

HB3522



102ND GENERAL ASSEMBLY

State of Illinois

2021 and 2022

HB3522

Introduced 2/22/2021, by Rep. Keith R. Wheeler

SYNOPSIS AS INTRODUCED:

15 ILCS 20/50-5

Amends the State Budget Law of the Civil Administrative Code of Illinois. Provides specified requirements for State budgets prepared for and after State fiscal year 2022. Makes conforming changes. Effective immediately.

LRB102 10232 RJF 15558 b

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 Budget Law of the Civil
5 Administrative Code of Illinois is amended by changing Section
6 50-5 as follows:

7 (15 ILCS 20/50-5)

8 Sec. 50-5. Governor to submit State budget.

9 (a) The Governor shall, as soon as possible and not later
10 than the second Wednesday in March in 2010 (March 10, 2010),
11 the third Wednesday in February in 2011, the fourth Wednesday
12 in February in 2012 (February 22, 2012), the first Wednesday
13 in March in 2013 (March 6, 2013), the fourth Wednesday in March
14 in 2014 (March 26, 2014), and the third Wednesday in February
15 of each year thereafter, except as otherwise provided in this
16 Section, submit a State budget, embracing therein the amounts
17 recommended by the Governor to be appropriated to the
18 respective departments, offices, and institutions, and for all
19 other public purposes, the estimated revenues from taxation,
20 and the estimated revenues from sources other than taxation.
21 Except with respect to the capital development provisions of
22 the State budget, beginning with the revenue estimates
23 prepared for fiscal year 2012 through fiscal year 2021,

1 revenue estimates shall be based solely on: (i) revenue
2 sources (including non-income resources), rates, and levels
3 that exist as of the date of the submission of the State budget
4 for the fiscal year and (ii) revenue sources (including
5 non-income resources), rates, and levels that have been passed
6 by the General Assembly as of the date of the submission of the
7 State budget for the fiscal year and that are authorized to
8 take effect in that fiscal year. Beginning with budgets
9 prepared for fiscal year 2022, revenue estimates shall be
10 determined as provided under paragraph (1) of subsection
11 (a-5). Except with respect to the capital development
12 provisions of the State budget, the Governor shall determine
13 available revenue, deduct the cost of essential government
14 services, including, but not limited to, pension payments and
15 debt service, and assign a percentage of the remaining revenue
16 to each statewide prioritized goal, as established in Section
17 50-25 of this Law, taking into consideration the proposed
18 goals set forth in the report of the Commission established
19 under that Section. The Governor shall also demonstrate how
20 spending priorities for the fiscal year fulfill those
21 statewide goals. The amounts recommended by the Governor for
22 appropriation to the respective departments, offices and
23 institutions shall be formulated according to each
24 department's, office's, and institution's ability to
25 effectively deliver services that meet the established
26 statewide goals. The amounts relating to particular functions

1 and activities shall be further formulated in accordance with
2 the object classification specified in Section 13 of the State
3 Finance Act. In addition, the amounts recommended by the
4 Governor for appropriation shall take into account each State
5 agency's effectiveness in achieving its prioritized goals for
6 the previous fiscal year, as set forth in Section 50-25 of this
7 Law, giving priority to agencies and programs that have
8 demonstrated a focus on the prevention of waste and the
9 maximum yield from resources.

10 Beginning in fiscal year 2011, the Governor shall
11 distribute written quarterly financial reports on operating
12 funds, which may include general, State, or federal funds and
13 may include funds related to agencies that have significant
14 impacts on State operations, and budget statements on all
15 appropriated funds to the General Assembly and the State
16 Comptroller. The reports shall be submitted no later than 45
17 days after the last day of each quarter of the fiscal year and
18 shall be posted on the Governor's Office of Management and
19 Budget's website on the same day. The reports shall be
20 prepared and presented for each State agency and on a
21 statewide level in an executive summary format that may
22 include, for the fiscal year to date, individual itemizations
23 for each significant revenue type as well as itemizations of
24 expenditures and obligations, by agency, with an appropriate
25 level of detail. The reports shall include a calculation of
26 the actual total budget surplus or deficit for the fiscal year

1 to date. The Governor shall also present periodic budget
2 addresses throughout the fiscal year at the invitation of the
3 General Assembly.

4 The Governor shall not propose expenditures and the
5 General Assembly shall not enact appropriations that exceed
6 the resources estimated to be available, as provided in this
7 Section. Appropriations may be adjusted during the fiscal year
8 by means of one or more supplemental appropriation bills if
9 any State agency either fails to meet or exceeds the goals set
10 forth in Section 50-25 of this Law.

11 For the purposes of Article VIII, Section 2 of the 1970
12 Illinois Constitution, the State budget for the following
13 funds shall be prepared on the basis of revenue and
14 expenditure measurement concepts that are in concert with
15 generally accepted accounting principles for governments:

- 16 (1) General Revenue Fund.
- 17 (2) Common School Fund.
- 18 (3) Educational Assistance Fund.
- 19 (4) Road Fund.
- 20 (5) Motor Fuel Tax Fund.
- 21 (6) Agricultural Premium Fund.

