropriations to that retirement

1 system for the payment of State contributions under subsection  
2 (g) of Section 14-108.3 of the Illinois Pension Code in that  
3 fiscal year is less than the total amount of State  
4 contributions required for that fiscal year under that  
5 subsection (g).

6 (b) There is hereby appropriated from the General Revenue  
7 Fund to the Teachers' Retirement System of the State of  
8 Illinois, on a continuing annual basis in each of State fiscal  
9 years 2004 through 2015 ~~2013~~, the amount, if any, by which the  
10 total available amount of all other appropriations to that  
11 retirement system for the payment of State contributions under  
12 subsection (g) of Section 16-133.3 of the Illinois Pension Code  
13 in that fiscal year is less than the total amount of State  
14 contributions required for that fiscal year under that  
15 subsection (g).

16 (Source: P.A. 92-566, eff. 6-25-02.)

17 Section 10-160. The Wireless Emergency Telephone Safety  
18 Act is amended by changing Sections 17, 25, 30, 35, 40, and 50  
19 and by adding Section 75 as follows:

20 (50 ILCS 751/17)

21 (Section scheduled to be repealed on April 1, 2008)

22 Sec. 17. Wireless carrier surcharge.

23 (a) Except as provided in Section 45, each wireless carrier  
24 shall impose a monthly wireless carrier surcharge per CMRS  
25 connection that either has a telephone number within an area  
26 code assigned to Illinois by the North American Numbering Plan  
27 Administrator or has a billing address in this State. In the  
28 case of prepaid wireless telephone service, this surcharge  
29 shall be remitted based upon the address associated with the  
30 point of purchase, the customer billing address, or the  
31 location associated with the MTN for each active prepaid  
32 wireless telephone that has a sufficient positive balance as of

1 the last day of each month, if that information is available.  
2 No wireless carrier shall impose the surcharge authorized by  
3 this Section upon any subscriber who is subject to the  
4 surcharge imposed by a unit of local government pursuant to  
5 Section 45. The wireless carrier that provides wireless service  
6 to the subscriber shall collect the surcharge set by the  
7 Wireless Enhanced 9-1-1 Board from the subscriber. For mobile  
8 telecommunications services provided on and after August 1,  
9 2002, any surcharge imposed under this Act shall be imposed  
10 based upon the municipality or county that encompasses the  
11 customer's place of primary use as defined in the Mobile  
12 Telecommunications Sourcing Conformity Act. The surcharge  
13 shall be stated as a separate item on the subscriber's monthly  
14 bill. The wireless carrier shall begin collecting the surcharge  
15 on bills issued within 90 days after the Wireless Enhanced  
16 9-1-1 Board sets the monthly wireless surcharge. State and  
17 local taxes shall not apply to the wireless carrier surcharge.

18 (b) Except as provided in Section 45, a wireless carrier  
19 shall, within 45 days of collection, remit, either by check or  
20 by electronic funds transfer, to the State Treasurer the amount  
21 of the wireless carrier surcharge collected from each  
22 subscriber. Of the amounts remitted under this subsection, the  
23 State Treasurer shall deposit one-third into the Wireless  
24 Carrier Reimbursement Fund and two-thirds into the Wireless  
25 Service Emergency Fund.

26 (c) The first such remittance by wireless carriers shall  
27 include the number of customers by zip code, and the 9-digit  
28 zip code if currently being used or later implemented by the  
29 carrier, that shall be the means by which the Illinois Commerce  
30 Commission ~~Department of Central Management Services~~ shall  
31 determine distributions from the Wireless Service Emergency  
32 Fund. This information shall be updated no less often than  
33 every year. Wireless carriers are not required to remit  
34 surcharge moneys that are billed to subscribers but not yet

1 collected.

2 (Source: P.A. 92-526, eff. 7-1-02; 93-507, eff. 1-1-04.)

3 (50 ILCS 751/25)

4 (Section scheduled to be repealed on April 1, 2008)

5 Sec. 25. Wireless Service Emergency Fund; distribution of  
6 moneys. Within 60 days after the effective date of this Act,  
7 wireless carriers shall submit to the Illinois Commerce  
8 Commission ~~Department of Central Management Services~~ the  
9 number of wireless subscribers by zip code and the 9-digit zip  
10 code of the wireless subscribers, if currently being used or  
11 later implemented by the carrier.

12 The Illinois Commerce Commission ~~Department of Central~~  
13 ~~Management Services~~ shall, subject to appropriation, make  
14 monthly proportional grants to the appropriate emergency  
15 telephone system board or qualified governmental entity based  
16 upon the United States Postal Zip Code of the wireless  
17 subscriber's billing address. No matching funds shall be  
18 required from grant recipients.

19 If the Illinois Commerce Commission ~~Department of Central~~  
20 ~~Management Services~~ is notified of an area of overlapping  
21 jurisdiction, grants for that area shall be made based upon  
22 reference to an official Master Street Address Guide to the  
23 emergency telephone system board or qualified governmental  
24 entity whose public service answering points provide wireless  
25 9-1-1 service in that area. The emergency telephone system  
26 board or qualified governmental entity shall provide the  
27 Illinois Commerce Commission ~~Department of Central Management~~  
28 ~~Services~~ with a valid copy of the appropriate Master Street  
29 Address Guide. The Illinois Commerce Commission ~~Department of~~  
30 ~~Central Management Services~~ does not have a duty to verify  
31 jurisdictional responsibility.

32 In the event of a subscriber billing address being matched  
33 to an incorrect jurisdiction by the Illinois Commerce

1 ~~Commission Department of Central Management Services~~, the  
2 recipient, upon notification from the Illinois Commerce  
3 ~~Commission Department of Central Management Services~~, shall  
4 redirect the funds to the correct jurisdiction. The Illinois  
5 ~~Commerce Commission Department of Central Management Services~~  
6 shall not be held liable for any damages relating to an act or  
7 omission under this Act, unless the act or omission constitutes  
8 gross negligence, recklessness, or intentional misconduct.

9 In the event of a dispute between emergency telephone  
10 system boards or qualified governmental entities concerning a  
11 subscriber billing address, the Illinois Commerce Commission  
12 ~~Department of Central Management Services~~ shall resolve the  
13 dispute.

14 The Illinois Commerce Commission ~~Department of Central~~  
15 ~~Management Services~~ shall maintain detailed records of all  
16 receipts and disbursements and shall provide an annual  
17 accounting of all receipts and disbursements to the Auditor  
18 General.

19 The Illinois Commerce Commission ~~Department of Central~~  
20 ~~Management Services~~ shall adopt rules to govern the grant  
21 process.

22 (Source: P.A. 91-660, eff. 12-22-99.)

23 (50 ILCS 751/30)

24 (Section scheduled to be repealed on April 1, 2008)

25 Sec. 30. Wireless Carrier Reimbursement Fund; uses. The  
26 Wireless Carrier Reimbursement Fund is created as a special  
27 fund in the State treasury. Moneys in the Wireless Carrier  
28 Reimbursement Fund may be used, subject to appropriation, only  
29 (i) to reimburse wireless carriers for all of their costs  
30 incurred in complying with the applicable provisions of Federal  
31 Communications Commission wireless enhanced 9-1-1 service  
32 mandates and (ii) to pay the reasonable and necessary costs of  
33 the Illinois Commerce Commission in exercising its rights,

1 duties, powers, and functions under this Act. This  
2 reimbursement to wireless carriers may include, but need not be  
3 limited to, the cost of designing, upgrading, purchasing,  
4 leasing, programming, installing, testing, and maintaining  
5 necessary data, hardware, and software and associated  
6 operating and administrative costs and overhead.

7 (Source: P.A. 91-660, eff. 12-22-99.)

8 (50 ILCS 751/35)

9 (Section scheduled to be repealed on April 1, 2008)

10 Sec. 35. Wireless Carrier Reimbursement Fund;  
11 reimbursement. To recover costs from the Wireless Carrier  
12 Reimbursement Fund, the wireless carrier shall submit sworn  
13 invoices to the Illinois Commerce Commission ~~Department of~~  
14 ~~Central Management Services~~. In no event may any invoice for  
15 payment be approved for (i) costs that are not related to  
16 compliance with the requirements established by the wireless  
17 enhanced 9-1-1 mandates of the Federal Communications  
18 Commission, (ii) costs with respect to any wireless enhanced  
19 9-1-1 service that is not operable at the time the invoice is  
20 submitted, or (iii) costs of any wireless carrier exceeding  
21 100% ~~125%~~ of the wireless emergency services charges remitted  
22 to the Wireless Carrier Reimbursement Fund by the wireless  
23 carrier under Section 17(b) unless the wireless carrier  
24 received prior approval for the expenditures from the Illinois  
25 Commerce Commission ~~Department of Central Management Services~~.

26 If in any month the total amount of invoices submitted to  
27 the Illinois Commerce Commission ~~Department of Central~~  
28 ~~Management Services~~ and approved for payment exceeds the amount  
29 available in the Wireless Carrier Reimbursement Fund, wireless  
30 carriers that have invoices approved for payment shall receive  
31 a pro-rata share of the amount available in the Wireless  
32 Carrier Reimbursement Fund based on the relative amount of  
33 their approved invoices available that month, and the balance



1 of the payments shall be carried into the following months  
2 until all of the approved payments are made.

3 A wireless carrier may not receive payment from the  
4 Wireless Carrier Reimbursement Fund for its costs of providing  
5 wireless enhanced 9-1-1 services in an area when a unit of  
6 local government or emergency telephone system board provides  
7 wireless 9-1-1 services in that area and was imposing and  
8 collecting a wireless carrier surcharge prior to July 1, 1998.

9 The Illinois Commerce Commission ~~Department of Central~~  
10 ~~Management Services~~ shall maintain detailed records of all  
11 receipts and disbursements and shall provide an annual  
12 accounting of all receipts and disbursements to the Auditor  
13 General.

14 The Illinois Commerce Commission ~~Department of Central~~  
15 ~~Management Services~~ shall adopt rules to govern the  
16 reimbursement process.

17 (Source: P.A. 93-507, eff. 1-1-04.)

18 (50 ILCS 751/40)

19 (Section scheduled to be repealed on April 1, 2008)

20 Sec. 40. Public disclosure. Because of the highly  
21 competitive nature of the wireless telephone industry, a public  
22 disclosure of information about surcharge moneys paid by  
23 wireless carriers could have the effect of stifling competition  
24 to the detriment of the public and the delivery of wireless  
25 9-1-1 services. Therefore, the Illinois Commerce Commission  
26 ~~Department of Central Management Services~~, the Department of  
27 State Police, governmental agencies, and individuals with  
28 access to that information shall take appropriate steps to  
29 prevent public disclosure of this information. Information and  
30 data supporting the amount and distribution of surcharge moneys  
31 collected and remitted by an individual wireless carrier shall  
32 be deemed exempt information for purposes of the Freedom of  
33 Information Act and shall not be publicly disclosed. The gross

1 amount paid by all carriers shall not be deemed exempt and may  
2 be publicly disclosed.

3 (Source: P.A. 91-660, eff. 12-22-99.)

4 (50 ILCS 751/50)

5 (Section scheduled to be repealed on April 1, 2008)

6 Sec. 50. Limitation of liability. Notwithstanding any  
7 other provision of law, in no event shall a unit of local  
8 government, the Illinois Commerce Commission as successor  
9 agency to the Department of Central Management Services, the  
10 Department of State Police, or a public safety agency, public  
11 safety answering point, emergency telephone system board, or  
12 wireless carrier, or its officers, employees, assigns, or  
13 agents, be liable for any form of civil damages or criminal  
14 liability that directly or indirectly results from, or is  
15 caused by, any act or omission in the development, design,  
16 installation, operation, maintenance, performance, or  
17 provision of wireless 9-1-1 or wireless E9-1-1 service, unless  
18 the act or omission constitutes gross negligence,  
19 recklessness, or intentional misconduct.

20 A unit of local government, the Illinois Commerce  
21 Commission as successor agency to the Department of Central  
22 Management Services, the Department of State Police, or a  
23 public safety agency, public safety answering point, emergency  
24 telephone system board, or wireless carrier, or its officers,  
25 employees, assigns, or agents, shall not be liable for any form  
26 of civil damages or criminal liability that directly or  
27 indirectly results from, or is caused by, the release of  
28 subscriber information to any governmental entity as required  
29 under the provisions of this Act, unless the release  
30 constitutes gross negligence, recklessness, or intentional  
31 misconduct.

32 (Source: P.A. 91-660, eff. 12-22-99.)

1 (50 ILCS 751/75 new)

2 Sec. 75. Transfer of rights, functions, powers, duties, and  
3 property to Illinois Commerce Commission; rules and standards;  
4 savings provisions.

5 (a) Beginning July 1, 2004, the rights, functions, powers,  
6 and duties of the Department of Central Management Services as  
7 set forth in this Act are transferred to and shall be exercised  
8 by the Illinois Commerce Commission. By July 1, 2004, the  
9 Department of Central Management Services shall transfer and  
10 deliver to the Illinois Commerce Commission all books, records,  
11 documents, property (real and personal), unexpended  
12 appropriations, and pending business pertaining to the rights,  
13 powers, duties, and functions transferred to the Illinois  
14 Commerce Commission under this amendatory Act of the 93rd  
15 General Assembly.

16 (b) The rules and standards of the Department of Central  
17 Management Services that are in effect on June 30, 2004 and  
18 that pertain to the rights, powers, duties, and functions  
19 transferred to the Illinois Commerce Commission under this  
20 amendatory Act of the 93rd General Assembly shall become the  
21 rules and standards of the Illinois Commerce Commission on July  
22 1, 2004, and shall continue in effect until amended or repealed  
23 by the Illinois Commerce Commission.

24 Any rules pertaining to the rights, powers, duties, and  
25 functions transferred to the Illinois Commerce Commission  
26 under this amendatory Act of the 93rd General Assembly that  
27 have been proposed by the Department of Central Management  
28 Services but have not taken effect or been finally adopted by  
29 June 30, 2004, shall become proposed rules of the Illinois  
30 Commerce Commission on July 1, 2004, and any rulemaking  
31 procedures that have already been completed by the Department  
32 of Central Management Services for those proposed rules need  
33 not be repealed.

34 As soon as it is practical after July 1, 2004, the Illinois

1 Commerce Commission shall revise and clarify the rules  
2 transferred to it under this amendatory Act of the 93rd General  
3 Assembly to reflect the transfer of rights, powers, duties, and  
4 functions effected by this amendatory Act of the 93rd General  
5 Assembly using the procedures for recodification of rules  
6 available under the Illinois Administrative Procedure Act,  
7 except that existing title, part, and section numbering for the  
8 affected rules may be retained. The Illinois Commerce  
9 Commission may propose and adopt under the Illinois  
10 Administrative Procedure Act any other rules necessary to  
11 consolidate and clarify those rules.

12 (c) The rights, powers, duties, and functions transferred  
13 to the Illinois Commerce Commission by this amendatory Act of  
14 the 93rd General Assembly shall be vested in and exercised by  
15 the Commission subject to the provisions of this Act. An act  
16 done by the Illinois Commerce Commission or an officer,  
17 employee, or agent of the Commission in the exercise of the  
18 transferred rights, powers, duties, and functions shall have  
19 the same legal effect as if done by the Department of Central  
20 Management Services or an officer, employee, or agent of the  
21 Department.

22 The transfer of rights, powers, duties, and functions to  
23 the Illinois Commerce Commission under this amendatory Act of  
24 the 93rd General Assembly does not invalidate any previous  
25 action taken by or in respect to the Department of Central  
26 Management Services, its officers, employees, or agents.  
27 References to the Department of Central Management Services or  
28 its officers, employees, or agents in any document, contract,  
29 agreement, or law shall, in appropriate contexts, be deemed to  
30 refer to the Illinois Commerce Commission or its officers,  
31 employees, or agents.

32 The transfer of rights, powers, duties, and functions to  
33 the Illinois Commerce Commission under this amendatory Act of  
34 the 93rd General Assembly does not affect any person's rights,

1 obligations, or duties, including any civil or criminal  
2 penalties applicable thereto, arising out of those transferred  
3 rights, powers, duties, and functions.

4 This amendatory Act of the 93rd General Assembly does not  
5 affect any act done, ratified, or cancelled, any right  
6 occurring or established, or any action or proceeding commenced  
7 in an administrative, civil, or criminal case before July 1,  
8 2004. Any such action or proceeding that pertains to a right,  
9 power, duty, or function transferred to the Illinois Commerce  
10 Commission under this amendatory Act of the 93rd General  
11 Assembly that is pending on that date may be prosecuted,  
12 defended, or continued by the Department of Central Management  
13 Services.

14 For the purposes of Section 9b of the State Finance Act,  
15 the Illinois Commerce Commission is the successor to the  
16 Department of Central Management Services with respect to the  
17 rights, duties, powers, and functions transferred by this  
18 amendatory Act of the 93rd General Assembly.

19 Section 10-165. The Sanitary District Act of 1917 is  
20 amended by adding Section 17.2 as follows:

21 (70 ILCS 2405/17.2 new)

22 Sec. 17.2. Acquisition of privately-owned treatment works.

23 (a) After incorporation, any district organized under this  
24 Act may, in accordance with this Act, acquire by purchase or  
25 condemnation the territory, treatment works, lines,  
26 appurtenances, water treatment works, storage tanks, water  
27 lines, and other property of a privately-owned public sewer and  
28 water utility treatment works that is not located within any  
29 other sanitary district, regardless of whether the area  
30 serviced by the treatment works is contiguous to the acquiring  
31 sanitary district. If, at the time of acquisition, the  
32 treatment works is located within a municipality, then the

1 treatment works may not be acquired by the sanitary district  
2 without the consent of that municipality. The distance between  
3 the treatment works being acquired and the acquiring sanitary  
4 district, as measured from the point of discharge of the  
5 treatment works and the corporate boundary of the acquiring  
6 sanitary district at its nearest point, shall be within 15  
7 miles and shall be located in the sanitary district's facility  
8 planning area (FPA).

