

# SB2614



## 95TH GENERAL ASSEMBLY

### State of Illinois

2007 and 2008

SB2614

Introduced 2/15/2008, 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 July 1, 2008.

LRB095 19122 RCE 45333 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 2008.