



State Government Administration Committee

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LRB096 04276 JAM 19183 a

1 AMENDMENT TO HOUSE BILL 289

2 AMENDMENT NO. _____. Amend House Bill 289 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Illinois State Auditing Act is amended by
5 adding Section 2-15 as follows:

6 (30 ILCS 5/2-15 new)

7 Sec. 2-15. Appropriation Earmarks Unit.

8 (a) As used in this Section:

9 "Earmarked appropriation" means an appropriation for a
10 grant or distribution to a specific unit of local government,
11 specific school district, specific not-for-profit
12 organization, or specific non-governmental entity for
13 infrastructure improvements or operating expenses. The term
14 shall also include a grant or distribution made from a lump sum
15 appropriation to a specific unit of local government, specific
16 school district, specific not-for-profit organization, or

1 specific non-governmental entity for infrastructure
2 improvements or operating expenses. Appropriations that are
3 part of a statewide program and are based on generally
4 applicable standards of eligibility are not earmarked
5 appropriations.

6 "Infrastructure improvements" include without limitation
7 capital improvements, capital projects, planning,
8 construction, reconstruction, equipment, utilities, vehicles,
9 and all costs associated with economic development, community
10 programs, educational programs, public health, and public
11 safety.

12 "Operating expenses" includes expenditures made by the
13 recipient entity for its own administrative purposes,
14 including but not limited to personal services, equipment, real
15 property, debt service, travel, and commodities.

16 "Unit" means the Appropriation Earmarks Unit of the Office
17 of the Auditor General, established by this Section.

18 (b) The Office of the Auditor General shall establish and
19 administer within the Office an Appropriation Earmarks Unit.
20 The primary function of the Unit shall be the review and
21 auditing of earmarked appropriations of State funds.

22 (c) On or before July 31 of each fiscal year, every State
23 agency shall provide a list to the Auditor General of all
24 grants and distributions meeting this Section's definition of
25 "earmarked appropriation" made by the State agency during the
26 previous fiscal year. The list shall contain each recipient's

1 name and address, the date and amount of distribution, the fund
2 from which the distribution was made, and the purpose of the
3 distribution. For purposes of this Section, "State agency"
4 shall include agencies in the executive or legislative branch
5 of State government created by the Illinois Constitution or
6 State statute.

7 (d) To the extent resources permit, the Unit shall select a
8 sample of earmarked appropriations reported to it by the State
9 agencies and conduct a review to determine whether the State
10 agencies distributed the earmarked appropriation in accordance
11 with all applicable laws and whether the recipient entity used
12 the earmarked appropriation for its intended purpose and
13 complied with all applicable requirements. The Auditor
14 General's conclusions may be published in a single report or in
15 multiple reports, which shall include a complete list of all
16 earmarked appropriations reported to it by the State agencies.

17 (e) The Unit shall include operation of a telephone hot
18 line through which suggestions for audits of State-funded grant
19 programs or earmarked appropriations may be made. To the extent
20 possible, the identity of individuals contacting the hotline
21 shall be kept confidential. The Auditor General may refer
22 suggestions for audits of State-funded grant programs or
23 earmarked appropriations to the State agency involved in the
24 distribution.

25 (f) Notwithstanding any provision of law to the contrary,
26 the Legislative Audit Commission may direct the Auditor General

1 to conduct a performance audit of an earmarked appropriation
2 upon a majority vote of the Commission.

3 (g) Audits conducted under this Section and reports
4 prepared under this Section shall be public records and shall
5 be filed with the Legislative Audit Commission as provided by
6 rule of the Commission.

7 Section 99. Effective date. This Act takes effect July 1,
8 2009.".