

AN ACT in relation to budget implementation.

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

Section 5. The State Employees Group Insurance Act of 1971 is amended by changing Section 3 as follows:

(5 ILCS 375/3) (from Ch. 127, par. 523)

Sec. 3. Definitions. Unless the context otherwise requires, the following words and phrases as used in this Act shall have the following meanings. The Department may define these and other words and phrases separately for the purpose of implementing specific programs providing benefits under this Act.

(a) "Administrative service organization" means any person, firm or corporation experienced in the handling of claims which is fully qualified, financially sound and capable of meeting the service requirements of a contract of administration executed with the Department.

(b) "Annuitant" means (1) an employee who retires, or has retired, on or after January 1, 1966 on an immediate annuity under the provisions of Articles 2, 14 (including an employee who has elected to receive an alternative retirement cancellation payment under Section 14-108.5 of the Illinois Pension Code in lieu of an annuity), 15 (including an employee who has retired under the optional retirement program established under Section 15-158.2), paragraphs (2), (3), or (5) of Section 16-106, or Article 18 of the Illinois Pension Code; (2) any person who was receiving group insurance coverage under this Act as of March 31, 1978 by reason of his status as an annuitant, even though the annuity in relation to which such coverage was provided is a proportional annuity based on less than the minimum period of service required for a retirement annuity in the system involved; (3) any person not otherwise

covered by this Act who has retired as a participating member under Article 2 of the Illinois Pension Code but is ineligible for the retirement annuity under Section 2-119 of the Illinois Pension Code; (4) the spouse of any person who is receiving a retirement annuity under Article 18 of the Illinois Pension Code and who is covered under a group health insurance program sponsored by a governmental employer other than the State of Illinois and who has irrevocably elected to waive his or her coverage under this Act and to have his or her spouse considered as the "annuitant" under this Act and not as a "dependent"; or (5) an employee who retires, or has retired, from a qualified position, as determined according to rules promulgated by the Director, under a qualified local government or a qualified rehabilitation facility or a qualified domestic violence shelter or service. (For definition of "retired employee", see (p) post).

(b-5) "New SERS annuitant" means a person who, on or after January 1, 1998, becomes an annuitant, as defined in subsection (b), by virtue of beginning to receive a retirement annuity under Article 14 of the Illinois Pension Code (including an employee who has elected to receive an alternative retirement cancellation payment under Section 14-108.5 of that Code in lieu of an annuity), and is eligible to participate in the basic program of group health benefits provided for annuitants under this Act.

(b-6) "New SURS annuitant" means a person who (1) on or after January 1, 1998, becomes an annuitant, as defined in subsection (b), by virtue of beginning to receive a retirement annuity under Article 15 of the Illinois Pension Code, (2) has not made the election authorized under Section 15-135.1 of the Illinois Pension Code, and (3) is eligible to participate in the basic program of group health benefits provided for annuitants under this Act.

(b-7) "New TRS State annuitant" means a person who, on or after July 1, 1998, becomes an annuitant, as defined in subsection (b), by virtue of beginning to receive a retirement

annuity under Article 16 of the Illinois Pension Code based on service as a teacher as defined in paragraph (2), (3), or (5) of Section 16-106 of that Code, and is eligible to participate in the basic program of group health benefits provided for annuitants under this Act.

(c) "Carrier" means (1) an insurance company, a corporation organized under the Limited Health Service Organization Act or the Voluntary Health Services Plan Act, a partnership, or other nongovernmental organization, which is authorized to do group life or group health insurance business in Illinois, or (2) the State of Illinois as a self-insurer.

(d) "Compensation" means salary or wages payable on a regular payroll by the State Treasurer on a warrant of the State Comptroller out of any State, trust or federal fund, or by the Governor of the State through a disbursing officer of the State out of a trust or out of federal funds, or by any Department out of State, trust, federal or other funds held by the State Treasurer or the Department, to any person for personal services currently performed, and ordinary or accidental disability benefits under Articles 2, 14, 15 (including ordinary or accidental disability benefits under the optional retirement program established under Section 15-158.2), paragraphs (2), (3), or (5) of Section 16-106, or Article 18 of the Illinois Pension Code, for disability incurred after January 1, 1966, or benefits payable under the Workers' Compensation or Occupational Diseases Act or benefits payable under a sick pay plan established in accordance with Section 36 of the State Finance Act. "Compensation" also means salary or wages paid to an employee of any qualified local government or qualified rehabilitation facility or a qualified domestic violence shelter or service.

(e) "Commission" means the State Employees Group Insurance Advisory Commission authorized by this Act. Commencing July 1, 1984, "Commission" as used in this Act means the ~~Illinois Economic and Fiscal~~ Commission on Government Forecasting and Accountability as established by the Legislative Commission

Reorganization Act of 1984.

(f) "Contributory", when referred to as contributory coverage, shall mean optional coverages or benefits elected by the member toward the cost of which such member makes contribution, or which are funded in whole or in part through the acceptance of a reduction in earnings or the foregoing of an increase in earnings by an employee, as distinguished from noncontributory coverage or benefits which are paid entirely by the State of Illinois without reduction of the member's salary.

(g) "Department" means any department, institution, board, commission, officer, court or any agency of the State government receiving appropriations and having power to certify payrolls to the Comptroller authorizing payments of salary and wages against such appropriations as are made by the General Assembly from any State fund, or against trust funds held by the State Treasurer and includes boards of trustees of the retirement systems created by Articles 2, 14, 15, 16 and 18 of the Illinois Pension Code. "Department" also includes the Illinois Comprehensive Health Insurance Board, the Board of Examiners established under the Illinois Public Accounting Act, and the Illinois Finance Authority.

(h) "Dependent", when the term is used in the context of the health and life plan, means a member's spouse and any unmarried child (1) from birth to age 19 including an adopted child, a child who lives with the member from the time of the filing of a petition for adoption until entry of an order of adoption, a stepchild or recognized child who lives with the member in a parent-child relationship, or a child who lives with the member if such member is a court appointed guardian of the child, or (2) age 19 to 23 enrolled as a full-time student in any accredited school, financially dependent upon the member, and eligible to be claimed as a dependent for income tax purposes, or (3) age 19 or over who is mentally or physically handicapped. For the health plan only, the term "dependent" also includes any person enrolled prior to the effective date of this Section who is dependent upon the member

to the extent that the member may claim such person as a dependent for income tax deduction purposes; no other such person may be enrolled. For the health plan only, the term "dependent" also includes any person who has received after June 30, 2000 an organ transplant and who is financially dependent upon the member and eligible to be claimed as a dependent for income tax purposes.

(i) "Director" means the Director of the Illinois Department of Central Management Services.

(j) "Eligibility period" means the period of time a member has to elect enrollment in programs or to select benefits without regard to age, sex or health.

