



100TH GENERAL ASSEMBLY

State of Illinois

2017 and 2018

HB5814

by Rep. David McSweeney

SYNOPSIS AS INTRODUCED:

5 ILCS 375/6.12	
15 ILCS 20/50-10	was 15 ILCS 20/38.1
30 ILCS 105/13.2	from Ch. 127, par. 149.2
30 ILCS 540/3-6 new	

Amends the State Employees Group Insurance Act of 1971. Provides that interest penalties that may be payable under the Act, as provided under specified Sections of the Illinois Insurance Code, shall be paid from a separate appropriation from each fund for such purpose and for each appropriated agency. Amends the State Budget Law. Provides that for the fiscal year beginning July 1, 2018, and for each fiscal year thereafter, the budget shall include a separate line item request appropriating moneys to each State agency for estimated costs for each fund under the State Prompt Payment Act and specified Sections of the Illinois Insurance Code. Amends the State Finance Act. Provides that the sum of transfers among line item appropriations for an agency in a fiscal year shall not exceed 2% of the aggregate amount appropriated to it within the same treasury fund for, among other objects, late interest penalties under the State Prompt Payment Act and specified Sections of the Illinois Insurance Code. Provides that if lump sum appropriations are enacted with a separate line item for late interest penalties under the State Prompt Payment Act and the Illinois Insurance Code, the 2% transfer authority shall apply to the aggregate amount of these appropriations. Amends the State Prompt Payment Act to provide that interest penalties that may be payable under the Act and under specified Sections of the Illinois Insurance Code shall be paid from a separate appropriation from each fund for such purpose and for each appropriated agency. Effective immediately.

LRB100 17197 RJF 32353 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

1 AN ACT concerning State government.

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

4 Section 5. The State Employees Group Insurance Act of 1971
5 is amended by changing Section 6.12 as follows:

6 (5 ILCS 375/6.12)

7 Sec. 6.12. Payment for services.

8 (a) The program of health benefits is subject to the
9 provisions of Sections 368a and 370a of the Illinois Insurance
10 Code, provided that, if a covered member or covered dependent
11 assigns payments to a health care professional for covered
12 services, then the health care professional shall only collect
13 at point of service from that person the estimated amount not
14 expected to be paid by the plan.

15 (b) Interest penalties that may be payable under this Act,
16 as provided under Sections 368a and 370a of the Illinois
17 Insurance Code, shall be paid from a separate appropriation
18 from each fund for such purpose and for each appropriated
19 agency.

20 (Source: P.A. 97-1086, eff. 8-24-12.)

21 Section 10. The State Budget Law of the Civil
22 Administrative Code of Illinois is amended by changing Section

1 50-10 as follows:

2 (15 ILCS 20/50-10) (was 15 ILCS 20/38.1)

3 Sec. 50-10. Budget contents. The budget shall be submitted
4 by the Governor with line item and program data. The budget
5 shall also contain performance data presenting an estimate for
6 the current fiscal year, projections for the budget year, and
7 information for the 3 prior fiscal years comparing department
8 objectives with actual accomplishments, formulated according
9 to the various functions and activities, and, wherever the
10 nature of the work admits, according to the work units, for
11 which the respective departments, offices, and institutions of
12 the State government (including the elective officers in the
13 executive department and including the University of Illinois
14 and the judicial department) are responsible.

15 For the fiscal year beginning July 1, 1992 and for each
16 fiscal year thereafter, the budget shall include the
17 performance measures of each department's accountability
18 report.

19 For the fiscal year beginning July 1, 1997 and for each
20 fiscal year thereafter, the budget shall include one or more
21 line items appropriating moneys to the Department of Human
22 Services to fund participation in the Home-Based Support
23 Services Program for Adults with Mental Disabilities under the
24 Developmental Disability and Mental Disability Services Act by
25 persons described in Section 2-17 of that Act.

1 For the fiscal year beginning July 1, 2018 and for each
2 fiscal year thereafter, the budget shall include a separate
3 line item request appropriating moneys to each State agency for
4 estimated costs for each fund under the State Prompt Payment
5 Act and Sections 368a and 370a of the Illinois Insurance Code.

