



97TH GENERAL ASSEMBLY

State of Illinois

2011 and 2012

SB0031

Introduced 1/27/2011, by Sen. Pamela J. Althoff

SYNOPSIS AS INTRODUCED:

25 ILCS 50/1	from Ch. 63, par. 42.31
25 ILCS 50/1.5 new	
25 ILCS 50/2	from Ch. 63, par. 42.32
25 ILCS 50/3	from Ch. 63, par. 42.33
25 ILCS 50/4	from Ch. 63, par. 42.34
25 ILCS 50/5	from Ch. 63, par. 42.35
25 ILCS 50/7	from Ch. 63, par. 42.37
25 ILCS 50/8	from Ch. 63, par. 42.38
25 ILCS 155/3	from Ch. 63, par. 343

Amends the Fiscal Note Act. Provides that the Commission on Government Forecasting and Accountability shall prepare all fiscal notes (now, various boards, commissions, departments, agencies, and other entities). Provides that the Commission on Government Forecasting and Accountability shall perform the following functions: (i) prepare and issue guidelines and manuals concerning the preparation of fiscal notes; (ii) designate at least one staff member to answer questions concerning each fiscal note; (iii) ensure compliance with the provisions of the Act; and (iv) create, operate, and maintain a publicly accessible online fiscal note tracking database. Sets forth requirements concerning the content of fiscal notes. Makes conforming changes in the Commission on Government Forecasting and Accountability Act.

LRB097 02776 RLJ 42798 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 Fiscal Note Act is amended by changing
5 Sections 1, 2, 3, 4, 5, 7, and 8 and by adding Section 1.5 as
6 follows:

7 (25 ILCS 50/1) (from Ch. 63, par. 42.31)

8 Sec. 1. Applicability.

9 (a) Every bill, except those bills making a direct
10 appropriation, (1) the purpose or effect of which is (i) to
11 expend any State funds or to increase or decrease the revenues
12 of the State, either directly or indirectly, or (ii) to require
13 the expenditure of their own funds by, or to increase or
14 decrease the revenues of, units of local government, school
15 districts or community college districts, or to revise the
16 distribution of State funds among units of local government,
17 school districts, or community college districts, either
18 directly or indirectly, or (2) that amends the Mental Health
19 and Developmental Disabilities Code or the Developmental
20 Disability and Mental Disability Services Act shall have
21 prepared for it prior to second reading in the house of
22 introduction a brief explanatory statement or note which, for a
23 bill under item (1), shall include a reliable estimate of the

1 anticipated change in State, local governmental, school
2 district, or community college district expenditures or
3 revenues under its provisions and, for a bill under item (2),
4 shall include a reliable estimate of the fiscal impact of its
5 provisions upon community agencies. For purposes of this Act,
6 indirect revenues include, but are not limited to, increased
7 tax revenues or other increased revenues resulting from
8 economic development, job creation, or cost reduction. The
9 statement or note shall also include an explanation of the
10 methodology used to determine the estimated direct and indirect
11 costs or estimated impact on community agencies as required
12 under subsection (b) of Section 4. Any notes for bills having a
13 fiscal impact on units of local government, school districts or
14 community college districts shall include such cost estimates
15 as may be required under the State Mandates Act.

16 If a bill authorizes capital expenditures or appropriates
17 funds for capital expenditures, a statement shall be prepared
18 by the Commission on Government Forecasting and Accountability
19 ~~Governor's Office of Management and Budget~~ specifying by year
20 any principal and interest payments required to finance such
21 capital expenditures.

22 If a bill authorizes the issuance of bonds, a statement or
23 note shall be prepared by the Commission on Government
24 Forecasting and Accountability ~~Governor's Office of Management~~
25 ~~and Budget~~ specifying the estimated total principal and
26 interest payments (assuming interest is paid at a fixed rate)

1 if all of the bonds authorized were issued. The statement or
2 note shall include the total principal on all other
3 then-outstanding Bonds of the State.

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

5 (b) The General Assembly may not vote on any bill described
6 in subsection (a) that is on third reading until a fiscal note
7 that meets the requirements set forth in this Act is attached
8 to the bill.