(k) "Employee" means and includes each officer or employee in the service of a department who (1) receives his compensation for service rendered to the department on a warrant issued pursuant to a payroll certified by a department or on a warrant or check issued and drawn by a department upon a trust, federal or other fund or on a warrant issued pursuant to a payroll certified by an elected or duly appointed officer of the State or who receives payment of the performance of personal services on a warrant issued pursuant to a payroll certified by a Department and drawn by the Comptroller upon the State Treasurer against appropriations made by the General Assembly from any fund or against trust funds held by the State Treasurer, and (2) is employed full-time or part-time in a position normally requiring actual performance of duty during not less than 1/2 of a normal work period, as established by the Director in cooperation with each department, except that persons elected by popular vote will be considered employees during the entire term for which they are elected regardless of hours devoted to the service of the State, and (3) except that "employee" does not include any person who is not eligible by reason of such person's employment to participate in one of the State retirement systems under Articles 2, 14, 15 (either the regular Article 15 system or the optional retirement program established under Section 15-158.2) or 18, or under paragraph

(2), (3), or (5) of Section 16-106, of the Illinois Pension Code, but such term does include persons who are employed during the 6 month qualifying period under Article 14 of the Illinois Pension Code. Such term also includes any person who (1) after January 1, 1966, is receiving ordinary or accidental disability benefits under Articles 2, 14, 15 (including ordinary or accidental disability benefits under the optional retirement program established under Section 15-158.2), paragraphs (2), (3), or (5) of Section 16-106, or Article 18 of the Illinois Pension Code, for disability incurred after January 1, 1966, (2) receives total permanent or total temporary disability under the Workers' Compensation Act or Occupational Disease Act as a result of injuries sustained or illness contracted in the course of employment with the State of Illinois, or (3) is not otherwise covered under this Act and has retired as a participating member under Article 2 of the Illinois Pension Code but is ineligible for the retirement annuity under Section 2-119 of the Illinois Pension Code. However, a person who satisfies the criteria of the foregoing definition of "employee" except that such person is made ineligible to participate in the State Universities Retirement System by clause (4) of subsection (a) of Section 15-107 of the Illinois Pension Code is also an "employee" for the purposes of this Act. "Employee" also includes any person receiving or eligible for benefits under a sick pay plan established in accordance with Section 36 of the State Finance Act. "Employee" also includes each officer or employee in the service of a qualified local government, including persons appointed as trustees of sanitary districts regardless of hours devoted to the service of the sanitary district, and each employee in the service of a qualified rehabilitation facility and each full-time employee in the service of a qualified domestic violence shelter or service, as determined according to rules promulgated by the Director.

(1) "Member" means an employee, annuitant, retired employee or survivor.

(m) "Optional coverages or benefits" means those coverages or benefits available to the member on his or her voluntary election, and at his or her own expense.

(n) "Program" means the group life insurance, health benefits and other employee benefits designed and contracted for by the Director under this Act.

(o) "Health plan" means a health benefits program offered by the State of Illinois for persons eligible for the plan.

(p) "Retired employee" means any person who would be an annuitant as that term is defined herein but for the fact that such person retired prior to January 1, 1966. Such term also includes any person formerly employed by the University of Illinois in the Cooperative Extension Service who would be an annuitant but for the fact that such person was made ineligible to participate in the State Universities Retirement System by clause (4) of subsection (a) of Section 15-107 of the Illinois Pension Code.

(q) "Survivor" means a person receiving an annuity as a survivor of an employee or of an annuitant. "Survivor" also includes: (1) the surviving dependent of a person who satisfies the definition of "employee" except that such person is made ineligible to participate in the State Universities Retirement System by clause (4) of subsection (a) of Section 15-107 of the Illinois Pension Code; (2) the surviving dependent of any person formerly employed by the University of Illinois in the Cooperative Extension Service who would be an annuitant except for the fact that such person was made ineligible to participate in the State Universities Retirement System by clause (4) of subsection (a) of Section 15-107 of the Illinois Pension Code; and (3) the surviving dependent of a person who was an annuitant under this Act by virtue of receiving an alternative retirement cancellation payment under Section 14-108.5 of the Illinois Pension Code.

(q-2) "SERS" means the State Employees' Retirement System of Illinois, created under Article 14 of the Illinois Pension Code.

(q-3) "SURS" means the State Universities Retirement System, created under Article 15 of the Illinois Pension Code.

(q-4) "TRS" means the Teachers' Retirement System of the State of Illinois, created under Article 16 of the Illinois Pension Code.

(q-5) "New SERS survivor" means a survivor, as defined in subsection (q), whose annuity is paid under Article 14 of the Illinois Pension Code and is based on the death of (i) an employee whose death occurs on or after January 1, 1998, or (ii) a new SERS annuitant as defined in subsection (b-5). "New SERS survivor" includes the surviving dependent of a person who was an annuitant under this Act by virtue of receiving an alternative retirement cancellation payment under Section 14-108.5 of the Illinois Pension Code.

(q-6) "New SURS survivor" means a survivor, as defined in subsection (q), whose annuity is paid under Article 15 of the Illinois Pension Code and is based on the death of (i) an employee whose death occurs on or after January 1, 1998, or (ii) a new SURS annuitant as defined in subsection (b-6).

(q-7) "New TRS State survivor" means a survivor, as defined in subsection (q), whose annuity is paid under Article 16 of the Illinois Pension Code and is based on the death of (i) an employee who is a teacher as defined in paragraph (2), (3), or (5) of Section 16-106 of that Code and whose death occurs on or after July 1, 1998, or (ii) a new TRS State annuitant as defined in subsection (b-7).

(r) "Medical services" means the services provided within the scope of their licenses by practitioners in all categories licensed under the Medical Practice Act of 1987.

(s) "Unit of local government" means any county, municipality, township, school district (including a combination of school districts under the Intergovernmental Cooperation Act), special district or other unit, designated as a unit of local government by law, which exercises limited governmental powers or powers in respect to limited governmental subjects, any not-for-profit association with a



membership that primarily includes townships and township officials, that has duties that include provision of research service, dissemination of information, and other acts for the purpose of improving township government, and that is funded wholly or partly in accordance with Section 85-15 of the Township Code; any not-for-profit corporation or association, with a membership consisting primarily of municipalities, that operates its own utility system, and provides research, training, dissemination of information, or other acts to promote cooperation between and among municipalities that provide utility services and for the advancement of the goals and purposes of its membership; the Southern Illinois Collegiate Common Market, which is a consortium of higher education institutions in Southern Illinois; and the Illinois Association of Park Districts. "Qualified local government" means a unit of local government approved by the Director and participating in a program created under subsection (i) of Section 10 of this Act.

(t) "Qualified rehabilitation facility" means any not-for-profit organization that is accredited by the Commission on Accreditation of Rehabilitation Facilities or certified by the Department of Human Services (as successor to the Department of Mental Health and Developmental Disabilities) to provide services to persons with disabilities and which receives funds from the State of Illinois for providing those services, approved by the Director and participating in a program created under subsection (j) of Section 10 of this Act.

(u) "Qualified domestic violence shelter or service" means any Illinois domestic violence shelter or service and its administrative offices funded by the Department of Human Services (as successor to the Illinois Department of Public Aid), approved by the Director and participating in a program created under subsection (k) of Section 10.

(v) "TRS benefit recipient" means a person who:

(1) is not a "member" as defined in this Section; and

(2) is receiving a monthly benefit or retirement annuity under Article 16 of the Illinois Pension Code; and

(3) either (i) has at least 8 years of creditable service under Article 16 of the Illinois Pension Code, or (ii) was enrolled in the health insurance program offered under that Article on January 1, 1996, or (iii) is the survivor of a benefit recipient who had at least 8 years of creditable service under Article 16 of the Illinois Pension Code or was enrolled in the health insurance program offered under that Article on the effective date of this amendatory Act of 1995, or (iv) is a recipient or survivor of a recipient of a disability benefit under Article 16 of the Illinois Pension Code.

(w) "TRS dependent beneficiary" means a person who:

(1) is not a "member" or "dependent" as defined in this Section; and

(2) is a TRS benefit recipient's: (A) spouse, (B) dependent parent who is receiving at least half of his or her support from the TRS benefit recipient, or (C) unmarried natural or adopted child who is (i) under age 19, or (ii) enrolled as a full-time student in an accredited school, financially dependent upon the TRS benefit recipient, eligible to be claimed as a dependent for income tax purposes, and either is under age 24 or was, on January 1, 1996, participating as a dependent beneficiary in the health insurance program offered under Article 16 of the Illinois Pension Code, or (iii) age 19 or over who is mentally or physically handicapped.