6 The budget shall contain a capital development section in
7 which the Governor will present (1) information on the capital
8 projects and capital programs for which appropriations are
9 requested, (2) the capital spending plans, which shall document
10 the first and subsequent years cash requirements by fund for
11 the proposed bonded program, and (3) a statement that shall
12 identify by year the principal and interest costs until
13 retirement of the State's general obligation debt. In addition,
14 the principal and interest costs of the budget year program
15 shall be presented separately, to indicate the marginal cost of
16 principal and interest payments necessary to retire the
17 additional bonds needed to finance the budget year's capital
18 program. In 2004 only, the capital development section of the
19 State budget shall be submitted by the Governor not later than
20 the fourth Tuesday of March (March 23, 2004).

21 The budget shall contain a section indicating whether there
22 is a projected budget surplus or a projected budget deficit for
23 general funds in the current fiscal year, or whether the
24 current fiscal year's general funds budget is projected to be
25 balanced, based on estimates prepared by the Governor's Office
26 of Management and Budget using actual figures available on the

1 date the budget is submitted. That section shall present this
2 information in both a numerical table format and by way of a
3 narrative description, and shall include information for the
4 proposed upcoming fiscal year, the current fiscal year, and the
5 2 years prior to the current fiscal year. These estimates must
6 specifically and separately identify any non-recurring
7 revenues, including, but not limited to, borrowed money, money
8 derived by borrowing or transferring from other funds, or any
9 non-operating financial source. None of these specifically and
10 separately identified non-recurring revenues may include any
11 revenue that cannot be realized without a change to law. The
12 table shall show accounts payable at the end of each fiscal
13 year in a manner that specifically and separately identifies
14 any general funds liabilities accrued during the current and
15 prior fiscal years that may be paid from future fiscal years'
16 appropriations, including, but not limited to, costs that may
17 be paid beyond the end of the lapse period as set forth in
18 Section 25 of the State Finance Act and costs incurred by the
19 Department on Aging. The section shall also include an estimate
20 of individual and corporate income tax overpayments that will
21 not be refunded before the close of the fiscal year.

22 For the budget year, the current year, and 3 prior fiscal
23 years, the Governor shall also include in the budget estimates
24 of or actual values for the assets and liabilities for General
25 Assembly Retirement System, State Employees' Retirement System
26 of Illinois, State Universities Retirement System, Teachers'

1 Retirement System of the State of Illinois, and Judges
2 Retirement System of Illinois.

3 The budget submitted by the Governor shall contain, in
4 addition, in a separate book, a tabulation of all position and
5 employment titles in each such department, office, and
6 institution, the number of each, and the salaries for each,
7 formulated according to divisions, bureaus, sections, offices,
8 departments, boards, and similar subdivisions, which shall
9 correspond as nearly as practicable to the functions and
10 activities for which the department, office, or institution is
11 responsible.

12 Together with the budget, the Governor shall transmit the
13 estimates of receipts and expenditures, as received by the
14 Director of the Governor's Office of Management and Budget, of
15 the elective officers in the executive and judicial departments
16 and of the University of Illinois.

17 An applicable appropriations committee of each chamber of
18 the General Assembly, for fiscal year 2012 and thereafter, must
19 review individual line item appropriations and the total budget
20 for each State agency, as defined in the Illinois State
21 Auditing Act.

22 (Source: P.A. 98-460, eff. 1-1-14; 99-143, eff. 7-27-15.)

23 Section 15. The State Finance Act is amended by changing
24 Section 13.2 as follows:

1 (30 ILCS 105/13.2) (from Ch. 127, par. 149.2)

2 Sec. 13.2. Transfers among line item appropriations.

3 (a) Transfers among line item appropriations from the same
4 treasury fund for the objects specified in this Section may be
5 made in the manner provided in this Section when the balance
6 remaining in one or more such line item appropriations is
7 insufficient for the purpose for which the appropriation was
8 made.