9 (b) The acquisition of the treatment works by a sanitary  
10 district shall not affect the obligation of any bonds issued in  
11 the sanitary district or in the territory serviced by the  
12 treatment works or invalidate the levy, extension, or  
13 collection of any taxes or special assessments within the  
14 sanitary district.

15 (c) The acquiring sanitary district may acquire by eminent  
16 domain, within or outside its boundaries, easements necessary  
17 to connect the treatment works to the sanitary district's  
18 sewers or plants.

19 (d) The sanitary district may pass all necessary ordinances  
20 to regulate the connections to and use of the sewer or water  
21 system of the treatment works, including the establishment of a  
22 user fee for the area serviced by the treatment works, and may  
23 enforce those ordinances against all users of the acquired  
24 system, within or outside its boundaries. The sanitary district  
25 may own, operate, expand, and improve the private treatment  
26 works in accordance with the provisions of this Act.

27 (e) The grant of powers set forth in this Section are a  
28 restatement of existing law.

29 Section 10-167. The Environmental Protection Act is  
30 amended by changing Section 55.6 as follows:

31 (415 ILCS 5/55.6) (from Ch. 111 1/2, par. 1055.6)

32 Sec. 55.6. Used Tire Management Fund.

1 (a) There is hereby created in the State Treasury a special  
2 fund to be known as the Used Tire Management Fund. There shall  
3 be deposited into the Fund all monies received as (1) recovered  
4 costs or proceeds from the sale of used tires under Section  
5 55.3 of this Act, (2) repayment of loans from the Used Tire  
6 Management Fund, or (3) penalties or punitive damages for  
7 violations of this Title, except as provided by subdivision  
8 (b) (4) or (b) (4-5) of Section 42.

9 (b) Beginning January 1, 1992, in addition to any other  
10 fees required by law, the owner or operator of each site  
11 required to be registered under subsection (d) of Section 55  
12 shall pay to the Agency an annual fee of \$100. Fees collected  
13 under this subsection shall be deposited into the Environmental  
14 Protection Permit and Inspection Fund.

15 (c) Pursuant to appropriation, monies up to an amount of \$2  
16 million per fiscal year from the Used Tire Management Fund  
17 shall be allocated as follows:

18 (1) 38% shall be available to the Agency for the  
19 following purposes, provided that priority shall be given  
20 to item (i):

21 (i) To undertake preventive, corrective or removal  
22 action as authorized by and in accordance with Section  
23 55.3, and to recover costs in accordance with Section  
24 55.3.

25 (ii) For the performance of inspection and  
26 enforcement activities for used and waste tire sites.

27 (iii) To assist with marketing of used tires by  
28 augmenting the operations of an industrial materials  
29 exchange service.

30 (iv) To provide financial assistance to units of  
31 local government for the performance of inspecting,  
32 investigating and enforcement activities pursuant to  
33 subsection (r) of Section 4 at used and waste tire  
34 sites.

1 (v) To provide financial assistance for used and  
2 waste tire collection projects sponsored by local  
3 government or not-for-profit corporations.

4 (vi) For the costs of fee collection and  
5 administration relating to used and waste tires, and to  
6 accomplish such other purposes as are authorized by  
7 this Act and regulations thereunder.

8 (2) For fiscal years beginning prior to July 1, 2004,  
9 23% shall be available to the Department of Commerce and  
10 Economic Opportunity ~~Community Affairs~~ for the following  
11 purposes, provided that priority shall be given to item  
12 (A):

13 (A) To provide grants or loans for the purposes of:

14 (i) assisting units of local government and  
15 private industry in the establishment of  
16 facilities and programs to collect, process and  
17 utilize used and waste tires and tire derived  
18 materials;

19 (ii) demonstrating the feasibility of  
20 innovative technologies as a means of collecting,  
21 storing, processing and utilizing used and waste  
22 tires and tire derived materials; and

23 (iii) applying demonstrated technologies as a  
24 means of collecting, storing, processing, and  
25 utilizing used and waste tires and tire derived  
26 materials.

27 (B) To develop educational material for use by  
28 officials and the public to better understand and  
29 respond to the problems posed by used tires and  
30 associated insects.

31 (C) (Blank).

32 (D) To perform such research as the Director deems  
33 appropriate to help meet the purposes of this Act.

34 (E) To pay the costs of administration of its



1 activities authorized under this Act.

2 (2.1) For the fiscal year beginning July 1, 2004 and  
3 for all fiscal years thereafter, 23% shall be deposited  
4 into the General Revenue Fund.

5 (3) 25% shall be available to the Illinois Department  
6 of Public Health for the following purposes:

7 (A) To investigate threats or potential threats to  
8 the public health related to mosquitoes and other  
9 vectors of disease associated with the improper  
10 storage, handling and disposal of tires, improper  
11 waste disposal, or natural conditions.

12 (B) To conduct surveillance and monitoring  
13 activities for mosquitoes and other arthropod vectors  
14 of disease, and surveillance of animals which provide a  
15 reservoir for disease-producing organisms.

16 (C) To conduct training activities to promote  
17 vector control programs and integrated pest management  
18 as defined in the Vector Control Act.

19 (D) To respond to inquiries, investigate  
20 complaints, conduct evaluations and provide technical  
21 consultation to help reduce or eliminate public health  
22 hazards and nuisance conditions associated with  
23 mosquitoes and other vectors.

24 (E) To provide financial assistance to units of  
25 local government for training, investigation and  
26 response to public nuisances associated with  
27 mosquitoes and other vectors of disease.

28 (4) 2% shall be available to the Department of  
29 Agriculture for its activities under the Illinois  
30 Pesticide Act relating to used and waste tires.

31 (5) 2% shall be available to the Pollution Control  
32 Board for administration of its activities relating to used  
33 and waste tires.

34 (6) 10% shall be available to the Department of Natural

1 Resources for the Illinois Natural History Survey to  
2 perform research to study the biology, distribution,  
3 population ecology, and biosystematics of tire-breeding  
4 arthropods, especially mosquitoes, and the diseases they  
5 spread.

6 (d) By January 1, 1998, and biennially thereafter, each  
7 State agency receiving an appropriation from the Used Tire  
8 Management Fund shall report to the Governor and the General  
9 Assembly on its activities relating to the Fund.

10 (e) Any monies appropriated from the Used Tire Management  
11 Fund, but not obligated, shall revert to the Fund.

12 (f) In administering the provisions of subdivisions (1),  
13 (2) and (3) of subsection (c) of this Section, the Agency, the  
14 Department of Commerce and Economic Opportunity ~~Community~~  
15 ~~Affairs~~, and the Illinois Department of Public Health shall  
16 ensure that appropriate funding assistance is provided to any  
17 municipality with a population over 1,000,000 or to any  
18 sanitary district which serves a population over 1,000,000.

19 (g) Pursuant to appropriation, monies in excess of \$2  
20 million per fiscal year from the Used Tire Management Fund  
21 shall be used as follows:

22 (1) 55% shall be available to the Agency to undertake  
23 preventive, corrective or renewed action as authorized by  
24 and in accordance with Section 55.3 and to recover costs in  
25 accordance with Section 55.3.

26 (2) For fiscal years beginning prior to July 1, 2004,  
27 45% shall be available to the Department of Commerce and  
28 Economic Opportunity ~~Community Affairs~~ to provide grants  
29 or loans for the purposes of:

30 (i) assisting units of local government and  
31 private industry in the establishment of facilities  
32 and programs to collect, process and utilize waste  
33 tires and tire derived material;

34 (ii) demonstrating the feasibility of innovative

1 technologies as a means of collecting, storing,  
2 processing, and utilizing used and waste tires and tire  
3 derived materials; and

4 (iii) applying demonstrated technologies as a  
5 means of collecting, storing, processing, and  
6 utilizing used and waste tires and tire derived  
7 materials.

8 (3) For the fiscal year beginning July 1, 2004 and for  
9 all fiscal years thereafter, 45% shall be deposited into  
10 the General Revenue Fund.

11 (Source: P.A. 91-856, eff. 6-22-00; 92-16, eff. 6-28-01;  
12 revised 12-6-03.)

13 Section 10-168. The Illinois Low-Level Radioactive Waste  
14 Management Act is amended by changing Section 13 as follows:

15 (420 ILCS 20/13) (from Ch. 111 1/2, par. 241-13)

16 Sec. 13. Waste fees.

17 (a) The Department shall collect a fee from each generator  
18 of low-level radioactive wastes in this State. Except as  
19 provided in subsections (b), (c), and (d), the amount of the  
20 fee shall be \$50.00 or the following amount, whichever is  
21 greater:

22 (1) \$1 per cubic foot of waste shipped for storage,  
23 treatment or disposal if storage of the waste for shipment  
24 occurred prior to September 7, 1984;

25 (2) \$2 per cubic foot of waste stored for shipment if  
26 storage of the waste occurs on or after September 7, 1984,  
27 but prior to October 1, 1985;

28 (3) \$3 per cubic foot of waste stored for shipment if  
29 storage of the waste occurs on or after October 1, 1985;

30 (4) \$2 per cubic foot of waste shipped for storage,  
31 treatment or disposal if storage of the waste for shipment  
32 occurs on or after September 7, 1984 but prior to October

1 1, 1985, provided that no fee has been collected previously  
2 for storage of the waste;

3 (5) \$3 per cubic foot of waste shipped for storage,  
4 treatment or disposal if storage of the waste for shipment  
5 occurs on or after October 1, 1985, provided that no fees  
6 have been collected previously for storage of the waste.

7 Such fees shall be collected annually or as determined by  
8 the Department and shall be deposited in the low-level  
9 radioactive waste funds as provided in Section 14 of this Act.  
10 Notwithstanding any other provision of this Act, no fee under  
11 this Section shall be collected from a generator for waste  
12 generated incident to manufacturing before December 31, 1980,  
13 and shipped for disposal outside of this State before December  
14 31, 1992, as part of a site reclamation leading to license  
15 termination.

16 (b) Each nuclear power reactor in this State for which an  
17 operating license has been issued by the Nuclear Regulatory  
18 Commission shall not be subject to the fee required by  
19 subsection (a) with respect to (1) waste stored for shipment if  
20 storage of the waste occurs on or after January 1, 1986; and  
21 (2) waste shipped for storage, treatment or disposal if storage  
22 of the waste for shipment occurs on or after January 1, 1986.  
23 In lieu of the fee, each reactor shall be required to pay an  
24 annual fee as provided in this subsection for the treatment,  
25 storage and disposal of low-level radioactive waste. Beginning  
26 with State fiscal year 1986 and through State fiscal year 1997,  
27 fees shall be due and payable on January 1st of each year. For  
28 State fiscal year 1998 and all subsequent State fiscal years,  
29 fees shall be due and payable on July 1 of each fiscal year.  
30 The fee due on July 1, 1997 shall be payable on that date, or  
31 within 10 days after the effective date of this amendatory Act  
32 of 1997, whichever is later.

33 The owner of any nuclear power reactor that has an  
34 operating license issued by the Nuclear Regulatory Commission

1 for any portion of State fiscal year 1998 shall continue to pay  
2 an annual fee of \$90,000 for the treatment, storage, and  
3 disposal of low-level radioactive waste through State fiscal  
4 year 2002. The fee shall be due and payable on July 1 of each  
5 fiscal year. The fee due on July 1, 1998 shall be payable on  
6 that date, or within 10 days after the effective date of this  
7 amendatory Act of 1998, whichever is later. If the balance in  
8 the Low-Level Radioactive Waste Facility Development and  
9 Operation Fund falls below \$500,000, as of the end of any  
10 fiscal year after fiscal year 2002, the Department is  
11 authorized to assess by rule, after notice and a hearing, an  
12 additional annual fee to be paid by the owners of nuclear power  
13 reactors for which operating licenses have been issued by the  
14 Nuclear Regulatory Commission, except that no additional  
15 annual fee shall be assessed because of the fund balance at the  
16 end of fiscal year 2005. The additional annual fee shall be  
17 payable on the date or dates specified by rule and shall not  
18 exceed \$30,000 per operating reactor per year.

19 (c) In each of State fiscal years 1988, 1989 and 1990, in  
20 addition to the fee imposed in subsections (b) and (d), the  
21 owner of each nuclear power reactor in this State for which an  
22 operating license has been issued by the Nuclear Regulatory  
23 Commission shall pay a fee of \$408,000. If an operating license  
24 is issued during one of those 3 fiscal years, the owner shall  
25 pay a prorated amount of the fee equal to \$1,117.80 multiplied  
26 by the number of days in the fiscal year during which the  
27 nuclear power reactor was licensed.

28 The fee shall be due and payable as follows: in fiscal year  
29 1988, \$204,000 shall be paid on October 1, 1987 and \$102,000  
30 shall be paid on each of January 1, 1988 and April 1, 1988; in  
31 fiscal year 1989, \$102,000 shall be paid on each of July 1,  
32 1988, October 1, 1988, January 1, 1989 and April 1, 1989; and  
33 in fiscal year 1990, \$102,000 shall be paid on each of July 1,  
34 1989, October 1, 1989, January 1, 1990 and April 1, 1990. If

1 the operating license is issued during one of the 3 fiscal  
2 years, the owner shall be subject to those payment dates, and  
3 their corresponding amounts, on which the owner possesses an  
4 operating license and, on June 30 of the fiscal year of  
5 issuance of the license, whatever amount of the prorated fee  
6 remains outstanding.

7 All of the amounts collected by the Department under this  
8 subsection (c) shall be deposited into the Low-Level  
9 Radioactive Waste Facility Development and Operation Fund  
10 created under subsection (a) of Section 14 of this Act and  
11 expended, subject to appropriation, for the purposes provided  
12 in that subsection.

13 (d) In addition to the fees imposed in subsections (b) and  
14 (c), the owners of nuclear power reactors in this State for  
15 which operating licenses have been issued by the Nuclear  
16 Regulatory Commission shall pay the following fees for each  
17 such nuclear power reactor: for State fiscal year 1989,  
18 \$325,000 payable on October 1, 1988, \$162,500 payable on  
19 January 1, 1989, and \$162,500 payable on April 1, 1989; for  
20 State fiscal year 1990, \$162,500 payable on July 1, \$300,000  
21 payable on October 1, \$300,000 payable on January 1 and  
22 \$300,000 payable on April 1; for State fiscal year 1991, either  
23 (1) \$150,000 payable on July 1, \$650,000 payable on September  
24 1, \$675,000 payable on January 1, and \$275,000 payable on April  
25 1, or (2) \$150,000 on July 1, \$130,000 on the first day of each  
26 month from August through December, \$225,000 on the first day  
27 of each month from January through March and \$92,000 on the  
28 first day of each month from April through June; for State  
29 fiscal year 1992, \$260,000 payable on July 1, \$900,000 payable  
30 on September 1, \$300,000 payable on October 1, \$150,000 payable  
31 on January 1, and \$100,000 payable on April 1; for State fiscal  
32 year 1993, \$100,000 payable on July 1, \$230,000 payable on  
33 August 1 or within 10 days after July 31, 1992, whichever is  
34 later, and \$355,000 payable on October 1; for State fiscal year

1 1994, \$100,000 payable on July 1, \$75,000 payable on October 1  
2 and \$75,000 payable on April 1; for State fiscal year 1995,  
3 \$100,000 payable on July 1, \$75,000 payable on October 1, and  
4 \$75,000 payable on April 1, for State fiscal year 1996,  
5 \$100,000 payable on July 1, \$75,000 payable on October 1, and  
6 \$75,000 payable on April 1. The owner of any nuclear power  
7 reactor that has an operating license issued by the Nuclear  
8 Regulatory Commission for any portion of State fiscal year 1998  
9 shall pay an annual fee of \$30,000 through State fiscal year  
10 2003. For State fiscal year 2004 and subsequent fiscal years,  
11 the owner of any nuclear power reactor that has an operating  
12 license issued by the Nuclear Regulatory Commission shall pay  
13 an annual fee of \$30,000 per reactor, provided that the fee  
14 shall not apply to a nuclear power reactor with regard to which  
15 the owner notified the Nuclear Regulatory Commission during  
16 State fiscal year 1998 that the nuclear power reactor  
17 permanently ceased operations. The fee shall be due and payable  
18 on July 1 of each fiscal year. The fee due on July 1, 1998 shall  
19 be payable on that date, or within 10 days after the effective  
20 date of this amendatory Act of 1998, whichever is later. The  
21 fee due on July 1, 1997 shall be payable on that date or within  
22 10 days after the effective date of this amendatory Act of  
23 1997, whichever is later. If the payments under this subsection  
24 for fiscal year 1993 due on January 1, 1993, or on April 1,  
25 1993, or both, were due before the effective date of this  
26 amendatory Act of the 87th General Assembly, then those  
27 payments are waived and need not be made.

28 All of the amounts collected by the Department under this  
29 subsection (d) shall be deposited into the Low-Level  
30 Radioactive Waste Facility Development and Operation Fund  
31 created pursuant to subsection (a) of Section 14 of this Act  
32 and expended, subject to appropriation, for the purposes  
33 provided in that subsection.

34 All payments made by licensees under this subsection (d)

1 for fiscal year 1992 that are not appropriated and obligated by  
2 the Department above \$1,750,000 per reactor in fiscal year  
3 1992, shall be credited to the licensees making the payments to  
4 reduce the per reactor fees required under this subsection (d)  
5 for fiscal year 1993.

6 (e) The Department shall promulgate rules and regulations  
7 establishing standards for the collection of the fees  
8 authorized by this Section. The regulations shall include, but  
9 need not be limited to:

10 (1) the records necessary to identify the amounts of  
11 low-level radioactive wastes produced;

12 (2) the form and submission of reports to accompany the  
13 payment of fees to the Department; and

14 (3) the time and manner of payment of fees to the  
15 Department, which payments shall not be more frequent than  
16 quarterly.