(x) "Military leave with pay and benefits" refers to individuals in basic training for reserves, special/advanced training, annual training, emergency call up, or activation by the President of the United States with approved pay and benefits.

(y) "Military leave without pay and benefits" refers to individuals who enlist for active duty in a regular component of the U.S. Armed Forces or other duty not specified or

authorized under military leave with pay and benefits.

(z) "Community college benefit recipient" means a person who:

(1) is not a "member" as defined in this Section; and

(2) is receiving a monthly survivor's annuity or retirement annuity under Article 15 of the Illinois Pension Code; and

(3) either (i) was a full-time employee of a community college district or an association of community college boards created under the Public Community College Act (other than an employee whose last employer under Article 15 of the Illinois Pension Code was a community college district subject to Article VII of the Public Community College Act) and was eligible to participate in a group health benefit plan as an employee during the time of employment with a community college district (other than a community college district subject to Article VII of the Public Community College Act) or an association of community college boards, or (ii) is the survivor of a person described in item (i).

(aa) "Community college dependent beneficiary" means a person who:

(1) is not a "member" or "dependent" as defined in this Section; and

(2) is a community college benefit recipient's: (A) spouse, (B) dependent parent who is receiving at least half of his or her support from the community college benefit recipient, or (C) unmarried natural or adopted child who is (i) under age 19, or (ii) enrolled as a full-time student in an accredited school, financially dependent upon the community college benefit recipient, eligible to be claimed as a dependent for income tax purposes and under age 23, or (iii) age 19 or over and mentally or physically handicapped.

(Source: P.A. 92-16, eff. 6-28-01; 92-186, eff. 1-1-02; 92-204, eff. 8-1-01; 92-651, eff. 7-11-02; 93-205, eff. 1-1-04; 93-839,

eff. 7-30-04.)

Section 10. The State Budget Law of the Civil Administrative Code of Illinois is amended by changing Section 50-5 as follows:

(15 ILCS 20/50-5) (was 15 ILCS 20/38)

Sec. 50-5. Governor to submit State budget. The Governor shall, as soon as possible and not later than the second Wednesday in April in 2003 and the third Wednesday in February of each year beginning in 2004, except as otherwise provided in this Section, submit a State budget, embracing therein the amounts recommended by the Governor to be appropriated to the respective departments, offices, and institutions, and for all other public purposes, the estimated revenues from taxation, the estimated revenues from sources other than taxation, and an estimate of the amount required to be raised by taxation. In 2004 only, the Governor shall submit the capital development section of the State budget not later than the fourth Tuesday of March (March 23, 2004). The amounts recommended by the Governor for appropriation to the respective departments, offices and institutions shall be formulated according to the various functions and activities for which the respective department, office or institution of the State government (including the elective officers in the executive department and including the University of Illinois and the judicial department) is responsible. The amounts relating to particular functions and activities shall be further formulated in accordance with the object classification specified in Section 13 of the State Finance Act.

The Governor shall not propose expenditures and the General Assembly shall not enact appropriations that exceed the resources estimated to be available, as provided in this Section.

For the purposes of Article VIII, Section 2 of the 1970 Illinois Constitution, the State budget for the following funds

shall be prepared on the basis of revenue and expenditure measurement concepts that are in concert with generally accepted accounting principles for governments:

- (1) General Revenue Fund.
- (2) Common School Fund.
- (3) Educational Assistance Fund.
- (4) Road Fund.
- (5) Motor Fuel Tax Fund.
- (6) Agricultural Premium Fund.

These funds shall be known as the "budgeted funds". The revenue estimates used in the State budget for the budgeted funds shall include the estimated beginning fund balance, plus revenues estimated to be received during the budgeted year, plus the estimated receipts due the State as of June 30 of the budgeted year that are expected to be collected during the lapse period following the budgeted year, minus the receipts collected during the first 2 months of the budgeted year that became due to the State in the year before the budgeted year. Revenues shall also include estimated federal reimbursements associated with the recognition of Section 25 of the State Finance Act liabilities. For any budgeted fund for which current year revenues are anticipated to exceed expenditures, the surplus shall be considered to be a resource available for expenditure in the budgeted fiscal year.

Expenditure estimates for the budgeted funds included in the State budget shall include the costs to be incurred by the State for the budgeted year, to be paid in the next fiscal year, excluding costs paid in the budgeted year which were carried over from the prior year, where the payment is authorized by Section 25 of the State Finance Act. For any budgeted fund for which expenditures are expected to exceed revenues in the current fiscal year, the deficit shall be considered as a use of funds in the budgeted fiscal year.

Revenues and expenditures shall also include transfers between funds that are based on revenues received or costs incurred during the budget year.

By March 15 of each year, the ~~Economic and Fiscal~~ Commission on Government Forecasting and Accountability shall prepare revenue and fund transfer estimates in accordance with the requirements of this Section and report those estimates to the General Assembly and the Governor.

For all funds other than the budgeted funds, the proposed expenditures shall not exceed funds estimated to be available for the fiscal year as shown in the budget. Appropriation for a fiscal year shall not exceed funds estimated by the General Assembly to be available during that year.

(Source: P.A. 93-1, eff. 2-6-03; 93-662, eff. 2-11-04.)

Section 13. The Department of Central Management Services Law of the Civil Administrative Code of Illinois is amended by changing Section 405-410 as follows:

(20 ILCS 405/405-410)

Sec. 405-410. Transfer of Information Technology functions.

(a) Notwithstanding any other law to the contrary, the Director of Central Management Services, working in cooperation with the Director of any other agency, department, board, or commission directly responsible to the Governor, may direct the transfer, to the Department of Central Management Services, of those information technology functions at that agency, department, board, or commission that are suitable for centralization.

Upon receipt of the written direction to transfer information technology functions to the Department of Central Management Services, the personnel, equipment, and property (both real and personal) directly relating to the transferred functions shall be transferred to the Department of Central Management Services, and the relevant documents, records, and correspondence shall be transferred or copied, as the Director may prescribe.

(b) Upon receiving written direction from the Director of

Central Management Services, the Comptroller and Treasurer are authorized to transfer the unexpended balance of any appropriations related to the information technology functions transferred to the Department of Central Management Services and shall make the necessary fund transfers from any special fund in the State Treasury or from any other federal or State trust fund held by the Treasurer to the General Revenue Fund, the Statistical Services Revolving Fund, or the Communications Revolving Fund, as designated by the Director of Central Management Services, for use by the Department of Central Management Services in support of information technology functions or any other related costs or expenses of the Department of Central Management Services.

(c) The rights of employees and the State and its agencies under the Personnel Code and applicable collective bargaining agreements or under any pension, retirement, or annuity plan shall not be affected by any transfer under this Section.

(d) The functions transferred to the Department of Central Management Services by this Section shall be vested in and shall be exercised by the Department of Central Management Services. Each act done in the exercise of those functions shall have the same legal effect as if done by the agencies, offices, divisions, departments, bureaus, boards and commissions from which they were transferred.

Every person or other entity shall be subject to the same obligations and duties and any penalties, civil or criminal, arising therefrom, and shall have the same rights arising from the exercise of such rights, powers, and duties as had been exercised by the agencies, offices, divisions, departments, bureaus, boards, and commissions from which they were transferred.

Whenever reports or notices are now required to be made or given or papers or documents furnished or served by any person in regards to the functions transferred to or upon the agencies, offices, divisions, departments, bureaus, boards, and commissions from which the functions were transferred, the

same shall be made, given, furnished or served in the same manner to or upon the Department of Central Management Services.

