



95TH GENERAL ASSEMBLY

State of Illinois

2007 and 2008

HB4522

by Rep. Robert W. Pritchard - Roger L. Eddy

SYNOPSIS AS INTRODUCED:

30 ILCS 105/8a
105 ILCS 5/18-11

from Ch. 127, par. 144a
from Ch. 122, par. 18-11

Amends the State Finance Act and the School Code. Provides that on or before the 11th and 21st days of each of the months of August through the following June (instead of July), the State Treasurer and the State Comptroller shall transfer from the General Revenue Fund to the Common School Fund and Education Assistance Fund 1/22 (instead of 1/24) of the amount appropriated to the State Board of Education for distribution to all school districts from those Funds. With respect to payments from the Common School Fund, provides that as soon as may be after the 10th and 20th days of each of the months of August through the following June (instead of July), the State Comptroller shall draw his or her warrants upon the State Treasurer as directed by the State Board of Education in an amount equal to 1/22 (instead of 1/24) of the total amount to be distributed to school districts for the fiscal year. Effective July 1, 2008.

LRB095 17707 NHT 43782 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

1 AN ACT concerning education.

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

4 Section 5. The State Finance Act is amended by changing
5 Section 8a as follows:

6 (30 ILCS 105/8a) (from Ch. 127, par. 144a)

7 Sec. 8a. Common School Fund; transfers to Common School
8 Fund and Education Assistance Fund.

9 (a) Except as provided in subsection (b) of this Section
10 and except as otherwise provided in this subsection (a) with
11 respect to amounts transferred from the General Revenue Fund to
12 the Common School Fund for distribution therefrom for the
13 benefit of the Teachers' Retirement System of the State of
14 Illinois and the Public School Teachers' Pension and Retirement
15 Fund of Chicago:

16 (1) With respect to all school districts, for each
17 fiscal year before fiscal year 2009, other than fiscal year
18 1994, on or before the eleventh and twenty-first days of
19 each of the months of August through the following July, at
20 a time or times designated by the Governor, the State
21 Treasurer and the State Comptroller shall transfer from the
22 General Revenue Fund to the Common School Fund and
23 Education Assistance Fund, as appropriate, 1/24 or so much

1 thereof as may be necessary of the amount appropriated to
2 the State Board of Education for distribution to all school
3 districts from such Common School Fund and Education
4 Assistance Fund, for the fiscal year, including interest on
5 the School Fund proportionate for that distribution for
6 such year.

7 (1.5) With respect to all school districts, for fiscal
8 year 2009 and each fiscal year thereafter, on or before the
9 11th and 21st days of each of the months of August through
10 the following June, at a time or times designated by the
11 Governor, the State Treasurer and the State Comptroller
12 shall transfer from the General Revenue Fund to the Common
13 School Fund and Education Assistance Fund, as appropriate,
14 1/22 or so much thereof as may be necessary of the amount
15 appropriated to the State Board of Education for
16 distribution to all school districts from the Common School
17 Fund and Education Assistance Fund, for the fiscal year,
18 including interest on the Common School Fund proportionate
19 for that distribution for that year.

20 (2) With respect to all school districts, but for
21 fiscal year 1994 only, on the 11th day of August, 1993 and
22 on or before the 11th and 21st days of each of the months
23 of October, 1993 through July, 1994 at a time or times
24 designated by the Governor, the State Treasurer and the
25 State Comptroller shall transfer from the General Revenue
26 Fund to the Common School Fund 1/24 or so much thereof as

1 may be necessary of the amount appropriated to the State
2 Board of Education for distribution to all school districts
3 from such Common School Fund, for fiscal year 1994,
4 including interest on the School Fund proportionate for
5 that distribution for such year; and on or before the 21st
6 day of August, 1993 at a time or times designated by the
7 Governor, the State Treasurer and the State Comptroller
8 shall transfer from the General Revenue Fund to the Common
9 School Fund 3/24 or so much thereof as may be necessary of
10 the amount appropriated to the State Board of Education for
11 distribution to all school districts from the Common School
12 Fund, for fiscal year 1994, including interest
13 proportionate for that distribution on the School Fund for
14 such fiscal year.

