

1 AN ACT relating to budget implementation.

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

4 Section 1. Short title. This Act may be cited as the
5 FY2002 Budget Implementation (State Finance) Act.

6 Section 3. Purpose. It is the purpose and subject of
7 this Act to make the changes in State programs relating to
8 State finance that are necessary to implement the State's
9 FY2002 budget.

10 Section 5. The Department of Commerce and Community
11 Affairs Law of the Civil Administrative Code of Illinois is
12 amended by changing Section 605-710 as follows:

13 (20 ILCS 605/605-710)

14 Sec. 605-710. Regional tourism development
15 organizations.

16 (a) The Department may, subject to appropriation,
17 provide contractual funding from the Tourism Promotion Fund
18 for the administrative costs of not-for-profit regional
19 tourism development organizations that assist the Department
20 in developing tourism throughout a multi-county geographical
21 area designated by the Department. Regional tourism
22 development organizations receiving funds under this Section
23 may be required by the Department to submit to audits of
24 contracts awarded by the Department to determine whether the
25 regional tourism development organization has performed all
26 contractual obligations under those contracts.

27 Every employee of a regional tourism development
28 organization receiving funds under this Section shall
29 disclose to the organization's governing board and to the

1 Department any economic interest that employee may have in
2 any entity with which the regional tourism development
3 organization has contracted or to which the regional tourism
4 development organization has granted funds.

5 (b) The Department, from moneys transferred from the
6 General Revenue Fund to the Tourism Promotion Fund and
7 appropriated from the Tourism Promotion Fund, shall first
8 provide funding of \$5,000,000 annually to a governmental
9 entity with at least 2,000,000 square feet of exhibition
10 space that has as part of its duties the promotion of
11 cultural, scientific and trade exhibits and events within a
12 county with a population of more than 3,000,000, to be used
13 for any of the governmental entity's general corporate
14 purposes.

15 (Source: P.A. 90-26, eff. 7-1-97; 90-655, eff. 7-30-98;
16 91-239, eff. 1-1-00.)

17 Section 7. The Legislative Materials Act is amended by
18 changing Section 1 as follows:

19 (25 ILCS 105/1) (from Ch. 63, par. 801)

20 Sec. 1. Fees.

21 (a) The Clerk of the House of Representatives may
22 establish a schedule of reasonable fees to be charged for
23 providing copies of daily and bound journals, committee
24 documents, committee tape recordings, transcripts of
25 committee proceedings, and committee notices, for providing
26 copies of bills on a continuing or individual basis, and for
27 providing tape recordings and transcripts of floor debates
28 and other proceedings of the House.

29 (b) The Secretary of the Senate may establish a schedule
30 of reasonable fees to be charged for providing copies of
31 daily and bound journals, committee notices, for providing
32 copies of bills on a continuing or individual basis, and for

1 providing tape recordings and transcripts of floor debates
2 and other proceedings of the Senate.

3 (c) The Clerk of the House of Representatives and the
4 Secretary of the Senate may establish a schedule of
5 reasonable fees to be charged for providing live audio of
6 floor debates and other proceedings of the House of
7 Representatives and the Senate. The Clerk and the Secretary
8 shall have complete discretion over the distribution of live
9 audio under this subsection (c), including discretion over
10 the conditions under which live audio shall be distributed,
11 except that live audio shall be distributed to the General
12 Assembly and its staffs. Nothing in this subsection (c)
13 shall be construed to create an obligation on the part of the
14 Clerk or Secretary to provide live audio to any person or
15 entity other than to the General Assembly and its staffs.

16 (c-5) The Clerk of the House of Representatives, to the
17 extent authorized by the House Rules, may establish a
18 schedule of reasonable fees to be charged to members for the
19 preparation, filing, and reproduction of non-substantive
20 resolutions.

21 (c-10) Through December 31, 2002, the Clerk of the House
22 of Representatives may sell to a member of the House of
23 Representatives one or more of the chairs that comprise
24 member seating in the House chamber. The Clerk must charge
25 the original cost of the chairs.

26 (c-15) Through December 31, 2002, the Secretary of the
27 Senate may sell to a member of the Senate one or more of the
28 chairs that comprise member seating in the Senate chamber.
29 The Secretary must charge the original cost of the chairs.

30 (d) Receipts from all fees and charges established under
31 this Section ~~subsections-(a)--(b)--(c)-and--(e-5)~~ shall be
32 deposited by the Clerk and the Secretary into the General
33 Assembly Operations Revolving Fund, a special fund in the
34 State treasury. Amounts in the Fund may be appropriated for

1 the operations of the offices of the Clerk of the House of
2 Representatives and the Secretary of the Senate, including
3 the replacement of items sold under subsections (c-10) and
4 (c-15).

5 (Source: P.A. 90-569, eff. 1-28-98.)

6 Section 10. The Space Needs Act is amended by changing
7 Section 3.06 as follows:

8 (25 ILCS 125/3.06) (from Ch. 63, par. 223.06)

9 Sec. 3.06. (a) To review and approve or disapprove all
10 contracts for the repair, rehabilitation, construction or
11 alteration of all State buildings in the Capital complex of
12 buildings in Springfield, Illinois, including all tunnels,
13 power and heating plants and surrounding grounds.

