



96TH GENERAL ASSEMBLY

State of Illinois

2009 and 2010

HB4097

Introduced 2/27/2009, by Rep. Patricia R. Bellock

SYNOPSIS AS INTRODUCED:

30 ILCS 105/25

from Ch. 127, par. 161

Amends the State Finance Act concerning fiscal year limitations on expenditures with respect to certain tuition reimbursement claims, veteran's medical payments, medical and child care payments, substance abuse treatment payments, Immigration Reform and Control Fund payments, and medical payments for persons suffering various conditions, all of which now may be paid without regard to the fiscal year in which the liability was incurred. Sets dollar amount limits on what may be expended per fiscal year through October 1, 2014, after which the payments for liabilities incurred may be paid only during the 3-month period following the end of the fiscal year. Effective immediately.

LRB096 08875 JAM 19010 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 25 as follows:

6 (30 ILCS 105/25) (from Ch. 127, par. 161)

7 Sec. 25. Fiscal year limitations.

8 (a) All appropriations shall be available for expenditure
9 for the fiscal year or for a lesser period if the Act making
10 that appropriation so specifies. A deficiency or emergency
11 appropriation shall be available for expenditure only through
12 June 30 of the year when the Act making that appropriation is
13 enacted unless that Act otherwise provides.

14 (b) Outstanding liabilities as of June 30, payable from
15 appropriations which have otherwise expired, may be paid out of
16 the expiring appropriations during the 2-month period ending at
17 the close of business on August 31. Any service involving
18 professional or artistic skills or any personal services by an
19 employee whose compensation is subject to income tax
20 withholding must be performed as of June 30 of the fiscal year
21 in order to be considered an "outstanding liability as of June
22 30" that is thereby eligible for payment out of the expiring
23 appropriation.

1 (b-1) However, payment of tuition reimbursement claims
2 under Section 14-7.03 or 18-3 of the School Code may be made by
3 the State Board of Education from its appropriations for those
4 respective purposes for any fiscal year, even though the claims
5 reimbursed by the payment may be claims attributable to a prior
6 fiscal year, and payments may be made at the direction of the
7 State Superintendent of Education from the fund from which the
8 appropriation is made without regard to any fiscal year
9 limitations, except as required by subsection (j) of this
10 Section. Beginning on June 30, 2014, payment of tuition
11 reimbursement claims under Section 14-7.03 or 18-3 of the
12 School Code as of June 30, payable from appropriations that
13 have otherwise expired, may be paid out of the expiring
14 appropriation during the 3-month period ending at the close of
15 business on September 30.

16 (b-2) Medical payments may be made by the Department of
17 Veterans' Affairs from its appropriations for those purposes
18 for any fiscal year, without regard to the fact that the
19 medical services being compensated for by such payment may have
20 been rendered in a prior fiscal year, except as required by
21 subsection (j) of this Section. Beginning on June 30, 2014,
22 medical payments payable from appropriations that have
23 otherwise expired may be paid out of the expiring appropriation
24 during the 3-month period ending at the close of business on
25 September 30.

26 (b-3) Medical payments may be made by the Department of

1 Healthcare and Family Services and medical payments and child
2 care payments may be made by the Department of Human Services
3 (as successor to the Department of Public Aid) from
4 appropriations for those purposes for any fiscal year, without
5 regard to the fact that the medical or child care services
6 being compensated for by such payment may have been rendered in
7 a prior fiscal year; and payments may be made at the direction
8 of the Department of Central Management Services from the
9 Health Insurance Reserve Fund and the Local Government Health
10 Insurance Reserve Fund without regard to any fiscal year
11 limitations, except as required by subsection (j) of this
12 Section. Beginning on June 30, 2014, medical payments made by
13 the Department of Healthcare and Family Services and child care
14 payments made by the Department of Human Services payable from
15 appropriations that have otherwise expired may be paid out of
16 the expiring appropriation during the 3-month period ending at
17 the close of business on September 30.

