

HB3971



97TH GENERAL ASSEMBLY

State of Illinois

2011 and 2012

HB3971

Introduced 1/10/2012, by Rep. Kent Gaffney

SYNOPSIS AS INTRODUCED:

30 ILCS 105/25

from Ch. 127, par. 161

Amends the State Finance Act. Provides that, beginning on June 30, 2014 (now, 2021), certain payments payable from appropriations that may have otherwise expired may be paid out of the expiring appropriation during the 4-month period ending on October 31. Provides for a \$2,000,000,000 limitation on the aggregate amount of payments to be paid out of these expiring appropriations related to fiscal year 2013.

LRB097 16469 PJG 61633 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 ~~2021~~, 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 4-month period ending at the close of
15 business on October 31.

16 (b-2) All outstanding liabilities as of June 30, 2010,
17 payable from appropriations that would otherwise expire at the
18 conclusion of the lapse period for fiscal year 2010, and
19 interest penalties payable on those liabilities under the State
20 Prompt Payment Act, may be paid out of the expiring
21 appropriations until December 31, 2010, without regard to the
22 fiscal year in which the payment is made, as long as vouchers
23 for the liabilities are received by the Comptroller no later
24 than August 31, 2010.

25 (b-2.5) All outstanding liabilities as of June 30, 2011,
26 payable from appropriations that would otherwise expire at the

1 conclusion of the lapse period for fiscal year 2011, and
2 interest penalties payable on those liabilities under the State
3 Prompt Payment Act, may be paid out of the expiring
4 appropriations until December 31, 2011, without regard to the
5 fiscal year in which the payment is made, as long as vouchers
6 for the liabilities are received by the Comptroller no later
7 than August 31, 2011.

8 (b-3) Medical payments may be made by the Department of
9 Veterans' Affairs from its appropriations for those purposes
10 for any fiscal year, without regard to the fact that the
11 medical services being compensated for by such payment may have
12 been rendered in a prior fiscal year, except as required by
13 subsection (j) of this Section. Beginning on June 30, 2014
14 ~~2021~~, medical payments payable from appropriations that have
15 otherwise expired may be paid out of the expiring appropriation
16 during the 4-month period ending at the close of business on
17 October 31.

18 (b-4) Medical payments may be made by the Department of
19 Healthcare and Family Services and medical payments and child
20 care payments may be made by the Department of Human Services
21 (as successor to the Department of Public Aid) from
22 appropriations for those purposes for any fiscal year, without
23 regard to the fact that the medical or child care services
24 being compensated for by such payment may have been rendered in
25 a prior fiscal year; and payments may be made at the direction
26 of the Department of Healthcare and Family Services from the

1 Health Insurance Reserve Fund and the Local Government Health
2 Insurance Reserve Fund without regard to any fiscal year
3 limitations, except as required by subsection (j) of this
4 Section. Beginning on June 30, 2014 ~~2021~~, medical payments made
5 by the Department of Healthcare and Family Services, child care
6 payments made by the Department of Human Services, and payments
7 made at the discretion of the Department of Healthcare and
8 Family Services from the Health Insurance Reserve Fund and the
9 Local Government Health Insurance Reserve Fund payable from
10 appropriations that have otherwise expired may be paid out of
11 the expiring appropriation during the 4-month period ending at
12 the close of business on October 31.

13 (b-5) Medical payments may be made by the Department of
14 Human Services from its appropriations relating to substance
15 abuse treatment services for any fiscal year, without regard to
16 the fact that the medical services being compensated for by
17 such payment may have been rendered in a prior fiscal year,
18 provided the payments are made on a fee-for-service basis
19 consistent with requirements established for Medicaid
20 reimbursement by the Department of Healthcare and Family
21 Services, except as required by subsection (j) of this Section.
22 Beginning on June 30, 2014 ~~2021~~, medical payments made by the
23 Department of Human Services relating to substance abuse
24 treatment services payable from appropriations that have
25 otherwise expired may be paid out of the expiring appropriation
26 during the 4-month period ending at the close of business on