14 (b) To enter into all necessary contracts for the
15 repair, rehabilitation, construction, or alteration of any
16 portion of a State building in the Capitol complex used or
17 occupied by the legislative branch. The Commission may
18 delegate its authority under this subsection, in whole or in
19 part, to an appropriate construction agency, as defined in
20 the Illinois Procurement Code.

21 (Source: Laws 1967, p. 4139.)

22 Section 15. The State Finance Act is amended by changing
23 Sections 6z-43, 6z-45, and 8g and adding Section 6z-51 as
24 follows:

25 (30 ILCS 105/6z-43)

26 Sec. 6z-43. Tobacco Settlement Recovery Fund.

27 (a) There is created in the State Treasury a special
28 fund to be known as the Tobacco Settlement Recovery Fund,
29 into which shall be deposited all monies paid to the State
30 pursuant to (1) the Master Settlement Agreement entered in

1 the case of People of the State of Illinois v. Philip Morris,
2 et al. (Circuit Court of Cook County, No. 96-L13146) and (2)
3 any settlement with or judgment against any tobacco product
4 manufacturer other than one participating in the Master
5 Settlement Agreement in satisfaction of any released claim as
6 defined in the Master Settlement Agreement, as well as any
7 other monies as provided by law. All earnings on Fund
8 investments shall be deposited into the Fund. Upon the
9 creation of the Fund, the State Comptroller shall order the
10 State Treasurer to transfer into the Fund any monies paid to
11 the State as described in item (1) or (2) of this Section
12 before the creation of the Fund plus any interest earned on
13 the investment of those monies. The Treasurer may invest the
14 moneys in the Fund in the same manner, in the same types of
15 investments, and subject to the same limitations provided in
16 the Illinois Pension Code for the investment of pension funds
17 other than those established under Article 3 or 4 of the
18 Code.

19 (b) As soon as may be practical after June 30, 2001,
20 upon notification from and at the direction of the Governor,
21 the State Comptroller shall direct and the State Treasurer
22 shall transfer the unencumbered balance in the Tobacco
23 Settlement Recovery Fund as of June 30, 2001, as determined
24 by the Governor, into the Budget Stabilization Fund. The
25 Treasurer may invest the moneys in the Budget Stabilization
26 Fund in the same manner, in the same types of investments,
27 and subject to the same limitations provided in the Illinois
28 Pension Code for the investment of pension funds other than
29 those established under Article 3 or 4 of the Code.

30 (Source: P.A. 91-646, eff. 11-19-99; 91-704, eff. 7-1-00;
31 91-797, eff. 6-9-00; revised 6-28-00.)

32 (30 ILCS 105/6z-45)

33 Sec. 6z-45. The School Infrastructure Fund.

1 (a) The School Infrastructure Fund is created as a
2 special fund in the State Treasury.

3 In addition to any other deposits authorized by law,
4 beginning January 1, 2000, on the first day of each month, or
5 as soon thereafter as may be practical, the State Treasurer
6 and State Comptroller shall transfer the sum of \$5,000,000
7 from the General Revenue Fund to the School Infrastructure
8 Fund; provided, however, that no such transfers shall be made
9 from July 1, 2001 through June 30, 2002.

10 (b) Subject to the transfer provisions set forth below,
11 money in the School Infrastructure Fund shall, if and when
12 the State of Illinois incurs any bonded indebtedness for the
13 construction of school improvements under the School
14 Construction Law, be set aside and used for the purpose of
15 paying and discharging annually the principal and interest on
16 that bonded indebtedness then due and payable, and for no
17 other purpose.

18 In addition to other transfers to the General Obligation
19 Bond Retirement and Interest Fund made pursuant to Section 15
20 of the General Obligation Bond Act, upon each delivery of
21 bonds issued for construction of school improvements under
22 the School Construction Law, the State Comptroller shall
23 compute and certify to the State Treasurer the total amount
24 of principal of, interest on, and premium, if any, on such
25 bonds during the then current and each succeeding fiscal
26 year.

27 On or before the last day of each month, the State
28 Treasurer and State Comptroller shall transfer from the
29 School Infrastructure Fund to the General Obligation Bond
30 Retirement and Interest Fund an amount sufficient to pay the
31 aggregate of the principal of, interest on, and premium, if
32 any, on the bonds payable on their next payment date, divided
33 by the number of monthly transfers occurring between the last
34 previous payment date (or the delivery date if no payment

1 date has yet occurred) and the next succeeding payment date.

2 (c) The surplus, if any, in the School Infrastructure
3 Fund after the payment of principal and interest on that
4 bonded indebtedness then annually due shall, subject to
5 appropriation, be used as follows:

6 First - to make 3 payments to the School Technology
7 Revolving Loan Fund as follows:

8 Transfer of \$30,000,000 in fiscal year 1999;

9 Transfer of \$20,000,000 in fiscal year 2000; and

10 Transfer of \$10,000,000 in fiscal year 2001.

11 Second - to pay the expenses of the State Board of
12 Education and the Capital Development Board in administering
13 programs under the School Construction Law, the total
14 expenses not to exceed \$1,200,000 in any fiscal year.

15 Third - to pay any amounts due for grants for school
16 construction projects and debt service under the School
17 Construction Law.