15 The amounts of the payments made in July of each year, if
16 required: (i) shall be considered an outstanding liability as
17 of the 30th day of June immediately preceding those July
18 payments, within the meaning of Section 25 of this Act; (ii)
19 shall be payable from the appropriation for the fiscal year
20 that ended on that 30th day of June; and (iii) shall be
21 considered payments for claims covering the school year that
22 commenced during the immediately preceding calendar year.

23 Notwithstanding the foregoing provisions of this
24 subsection, as soon as may be after the 10th and 20th days of
25 each of the months of August through May, 1/24, and on or as
26 soon as may be after the 10th and 20th days of June, 1/12 of the

1 annual amount appropriated to the State Board of Education for
2 distribution and payment during that fiscal year from the
3 Common School Fund to and for the benefit of the Teachers'
4 Retirement System of the State of Illinois (until the end of
5 State fiscal year 1995) and the Public School Teachers' Pension
6 and Retirement Fund of Chicago as provided by the Illinois
7 Pension Code and Section 18-7 of the School Code, or so much
8 thereof as may be necessary, shall be transferred by the State
9 Treasurer and the State Comptroller from the General Revenue
10 Fund to the Common School Fund to permit semi-monthly payments
11 from the Common School Fund to and for the benefit of such
12 teacher retirement systems as required by Section 18-7 of the
13 School Code.

14 Notwithstanding the other provisions of this Section, on or
15 as soon as may be after the 15th day of each month, beginning
16 in July of 1995, 1/12 of the annual amount appropriated for
17 that fiscal year from the Common School Fund to the Teachers'
18 Retirement System of the State of Illinois (other than amounts
19 appropriated under Section 1.1 of the State Pension Funds
20 Continuing Appropriation Act), or so much thereof as may be
21 necessary, shall be transferred by the State Treasurer and the
22 State Comptroller from the General Revenue Fund to the Common
23 School Fund to permit monthly payments from the Common School
24 Fund to that retirement system in accordance with Section
25 16-158 of the Illinois Pension Code and Section 18-7 of the
26 School Code, except that such transfers in fiscal year 2004

1 from the General Revenue Fund to the Common School Fund for the
2 benefit of the Teachers' Retirement System of the State of
3 Illinois shall be reduced in the aggregate by the State
4 Comptroller and State Treasurer to adjust for the amount
5 transferred to the Teachers' Retirement System of the State of
6 Illinois pursuant to subsection (a) of Section 6z-61. Amounts
7 appropriated to the Teachers' Retirement System of the State of
8 Illinois under Section 1.1 of the State Pension Funds
9 Continuing Appropriation Act shall be transferred by the State
10 Treasurer and the State Comptroller from the General Revenue
11 Fund to the Common School Fund as necessary to provide for the
12 payment of vouchers drawn against those appropriations.

13 The Governor may notify the State Treasurer and the State
14 Comptroller to transfer, at a time designated by the Governor,
15 such additional amount as may be necessary to effect advance
16 distribution to school districts of amounts that otherwise
17 would be payable in the next month pursuant to Sections 18-8.05
18 through 18-9 of the School Code. The State Treasurer and the
19 State Comptroller shall thereupon transfer such additional
20 amount. The aggregate amount transferred from the General
21 Revenue Fund to the Common School Fund in the eleven months
22 beginning August 1 of any fiscal year shall not be in excess of
23 the amount necessary for payment of claims certified by the
24 State Superintendent of Education pursuant to the
25 appropriation of the Common School Fund for that fiscal year.
26 Notwithstanding the provisions of the first paragraph in this

1 section, no transfer to effect an advance distribution shall be
2 made in any month except on notification, as provided above, by
3 the Governor.

4 The State Comptroller and State Treasurer shall transfer
5 from the General Revenue Fund to the Common School Fund and the
6 Education Assistance Fund such amounts as may be required to
7 honor the vouchers presented by the State Board of Education
8 pursuant to Sections 18-3, 18-4.3, 18-5, 18-6 and 18-7 of the
9 School Code.

10 The State Comptroller shall report all transfers provided
11 for in this Act to the President of the Senate, Minority Leader
12 of the Senate, Speaker of the House, and Minority Leader of the
13 House.

