

August 16, 2005

To the Honorable Members of the
Illinois Senate
94th General Assembly

Pursuant to Article IV, Section 9(e) of the Illinois Constitution of 1970, I hereby return Senate Bill 1654, entitled "AN ACT concerning finance", with the following specific recommendations for change:

On page 1, replace line 18 through 20 with the following, "interest penalty shall be payable at a rate equal, for any day, to the rate per annum (rounded upwards, if necessary, to the nearest 1/100 of 1%) as determined in the sole discretion (which determination shall be conclusive and binding, absent manifest error) of the Governor's Office of Management and Budget to be equal to the weighted average of the rates on overnight Federal funds transactions with member banks of the Federal Reserve System arranged by Federal funds brokers on such day, as published by the Federal Reserve Bank of New York on the business day next succeeding such day; provided that if such day is not a business day, the Federal Funds Rate for such day shall be such rate on such transactions on the next preceding business day as so published on the next succeeding business day. All payments of interest shall be calculated on the basis of actual number of days (including the first day but excluding the last day) elapsed after the end of this 60 day period until final payment is made but computed as if each calendar year consisted of 360 days."; and

On page 1, line 30, before "delaying" insert the word "unnecessarily"; and

On page 1, line 31, after "identified." insert the following:

"(A) An agency shall not be considered to be delaying the review of a bill or its submission to the Comptroller if the agency is undertaking appropriate procedures:

- (i) to ensure that the bill is a proper bill;
- (ii) to determine whether the funding source is federal or state funds;
- (iii) to determine whether sufficient appropriation authority exists; or
- (iv) to determine if sufficient funds exist within the funding source to pay the bill at that time or if revenues are anticipated soon.

(B) An agency shall not be considered to be delaying the review of a bill or its submission to the Comptroller if the agency is undertaking any other steps a prudent financial manager would take before approving a bill for payment."

With these changes, Senate Bill 1654 will have my approval. I respectfully request your concurrence.

Sincerely,

ROD R. BLAGOJEVICH
Governor