9 (a-1) No transfers may be made from one agency to another
10 agency, nor may transfers be made from one institution of
11 higher education to another institution of higher education
12 except as provided by subsection (a-4).

13 (a-2) Except as otherwise provided in this Section,
14 transfers may be made only among the objects of expenditure
15 enumerated in this Section, except that no funds may be
16 transferred from any appropriation for personal services, from
17 any appropriation for State contributions to the State
18 Employees' Retirement System, from any separate appropriation
19 for employee retirement contributions paid by the employer, nor
20 from any appropriation for State contribution for employee
21 group insurance. During State fiscal year 2005, an agency may
22 transfer amounts among its appropriations within the same
23 treasury fund for personal services, employee retirement
24 contributions paid by employer, and State Contributions to
25 retirement systems; notwithstanding and in addition to the
26 transfers authorized in subsection (c) of this Section, the

1 fiscal year 2005 transfers authorized in this sentence may be
2 made in an amount not to exceed 2% of the aggregate amount
3 appropriated to an agency within the same treasury fund. During
4 State fiscal year 2007, the Departments of Children and Family
5 Services, Corrections, Human Services, and Juvenile Justice
6 may transfer amounts among their respective appropriations
7 within the same treasury fund for personal services, employee
8 retirement contributions paid by employer, and State
9 contributions to retirement systems. During State fiscal year
10 2010, the Department of Transportation may transfer amounts
11 among their respective appropriations within the same treasury
12 fund for personal services, employee retirement contributions
13 paid by employer, and State contributions to retirement
14 systems. During State fiscal years 2010 and 2014 only, an
15 agency may transfer amounts among its respective
16 appropriations within the same treasury fund for personal
17 services, employee retirement contributions paid by employer,
18 and State contributions to retirement systems.
19 Notwithstanding, and in addition to, the transfers authorized
20 in subsection (c) of this Section, these transfers may be made
21 in an amount not to exceed 2% of the aggregate amount
22 appropriated to an agency within the same treasury fund.

23 (a-2.5) During State fiscal year 2015 only, the State's
24 Attorneys Appellate Prosecutor may transfer amounts among its
25 respective appropriations contained in operational line items
26 within the same treasury fund. Notwithstanding, and in addition

1 to, the transfers authorized in subsection (c) of this Section,
2 these transfers may be made in an amount not to exceed 4% of
3 the aggregate amount appropriated to the State's Attorneys
4 Appellate Prosecutor within the same treasury fund.

5 (a-3) Further, if an agency receives a separate
6 appropriation for employee retirement contributions paid by
7 the employer, any transfer by that agency into an appropriation
8 for personal services must be accompanied by a corresponding
9 transfer into the appropriation for employee retirement
10 contributions paid by the employer, in an amount sufficient to
11 meet the employer share of the employee contributions required
12 to be remitted to the retirement system.

13 (a-4) Long-Term Care Rebalancing. The Governor may
14 designate amounts set aside for institutional services
15 appropriated from the General Revenue Fund or any other State
16 fund that receives monies for long-term care services to be
17 transferred to all State agencies responsible for the
18 administration of community-based long-term care programs,
19 including, but not limited to, community-based long-term care
20 programs administered by the Department of Healthcare and
21 Family Services, the Department of Human Services, and the
22 Department on Aging, provided that the Director of Healthcare
23 and Family Services first certifies that the amounts being
24 transferred are necessary for the purpose of assisting persons
25 in or at risk of being in institutional care to transition to
26 community-based settings, including the financial data needed

1 to prove the need for the transfer of funds. The total amounts
2 transferred shall not exceed 4% in total of the amounts
3 appropriated from the General Revenue Fund or any other State
4 fund that receives monies for long-term care services for each
5 fiscal year. A notice of the fund transfer must be made to the
6 General Assembly and posted at a minimum on the Department of
7 Healthcare and Family Services website, the Governor's Office
8 of Management and Budget website, and any other website the
9 Governor sees fit. These postings shall serve as notice to the
10 General Assembly of the amounts to be transferred. Notice shall
11 be given at least 30 days prior to transfer.