17 (f) Any operating agreement entered into under subsection  
18 (b) of Section 5 of this Act between the Department and any  
19 disposal facility contractor shall, subject to the provisions  
20 of this Act, authorize the contractor to impose upon and  
21 collect from persons using the disposal facility fees designed  
22 and set at levels reasonably calculated to produce sufficient  
23 revenues (1) to pay all costs and expenses properly incurred or  
24 accrued in connection with, and properly allocated to,  
25 performance of the contractor's obligations under the  
26 operating agreement, and (2) to provide reasonable and  
27 appropriate compensation or profit to the contractor under the  
28 operating agreement. For purposes of this subsection (f), the  
29 term "costs and expenses" may include, without limitation, (i)  
30 direct and indirect costs and expenses for labor, services,  
31 equipment, materials, insurance and other risk management  
32 costs, interest and other financing charges, and taxes or fees  
33 in lieu of taxes; (ii) payments to or required by the United  
34 States, the State of Illinois or any agency or department



1 thereof, the Central Midwest Interstate Low-Level Radioactive  
2 Waste Compact, and subject to the provisions of this Act, any  
3 unit of local government; (iii) amortization of capitalized  
4 costs with respect to the disposal facility and its  
5 development, including any capitalized reserves; and (iv)  
6 payments with respect to reserves, accounts, escrows or trust  
7 funds required by law or otherwise provided for under the  
8 operating agreement.

9 (g) (Blank).

10 (h) (Blank).

11 (i) (Blank).

12 (j) (Blank).

13 (j-5) Prior to commencement of facility operations, the  
14 Department shall adopt rules providing for the establishment  
15 and collection of fees and charges with respect to the use of  
16 the disposal facility as provided in subsection (f) of this  
17 Section.

18 (k) The regional disposal facility shall be subject to ad  
19 valorem real estate taxes lawfully imposed by units of local  
20 government and school districts with jurisdiction over the  
21 facility. No other local government tax, surtax, fee or other  
22 charge on activities at the regional disposal facility shall be  
23 allowed except as authorized by the Department.

24 (l) The Department shall have the power, in the event that  
25 acceptance of waste for disposal at the regional disposal  
26 facility is suspended, delayed or interrupted, to impose  
27 emergency fees on the generators of low-level radioactive  
28 waste. Generators shall pay emergency fees within 30 days of  
29 receipt of notice of the emergency fees. The Department shall  
30 deposit all of the receipts of any fees collected under this  
31 subsection into the Low-Level Radioactive Waste Facility  
32 Development and Operation Fund created under subsection (b) of  
33 Section 14. Emergency fees may be used to mitigate the impacts  
34 of the suspension or interruption of acceptance of waste for

1 disposal. The requirements for rulemaking in the Illinois  
2 Administrative Procedure Act shall not apply to the imposition  
3 of emergency fees under this subsection.

4 (m) The Department shall promulgate any other rules and  
5 regulations as may be necessary to implement this Section.

6 (Source: P.A. 92-276, eff. 8-7-01.)".

7 Section 10-169. The Pretrial Services Act is amended by  
8 changing Section 33 as follows:

9 (725 ILCS 185/33) (from Ch. 38, par. 333)

10 Sec. 33. The Supreme Court shall pay from funds  
11 appropriated to it for this purpose 100% of all approved costs  
12 for pretrial services, including pretrial services officers,  
13 necessary support personnel, travel costs reasonably related  
14 to the delivery of pretrial services, space costs, equipment,  
15 telecommunications, postage, commodities, printing and  
16 contractual services. Costs shall be reimbursed monthly, based  
17 on a plan and budget approved by the Supreme Court. No  
18 department may be reimbursed for costs which exceed or are not  
19 provided for in the approved plan and budget. For State fiscal  
20 years ~~year~~ 2004 and 2005 only, the Mandatory Arbitration Fund  
21 may be used to reimburse approved costs for pretrial services.

22 (Source: P.A. 93-25, eff. 6-20-03.)

23 Section 10-170. The Unified Code of Corrections is amended  
24 by changing Section 3-2-2 as follows:

25 (730 ILCS 5/3-2-2) (from Ch. 38, par. 1003-2-2)

26 Sec. 3-2-2. Powers and Duties of the Department.

27 (1) In addition to the powers, duties and responsibilities  
28 which are otherwise provided by law, the Department shall have  
29 the following powers:

30 (a) To accept persons committed to it by the courts of

1       this State for care, custody, treatment and  
2       rehabilitation, and to accept federal prisoners and aliens  
3       over whom the Office of the Federal Detention Trustee is  
4       authorized to exercise the federal detention function for  
5       limited purposes and periods of time.

6       (b) To develop and maintain reception and evaluation  
7       units for purposes of analyzing the custody and  
8       rehabilitation needs of persons committed to it and to  
9       assign such persons to institutions and programs under its  
10      control or transfer them to other appropriate agencies. In  
11      consultation with the Department of Alcoholism and  
12      Substance Abuse (now the Department of Human Services), the  
13      Department of Corrections shall develop a master plan for  
14      the screening and evaluation of persons committed to its  
15      custody who have alcohol or drug abuse problems, and for  
16      making appropriate treatment available to such persons;  
17      the Department shall report to the General Assembly on such  
18      plan not later than April 1, 1987. The maintenance and  
19      implementation of such plan shall be contingent upon the  
20      availability of funds.

21      (b-1) To create and implement, on January 1, 2002, a  
22      pilot program to establish the effectiveness of  
23      pupillometer technology (the measurement of the pupil's  
24      reaction to light) as an alternative to a urine test for  
25      purposes of screening and evaluating persons committed to  
26      its custody who have alcohol or drug problems. The pilot  
27      program shall require the pupillometer technology to be  
28      used in at least one Department of Corrections facility.  
29      The Director may expand the pilot program to include an  
30      additional facility or facilities as he or she deems  
31      appropriate. A minimum of 4,000 tests shall be included in  
32      the pilot program. The Department must report to the  
33      General Assembly on the effectiveness of the program by  
34      January 1, 2003.

1 (b-5) To develop, in consultation with the Department  
2 of State Police, a program for tracking and evaluating each  
3 inmate from commitment through release for recording his or  
4 her gang affiliations, activities, or ranks.

5 (c) To maintain and administer all State correctional  
6 institutions and facilities under its control and to  
7 establish new ones as needed. Pursuant to its power to  
8 establish new institutions and facilities, the Department  
9 may, with the written approval of the Governor, authorize  
10 the Department of Central Management Services to enter into  
11 an agreement of the type described in subsection (d) of  
12 Section 405-300 of the Department of Central Management  
13 Services Law (20 ILCS 405/405-300). The Department shall  
14 designate those institutions which shall constitute the  
15 State Penitentiary System.

16 Pursuant to its power to establish new institutions and  
17 facilities, the Department may authorize the Department of  
18 Central Management Services to accept bids from counties  
19 and municipalities for the construction, remodeling or  
20 conversion of a structure to be leased to the Department of  
21 Corrections for the purposes of its serving as a  
22 correctional institution or facility. Such construction,  
23 remodeling or conversion may be financed with revenue bonds  
24 issued pursuant to the Industrial Building Revenue Bond Act  
25 by the municipality or county. The lease specified in a bid  
26 shall be for a term of not less than the time needed to  
27 retire any revenue bonds used to finance the project, but  
28 not to exceed 40 years. The lease may grant to the State  
29 the option to purchase the structure outright.

30 Upon receipt of the bids, the Department may certify  
31 one or more of the bids and shall submit any such bids to  
32 the General Assembly for approval. Upon approval of a bid  
33 by a constitutional majority of both houses of the General  
34 Assembly, pursuant to joint resolution, the Department of

1 Central Management Services may enter into an agreement  
2 with the county or municipality pursuant to such bid.

3 (c-5) To build and maintain regional juvenile  
4 detention centers and to charge a per diem to the counties  
5 as established by the Department to defray the costs of  
6 housing each minor in a center. In this subsection (c-5),  
7 "juvenile detention center" means a facility to house  
8 minors during pendency of trial who have been transferred  
9 from proceedings under the Juvenile Court Act of 1987 to  
10 prosecutions under the criminal laws of this State in  
11 accordance with Section 5-805 of the Juvenile Court Act of  
12 1987, whether the transfer was by operation of law or  
13 permissive under that Section. The Department shall  
14 designate the counties to be served by each regional  
15 juvenile detention center.

16 (d) To develop and maintain programs of control,  
17 rehabilitation and employment of committed persons within  
18 its institutions.

19 (e) To establish a system of supervision and guidance  
20 of committed persons in the community.

21 (f) To establish in cooperation with the Department of  
22 Transportation to supply a sufficient number of prisoners  
23 for use by the Department of Transportation to clean up the  
24 trash and garbage along State, county, township, or  
25 municipal highways as designated by the Department of  
26 Transportation. The Department of Corrections, at the  
27 request of the Department of Transportation, shall furnish  
28 such prisoners at least annually for a period to be agreed  
29 upon between the Director of Corrections and the Director  
30 of Transportation. The prisoners used on this program shall  
31 be selected by the Director of Corrections on whatever  
32 basis he deems proper in consideration of their term,  
33 behavior and earned eligibility to participate in such  
34 program - where they will be outside of the prison facility

1 but still in the custody of the Department of Corrections.  
2 Prisoners convicted of first degree murder, or a Class X  
3 felony, or armed violence, or aggravated kidnapping, or  
4 criminal sexual assault, aggravated criminal sexual abuse  
5 or a subsequent conviction for criminal sexual abuse, or  
6 forcible detention, or arson, or a prisoner adjudged a  
7 Habitual Criminal shall not be eligible for selection to  
8 participate in such program. The prisoners shall remain as  
9 prisoners in the custody of the Department of Corrections  
10 and such Department shall furnish whatever security is  
11 necessary. The Department of Transportation shall furnish  
12 trucks and equipment for the highway cleanup program and  
13 personnel to supervise and direct the program. Neither the  
14 Department of Corrections nor the Department of  
15 Transportation shall replace any regular employee with a  
16 prisoner.

17 (g) To maintain records of persons committed to it and  
18 to establish programs of research, statistics and  
19 planning.

20 (h) To investigate the grievances of any person  
21 committed to the Department, to inquire into any alleged  
22 misconduct by employees or committed persons, and to  
23 investigate the assets of committed persons to implement  
24 Section 3-7-6 of this Code; and for these purposes it may  
25 issue subpoenas and compel the attendance of witnesses and  
26 the production of writings and papers, and may examine  
27 under oath any witnesses who may appear before it; to also  
28 investigate alleged violations of a parolee's or  
29 releasee's conditions of parole or release; and for this  
30 purpose it may issue subpoenas and compel the attendance of  
31 witnesses and the production of documents only if there is  
32 reason to believe that such procedures would provide  
33 evidence that such violations have occurred.

34 If any person fails to obey a subpoena issued under

1 this subsection, the Director may apply to any circuit  
2 court to secure compliance with the subpoena. The failure  
3 to comply with the order of the court issued in response  
4 thereto shall be punishable as contempt of court.

5 (i) To appoint and remove the chief administrative  
6 officers, and administer programs of training and  
7 development of personnel of the Department. Personnel  
8 assigned by the Department to be responsible for the  
9 custody and control of committed persons or to investigate  
10 the alleged misconduct of committed persons or employees or  
11 alleged violations of a parolee's or releasee's conditions  
12 of parole shall be conservators of the peace for those  
13 purposes, and shall have the full power of peace officers  
14 outside of the facilities of the Department in the  
15 protection, arrest, retaking and reconfining of committed  
16 persons or where the exercise of such power is necessary to  
17 the investigation of such misconduct or violations.

18 (j) To cooperate with other departments and agencies  
19 and with local communities for the development of standards  
20 and programs for better correctional services in this  
21 State.

22 (k) To administer all moneys and properties of the  
23 Department.

24 (l) To report annually to the Governor on the committed  
25 persons, institutions and programs of the Department.

26 (l-5) In a confidential annual report to the Governor,  
27 the Department shall identify all inmate gangs by  
28 specifying each current gang's name, population and allied  
29 gangs. The Department shall further specify the number of  
30 top leaders identified by the Department for each gang  
31 during the past year, and the measures taken by the  
32 Department to segregate each leader from his or her gang  
33 and allied gangs. The Department shall further report the  
34 current status of leaders identified and segregated in

1 previous years. All leaders described in the report shall  
2 be identified by inmate number or other designation to  
3 enable tracking, auditing, and verification without  
4 revealing the names of the leaders. Because this report  
5 contains law enforcement intelligence information  
6 collected by the Department, the report is confidential and  
7 not subject to public disclosure.

8 (m) To make all rules and regulations and exercise all  
9 powers and duties vested by law in the Department.

10 (n) To establish rules and regulations for  
11 administering a system of good conduct credits,  
12 established in accordance with Section 3-6-3, subject to  
13 review by the Prisoner Review Board.

14 (o) To administer the distribution of funds from the  
15 State Treasury to reimburse counties where State penal  
16 institutions are located for the payment of assistant  
17 state's attorneys' salaries under Section 4-2001 of the  
18 Counties Code.

19 (p) To exchange information with the Department of  
20 Human Services and the Illinois Department of Public Aid  
21 for the purpose of verifying living arrangements and for  
22 other purposes directly connected with the administration  
23 of this Code and the Illinois Public Aid Code.

24 (q) To establish a diversion program.

25 The program shall provide a structured environment for  
26 selected technical parole or mandatory supervised release  
27 violators and committed persons who have violated the rules  
28 governing their conduct while in work release. This program  
29 shall not apply to those persons who have committed a new  
30 offense while serving on parole or mandatory supervised  
31 release or while committed to work release.

32 Elements of the program shall include, but shall not be  
33 limited to, the following:

34 (1) The staff of a diversion facility shall provide



1 supervision in accordance with required objectives set  
2 by the facility.

3 (2) Participants shall be required to maintain  
4 employment.

5 (3) Each participant shall pay for room and board  
6 at the facility on a sliding-scale basis according to  
7 the participant's income.

8 (4) Each participant shall:

9 (A) provide restitution to victims in  
10 accordance with any court order;

11 (B) provide financial support to his  
12 dependents; and

13 (C) make appropriate payments toward any other  
14 court-ordered obligations.

15 (5) Each participant shall complete community  
16 service in addition to employment.

17 (6) Participants shall take part in such  
18 counseling, educational and other programs as the  
19 Department may deem appropriate.

20 (7) Participants shall submit to drug and alcohol  
21 screening.

22 (8) The Department shall promulgate rules  
23 governing the administration of the program.

24 (r) To enter into intergovernmental cooperation  
25 agreements under which persons in the custody of the  
26 Department may participate in a county impact  
27 incarceration program established under Section 3-6038 or  
28 3-15003.5 of the Counties Code.

29 (r-5) To enter into intergovernmental cooperation  
30 agreements under which minors adjudicated delinquent and  
31 committed to the Department of Corrections, Juvenile  
32 Division, may participate in a county juvenile impact  
33 incarceration program established under Section 3-6039 of  
34 the Counties Code.

1 (r-10) To systematically and routinely identify with  
2 respect to each streetgang active within the correctional  
3 system: (1) each active gang; (2) every existing inter-gang  
4 affiliation or alliance; and (3) the current leaders in  
5 each gang. The Department shall promptly segregate leaders  
6 from inmates who belong to their gangs and allied gangs.  
7 "Segregate" means no physical contact and, to the extent  
8 possible under the conditions and space available at the  
9 correctional facility, prohibition of visual and sound  
10 communication. For the purposes of this paragraph (r-10),  
11 "leaders" means persons who:

12 (i) are members of a criminal streetgang;

13 (ii) with respect to other individuals within the  
14 streetgang, occupy a position of organizer,  
15 supervisor, or other position of management or  
16 leadership; and

17 (iii) are actively and personally engaged in  
18 directing, ordering, authorizing, or requesting  
19 commission of criminal acts by others, which are  
20 punishable as a felony, in furtherance of streetgang  
21 related activity both within and outside of the  
22 Department of Corrections.

23 "Streetgang", "gang", and "streetgang related" have the  
24 meanings ascribed to them in Section 10 of the Illinois  
25 Streetgang Terrorism Omnibus Prevention Act.

26 (s) To operate a super-maximum security institution,  
27 in order to manage and supervise inmates who are disruptive  
28 or dangerous and provide for the safety and security of the  
29 staff and the other inmates.

30 (t) To monitor any unprivileged conversation or any  
31 unprivileged communication, whether in person or by mail,  
32 telephone, or other means, between an inmate who, before  
33 commitment to the Department, was a member of an organized  
34 gang and any other person without the need to show cause or

1 satisfy any other requirement of law before beginning the  
2 monitoring, except as constitutionally required. The  
3 monitoring may be by video, voice, or other method of  
4 recording or by any other means. As used in this  
5 subdivision (1)(t), "organized gang" has the meaning  
6 ascribed to it in Section 10 of the Illinois Streetgang  
7 Terrorism Omnibus Prevention Act.

8 As used in this subdivision (1)(t), "unprivileged  
9 conversation" or "unprivileged communication" means a  
10 conversation or communication that is not protected by any  
11 privilege recognized by law or by decision, rule, or order  
12 of the Illinois Supreme Court.

13 (u) To establish a Women's and Children's Pre-release  
14 Community Supervision Program for the purpose of providing  
15 housing and services to eligible female inmates, as  
16 determined by the Department, and their newborn and young  
17 children.

18 (v) To do all other acts necessary to carry out the  
19 provisions of this Chapter.

20 (2) The Department of Corrections shall by January 1, 1998,  
21 consider building and operating a correctional facility within  
22 100 miles of a county of over 2,000,000 inhabitants, especially  
23 a facility designed to house juvenile participants in the  
24 impact incarceration program.

25 (3) When the Department lets bids for contracts for medical  
26 services to be provided to persons committed to Department  
27 facilities by a health maintenance organization, medical  
28 service corporation, or other health care provider, the bid may  
29 only be let to a health care provider that has obtained an  
30 irrevocable letter of credit or performance bond issued by a  
31 company whose bonds are rated AAA by a bond rating  
32 organization.

