



95TH GENERAL ASSEMBLY

State of Illinois

2007 and 2008

SB1541

Introduced 2/9/2007, by Sen. Christine Radogno

SYNOPSIS AS INTRODUCED:

30 ILCS 122/12 new
30 ILCS 122/15

Amends the Budget Stabilization Act. Requires the Governor's Office of Management and Budget to make public a certified general funds revenue estimate for the current fiscal year at the same time the Governor submits a budget for the upcoming fiscal year. Requires actual revenues that exceed the certified estimate to be deposited into the Budget Stabilization Fund to be used to pay prior fiscal year liabilities, pension liabilities, and bond debt. Effective immediately.

LRB095 08148 RCE 28313 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 Budget Stabilization Act is amended by
5 changing Section 15 and by adding Section 12 as follows:

6 (30 ILCS 122/12 new)

7 Sec. 12. Certified revenue estimate.

8 (a) For the purposes of Section 15(g) only of this Act,
9 "certified general funds revenue estimate" includes, for each
10 budget year, all taxes, fees, and other revenues expected to be
11 deposited into the State's general funds, including recurring
12 transfers from other State funds into the general funds.

13 (b) The Governor's Office of Management and Budget shall
14 make public a certified general funds revenue estimate for the
15 current fiscal year at the same time the Governor is required
16 to submit a State budget for the upcoming fiscal year as set
17 forth in Section 50-5 of the State Budget Law (15 ILCS
18 20/50-5).

19 (c) The certified general funds revenue estimate shall be
20 the Governor's Office of Management and Budget's best estimate
21 on the total general funds revenue collections for the current
22 fiscal year, given the revenues deposited into the general
23 funds to date.

1 (d) The Governor's Office of Management and Budget shall
2 include in any document required by Section 50-10 of the State
3 Budget Law (15 ILCS 20/50-10) a detailed accounting of the
4 certified general funds revenue estimate for the current fiscal
5 year by revenue source.

6 (e) The Governor's Office of Management and Budget shall
7 distribute a letter to the President of the Senate, the
8 Minority Leader of the Senate, the Speaker of the House, the
9 Minority Leader of the House, the Comptroller, and the
10 Treasurer that details the certified general funds revenue
11 estimate for the current fiscal year.

12 (30 ILCS 122/15)

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

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

25 (b) For each fiscal year when the General Assembly's

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

8 (c) The Comptroller shall transfer 1/12 of the total amount
9 to be transferred each fiscal year under this Section into the
10 Budget Stabilization Fund on the first day of each month of
11 that fiscal year or as soon thereafter as possible. The balance
12 of the Budget Stabilization Fund shall not exceed 5% of the
13 total of general funds revenues estimated for that fiscal year
14 except as provided by subsection (d) of this Section.

15 (d) If the balance of the Budget Stabilization Fund exceeds
16 5% of the total general funds revenues estimated for that
17 fiscal year, the additional transfers are not required unless
18 there are outstanding liabilities under Section 25 of the State
19 Finance Act from prior fiscal years. If there are such
20 outstanding Section 25 liabilities, then the Comptroller shall
21 continue to transfer 1/12 of the total amount identified for
22 transfer to the Budget Stabilization Fund on the first day of
23 each month of that fiscal year or as soon thereafter as
24 possible to be reserved for those Section 25 liabilities.
25 Nothing in this Act prohibits the General Assembly from
26 appropriating additional moneys into the Budget Stabilization

1 Fund.

2 (e) On or before August 31 of each fiscal year, the amount
3 determined to be transferred to the Budget Stabilization Fund
4 shall be reconciled to actual general funds revenues for that
5 fiscal year. The final transfer for each fiscal year shall be
6 adjusted so that the total amount transferred under this
7 Section is equal to the percentage specified in subsection (a)
8 or (b) of this Section, as applicable, based on actual general
9 funds revenues calculated consistently with subsection (c) of
10 Section 10 of this Act for each fiscal year.

11 (f) For the fiscal year beginning July 1, 2006 and for each
12 fiscal year thereafter, the budget proposal to the General
13 Assembly shall identify liabilities incurred in a prior fiscal
14 year under Section 25 of the State Finance Act and the budget
15 proposal shall provide funding as allowable pursuant to
16 subsection (d) of this Section, if applicable.

17 (g) For each fiscal year in which the general funds
18 revenues as of June 30 exceed the certified general funds
19 revenue estimate as defined in Section 12 of this Act, the
20 difference of the actual general funds revenues collections
21 less the certified general funds estimate shall be deposited
22 into the Budget Stabilization Fund and used for the following
23 purposes:

24 (1) Funds deposited into the Budget Stabilization Fund
25 as a result of actual general revenues funds collections
26 exceeding the certified general funds estimate shall first

1 be used for payment of liabilities as defined by Section 25
2 of the State Finance Act.

3 (2) If no liabilities as defined by Section 25 of the
4 State Finance Act exist or if the deposit into the Budget
5 Stabilization Fund as defined in this subsection (g)
6 exceeds the amount of liabilities as defined by Section 25
7 of the State Finance Act, then the remaining amount of the
8 deposit shall remain in the Budget Stabilization Fund up to
9 5% of the State's annual general funds revenues.

10 (3) If the requirements of items (1) and (2) of this
11 subsection (g) are met the remaining portion of the deposit
12 as defined in this subsection (g) shall be deposited into
13 the Pension Stabilization Fund.

14 (4) If the requirements of items (1), (2), and (3) of
15 this subsection (g) are met, the remaining portion of the
16 deposit as defined in this subsection (g) shall be used to
17 reduce the State's general obligation debt.

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

19 Section 99. Effective date. This Act takes effect July 1,
20 2007.