18 Fourth - to pay any amounts due for grants for school
19 maintenance projects under the School Construction Law.

20 (Source: P.A. 90-548, eff. 1-1-98; 90-587, eff. 7-1-98;
21 91-38, eff. 6-15-99; 91-711, eff. 7-1-00.)

22 (30 ILCS 105/6z-51 new)

23 Sec. 6z-51. Budget Stabilization Fund.

24 (a) The Budget Stabilization Fund, a special fund in the
25 State Treasury, shall consist of moneys appropriated or
26 transferred to that Fund, as provided in Section 6z-43 and as
27 otherwise provided by law.

28 (b) The State Comptroller may direct the State Treasurer
29 to transfer moneys from the Budget Stabilization Fund to the
30 General Revenue Fund in order to meet deficits resulting from
31 timing variations between disbursements and the receipt of
32 funds within a fiscal year. Any moneys so borrowed shall be
33 repaid by June 30 of the fiscal year in which they were

1 borrowed.

2 (30 ILCS 105/8g)

3 Sec. 8g. Transfers from General Revenue Fund.

4 (a) In addition to any other transfers that may be
5 provided for by law, as soon as may be practical after the
6 effective date of this amendatory Act of the 91st General
7 Assembly, the State Comptroller shall direct and the State
8 Treasurer shall transfer the sum of \$10,000,000 from the
9 General Revenue Fund to the Motor Vehicle License Plate Fund
10 created by Senate Bill 1028 of the 91st General Assembly.

11 (b) In addition to any other transfers that may be
12 provided for by law, as soon as may be practical after the
13 effective date of this amendatory Act of the 91st General
14 Assembly, the State Comptroller shall direct and the State
15 Treasurer shall transfer the sum of \$25,000,000 from the
16 General Revenue Fund to the Fund for Illinois' Future created
17 by Senate Bill 1066 of the 91st General Assembly.

18 (c) In addition to any other transfers that may be
19 provided for by law, on August 30 of each fiscal year's
20 license period, the Illinois Liquor Control Commission shall
21 direct and the State Comptroller and State Treasurer shall
22 transfer from the General Revenue Fund to the Youth
23 Alcoholism and Substance Abuse Prevention Fund an amount
24 equal to the number of retail liquor licenses issued for that
25 fiscal year multiplied by \$50.

26 (d) The payments to programs required under subsection
27 (d) of Section 28.1 of the Horse Racing Act of 1975 shall be
28 made, pursuant to appropriation, from the special funds
29 referred to in the statutes cited in that subsection, rather
30 than directly from the General Revenue Fund.

31 Beginning January 1, 2000, on the first day of each
32 month, or as soon as may be practical thereafter, the State
33 Comptroller shall direct and the State Treasurer shall

1 transfer from the General Revenue Fund to each of the special
 2 funds from which payments are to be made under Section
 3 28.1(d) of the Horse Racing Act of 1975 an amount equal to
 4 1/12 of the annual amount required for those payments from
 5 that special fund, which annual amount shall not exceed the
 6 annual amount for those payments from that special fund for
 7 the calendar year 1998. The special funds to which transfers
 8 shall be made under this subsection (d) include, but are not
 9 necessarily limited to, the Agricultural Premium Fund; the
 10 Metropolitan Exposition Auditorium and Office Building Fund;
 11 the Fair and Exposition Fund; the Standardbred Breeders Fund;
 12 the Thoroughbred Breeders Fund; and the Illinois Veterans'
 13 Rehabilitation Fund.

14 (e) In addition to any other transfers that may be
 15 provided for by law, as soon as may be practical after the
 16 effective date of this amendatory Act of the 91st General
 17 Assembly, but in no event later than June 30, 2000, the State
 18 Comptroller shall direct and the State Treasurer shall
 19 transfer the sum of \$15,000,000 from the General Revenue Fund
 20 to the Fund for Illinois' Future.

21 (f) In addition to any other transfers that may be
 22 provided for by law, as soon as may be practical after the
 23 effective date of this amendatory Act of the 91st General
 24 Assembly, but in no event later than June 30, 2000, the State
 25 Comptroller shall direct and the State Treasurer shall
 26 transfer the sum of \$70,000,000 from the General Revenue Fund
 27 to the Long-Term Care Provider Fund.

28 (f-1) In fiscal year 2002, in addition to any other
 29 transfers that may be provided for by law, at the direction
 30 of and upon notification from the Governor, the State
 31 Comptroller shall direct and the State Treasurer shall
 32 transfer amounts not exceeding a total of \$160,000,000 from
 33 the General Revenue Fund to the Long-Term Care Provider Fund.

34 (g) In addition to any other transfers that may be

1 provided for by law, on July 1, 2001, or as soon thereafter
 2 as may be practical, the State Comptroller shall direct and
 3 the State Treasurer shall transfer the sum of \$1,200,000 from
 4 the General Revenue Fund to the Violence Prevention Fund.

5 (h) In each of fiscal years 2002 through 2007, but not
 6 thereafter, in addition to any other transfers that may be
 7 provided for by law, the State Comptroller shall direct and
 8 the State Treasurer shall transfer \$5,000,000 from the
 9 General Revenue Fund to the Tourism Promotion Fund.