33 (4) When the Department lets bids for contracts for food or  
34 commissary services to be provided to Department facilities,

1 the bid may only be let to a food or commissary services  
2 provider that has obtained an irrevocable letter of credit or  
3 performance bond issued by a company whose bonds are rated AAA  
4 by a bond rating organization.

5 (Source: P.A. 91-239, eff. 1-1-00; 91-357, eff. 7-29-99;  
6 92-444, eff. 1-1-02; 92-712, eff. 1-1-03.)

7 Section 10-175. The Probation and Probation Officers Act is  
8 amended by changing Sections 15 and 15.1 as follows:

9 (730 ILCS 110/15) (from Ch. 38, par. 204-7)

10 Sec. 15. (1) The Supreme Court of Illinois may establish a  
11 Division of Probation Services whose purpose shall be the  
12 development, establishment, promulgation, and enforcement of  
13 uniform standards for probation services in this State, and to  
14 otherwise carry out the intent of this Act. The Division may:

15 (a) establish qualifications for chief probation  
16 officers and other probation and court services personnel  
17 as to hiring, promotion, and training.

18 (b) make available, on a timely basis, lists of those  
19 applicants whose qualifications meet the regulations  
20 referred to herein, including on said lists all candidates  
21 found qualified.

22 (c) establish a means of verifying the conditions for  
23 reimbursement under this Act and develop criteria for  
24 approved costs for reimbursement.

25 (d) develop standards and approve employee  
26 compensation schedules for probation and court services  
27 departments.

28 (e) employ sufficient personnel in the Division to  
29 carry out the functions of the Division.

30 (f) establish a system of training and establish  
31 standards for personnel orientation and training.

32 (g) develop standards for a system of record keeping

1 for cases and programs, gather statistics, establish a  
2 system of uniform forms, and develop research for planning  
3 of Probation Services.

4 (h) develop standards to assure adequate support  
5 personnel, office space, equipment and supplies, travel  
6 expenses, and other essential items necessary for  
7 Probation and Court Services Departments to carry out their  
8 duties.

9 (i) review and approve annual plans submitted by  
10 Probation and Court Services Departments.

11 (j) monitor and evaluate all programs operated by  
12 Probation and Court Services Departments, and may include  
13 in the program evaluation criteria such factors as the  
14 percentage of Probation sentences for felons convicted of  
15 Probationable offenses.

16 (k) seek the cooperation of local and State government  
17 and private agencies to improve the quality of probation  
18 and court services.

19 (l) where appropriate, establish programs and  
20 corresponding standards designed to generally improve the  
21 quality of probation and court services and reduce the rate  
22 of adult or juvenile offenders committed to the Department  
23 of Corrections.

24 (m) establish such other standards and regulations and  
25 do all acts necessary to carry out the intent and purposes  
26 of this Act.

27 The Division shall establish a model list of structured  
28 intermediate sanctions that may be imposed by a probation  
29 agency for violations of terms and conditions of a sentence of  
30 probation, conditional discharge, or supervision.

31 The State of Illinois shall provide for the costs of  
32 personnel, travel, equipment, telecommunications, postage,  
33 commodities, printing, space, contractual services and other  
34 related costs necessary to carry out the intent of this Act.

1           (2) (a) The chief judge of each circuit shall provide  
2 full-time probation services for all counties within the  
3 circuit, in a manner consistent with the annual probation plan,  
4 the standards, policies, and regulations established by the  
5 Supreme Court. A probation district of two or more counties  
6 within a circuit may be created for the purposes of providing  
7 full-time probation services. Every county or group of counties  
8 within a circuit shall maintain a probation department which  
9 shall be under the authority of the Chief Judge of the circuit  
10 or some other judge designated by the Chief Judge. The Chief  
11 Judge, through the Probation and Court Services Department  
12 shall submit annual plans to the Division for probation and  
13 related services.

14           (b) The Chief Judge of each circuit shall appoint the Chief  
15 Probation Officer and all other probation officers for his or  
16 her circuit from lists of qualified applicants supplied by the  
17 Supreme Court. Candidates for chief managing officer and other  
18 probation officer positions must apply with both the Chief  
19 Judge of the circuit and the Supreme Court.

20           (3) A Probation and Court Service Department shall apply to  
21 the Supreme Court for funds for basic services, and may apply  
22 for funds for new and expanded programs or Individualized  
23 Services and Programs. Costs shall be reimbursed monthly based  
24 on a plan and budget approved by the Supreme Court. No  
25 Department may be reimbursed for costs which exceed or are not  
26 provided for in the approved annual plan and budget. After the  
27 effective date of this amendatory Act of 1985, each county must  
28 provide basic services in accordance with the annual plan and  
29 standards created by the division. No department may receive  
30 funds for new or expanded programs or individualized services  
31 and programs unless they are in compliance with standards as  
32 enumerated in paragraph (h) of subsection (1) of this Section,  
33 the annual plan, and standards for basic services.

34           (4) The Division shall reimburse the county or counties for

1 probation services as follows:

2 (a) 100% of the salary of all chief managing officers  
3 designated as such by the Chief Judge and the division.

4 (b) 100% of the salary for all probation officer and  
5 supervisor positions approved for reimbursement by the  
6 division after April 1, 1984, to meet workload standards  
7 and to implement intensive sanction and probation  
8 supervision programs and other basic services as defined in  
9 this Act.

10 (c) 100% of the salary for all secure detention  
11 personnel and non-secure group home personnel approved for  
12 reimbursement after December 1, 1990. For all such  
13 positions approved for reimbursement before December 1,  
14 1990, the counties shall be reimbursed \$1,250 per month  
15 beginning July 1, 1995, and an additional \$250 per month  
16 beginning each July 1st thereafter until the positions  
17 receive 100% salary reimbursement. Allocation of such  
18 positions will be based on comparative need considering  
19 capacity, staff/resident ratio, physical plant and  
20 program.

21 (d) \$1,000 per month for salaries for the remaining  
22 probation officer positions engaged in basic services and  
23 new or expanded services. All such positions shall be  
24 approved by the division in accordance with this Act and  
25 division standards.

26 (e) 100% of the travel expenses in accordance with  
27 Division standards for all Probation positions approved  
28 under paragraph (b) of subsection 4 of this Section.

29 (f) If the amount of funds reimbursed to the county  
30 under paragraphs (a) through (e) of subsection 4 of this  
31 Section on an annual basis is less than the amount the  
32 county had received during the 12 month period immediately  
33 prior to the effective date of this amendatory Act of 1985,  
34 then the Division shall reimburse the amount of the

1 difference to the county. The effect of paragraph (b) of  
2 subsection 7 of this Section shall be considered in  
3 implementing this supplemental reimbursement provision.

4 (5) The Division shall provide funds beginning on April 1,  
5 1987 for the counties to provide Individualized Services and  
6 Programs as provided in Section 16 of this Act.

7 (6) A Probation and Court Services Department in order to  
8 be eligible for the reimbursement must submit to the Supreme  
9 Court an application containing such information and in such a  
10 form and by such dates as the Supreme Court may require.  
11 Departments to be eligible for funding must satisfy the  
12 following conditions:

13 (a) The Department shall have on file with the Supreme  
14 Court an annual Probation plan for continuing, improved,  
15 and new Probation and Court Services Programs approved by  
16 the Supreme Court or its designee. This plan shall indicate  
17 the manner in which Probation and Court Services will be  
18 delivered and improved, consistent with the minimum  
19 standards and regulations for Probation and Court  
20 Services, as established by the Supreme Court. In counties  
21 with more than one Probation and Court Services Department  
22 eligible to receive funds, all Departments within that  
23 county must submit plans which are approved by the Supreme  
24 Court.

25 (b) The annual probation plan shall seek to generally  
26 improve the quality of probation services and to reduce the  
27 commitment of adult and juvenile offenders to the  
28 Department of Corrections and shall require, when  
29 appropriate, coordination with the Department of  
30 Corrections and the Department of Children and Family  
31 Services in the development and use of community resources,  
32 information systems, case review and permanency planning  
33 systems to avoid the duplication of services.

34 (c) The Department shall be in compliance with



1 standards developed by the Supreme Court for basic, new and  
2 expanded services, training, personnel hiring and  
3 promotion.

4 (d) The Department shall in its annual plan indicate  
5 the manner in which it will support the rights of crime  
6 victims and in which manner it will implement Article I,  
7 Section 8.1 of the Illinois Constitution and in what manner  
8 it will coordinate crime victims' support services with  
9 other criminal justice agencies within its jurisdiction,  
10 including but not limited to, the State's Attorney, the  
11 Sheriff and any municipal police department.

12 (7) No statement shall be verified by the Supreme Court or  
13 its designee or vouchered by the Comptroller unless each of the  
14 following conditions have been met:

15 (a) The probation officer is a full-time employee  
16 appointed by the Chief Judge to provide probation services.

17 (b) The probation officer, in order to be eligible for  
18 State reimbursement, is receiving a salary of at least  
19 \$17,000 per year.

20 (c) The probation officer is appointed or was  
21 reappointed in accordance with minimum qualifications or  
22 criteria established by the Supreme Court; however, all  
23 probation officers appointed prior to January 1, 1978,  
24 shall be exempted from the minimum requirements  
25 established by the Supreme Court. Payments shall be made to  
26 counties employing these exempted probation officers as  
27 long as they are employed in the position held on the  
28 effective date of this amendatory Act of 1985. Promotions  
29 shall be governed by minimum qualifications established by  
30 the Supreme Court.

31 (d) The Department has an established compensation  
32 schedule approved by the Supreme Court. The compensation  
33 schedule shall include salary ranges with necessary  
34 increments to compensate each employee. The increments

1 shall, within the salary ranges, be based on such factors  
2 as bona fide occupational qualifications, performance, and  
3 length of service. Each position in the Department shall be  
4 placed on the compensation schedule according to job duties  
5 and responsibilities of such position. The policy and  
6 procedures of the compensation schedule shall be made  
7 available to each employee.

8 (8) In order to obtain full reimbursement of all approved  
9 costs, each Department must continue to employ at least the  
10 same number of probation officers and probation managers as  
11 were authorized for employment for the fiscal year which  
12 includes January 1, 1985. This number shall be designated as  
13 the base amount of the Department. No positions approved by the  
14 Division under paragraph (b) of subsection 4 will be included  
15 in the base amount. In the event that the Department employs  
16 fewer Probation officers and Probation managers than the base  
17 amount for a period of 90 days, funding received by the  
18 Department under subsection 4 of this Section may be reduced on  
19 a monthly basis by the amount of the current salaries of any  
20 positions below the base amount.

21 (9) Before the 15th day of each month, the treasurer of any  
22 county which has a Probation and Court Services Department, or  
23 the treasurer of the most populous county, in the case of a  
24 Probation or Court Services Department funded by more than one  
25 county, shall submit an itemized statement of all approved  
26 costs incurred in the delivery of Basic Probation and Court  
27 Services under this Act to the Supreme Court. The treasurer may  
28 also submit an itemized statement of all approved costs  
29 incurred in the delivery of new and expanded Probation and  
30 Court Services as well as Individualized Services and Programs.  
31 The Supreme Court or its designee shall verify compliance with  
32 this Section and shall examine and audit the monthly statement  
33 and, upon finding them to be correct, shall forward them to the  
34 Comptroller for payment to the county treasurer. In the case of

1 payment to a treasurer of a county which is the most populous  
2 of counties sharing the salary and expenses of a Probation and  
3 Court Services Department, the treasurer shall divide the money  
4 between the counties in a manner that reflects each county's  
5 share of the cost incurred by the Department.

6 (10) The county treasurer must certify that funds received  
7 under this Section shall be used solely to maintain and improve  
8 Probation and Court Services. The county or circuit shall  
9 remain in compliance with all standards, policies and  
10 regulations established by the Supreme Court. If at any time  
11 the Supreme Court determines that a county or circuit is not in  
12 compliance, the Supreme Court shall immediately notify the  
13 Chief Judge, county board chairman and the Director of Court  
14 Services Chief Probation Officer. If after 90 days of written  
15 notice the noncompliance still exists, the Supreme Court shall  
16 be required to reduce the amount of monthly reimbursement by  
17 10%. An additional 10% reduction of monthly reimbursement shall  
18 occur for each consecutive month of noncompliance. Except as  
19 provided in subsection 5 of Section 15, funding to counties  
20 shall commence on April 1, 1986. Funds received under this Act  
21 shall be used to provide for Probation Department expenses  
22 including those required under Section 13 of this Act. For  
23 State fiscal years ~~year~~ 2004 and 2005 only, the Mandatory  
24 Arbitration Fund may be used to provide for Probation  
25 Department expenses, including those required under Section 13  
26 of this Act.

27 (11) The respective counties shall be responsible for  
28 capital and space costs, fringe benefits, clerical costs,  
29 equipment, telecommunications, postage, commodities and  
30 printing.

31 (12) For purposes of this Act only, probation officers  
32 shall be considered peace officers. In the exercise of their  
33 official duties, probation officers, sheriffs, and police  
34 officers may, anywhere within the State, arrest any probationer

1 who is in violation of any of the conditions of his or her  
2 probation, conditional discharge, or supervision, and it shall  
3 be the duty of the officer making the arrest to take the  
4 probationer before the Court having jurisdiction over the  
5 probationer for further order.

6 (Source: P.A. 93-25, eff. 6-20-03; 93-576, eff. 1-1-04; revised  
7 9-23-03.)

8 (730 ILCS 110/15.1) (from Ch. 38, par. 204-7.1)

9 Sec. 15.1. Probation and Court Services Fund.

10 (a) The county treasurer in each county shall establish a  
11 probation and court services fund consisting of fees collected  
12 pursuant to subsection (i) of Section 5-6-3 and subsection (i)  
13 of Section 5-6-3.1 of the Unified Code of Corrections,  
14 subsection (10) of Section 5-615 and subsection (5) of Section  
15 5-715 of the Juvenile Court Act of 1987, and paragraph 14.3 of  
16 subsection (b) of Section 110-10 of the Code of Criminal  
17 Procedure of 1963. The county treasurer shall disburse monies  
18 from the fund only at the direction of the chief judge of the  
19 circuit court in such circuit where the county is located. The  
20 county treasurer of each county shall, on or before January 10  
21 of each year, submit an annual report to the Supreme Court.

22 (b) Monies in the probation and court services fund shall  
23 be appropriated by the county board to be used within the  
24 county or jurisdiction where collected in accordance with  
25 policies and guidelines approved by the Supreme Court for the  
26 costs of operating the probation and court services department  
27 or departments; however, except as provided in subparagraph  
28 (g), monies in the probation and court services fund shall not  
29 be used for the payment of salaries of probation and court  
30 services personnel.

31 (c) Monies expended from the probation and court services  
32 fund shall be used to supplement, not supplant, county  
33 appropriations for probation and court services.

1 (d) Interest earned on monies deposited in a probation and  
2 court services fund may be used by the county for its ordinary  
3 and contingent expenditures.

4 (e) The county board may appropriate moneys from the  
5 probation and court services fund, upon the direction of the  
6 chief judge, to support programs that are part of the continuum  
7 of juvenile delinquency intervention programs which are or may  
8 be developed within the county. The grants from the probation  
9 and court services fund shall be for no more than one year and  
10 may be used for any expenses attributable to the program  
11 including administration and oversight of the program by the  
12 probation department.

13 (f) The county board may appropriate moneys from the  
14 probation and court services fund, upon the direction of the  
15 chief judge, to support practices endorsed or required under  
16 the Sex Offender Management Board Act, including but not  
17 limited to sex offender evaluation, treatment, and monitoring  
18 programs that are or may be developed within the county.

19 (g) For the State Fiscal Year 2005 only, the Administrative  
20 Office of the Illinois Courts may permit a county or circuit to  
21 use its probation and court services fund for the payment of  
22 salaries of probation officers and other court services  
23 personnel whose salaries are reimbursed under this Act if the  
24 State's FY2005 appropriation to the Supreme Court for  
25 reimbursement to counties for probation salaries and services  
26 is less than the amount appropriated to the Supreme Court for  
27 these purposes for State Fiscal Year 2004. The Administrative  
28 Office of the Illinois Courts shall take into account any  
29 annual surplus or deficit that any county or circuit has in its  
30 probation and court services fund and any amounts already  
31 obligated from such fund when apportioning the total  
32 reimbursement for each county or circuit.

33 (Source: P.A. 92-329, eff. 8-9-01; 93-616, eff. 1-1-04.)

1 Section 10-178. The Code of Civil Procedure is amended by  
2 changing Section 2-1009A as follows:

3 (735 ILCS 5/2-1009A) (from Ch. 110, par. 2-1009A)

4 Sec. 2-1009A. Filing Fees. In each county authorized by the  
5 Supreme Court to utilize mandatory arbitration, the clerk of  
6 the circuit court shall charge and collect, in addition to any  
7 other fees, an arbitration fee of \$8, except in counties with  
8 3,000,000 or more inhabitants the fee shall be \$10, at the time  
9 of filing the first pleading, paper or other appearance filed  
10 by each party in all civil cases, but no additional fee shall  
11 be required if more than one party is represented in a single  
12 pleading, paper or other appearance. Arbitration fees received  
13 by the clerk of the circuit court pursuant to this Section  
14 shall be remitted within one month after receipt to the State  
15 Treasurer for deposit into the Mandatory Arbitration Fund, a  
16 special fund in the State treasury for the purpose of funding  
17 mandatory arbitration programs and such other alternative  
18 dispute resolution programs as may be authorized by circuit  
19 court rule for operation in counties that have implemented  
20 mandatory arbitration, with a separate account being  
21 maintained for each county. Notwithstanding any other  
22 provision of this Section to the contrary, and for State fiscal  
23 years year 2004 and 2005 only, up to \$5,500,000 of the  
24 Mandatory Arbitration Fund may be used for any other purpose  
25 authorized by the Supreme Court.

