



102ND GENERAL ASSEMBLY

State of Illinois

2021 and 2022

SB4230

Introduced 11/14/2022, by Sen. Doris Turner - Suzy Glowiak
Hilton

SYNOPSIS AS INTRODUCED:

15 ILCS 20/50-40
30 ILCS 105/6z-51
30 ILCS 122/15
30 ILCS 122/20

Amends the State Budget Law of the Civil Administrative Code of Illinois. Provides that "general funds" or "State general funds" as used under the Act includes the Pension Stabilization Fund. Amends the State Finance Act. Provides that for Fiscal Year 2024 and subsequent fiscal years, any transfers into the Budget Stabilization Fund may be transferred to the General Revenue Fund in order for the Comptroller to address outstanding vouchers, and shall not be subject to repayment into the Budget Stabilization Fund if the bill backlog as determined by the Comptroller on June 30 of that fiscal year exceeds \$4,000,000,000. Amends the Budget Stabilization Act. Modifies provisions concerning requirements for and transfers into the Budget Stabilization Fund and the Pension Stabilization Fund regarding the State's backlog of bills. Effective immediately.

LRB102 29025 DTM 40927 b

1 AN ACT concerning finance.

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 50-40 as follows:

7 (15 ILCS 20/50-40)

8 Sec. 50-40. General funds defined. "General funds" or
9 "State general funds" means the General Revenue Fund, the
10 Common School Fund, the General Revenue Common School Special
11 Account Fund, the Education Assistance Fund, the Fund for the
12 Advancement of Education, the Commitment to Human Services
13 Fund, ~~and~~ the Budget Stabilization Fund, and the Pension
14 Stabilization Fund.

15 (Source: P.A. 100-23, eff. 7-6-17.)

16 Section 10. The State Finance Act is amended by changing
17 Section 6z-51 as follows:

18 (30 ILCS 105/6z-51)

19 Sec. 6z-51. Budget Stabilization Fund.

20 (a) The Budget Stabilization Fund, a special fund in the
21 State Treasury, shall consist of moneys appropriated or

1 transferred to that Fund, as provided in Section 6z-43 and as
2 otherwise provided by law. All earnings on Budget
3 Stabilization Fund investments shall be deposited into that
4 Fund.

5 (b) The State Comptroller may direct the State Treasurer
6 to transfer moneys from the Budget Stabilization Fund to the
7 General Revenue Fund in order to meet cash flow deficits
8 resulting from timing variations between disbursements and the
9 receipt of funds within a fiscal year. Any moneys so borrowed
10 in any fiscal year other than Fiscal Year 2011 and other than
11 as provided in subsection (b-5) shall be repaid by June 30 of
12 the fiscal year in which they were borrowed. Any moneys so
13 borrowed in Fiscal Year 2011 shall be repaid no later than July
14 15, 2011.

15 (b-5) For Fiscal Year 2024 and subsequent fiscal years,
16 any transfers into the Budget Stabilization Fund pursuant to
17 Section 15 of the Budget Stabilization Act may be transferred
18 to the General Revenue Fund in order for the Comptroller to
19 address outstanding vouchers, and shall not be subject to
20 repayment into the Budget Stabilization Fund if the bill
21 backlog as determined by the Comptroller on June 30 of that
22 fiscal year exceeds \$4,000,000,000.

23 (c) During Fiscal Year 2017 only, amounts may be expended
24 from the Budget Stabilization Fund only pursuant to specific
25 authorization by appropriation. Any moneys expended pursuant
26 to appropriation shall not be subject to repayment.

1 (d) For Fiscal Years 2020 through 2022, any transfers into
2 the Fund pursuant to the Cannabis Regulation and Tax Act may be
3 transferred to the General Revenue Fund in order for the
4 Comptroller to address outstanding vouchers and shall not be
5 subject to repayment back into the Budget Stabilization Fund.

6 (e) Beginning July 1, 2023, on the first day of each month,
7 or as soon thereafter as practical, the State Comptroller
8 shall direct and the State Treasurer shall transfer \$3,750,000
9 from the General Revenue Fund to the Budget Stabilization
10 Fund.

11 (Source: P.A. 101-10, eff. 6-5-19; 102-699, eff. 4-19-22.)