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

10 (25 ILCS 50/1.5 new)

11 Sec. 1.5. Guidelines for the preparation of notes; online
12 database. The Commission on Government Forecasting and
13 Accountability shall perform the following functions: (i)
14 prepare fiscal notes; (ii) prepare and issue guidelines and
15 manuals concerning the preparation of fiscal notes; (iii)
16 designate at least one staff member to answer questions
17 concerning each fiscal note; (iv) ensure compliance with the
18 provisions of this Act; and (v) create, operate, and maintain a
19 publicly accessible online fiscal note tracking database that
20 includes all fiscal notes filed on or after the effective date
21 of this amendatory Act of the 97th General Assembly. Within 12
22 months after the effective date of this amendatory Act of the
23 97th General Assembly, the fiscal note tracking database
24 required by this paragraph must be searchable.

1 (25 ILCS 50/2) (from Ch. 63, par. 42.32)

2 Sec. 2. Preparation of note. On and after the effective
3 date of this amendatory Act of the 97th General Assembly, the
4 sponsor of each bill, referred to in subsection (a) of Section
5 1, shall present a copy of the bill, with his or her request
6 for a fiscal note to the Commission on Government Forecasting
7 and Accountability. The fiscal note shall be prepared by the
8 Commission on Government Forecasting and Accountability and
9 submitted to the sponsor of the bill within 5 calendar days
10 thereafter; except that whenever, because of the complexity of
11 the bill, additional time is required for preparation of the
12 fiscal note, the Commission on Government Forecasting and
13 Accountability may inform the sponsor of the bill and he or she
14 may approve an extension of the time within which the note is
15 to be submitted, not to extend, however, beyond May 15,
16 following the date of the request. The Commission on Government
17 Forecasting and Accountability may seek assistance from other
18 State agencies if the Commission deems it necessary because of
19 the complexity of the bill. A State agency must promptly
20 respond to requests for assistance from the Commission on
21 Government Forecasting and Accountability.

22 ~~The sponsor of each bill, referred to in Section 1, shall~~
23 ~~present a copy of the bill, with his request for a fiscal note,~~
24 ~~to the board, commission, department, agency, or other entity~~
25 ~~of the State which is to receive or expend the appropriation~~
26 ~~proposed or which is responsible for collection of the revenue~~

1 ~~proposed to be increased or decreased, or to be levied or~~
2 ~~provided for. The sponsor of a bill that amends the Mental~~
3 ~~Health and Developmental Disabilities Code or the~~
4 ~~Developmental Disability and Mental Disability Services Act~~
5 ~~shall present a copy of the bill, with his or her request for a~~
6 ~~fiscal note, to the Department of Human Services. The fiscal~~
7 ~~note shall be prepared by such board, commission, department,~~
8 ~~agency, or other entity and furnished to the sponsor of the~~
9 ~~bill within 5 calendar days thereafter; except that whenever,~~
10 ~~because of the complexity of the measure, additional time is~~
11 ~~required for preparation of the fiscal note, the board,~~
12 ~~commission, department, agency, or other entity may so inform~~
13 ~~the sponsor of the bill and he may approve an extension of the~~
14 ~~time within which the note is to be furnished, not to extend,~~
15 ~~however, beyond June 15, following the date of the request.~~
16 ~~Whenever any measure for which a fiscal note is required~~
17 ~~affects more than one State board, commission, department,~~
18 ~~agency, or other entity, the board, commission, department,~~
19 ~~agency, or other entity most affected by its provisions~~
20 ~~according to the sponsor shall be responsible for preparation~~
21 ~~of the fiscal note. Whenever any measure for which a fiscal~~
22 ~~note is required does not affect a specific board, commission,~~
23 ~~department, agency or other such entity, or does not amend the~~
24 ~~Mental Health and Developmental Disabilities Code or the~~
25 ~~Developmental Disability and Mental Disability Services Act,~~
26 ~~the sponsor of the measure shall be responsible for preparation~~

1 ~~of the fiscal note.~~

2 ~~In the case of bills having a potential fiscal impact on~~
3 ~~units of local government, the fiscal note shall be prepared by~~
4 ~~the Department of Commerce and Economic Opportunity. In the~~
5 ~~case of bills having a potential fiscal impact on school~~
6 ~~districts, the fiscal note shall be prepared by the State~~
7 ~~Superintendent of Education. In the case of bills having a~~
8 ~~potential fiscal impact on community college districts, the~~
9 ~~fiscal note shall be prepared by the Illinois Community College~~
10 ~~Board.~~

11 (Source: P.A. 94-793, eff. 5-19-06.)