This Section does not affect any act done, ratified, or cancelled or any right occurring or established or any action or proceeding had or commenced in an administrative, civil, or criminal cause regarding the functions transferred, but those proceedings may be continued by the Department of Central Management Services.

This Section does not affect the legality of any rules in the Illinois Administrative Code regarding the functions transferred in this Section that are in force on the effective date of this Section. If necessary, however, the affected agencies shall propose, adopt, or repeal rules, rule amendments, and rule recodifications as appropriate to effectuate this Section.

(Source: P.A. 93-25, eff. 6-20-03; 93-839, eff. 7-30-04.)

Section 15. The Department of Commerce and Economic Opportunity Law of the Civil Administrative Code of Illinois is amended by changing Section 605-335 as follows:

(20 ILCS 605/605-335) (was 20 ILCS 605/46.4a)

Sec. 605-335. Incentives to foreign firms.

(a) For purposes of this Section:

"Foreign firm" means any industrial or manufacturing enterprise that is domiciled in a nation other than the United States.

"Incentives" means a loan or grant or offering, abatement, reduction, or deferral of any tax or regulation imposed by the State of Illinois or a unit of local government when the aggregate total of all those incentives will exceed \$10,000.

(b) Whenever the Department offers incentives to a foreign firm designed to result in the location or relocation of a facility in this State that will result in the creation of more than 25 new jobs, the Department shall prepare an economic



impact study prior to the consummation of an agreement with the foreign firm. An economic impact study pursuant to this Section shall, if practical, include but not be limited to the following:

(1) An analysis of the number of direct jobs to be created, the number of indirect jobs to be created, and the net gain in employment in relation to jobs to be potentially lost by other similar and competing firms within the industry located within this State.

(2) The effect on local and regional competition within the industry from the industry or business to be located or relocated.

(3) The degree of economic benefits of awarding the same incentives to similar and existing industries or businesses located within the State.

(4) An examination of how the location or relocation of the foreign firm complements existing industries or businesses located within this State.

(5) The relationship of the fiscal costs to the State or unit of local government resulting from the incentives relative to the fiscal return to the State or units of local government derived from the location or relocation of the firm.

(c) A report of any economic impact studies prepared by the Department in the previous 3 months pursuant to this Section shall be transmitted to the Governor, members of the General Assembly, and the ~~Illinois Economic and Fiscal~~ Commission on Government Forecasting and Accountability quarterly. In addition to the report, the Department shall include a statement of incentives subject to the agreement with the foreign firm, the name and type of foreign firm involved and a description of its business or industrial activity, the proposed location of the foreign firm, and a statement describing the rationale for the location relative to other locations within the State. The ~~Illinois Economic and Fiscal~~ Commission on Government Forecasting and Accountability shall

evaluate each report received from the Department and present the evaluation and report to the Commission members and legislative leaders within 30 days upon receipt of each report from the Department.

(Source: P.A. 91-239, eff. 1-1-00.)

Section 20. The Illinois Enterprise Zone Act is amended by changing Section 5.5 as follows:

(20 ILCS 655/5.5) (from Ch. 67 1/2, par. 609.1)

Sec. 5.5. High Impact Business.

(a) In order to respond to unique opportunities to assist in the encouragement, development, growth and expansion of the private sector through large scale investment and development projects, the Department is authorized to receive and approve applications for the designation of "High Impact Businesses" in Illinois subject to the following conditions:

(1) such applications may be submitted at any time during the year;

(2) such business is not located, at the time of designation, in an enterprise zone designated pursuant to this Act;

(3) (A) the business intends to make a minimum investment of \$12,000,000 which will be placed in service in qualified property and intends to create 500 full-time equivalent jobs at a designated location in Illinois or intends to make a minimum investment of \$30,000,000 which will be placed in service in qualified property and intends to retain 1,500 full-time jobs at a designated location in Illinois. The business must certify in writing that the investments would not be placed in service in qualified property and the job creation or job retention would not occur without the tax credits and exemptions set forth in subsection (b) of this Section. The terms "placed in service" and "qualified property" have the

same meanings as described in subsection (h) of Section 201 of the Illinois Income Tax Act; or

(B) the business intends to establish a new electric generating facility at a designated location in Illinois. "New electric generating facility"    for purposes of this Section    means a newly-constructed electric generation plant or a newly-constructed generation capacity expansion at an existing electric generation plant, including the transmission lines and associated equipment that transfers electricity from points of supply to points of delivery, and for which such new foundation construction commenced not sooner than July 1, 2001. Such facility shall be designed to provide baseload electric generation and shall operate on a continuous basis throughout the year; and shall have an aggregate rated generating capacity of at least 1,000 megawatts for all new units at one site if it uses natural gas as its primary fuel and foundation construction of the facility is commenced on or before December 31, 2004, or shall have an aggregate rated generating capacity of at least 400 megawatts for all new units at one site if it uses coal or gases derived from coal as its primary fuel and shall support the creation of at least 150 new Illinois coal mining jobs. The business must certify in writing that the investments necessary to establish a new electric generating facility would not be placed in service and the job creation in the case of a coal-fueled plant would not occur without the tax credits and exemptions set forth in subsection (b-5) of this Section. The term "placed in service" has the same meaning as described in subsection (h) of Section 201 of the Illinois Income Tax Act; or

(C) the business intends to establish production operations at a new coal mine, re-establish production operations at a closed coal mine, or expand production

at an existing coal mine at a designated location in Illinois not sooner than July 1, 2001; provided that the production operations result in the creation of 150 new Illinois coal mining jobs as described in subdivision (a)(3)(B) of this Section, and further provided that the coal extracted from such mine is utilized as the predominant source for a new electric generating facility. The business must certify in writing that the investments necessary to establish a new, expanded, or reopened coal mine would not be placed in service and the job creation would not occur without the tax credits and exemptions set forth in subsection (b-5) of this Section. The term "placed in service" has the same meaning as described in subsection (h) of Section 201 of the Illinois Income Tax Act; or

(D) the business intends to construct new transmission facilities or upgrade existing transmission facilities at designated locations in Illinois, for which construction commenced not sooner than July 1, 2001. For the purposes of this Section, "transmission facilities" means transmission lines with a voltage rating of 115 kilovolts or above, including associated equipment, that transfer electricity from points of supply to points of delivery and that transmit a majority of the electricity generated by a new electric generating facility designated as a High Impact Business in accordance with this Section. The business must certify in writing that the investments necessary to construct new transmission facilities or upgrade existing transmission facilities would not be placed in service without the tax credits and exemptions set forth in subsection (b-5) of this Section. The term "placed in service" has the same meaning as described in subsection (h) of Section 201 of the Illinois Income

Tax Act; and

(4) no later than 90 days after an application is submitted, the Department shall notify the applicant of the Department's determination of the qualification of the proposed High Impact Business under this Section.

(b) Businesses designated as High Impact Businesses pursuant to subdivision (a) (3) (A) of this Section shall qualify for the credits and exemptions described in the following Acts: Section 9-222 and Section 9-222.1A of the Public Utilities Act, subsection (h) of Section 201 of the Illinois Income Tax Act, ~~and~~ Section 1d of the Retailers' Occupation Tax Act, ~~and~~ provided that these credits and exemptions described in these Acts shall not be authorized until the minimum investments set forth in subdivision (a) (3) (A) of this Section have been placed in service in qualified properties and, in the case of the exemptions described in the Public Utilities Act and Section 1d of the Retailers' Occupation Tax Act, the minimum full-time equivalent jobs or full-time jobs set forth in subdivision (a) (3) (A) of this Section have been created or retained. Businesses designated as High Impact Businesses under this Section shall also qualify for the exemption described in Section 51 of the Retailers' Occupation Tax Act. The credit provided in subsection (h) of Section 201 of the Illinois Income Tax Act shall be applicable to investments in qualified property as set forth in subdivision (a) (3) (A) of this Section.