12 Section 15. The Budget Stabilization Act is amended by
13 changing Sections 15 and 20 as follows:

14 (30 ILCS 122/15)

15 Sec. 15. Transfers to Budget Stabilization Fund. In
16 furtherance of the State's objective for the Budget
17 Stabilization Fund to have resources representing 5% of the
18 State's annual general funds revenues:

19 (a) On January 10, 2023, and for each January 10
20 thereafter, the Department on Aging, the Department of
21 Healthcare and Family Services, and the Department of Human
22 Services shall certify to the Comptroller the amount of
23 invoices that may be paid from appropriations in future fiscal
24 years resulting from insufficient appropriations in the

1 current fiscal year. The Department of Central Management
2 Services shall also certify the amount of invoices that may be
3 paid from appropriations in future fiscal years due to
4 insufficient resources in the Health Insurance Reserve Fund,
5 and the Department of Revenue shall certify an estimate of the
6 amount of individual and corporate income tax overpayments
7 that will not be refunded before the close of the current
8 fiscal year resulting from insufficient deposits into the
9 Income Tax Refund Fund. The Comptroller's Debt Transparency
10 Report shall detail the total value of the amounts certified
11 by the Department on Aging and the Departments of Central
12 Management Services, Healthcare and Family Services, Human
13 Services, and Revenue. The report shall also include the
14 liabilities payable with the Comptroller at the close of
15 business on December 31, 2022 and for each December 31
16 thereafter. For each fiscal year when the General Assembly's
17 appropriations and transfers or diversions as required by law
18 from general funds do not exceed 99% of the estimated general
19 funds revenues pursuant to subsection (a) of Section 10, the
20 Comptroller shall transfer from the General Revenue Fund as
21 provided by this Section a total amount equal to 0.5% of the
22 estimated general funds revenues to the Budget Stabilization
23 Fund.

24 (b) Beginning May 15, 2023, and for each May 15
25 thereafter, the Comptroller shall report to the Governor and
26 the General Assembly the estimated backlog of bills for the

1 end of the current fiscal year. If the amount of the backlog of
2 bills reported by the Comptroller on June 30, 2023 and each
3 June 30 thereafter is an amount less than \$3,000,000,000, on
4 the last day of each month of the next fiscal year, or as soon
5 thereafter as possible, the Comptroller shall order
6 transferred and the Treasurer shall transfer from the General
7 Revenue Fund to the Budget Stabilization Fund the lesser of
8 (i) \$200,000,000 or (ii) the amount necessary to maintain
9 resources in the Budget Stabilization Fund that is equal to 5%
10 of the total general funds revenues of the prior fiscal year,
11 in equal monthly installments. Nothing in this Section
12 prohibits the General Assembly from appropriating additional
13 moneys into the Budget Stabilization Fund; however, transfers
14 or appropriations shall only be made from the Budget
15 Stabilization Fund under subsection (d) of this Section. ~~For~~
16 ~~each fiscal year when the General Assembly's appropriations~~
17 ~~and transfers or diversions as required by law from general~~
18 ~~funds do not exceed 98% of the estimated general funds~~
19 ~~revenues pursuant to subsection (b) of Section 10, the~~
20 ~~Comptroller shall transfer from the General Revenue Fund as~~
21 ~~provided by this Section a total amount equal to 1% of the~~
22 ~~estimated general funds revenues to the Budget Stabilization~~
23 ~~Fund.~~

24 (c) ~~The Comptroller shall transfer 1/12 of the total~~
25 ~~amount to be transferred each fiscal year under this Section~~
26 ~~into the Budget Stabilization Fund on the first day of each~~

1 ~~month of that fiscal year or as soon thereafter as possible.~~
2 The balance of the Budget Stabilization Fund shall not exceed
3 5% of the total of general funds revenues estimated for that
4 fiscal year. If the balance of the Budget Stabilization Fund
5 is equal to 5% of the total general funds revenues of the prior
6 fiscal year, no further transfers shall be made to the Budget
7 Stabilization Fund. If the amounts certified to the
8 Comptroller that may be paid from future fiscal year resources
9 by the Department on Aging and the Departments of Central
10 Management Services, Healthcare and Family Services, Human
11 Services, and Revenue exceed zero, the Comptroller shall order
12 transferred and the Treasurer shall transfer from the General
13 Revenue Fund to the Health Insurance Reserve Fund, the
14 Healthcare Provider Relief Fund, or the Income Tax Refund Fund
15 an amount necessary to reduce those amounts to zero, but not to
16 exceed a monthly aggregate combined total for all funds of
17 \$16,666,666 except as provided by subsection (d) of this
18 Section.

19 (d) Upon written notice from the Governor to the Clerk of
20 the House of Representatives, the Secretary of the Senate, and
21 the Secretary of State pursuant to Section 1.1 of the Short
22 Term Borrowing Act, the Comptroller may cease the order of any
23 further transfers to the Budget Stabilization Fund and may
24 order the transfer and the Treasurer shall transfer from the
25 Budget Stabilization Fund to the General Revenue Fund an
26 amount deemed necessary to maintain the State's backlog of

