



HC0061HAM001

LRB096 24635 AMC 44748 a

1 AMENDMENT TO HOUSE JOINT RESOLUTION
2 CONSTITUTIONAL AMENDMENT 61

3 AMENDMENT NO. ___ . Amend House Joint Resolution
4 Constitutional Amendment 61 by replacing line 3 on page 1
5 through line 13 on page 3 with the following:

6 "RESOLVED, BY THE HOUSE OF REPRESENTATIVES OF THE
7 NINETY-SIXTH GENERAL ASSEMBLY OF THE STATE OF ILLINOIS, THE
8 SENATE CONCURRING HEREIN, that there shall be submitted to the
9 electors of the State for adoption or rejection at the general
10 election next occurring at least 6 months after the adoption of
11 this resolution a proposition to add Section 8.1 to Article IV
12 and to add Sections 2.1 and 2.2 to Article VIII of the Illinois
13 Constitution as follows:

14 ARTICLE IV
15 THE LEGISLATURE

1 (ILCON Art. IV, Sec. 8.1 new)

2 SECTION 8.1. PASSAGE OF REVENUE BILLS

3 A bill that would result in the increase of revenue to the
4 State by an increase of a tax on or measured by income or by an
5 increase of a tax on or measured by the selling price of any
6 item of tangible personal property may become law only with the
7 concurrence of three-fifths of the members elected to each
8 house of the General Assembly.

9 ARTICLE VIII

10 FINANCE

11 (ILCON Art. VIII, Sec. 2.1 new)

12 SECTION 2.1. LIMITATIONS ON APPROPRIATIONS AND TRANSFERS

13 (a) For the fiscal year ending in 2014 and each fiscal year
14 thereafter, aggregate appropriations and transfers from the
15 general funds are limited as provided in this Section. "General
16 funds" include the General Revenue Fund, the Common School
17 Fund, the General Revenue Common School Special Account Fund,
18 and the Education Assistance Fund and any fund utilized for
19 general or operating expenses. "Appropriations and transfers"
20 do not include (i) reappropriations from a previous fiscal
21 year, (ii) those made for debt service payments, and (iii)
22 those made to a budget stabilization fund.

23 (b) Aggregate fiscal year appropriations and transfers
24 from the general funds may not exceed the limitation amount.

1 For the fiscal year ending in 2014, the limitation amount is
2 the aggregate amount of appropriations and transfers from the
3 general funds in the fiscal year ending in 2010, as adjusted as
4 provided in this subsection (b) for the fiscal years ending in
5 2011, 2012, and 2013. For the fiscal year ending in 2015 and
6 each fiscal year thereafter, the limitation amount is the
7 aggregate amount of appropriations and transfers from the
8 general funds in the previous fiscal year, as adjusted as
9 provided in this subsection (b).

10 For the fiscal year after a fiscal emergency is declared
11 under subsection (c) of this Section, the limitation amount is
12 the aggregate amount of appropriations and transfers from the
13 general funds in the fiscal year in which the fiscal emergency
14 is declared minus the specific dollar amount by which the
15 limitation amount was increased for the fiscal emergency, as
16 adjusted as provided in this subsection (b).

17 The adjustment is the average annual percentage change in
18 the average per capita personal income for Illinois for the 5
19 most recent calendar years for which data is available, as
20 defined and reported by the United States Department of
21 Commerce, or its successor.

22 (c) The Governor may declare a fiscal emergency by filing a
23 declaration with the Secretary of State and copies with the
24 Senate and House of Representatives. The declaration must be
25 limited to only one State fiscal year, set forth compelling
26 reasons for declaring a fiscal emergency, and request that the

1 limitation amount for that fiscal year be increased by a
2 specific dollar amount. If the Comptroller and Treasurer advise
3 the General Assembly that they concur in the Governor's
4 declaration, then by a record vote of three-fifths of the
5 members elected to each house, the General Assembly, by law
6 conditioned upon the approval of a majority of voters in the
7 next general, primary, or special election, may authorize
8 increased appropriations and transfers in a specific dollar
9 amount that is no more than the increased amount requested by
10 the Governor in the declaration. "Emergency" means
11 extraordinary circumstances outside the control of the General
12 Assembly, including catastrophic events, such as a natural
13 disaster, terrorism, fire, war, and riot, and court orders or
14 decrees.