26 (Source: P.A. 93-25, eff. 6-20-03.)

27 Section 10-180. The Illinois Pre-Need Cemetery Sales Act is  
28 amended by changing Section 22 as follows:

29 (815 ILCS 390/22) (from Ch. 21, par. 222)

30 Sec. 22. Cemetery Consumer Protection Fund.

31 (a) Every seller engaging in pre-need sales shall pay to

1 the Comptroller \$5 for each said contract entered into, to be  
2 paid into a special income earning fund hereby created in the  
3 State Treasury, known as the Cemetery Consumer Protection Fund.  
4 The above said fees shall be remitted to the Comptroller  
5 semi-annually within 30 days after the end of June and December  
6 for all contracts that have been entered in such 6 month  
7 period.

8 (b) All monies paid into the fund together with all  
9 accumulated undistributed income thereon shall be held as a  
10 special fund in the State Treasury. The fund shall be used  
11 solely for the purpose of providing restitution to consumers  
12 who have suffered pecuniary loss arising out of pre-need sales  
13 or to satisfy Receiver's fees ordered by the Circuit Court  
14 prior to June 30, 2004.

15 (c) The fund shall be applied only to restitution or  
16 completion of the project or delivery of the merchandise or  
17 services, where such has been ordered by the Circuit Court in a  
18 lawsuit brought under this Act by the Attorney General of the  
19 State of Illinois on behalf of the Comptroller and in which it  
20 has been determined by the Court that the obligation is  
21 non-collectible from the judgment debtor. Restitution shall  
22 not exceed the amount of the sales price paid plus interest at  
23 the statutory rate. The fund shall not be used for the payment  
24 of any attorney or other fees.

25 (d) Whenever restitution is paid by the fund, the fund  
26 shall be subrogated to the amount of such restitution, and the  
27 Comptroller shall request the Attorney General to engage in all  
28 reasonable post judgment collection steps to collect said  
29 restitution from the judgment debtor and reimburse the fund.

30 (e) The fund shall not be applied toward any restitution  
31 for losses in any lawsuit initiated by the Attorney General or  
32 Comptroller or with respect to any claim made on pre-need sales  
33 which occurred prior to the effective date of this Act.

34 (f) The fund may not be allocated for any purpose other

1 than that specified in this Act.

2 (g) Notwithstanding any other provision of this Section,  
3 the payment of restitution from the fund shall be a matter of  
4 grace and not of right and no purchaser shall have any vested  
5 rights in the fund as a beneficiary or otherwise. Prior to  
6 seeking restitution from the fund, a purchaser or beneficiary  
7 seeking payment of restitution shall apply for restitution on a  
8 form provided by the Comptroller. The form shall include any  
9 information the Comptroller may reasonably require in order for  
10 the Court to determine that restitution or completion of the  
11 project or delivery of merchandise or service is appropriate.

12 (h) Annually, the status of the fund shall be reviewed by  
13 the Comptroller, and if he determines that the fund together  
14 with all accumulated income earned thereon, equals or exceeds  
15 \$10,000,000 and that the total number of outstanding claims  
16 filed against the fund is less than 10% of the fund's current  
17 balance, then payments to the fund shall be suspended until  
18 such time as the fund's balance drops below \$10,000,000 or the  
19 total number of outstanding claims filed against the fund is  
20 more than 10% of the fund's current balance, but on such  
21 suspension, the fund shall not be considered inactive.

22 (Source: P.A. 92-419, eff. 1-1-02.)

23 Section 10-185. The State Employees Group Insurance Act of  
24 1971 is amended by changing Sections 3 and 10 as follows:

25 (5 ILCS 375/3) (from Ch. 127, par. 523)

26 Sec. 3. Definitions. Unless the context otherwise  
27 requires, the following words and phrases as used in this Act  
28 shall have the following meanings. The Department may define  
29 these and other words and phrases separately for the purpose of  
30 implementing specific programs providing benefits under this  
31 Act.

32 (a) "Administrative service organization" means any



1 person, firm or corporation experienced in the handling of  
2 claims which is fully qualified, financially sound and capable  
3 of meeting the service requirements of a contract of  
4 administration executed with the Department.

5 (b) "Annuitant" means (1) an employee who retires, or has  
6 retired, on or after January 1, 1966 on an immediate annuity  
7 under the provisions of Articles 2, 14 (including an employee  
8 who has elected to receive an alternative retirement  
9 cancellation payment under Section 14-108.5 of the Illinois  
10 Pension Code in lieu of an annuity), 15 (including an employee  
11 who has retired under the optional retirement program  
12 established under Section 15-158.2), paragraphs (2), (3), or  
13 (5) of Section 16-106, or Article 18 of the Illinois Pension  
14 Code; (2) any person who was receiving group insurance coverage  
15 under this Act as of March 31, 1978 by reason of his status as  
16 an annuitant, even though the annuity in relation to which such  
17 coverage was provided is a proportional annuity based on less  
18 than the minimum period of service required for a retirement  
19 annuity in the system involved; (3) any person not otherwise  
20 covered by this Act who has retired as a participating member  
21 under Article 2 of the Illinois Pension Code but is ineligible  
22 for the retirement annuity under Section 2-119 of the Illinois  
23 Pension Code; (4) the spouse of any person who is receiving a  
24 retirement annuity under Article 18 of the Illinois Pension  
25 Code and who is covered under a group health insurance program  
26 sponsored by a governmental employer other than the State of  
27 Illinois and who has irrevocably elected to waive his or her  
28 coverage under this Act and to have his or her spouse  
29 considered as the "annuitant" under this Act and not as a  
30 "dependent"; or (5) an employee who retires, or has retired,  
31 from a qualified position, as determined according to rules  
32 promulgated by the Director, under a qualified local government  
33 or a qualified rehabilitation facility or a qualified domestic  
34 violence shelter or service. (For definition of "retired

1 employee", see (p) post).

2 (b-5) "New SERS annuitant" means a person who, on or after  
3 January 1, 1998, becomes an annuitant, as defined in subsection  
4 (b), by virtue of beginning to receive a retirement annuity  
5 under Article 14 of the Illinois Pension Code (including an  
6 employee who has elected to receive an alternative retirement  
7 cancellation payment under Section 14-108.5 of that Code in  
8 lieu of an annuity), and is eligible to participate in the  
9 basic program of group health benefits provided for annuitants  
10 under this Act.

11 (b-6) "New SURS annuitant" means a person who (1) on or  
12 after January 1, 1998, becomes an annuitant, as defined in  
13 subsection (b), by virtue of beginning to receive a retirement  
14 annuity under Article 15 of the Illinois Pension Code, (2) has  
15 not made the election authorized under Section 15-135.1 of the  
16 Illinois Pension Code, and (3) is eligible to participate in  
17 the basic program of group health benefits provided for  
18 annuitants under this Act.

19 (b-7) "New TRS State annuitant" means a person who, on or  
20 after July 1, 1998, becomes an annuitant, as defined in  
21 subsection (b), by virtue of beginning to receive a retirement  
22 annuity under Article 16 of the Illinois Pension Code based on  
23 service as a teacher as defined in paragraph (2), (3), or (5)  
24 of Section 16-106 of that Code, and is eligible to participate  
25 in the basic program of group health benefits provided for  
26 annuitants under this Act.

27 (c) "Carrier" means (1) an insurance company, a corporation  
28 organized under the Limited Health Service Organization Act or  
29 the Voluntary Health Services Plan Act, a partnership, or other  
30 nongovernmental organization, which is authorized to do group  
31 life or group health insurance business in Illinois, or (2) the  
32 State of Illinois as a self-insurer.

33 (d) "Compensation" means salary or wages payable on a  
34 regular payroll by the State Treasurer on a warrant of the

1 State Comptroller out of any State, trust or federal fund, or  
2 by the Governor of the State through a disbursing officer of  
3 the State out of a trust or out of federal funds, or by any  
4 Department out of State, trust, federal or other funds held by  
5 the State Treasurer or the Department, to any person for  
6 personal services currently performed, and ordinary or  
7 accidental disability benefits under Articles 2, 14, 15  
8 (including ordinary or accidental disability benefits under  
9 the optional retirement program established under Section  
10 15-158.2), paragraphs (2), (3), or (5) of Section 16-106, or  
11 Article 18 of the Illinois Pension Code, for disability  
12 incurred after January 1, 1966, or benefits payable under the  
13 Workers' Compensation or Occupational Diseases Act or benefits  
14 payable under a sick pay plan established in accordance with  
15 Section 36 of the State Finance Act. "Compensation" also means  
16 salary or wages paid to an employee of any qualified local  
17 government or qualified rehabilitation facility or a qualified  
18 domestic violence shelter or service.

19 (e) "Commission" means the State Employees Group Insurance  
20 Advisory Commission authorized by this Act. Commencing July 1,  
21 1984, "Commission" as used in this Act means the Illinois  
22 Economic and Fiscal Commission as established by the  
23 Legislative Commission Reorganization Act of 1984.

24 (f) "Contributory", when referred to as contributory  
25 coverage, shall mean optional coverages or benefits elected by  
26 the member toward the cost of which such member makes  
27 contribution, or which are funded in whole or in part through  
28 the acceptance of a reduction in earnings or the foregoing of  
29 an increase in earnings by an employee, as distinguished from  
30 noncontributory coverage or benefits which are paid entirely by  
31 the State of Illinois without reduction of the member's salary.

32 (g) "Department" means any department, institution, board,  
33 commission, officer, court or any agency of the State  
34 government receiving appropriations and having power to

1 certify payrolls to the Comptroller authorizing payments of  
2 salary and wages against such appropriations as are made by the  
3 General Assembly from any State fund, or against trust funds  
4 held by the State Treasurer and includes boards of trustees of  
5 the retirement systems created by Articles 2, 14, 15, 16 and 18  
6 of the Illinois Pension Code. "Department" also includes the  
7 Illinois Comprehensive Health Insurance Board, the Board of  
8 Examiners established under the Illinois Public Accounting  
9 Act, and the Illinois Finance Authority.

10 (h) "Dependent", when the term is used in the context of  
11 the health and life plan, means a member's spouse and any  
12 unmarried child (1) from birth to age 19 including an adopted  
13 child, a child who lives with the member from the time of the  
14 filing of a petition for adoption until entry of an order of  
15 adoption, a stepchild or recognized child who lives with the  
16 member in a parent-child relationship, or a child who lives  
17 with the member if such member is a court appointed guardian of  
18 the child, or (2) age 19 to 23 enrolled as a full-time student  
19 in any accredited school, financially dependent upon the  
20 member, and eligible to be claimed as a dependent for income  
21 tax purposes, or (3) age 19 or over who is mentally or  
22 physically handicapped. For the health plan only, the term  
23 "dependent" also includes any person enrolled prior to the  
24 effective date of this Section who is dependent upon the member  
25 to the extent that the member may claim such person as a  
26 dependent for income tax deduction purposes; no other such  
27 person may be enrolled. For the health plan only, the term  
28 "dependent" also includes any person who has received after  
29 June 30, 2000 an organ transplant and who is financially  
30 dependent upon the member and eligible to be claimed as a  
31 dependent for income tax purposes.

32 (i) "Director" means the Director of the Illinois  
33 Department of Central Management Services.

34 (j) "Eligibility period" means the period of time a member

1 has to elect enrollment in programs or to select benefits  
2 without regard to age, sex or health.

3 (k) "Employee" means and includes each officer or employee  
4 in the service of a department who (1) receives his  
5 compensation for service rendered to the department on a  
6 warrant issued pursuant to a payroll certified by a department  
7 or on a warrant or check issued and drawn by a department upon  
8 a trust, federal or other fund or on a warrant issued pursuant  
9 to a payroll certified by an elected or duly appointed officer  
10 of the State or who receives payment of the performance of  
11 personal services on a warrant issued pursuant to a payroll  
12 certified by a Department and drawn by the Comptroller upon the  
13 State Treasurer against appropriations made by the General  
14 Assembly from any fund or against trust funds held by the State  
15 Treasurer, and (2) is employed full-time or part-time in a  
16 position normally requiring actual performance of duty during  
17 not less than 1/2 of a normal work period, as established by  
18 the Director in cooperation with each department, except that  
19 persons elected by popular vote will be considered employees  
20 during the entire term for which they are elected regardless of  
21 hours devoted to the service of the State, and (3) except that  
22 "employee" does not include any person who is not eligible by  
23 reason of such person's employment to participate in one of the  
24 State retirement systems under Articles 2, 14, 15 (either the  
25 regular Article 15 system or the optional retirement program  
26 established under Section 15-158.2) or 18, or under paragraph  
27 (2), (3), or (5) of Section 16-106, of the Illinois Pension  
28 Code, but such term does include persons who are employed  
29 during the 6 month qualifying period under Article 14 of the  
30 Illinois Pension Code. Such term also includes any person who  
31 (1) after January 1, 1966, is receiving ordinary or accidental  
32 disability benefits under Articles 2, 14, 15 (including  
33 ordinary or accidental disability benefits under the optional  
34 retirement program established under Section 15-158.2),

1 paragraphs (2), (3), or (5) of Section 16-106, or Article 18 of  
2 the Illinois Pension Code, for disability incurred after  
3 January 1, 1966, (2) receives total permanent or total  
4 temporary disability under the Workers' Compensation Act or  
5 Occupational Disease Act as a result of injuries sustained or  
6 illness contracted in the course of employment with the State  
7 of Illinois, or (3) is not otherwise covered under this Act and  
8 has retired as a participating member under Article 2 of the  
9 Illinois Pension Code but is ineligible for the retirement  
10 annuity under Section 2-119 of the Illinois Pension Code.  
11 However, a person who satisfies the criteria of the foregoing  
12 definition of "employee" except that such person is made  
13 ineligible to participate in the State Universities Retirement  
14 System by clause (4) of subsection (a) of Section 15-107 of the  
15 Illinois Pension Code is also an "employee" for the purposes of  
16 this Act. "Employee" also includes any person receiving or  
17 eligible for benefits under a sick pay plan established in  
18 accordance with Section 36 of the State Finance Act. "Employee"  
19 also includes each officer or employee in the service of a  
20 qualified local government, including persons appointed as  
21 trustees of sanitary districts regardless of hours devoted to  
22 the service of the sanitary district, and each employee in the  
23 service of a qualified rehabilitation facility and each  
24 full-time employee in the service of a qualified domestic  
25 violence shelter or service, as determined according to rules  
26 promulgated by the Director.

27 (l) "Member" means an employee, annuitant, retired  
28 employee or survivor.

29 (m) "Optional coverages or benefits" means those coverages  
30 or benefits available to the member on his or her voluntary  
31 election, and at his or her own expense.

32 (n) "Program" means the group life insurance, health  
33 benefits and other employee benefits designed and contracted  
34 for by the Director under this Act.

1 (o) "Health plan" means a health benefits program offered  
2 by the State of Illinois for persons eligible for the plan.

3 (p) "Retired employee" means any person who would be an  
4 annuitant as that term is defined herein but for the fact that  
5 such person retired prior to January 1, 1966. Such term also  
6 includes any person formerly employed by the University of  
7 Illinois in the Cooperative Extension Service who would be an  
8 annuitant but for the fact that such person was made ineligible  
9 to participate in the State Universities Retirement System by  
10 clause (4) of subsection (a) of Section 15-107 of the Illinois  
11 Pension Code.

12 (q) "Survivor" means a person receiving an annuity as a  
13 survivor of an employee or of an annuitant. "Survivor" also  
14 includes: (1) the surviving dependent of a person who satisfies  
15 the definition of "employee" except that such person is made  
16 ineligible to participate in the State Universities Retirement  
17 System by clause (4) of subsection (a) of Section 15-107 of the  
18 Illinois Pension Code; ~~and~~ (2) the surviving dependent of any  
19 person formerly employed by the University of Illinois in the  
20 Cooperative Extension Service who would be an annuitant except  
21 for the fact that such person was made ineligible to  
22 participate in the State Universities Retirement System by  
23 clause (4) of subsection (a) of Section 15-107 of the Illinois  
24 Pension Code; and (3) the surviving dependent of a person who  
25 was an annuitant under this Act by virtue of receiving an  
26 alternative retirement cancellation payment under Section  
27 14-108.5 of the Illinois Pension Code.

28 (q-2) "SERS" means the State Employees' Retirement System  
29 of Illinois, created under Article 14 of the Illinois Pension  
30 Code.

31 (q-3) "SURS" means the State Universities Retirement  
32 System, created under Article 15 of the Illinois Pension Code.

33 (q-4) "TRS" means the Teachers' Retirement System of the  
34 State of Illinois, created under Article 16 of the Illinois

1 Pension Code.

2 (q-5) "New SERS survivor" means a survivor, as defined in  
3 subsection (q), whose annuity is paid under Article 14 of the  
4 Illinois Pension Code and is based on the death of (i) an  
5 employee whose death occurs on or after January 1, 1998, or  
6 (ii) a new SERS annuitant as defined in subsection (b-5). "New  
7 SERS survivor" includes the surviving dependent of a person who  
8 was an annuitant under this Act by virtue of receiving an  
9 alternative retirement cancellation payment under Section  
10 14-108.5 of the Illinois Pension Code.

11 (q-6) "New SURS survivor" means a survivor, as defined in  
12 subsection (q), whose annuity is paid under Article 15 of the  
13 Illinois Pension Code and is based on the death of (i) an  
14 employee whose death occurs on or after January 1, 1998, or  
15 (ii) a new SURS annuitant as defined in subsection (b-6).

16 (q-7) "New TRS State survivor" means a survivor, as defined  
17 in subsection (q), whose annuity is paid under Article 16 of  
18 the Illinois Pension Code and is based on the death of (i) an  
19 employee who is a teacher as defined in paragraph (2), (3), or  
20 (5) of Section 16-106 of that Code and whose death occurs on or  
21 after July 1, 1998, or (ii) a new TRS State annuitant as  
22 defined in subsection (b-7).

