

1 AN ACT concerning the State budget.

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
6 Section 50-5 as follows:

7 (15 ILCS 20/50-5) (was 15 ILCS 20/38)

8 Sec. 50-5. Governor to submit State budget. The Governor
9 shall, as soon as possible and not later than the second
10 Wednesday in April in 2003 and the third Wednesday in
11 February of each year beginning in 2004, submit a State
12 budget, embracing therein the amounts recommended by the
13 Governor to be appropriated to the respective departments,
14 offices, and institutions, and for all other public purposes,
15 the estimated revenues from taxation, the estimated revenues
16 from sources other than taxation, and an estimate of the
17 amount required to be raised by taxation. The amounts
18 recommended by the Governor for appropriation to the
19 respective departments, offices and institutions shall be
20 formulated according to the various functions and activities
21 for which the respective department, office or institution of
22 the State government (including the elective officers in the
23 executive department and including the University of Illinois
24 and the judicial department) is responsible. The amounts
25 relating to particular functions and activities shall be
26 further formulated in accordance with the object
27 classification specified in Section 13 of the State Finance
28 Act. State budgets submitted for fiscal years 2007 and
29 thereafter must be prepared using the performance measures
30 developed under Section 6.5 of the Governor's Office of
31 Management and Budget Act.

1 The Governor shall not propose expenditures and the
2 General Assembly shall not enact appropriations that exceed
3 the resources estimated to be available, as provided in this
4 Section.

5 For the purposes of Article VIII, Section 2 of the 1970
6 Illinois Constitution, the State budget for the following
7 funds shall be prepared on the basis of revenue and
8 expenditure measurement concepts that are in concert with
9 generally accepted accounting principles for governments:

- 10 (1) General Revenue Fund.
- 11 (2) Common School Fund.
- 12 (3) Educational Assistance Fund.
- 13 (4) Road Fund.
- 14 (5) Motor Fuel Tax Fund.
- 15 (6) Agricultural Premium Fund.

16 These funds shall be known as the "budgeted funds". The
17 revenue estimates used in the State budget for the budgeted
18 funds shall include the estimated beginning fund balance,
19 plus revenues estimated to be received during the budgeted
20 year, plus the estimated receipts due the State as of June 30
21 of the budgeted year that are expected to be collected during
22 the lapse period following the budgeted year, minus the
23 receipts collected during the first 2 months of the budgeted
24 year that became due to the State in the year before the
25 budgeted year. Revenues shall also include estimated federal
26 reimbursements associated with the recognition of Section 25
27 of the State Finance Act liabilities. For any budgeted fund
28 for which current year revenues are anticipated to exceed
29 expenditures, the surplus shall be considered to be a
30 resource available for expenditure in the budgeted fiscal
31 year.

32 Expenditure estimates for the budgeted funds included in
33 the State budget shall include the costs to be incurred by
34 the State for the budgeted year, to be paid in the next

1 fiscal year, excluding costs paid in the budgeted year which
 2 were carried over from the prior year, where the payment is
 3 authorized by Section 25 of the State Finance Act. For any
 4 budgeted fund for which expenditures are expected to exceed
 5 revenues in the current fiscal year, the deficit shall be
 6 considered as a use of funds in the budgeted fiscal year.

7 Revenues and expenditures shall also include transfers
 8 between funds that are based on revenues received or costs
 9 incurred during the budget year.

10 By March 15 of each year, the Economic and Fiscal
 11 Commission shall prepare revenue and fund transfer estimates
 12 in accordance with the requirements of this Section and
 13 report those estimates to the General Assembly and the
 14 Governor.

15 For all funds other than the budgeted funds, the proposed
 16 expenditures shall not exceed funds estimated to be available
 17 for the fiscal year as shown in the budget. Appropriation
 18 for a fiscal year shall not exceed funds estimated by the
 19 General Assembly to be available during that year.

20 (Source: P.A. 93-1, eff. 2-6-03.)

21 Section 10. The Governor's Office of Management and
 22 Budget Act is amended by adding Section 6.5 as follows:

23 (20 ILCS 3005/6.5 new)

24 Sec. 6.5. Development of program objectives and
 25 performance measures for State programs and agencies.

26 (a) The General Assembly finds that the public
 27 accountability of State agency programs will be enhanced by:

28 (1) making State government more result-oriented;

29 (2) increasing public awareness of the efficacy of
 30 State government programs;

31 (3) facilitating informed decision-making on the
 32 allocation of State resources; and

1 (4) increasing public access to information on
2 State government programs.

3 (b) The Office, in cooperation with the Comptroller and
4 State agencies, shall develop program objectives and
5 performance measures for State programs. In developing the
6 program objectives and performance measures, the Office must
7 incorporate the data developed under subsection (c). The
8 program objectives shall be developed by October 1, 2004. The
9 Governor may appoint an advisory commission to participate in
10 developing program goals and objectives. Members of the
11 commission shall serve without compensation, but may be
12 reimbursed for their reasonable expenses incurred in carrying
13 out their duties.

14 Performance measures to measure progress in achieving
15 program goals and objectives shall be developed by October 1,
16 2005. The performance measures must be used in preparing and
17 presenting State budgets for fiscal years 2007 and
18 thereafter. The performance measures shall be integrated
19 with the budget so that expenditures and other program inputs
20 can be associated with program goals and performance
21 measures.

22 (c) The Office shall continue the performance management
23 practices being conducted by the Office of the Governor on
24 and before February 28, 2002. These practices include, but
25 are not limited to:

26 (1) the development of mission statements, goals,
27 and objectives for State agencies and programs;

28 (2) the evaluation of the results and
29 accomplishments of State agencies and programs; and

30 (3) the development of outcome indicators,
31 cost-effectiveness indicators, and external benchmarks
32 for State agencies and programs.

33 The Office shall provide the information developed from
34 these performance management practices to the Comptroller and

1 cooperate with the Comptroller in the reporting and
2 publishing the data developed through these performance
3 management practices. The application of these performance
4 management practices shall be extended annually until the
5 budget and performance of all State agencies and programs are
6 evaluated in accordance with these performance management
7 practices.

8 (d) As much as possible, the Office shall rely on
9 existing reporting forms utilized by direct service providers
10 in collecting data on community based programs and services,
11 rather than creating a new overlay of reports to be required
12 of State agencies and providers.

13 Section 15. The State Comptroller Act is amended by
14 adding Section 6.05 as follows:

15 (15 ILCS 405/6.05 new)

16 Sec. 6.05. Publication of performance management
17 practices data. The Comptroller shall, in cooperation with
18 the Governor's Office of Management and Budget, compile and
19 publish the data developed under subsection (b) of Section
20 6.5 of the Governor's Office of Management and Budget Act.

21 Section 99. Effective date. This Act takes effect upon
22 becoming law.