12 (25 ILCS 50/3) (from Ch. 63, par. 42.33)

13 Sec. 3. Vote on necessity of note. A fiscal note is
14 required as set forth in Section 1, unless the sponsor is of
15 the opinion that no fiscal note is necessary and those members
16 in the house in which the sponsor is a member determine, by a
17 record vote of three-fifths of the members elected, that no
18 note is necessary. ~~Whenever the sponsor of any measure is of~~
19 ~~the opinion that no fiscal note is necessary, any member of~~
20 ~~either house may thereafter request that a note be obtained,~~
21 ~~and in such case the matter shall be decided by majority vote~~
22 ~~of those present and voting in the house of which he is a~~
23 ~~member.~~

24 (Source: Laws 1965, p. 858.)

1 (25 ILCS 50/4) (from Ch. 63, par. 42.34)

2 Sec. 4. Note contents.

3 (a) The note shall be factual in nature, as brief and
4 concise as may be, and shall provide a reliable estimate in
5 dollars and, in addition, it shall include both the immediate
6 effect and, if determinable or reasonably foreseeable, a
7 minimum 5-year forecast of the long range effect of the
8 measure. The note shall also include a determination as to
9 whether the fiscal impact of the measure will extend beyond the
10 initial 5-year forecast period. If, after careful
11 investigation, it is determined that no dollar estimate is
12 possible, the note shall contain a statement to that effect,
13 setting forth the reasons why no dollar estimate can be given.
14 A brief summary or work sheet of computations used in arriving
15 at fiscal note figures shall be included.

16 (b) The fiscal note must also include the following:

17 (1) A detailed explanation of the method used to
18 produce the direct and indirect cost estimates required
19 under this Act and the reason for using that particular
20 method to determine the cost estimates. The explanation
21 must include a description of the following: (i) the
22 assumptions used to determine the cost estimates and (ii)
23 the alternative methods that could have been used to
24 determine the cost estimates, especially methods that
25 would have produced different estimates than the selected
26 method.

1 (2) An estimate of the fiscal impact on private
2 enterprises and non-governmental entities operating within
3 the State and on the citizens of this State and the methods
4 used and assumptions made by the Commission on Government
5 Forecasting and Accountability to determine the estimated
6 impact.

7 (3) An estimate of the number and cost, including the
8 amount of salary and benefits, of all of the full-time
9 equivalent positions that will be needed to meet the
10 requirements of any new or expanded duty of a State agency.

11 (4) An estimate of the number and cost, including the
12 amount of salary and benefits, of all of the full-time
13 equivalent positions that will be eliminated by the
14 modification or termination of any State program.

15 (5) A reference and source provision that sets forth
16 the following information: (i) the name of any staff member
17 of the Commission on Government Forecasting and
18 Accountability and any entity or person that supplied
19 information used to produce the fiscal note and (ii) the
20 name and contact information of the person designated by
21 the Commission on Government Forecasting and
22 Accountability to answer questions concerning the fiscal
23 note. If the designated contact person for the fiscal note
24 changes, then the information for the new contact person
25 shall be added to the note by a fiscal note amendment.

26 (c) The fiscal note shall be requested by the sponsor of

1 the bill at the time of its initial referral to a substantive
2 committee by the Committee on Assignments in the Senate or the
3 Rules Committee in the House of Representatives, as applicable.
4 Prior to any action by the substantive committee on the bill, a
5 copy of the completed fiscal note must be distributed to each
6 member of the substantive committee. If the bill is amended by
7 a committee so as to alter its fiscal implications, then the
8 sponsor of the bill shall request and receive an updated fiscal
9 note from the Commission on Government Forecasting and
10 Accountability. As soon as practical, the updated fiscal note
11 shall be attached to the bill. However, no floor action may be
12 taken in either chamber of the General Assembly until the
13 updated fiscal note is attached to the bill.