12 (b) In addition to the general transfer authority provided
13 under subsection (c), the following agencies have the specific
14 transfer authority granted in this subsection:

15 The Department of Healthcare and Family Services is
16 authorized to make transfers representing savings attributable
17 to not increasing grants due to the births of additional
18 children from line items for payments of cash grants to line
19 items for payments for employment and social services for the
20 purposes outlined in subsection (f) of Section 4-2 of the
21 Illinois Public Aid Code.

22 The Department of Children and Family Services is
23 authorized to make transfers not exceeding 2% of the aggregate
24 amount appropriated to it within the same treasury fund for the
25 following line items among these same line items: Foster Home
26 and Specialized Foster Care and Prevention, Institutions and

1 Group Homes and Prevention, and Purchase of Adoption and
2 Guardianship Services.

3 The Department on Aging is authorized to make transfers not
4 exceeding 2% of the aggregate amount appropriated to it within
5 the same treasury fund for the following Community Care Program
6 line items among these same line items: purchase of services
7 covered by the Community Care Program and Comprehensive Case
8 Coordination.

9 The State Treasurer is authorized to make transfers among
10 line item appropriations from the Capital Litigation Trust
11 Fund, with respect to costs incurred in fiscal years 2002 and
12 2003 only, when the balance remaining in one or more such line
13 item appropriations is insufficient for the purpose for which
14 the appropriation was made, provided that no such transfer may
15 be made unless the amount transferred is no longer required for
16 the purpose for which that appropriation was made.

17 The State Board of Education is authorized to make
18 transfers from line item appropriations within the same
19 treasury fund for General State Aid, General State Aid - Hold
20 Harmless, and Evidence-Based Funding, provided that no such
21 transfer may be made unless the amount transferred is no longer
22 required for the purpose for which that appropriation was made,
23 to the line item appropriation for Transitional Assistance when
24 the balance remaining in such line item appropriation is
25 insufficient for the purpose for which the appropriation was
26 made.

1 The State Board of Education is authorized to make
2 transfers between the following line item appropriations
3 within the same treasury fund: Disabled Student
4 Services/Materials (Section 14-13.01 of the School Code),
5 Disabled Student Transportation Reimbursement (Section
6 14-13.01 of the School Code), Disabled Student Tuition -
7 Private Tuition (Section 14-7.02 of the School Code),
8 Extraordinary Special Education (Section 14-7.02b of the
9 School Code), Reimbursement for Free Lunch/Breakfast Program,
10 Summer School Payments (Section 18-4.3 of the School Code), and
11 Transportation - Regular/Vocational Reimbursement (Section
12 29-5 of the School Code). Such transfers shall be made only
13 when the balance remaining in one or more such line item
14 appropriations is insufficient for the purpose for which the
15 appropriation was made and provided that no such transfer may
16 be made unless the amount transferred is no longer required for
17 the purpose for which that appropriation was made.

18 The Department of Healthcare and Family Services is
19 authorized to make transfers not exceeding 4% of the aggregate
20 amount appropriated to it, within the same treasury fund, among
21 the various line items appropriated for Medical Assistance.

22 (c) The sum of such transfers for an agency in a fiscal
23 year shall not exceed 2% of the aggregate amount appropriated
24 to it within the same treasury fund for the following objects:
25 Personal Services; Extra Help; Student and Inmate
26 Compensation; State Contributions to Retirement Systems; State