18 (b-4) Medical payments may be made by the Department of
19 Human Services from its appropriations relating to substance
20 abuse treatment services for any fiscal year, without regard to
21 the fact that the medical services being compensated for by
22 such payment may have been rendered in a prior fiscal year,
23 provided the payments are made on a fee-for-service basis
24 consistent with requirements established for Medicaid
25 reimbursement by the Department of Healthcare and Family
26 Services, except as required by subsection (j) of this Section.

1 Beginning on June 30, 2014, medical payments made by the
2 Department of Human Services relating to substance abuse
3 treatment services payable from appropriations that have
4 otherwise expired may be paid out of the expiring appropriation
5 during the 3-month period ending at the close of business on
6 September 30.

7 (b-5) Additionally, payments may be made by the Department
8 of Human Services from its appropriations, or any other State
9 agency from its appropriations with the approval of the
10 Department of Human Services, from the Immigration Reform and
11 Control Fund for purposes authorized pursuant to the
12 Immigration Reform and Control Act of 1986, without regard to
13 any fiscal year limitations, except as required by subsection
14 (j) of this Section. Beginning on June 30, 2014, payments made
15 by the Department of Human Services from the Immigration Reform
16 and Control Fund for purposes authorized pursuant to the
17 Immigration Reform and Control Act of 1986 payable from
18 appropriations that have otherwise expired may be paid out of
19 the expiring appropriation during the 3-month period ending at
20 the close of business on September 30.

21 ~~Further, with respect to costs incurred in fiscal years~~
22 ~~2002 and 2003 only, payments may be made by the State Treasurer~~
23 ~~from its appropriations from the Capital Litigation Trust Fund~~
24 ~~without regard to any fiscal year limitations.~~

25 ~~Lease payments may be made by the Department of Central~~
26 ~~Management Services under the sale and leaseback provisions of~~

1 ~~Section 7.4 of the State Property Control Act with respect to~~
2 ~~the James R. Thompson Center and the Elgin Mental Health Center~~
3 ~~and surrounding land from appropriations for that purpose~~
4 ~~without regard to any fiscal year limitations.~~

5 ~~Lease payments may be made under the sale and leaseback~~
6 ~~provisions of Section 7.5 of the State Property Control Act~~
7 ~~with respect to the Illinois State Toll Highway Authority~~
8 ~~headquarters building and surrounding land without regard to~~
9 ~~any fiscal year limitations.~~

10 (c) Further, payments may be made by the Department of
11 Public Health and the Department of Human Services (acting as
12 successor to the Department of Public Health under the
13 Department of Human Services Act) from their respective
14 appropriations for grants for medical care to or on behalf of
15 persons suffering from chronic renal disease, persons
16 suffering from hemophilia, rape victims, and premature and
17 high-mortality risk infants and their mothers and for grants
18 for supplemental food supplies provided under the United States
19 Department of Agriculture Women, Infants and Children
20 Nutrition Program, for any fiscal year without regard to the
21 fact that the services being compensated for by such payment
22 may have been rendered in a prior fiscal year, except as
23 required by subsection (j) of this Section. Beginning on June
24 30, 2014, payments made by the Department of Public Health and
25 the Department of Human Services from their respective
26 appropriations for grants for medical care to or on behalf of

1 persons suffering from chronic renal disease, persons
2 suffering from hemophilia, rape victims, and premature and
3 high-mortality risk infants and their mothers and for grants
4 for supplemental food supplies provided under the United States
5 Department of Agriculture Women, Infants and Children
6 Nutrition Program payable from appropriations that have
7 otherwise expired may be paid out of the expiring
8 appropriations during the 3-month period ending at the close of
9 business on September 30.

10 (d) The Department of Public Health and the Department of
11 Human Services (acting as successor to the Department of Public
12 Health under the Department of Human Services Act) shall each
13 annually submit to the State Comptroller, Senate President,
14 Senate Minority Leader, Speaker of the House, House Minority
15 Leader, and the respective Chairmen and Minority Spokesmen of
16 the Appropriations Committees of the Senate and the House, on
17 or before December 31, a report of fiscal year funds used to
18 pay for services provided in any prior fiscal year. This report
19 shall document by program or service category those
20 expenditures from the most recently completed fiscal year used
21 to pay for services provided in prior fiscal years.