1 bills to an amount below \$3,000,000,000. If the written notice
2 has been provided, the General Assembly may make transfers or
3 appropriations from the Budget Stabilization Fund for the
4 upcoming fiscal year as necessary to provide for the health,
5 safety, and welfare of the people of the State of Illinois. ~~If~~
6 ~~the balance of the Budget Stabilization Fund exceeds 5% of the~~
7 ~~total general funds revenues estimated for that fiscal year,~~
8 ~~the additional transfers are not required unless there are~~
9 ~~outstanding liabilities under Section 25 of the State Finance~~
10 ~~Act from prior fiscal years. If there are such outstanding~~
11 ~~Section 25 liabilities, then the Comptroller shall continue to~~
12 ~~transfer 1/12 of the total amount identified for transfer to~~
13 ~~the Budget Stabilization Fund on the first day of each month of~~
14 ~~that fiscal year or as soon thereafter as possible to be~~
15 ~~reserved for those Section 25 liabilities. Nothing in this Act~~
16 ~~prohibits the General Assembly from appropriating additional~~
17 ~~moneys into the Budget Stabilization Fund.~~

18 (e) (Blank). ~~On or before August 31 of each fiscal year,~~
19 ~~the amount determined to be transferred to the Budget~~
20 ~~Stabilization Fund shall be reconciled to actual general funds~~
21 ~~revenues for that fiscal year. The final transfer for each~~
22 ~~fiscal year shall be adjusted so that the total amount~~
23 ~~transferred under this Section is equal to the percentage~~
24 ~~specified in subsection (a) or (b) of this Section, as~~
25 ~~applicable, based on actual general funds revenues calculated~~
26 ~~consistently with subsection (c) of Section 10 of this Act for~~

1 ~~each fiscal year.~~

2 (f) For the fiscal year beginning July 1, 2006 and for each
3 fiscal year thereafter, the budget proposal to the General
4 Assembly shall identify liabilities incurred in a prior fiscal
5 year under Section 25 of the State Finance Act and the budget
6 proposal shall provide funding as allowable pursuant to
7 subsection (d) of this Section, if applicable.

8 (Source: P.A. 93-660, eff. 7-1-04; 94-839, eff. 6-6-06.)

9 (30 ILCS 122/20)

10 (Text of Section WITH the changes made by P.A. 98-599,
11 which has been held unconstitutional)

12 Sec. 20. Pension Stabilization Fund.

13 (a) The Pension Stabilization Fund is hereby created as a
14 special fund in the State treasury. Moneys in the fund shall be
15 used for the sole purpose of making payments to the designated
16 retirement systems as provided in Section 25.

17 (b) For each fiscal year through State fiscal year 2014,
18 when the General Assembly's appropriations and transfers or
19 diversions as required by law from general funds do not exceed
20 99% of the estimated general funds revenues pursuant to
21 subsection (a) of Section 10, the Comptroller shall transfer
22 from the General Revenue Fund as provided by this Section a
23 total amount equal to 0.5% of the estimated general funds
24 revenues to the Pension Stabilization Fund.

25 (c) For each fiscal year through State fiscal year 2014,

1 when the General Assembly's appropriations and transfers or
2 diversions as required by law from general funds do not exceed
3 98% of the estimated general funds revenues pursuant to
4 subsection (b) of Section 10, the Comptroller shall transfer
5 from the General Revenue Fund as provided by this Section a
6 total amount equal to 1.0% of the estimated general funds
7 revenues to the Pension Stabilization Fund.

8 (c-5) In addition to any other amounts required to be
9 transferred under this Section, in State fiscal year 2016 and
10 each fiscal year thereafter through State fiscal year 2045, or
11 when each of the designated retirement systems, as defined in
12 Section 25, has achieved 100% funding, whichever occurs first,
13 the State Comptroller shall order transferred and the State
14 Treasurer shall transfer from the General Revenue Fund to the
15 Pension Stabilization Fund an amount equal to 10% of (1) the
16 sum of the amounts certified by the designated retirement
17 systems under subsection (a-5) of Section 2-134, subsection
18 (a-10) of Section 14-135.08, subsection (a-10) of Section
19 15-165, and subsection (a-10) of Section 16-158 of this Code
20 for that fiscal year minus (2) the sum of (i) the transfer
21 required under subsection (c-10) of this Section for that
22 fiscal year and (ii) the sum of the required State
23 contributions certified by the retirement systems under
24 subsection (a) of Section 2-134, subsection (a-5) of Section
25 14-135.08, subsection (a-5) of Section 15-165, and subsection
26 (a-5) of Section 16-158 of this Code for that fiscal year. The

1 transferred amount is intended to represent one-tenth of the
2 annual savings to the State resulting from the enactment of
3 this amendatory Act of the 98th General Assembly.

4 (c-10) In State fiscal year 2019, the State Comptroller
5 shall order transferred and the State Treasurer shall transfer
6 \$364,000,000 from the General Revenue Fund to the Pension
7 Stabilization Fund. In State fiscal year 2020 and each fiscal
8 year thereafter until terminated under subsection (c-15), the
9 State Comptroller shall order transferred and the State
10 Treasurer shall transfer \$1,000,000,000 from the General
11 Revenue Fund to the Pension Stabilization Fund.