15 (d) If the general funds revenues for a fiscal year exceed
16 the limitation amount for that fiscal year, then those excess
17 revenues must be deposited into the Past Due Paydown Fund,
18 State Budget Stabilization Fund, and the Taxpayer Relief Fund
19 as provided in subsections (e), (f), and (g).

20 (e) The Past Due Paydown Fund is established as a special
21 fund in the State treasury and must be administered for the
22 purposes identified in this Section. At the close of the lapse
23 period for each fiscal year beginning in 2011, the State
24 Comptroller shall identify the amount of General Fund
25 unappropriated surplus above the Spending Growth Index
26 limitation and transfer to the fund any amount necessary up to

1 the total past due operating debt owed by the State as of the
2 close of fiscal year 2010.

3 The General Assembly may authorize transfers,
4 appropriations, and allocations from the fund only to fund the
5 costs of paying down the remaining past due debt until such
6 debt is zero. Any remaining funds shall be transferred to the
7 State Budget Stabilization Fund.

8 (f) The State Budget Stabilization Fund is established as a
9 special fund in the State treasury and must be administered for
10 the purposes identified in this Section. At the close of the
11 lapse period of each fiscal year, the State Comptroller shall
12 identify the amount of General Fund unappropriated surplus
13 above the expenditure limitation described in subsection (b) of
14 this Section and above the amount necessary to fully fund and
15 pay down the past due operating debt to zero. The fund may not
16 exceed 8% of the total General Fund revenues received in the
17 immediately preceding fiscal year.

18 The General Assembly may authorize transfers,
19 appropriations, and allocations from the fund only to fund the
20 costs of State government up to the expenditure limit
21 calculated by law in years when State revenues are less than
22 the amount necessary to finance the level of expenditures
23 permitted by law. Transfers require a three-fifths
24 supermajority vote of the General Assembly.

25 The money in the fund may be invested as provided by law,
26 with the earnings credited to the fund. At the close of every

1 month during which the fund is at the 8% limitation, the State
2 Comptroller shall transfer the excess to the Taxpayer Relief
3 Fund.

4 (g) The Taxpayer Relief Fund is established as a special
5 fund in the State treasury and must be administered for the
6 purposes identified in this Section. At the close of the lapse
7 period of each fiscal year, the State Comptroller shall
8 identify the amount of General Fund unappropriated surplus
9 above the State expenditure limitation and above the amount
10 necessary to fully fund the Past Due Paydown Fund and the
11 Budget Stabilization Fund.

12 By September 1st annually, the State Comptroller shall
13 notify the Commission on Government Forecasting and
14 Accountability and the Department of Revenue of the amount in
15 the fund as a result of the transfers.

16 If the amount in the fund exceeds 1% of General Fund
17 expenditures, then the General Assembly shall, by September
18 15th, enact legislation to provide for the refund to taxpayers
19 of amounts in the fund. Refunds may take the form only of
20 temporary or permanent broad-based tax rate reductions.

21 If the General Assembly does not enact legislation by
22 September 15th to provide refunds, then the State Comptroller
23 shall, by September 30th, notify the Department of Revenue of
24 the amount in the fund. The Department of Revenue shall
25 calculate a one-time bonus personal exemption refund. The
26 amount of the personal exemption refund must be calculated by

1 dividing the amount in the fund identified by the State
2 Comptroller by the number of personal exemptions claimed on
3 income tax returns filed for tax year beginning in the previous
4 calendar year. The Department of Revenue shall issue a refund
5 by October 30th to a taxpayer who filed an income tax return by
6 April 15th of the same calendar year based on the number of
7 exemptions claimed (times refund per exemption) on the
8 taxpayer's return without regard to the taxpayer's tax
9 liability for the year.

10 (ILCON Art. VIII, Sec. 2.2 new)

11 SECTION 2.2. OBLIGATIONS TO RETIREMENT SYSTEMS AND PENSION
12 FUNDS

13 In each fiscal year, obligations of the State to retirement
14 systems and pension funds created under the Illinois Pension
15 Code must be met as provided in that Code.

16 SCHEDULE

17 This Constitutional Amendment takes effect upon being
18 declared adopted in accordance with Section 7 of the Illinois
19 Constitutional Amendment Act."