22 (e) The Department of Healthcare and Family Services, the
23 Department of Human Services (acting as successor to the
24 Department of Public Aid), and the Department of Human Services
25 making fee-for-service payments relating to substance abuse
26 treatment services provided during a previous fiscal year shall

1 each annually submit to the State Comptroller, Senate
2 President, Senate Minority Leader, Speaker of the House, House
3 Minority Leader, the respective Chairmen and Minority
4 Spokesmen of the Appropriations Committees of the Senate and
5 the House, on or before November 30, a report that shall
6 document by program or service category those expenditures from
7 the most recently completed fiscal year used to pay for (i)
8 services provided in prior fiscal years and (ii) services for
9 which claims were received in prior fiscal years.

10 (f) The Department of Human Services (as successor to the
11 Department of Public Aid) shall annually submit to the State
12 Comptroller, Senate President, Senate Minority Leader, Speaker
13 of the House, House Minority Leader, and the respective
14 Chairmen and Minority Spokesmen of the Appropriations
15 Committees of the Senate and the House, on or before December
16 31, a report of fiscal year funds used to pay for services
17 (other than medical care) provided in any prior fiscal year.
18 This report shall document by program or service category those
19 expenditures from the most recently completed fiscal year used
20 to pay for services provided in prior fiscal years.

21 (g) In addition, each annual report required to be
22 submitted by the Department of Healthcare and Family Services
23 under subsection (e) shall include the following information
24 with respect to the State's Medicaid program:

25 (1) Explanations of the exact causes of the variance
26 between the previous year's estimated and actual

1 liabilities.

2 (2) Factors affecting the Department of Healthcare and
3 Family Services' liabilities, including but not limited to
4 numbers of aid recipients, levels of medical service
5 utilization by aid recipients, and inflation in the cost of
6 medical services.

7 (3) The results of the Department's efforts to combat
8 fraud and abuse.

9 (h) As provided in Section 4 of the General Assembly
10 Compensation Act, any utility bill for service provided to a
11 General Assembly member's district office for a period
12 including portions of 2 consecutive fiscal years may be paid
13 from funds appropriated for such expenditure in either fiscal
14 year.

15 (i) An agency which administers a fund classified by the
16 Comptroller as an internal service fund may issue rules for:

17 (1) billing user agencies in advance for payments or
18 authorized inter-fund transfers based on estimated charges
19 for goods or services;

20 (2) issuing credits, refunding through inter-fund
21 transfers, or reducing future inter-fund transfers during
22 the subsequent fiscal year for all user agency payments or
23 authorized inter-fund transfers received during the prior
24 fiscal year which were in excess of the final amounts owed
25 by the user agency for that period; and

26 (3) issuing catch-up billings to user agencies during

1 the subsequent fiscal year for amounts remaining due when
2 payments or authorized inter-fund transfers received from
3 the user agency during the prior fiscal year were less than
4 the total amount owed for that period.

5 User agencies are authorized to reimburse internal service
6 funds for catch-up billings by vouchers drawn against their
7 respective appropriations for the fiscal year in which the
8 catch-up billing was issued or by increasing an authorized
9 inter-fund transfer during the current fiscal year. For the
10 purposes of this Act, "inter-fund transfers" means transfers
11 without the use of the voucher-warrant process, as authorized
12 by Section 9.01 of the State Comptroller Act.

13 (j) Notwithstanding any other provision of this Act, the
14 aggregate amount of payments to be made without regard for
15 fiscal year limitations as contained in subsections (b-1),
16 (b-2), (b-3), (b-4), (b-5), and (c) of this Section, and
17 determined by using Generally Accepted Accounting Principles,
18 shall not exceed the following amounts:

19 (1) \$2,500,000,000 as of October 1, 2009;

20 (2) \$2,000,000,000 as of October 1, 2010;

21 (3) \$1,500,000,000 as of October 1, 2011;

22 (4) \$1,000,000,000 as of October 1, 2012;

23 (5) \$500,000,000 as of October 1, 2013; and

24 (6) \$0 as of October 1, 2014 and thereafter.

25 (Source: P.A. 95-331, eff. 8-21-07.)

26 Section 99. Effective date. This Act takes effect upon

1 becoming law.