1 October 31.

2 (b-6) Additionally, payments may be made by the Department
3 of Human Services from its appropriations, or any other State
4 agency from its appropriations with the approval of the
5 Department of Human Services, from the Immigration Reform and
6 Control Fund for purposes authorized pursuant to the
7 Immigration Reform and Control Act of 1986, without regard to
8 any fiscal year limitations, except as required by subsection
9 (j) of this Section. Beginning on June 30, 2014 ~~2021~~, payments
10 made by the Department of Human Services from the Immigration
11 Reform and Control Fund for purposes authorized pursuant to the
12 Immigration Reform and Control Act of 1986 payable from
13 appropriations that have otherwise expired may be paid out of
14 the expiring appropriation during the 4-month period ending at
15 the close of business on October 31.

16 (b-7) Payments may be made in accordance with a plan
17 authorized by paragraph (11) or (12) of Section 405-105 of the
18 Department of Central Management Services Law from
19 appropriations for those payments without regard to fiscal year
20 limitations.

21 (c) Further, payments may be made by the Department of
22 Public Health, the Department of Human Services (acting as
23 successor to the Department of Public Health under the
24 Department of Human Services Act), and the Department of
25 Healthcare and Family 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, for any fiscal year without regard to the
7 fact that the services being compensated for by such payment
8 may have been rendered in a prior fiscal year, except as
9 required by subsection (j) of this Section. Beginning on June
10 30, 2014 ~~2021~~, payments made by the Department of Public
11 Health, the Department of Human Services, and the Department of
12 Healthcare and Family Services from their respective
13 appropriations for grants for medical care to or on behalf of
14 persons suffering from chronic renal disease, persons
15 suffering from hemophilia, rape victims, and premature and
16 high-mortality risk infants and their mothers and for grants
17 for supplemental food supplies provided under the United States
18 Department of Agriculture Women, Infants and Children
19 Nutrition Program payable from appropriations that have
20 otherwise expired may be paid out of the expiring
21 appropriations during the 4-month period ending at the close of
22 business on October 31.

23 (d) The Department of Public Health and the Department of
24 Human Services (acting as successor to the Department of Public
25 Health under the Department of Human Services Act) shall each
26 annually submit to the State Comptroller, Senate President,

1 Senate Minority Leader, Speaker of the House, House Minority
2 Leader, and the respective Chairmen and Minority Spokesmen of
3 the Appropriations Committees of the Senate and the House, on
4 or before December 31, a report of fiscal year funds used to
5 pay for services provided in any prior fiscal year. This report
6 shall document by program or service category those
7 expenditures from the most recently completed fiscal year used
8 to pay for services provided in prior fiscal years.

9 (e) The Department of Healthcare and Family Services, the
10 Department of Human Services (acting as successor to the
11 Department of Public Aid), and the Department of Human Services
12 making fee-for-service payments relating to substance abuse
13 treatment services provided during a previous fiscal year shall
14 each annually submit to the State Comptroller, Senate
15 President, Senate Minority Leader, Speaker of the House, House
16 Minority Leader, the respective Chairmen and Minority
17 Spokesmen of the Appropriations Committees of the Senate and
18 the House, on or before November 30, a report that shall
19 document by program or service category those expenditures from
20 the most recently completed fiscal year used to pay for (i)
21 services provided in prior fiscal years and (ii) services for
22 which claims were received in prior fiscal years.

23 (f) The Department of Human Services (as successor to the
24 Department of Public Aid) shall annually submit to the State
25 Comptroller, Senate President, Senate Minority Leader, Speaker
26 of the House, House Minority Leader, and the respective

1 Chairmen and Minority Spokesmen of the Appropriations
2 Committees of the Senate and the House, on or before December
3 31, a report of fiscal year funds used to pay for services
4 (other than medical care) provided in any prior fiscal year.
5 This report shall document by program or service category those
6 expenditures from the most recently completed fiscal year used
7 to pay for services provided in prior fiscal years.

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

12 (1) Explanations of the exact causes of the variance
13 between the previous year's estimated and actual
14 liabilities.