(b-5) Businesses designated as High Impact Businesses pursuant to subdivisions (a) (3) (B), (a) (3) (C), and (a) (3) (D) of this Section shall qualify for the credits and exemptions described in the following Acts: Section 51 of the Retailers' Occupation Tax Act, Section 9-222 and Section 9-222.1A of the Public Utilities Act, and subsection (h) of Section 201 of the Illinois Income Tax Act; however, the credits and exemptions authorized under Section 9-222 and Section 9-222.1A of the Public Utilities Act, and subsection (h) of Section 201 of the Illinois Income Tax Act shall not be authorized until the new electric generating facility, the new transmission facility,

or the new, expanded, or reopened coal mine is operational, except that a new electric generating facility whose primary fuel source is natural gas is eligible only for the exemption under Section 51 of the Retailers' Occupation Tax Act.

(c) High Impact Businesses located in federally designated foreign trade zones or sub-zones are also eligible for additional credits, exemptions and deductions as described in the following Acts: Section 9-221 and Section 9-222.1 of the Public Utilities Act; and subsection (g) of Section 201, and Section 203 of the Illinois Income Tax Act.

(d) Existing Illinois businesses which apply for designation as a High Impact Business must provide the Department with the prospective plan for which 1,500 full-time jobs would be eliminated in the event that the business is not designated.

(e) New proposed facilities which apply for designation as High Impact Business must provide the Department with proof of alternative non-Illinois sites which would receive the proposed investment and job creation in the event that the business is not designated as a High Impact Business.

(f) In the event that a business is designated a High Impact Business and it is later determined after reasonable notice and an opportunity for a hearing as provided under the Illinois Administrative Procedure Act, that the business would have placed in service in qualified property the investments and created or retained the requisite number of jobs without the benefits of the High Impact Business designation, the Department shall be required to immediately revoke the designation and notify the Director of the Department of Revenue who shall begin proceedings to recover all wrongfully exempted State taxes with interest. The business shall also be ineligible for all State funded Department programs for a period of 10 years.

(g) The Department shall revoke a High Impact Business designation if the participating business fails to comply with the terms and conditions of the designation.

(h) Prior to designating a business, the Department shall provide the members of the General Assembly and ~~Illinois Economic and Fiscal~~ Commission on Government Forecasting and Accountability with a report setting forth the terms and conditions of the designation and guarantees that have been received by the Department in relation to the proposed business being designated.

(Source: P.A. 91-914, eff. 7-7-00; 92-12, eff. 7-1-01; revised 3-7-02.)

Section 25. The State and Regional Development Strategy Act is amended by changing Section 20-10 as follows:

(20 ILCS 695/20-10)

Sec. 20-10. Strategic Planning. The Department of Commerce and Economic Opportunity ~~Community Affairs~~ may prepare an economic development strategy for Illinois. By no later than February 1, 2001 and biennially thereafter, the Department may make modifications in the economic development strategy as the modifications are warranted by changes in economic conditions or by other factors, including changes in policy. In preparing the strategy and in making modifications to the strategy, the Department may take cognizance of the special economic attributes of the various component areas of the State.

(1) The "component areas" shall be determined by the Department and may group counties that are close in geographical proximity and share common economic traits such as commuting zones, labor market areas, or other economically integrated regions.

(2) The strategy may recommend actions for promoting sustained economic growth at or above national rates of economic growth.

(3) The strategy may include an assessment of historical patterns of economic activity for the State and projections of future economic trends using national economic trends and projections for comparative purposes.

All assumptions made in the formulation of the economic projections shall be clearly and explicitly set forth in the strategy.

(4) The strategy may identify those community economic improvement characteristics that will positively influence the rate of overall State economic growth.

(5) The strategy may recommend actions to foster and promote economic growth, taking into account indigenous resources and prevalent economic factors.

(A) The strategy may identify the critical business development approaches being considered or to be considered. The approaches may include, but are not limited to: investment recruitment, such as industry attraction, expansion and retention; trade development efforts including international trade, support for small businesses' efforts to export products and services, tourism attraction and development including cultural tourism; technology development efforts including technology commercialization and manufacturing modernization; and business development efforts, including entrepreneurship and entrepreneurial education, small business management assistance, and business financing.

(B) The strategy may identify for the State and each region the critical workforce training and development approaches being considered or to be considered. The approaches may include, but are not limited to: customized job training, retraining and skill upgrading, economic adjustment, job creation and addressing labor shortages in areas of high demand; the market for and quality of the local labor force; the quality of the education and workforce infrastructure; and related issues.

(C) The strategy may identify the critical community development approaches being considered or to be considered. The approaches may include, but are



not limited to: community growth management such as regional planning and smart growth; area revitalization including brownfields redevelopment and facility reuse; and family self-sufficiency such as through housing conservation and economic opportunity.

(D) The strategy may identify the critical public facilities development approaches being considered or to be considered. The approaches may include, but are not limited to: local public services; the local, regional, and State tax and regulatory climate; the physical infrastructure, including communications and transportation systems; the capacity of area utilities; and the quality of public institutions such as schools.

(E) The strategy may identify the other critical marketplace systems, including: the financial marketplace; the competitive advantages of the area in terms of natural resources, capital resources or technology resources; and other factors affecting area development.

(6) In preparing the strategy or modifications to the strategy, the Department may work with State agencies, boards, and commissions whose programs and activities significantly affect economic activity in the State as appropriate. The Directors of the agencies, boards, and commissions shall provide the assistance to the Department as the Governor deems appropriate.

(7) In preparing the strategy or the modifications to the strategy, the Department may consult with local and regional economic development organizations, local elected officials, community-based organizations, service delivery providers, and other organizations whose programs and activities significantly affect economic activity.

(8) In preparing the strategy or the modifications to the strategy, the Department may take into consideration any decisions or recommendations related to programs,

services, and government regulations that have been rendered as a result of a Statewide Performance Review.

(9) The strategy shall be presented to the Governor, the President and Minority Leader of the Senate, the Speaker and Minority Leader of the House of Representatives, the members of the Illinois Economic Development Board, and the Chair of the ~~Economic and Fiscal~~ Commission on Government Forecasting and Accountability on February 1, 2001 and biennially thereafter, as warranted by changes in economic conditions or by other factors, including changes in policy.

(10) The strategy shall be published and made available to the public in both paper and electronic media.

(Source: P.A. 91-476, eff. 8-11-99; 92-490, eff. 8-23-01; revised 12-6-03.)

Section 30. The Department of Revenue Law of the Civil Administrative Code of Illinois is amended by changing Section 2505-550 as follows:

(20 ILCS 2505/2505-550) (was 20 ILCS 2505/39b51)

Sec. 2505-550. Jobs Impact Committee and report. With respect to the credits provided for by Sections 209 and 210 of the Illinois Income Tax Act, Section 3-50 of the Use Tax Act, Section 2 of the Service Use Tax Act, Section 2 of the Service Occupation Tax Act, and Section 2-45 of the Retailers' Occupation Tax Act, there is hereby created a Jobs Impact Committee, which shall consist of the Director or the person or persons the Director may designate, and the representative or representatives that shall be designated to serve on the Committee by the Department of Commerce and Economic Opportunity ~~Community Affairs~~, the Governor's Office of Management and Budget ~~Bureau of the Budget~~, and the ~~Economic and Fiscal~~ Commission on Government Forecasting and Accountability. The Committee, so assembled, shall invite and appoint 2 members of the businesses that are eligible for the

credits provided by those Sections. The Committee shall study the use and effectiveness of these credits with regard to job creation relative to the revenue loss to the State from the provision of these credits. The Director shall, on behalf of the Committee, submit the Committee's report to the General Assembly on or before June 30, 1998.