14 (b) On or before the 11th and 21st days of each of the
15 months of June, 1982 through July, 1983, at a time or times
16 designated by the Governor, the State Treasurer and the State
17 Comptroller shall transfer from the General Revenue Fund to the
18 Common School Fund 1/24 or so much thereof as may be necessary
19 of the amount appropriated to the State Board of Education for
20 distribution from such Common School Fund, for that same fiscal
21 year, including interest on the School Fund for such year. The
22 amounts of the payments in the months of July, 1982 and July,
23 1983 shall be considered an outstanding liability as of the
24 30th day of June immediately preceding such July payment,
25 within the meaning of Section 25 of this Act, and shall be
26 payable from the appropriation for the fiscal year which ended

1 on such 30th day of June, and such July payments shall be
2 considered payments for claims covering school years 1981-1982
3 and 1982-1983 respectively.

4 In the event the Governor makes notification to effect
5 advanced distribution under the provisions of subsection (a) of
6 this Section, the aggregate amount transferred from the General
7 Revenue Fund to the Common School Fund in the 12 months
8 beginning August 1, 1981 or the 12 months beginning August 1,
9 1982 shall not be in excess of the amount necessary for payment
10 of claims certified by the State Superintendent of Education
11 pursuant to the appropriation of the Common School Fund for the
12 fiscal years commencing on the first of July of the years 1981
13 and 1982.

14 (Source: P.A. 93-665, eff. 3-5-04; 94-1105, eff. 6-1-07.)

15 Section 10. The School Code is amended by changing Section
16 18-11 as follows:

17 (105 ILCS 5/18-11) (from Ch. 122, par. 18-11)

18 Sec. 18-11. Payment of claims.

19 (a) With respect to payments for each fiscal year before
20 fiscal year 2009, except payments for the period of June 1982
21 through July 1983 and payments for fiscal year 1994, as ~~As~~ soon
22 as may be after the 10th and 20th days of each of the months of
23 August through the following July, if moneys are available in
24 the common school fund in the State treasury for payments under

1 Sections 18-8.05 through 18-9, the State Comptroller shall draw
2 his warrants upon the State Treasurer as directed by the State
3 Board of Education pursuant to Section 2-3.17b and in
4 accordance with the transfers from the General Revenue Fund to
5 the Common School Fund as specified in Section 8a of the State
6 Finance Act.

7 Each such semimonthly warrant shall be in an amount equal
8 to 1/24 of the total amount to be distributed to school
9 districts for the fiscal year. The amount of payments made in
10 July of each year shall be considered as payments for claims
11 covering the school year that commenced during the immediately
12 preceding calendar year. If the payments provided for under
13 Sections 18-8.05 through 18-9 have been assigned as security
14 for State aid anticipation certificates pursuant to Section
15 18-18, the State Board of Education shall pay the appropriate
16 amount of the payment, as specified in the notification
17 required by Section 18-18, directly to the assignee.

18 (a-5) With respect to payments made under Sections 18-8.05
19 through 18-10 of this Code for fiscal year 2009 and each fiscal
20 year thereafter, as soon as may be after the 10th and 20th days
21 of each of the months of August through the following June, if
22 moneys are available in the Common School Fund in the State
23 treasury for payments under Sections 18-8.05 through 18-10 of
24 this Code, the State Comptroller shall draw his or her warrants
25 upon the State Treasurer as directed by the State Board of
26 Education pursuant to Section 2-3.17b of this Code and in

1 accordance with the transfers from the General Revenue Fund to
2 the Common School Fund as specified in Section 8a of the State
3 Finance Act.

4 Each such semimonthly warrant shall be in an amount equal
5 to 1/22 of the total amount to be distributed to school
6 districts for the fiscal year. If the payments provided for
7 under Sections 18-8.05 through 18-10 of this Code have been
8 assigned as security for State aid anticipation certificates
9 pursuant to Section 18-18 of this Code, then the State Board of
10 Education shall pay the appropriate amount of the payment, as
11 specified in the notification required by Section 18-18 of this
12 Code, directly to the assignee.

13 (b) (Blank).

14 (c) (Blank).

15 (Source: P.A. 94-1105, eff. 6-1-07; 95-496, eff. 8-28-07.)

16 Section 99. Effective date. This Act takes effect July 1,
17 2008.