10 (i) On or after July 1, 2001 and until May 1, 2002, in
 11 addition to any other transfers that may be provided for by
 12 law, at the direction of and upon notification from the
 13 Governor, the State Comptroller shall direct and the State
 14 Treasurer shall transfer amounts not exceeding a total of
 15 \$80,000,000 from the General Revenue Fund to the Tobacco
 16 Settlement Recovery Fund. Any amounts so transferred shall
 17 be re-transferred by the State Comptroller and the State
 18 Treasurer from the Tobacco Settlement Recovery Fund to the
 19 General Revenue Fund at the direction of and upon
 20 notification from the Governor, but in any event on or before
 21 June 30, 2002.

22 (j) On or after July 1, 2001 and no later than June 30,
 23 2002, in addition to any other transfers that may be provided
 24 for by law, at the direction of and upon notification from
 25 the Governor, the State Comptroller shall direct and the
 26 State Treasurer shall transfer amounts not to exceed the
 27 following sums into the Statistical Services Revolving Fund:

28	<u>From the General Revenue Fund.....</u>	<u>\$8,450,000</u>
29	<u>From the Public Utility Fund.....</u>	<u>1,700,000</u>
30	<u>From the Transportation Regulatory Fund.....</u>	<u>2,650,000</u>
31	<u>From the Title III Social Security and</u>	
32	<u>Employment Fund.....</u>	<u>3,700,000</u>
33	<u>From the Professions Indirect Cost Fund.....</u>	<u>4,050,000</u>
34	<u>From the Underground Storage Tank Fund.....</u>	<u>550,000</u>

1	<u>From the Agricultural Premium Fund.....</u>	<u>750,000</u>
2	<u>From the State Pensions Fund.....</u>	<u>200,000</u>
3	<u>From the Road Fund.....</u>	<u>2,000,000</u>
4	<u>From the Health Facilities</u>	
5	<u> Planning Fund.....</u>	<u>1,000,000</u>
6	<u>From the Savings and Residential Finance</u>	
7	<u> Regulatory Fund.....</u>	<u>130,800</u>
8	<u>From the Appraisal Administration Fund.....</u>	<u>28,600</u>
9	<u>From the Pawnbroker Regulation Fund.....</u>	<u>3,600</u>
10	<u>From the Auction Regulation</u>	
11	<u> Administration Fund.....</u>	<u>35,800</u>
12	<u>From the Bank and Trust Company Fund.....</u>	<u>634,800</u>
13	<u>From the Real Estate License</u>	
14	<u> Administration Fund.....</u>	<u>313,600</u>

15 (Source: P.A. 91-25, eff. 6-9-99; 91-704, eff. 5-17-00.)

16 Section 20. The Illinois Procurement Code is amended by
17 adding Section 30-43 as follows:

18 (30 ILCS 500/30-43 new)

19 Sec. 30-43. Capitol complex construction.

20 (a) Any construction agency seeking to award or let a
21 contract for construction or construction-related services
22 relating to a State building within the Capitol complex (as
23 defined in the Space Needs Act) that is used or occupied by
24 the legislative branch, other than for emergency procurement,
25 must give written notice of that intent to the Space Needs
26 Commission at least 30 days before beginning the competitive
27 selection process.

28 (b) Before making a small purchase or a sole source or
29 emergency procurement of construction or construction-related
30 services relating to a State building within the Capitol
31 complex (as defined in the Space Needs Act) that is used or
32 occupied by the legislative branch, a construction agency

1 must submit to the Procurement Policy Board in writing its
 2 reasonings for determination of the procurement as a small
 3 purchase or a sole source or emergency procurement. Within
 4 14 business days after receiving a written submission under
 5 this subsection, the Procurement Policy Board must review and
 6 approve or disapprove the procurement.

7 (c) This Section does not require any delay in the
 8 making of emergency repairs that require immediate action, to
 9 the extent necessary to undertake that immediate action.

10 Section 25. The State Property Control Act is amended by
 11 adding Section 15 as follows:

12 (30 ILCS 605/15 new)

13 Sec. 15. Items sold to General Assembly members. This
 14 Act does not apply to items sold to General Assembly members
 15 under subsections (c-10) and (c-15) of Section 1 of the
 16 Legislative Materials Act.

17 Section 30. The Illinois Income Tax Act is amended by
 18 changing Section 901 as follows:

19 (35 ILCS 5/901) (from Ch. 120, par. 9-901)

20 Sec. 901. Collection Authority.

21 (a) In general.

22 The Department shall collect the taxes imposed by this
 23 Act. The Department shall collect certified past due child
 24 support amounts under Section 2505-650 of the Department of
 25 Revenue Law (20 ILCS 2505/2505-650). Except as provided in
 26 subsections (c) and (e) of this Section, money collected
 27 pursuant to subsections (a) and (b) of Section 201 of this
 28 Act shall be paid into the General Revenue Fund in the State
 29 treasury; money collected pursuant to subsections (c) and (d)
 30 of Section 201 of this Act shall be paid into the Personal

1 Property Tax Replacement Fund, a special fund in the State
2 Treasury; and money collected under Section 2505-650 of the
3 Department of Revenue Law (20 ILCS 2505/2505-650) shall be
4 paid into the Child Support Enforcement Trust Fund, a special
5 fund outside the State Treasury, or to the State Disbursement
6 Unit established under Section 10-26 of the Illinois Public
7 Aid Code, as directed by the Department of Public Aid.