14 (d) All fiscal notes shall remain with the bill throughout
15 the duration of the General Assembly in which the bill is
16 introduced. Whenever a bill is presented to the Governor, any
17 fiscal note associated with that bill must also be submitted to
18 the Governor.

19 (Source: Laws 1965, p. 858.)

20 (25 ILCS 50/5) (from Ch. 63, par. 42.35)

21 Sec. 5. Comments and opinions; work sheets. No comment or
22 opinion shall be included in the fiscal note with regard to the
23 merits of the measure for which the fiscal note is prepared;
24 however, technical or mechanical defects may be noted. The work
25 sheet shall include, insofar as practicable, a breakdown of the

1 costs upon which any appropriation measure or measure which is
2 expected to cause an expenditure of State, local governmental,
3 school district, or community college district funds is based
4 and the expectable direct or indirect increase or decrease in
5 State, local governmental, school district, or community
6 college district revenues, as the case may be, including but
7 not necessarily limited to costs of personnel, materials and
8 supplies and capital outlay. It shall also include such other
9 information as is required by rules and regulations which may
10 be promulgated by each house of the General Assembly with
11 respect to the preparation of fiscal notes. The fiscal note
12 shall be prepared in quintuplicate, and ~~the name of the State~~
13 ~~board, commission, department, agency, or other entity~~
14 ~~preparing it shall appear at the end of the note and the~~
15 original of both the work sheet and the fiscal note shall be
16 signed by the Executive Director of the Commission on
17 Government Forecasting and Accountability ~~head of the board,~~
18 ~~commission, department, agency, or other entity~~ or by a
19 responsible representative designated by him or her for the
20 purpose.

21 (Source: P.A. 88-535.)

22 (25 ILCS 50/7) (from Ch. 63, par. 42.37)

23 Sec. 7. Amendments. Whenever any committee of either house
24 reports any bill with an amendment of such nature as will
25 substantially affect the costs to or the revenues of the State,

1 units of local government, school districts, ~~or~~ community
2 college districts, private enterprises and non-governmental
3 agencies operating within the State, or citizens of this State,
4 as stated in the fiscal note attached to the measure at the
5 time of its referral to the committee, there shall be included
6 with the report of the committee a statement of the effect of
7 the change proposed by the amendment reported, except if
8 ~~desired by a majority of the committee~~ members determine by a
9 three-fifths vote that the statement is not necessary. In like
10 manner, whenever any measure is amended on the floor of either
11 house in such manner as to substantially affect the costs
12 thereof or the revenues to be derived thereunder as stated in
13 the fiscal note attached to the measure prior to such
14 amendment, ~~a majority of such house may propose that~~ no action
15 shall be taken upon the amendment until the sponsor of the
16 amendment presents to the members a statement prepared by the
17 Commission on Government Forecasting and Accountability of the
18 fiscal effect of his or her proposed amendment, except if the
19 members of that house determine by a record vote of
20 three-fifths of the members elected that the statement is not
21 necessary. Whenever an amendment to a bill, whether reported by
22 a committee of either house or proposed upon the floor of
23 either house, amends the Mental Health and Developmental
24 Disabilities Code or the Developmental Disability and Mental
25 Disability Services Act, no action shall be taken upon the
26 amendment until the sponsor of the amendment presents to the

1 members a statement prepared by the Commission on Government
2 Forecasting and Accountability ~~Department of Human Services~~ of
3 the fiscal effect of his or her proposed amendment upon
4 community agencies.

5 (Source: P.A. 92-567, eff. 1-1-03.)

6 (25 ILCS 50/8) (from Ch. 63, par. 42.38)

7 Sec. 8. Confidentiality. The subject matter of bills
8 submitted to the Commission on Government Forecasting and
9 Accountability ~~boards, commissions, departments, agencies, or~~
10 ~~other entities~~ for preparation of fiscal notes shall be kept in
11 strict confidence and no information relating thereto or
12 relating to the fiscal effect of any such measure shall be
13 divulged by any official or employee of the Commission on
14 Government Forecasting and Accountability, except to the
15 bill's sponsor or the sponsor's designee, thereof prior to its
16 introduction in the General Assembly.