(Source: P.A. 90-552, eff. 12-12-97; 91-239, eff. 1-1-00; revised 8-23-03.)

Section 35. The Governor's Office of Management and Budget Act is amended by changing Sections 2.5 and 2.6 as follows:

(20 ILCS 3005/2.5) (from Ch. 127, par. 412.5)

Sec. 2.5. Effective January 1, 1980, to require the preparation and submission of an annual long-range capital expenditure plan for all State agencies. Such Capital Plan shall detail each project for each of the following 3 fiscal years, including the project cost in current dollar amounts, the future maintenance costs for the completed project, the anticipated life expectancy of the project and the impact the project will have on the annual operating budget for the agency. Each State agency's annual capital plan shall include energy conservation projects intended to reduce energy costs to the greatest extent possible in those agency's buildings and facilities included in the capital plan. Each State agency's annual capital plan shall be submitted to the Office no later than January 15th of each year. A summary of all capital plans and future needs assessments shall be included in the Governor's Budget Request and the detail of the capital plans shall be delivered to the Chairmen and Minority Spokesmen of the House and Senate Appropriations Committees and the ~~Illinois Economic and Fiscal~~ Commission on Government Forecasting and Accountability on the date of the Governor's Budget Address to the General Assembly; except that, in 2004 only, the summary and detail shall be delivered not later than the fourth Tuesday in March (March 23, 2004).

(Source: P.A. 93-25, eff. 6-20-03; 93-662, eff. 2-11-04.)

(20 ILCS 3005/2.6) (from Ch. 127, par. 412.6)

Sec. 2.6. To provide bond indentures to the ~~Illinois Economic and Fiscal~~ Commission on Government Forecasting and Accountability no later than 7 calendar days following the sale or issuance of any bonds.

(Source: P.A. 81-1094.)

Section 40. The Illinois Capital Budget Act is amended by changing Sections 3 and 6 as follows:

(20 ILCS 3010/3) (from Ch. 127, par. 3103)

Sec. 3. Each capital improvement program shall include, but not be limited to, roads, bridges, buildings, including schools, prisons, recreational facilities and conservation areas, and other infrastructure facilities that are owned by the State of Illinois.

Each capital improvement program shall include a needs assessment of the State's capital facilities. Each needs assessment shall include where possible the inventory, age, condition, use, sources of financing, past investment, maintenance history, trends in condition, financing and investment, and projected dollar amount of need in the next 5 years, 10 years, and until the year 2000. Needs assessment of State facilities shall use, to the fullest extent possible, existing studies and data from other agencies such as the Illinois Department of Transportation, the Illinois Environmental Protection Agency, the ~~Illinois Economic and Fiscal~~ Commission on Government Forecasting and Accountability, the Capital Development Board, the Governor's Task Force on the Future of Illinois, and relevant federal agencies, so that studies can be completed as efficiently as possible, and so information on needs can be used to seek federal funds as soon as possible.

Each capital improvement program shall include an

identification and analysis of factors that affect estimated capital investment needs, including but not limited to, economic assumptions, engineering standards, estimates of spending for operations and maintenance, federal and State regulations, and estimation of demand for services.

Each capital improvement program shall include an identification and analysis of the principal policy issues that affect estimated capital investment needs, including but not limited to, economic development policy, equity considerations, policies regarding alternative technologies, political jurisdiction over different infrastructure systems, and the role of the private sector in planning for and investing in infrastructure.

(Source: P.A. 92-16, eff. 6-28-01.)

(20 ILCS 3010/6) (from Ch. 127, par. 3106)

Sec. 6. The Governor's Office of Management and Budget ~~Bureau of the Budget~~ shall prepare and submit an assessment of the State's capital project needs to the following: the Speaker and Minority Leader of the House of Representatives, the President and Minority Leader of the Senate and the ~~Illinois Economic and Fiscal~~ Commission on Government Forecasting and Accountability. The assessment shall be included in the Governor's annual State budget and shall discuss the State's needs in the next fiscal year and in the next 5 fiscal years.

(Source: P.A. 86-192; revised 8-23-03.)

Section 45. The Asbestos Abatement Finance Act is amended by changing Section 10 as follows:

(20 ILCS 3510/10) (from Ch. 111 1/2, par. 8110)

Sec. 10. Authority records and reports. The accounts and books of the Authority in connection with this Act shall be set up on and maintained in a manner approved by the Auditor General, and the Authority shall file with the Auditor General a certified annual report of its acts and doings under this Act

within 120 days after the close of its fiscal year. The Authority shall also file with the Governor, the Secretary of the Senate, the Clerk of the House of Representatives, and the ~~Illinois Economic and Fiscal~~ Commission on Government Forecasting and Accountability, by March 1 of each year, commencing March 1, 1990, a written report covering its activities under this Act for the previous fiscal year. After such filing, such report shall be a public record and open for inspection at the offices of the Authority during normal business hours.

(Source: P.A. 86-976.)

Section 50. The Illinois Environmental Facilities Financing Act is amended by changing Section 7 as follows:

(20 ILCS 3515/7) (from Ch. 127, par. 727)

Sec. 7. Powers. In addition to the powers otherwise authorized by law, for the purposes of this Act, the State authority shall have the following powers together with all powers incidental thereto or necessary for the performance thereof:

(1) to have perpetual succession as a body politic and corporate;

(2) to adopt bylaws for the regulation of its affairs and the conduct of its business;

(3) to sue and be sued and to prosecute and defend actions in the courts;

(4) to have and to use a corporate seal and to alter the same at pleasure;

(5) to maintain an office at such place or places as it may designate;

(6) to determine the location, pursuant to the Environmental Protection Act, and the manner of construction of any environmental or hazardous waste treatment facility to be financed under this Act and to acquire, construct, reconstruct, repair, alter, improve, extend, own, finance, lease, sell and

otherwise dispose of the facility, to enter into contracts for any and all of such purposes, to designate a person as its agent to determine the location and manner of construction of an environmental or hazardous waste treatment facility undertaken by such person under the provisions of this Act and as agent of the authority to acquire, construct, reconstruct, repair, alter, improve, extend, own, lease, sell and otherwise dispose of the facility, and to enter into contracts for any and all of such purposes;

(7) to finance and to lease or sell to a person any or all of the environmental or hazardous waste treatment facilities upon such terms and conditions as the directing body considers proper, and to charge and collect rent or other payments therefor and to terminate any such lease or sales agreement or financing agreement upon the failure of the lessee, purchaser or debtor to comply with any of the obligations thereof; and to include in any such lease or other agreement, if desired, provisions that the lessee, purchaser or debtor thereunder shall have options to renew the term of the lease, sales or other agreement for such period or periods and at such rent or other consideration as shall be determined by the directing body or to purchase any or all of the environmental or hazardous waste treatment facilities for a nominal amount or otherwise or that at or prior to the payment of all of the indebtedness incurred by the authority for the financing of such environmental or hazardous waste treatment facilities the authority may convey any or all of the environmental or hazardous waste treatment facilities to the lessee or purchaser thereof with or without consideration;

(8) to issue bonds for any of its corporate purposes, including a bond issuance for the purpose of financing a group of projects involving environmental facilities, and to refund those bonds, all as provided for in this Act and subject to Section 13 of this Act;