12 (c-15) The transfers made beginning in State fiscal year
13 2020 pursuant to subsection (c-10) of this Section shall
14 terminate at the end of State fiscal year 2045 or when each of
15 the designated retirement systems, as defined in Section 25,
16 has achieved 100% funding, whichever occurs first.

17 (d) The Comptroller shall transfer 1/12 of the total
18 amount to be transferred each fiscal year under this Section
19 into the Pension Stabilization Fund on the first day of each
20 month of that fiscal year or as soon thereafter as possible;
21 except that the final transfer of the fiscal year shall be made
22 as soon as practical after the August 31 following the end of
23 the fiscal year.

24 Until State fiscal year 2015, before the final transfer
25 for a fiscal year is made, the Comptroller shall reconcile the
26 estimated general funds revenues used in calculating the other

1 transfers under this Section for that fiscal year with the
2 actual general funds revenues for that fiscal year. The final
3 transfer for the fiscal year shall be adjusted so that the
4 total amount transferred under this Section for that fiscal
5 year is equal to the percentage specified in subsection (b) or
6 (c) of this Section, whichever is applicable, of the actual
7 general funds revenues for that fiscal year. The actual
8 general funds revenues for the fiscal year shall be calculated
9 in a manner consistent with subsection (c) of Section 10 of
10 this Act.

11 (Source: P.A. 98-599, eff. 6-1-14.)

12 (Text of Section WITHOUT the changes made by P.A. 98-599,
13 which has been held unconstitutional)

14 Sec. 20. Pension Stabilization Fund.

15 (a) The Pension Stabilization Fund is hereby created as a
16 special fund in the State treasury. Moneys in the fund shall be
17 used for the sole purpose of making payments to the designated
18 retirement systems as provided in Section 25.

19 (b) If the amount of the backlog of bills reported by the
20 Comptroller on June 30, 2023 and for each June 30 thereafter is
21 an amount less than \$3,000,000,000, on the last day of each
22 month of the next fiscal year, or as soon thereafter as
23 possible, the Comptroller shall order transferred and the
24 Treasurer shall transfer from the General Revenue Fund to the
25 Pension Stabilization Fund \$200,000,000 in equal monthly

1 installments. ~~For each fiscal year when the General Assembly's~~
2 ~~appropriations and transfers or diversions as required by law~~
3 ~~from general funds do not exceed 99% of the estimated general~~
4 ~~funds revenues pursuant to subsection (a) of Section 10, the~~
5 ~~Comptroller shall transfer from the General Revenue Fund as~~
6 ~~provided by this Section a total amount equal to 0.5% of the~~
7 ~~estimated general funds revenues to the Pension Stabilization~~
8 ~~Fund.~~

9 (c) (Blank). ~~For each fiscal year when the General~~
10 ~~Assembly's appropriations and transfers or diversions as~~
11 ~~required by law from general funds do not exceed 98% of the~~
12 ~~estimated general funds revenues pursuant to subsection (b) of~~
13 ~~Section 10, the Comptroller shall transfer from the General~~
14 ~~Revenue Fund as provided by this Section a total amount equal~~
15 ~~to 1.0% of the estimated general funds revenues to the Pension~~
16 ~~Stabilization Fund.~~

17 (d) (Blank). ~~The Comptroller shall transfer 1/12 of the~~
18 ~~total amount to be transferred each fiscal year under this~~
19 ~~Section into the Pension Stabilization Fund on the first day~~
20 ~~of each month of that fiscal year or as soon thereafter as~~
21 ~~possible; except that the final transfer of the fiscal year~~
22 ~~shall be made as soon as practical after the August 31~~
23 ~~following the end of the fiscal year.~~

24 ~~Before the final transfer for a fiscal year is made, the~~
25 ~~Comptroller shall reconcile the estimated general funds~~
26 ~~revenues used in calculating the other transfers under this~~

1 ~~Section for that fiscal year with the actual general funds~~
2 ~~revenues for that fiscal year. The final transfer for the~~
3 ~~fiscal year shall be adjusted so that the total amount~~
4 ~~transferred under this Section for that fiscal year is equal~~
5 ~~to the percentage specified in subsection (b) or (c) of this~~
6 ~~Section, whichever is applicable, of the actual general funds~~
7 ~~revenues for that fiscal year. The actual general funds~~
8 ~~revenues for the fiscal year shall be calculated in a manner~~
9 ~~consistent with subsection (c) of Section 10 of this Act.~~

10 (Source: P.A. 94-839, eff. 6-6-06.)

11 Section 99. Effective date. This Act takes effect upon
12 becoming law.