8 (b) Local Governmental Distributive Fund.

9 Beginning August 1, 1969, and continuing through June 30,
10 1994, the Treasurer shall transfer each month from the
11 General Revenue Fund to a special fund in the State treasury,
12 to be known as the "Local Government Distributive Fund", an
13 amount equal to 1/12 of the net revenue realized from the tax
14 imposed by subsections (a) and (b) of Section 201 of this Act
15 during the preceding month. Beginning July 1, 1994, and
16 continuing through June 30, 1995, the Treasurer shall
17 transfer each month from the General Revenue Fund to the
18 Local Government Distributive Fund an amount equal to 1/11 of
19 the net revenue realized from the tax imposed by subsections
20 (a) and (b) of Section 201 of this Act during the preceding
21 month. Beginning July 1, 1995, the Treasurer shall transfer
22 each month from the General Revenue Fund to the Local
23 Government Distributive Fund an amount equal to 1/10 of the
24 net revenue realized from the tax imposed by subsections (a)
25 and (b) of Section 201 of the Illinois Income Tax Act during
26 the preceding month. Net revenue realized for a month shall
27 be defined as the revenue from the tax imposed by subsections
28 (a) and (b) of Section 201 of this Act which is deposited in
29 the General Revenue Fund, the Educational Assistance Fund and
30 the Income Tax Surcharge Local Government Distributive Fund
31 during the month minus the amount paid out of the General
32 Revenue Fund in State warrants during that same month as
33 refunds to taxpayers for overpayment of liability under the
34 tax imposed by subsections (a) and (b) of Section 201 of this

1 Act.

2 (c) Deposits Into Income Tax Refund Fund.

3 (1) Beginning on January 1, 1989 and thereafter,
4 the Department shall deposit a percentage of the amounts
5 collected pursuant to subsections (a) and (b)(1), (2),
6 and (3), of Section 201 of this Act into a fund in the
7 State treasury known as the Income Tax Refund Fund. The
8 Department shall deposit 6% of such amounts during the
9 period beginning January 1, 1989 and ending on June 30,
10 1989. Beginning with State fiscal year 1990 and for each
11 fiscal year thereafter, the percentage deposited into the
12 Income Tax Refund Fund during a fiscal year shall be the
13 Annual Percentage. For fiscal years 1999 through 2001,
14 the Annual Percentage shall be 7.1%. For all other
15 fiscal years, the Annual Percentage shall be calculated
16 as a fraction, the numerator of which shall be the amount
17 of refunds approved for payment by the Department during
18 the preceding fiscal year as a result of overpayment of
19 tax liability under subsections (a) and (b)(1), (2), and
20 (3) of Section 201 of this Act plus the amount of such
21 refunds remaining approved but unpaid at the end of the
22 preceding fiscal year, minus the amounts transferred into
23 the Income Tax Refund Fund from the Tobacco Settlement
24 Recovery Fund, and the denominator of which shall be the
25 amounts which will be collected pursuant to subsections
26 (a) and (b)(1), (2), and (3) of Section 201 of this Act
27 during the preceding fiscal year; except that in State
28 fiscal year 2002, the Annual Percentage shall in no event
29 exceed 7.6%. The Director of Revenue shall certify the
30 Annual Percentage to the Comptroller on the last business
31 day of the fiscal year immediately preceding the fiscal
32 year for which it is to be effective.

33 (2) Beginning on January 1, 1989 and thereafter,
34 the Department shall deposit a percentage of the amounts

1 collected pursuant to subsections (a) and (b)(6), (7),
2 and (8), (c) and (d) of Section 201 of this Act into a
3 fund in the State treasury known as the Income Tax Refund
4 Fund. The Department shall deposit 18% of such amounts
5 during the period beginning January 1, 1989 and ending on
6 June 30, 1989. Beginning with State fiscal year 1990 and
7 for each fiscal year thereafter, the percentage deposited
8 into the Income Tax Refund Fund during a fiscal year
9 shall be the Annual Percentage. For fiscal years 1999,
10 2000, and 2001, the Annual Percentage shall be 19%. For
11 all other fiscal years, the Annual Percentage shall be
12 calculated as a fraction, the numerator of which shall be
13 the amount of refunds approved for payment by the
14 Department during the preceding fiscal year as a result
15 of overpayment of tax liability under subsections (a) and
16 (b)(6), (7), and (8), (c) and (d) of Section 201 of this
17 Act plus the amount of such refunds remaining approved
18 but unpaid at the end of the preceding fiscal year, and
19 the denominator of which shall be the amounts which will
20 be collected pursuant to subsections (a) and (b)(6), (7),
21 and (8), (c) and (d) of Section 201 of this Act during
22 the preceding fiscal year; except that in State fiscal
23 year 2002, the Annual Percentage shall in no event exceed
24 23%. The Director of Revenue shall certify the Annual
25 Percentage to the Comptroller on the last business day of
26 the fiscal year immediately preceding the fiscal year for
27 which it is to be effective.

28 (3) The Comptroller shall order transferred and the
29 Treasurer shall transfer from the Tobacco Settlement
30 Recovery Fund to the Income Tax Refund Fund (i)
31 \$35,000,000 in January, 2001, (ii) \$35,000,000 in
32 January, 2002, and (iii) \$35,000,000 in January, 2003.

