



## 96TH GENERAL ASSEMBLY

### State of Illinois

2009 and 2010

SB3512

Introduced 2/10/2010, by Sen. John J. Millner

#### SYNOPSIS AS INTRODUCED:

15 ILCS 20/50-30 new  
25 ILCS 50/1

from Ch. 63, par. 42.31

Amends the State Budget Law. Requires the Governor's budget to include projections of revenues and expenditures for the 5 following fiscal years. Sets forth requirements for the projections. Requires the budget for the next fiscal year to set forth new or expanded expenditures of \$1,000,000 or more. Requires the Governor's Office of Management and Budget to review previous projections and compare them to actual receipts and expenditures. Requires the Governor to submit 5-year projections for expenditures not included in the Governor's initial budget before the General Assembly approves appropriation bills. Contains other provisions. Amends the Fiscal Note Act to require a 5-year projection of expenditures if the note indicates an increase of expenditures of \$1,000,000 or more. Effective immediately.

LRB096 20622 RCE 36333 b

FISCAL NOTE ACT  
MAY APPLY

A BILL FOR

1 AN ACT concerning State government.

2 **Be it enacted by the People of the State of Illinois,**  
3 **represented in the General Assembly:**

4 Section 5. The State Budget Law of the Civil Administrative  
5 Code of Illinois is amended by adding Section 50-30 as follows:

6 (15 ILCS 20/50-30 new)

7 Sec. 50-30. Long-Term Planning Law.

8 (a) The Governor's budget shall include projections of  
9 revenues and expenditures for each of the 5 fiscal years  
10 following the fiscal year for which the budget is submitted.  
11 These projections shall include aggregates of all revenues and  
12 all expenditures, and separate aggregate projections for  
13 revenues and expenditures from general funds. These revenue  
14 projections shall include separate projections for the  
15 principal sources of revenues, including personal income tax,  
16 corporate income tax, occupation and use tax, public utilities  
17 tax, federal reimbursements, riverboat gaming, and lottery.  
18 The projections shall include an aggregate of all expenditures  
19 and separate projections for the principal areas of spending,  
20 including elementary and secondary education, higher  
21 education, Medicaid, public safety, and transportation. The  
22 projections shall include an explanation of any increases not  
23 due to anticipated natural growth in revenues and expenditures.

1       (b) The Governor's budget for the next fiscal year shall  
2 separately set forth any proposals for any new or expanded  
3 expenditures that reflect an expansion of eligibility or scope  
4 of services and an increase of \$1,000,000 or more over the  
5 current fiscal year's expenditures for the same or related  
6 programs. Five-year projections for these new or expanded  
7 expenditures and their related revenues shall be separately set  
8 forth.

9       (c) The Governor's Office of Management and Budget shall  
10 submit an annual review of prior projections required by  
11 subsections (a) and (b), showing comparisons to actual revenues  
12 and expenditures. This review shall be submitted to the General  
13 Assembly 30 days after the submission of the Governor's budget  
14 for the next fiscal year. The review shall include projections  
15 for the previous 5 fiscal years prepared as required by this  
16 Act.

17       (d) Prior to General Assembly approval of appropriation  
18 bills, the Governor shall submit to the General Assembly 5-year  
19 projections of revenues and expenditures for any new or  
20 expanded expenditures as described in subsection (b) that are  
21 authorized by the appropriation bills but were not included in  
22 the Governor's initially submitted budget. Updated projections  
23 also shall be submitted by the Governor prior to General  
24 Assembly approval of appropriations for any new or expanded  
25 expenditures as described in subsection (b) that are materially  
26 changed from the Governor's initial proposals.

1           Section 10. The Fiscal Note Act is amended by changing  
2 Section 1 as follows:

3           (25 ILCS 50/1) (from Ch. 63, par. 42.31)

4           Sec. 1. Every bill, except those bills making a direct  
5 appropriation, (1) the purpose or effect of which is (i) to  
6 expend any State funds or to increase or decrease the revenues  
7 of the State, either directly or indirectly, or (ii) to require  
8 the expenditure of their own funds by, or to increase or  
9 decrease the revenues of, units of local government, school  
10 districts or community college districts, or to revise the  
11 distribution of State funds among units of local government,  
12 school districts, or community college districts, either  
13 directly or indirectly, or (2) that amends the Mental Health  
14 and Developmental Disabilities Code or the Developmental  
15 Disability and Mental Disability Services Act shall have  
16 prepared for it prior to second reading in the house of  
17 introduction a brief explanatory statement or note which, for a  
18 bill under item (1), shall include a reliable estimate of the  
19 anticipated change in State, local governmental, school  
20 district, or community college district expenditures or  
21 revenues under its provisions and, for a bill under item (2),  
22 shall include a reliable estimate of the fiscal impact of its  
23 provisions upon community agencies. For purposes of this Act,  
24 indirect revenues include, but are not limited to, increased

1 tax revenues or other increased revenues resulting from  
2 economic development, job creation, or cost reduction. The  
3 statement or note shall also include an explanation of the  
4 methodology used to determine the estimated direct and indirect  
5 costs or estimated impact on community agencies. Any notes for  
6 bills having a fiscal impact on units of local government,  
7 school districts or community college districts shall include  
8 such cost estimates as may be required under the State Mandates  
9 Act.

10 If a bill authorizes capital expenditures or appropriates  
11 funds for capital expenditures, a statement shall be prepared  
12 by the Governor's Office of Management and Budget specifying by  
13 year any principal and interest payments required to finance  
14 such capital expenditures.

15 If a bill authorizes the issuance of bonds, a statement or  
16 note shall be prepared by the Governor's Office of Management  
17 and Budget specifying the estimated total principal and  
18 interest payments (assuming interest is paid at a fixed rate)  
19 if all of the bonds authorized were issued. The statement or  
20 note shall include the total principal on all other  
21 then-outstanding Bonds of the State.

22 These statements or notes shall be known as "fiscal notes".

23 Every fiscal note prepared under this Act that includes an  
24 estimate of an expenditure of funds in excess of \$1,000,000 or  
25 more over the current fiscal year's expenditures for the same  
26 or related programs shall also contain projections of

1 expenditures for each of the 5 fiscal years following the next  
2 fiscal year.

3 (Source: P.A. 92-567, eff. 1-1-03; 93-839, eff. 7-30-04.)

4 Section 99. Effective date. This Act takes effect upon  
5 becoming law.