



95TH GENERAL ASSEMBLY

State of Illinois

2007 and 2008

HB5716

by Rep. Kathleen A. Ryg

SYNOPSIS AS INTRODUCED:

30 ILCS 105/5.708 new
30 ILCS 105/6z-70 new
30 ILCS 105/8h

Amends the State Finance Act. Creates the Human Services Indexed Cost-of-Doing-Business Fund. Provides for transfers to the fund from GRF. Provides that moneys in the Fund shall be used, subject to appropriation, to provide for all or part of an annual 3% cost of doing business adjustment for purchase of care contracts and grant agreements entered into between (i) the Department of Children and Family Services, the Department of Human Services, the Department of Public Health, the Department of Healthcare and Family Services, the Department on Aging, the Office of the Attorney General, the Department of Corrections, the Department of Juvenile Justice, or the Department of Commerce and Economic Opportunity and (ii) a private community-based contractual provider or grantee. Provides that the Fund is not subject to sweeps, administrative charges, or charge-backs. Contains other provisions. Repeals the added provisions on January 1, 2013.

LRB095 18000 RCE 44083 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

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 Finance Act is amended by changing
5 Section 8h and by adding Sections 5.708 and 6z-70 as follows:

6 (30 ILCS 105/5.708 new)

7 Sec. 5.708. The Human Services Indexed
8 Cost-Of-Doing-Business Fund.

9 (30 ILCS 105/6z-70 new)

10 Sec. 6z-70. The Human Services Indexed
11 Cost-Of-Doing-Business Fund.

12 (a) The Human Services Indexed Cost-Of-Doing-Business Fund
13 is created as a special fund in the State treasury. Moneys in
14 the Fund may be used only for the purposes of an annual
15 cost-of-doing-business adjustment, as set forth under
16 subsection (c).

17 (b) Notwithstanding any other provision of law, and in
18 addition to any other amounts appropriated, each State fiscal
19 year, the State Treasurer shall transfer to the Fund, from the
20 General Revenue Fund, the amount of \$175,000,000, adjusted
21 annually after the first full fiscal year for which the Fund is
22 established based upon the Employment Cost Index. Moneys

1 received for the purposes of this Section, including, without
2 limitation, transfers, appropriations, and gifts, grants, and
3 awards from any public or private entity must be deposited into
4 the Fund. Any interest earnings that are attributable to moneys
5 in the Fund must be deposited into the Fund.

6 (c) The moneys in the Fund shall be used, subject to
7 appropriation, to provide for all or part of an annual 3% cost
8 of doing business adjustment for purchase of care contracts and
9 grant agreements entered into between (i) the Department of
10 Children and Family Services, the Department of Human Services,
11 the Department of Public Health, the Department of Healthcare
12 and Family Services, the Department on Aging, the Office of the
13 Attorney General, the Department of Corrections, the
14 Department of Juvenile Justice, or the Department of Commerce
15 and Economic Opportunity and (ii) a private community-based
16 contractual provider or grantee.

17 (d) In any State fiscal year in which the Employment Cost
18 Index immediately preceding the year of the respective increase
19 is 2% or less, no cost of doing business increase will be
20 applied as set forth under subsection (c).

21 (e) The Fund is not subject to sweeps, administrative
22 charges, or charge-backs, including but not limited to, those
23 authorized under Section 8h of the State Finance Act or any
24 other fiscal or budgetary maneuver that would in any way
25 transfer any funds from the Fund into any other fund of the
26 State.

1 (f) State agencies listed in subsection (c), for any State
2 fiscal year in which a cost of doing business increase has been
3 applied as set forth under subsection (c), shall report to the
4 Governor and the General Assembly by September 1 of the
5 following fiscal year on the total amount of a cost of doing
6 business increase that was applied by each State agency to
7 private community-based contractual providers or grantees.
8 These reports shall include specific information on the types
9 of private community-based contractual providers or grantees
10 that received a cost of doing business increase and the total
11 amount received. The reports shall be presented by the Director
12 of each State agency listed in subsection (c) or his or her
13 designee to the appropriate Appropriations Committee in the
14 Illinois House of Representatives, as determined by the Speaker
15 of the House, and in the Illinois Senate, as determined by the
16 President of the Senate.

17 (g) As used in this Section:

18 "Employment Cost Index" has the meaning set forth in
19 Section 4 of the General Assembly Compensation Act.

20 "Grant" has the meaning set forth in Section 1-15.42 of the
21 Illinois Procurement Code.

22 "Purchase of care contract" means a contract between a
23 State officer or agency and a private provider under which
24 rates for services are set in accordance with a formula that
25 takes personnel, supplies, and other allowable costs into
26 account. The term "purchase of care contract" does not include

1 any contract for a provider of medical services.

2 (h) This Section is repealed on January 1, 2013.