33 (d) Expenditures from Income Tax Refund Fund.

34 (1) Beginning January 1, 1989, money in the Income

1 Tax Refund Fund shall be expended exclusively for the
2 purpose of paying refunds resulting from overpayment of
3 tax liability under Section 201 of this Act, for paying
4 rebates under Section 208.1 in the event that the amounts
5 in the Homeowners' Tax Relief Fund are insufficient for
6 that purpose, and for making transfers pursuant to this
7 subsection (d).

8 (2) The Director shall order payment of refunds
9 resulting from overpayment of tax liability under Section
10 201 of this Act from the Income Tax Refund Fund only to
11 the extent that amounts collected pursuant to Section 201
12 of this Act and transfers pursuant to this subsection (d)
13 and item (3) of subsection (c) have been deposited and
14 retained in the Fund.

15 (3) As soon as possible after the end of each
16 fiscal year, the Director shall order transferred and the
17 State Treasurer and State Comptroller shall transfer from
18 the Income Tax Refund Fund to the Personal Property Tax
19 Replacement Fund an amount, certified by the Director to
20 the Comptroller, equal to the excess of the amount
21 collected pursuant to subsections (c) and (d) of Section
22 201 of this Act deposited into the Income Tax Refund Fund
23 during the fiscal year over the amount of refunds
24 resulting from overpayment of tax liability under
25 subsections (c) and (d) of Section 201 of this Act paid
26 from the Income Tax Refund Fund during the fiscal year.

27 (4) As soon as possible after the end of each
28 fiscal year, the Director shall order transferred and the
29 State Treasurer and State Comptroller shall transfer from
30 the Personal Property Tax Replacement Fund to the Income
31 Tax Refund Fund an amount, certified by the Director to
32 the Comptroller, equal to the excess of the amount of
33 refunds resulting from overpayment of tax liability under
34 subsections (c) and (d) of Section 201 of this Act paid

1 from the Income Tax Refund Fund during the fiscal year
2 over the amount collected pursuant to subsections (c) and
3 (d) of Section 201 of this Act deposited into the Income
4 Tax Refund Fund during the fiscal year.

5 (4.5) As soon as possible after the end of fiscal
6 year 1999 and of each fiscal year thereafter, the
7 Director shall order transferred and the State Treasurer
8 and State Comptroller shall transfer from the Income Tax
9 Refund Fund to the General Revenue Fund any surplus
10 remaining in the Income Tax Refund Fund as of the end of
11 such fiscal year; excluding for fiscal years 2000, 2001,
12 and 2002 amounts attributable to transfers under item (3)
13 of subsection (c) less refunds resulting from the earned
14 income tax credit.

15 (5) This Act shall constitute an irrevocable and
16 continuing appropriation from the Income Tax Refund Fund
17 for the purpose of paying refunds upon the order of the
18 Director in accordance with the provisions of this
19 Section.

20 (e) Deposits into the Education Assistance Fund and the
21 Income Tax Surcharge Local Government Distributive Fund.

22 On July 1, 1991, and thereafter, of the amounts collected
23 pursuant to subsections (a) and (b) of Section 201 of this
24 Act, minus deposits into the Income Tax Refund Fund, the
25 Department shall deposit 7.3% into the Education Assistance
26 Fund in the State Treasury. Beginning July 1, 1991, and
27 continuing through January 31, 1993, of the amounts collected
28 pursuant to subsections (a) and (b) of Section 201 of the
29 Illinois Income Tax Act, minus deposits into the Income Tax
30 Refund Fund, the Department shall deposit 3.0% into the
31 Income Tax Surcharge Local Government Distributive Fund in
32 the State Treasury. Beginning February 1, 1993 and
33 continuing through June 30, 1993, of the amounts collected
34 pursuant to subsections (a) and (b) of Section 201 of the

1 Illinois Income Tax Act, minus deposits into the Income Tax
2 Refund Fund, the Department shall deposit 4.4% into the
3 Income Tax Surcharge Local Government Distributive Fund in
4 the State Treasury. Beginning July 1, 1993, and continuing
5 through June 30, 1994, of the amounts collected under
6 subsections (a) and (b) of Section 201 of this Act, minus
7 deposits into the Income Tax Refund Fund, the Department
8 shall deposit 1.475% into the Income Tax Surcharge Local
9 Government Distributive Fund in the State Treasury.

10 (Source: P.A. 90-613, eff. 7-9-98; 90-655, eff. 7-30-98;
11 91-212, eff. 7-20-99; 91-239, eff. 1-1-00; 91-700, eff.
12 5-11-00; 91-704, eff. 7-1-00; 91-712, eff. 7-1-00; revised
13 6-28-00.)

14 Section 35. The Public Utilities Act is amended by
15 changing Section 2-202 as follows:

16 (220 ILCS 5/2-202) (from Ch. 111 2/3, par. 2-202)

17 Sec. 2-202. Policy; Public Utility Fund; tax.

18 (a) It is declared to be the public policy of this State
19 that in order to maintain and foster the effective regulation
20 of public utilities under this Act in the interests of the
21 People of the State of Illinois and the public utilities as
22 well, the public utilities subject to regulation under this
23 Act and which enjoy the privilege of operating as public
24 utilities in this State, shall bear the expense of
25 administering this Act by means of a tax on such privilege
26 measured by the annual gross revenue of such public utilities
27 in the manner provided in this Section. For purposes of this
28 Section, "expense of administering this Act" includes any
29 costs incident to studies, whether made by the Commission or
30 under contract entered into by the Commission, concerning
31 environmental pollution problems caused or contributed to by
32 public utilities and the means for eliminating or abating

1 those problems. Such proceeds shall be deposited in the
2 Public Utility Fund in the State treasury.