23 (r) "Medical services" means the services provided within  
24 the scope of their licenses by practitioners in all categories  
25 licensed under the Medical Practice Act of 1987.

26 (s) "Unit of local government" means any county,  
27 municipality, township, school district (including a  
28 combination of school districts under the Intergovernmental  
29 Cooperation Act), special district or other unit, designated as  
30 a unit of local government by law, which exercises limited  
31 governmental powers or powers in respect to limited  
32 governmental subjects, any not-for-profit association with a  
33 membership that primarily includes townships and township  
34 officials, that has duties that include provision of research



1 service, dissemination of information, and other acts for the  
2 purpose of improving township government, and that is funded  
3 wholly or partly in accordance with Section 85-15 of the  
4 Township Code; any not-for-profit corporation or association,  
5 with a membership consisting primarily of municipalities, that  
6 operates its own utility system, and provides research,  
7 training, dissemination of information, or other acts to  
8 promote cooperation between and among municipalities that  
9 provide utility services and for the advancement of the goals  
10 and purposes of its membership; the Southern Illinois  
11 Collegiate Common Market, which is a consortium of higher  
12 education institutions in Southern Illinois; and the Illinois  
13 Association of Park Districts. "Qualified local government"  
14 means a unit of local government approved by the Director and  
15 participating in a program created under subsection (i) of  
16 Section 10 of this Act.

17 (t) "Qualified rehabilitation facility" means any  
18 not-for-profit organization that is accredited by the  
19 Commission on Accreditation of Rehabilitation Facilities or  
20 certified by the Department of Human Services (as successor to  
21 the Department of Mental Health and Developmental  
22 Disabilities) to provide services to persons with disabilities  
23 and which receives funds from the State of Illinois for  
24 providing those services, approved by the Director and  
25 participating in a program created under subsection (j) of  
26 Section 10 of this Act.

27 (u) "Qualified domestic violence shelter or service" means  
28 any Illinois domestic violence shelter or service and its  
29 administrative offices funded by the Department of Human  
30 Services (as successor to the Illinois Department of Public  
31 Aid), approved by the Director and participating in a program  
32 created under subsection (k) of Section 10.

33 (v) "TRS benefit recipient" means a person who:

34 (1) is not a "member" as defined in this Section; and

1           (2) is receiving a monthly benefit or retirement  
2 annuity under Article 16 of the Illinois Pension Code; and

3           (3) either (i) has at least 8 years of creditable  
4 service under Article 16 of the Illinois Pension Code, or  
5 (ii) was enrolled in the health insurance program offered  
6 under that Article on January 1, 1996, or (iii) is the  
7 survivor of a benefit recipient who had at least 8 years of  
8 creditable service under Article 16 of the Illinois Pension  
9 Code or was enrolled in the health insurance program  
10 offered under that Article on the effective date of this  
11 amendatory Act of 1995, or (iv) is a recipient or survivor  
12 of a recipient of a disability benefit under Article 16 of  
13 the Illinois Pension Code.

14       (w) "TRS dependent beneficiary" means a person who:

15           (1) is not a "member" or "dependent" as defined in this  
16 Section; and

17           (2) is a TRS benefit recipient's: (A) spouse, (B)  
18 dependent parent who is receiving at least half of his or  
19 her support from the TRS benefit recipient, or (C)  
20 unmarried natural or adopted child who is (i) under age 19,  
21 or (ii) enrolled as a full-time student in an accredited  
22 school, financially dependent upon the TRS benefit  
23 recipient, eligible to be claimed as a dependent for income  
24 tax purposes, and either is under age 24 or was, on January  
25 1, 1996, participating as a dependent beneficiary in the  
26 health insurance program offered under Article 16 of the  
27 Illinois Pension Code, or (iii) age 19 or over who is  
28 mentally or physically handicapped.

29       (x) "Military leave with pay and benefits" refers to  
30 individuals in basic training for reserves, special/advanced  
31 training, annual training, emergency call up, or activation by  
32 the President of the United States with approved pay and  
33 benefits.

34       (y) "Military leave without pay and benefits" refers to

1 individuals who enlist for active duty in a regular component  
2 of the U.S. Armed Forces or other duty not specified or  
3 authorized under military leave with pay and benefits.

4 (z) "Community college benefit recipient" means a person  
5 who:

6 (1) is not a "member" as defined in this Section; and

7 (2) is receiving a monthly survivor's annuity or  
8 retirement annuity under Article 15 of the Illinois Pension  
9 Code; and

10 (3) either (i) was a full-time employee of a community  
11 college district or an association of community college  
12 boards created under the Public Community College Act  
13 (other than an employee whose last employer under Article  
14 15 of the Illinois Pension Code was a community college  
15 district subject to Article VII of the Public Community  
16 College Act) and was eligible to participate in a group  
17 health benefit plan as an employee during the time of  
18 employment with a community college district (other than a  
19 community college district subject to Article VII of the  
20 Public Community College Act) or an association of  
21 community college boards, or (ii) is the survivor of a  
22 person described in item (i).

23 (aa) "Community college dependent beneficiary" means a  
24 person who:

25 (1) is not a "member" or "dependent" as defined in this  
26 Section; and

27 (2) is a community college benefit recipient's: (A)  
28 spouse, (B) dependent parent who is receiving at least half  
29 of his or her support from the community college benefit  
30 recipient, or (C) unmarried natural or adopted child who is  
31 (i) under age 19, or (ii) enrolled as a full-time student  
32 in an accredited school, financially dependent upon the  
33 community college benefit recipient, eligible to be  
34 claimed as a dependent for income tax purposes and under

1           age 23, or (iii) age 19 or over and mentally or physically  
2           handicapped.

3           (Source: P.A. 92-16, eff. 6-28-01; 92-186, eff. 1-1-02; 92-204,  
4           eff. 8-1-01; 92-651, eff. 7-11-02; 93-205, eff. 1-1-04.)

5           (5 ILCS 375/10) (from Ch. 127, par. 530)

6           Sec. 10. Payments by State; premiums.

7           (a) The State shall pay the cost of basic non-contributory  
8           group life insurance and, subject to member paid contributions  
9           set by the Department or required by this Section, the basic  
10          program of group health benefits on each eligible member,  
11          except a member, not otherwise covered by this Act, who has  
12          retired as a participating member under Article 2 of the  
13          Illinois Pension Code but is ineligible for the retirement  
14          annuity under Section 2-119 of the Illinois Pension Code, and  
15          part of each eligible member's and retired member's premiums  
16          for health insurance coverage for enrolled dependents as  
17          provided by Section 9. The State shall pay the cost of the  
18          basic program of group health benefits only after benefits are  
19          reduced by the amount of benefits covered by Medicare for all  
20          members and dependents who are eligible for benefits under  
21          Social Security or the Railroad Retirement system or who had  
22          sufficient Medicare-covered government employment, except that  
23          such reduction in benefits shall apply only to those members  
24          and dependents who (1) first become eligible for such Medicare  
25          coverage on or after July 1, 1992; or (2) are Medicare-eligible  
26          members or dependents of a local government unit which began  
27          participation in the program on or after July 1, 1992; or (3)  
28          remain eligible for, but no longer receive Medicare coverage  
29          which they had been receiving on or after July 1, 1992. The  
30          Department may determine the aggregate level of the State's  
31          contribution on the basis of actual cost of medical services  
32          adjusted for age, sex or geographic or other demographic  
33          characteristics which affect the costs of such programs.

1           The cost of participation in the basic program of group  
2 health benefits for the dependent or survivor of a living or  
3 deceased retired employee who was formerly employed by the  
4 University of Illinois in the Cooperative Extension Service and  
5 would be an annuitant but for the fact that he or she was made  
6 ineligible to participate in the State Universities Retirement  
7 System by clause (4) of subsection (a) of Section 15-107 of the  
8 Illinois Pension Code shall not be greater than the cost of  
9 participation that would otherwise apply to that dependent or  
10 survivor if he or she were the dependent or survivor of an  
11 annuitant under the State Universities Retirement System.

12           (a-1) Beginning January 1, 1998, for each person who  
13 becomes a new SERS annuitant and participates in the basic  
14 program of group health benefits, the State shall contribute  
15 toward the cost of the annuitant's coverage under the basic  
16 program of group health benefits an amount equal to 5% of that  
17 cost for each full year of creditable service upon which the  
18 annuitant's retirement annuity is based, up to a maximum of  
19 100% for an annuitant with 20 or more years of creditable  
20 service. The remainder of the cost of a new SERS annuitant's  
21 coverage under the basic program of group health benefits shall  
22 be the responsibility of the annuitant. In the case of a new  
23 SERS annuitant who has elected to receive an alternative  
24 retirement cancellation payment under Section 14-108.5 of the  
25 Illinois Pension Code in lieu of an annuity, for the purposes  
26 of this subsection the annuitant shall be deemed to be  
27 receiving a retirement annuity based on the number of years of  
28 creditable service that the annuitant had established at the  
29 time of his or her termination of service under SERS.

30           (a-2) Beginning January 1, 1998, for each person who  
31 becomes a new SERS survivor and participates in the basic  
32 program of group health benefits, the State shall contribute  
33 toward the cost of the survivor's coverage under the basic  
34 program of group health benefits an amount equal to 5% of that

1 cost for each full year of the deceased employee's or deceased  
2 annuitant's creditable service in the State Employees'  
3 Retirement System of Illinois on the date of death, up to a  
4 maximum of 100% for a survivor of an employee or annuitant with  
5 20 or more years of creditable service. The remainder of the  
6 cost of the new SERS survivor's coverage under the basic  
7 program of group health benefits shall be the responsibility of  
8 the survivor. In the case of a new SERS survivor who was the  
9 dependent of an annuitant who elected to receive an alternative  
10 retirement cancellation payment under Section 14-108.5 of the  
11 Illinois Pension Code in lieu of an annuity, for the purposes  
12 of this subsection the deceased annuitant's creditable service  
13 shall be determined as of the date of termination of service  
14 rather than the date of death.

15 (a-3) Beginning January 1, 1998, for each person who  
16 becomes a new SERS annuitant and participates in the basic  
17 program of group health benefits, the State shall contribute  
18 toward the cost of the annuitant's coverage under the basic  
19 program of group health benefits an amount equal to 5% of that  
20 cost for each full year of creditable service upon which the  
21 annuitant's retirement annuity is based, up to a maximum of  
22 100% for an annuitant with 20 or more years of creditable  
23 service. The remainder of the cost of a new SERS annuitant's  
24 coverage under the basic program of group health benefits shall  
25 be the responsibility of the annuitant.

26 (a-4) (Blank).

27 (a-5) Beginning January 1, 1998, for each person who  
28 becomes a new SERS survivor and participates in the basic  
29 program of group health benefits, the State shall contribute  
30 toward the cost of the survivor's coverage under the basic  
31 program of group health benefits an amount equal to 5% of that  
32 cost for each full year of the deceased employee's or deceased  
33 annuitant's creditable service in the State Universities  
34 Retirement System on the date of death, up to a maximum of 100%

1 for a survivor of an employee or annuitant with 20 or more  
2 years of creditable service. The remainder of the cost of the  
3 new SURS survivor's coverage under the basic program of group  
4 health benefits shall be the responsibility of the survivor.

5 (a-6) Beginning July 1, 1998, for each person who becomes a  
6 new TRS State annuitant and participates in the basic program  
7 of group health benefits, the State shall contribute toward the  
8 cost of the annuitant's coverage under the basic program of  
9 group health benefits an amount equal to 5% of that cost for  
10 each full year of creditable service as a teacher as defined in  
11 paragraph (2), (3), or (5) of Section 16-106 of the Illinois  
12 Pension Code upon which the annuitant's retirement annuity is  
13 based, up to a maximum of 100%; except that the State  
14 contribution shall be 12.5% per year (rather than 5%) for each  
15 full year of creditable service as a regional superintendent or  
16 assistant regional superintendent of schools. The remainder of  
17 the cost of a new TRS State annuitant's coverage under the  
18 basic program of group health benefits shall be the  
19 responsibility of the annuitant.

20 (a-7) Beginning July 1, 1998, for each person who becomes a  
21 new TRS State survivor and participates in the basic program of  
22 group health benefits, the State shall contribute toward the  
23 cost of the survivor's coverage under the basic program of  
24 group health benefits an amount equal to 5% of that cost for  
25 each full year of the deceased employee's or deceased  
26 annuitant's creditable service as a teacher as defined in  
27 paragraph (2), (3), or (5) of Section 16-106 of the Illinois  
28 Pension Code on the date of death, up to a maximum of 100%;  
29 except that the State contribution shall be 12.5% per year  
30 (rather than 5%) for each full year of the deceased employee's  
31 or deceased annuitant's creditable service as a regional  
32 superintendent or assistant regional superintendent of  
33 schools. The remainder of the cost of the new TRS State  
34 survivor's coverage under the basic program of group health

1 benefits shall be the responsibility of the survivor.

2 (a-8) A new SERS annuitant, new SERS survivor, new SURS  
3 annuitant, new SURS survivor, new TRS State annuitant, or new  
4 TRS State survivor may waive or terminate coverage in the  
5 program of group health benefits. Any such annuitant or  
6 survivor who has waived or terminated coverage may enroll or  
7 re-enroll in the program of group health benefits only during  
8 the annual benefit choice period, as determined by the  
9 Director; except that in the event of termination of coverage  
10 due to nonpayment of premiums, the annuitant or survivor may  
11 not re-enroll in the program.

12 (a-9) No later than May 1 of each calendar year, the  
13 Director of Central Management Services shall certify in  
14 writing to the Executive Secretary of the State Employees'  
15 Retirement System of Illinois the amounts of the Medicare  
16 supplement health care premiums and the amounts of the health  
17 care premiums for all other retirees who are not Medicare  
18 eligible.

19 A separate calculation of the premiums based upon the  
20 actual cost of each health care plan shall be so certified.

21 The Director of Central Management Services shall provide  
22 to the Executive Secretary of the State Employees' Retirement  
23 System of Illinois such information, statistics, and other data  
24 as he or she may require to review the premium amounts  
25 certified by the Director of Central Management Services.

26 (b) State employees who become eligible for this program on  
27 or after January 1, 1980 in positions normally requiring actual  
28 performance of duty not less than 1/2 of a normal work period  
29 but not equal to that of a normal work period, shall be given  
30 the option of participating in the available program. If the  
31 employee elects coverage, the State shall contribute on behalf  
32 of such employee to the cost of the employee's benefit and any  
33 applicable dependent supplement, that sum which bears the same  
34 percentage as that percentage of time the employee regularly



1 works when compared to normal work period.

2 (c) The basic non-contributory coverage from the basic  
3 program of group health benefits shall be continued for each  
4 employee not in pay status or on active service by reason of  
5 (1) leave of absence due to illness or injury, (2) authorized  
6 educational leave of absence or sabbatical leave, or (3)  
7 military leave with pay and benefits. This coverage shall  
8 continue until expiration of authorized leave and return to  
9 active service, but not to exceed 24 months for leaves under  
10 item (1) or (2). This 24-month limitation and the requirement  
11 of returning to active service shall not apply to persons  
12 receiving ordinary or accidental disability benefits or  
13 retirement benefits through the appropriate State retirement  
14 system or benefits under the Workers' Compensation or  
15 Occupational Disease Act.

16 (d) The basic group life insurance coverage shall continue,  
17 with full State contribution, where such person is (1) absent  
18 from active service by reason of disability arising from any  
19 cause other than self-inflicted, (2) on authorized educational  
20 leave of absence or sabbatical leave, or (3) on military leave  
21 with pay and benefits.

22 (e) Where the person is in non-pay status for a period in  
23 excess of 30 days or on leave of absence, other than by reason  
24 of disability, educational or sabbatical leave, or military  
25 leave with pay and benefits, such person may continue coverage  
26 only by making personal payment equal to the amount normally  
27 contributed by the State on such person's behalf. Such payments  
28 and coverage may be continued: (1) until such time as the  
29 person returns to a status eligible for coverage at State  
30 expense, but not to exceed 24 months, (2) until such person's  
31 employment or annuitant status with the State is terminated, or  
32 (3) for a maximum period of 4 years for members on military  
33 leave with pay and benefits and military leave without pay and  
34 benefits (exclusive of any additional service imposed pursuant

1 to law).

2 (f) The Department shall establish by rule the extent to  
3 which other employee benefits will continue for persons in  
4 non-pay status or who are not in active service.

5 (g) The State shall not pay the cost of the basic  
6 non-contributory group life insurance, program of health  
7 benefits and other employee benefits for members who are  
8 survivors as defined by paragraphs (1) and (2) of subsection  
9 (q) of Section 3 of this Act. The costs of benefits for these  
10 survivors shall be paid by the survivors or by the University  
11 of Illinois Cooperative Extension Service, or any combination  
12 thereof. However, the State shall pay the amount of the  
13 reduction in the cost of participation, if any, resulting from  
14 the amendment to subsection (a) made by this amendatory Act of  
15 the 91st General Assembly.

16 (h) Those persons occupying positions with any department  
17 as a result of emergency appointments pursuant to Section 8b.8  
18 of the Personnel Code who are not considered employees under  
19 this Act shall be given the option of participating in the  
20 programs of group life insurance, health benefits and other  
21 employee benefits. Such persons electing coverage may  
22 participate only by making payment equal to the amount normally  
23 contributed by the State for similarly situated employees. Such  
24 amounts shall be determined by the Director. Such payments and  
25 coverage may be continued until such time as the person becomes  
26 an employee pursuant to this Act or such person's appointment  
27 is terminated.