1 Contributions to Social Security; State Contribution for
2 Employee Group Insurance; Contractual Services; Travel;
3 Commodities; Printing; Equipment; Electronic Data Processing;
4 Operation of Automotive Equipment; Telecommunications
5 Services; Travel and Allowance for Committed, Paroled and
6 Discharged Prisoners; Library Books; Federal Matching Grants
7 for Student Loans; Refunds; Workers' Compensation,
8 Occupational Disease, and Tort Claims; Late Interest Penalties
9 under the State Prompt Payment Act and Sections 368a and 370a
10 of the Illinois Insurance Code; and, in appropriations to
11 institutions of higher education, Awards and Grants. If lump
12 sum appropriations are enacted with a separate line item for
13 late interest penalties under the State Prompt Payment Act and
14 Sections 368a and 370a of the Illinois Insurance Code, the 2%
15 transfer authority shall apply to the aggregate amount of these
16 appropriations. Notwithstanding the above, any amounts
17 appropriated for payment of workers' compensation claims to an
18 agency to which the authority to evaluate, administer and pay
19 such claims has been delegated by the Department of Central
20 Management Services may be transferred to any other expenditure
21 object where such amounts exceed the amount necessary for the
22 payment of such claims.

23 (c-1) Special provisions for State fiscal year 2003.
24 Notwithstanding any other provision of this Section to the
25 contrary, for State fiscal year 2003 only, transfers among line
26 item appropriations to an agency from the same treasury fund

1 may be made provided that the sum of such transfers for an
2 agency in State fiscal year 2003 shall not exceed 3% of the
3 aggregate amount appropriated to that State agency for State
4 fiscal year 2003 for the following objects: personal services,
5 except that no transfer may be approved which reduces the
6 aggregate appropriations for personal services within an
7 agency; extra help; student and inmate compensation; State
8 contributions to retirement systems; State contributions to
9 social security; State contributions for employee group
10 insurance; contractual services; travel; commodities;
11 printing; equipment; electronic data processing; operation of
12 automotive equipment; telecommunications services; travel and
13 allowance for committed, paroled, and discharged prisoners;
14 library books; federal matching grants for student loans;
15 refunds; workers' compensation, occupational disease, and tort
16 claims; and, in appropriations to institutions of higher
17 education, awards and grants.

18 (c-2) Special provisions for State fiscal year 2005.
19 Notwithstanding subsections (a), (a-2), and (c), for State
20 fiscal year 2005 only, transfers may be made among any line
21 item appropriations from the same or any other treasury fund
22 for any objects or purposes, without limitation, when the
23 balance remaining in one or more such line item appropriations
24 is insufficient for the purpose for which the appropriation was
25 made, provided that the sum of those transfers by a State
26 agency shall not exceed 4% of the aggregate amount appropriated

1 to that State agency for fiscal year 2005.

2 (c-3) Special provisions for State fiscal year 2015.
3 Notwithstanding any other provision of this Section, for State
4 fiscal year 2015, transfers among line item appropriations to a
5 State agency from the same State treasury fund may be made for
6 operational or lump sum expenses only, provided that the sum of
7 such transfers for a State agency in State fiscal year 2015
8 shall not exceed 4% of the aggregate amount appropriated to
9 that State agency for operational or lump sum expenses for
10 State fiscal year 2015. For the purpose of this subsection,
11 "operational or lump sum expenses" includes the following
12 objects: personal services; extra help; student and inmate
13 compensation; State contributions to retirement systems; State
14 contributions to social security; State contributions for
15 employee group insurance; contractual services; travel;
16 commodities; printing; equipment; electronic data processing;
17 operation of automotive equipment; telecommunications
18 services; travel and allowance for committed, paroled, and
19 discharged prisoners; library books; federal matching grants
20 for student loans; refunds; workers' compensation,
21 occupational disease, and tort claims; lump sum and other
22 purposes; and lump sum operations. For the purpose of this
23 subsection (c-3), "State agency" does not include the Attorney
24 General, the Secretary of State, the Comptroller, the
25 Treasurer, or the legislative or judicial branches.

26 (c-4) Special provisions for State fiscal year 2018.