22 These funds shall be known as the "budgeted funds". The
23 revenue estimates used in the State budget for the budgeted
24 funds shall include the estimated beginning fund balance, plus
25 revenues estimated to be received during the budgeted year,
26 plus the estimated receipts due the State as of June 30 of the

1 budgeted year that are expected to be collected during the
2 lapse period following the budgeted year, minus the receipts
3 collected during the first 2 months of the budgeted year that
4 became due to the State in the year before the budgeted year.
5 Revenues shall also include estimated federal reimbursements
6 associated with the recognition of Section 25 of the State
7 Finance Act liabilities. For any budgeted fund for which
8 current year revenues are anticipated to exceed expenditures,
9 the surplus shall be considered to be a resource available for
10 expenditure in the budgeted fiscal year.

11 Expenditure estimates for the budgeted funds included in
12 the State budget shall include the costs to be incurred by the
13 State for the budgeted year, to be paid in the next fiscal
14 year, excluding costs paid in the budgeted year which were
15 carried over from the prior year, where the payment is
16 authorized by Section 25 of the State Finance Act. For any
17 budgeted fund for which expenditures are expected to exceed
18 revenues in the current fiscal year, the deficit shall be
19 considered as a use of funds in the budgeted fiscal year.

20 Revenues and expenditures shall also include transfers
21 between funds that are based on revenues received or costs
22 incurred during the budget year.

23 Appropriations for expenditures shall also include all
24 anticipated statutory continuing appropriation obligations
25 that are expected to be incurred during the budgeted fiscal
26 year.

1 By March 15 of each year, the Commission on Government
2 Forecasting and Accountability shall prepare revenue and fund
3 transfer estimates in accordance with the requirements of this
4 Section and report those estimates to the General Assembly and
5 the Governor.

6 For all funds other than the budgeted funds, the proposed
7 expenditures shall not exceed funds estimated to be available
8 for the fiscal year as shown in the budget. Appropriation for a
9 fiscal year shall not exceed funds estimated by the General
10 Assembly to be available during that year.

11 (a-5) Beginning with budgets prepared for fiscal year
12 2022:

13 (1) Revenue estimates shall be based solely on
14 receipts from taxes, fees, and federal transfers and shall
15 not include debt incurred, existing debt refinanced, or
16 additional funds appropriated, assigned, or transferred
17 from another State fund.

18 (2) The General Assembly by law shall make
19 appropriations for all expenditures of public funds by the
20 State. Appropriations for a fiscal year shall not exceed
21 revenue estimated by the General Assembly to be available
22 during fiscal that year. Except for deficiency or
23 emergency appropriations, all appropriations are
24 expendable only during the fiscal year for which they were
25 appropriated, except that the General Assembly may provide
26 for appropriations from the Budget Stabilization Fund in

1 excess of revenue estimated by the General Assembly to be
2 available during that fiscal year by adoption of a
3 resolution approved by a record vote of three-fifths of
4 the members of each house. The excess appropriations may
5 not exceed the total amount available in the Budget
6 Stabilization Fund.

7 (3) No public money shall be expended except pursuant
8 to appropriations made by law. Expenditures for any fiscal
9 year shall not exceed the State's revenues and reserves in
10 the general funds, including proceeds of any debt
11 obligation, for that fiscal year. No debt obligation,
12 except as shall be repaid within the fiscal year of
13 issuance, shall be authorized for the current operation of
14 any State service or program, nor shall the proceeds of
15 any debt obligation be expended for a purpose other than
16 that for which it was authorized.

17 (4) Any law requiring the expenditure of State funds
18 shall be null and void unless, during the session in which
19 the act receives final passage, an appropriation is made
20 for the estimated first year's funding.

21 (b) By February 24, 2010, the Governor must file a written
22 report with the Secretary of the Senate and the Clerk of the
23 House of Representatives containing the following:

24 (1) for fiscal year 2010, the revenues for all
25 budgeted funds, both actual to date and estimated for the
26 full fiscal year;

1 (2) for fiscal year 2010, the expenditures for all
2 budgeted funds, both actual to date and estimated for the
3 full fiscal year;

4 (3) for fiscal year 2011, the estimated revenues for
5 all budgeted funds, including without limitation the
6 affordable General Revenue Fund appropriations, for the
7 full fiscal year; and

8 (4) for fiscal year 2011, an estimate of the
9 anticipated liabilities for all budgeted funds, including
10 without limitation the affordable General Revenue Fund
11 appropriations, debt service on bonds issued, and the
12 State's contributions to the pension systems, for the full
13 fiscal year.

14 Between July 1 and August 31 of each fiscal year, the
15 members of the General Assembly and members of the public may
16 make written budget recommendations to the Governor.

17 Beginning with budgets prepared for fiscal year 2013, the
18 budgets submitted by the Governor and appropriations made by
19 the General Assembly for all executive branch State agencies
20 must adhere to a method of budgeting where each priority must
21 be justified each year according to merit rather than
22 according to the amount appropriated for the preceding year.

23 (Source: P.A. 97-669, eff. 1-13-12; 97-813, eff. 7-13-12;
24 98-2, eff. 2-19-13; 98-626, eff. 2-5-14.)

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