15 (2) Factors affecting the Department of Healthcare and
16 Family Services' liabilities, including but not limited to
17 numbers of aid recipients, levels of medical service
18 utilization by aid recipients, and inflation in the cost of
19 medical services.

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

22 (h) As provided in Section 4 of the General Assembly
23 Compensation Act, any utility bill for service provided to a
24 General Assembly member's district office for a period
25 including portions of 2 consecutive fiscal years may be paid
26 from funds appropriated for such expenditure in either fiscal

1 year.

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

4 (1) billing user agencies in advance for payments or
5 authorized inter-fund transfers based on estimated charges
6 for goods or services;

7 (2) issuing credits, refunding through inter-fund
8 transfers, or reducing future inter-fund transfers during
9 the subsequent fiscal year for all user agency payments or
10 authorized inter-fund transfers received during the prior
11 fiscal year which were in excess of the final amounts owed
12 by the user agency for that period; and

13 (3) issuing catch-up billings to user agencies during
14 the subsequent fiscal year for amounts remaining due when
15 payments or authorized inter-fund transfers received from
16 the user agency during the prior fiscal year were less than
17 the total amount owed for that period.

18 User agencies are authorized to reimburse internal service
19 funds for catch-up billings by vouchers drawn against their
20 respective appropriations for the fiscal year in which the
21 catch-up billing was issued or by increasing an authorized
22 inter-fund transfer during the current fiscal year. For the
23 purposes of this Act, "inter-fund transfers" means transfers
24 without the use of the voucher-warrant process, as authorized
25 by Section 9.01 of the State Comptroller Act.

26 (i-1) Beginning on July 1, 2014 ~~2021~~, all outstanding

1 liabilities, not payable during the 4-month lapse period as
2 described in subsections (b-1), (b-3), (b-4), (b-5), (b-6), and
3 (c) of this Section, that are made from appropriations for that
4 purpose for any fiscal year, without regard to the fact that
5 the services being compensated for by those payments may have
6 been rendered in a prior fiscal year, are limited to only those
7 claims that have been incurred but for which a proper bill or
8 invoice as defined by the State Prompt Payment Act has not been
9 received by September 30th following the end of the fiscal year
10 in which the service was rendered.

11 (j) Notwithstanding any other provision of this Act, the
12 aggregate amount of payments to be made without regard for
13 fiscal year limitations as contained in subsections (b-1),
14 (b-3), (b-4), (b-5), (b-6), and (c) of this Section, and
15 determined by using Generally Accepted Accounting Principles,
16 shall not exceed the following amounts:

17 (1) \$2,000,000,000 ~~\$6,000,000,000~~ for outstanding
18 liabilities related to fiscal year 2013 ~~2012~~;

19 (2) (blank) ~~\$5,300,000,000~~ ~~for outstanding liabilities~~
20 ~~related to fiscal year 2013~~;

21 (3) (blank) ~~\$4,600,000,000~~ ~~for outstanding liabilities~~
22 ~~related to fiscal year 2014~~;

23 (4) (blank) ~~\$4,000,000,000~~ ~~for outstanding liabilities~~
24 ~~related to fiscal year 2015~~;

25 (5) (blank) ~~\$3,300,000,000~~ ~~for outstanding liabilities~~
26 ~~related to fiscal year 2016~~;

1 (6) (blank) ~~\$2,600,000,000~~ for outstanding liabilities
2 ~~related to fiscal year 2017;~~

3 (7) (blank) ~~\$2,000,000,000~~ for outstanding liabilities
4 ~~related to fiscal year 2018;~~

5 (8) (blank) ~~\$1,300,000,000~~ for outstanding liabilities
6 ~~related to fiscal year 2019;~~

7 (9) (blank) ~~\$600,000,000~~ for outstanding liabilities
8 ~~related to fiscal year 2020;~~ and

9 (10) \$0 for outstanding liabilities related to fiscal
10 year 2014 ~~2021~~ and fiscal years thereafter.

11 (Source: P.A. 96-928, eff. 6-15-10; 96-958, eff. 7-1-10;
12 96-1501, eff. 1-25-11; 97-75, eff. 6-30-11; 97-333, eff.
13 8-12-11.)