(9) generally to fix and revise from time to time and charge and collect rates, rents, fees and charges for the use

of and services furnished or to be furnished by any environmental or hazardous waste treatment facility or any portion thereof and to contract with any person, firm or corporation or other body public or private in respect thereof;

(10) to employ consulting engineers, architects, attorneys, accountants, construction and financial experts, superintendents, managers and such other employees and agents as may be necessary in its judgment and to fix their compensation;

(11) to receive and accept from any public agency loans or grants for or in aid of the construction of any environmental facility and any portion thereof, or for equipping the facility, and to receive and accept grants, gifts or other contributions from any source;

(12) to refund outstanding obligations incurred by any person to finance the cost of an environmental or hazardous waste treatment facility including obligations incurred for environmental or hazardous waste treatment facilities undertaken and completed prior to or after the enactment of this Act when the authority finds that such financing is in the public interest;

(13) to prohibit the financing of environmental facilities for new coal-fired electric steam generating plants and new coal-fired industrial boilers which do not use Illinois coal as the primary source of fuel;

(14) to set and impose appropriate financial penalties on any person who receives financing from the State authority based on a commitment to use Illinois coal as the primary source of fuel at a new coal-fired electric utility steam generating plant or new coal-fired industrial boiler and later uses non-Illinois coal as the primary source of fuel;

(15) to fix, determine, charge and collect any premiums, fees, charges, costs and expenses, including, without limitation, any application fees, program fees, commitment fees, financing charges or publication fees in connection with its activities under this Act; all expenses of the State



authority incurred in carrying out this Act are payable solely from funds provided under the authority of this Act and no liability shall be incurred by any authority beyond the extent to which moneys are provided under this Act. All fees and moneys accumulated by the Authority as provided in this Act or the Illinois Finance Authority Act shall be held outside of the State treasury and in the custody of the Treasurer of the Authority; and

(16) to do all things necessary and convenient to carry out the purposes of this Act.

The State authority may not operate any environmental or hazardous waste treatment facility as a business except for the purpose of protecting or maintaining such facility as security for bonds of the State authority. No environmental or hazardous waste treatment facilities completed prior to January 1, 1970 may be financed by the State authority under this Act, but additions and improvements to such environmental or hazardous waste treatment facilities which are commenced subsequent to January 1, 1970 may be financed by the State authority. Any lease, sales agreement or other financing agreement in connection with an environmental or hazardous waste treatment facility entered into pursuant to this Act must be for a term not shorter than the longest maturity of any bonds issued to finance such environmental or hazardous waste treatment facility or a portion thereof and must provide for rentals or other payments adequate to pay the principal of and interest and premiums, if any, on such bonds as the same fall due and to create and maintain such reserves and accounts for depreciation, if any, as the directing body determines to be necessary.

The Authority shall give priority to providing financing for the establishment of hazardous waste treatment facilities necessary to achieve the goals of Section 22.6 of the Environmental Protection Act.

The Authority shall give special consideration to small businesses in authorizing the issuance of bonds for the

financing of environmental facilities pursuant to subsection (c) of Section 2.

The Authority shall make a financial report on all projects financed under this Section to the General Assembly, to the Governor, and to the ~~Illinois Economic and Fiscal~~ Commission on Government Forecasting and Accountability by April 1 of each year. Such report shall be a public record and open for inspection at the offices of the Authority during normal business hours. The report shall include: (a) all applications for loans and other financial assistance presented to the members of the Authority during such fiscal year, (b) all projects and owners thereof which have received any form of financial assistance from the Authority during such year, (c) the nature and amount of all such assistance, and (d) projected activities of the Authority for the next fiscal year, including projection of the total amount of loans and other financial assistance anticipated and the amount of revenue bonds or other evidences of indebtedness that will be necessary to provide the projected level of assistance during the next fiscal year.

The requirement for reporting to the General Assembly shall be satisfied by filing copies of the report with the Speaker, the Minority Leader and the Clerk of the House of Representatives and the President, the Minority Leader and the Secretary of the Senate and the Legislative Research Unit, as required by Section 3.1 of "An Act to revise the law in relation to the General Assembly", approved February 25, 1874, as amended, and filing such additional copies with the State Government Report Distribution Center for the General Assembly as is required under paragraph (t) of Section 7 of the State Library Act.

(Source: P.A. 93-205, eff. 1-1-04.)

Section 55. The Illinois Housing Development Act is amended by changing Section 5 as follows:

(20 ILCS 3805/5) (from Ch. 67 1/2, par. 305)

Sec. 5. The Governor shall designate the Chairman, from time to time, and the Authority shall annually elect from its membership a vice chairman a treasurer, and a secretary. The Chairman shall be the chief executive officer of the Authority. The secretary shall keep a record of the proceedings of the Authority. The treasurer of the Authority shall be custodian of all Authority funds, and shall be bonded in such amount as the other members of the Authority may designate. The accounts and books of the Authority shall be set up and maintained in a manner approved by the Auditor General, and the Authority shall file with the Auditor General a certified annual report within 120 days after the close of its fiscal year. The Authority shall also file with the Governor, the Secretary of the Senate, the Clerk of the House of Representatives and the ~~Illinois Economic and Fiscal~~ Commission on Government Forecasting and Accountability, by March 1 of each year, a written report covering its activities, and any activities of any instrumentality corporation established pursuant to this Act, for the previous fiscal year and, when so filed, such report shall be a public record and open for inspection at the offices of the Authority during normal business hours. The report shall include a complete list of (a) all applications for mortgage loans and other financial assistance regarding developments of more than four living units presented to the members of the Authority during such fiscal year, (b) all developments and housing related commercial facilities and the owners thereof which have received any form of financial assistance from the Authority during such fiscal year, (c) the nature and amount of all such financial assistance, (d) the dwelling unit distribution and estimated rent structure for each development financed by the Authority during such fiscal year, (e) projected activities of the Authority for the next fiscal year, including a projection of the total amount of mortgages and other financial assistance anticipated and the amount of revenue bonds or other evidences of indebtedness that will be necessary to provide the projected level of assistance during

the next fiscal year, and (f) activities related to allocation of low-income housing credits.

(Source: P.A. 85-612.)

Section 60. The Pension Impact Note Act is amended by changing Section 2 as follows:

(25 ILCS 55/2) (from Ch. 63, par. 42.42)

Sec. 2. Pension impact notes. The ~~Illinois Economic and Fiscal~~ Commission on Government Forecasting and Accountability, hereafter in this Act referred to as the "Commission", shall prepare a written pension system impact note in relation to any bill introduced in either house of the General Assembly which proposes to amend, revise, or add to any provision of the Illinois Pension Code or the State Pension Funds Continuing Appropriation Act. Upon the introduction of any such bill, the Clerk of the House or the Secretary of the Senate shall forward the bill to the Commission, which shall prepare such a note within 7 calendar days after receiving the request. The bill shall be held on second reading until the note has been received.

Copies of each pension impact note shall be furnished by the Commission to the presiding officer of each house, the minority leader of each house, the Clerk of the House of Representatives, the Secretary of the Senate, the sponsor of the bill which is the subject of the note, the member, if any, who initiated the request for the note, the Chairman of the House Committee on Personnel and Pensions, and the Chairman of the Senate Committee on Insurance, Pensions and Licensed Activities.

(Source: P.A. 93-632, eff. 2-1-04.)