28 (i) Any unit of local government within the State of  
29 Illinois may apply to the Director to have its employees,  
30 annuitants, and their dependents provided group health  
31 coverage under this Act on a non-insured basis. To participate,  
32 a unit of local government must agree to enroll all of its  
33 employees, who may select coverage under either the State group  
34 health benefits plan or a health maintenance organization that

1 has contracted with the State to be available as a health care  
2 provider for employees as defined in this Act. A unit of local  
3 government must remit the entire cost of providing coverage  
4 under the State group health benefits plan or, for coverage  
5 under a health maintenance organization, an amount determined  
6 by the Director based on an analysis of the sex, age,  
7 geographic location, or other relevant demographic variables  
8 for its employees, except that the unit of local government  
9 shall not be required to enroll those of its employees who are  
10 covered spouses or dependents under this plan or another group  
11 policy or plan providing health benefits as long as (1) an  
12 appropriate official from the unit of local government attests  
13 that each employee not enrolled is a covered spouse or  
14 dependent under this plan or another group policy or plan, and  
15 (2) at least 85% of the employees are enrolled and the unit of  
16 local government remits the entire cost of providing coverage  
17 to those employees, except that a participating school district  
18 must have enrolled at least 85% of its full-time employees who  
19 have not waived coverage under the district's group health plan  
20 by participating in a component of the district's cafeteria  
21 plan. A participating school district is not required to enroll  
22 a full-time employee who has waived coverage under the  
23 district's health plan, provided that an appropriate official  
24 from the participating school district attests that the  
25 full-time employee has waived coverage by participating in a  
26 component of the district's cafeteria plan. For the purposes of  
27 this subsection, "participating school district" includes a  
28 unit of local government whose primary purpose is education as  
29 defined by the Department's rules.

30 Employees of a participating unit of local government who  
31 are not enrolled due to coverage under another group health  
32 policy or plan may enroll in the event of a qualifying change  
33 in status, special enrollment, special circumstance as defined  
34 by the Director, or during the annual Benefit Choice Period. A

1 participating unit of local government may also elect to cover  
2 its annuitants. Dependent coverage shall be offered on an  
3 optional basis, with the costs paid by the unit of local  
4 government, its employees, or some combination of the two as  
5 determined by the unit of local government. The unit of local  
6 government shall be responsible for timely collection and  
7 transmission of dependent premiums.

8 The Director shall annually determine monthly rates of  
9 payment, subject to the following constraints:

10 (1) In the first year of coverage, the rates shall be  
11 equal to the amount normally charged to State employees for  
12 elected optional coverages or for enrolled dependents  
13 coverages or other contributory coverages, or contributed  
14 by the State for basic insurance coverages on behalf of its  
15 employees, adjusted for differences between State  
16 employees and employees of the local government in age,  
17 sex, geographic location or other relevant demographic  
18 variables, plus an amount sufficient to pay for the  
19 additional administrative costs of providing coverage to  
20 employees of the unit of local government and their  
21 dependents.

22 (2) In subsequent years, a further adjustment shall be  
23 made to reflect the actual prior years' claims experience  
24 of the employees of the unit of local government.

25 In the case of coverage of local government employees under  
26 a health maintenance organization, the Director shall annually  
27 determine for each participating unit of local government the  
28 maximum monthly amount the unit may contribute toward that  
29 coverage, based on an analysis of (i) the age, sex, geographic  
30 location, and other relevant demographic variables of the  
31 unit's employees and (ii) the cost to cover those employees  
32 under the State group health benefits plan. The Director may  
33 similarly determine the maximum monthly amount each unit of  
34 local government may contribute toward coverage of its

1 employees' dependents under a health maintenance organization.

2 Monthly payments by the unit of local government or its  
3 employees for group health benefits plan or health maintenance  
4 organization coverage shall be deposited in the Local  
5 Government Health Insurance Reserve Fund.

6 The Local Government Health Insurance Reserve Fund shall be  
7 a continuing fund not subject to fiscal year limitations. All  
8 expenditures from this Fund shall be used for payments for  
9 health care benefits for local government and rehabilitation  
10 facility employees, annuitants, and dependents, and to  
11 reimburse the Department or its administrative service  
12 organization for all expenses incurred in the administration of  
13 benefits. No other State funds may be used for these purposes.

14 A local government employer's participation or desire to  
15 participate in a program created under this subsection shall  
16 not limit that employer's duty to bargain with the  
17 representative of any collective bargaining unit of its  
18 employees.

19 (j) Any rehabilitation facility within the State of  
20 Illinois may apply to the Director to have its employees,  
21 annuitants, and their eligible dependents provided group  
22 health coverage under this Act on a non-insured basis. To  
23 participate, a rehabilitation facility must agree to enroll all  
24 of its employees and remit the entire cost of providing such  
25 coverage for its employees, except that the rehabilitation  
26 facility shall not be required to enroll those of its employees  
27 who are covered spouses or dependents under this plan or  
28 another group policy or plan providing health benefits as long  
29 as (1) an appropriate official from the rehabilitation facility  
30 attests that each employee not enrolled is a covered spouse or  
31 dependent under this plan or another group policy or plan, and  
32 (2) at least 85% of the employees are enrolled and the  
33 rehabilitation facility remits the entire cost of providing  
34 coverage to those employees. Employees of a participating

1 rehabilitation facility who are not enrolled due to coverage  
2 under another group health policy or plan may enroll in the  
3 event of a qualifying change in status, special enrollment,  
4 special circumstance as defined by the Director, or during the  
5 annual Benefit Choice Period. A participating rehabilitation  
6 facility may also elect to cover its annuitants. Dependent  
7 coverage shall be offered on an optional basis, with the costs  
8 paid by the rehabilitation facility, its employees, or some  
9 combination of the 2 as determined by the rehabilitation  
10 facility. The rehabilitation facility shall be responsible for  
11 timely collection and transmission of dependent premiums.

12 The Director shall annually determine quarterly rates of  
13 payment, subject to the following constraints:

14 (1) In the first year of coverage, the rates shall be  
15 equal to the amount normally charged to State employees for  
16 elected optional coverages or for enrolled dependents  
17 coverages or other contributory coverages on behalf of its  
18 employees, adjusted for differences between State  
19 employees and employees of the rehabilitation facility in  
20 age, sex, geographic location or other relevant  
21 demographic variables, plus an amount sufficient to pay for  
22 the additional administrative costs of providing coverage  
23 to employees of the rehabilitation facility and their  
24 dependents.

25 (2) In subsequent years, a further adjustment shall be  
26 made to reflect the actual prior years' claims experience  
27 of the employees of the rehabilitation facility.

28 Monthly payments by the rehabilitation facility or its  
29 employees for group health benefits shall be deposited in the  
30 Local Government Health Insurance Reserve Fund.

31 (k) Any domestic violence shelter or service within the  
32 State of Illinois may apply to the Director to have its  
33 employees, annuitants, and their dependents provided group  
34 health coverage under this Act on a non-insured basis. To

1 participate, a domestic violence shelter or service must agree  
2 to enroll all of its employees and pay the entire cost of  
3 providing such coverage for its employees. A participating  
4 domestic violence shelter may also elect to cover its  
5 annuitants. Dependent coverage shall be offered on an optional  
6 basis, with employees, or some combination of the 2 as  
7 determined by the domestic violence shelter or service. The  
8 domestic violence shelter or service shall be responsible for  
9 timely collection and transmission of dependent premiums.

10 The Director shall annually determine rates of payment,  
11 subject to the following constraints:

12 (1) In the first year of coverage, the rates shall be  
13 equal to the amount normally charged to State employees for  
14 elected optional coverages or for enrolled dependents  
15 coverages or other contributory coverages on behalf of its  
16 employees, adjusted for differences between State  
17 employees and employees of the domestic violence shelter or  
18 service in age, sex, geographic location or other relevant  
19 demographic variables, plus an amount sufficient to pay for  
20 the additional administrative costs of providing coverage  
21 to employees of the domestic violence shelter or service  
22 and their dependents.

23 (2) In subsequent years, a further adjustment shall be  
24 made to reflect the actual prior years' claims experience  
25 of the employees of the domestic violence shelter or  
26 service.

27 Monthly payments by the domestic violence shelter or  
28 service or its employees for group health insurance shall be  
29 deposited in the Local Government Health Insurance Reserve  
30 Fund.

31 (1) A public community college or entity organized pursuant  
32 to the Public Community College Act may apply to the Director  
33 initially to have only annuitants not covered prior to July 1,  
34 1992 by the district's health plan provided health coverage

1 under this Act on a non-insured basis. The community college  
2 must execute a 2-year contract to participate in the Local  
3 Government Health Plan. Any annuitant may enroll in the event  
4 of a qualifying change in status, special enrollment, special  
5 circumstance as defined by the Director, or during the annual  
6 Benefit Choice Period.

7 The Director shall annually determine monthly rates of  
8 payment subject to the following constraints: for those  
9 community colleges with annuitants only enrolled, first year  
10 rates shall be equal to the average cost to cover claims for a  
11 State member adjusted for demographics, Medicare  
12 participation, and other factors; and in the second year, a  
13 further adjustment of rates shall be made to reflect the actual  
14 first year's claims experience of the covered annuitants.

15 (1-5) The provisions of subsection (1) become inoperative  
16 on July 1, 1999.

17 (m) The Director shall adopt any rules deemed necessary for  
18 implementation of this amendatory Act of 1989 (Public Act  
19 86-978).

20 (Source: P.A. 91-280, eff. 7-23-99; 91-311; eff. 7-29-99;  
21 91-357, eff. 7-29-99; 91-390, eff. 7-30-99; 91-395, eff.  
22 7-30-99; 91-617, eff. 8-19-99; 92-16, eff. 6-28-01; revised  
23 2-25-02.)

24 Section 10-190. The State Finance Act is amended by adding  
25 Section 14a.5 as follows:

26 (30 ILCS 105/14a.5 new)

27 Sec. 14a.5. Maximum incentive payments for early  
28 termination of State service.

29 (a) The Department of Central Management Services shall  
30 create, adopt by emergency rulemaking under the Illinois  
31 Administrative Procedure Act through the Joint Committee on  
32 Administrative Rules by October 1, 2004, and administer a



1 program of incentive payments for early termination of State  
2 service. The program shall provide for the payment of a lump  
3 sum incentive to certain persons who terminate State employment  
4 on or after November 1, 2004 but on or before December 31,  
5 2004. The lump sum payment to any individual under the program  
6 shall not exceed 25% of final monthly rate of pay for each  
7 completed year of State employment, nor shall it exceed the  
8 compensation earned by the individual during the 6 months  
9 immediately preceding his or her termination from State  
10 service, and is payable out of the personal services  
11 appropriation from which the employee's salary is paid. The  
12 rules of the program may limit the number of individuals listed  
13 under Section 14-108.5(b)(1) of the Illinois Pension Code who  
14 may participate in the program and shall specify how the lump  
15 sum amount will be determined and vouchered; provided, however,  
16 that all employees within the same title shall be provided lump  
17 sum amounts on the same terms, varying only due to their time  
18 of State service. The director or other head of a department  
19 shall limit the number of individuals listed under Section  
20 14-108.5(b)(2) of the Illinois Pension Code who may participate  
21 in the program and shall specify the amount of the lump sum and  
22 how the lump sum amount will be determined and vouchered.

23 (b) In addition to the lump sum payment provided under  
24 subsection (a), the program may also provide for payment to  
25 participants or their health benefit coverage providers of an  
26 amount representing the net cost to the participating employee  
27 of his or her health benefit coverage under the State Employees  
28 Group Insurance Act of 1971 or applicable COBRA (Consolidated  
29 Omnibus Budget Reconciliation Act of 1985) insurance  
30 continuation provisions for up to 6 months immediately  
31 following termination of State service. The amount payable to  
32 any participant under this subsection shall not exceed \$3,600  
33 and is payable out of the personal services appropriation from  
34 which the employee's salary is paid. The program rules shall

1 specify how the amount payable under this subsection will be  
2 determined and vouchered.

3 (c) The program authorized under this Section applies only  
4 to a person who (1) was an active employee of the State of  
5 Illinois on any day during June 2004 in a position listed in  
6 subsection (b) of Section 14-108.5 of the Illinois Pension Code  
7 and was continuously employed in a position listed in  
8 subsection (b) of Section 14-108.5 of the Illinois Pension Code  
9 on and after January 1, 2004, (2) applies in writing to the  
10 Department of Central Management Services, in the case of a  
11 person listed under Section 14-108.5(b)(1) of the Illinois  
12 Pension Code, or to the director or other head of the  
13 department at which he or she is employed, in the case of a  
14 person listed under Section 14-108.5(b)(2) of the Illinois  
15 Pension Code, on or before October 31, 2004, (3) does not  
16 accept an alternative retirement cancellation payment under  
17 Section 14-108.5 of the Illinois Pension Code, and (4)  
18 terminates his or her State employment on or before December  
19 31, 2004.

20 (d) A participant in the program who returns to State  
21 employment (other than as an elected official or as a temporary  
22 employee for not more than 75 days per calendar year) thereby  
23 forfeits the incentive payments received under the program and  
24 must repay those amounts to the Department of Central  
25 Management Services, in the case of a person listed under  
26 Section 14-108.5(b)(1) of the Illinois Pension Code, or to the  
27 department at which he or she is employed, in the case of a  
28 person listed under Section 14-108.5(b)(2) of the Illinois  
29 Pension Code, within 60 days after his or her return to State  
30 employment.

31 Section 10-195. The Illinois Pension Code is amended by  
32 adding Sections 14-104.12 and 14-108.5 and changing Section  
33 14-130 as follows:

1 (40 ILCS 5/14-104.12 new)

2 Sec. 14-104.12. Early termination incentives under the  
3 State Finance Act. Notwithstanding any other provision of this  
4 Article and notwithstanding that they may be payable from a  
5 personal services line item, early termination incentives paid  
6 under Section 14a.5 of the State Finance Act:

7 (1) shall not be included in, and do not affect the  
8 calculation of, compensation or final average compensation  
9 under this Article;

10 (2) do not entitle the recipient to establish any  
11 additional service credit under this Article;

12 (3) do not require and shall not result in the payment  
13 of any employee or employer contributions under this  
14 Article; and

15 (4) have no effect under this Article except to  
16 disqualify the recipient from receiving the alternative  
17 retirement cancellation payment under Section 14-108.5.

18 (40 ILCS 5/14-108.5 new)

19 Sec. 14-108.5. Alternative retirement cancellation  
20 payment.

21 (a) To be eligible for the alternative retirement  
22 cancellation payment provided in this Section, a person must:

23 (1) be a member of this System who, on any day during  
24 June 2004, was (i) in active payroll status as an employee  
25 in a position listed in subsection (b) of this Section and  
26 continuously employed in a position listed in subsection  
27 (b) on and after January 1, 2004 and (ii) an active  
28 contributor to this System with respect to that employment;

29 (2) have not previously received any retirement  
30 annuity under this Article;

31 (3) not accept an incentive payment under Section 14a.5  
32 of the State Finance Act;

1           (4) in the case of persons employed in a position title  
2 listed under paragraph (1) of subsection (b), be among the  
3 first 3,000 persons to file with the Board on or before  
4 September 30, 2004 a written application requesting the  
5 alternative retirement cancellation payment provided in  
6 this Section;

7           (5) in the case of persons employed in a position title  
8 listed under paragraph (2) of subsection (b), have received  
9 written authorization from the director or other head of  
10 his or her department and filed that authorization with the  
11 system on or before September 1, 2004;

12           (6) if there is a QILDRO in effect against the person,  
13 file with the Board the written consent of all alternate  
14 payees under the QILDRO to the election of an alternative  
15 retirement cancellation payment under this Section; and

16           (7) terminate employment under this Article within 2  
17 weeks after approval of the person's application  
18 requesting the alternative retirement cancellation  
19 payment, but in no event later than October 31, 2004.