3 (b) All of the ordinary and contingent expenses of the
4 Commission incident to the administration of this Act shall
5 be paid out of the Public Utility Fund except the
6 compensation of the members of the Commission which shall be
7 paid from the General Revenue Fund. Notwithstanding other
8 provisions of this Act to the contrary, the ordinary and
9 contingent expenses of the Commission incident to the
10 administration of the Illinois Commercial Transportation Law
11 may be paid from appropriations from the Public Utility Fund
12 through the end of fiscal year 1986.

13 (c) A tax is imposed upon each public utility subject to
14 the provisions of this Act equal to .08% of its gross revenue
15 for each calendar year commencing with the calendar year
16 beginning January 1, 1982, except that the Commission may, by
17 rule, establish a different rate no greater than 0.1%. For
18 purposes of this Section, "gross revenue" shall not include
19 revenue from the production, transmission, distribution,
20 sale, delivery, or furnishing of electricity. "Gross revenue"
21 shall not include amounts paid by telecommunications
22 retailers under the Telecommunications Municipal
23 Infrastructure Maintenance Fee Act.

24 (d) Annual gross revenue returns shall be filed in
25 accordance with paragraph (1) or (2) of this subsection (d).

26 (1) Except as provided in paragraph (2) of this
27 subsection (d), on or before January 10 of each year each
28 public utility subject to the provisions of this Act
29 shall file with the Commission an estimated annual gross
30 revenue return containing an estimate of the amount of
31 its gross revenue for the calendar year commencing
32 January 1 of said year and a statement of the amount of
33 tax due for said calendar year on the basis of that
34 estimate. Public utilities may also file revised returns

1 containing updated estimates and updated amounts of tax
2 due during the calendar year. These revised returns, if
3 filed, shall form the basis for quarterly payments due
4 during the remainder of the calendar year. In addition,
5 on or before February 15 of each year, each public
6 utility shall file an amended return showing the actual
7 amount of gross revenues shown by the company's books and
8 records as of December 31 of the previous year. Forms and
9 instructions for such estimated, revised, and amended
10 returns shall be devised and supplied by the Commission.

11 (2) Beginning January 1, 1993, the requirements of
12 paragraph (1) of this subsection (d) shall not apply to
13 any public utility in any calendar year for which the
14 total tax the public utility owes under this Section is
15 less than \$1,000. For such public utilities with respect
16 to such years, the public utility shall file with the
17 Commission, on or before January 31 of the following
18 year, an annual gross revenue return for the year and a
19 statement of the amount of tax due for that year on the
20 basis of such a return. Forms and instructions for such
21 returns and corrected returns shall be devised and
22 supplied by the Commission.

23 (e) All returns submitted to the Commission by a public
24 utility as provided in this subsection (e) or subsection (d)
25 of this Section shall contain or be verified by a written
26 declaration by an appropriate officer of the public utility
27 that the return is made under the penalties of perjury. The
28 Commission may audit each such return submitted and may,
29 under the provisions of Section 5-101 of this Act, take such
30 measures as are necessary to ascertain the correctness of the
31 returns submitted. The Commission has the power to direct the
32 filing of a corrected return by any utility which has filed
33 an incorrect return and to direct the filing of a return by
34 any utility which has failed to submit a return. A

1 taxpayer's signing a fraudulent return under this Section is
2 perjury, as defined in Section 32-2 of the Criminal Code of
3 1961.

4 (f) (1) For all public utilities subject to paragraph
5 (1) of subsection (d), at least one quarter of the annual
6 amount of tax due under subsection (c) shall be paid to the
7 Commission on or before the tenth day of January, April,
8 July, and October of the calendar year subject to tax. In
9 the event that an adjustment in the amount of tax due should
10 be necessary as a result of the filing of an amended or
11 corrected return under subsection (d) or subsection (e) of
12 this Section, the amount of any deficiency shall be paid by
13 the public utility together with the amended or corrected
14 return and the amount of any excess shall, after the filing
15 of a claim for credit by the public utility, be returned to
16 the public utility in the form of a credit memorandum in the
17 amount of such excess or be refunded to the public utility in
18 accordance with the provisions of subsection (k) of this
19 Section. However, if such deficiency or excess is less than
20 \$1, then the public utility need not pay the deficiency and
21 may not claim a credit.

22 (2) Any public utility subject to paragraph (2) of
23 subsection (d) shall pay the amount of tax due under
24 subsection (c) on or before January 31 next following the end
25 of the calendar year subject to tax. In the event that an
26 adjustment in the amount of tax due should be necessary as a
27 result of the filing of a corrected return under subsection
28 (e), the amount of any deficiency shall be paid by the public
29 utility at the time the corrected return is filed. Any excess
30 tax payment by the public utility shall be returned to it
31 after the filing of a claim for credit, in the form of a
32 credit memorandum in the amount of the excess. However, if
33 such deficiency or excess is less than \$1, the public utility
34 need not pay the deficiency and may not claim a credit.