17 (Source: Laws 1965, p. 858.)

18 Section 10. The Commission on Government Forecasting and
19 Accountability Act is amended by changing Section 3 as follows:

20 (25 ILCS 155/3) (from Ch. 63, par. 343)

21 Sec. 3. Duties. The Commission shall:

22 (1) Study from time to time and report to the General
23 Assembly on economic development and trends in the State.

1 (2) Make such special economic and fiscal studies as it
2 deems appropriate or desirable or as the General Assembly
3 may request.

4 (3) Based on its studies, recommend such State fiscal
5 and economic policies as it deems appropriate or desirable
6 to improve the functioning of State government and the
7 economy of the various regions within the State.

8 (4) Prepare annually a State economic report.

9 (5) Provide information for all appropriate
10 legislative organizations and personnel on economic trends
11 in relation to long range planning and budgeting.

12 (6) Study and make such recommendations as it deems
13 appropriate to the General Assembly on local and regional
14 economic and fiscal policy and on federal fiscal policy as
15 it may affect Illinois.

16 (7) Review capital expenditures, appropriations and
17 authorizations for both the State's general obligation and
18 revenue bonding authorities. At the direction of the
19 Commission, specific reviews may include economic
20 feasibility reviews of existing or proposed revenue bond
21 projects to determine the accuracy of the original estimate
22 of useful life of the projects, maintenance requirements
23 and ability to meet debt service requirements through their
24 operating expenses.

25 (8) Receive and review all executive agency and revenue
26 bonding authority annual and 3 year plans. The Commission

1 shall prepare a consolidated review of these plans, an
2 updated assessment of current State agency capital plans, a
3 report on the outstanding and unissued bond
4 authorizations, an evaluation of the State's ability to
5 market further bond issues and shall submit them as the
6 "Legislative Capital Plan Analysis" to the House and Senate
7 Appropriations Committees at least once a year. The
8 Commission shall annually submit to the General Assembly on
9 the first Wednesday of April a report on the State's
10 long-term capital needs, with particular emphasis upon and
11 detail of the 5-year period in the immediate future.

12 (9) Study and make recommendations it deems
13 appropriate to the General Assembly on State bond
14 financing, bondability guidelines, and debt management. At
15 the direction of the Commission, specific studies and
16 reviews may take into consideration short and long-run
17 implications of State bonding and debt management policy.

18 (10) Comply with the provisions of the "State Debt
19 Impact Note Act" as now or hereafter amended.

20 (11) Comply with the provisions of the Pension Impact
21 Note Act, as now or hereafter amended.

22 (12) By August 1st of each year, the Commission must
23 prepare and cause to be published a summary report of State
24 appropriations for the State fiscal year beginning the
25 previous July 1st. The summary report must discuss major
26 categories of appropriations, the issues the General

1 Assembly faced in allocating appropriations, comparisons
2 with appropriations for previous State fiscal years, and
3 other matters helpful in providing the citizens of Illinois
4 with an overall understanding of appropriations for that
5 fiscal year. The summary report must be written in plain
6 language and designed for readability. Publication must be
7 in newspapers of general circulation in the various areas
8 of the State to ensure distribution statewide. The summary
9 report must also be published on the General Assembly's web
10 site.

11 (13) Comply with the provisions of the State Facilities
12 Closure Act.

13 (14) For fiscal year 2012 and thereafter, develop a
14 3-year budget forecast for the State, including
15 opportunities and threats concerning anticipated revenues
16 and expenditures, with an appropriate level of detail.

17 (15) Comply with the provisions of the Fiscal Note Act.

18 The requirement for reporting to the General Assembly shall
19 be satisfied by filing copies of the report with the Speaker,
20 the Minority Leader and the Clerk of the House of
21 Representatives and the President, the Minority Leader and the
22 Secretary of the Senate and the Legislative Research Unit, as
23 required by Section 3.1 of the General Assembly Organization
24 Act, and filing such additional copies with the State
25 Government Report Distribution Center for the General Assembly
26 as is required under paragraph (t) of Section 7 of the State

1 Library Act.

2 (Source: P.A. 96-958, eff. 7-1-10.)