20           (b) (1) Position titles eligible for the alternative  
21 retirement cancellation payment provided in this Section  
22 are:

23 911 Analyst III; Brickmason; Account Clerk I and II; Budget  
24 Analyst I and II; Account Technician I and II; Budget  
25 Operations Director; Accountant; Budget Principal;  
26 Accountant Advanced; Building Services Worker; Accountant  
27 Supervisor; Building/Grounds Laborer; Accounting Fiscal  
28 Administrative Career Trainee; Building/Grounds Lead 1 and  
29 2; Accounts Payable Processing Analyst; Building/Grounds  
30 Maintenance Worker; Accounts Payable Specialist;  
31 Building/Grounds Supervisor; Accounts Processing Analyst;  
32 Bureau Chief; Actuarial Assistant; Business Administrative  
33 Specialist; Administrative and Technology Director;

1 Business Analyst I through IV; Administrative Assistant I  
2 through III; Business Manager; Administrative Clerk;  
3 Buyer; Administrative Coordinator; Buyer Assistant;  
4 Administrator; Capital Budget Analyst I and II;  
5 Administrator of Capital Programs; Capital Budget  
6 Director; Administrator of Construction Administration;  
7 Capital Programs Analyst I and II; Administrator of  
8 Contract Administration; Capital Programs Technician;  
9 Administrator of Fair Employment Practices; Carpenter;  
10 Administrator of Fiscal; Carpenter Foreman; Administrator  
11 of Information Management; Cartographer I through III;  
12 Administrator of Information Systems; Chief - Police;  
13 Administrator of Personnel; Chief Veterans Technician;  
14 Administrator of Professional Services; Circuit  
15 Provisioning Specialist; Administrator of Public Affairs;  
16 Civil Engineer I through IX; Administrator of  
17 Quality-Based Selection; Civil Engineer Trainee;  
18 Administrator of Strategic Planning and Training; Clerical  
19 Trainee; Appeals & Orders Coordinator; Communications  
20 Director; Appraisal Specialist 1 through 3; Community  
21 Planner 3; Assignment Coordinator; Commander; Assistant  
22 Art-in-Architecture Coordinator; Compliance Specialist;  
23 Assistant Chief - Police; Conservation Education  
24 Representative; Assistant Internal Auditor; Conservation  
25 Grant Administrator 1 through 3; Assistant Manager;  
26 Construction Supervisor I and II; Assistant Personnel  
27 Officer; Consumer Policy Analyst; Assistant Professor  
28 Scientist; Consumer Program Coordinator; Assistant  
29 Reimbursement Officer; Contract Executive; Assistant  
30 Steward; Coordinator of Administrative Services; Associate  
31 Director for Administrative Services; Coordinator of  
32 Art-in-Architecture; Associate Museum Director;  
33 Corrections Clerk I through III; Associate Professor  
34 Scientist; Corrections Maintenance Supervisor; Corrections

1 Caseworker Supervisor; Corrections Food Service  
2 Supervisor; Auto Parts Warehouse Specialist; Corrections  
3 Maintenance Worker; Auto Parts Warehouse; Curator I  
4 through III; Automotive Attendant I and II; Data Processing  
5 Administrative Specialist; Automotive Mechanic; Data  
6 Processing Assistant; Automotive Shop Supervisor; Data  
7 Processing Operator; Baker; Data Processing Specialist;  
8 Barber; Data Processing Supervisor 1 through 3;  
9 Beautician; Data Processing Technician; Brickmason; Deputy  
10 Chief Counsel; Director of Licensing; Desktop Technician;  
11 Director of Security; Human Resources Officer; Division  
12 Chief; Human Resources Representative; Division Director;  
13 Human Resources Specialist; Economic Analyst I through IV;  
14 Human Resources Trainee; Electrical Engineer; Human  
15 Services Casework Manager; Electrical Engineer I through  
16 V; Human Services Grant Coordinator 2 and 3; Electrical  
17 Equipment Installer/Repairer; Iconographer; Electrical  
18 Equipment Installer/Repairer Lead Worker; Industry and  
19 Commercial Development Representative 1 and 2;  
20 Electrician; Industry Services Consultant 1 and 2;  
21 Electronics Technician; Information Services Intern;  
22 Elevator Operator; Information Services Specialist I and  
23 II; Endangered Species Secretary; Information Systems  
24 Analyst I through III; Engineering Aide; Information  
25 Systems Manager; Engineering Analyst I through IV;  
26 Information Systems Planner; Engineering Manager I and II;  
27 Institutional Maintenance Worker; Engineering Technician I  
28 through V; Instrument Designer; Environmental Scientist I  
29 and II; Insurance Analyst I through IV; Executive I through  
30 VI; Executive Assistant; Intermittent Clerk; Executive  
31 Assistant I through IV; Intermittent Laborer Maintenance;  
32 Executive Secretary 1 through 3; Intern; Federal Funding  
33 and Public Safety Director; Internal Auditor 1; Financial &  
34 Budget Assistant; Internal Communications Officer;

1 Financial & Budget Supervisor; International Marketing  
2 Representative 1; Financial Management Director; IT  
3 Manager; Fiscal Executive; Janitor I and II; Fiscal  
4 Officer; Junior State Veterinarian; Gas Engineer I through  
5 IV; Junior Supervisor Scientist; General Counsel and  
6 Regulatory Director; Laboratory Manager II; General  
7 Services Administrator I; Labor Maintenance Lead Worker;  
8 General Services Technician; Laborer; Geographic  
9 Information Specialist 1 and 2; Laborer (Building);  
10 Geologist I through IV; Laborer (Maintenance); Graphic  
11 Arts Design Supervisor; Landscape Architect; Graphic Arts  
12 Designer; Landscape Architect I through IV; Graphic Arts  
13 Technician; Landscape Planner; Grounds Supervisor; Laundry  
14 Manager I; Highway Construction Supervisor I; Legislative  
15 Liaison I and II; Historical Research Editor 2; Liability  
16 Claims Adjuster 1 and 2; Historical Research Specialist;  
17 Librarian 1 and 2; Horse Custodian; Library Aide I through  
18 III; Horse Identifier; Library Associate; Hourly  
19 Assistant; Library Technical Assistant; Human Resource  
20 Coordinator; Licensing Assistant; Human Resources Analyst;  
21 Line Technician I through II; Human Resources Assistant;  
22 Local History Service Representative; Human Resources  
23 Associate; Local Housing Advisor 2 and 3; Human Resources  
24 Manager; Local Revenue and Fiscal Advisor 3; Machinist;  
25 Locksmith; Maintenance Equipment Operator; Operations  
26 Communications Specialist Trainee; Maintenance Worker;  
27 Operations Technician; Maintenance Worker Power Plant;  
28 Painter; Management Information Technician; Paralegal  
29 Assistant; Management Operations Analyst 1 and 2;  
30 Performance Management Analyst; Management Secretary I;  
31 Personnel Manager; Management Systems Specialist;  
32 Photogrammetrist I through IV; Management Technician I  
33 through IV; Physician; Manager; Physician Specialist  
34 Operations A through D; Manpower Planner 1 through 3;

1 Planning Director; Medical Administrator III and V; Plant  
2 Maintenance Engineer 1 and 2; Methods & Processes Advisor  
3 1, 2 and III; Plumber; Methods & Processes Career Associate  
4 1 and 2; Policy Advisor; Microfilm Operator I through III;  
5 Policy Analyst I through IV; Military Administrative  
6 Assistant I; Power Shovel Operator (Maintenance); Military  
7 Administrative Clerk; Principal Economist; Military  
8 Administrative Officer-Legal; Principal Scientist;  
9 Military Administrative Specialist; Private Secretary 1  
10 and 2; Military Community Relations Specialist; Private  
11 Secretary I and II; Military Cooperative Agreement  
12 Specialist; Procurement Representative; Military Crash,  
13 Fire, Rescue I through III; Professor & Scientist; Military  
14 Energy Manager; Program Manager; Military Engineer  
15 Technician; Program Specialist; Military Environmental  
16 Specialist I through III; Project Coordinator; Military  
17 Facilities Engineer; Project Designer; Military Facilities  
18 Officer I; Project Manager I through III; Military  
19 Maintenance Engineer; Project Manager; Military Museum  
20 Director; Project Manager/Technical Specialist I thru III;  
21 Military Program Supervisor; Project Specialist I through  
22 IV; Military Property Custodian II; Projects Director;  
23 Military Real Property Clerk; Property & Supply Clerk I  
24 through III; Motorist Assistance Specialist; Property  
25 Control Officer; Museum Director; Public Administration  
26 Intern; Museum Security Head I through III; Public  
27 Information Coordinator; Museum Technician I through III;  
28 Public Information Officer; Network Control Center  
29 Specialist; Public Information Officer 2 through 4;  
30 Network Control Center Technician 2; Public Service  
31 Administrator; Network Engineer I through IV; Race Track  
32 Maintenance 1 and 2; Office Administration Specialist;  
33 Radio Technician Program Coordinator; Office Administrator  
34 1 through 5; Realty Specialist I through V; Office Aide;



1 Receptionist; Office Assistant; Regional Manager; Office  
2 Associate; Regulatory Accountant IV; Office Clerk;  
3 Reimbursement Officer 1 and 2; Office Coordinator;  
4 Representative I and II; Office Manager; Representative  
5 Trainee; Office Occupations Trainee; School Construction  
6 Manager; Office Specialist; Secretary I and IV; Operations  
7 Communications Specialist I and II; Security Guard; Senior  
8 Economic Analyst; Security Supervisor; Senior Editor;  
9 Systems Developer I through IV; Senior Electrical  
10 Engineer; Systems Developer Trainee; Senior Financial &  
11 Budget Assistant; Systems Engineer I through IV; Senior Gas  
12 Engineer; Systems Engineer Trainee; Senior Policy Analyst;  
13 Tariff & Order Coordinator; Senior Programs Analyst;  
14 Tariff Administrator III; Senior Project Consultant;  
15 Tariff Analyst IV; Senior Project Manager; Teacher of  
16 Barbering; Senior Public Information Officer; Teacher of  
17 Beauty Culture; Senior Public Service Administrator;  
18 Technical Advisor 2 and 3; Senior Rate Analyst; Technical  
19 Advisor I through VII; Senior Technical Assistant;  
20 Technical Analyst; Technical Manager I through IX; Senior  
21 Technical Supervisor; Technical Assistant; Senior  
22 Technology Specialist; Technical Manager 1; Senior  
23 Transportation Industry Analyst; Technical Manager I  
24 through X; Sewage Plant Operator; Technical Specialist;  
25 Sign Hanger; Technical Support Specialist; Sign Hanger  
26 Foreman; Technical Specialist I thru III; Sign Painter;  
27 Technician Trainee; Sign Shop Foreman; Telecom Systems  
28 Analyst; Silk Screen Operator; Telecom Systems Consultant;  
29 Senior Administrative Assistant; Telecom Systems  
30 Technician 1 and 2; Site Superintendent; Telecommunication  
31 Supervisor; Software Architect; Tinsmith; Special  
32 Assistant; Trades Tender; Special Assistant to the  
33 Executive Director; Training Coordinator; Staff  
34 Development Specialist I; Transportation Counsel; Staff

1 Development Technician II; Transportation Industry Analyst  
2 III; State Police Captain; Transportation Industry  
3 Customer Service; State Police Lieutenant; Transportation  
4 Officer; State Police Major; Transportation Policy Analyst  
5 III and IV; State Police Master Sergeant; Urban Planner I  
6 through VI; Stationary Engineer; Utility Engineer I and II;  
7 Stationary Engineer Assistant Chief; Veteran Secretary;  
8 Stationary Engineer Chief; Veteran Technician; Stationary  
9 Fireman; Water Engineer I through IV; Statistical Research  
10 Specialist 1 through 3; Water Plant Operator; Statistical  
11 Research Supervisor; Web and Publications Manager;  
12 Statistical Research Technician; Steamfitter; Steward;  
13 Steward Secretary; Storekeeper I through III; Stores  
14 Clerk; Student Intern; Student Worker; Supervisor;  
15 Supervisor & Assistant Scientist; Supervisor & Associate  
16 Scientist; Switchboard Operator 1 through 3;  
17 Administrative Assistant to the Superintendent; Assistant  
18 Legal Advisor; Legal Assistant; Senior Human Resources  
19 Specialist; Principal Internal Auditor; Division  
20 Administrator; Division Supervisor; and Private Secretary  
21 I through III.

22 (2) In addition, any position titles with the Speaker  
23 of the House of Representatives, the Minority Leader of the  
24 House of Representatives, the President of the Senate, the  
25 Minority Leader of the Senate, the Attorney General, the  
26 Secretary of State, the Comptroller, the Treasurer, the  
27 Auditor General, the Supreme Court, the Court of Claims,  
28 and each legislative agency are eligible for the  
29 alternative retirement cancellation payment provided in  
30 this Section.

31 (c) In lieu of any retirement annuity or other benefit  
32 provided under this Article, a person who qualifies for and  
33 elects to receive the alternative retirement cancellation  
34 payment under this Section shall be entitled to receive a

1 one-time lump sum retirement cancellation payment equal to the  
2 amount of his or her contributions to the System (including any  
3 employee contributions for optional service credit and  
4 including any employee contributions paid by the employer or  
5 credited to the employee during disability) as of the date of  
6 termination, with regular interest, multiplied by 2.

7 (d) Notwithstanding any other provision of this Article, a  
8 person who receives an alternative retirement cancellation  
9 payment under this Section thereby forfeits the right to any  
10 other retirement or disability benefit or refund under this  
11 Article, and no widow's, survivor's, or death benefit deriving  
12 from that person shall be payable under this Article. Upon  
13 accepting an alternative retirement cancellation payment under  
14 this Section, the person's creditable service and all other  
15 rights in the System are terminated for all purposes, except  
16 for the purpose of determining State group life and health  
17 benefits for the person and his or her survivors as provided  
18 under the State Employees Group Insurance Act of 1971.

19 (e) To the extent permitted by federal law, a person who  
20 receives an alternative retirement cancellation payment under  
21 this Section may direct the System to pay all or a portion of  
22 that payment as a rollover into another retirement plan or  
23 account qualified under the Internal Revenue Code of 1986, as  
24 amended.

25 (f) Notwithstanding Section 14-111, a person who has  
26 received an alternative retirement cancellation payment under  
27 this Section and who reenters service under this Article other  
28 than as a temporary employee must repay to the System the  
29 amount by which that alternative retirement cancellation  
30 payment exceeded the amount of his or her refundable employee  
31 contributions within 60 days of resuming employment under this  
32 System. For the purposes of re-establishing creditable service  
33 that was terminated upon election of the alternative retirement  
34 cancellation payment, the portion of the alternative

1 retirement cancellation payment representing refundable  
2 employee contributions shall be deemed a refund repayable in  
3 accordance with Section 14-130.

4 (g) The Economic and Fiscal Commission shall determine and  
5 report to the Governor and the General Assembly, on or before  
6 January 1, 2006, its estimate of (1) the annual amount of  
7 payroll savings likely to be realized by the State as a result  
8 of the early termination of persons receiving the alternative  
9 retirement cancellation payment under this Section and (2) the  
10 net annual savings or cost to the State from the program of  
11 alternative retirement cancellation payments under this  
12 Section.

13 The System, the Department of Central Management Services,  
14 the Governor's Office of Management and Budget, and all other  
15 departments shall provide to the Commission any assistance that  
16 the Commission may request with respect to its report under  
17 this Section. The Commission may require departments to provide  
18 it with any information that it deems necessary or useful with  
19 respect to its reports under this Section, including without  
20 limitation information about (1) the final earnings of former  
21 department employees who elected to receive alternative  
22 retirement cancellation payments under this Section, (2) the  
23 earnings of current department employees holding the positions  
24 vacated by persons who elected to receive alternative  
25 retirement cancellation payments under this Section, and (3)  
26 positions vacated by persons who elected to receive alternative  
27 retirement cancellation payments under this Section that have  
28 not yet been refilled.

29 (40 ILCS 5/14-130) (from Ch. 108 1/2, par. 14-130)

30 Sec. 14-130. Refunds; rules.

31 (a) Upon withdrawal a member is entitled to receive, upon  
32 written request, a refund of the member's contributions,  
33 including credits granted while in receipt of disability

1 benefits, without credited interest. The board, in its  
2 discretion may withhold payment of the refund of a member's  
3 contributions for a period not to exceed 1 year after the  
4 member has ceased to be an employee.

5 For purposes of this Section, a member will be considered  
6 to have withdrawn from service if a change in, or transfer of,  
7 his position results in his becoming ineligible for continued  
8 membership in this System and eligible for membership in  
9 another public retirement system under this Act.

10 (b) A member receiving a refund forfeits and relinquishes  
11 all accrued rights in the System, including all accumulated  
12 creditable service. If the person again becomes a member of the  
13 System and establishes at least 2 years of creditable service,  
14 the member may repay the moneys previously refunded. However, a  
15 former member may restore credits previously forfeited by  
16 acceptance of a refund without returning to service by applying  
17 in writing and repaying to the System, by April 1, 1993, the  
18 amount of the refund plus regular interest calculated from the  
19 date of refund to the date of repayment.

20 The repayment of refunds issued prior to January 1, 1984  
21 shall consist of the amount refunded plus 5% interest per annum  
22 compounded annually for the period from the date of the refund  
23 to the end of the month in which repayment is made. The  
24 repayment of refunds issued after January 1, 1984 shall consist  
25 of the amount refunded plus regular interest for the period  
26 from the date of refund to the end of the month in which  
27 repayment is made. The repayment of the refund of a person who  
28 accepts an alternative retirement cancellation payment under  
29 Section 14-108.5 shall consist of the entire amount paid to the  
30 person under subsection (c) of Section 14-108.5 plus regular  
31 interest for the period from the date of the refund to the end  
32 of the month in which repayment is made. However, in the case  
33 of a refund that is repaid in a lump sum between January 1,  
34 1991 and July 1, 1991, repayment shall consist of the amount

1 refunded plus interest at the rate of 2.5% per annum compounded  
2 annually from the date of the refund to the end of the month in  
3 which repayment is made.

4 Upon repayment, the member shall receive credit for the  
5 service, member contributions and regular interest that was  
6 forfeited by acceptance of the refund as well as regular  
7 interest for the period of non-membership. Such repayment shall  
8 be made in full before retirement either in a lump sum or in  
9 installment payments in accordance with such rules as may be  
10 adopted by the board.

11 (b-5) The Board may adopt rules governing the repayment of  
12 refunds and establishment of credits in cases involving awards  
13 of back pay or reinstatement. The rules may authorize repayment  
14 of a refund in installment payments and may waive the payment  
15 of interest on refund amounts repaid in full within a specified  
16 period.

17 (c) A member no longer in service who is unmarried and does  
18 not have an eligible survivors annuity beneficiary on the date  
19 of application therefor is entitled to a refund of  
20 contributions for widow's annuity or survivors annuity  
21 purposes, or both, as the case may be, without interest. A  
22 widow's annuity or survivors annuity shall not be payable upon  
23 the death of a person who has received this refund, unless  
24 prior to that death the amount of the refund has been repaid to  
25 the System, together with regular interest from the date of the  
26 refund to the date of repayment.

27 (d) Any member who has service credit in any position for  
28 which an alternative retirement annuity is provided and in  
29 relation to which an increase in the rate of employee  
30 contribution is required, shall be entitled to a refund,  
31 without interest, of that part of the member's employee  
32 contribution which results from that increase in the employee  
33 rate if the member does not qualify for that alternative  
34 retirement annuity at the time of retirement.

1 (Source: P.A. 90-448, eff. 8-16-97; 91-887, eff. 7-6-00.)

2 ARTICLE 99

3 Section 99-995. Closed meetings; vote requirement. This  
4 Act authorizes the Illinois Economic and Fiscal Commission to  
5 hold closed meetings in certain circumstances. In order to meet  
6 the requirements of subsection (c) of Section 5 of Article IV  
7 of the Illinois Constitution, the General Assembly determines  
8 that closed meetings of the Illinois Economic and Fiscal  
9 Commission are required by the public interest. Thus, this Act  
10 is enacted by the affirmative vote of two-thirds of the members  
11 elected to each house of the General Assembly.

12 Section 99-997. Severability. The provisions of this Act  
13 are severable under Section 1.31 of the Statute on Statutes.

14 Section 99-999. Effective date. This Act takes effect upon  
15 becoming law."