3 (30 ILCS 105/8h)

4 Sec. 8h. Transfers to General Revenue Fund.

5 (a) Except as otherwise provided in this Section and
6 Section 8n of this Act, and notwithstanding any other State law
7 to the contrary, the Governor may, through June 30, 2007, from
8 time to time direct the State Treasurer and Comptroller to
9 transfer a specified sum from any fund held by the State
10 Treasurer to the General Revenue Fund in order to help defray
11 the State's operating costs for the fiscal year. The total
12 transfer under this Section from any fund in any fiscal year
13 shall not exceed the lesser of (i) 8% of the revenues to be
14 deposited into the fund during that fiscal year or (ii) an
15 amount that leaves a remaining fund balance of 25% of the July
16 1 fund balance of that fiscal year. In fiscal year 2005 only,
17 prior to calculating the July 1, 2004 final balances, the
18 Governor may calculate and direct the State Treasurer with the
19 Comptroller to transfer additional amounts determined by
20 applying the formula authorized in Public Act 93-839 to the
21 funds balances on July 1, 2003. No transfer may be made from a
22 fund under this Section that would have the effect of reducing
23 the available balance in the fund to an amount less than the
24 amount remaining unexpended and unreserved from the total
25 appropriation from that fund estimated to be expended for that

1 fiscal year. This Section does not apply to any funds that are
2 restricted by federal law to a specific use, to any funds in
3 the Motor Fuel Tax Fund, the Intercity Passenger Rail Fund, the
4 Hospital Provider Fund, the Medicaid Provider Relief Fund, the
5 Teacher Health Insurance Security Fund, the Reviewing Court
6 Alternative Dispute Resolution Fund, the Voters' Guide Fund,
7 the Foreign Language Interpreter Fund, the Lawyers' Assistance
8 Program Fund, the Supreme Court Federal Projects Fund, the
9 Supreme Court Special State Projects Fund, the Supplemental
10 Low-Income Energy Assistance Fund, the Good Samaritan Energy
11 Trust Fund, the Low-Level Radioactive Waste Facility
12 Development and Operation Fund, the Horse Racing Equity Trust
13 Fund, the Metabolic Screening and Treatment Fund, or the
14 Hospital Basic Services Preservation Fund, or to any funds to
15 which Section 70-50 of the Nurse Practice Act applies. No
16 transfers may be made under this Section from the Pet
17 Population Control Fund. Notwithstanding any other provision
18 of this Section, for fiscal year 2004, the total transfer under
19 this Section from the Road Fund or the State Construction
20 Account Fund shall not exceed the lesser of (i) 5% of the
21 revenues to be deposited into the fund during that fiscal year
22 or (ii) 25% of the beginning balance in the fund. For fiscal
23 year 2005 through fiscal year 2007, no amounts may be
24 transferred under this Section from the Road Fund, the State
25 Construction Account Fund, the Criminal Justice Information
26 Systems Trust Fund, the Wireless Service Emergency Fund, or the

1 Mandatory Arbitration Fund.

2 In determining the available balance in a fund, the
3 Governor may include receipts, transfers into the fund, and
4 other resources anticipated to be available in the fund in that
5 fiscal year.

6 The State Treasurer and Comptroller shall transfer the
7 amounts designated under this Section as soon as may be
8 practicable after receiving the direction to transfer from the
9 Governor.

10 (a-5) Transfers directed to be made under this Section on
11 or before February 28, 2006 that are still pending on May 19,
12 2006 (the effective date of Public Act 94-774) shall be
13 redirected as provided in Section 8n of this Act.

14 (b) This Section does not apply to: (i) the Ticket For The
15 Cure Fund; (ii) any fund established under the Community Senior
16 Services and Resources Act; or (iii) on or after January 1,
17 2006 (the effective date of Public Act 94-511), the Child Labor
18 and Day and Temporary Labor Enforcement Fund.

19 (c) This Section does not apply to the Demutualization
20 Trust Fund established under the Uniform Disposition of
21 Unclaimed Property Act.

22 (d) This Section does not apply to moneys set aside in the
23 Illinois State Podiatric Disciplinary Fund for podiatric
24 scholarships and residency programs under the Podiatric
25 Scholarship and Residency Act.

26 (e) Subsection (a) does not apply to, and no transfer may

1 be made under this Section from, the Pension Stabilization
2 Fund.

3 (f) Subsection (a) does not apply to, and no transfer may
4 be made under this Section from, the Illinois Power Agency
5 Operations Fund, the Illinois Power Agency Facilities Fund, the
6 Illinois Power Agency Debt Service Fund, and the Illinois Power
7 Agency Trust Fund.

8 (g) ~~(f)~~ This Section does not apply to the Veterans Service
9 Organization Reimbursement Fund.

10 (h) ~~(f)~~ This Section does not apply to the Supreme Court
11 Historic Preservation Fund.

12 (i) This Section does not apply to the Human Services
13 Indexed Cost-of-Doing-Business Fund.

14 (Source: P.A. 94-91, eff. 7-1-05; 94-120, eff. 7-6-05; 94-511,
15 eff. 1-1-06; 94-535, eff. 8-10-05; 94-639, eff. 8-22-05;
16 94-645, eff. 8-22-05; 94-648, eff. 1-1-06; 94-686, eff.
17 11-2-05; 94-691, eff. 11-2-05; 94-726, eff. 1-20-06; 94-773,
18 eff. 5-18-06; 94-774, eff. 5-19-06; 94-804, eff. 5-26-06;
19 94-839, eff. 6-6-06; 95-331, eff. 8-21-07; 95-410, eff.
20 8-24-07; 95-481, eff. 8-28-07; 95-629, eff. 9-25-07; 95-639,
21 eff. 10-5-07; 95-695, eff. 11-5-07; revised 11-2-07.)