1 (g) Each installment or required payment of the tax
2 imposed by subsection (c) becomes delinquent at midnight of
3 the date that it is due. Failure to make a payment as
4 required by this Section shall result in the imposition of a
5 late payment penalty, an underestimation penalty, or both, as
6 provided by this subsection. The late payment penalty shall
7 be the greater of:

8 (1) \$25 for each month or portion of a month that
9 the installment or required payment is unpaid or

10 (2) an amount equal to the difference between what
11 should have been paid on the due date, based upon the
12 most recently filed estimate, and what was actually paid,
13 times 1%, for each month or portion of a month that the
14 installment or required payment goes unpaid. This
15 penalty may be assessed as soon as the installment or
16 required payment becomes delinquent.

17 The underestimation penalty shall apply to those public
18 utilities subject to paragraph (1) of subsection (d) and
19 shall be calculated after the filing of the amended return.
20 It shall be imposed if the amount actually paid on any of the
21 dates specified in subsection (f) is not equal to at least
22 one-fourth of the amount actually due for the year, and shall
23 equal the greater of:

24 (1) \$25 for each month or portion of a month that
25 the amount due is unpaid or

26 (2) an amount equal to the difference between what
27 should have been paid, based on the amended return, and
28 what was actually paid as of the date specified in
29 subsection (f), times a percentage equal to 1/12 of the
30 sum of 10% and the percentage most recently established
31 by the Commission for interest to be paid on customer
32 deposits under 83 Ill. Adm. Code 280.70(e)(1), for each
33 month or portion of a month that the amount due goes
34 unpaid, except that no underestimation penalty shall be

1 assessed if the amount actually paid on each of the dates
2 specified in subsection (f) was based on an estimate of
3 gross revenues at least equal to the actual gross
4 revenues for the previous year. The Commission may
5 enforce the collection of any delinquent installment or
6 payment, or portion thereof by legal action or in any
7 other manner by which the collection of debts due the
8 State of Illinois may be enforced under the laws of this
9 State. The executive director or his designee may excuse
10 the payment of an assessed penalty if he determines that
11 enforced collection of the penalty would be unjust.

12 (h) All sums collected by the Commission under the
13 provisions of this Section shall be paid promptly after the
14 receipt of the same, accompanied by a detailed statement
15 thereof, into the Public Utility Fund in the State treasury.

16 (i) During the month of October of each odd-numbered
17 year the Commission shall:

18 (1) determine the amount of all moneys deposited in
19 the Public Utility Fund during the preceding fiscal
20 biennium plus the balance, if any, in that fund at the
21 beginning of that biennium;

22 (2) determine the sum total of the following items:
23 (A) all moneys expended or obligated against
24 appropriations made from the Public Utility Fund during
25 the preceding fiscal biennium, plus (B) the sum of the
26 credit memoranda then outstanding against the Public
27 Utility Fund, if any; and

28 (3) determine the amount, if any, by which the sum
29 determined as provided in item (1) exceeds the amount
30 determined as provided in item (2).

31 If the amount determined as provided in item (3) of this
32 subsection exceeds \$5,000,000 ~~\$2,500,000~~, the Commission
33 shall then compute the proportionate amount, if any, which
34 (x) the tax paid hereunder by each utility during the

1 preceding biennium, and (y) the amount paid into the Public
2 Utility Fund during the preceding biennium by the Department
3 of Revenue pursuant to Sections 2-9 and 2-11 of the
4 Electricity Excise Tax Law, bears to the difference between
5 the amount determined as provided in item (3) of this
6 subsection (i) and \$5,000,000 ~~\$2,500,000~~. The Commission
7 shall cause the proportionate amount determined with respect
8 to payments made under the Electricity Excise Tax Law to be
9 transferred into the General Revenue Fund in the State
10 Treasury, and notify each public utility that it may file
11 during the 3 month period after the date of notification a
12 claim for credit for the proportionate amount determined with
13 respect to payments made hereunder by the public utility. If
14 the proportionate amount is less than \$10, no notification
15 will be sent by the Commission, and no right to a claim
16 exists as to that amount. Upon the filing of a claim for
17 credit within the period provided, the Commission shall issue
18 a credit memorandum in such amount to such public utility.
19 Any claim for credit filed after the period provided for in
20 this Section is void.

21 (j) Credit memoranda issued pursuant to subsection (f)
22 and credit memoranda issued after notification and filing
23 pursuant to subsection (i) may be applied for the 2 year
24 period from the date of issuance, against the payment of any
25 amount due during that period under the tax imposed by
26 subsection (c), or, subject to reasonable rule of the
27 Commission including requirement of notification, may be
28 assigned to any other public utility subject to regulation
29 under this Act. Any application of credit memoranda after the
30 period provided for in this Section is void.

31 (k) The chairman or executive director may make refund
32 of fees, taxes or other charges whenever he shall determine
33 that the person or public utility will not be liable for
34 payment of such fees, taxes or charges during the next 24

1 months and he determines that the issuance of a credit
2 memorandum would be unjust.

3 (Source: P.A. 90-561, eff. 8-1-98; 90-562, 12-16-97; 90-655,
4 eff. 7-30-98.)

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