1 Notwithstanding any other provision of this Section, for State
2 fiscal year 2018, transfers among line item appropriations to a
3 State agency from the same State treasury fund may be made for
4 operational or lump sum expenses only, provided that the sum of
5 such transfers for a State agency in State fiscal year 2018
6 shall not exceed 4% of the aggregate amount appropriated to
7 that State agency for operational or lump sum expenses for
8 State fiscal year 2018. For the purpose of this subsection
9 (c-4), "operational or lump sum expenses" includes the
10 following objects: personal services; extra help; student and
11 inmate compensation; State contributions to retirement
12 systems; State contributions to social security; State
13 contributions for employee group insurance; contractual
14 services; travel; commodities; printing; equipment; electronic
15 data processing; operation of automotive equipment;
16 telecommunications services; travel and allowance for
17 committed, paroled, and discharged prisoners; library books;
18 federal matching grants for student loans; refunds; workers'
19 compensation, occupational disease, and tort claims; lump sum
20 and other purposes; and lump sum operations. For the purpose of
21 this subsection (c-4), "State agency" does not include the
22 Attorney General, the Secretary of State, the Comptroller, the
23 Treasurer, or the legislative or judicial branches.

24 (d) Transfers among appropriations made to agencies of the
25 Legislative and Judicial departments and to the
26 constitutionally elected officers in the Executive branch

1 require the approval of the officer authorized in Section 10 of
2 this Act to approve and certify vouchers. Transfers among
3 appropriations made to the University of Illinois, Southern
4 Illinois University, Chicago State University, Eastern
5 Illinois University, Governors State University, Illinois
6 State University, Northeastern Illinois University, Northern
7 Illinois University, Western Illinois University, the Illinois
8 Mathematics and Science Academy and the Board of Higher
9 Education require the approval of the Board of Higher Education
10 and the Governor. Transfers among appropriations to all other
11 agencies require the approval of the Governor.

12 The officer responsible for approval shall certify that the
13 transfer is necessary to carry out the programs and purposes
14 for which the appropriations were made by the General Assembly
15 and shall transmit to the State Comptroller a certified copy of
16 the approval which shall set forth the specific amounts
17 transferred so that the Comptroller may change his records
18 accordingly. The Comptroller shall furnish the Governor with
19 information copies of all transfers approved for agencies of
20 the Legislative and Judicial departments and transfers
21 approved by the constitutionally elected officials of the
22 Executive branch other than the Governor, showing the amounts
23 transferred and indicating the dates such changes were entered
24 on the Comptroller's records.

25 (e) The State Board of Education, in consultation with the
26 State Comptroller, may transfer line item appropriations for

1 General State Aid or Evidence-Based Funding between the Common
2 School Fund and the Education Assistance Fund. With the advice
3 and consent of the Governor's Office of Management and Budget,
4 the State Board of Education, in consultation with the State
5 Comptroller, may transfer line item appropriations between the
6 General Revenue Fund and the Education Assistance Fund for the
7 following programs:

8 (1) Disabled Student Personnel Reimbursement (Section
9 14-13.01 of the School Code);

10 (2) Disabled Student Transportation Reimbursement
11 (subsection (b) of Section 14-13.01 of the School Code);

12 (3) Disabled Student Tuition - Private Tuition
13 (Section 14-7.02 of the School Code);

14 (4) Extraordinary Special Education (Section 14-7.02b
15 of the School Code);

16 (5) Reimbursement for Free Lunch/Breakfast Programs;

17 (6) Summer School Payments (Section 18-4.3 of the
18 School Code);

19 (7) Transportation - Regular/Vocational Reimbursement
20 (Section 29-5 of the School Code);

21 (8) Regular Education Reimbursement (Section 18-3 of
22 the School Code); and

23 (9) Special Education Reimbursement (Section 14-7.03
24 of the School Code).

25 (Source: P.A. 99-2, eff. 3-26-15; 100-23, eff. 7-6-17; 100-465,
26 eff. 8-31-17; revised 10-4-17.)

1 Section 20. The State Prompt Payment Act is amended by
2 adding Section 3-6 as follows:

3 (30 ILCS 540/3-6 new)

4 Sec. 3-6. Interest penalty separate appropriation.
5 Interest penalties that may be payable under this Act and under
6 Sections 368a and 370a of the Illinois Insurance Code shall be
7 paid from a separate appropriation from each fund for such
8 purpose and for each appropriated agency.

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