Section 65. The State Debt Impact Note Act is amended by changing the title of the Act and Sections 3, 5, and 7 as follows:

(25 ILCS 65/Act title)

An Act in relation to the providing of information on the State's long-term debt service requirements ~~and to amend in connection therewith Section 3 of "An Act creating the Illinois Economic and Fiscal Commission, defining its powers and duties, making an appropriation therefor, repealing an Act therein named, and providing for the transfer of appropriations in connection therewith", approved July 13, 1972, as amended.~~

(25 ILCS 65/3) (from Ch. 63, par. 42.73)

Sec. 3. The ~~Illinois Economic and Fiscal~~ Commission on Government Forecasting and Accountability shall prepare a written State Debt Impact Note in relation to any bill introduced in either house of the General Assembly which proposes to increase or add new long term debt authorization or would require, through appropriation, the use of bond financed funds. Upon the assignment of any such bill to Committee, the chairperson of the Committee on Assignments in the House of Representatives or the chairperson of the Committee on Assignment of Bills in the Senate shall forward the bill to the ~~Illinois Economic and Fiscal~~ Commission on Government Forecasting and Accountability which shall prepare such a note within 7 calendar days after receiving the request and the bill shall be held on second reading until the note has been received, except that whenever, because of the complexity of the measure, additional time is required for preparation of the note, the Commission may so inform the sponsor of the bill, who may approve an extension of the time within which the note is to be furnished for an additional 7 calendar days. Copies of each State Debt Impact Note shall be furnished by the Commission to the presiding officer of each house, the minority leader of each house, the Clerk of the House of Representatives, the Secretary of the Senate, the sponsor of the bill which is the subject of the note, the member, if any, who initiated the request for the note, the Chairperson and Minority Spokespersons of the House and Senate Appropriations

and Revenue Committees.

(Source: P.A. 81-615.)

(25 ILCS 65/5) (from Ch. 63, par. 42.75)

Sec. 5. The ~~Illinois Economic and Fiscal~~ Commission on Government Forecasting and Accountability may include in any State Debt Impact Note any comment or opinion which it deems appropriate with regard to the fiscal and financial impact of the measure for which the note is prepared.

(Source: P.A. 81-615.)

(25 ILCS 65/7) (from Ch. 63, par. 42.77)

Sec. 7. Whenever any committee of either house reports any bill which is required by this Act to have a long-term debt note with an amendment or whenever any bill is amended on the floor of either house in such manner as to substantially affect the impact of the bill on the State's debt service capacity, the ~~Illinois Economic and Fiscal~~ Commission on Government Forecasting and Accountability shall upon request by any member of the house by which the bill is being considered prepare a new or revised State Debt Impact Note in relation to the amended bill. Copies of each new or revised State Debt Impact Note shall be furnished to the persons named in Section 2.

Whenever any member of either House is of the opinion that a State Debt Impact Note should be prepared on any bill and such note has not been requested, the member may at any time before the bill is moved to third reading request that such a note be obtained, in which case the bill shall be submitted to the ~~Economic and Fiscal~~ Commission on Government Forecasting and Accountability for preparation of the note. If the sponsor is of the opinion that a long-term debt note is not required, the matter shall be decided by majority vote of those present and voting in the House of which he is a member.

(Source: P.A. 81-615.)

Section 70. The Legislative Commission Reorganization Act

of 1984 is amended by changing Sections 1-3, 3-1, and 3A-1 as follows:

(25 ILCS 130/1-3) (from Ch. 63, par. 1001-3)

Sec. 1-3. Legislative support services agencies. The Joint Committee on Legislative Support Services is responsible for establishing general policy and coordinating activities among the legislative support services agencies. The legislative support services agencies include the following:

(1) Joint Committee on Administrative Rules;

(2) ~~Illinois Economic and Fiscal~~ Commission on Government Forecasting and Accountability;

(3) Legislative Information System;

(4) Legislative Reference Bureau;

(5) Legislative Audit Commission;

(6) Legislative Printing Unit;

(7) Legislative Research Unit; and

(8) Office of the Architect of the Capitol.

(Source: P.A. 93-632, eff. 2-1-04.)

(25 ILCS 130/3-1) (from Ch. 63, par. 1003-1)

Sec. 3-1. The ~~Illinois Economic and Fiscal~~ Commission on Government Forecasting and Accountability is hereby established as a legislative support services agency. The Commission is subject to the provisions of this Act and shall perform the powers and duties delegated to it under "An Act creating the ~~Illinois Economic and Fiscal~~ Commission on Government Forecasting and Accountability, ~~defining its powers and duties, making an appropriation therefor, repealing an Act therein named, and providing for the transfer of appropriations in connection therewith~~", approved July 13, 1972, as amended, and such other functions as may be provided by law.

(Source: P.A. 83-1257.)

(25 ILCS 130/3A-1)

Sec. 3A-1. ~~Economic and Fiscal~~ Commission on Government

Forecasting and Accountability; pension laws.

(a) The ~~Economic and Fiscal~~ Commission on Government Forecasting and Accountability shall have the powers, duties, and functions that may be provided by law.

(b) The Commission shall make a continuing study of the laws and practices pertaining to pensions and related retirement and disability benefits for persons in State or local government service and their survivors and dependents, shall evaluate existing laws and practices, and shall review and make recommendations on proposed changes to those laws and practices.

(c) The Commission shall be responsible for the preparation of Pension Impact Notes as provided in the Pension Impact Note Act.

(d) The Commission shall report to the General Assembly annually or as it deems necessary or useful on the results of its studies and the performance of its duties.

(e) The Commission may request assistance from any other entity as necessary or useful for the performance of its duties.

(f) For purposes of the Successor Agency Act and Section 9b of the State Finance Act, the ~~Economic and Fiscal~~ Commission on Government Forecasting and Accountability is the successor to the Pension Laws Commission. The ~~Economic and Fiscal~~ Commission on Government Forecasting and Accountability succeeds to and assumes all powers, duties, rights, responsibilities, personnel, assets, liabilities, and indebtedness of the Pension Laws Commission. Any reference in any law, rule, form, or other document to the Pension Laws Commission is deemed to be a reference to the ~~Economic and Fiscal~~ Commission on Government Forecasting and Accountability.

(Source: P.A. 93-632, eff. 2-1-04.)

Section 75. The Illinois Economic and Fiscal Commission Act is amended by changing the title of the Act and Sections 2 and 6.2 as follows:



(25 ILCS 155/Act title)

An Act creating the ~~Illinois Economic and Fiscal~~ Commission on Government Forecasting and Accountability, ~~defining its powers and duties, making an appropriation therefor, repealing an Act therein named, and providing for the transfer of appropriations in connection therewith.~~

(25 ILCS 155/2) (from Ch. 63, par. 342)

Sec. 2. The ~~Illinois Economic and Fiscal~~ Commission on Government Forecasting and Accountability, hereafter in this Act referred to as the Commission, is created and is established as a legislative support services agency subject to the Legislative Commission Reorganization Act of 1984.

On the effective date of this amendatory Act of the 93th General Assembly, the name of the Illinois Economic and Fiscal Commission is changed to the Commission on Government Forecasting and Accountability. References in any law, appropriation, rule, form, or other document to the Illinois Economic and Fiscal Commission are deemed, in appropriate contexts, to be references to the Commission on Government Forecasting and Accountability for all purposes. References in any law, appropriation, rule, form, or other document to the Executive Director of the Illinois Economic and Fiscal Commission are deemed, in appropriate contexts, to be references to the Executive Director of the Commission on Government Forecasting and Accountability for all purposes. For purposes of Section 9b of the State Finance Act, the Commission on Government Forecasting and Accountability is the successor to the Illinois Economic and Fiscal Commission.

(Source: P.A. 83-1257.)

(25 ILCS 155/6.2) (from Ch. 63, par. 346.2)

Sec. 6.2. Short title. This Act may be cited as the ~~Illinois Economic and Fiscal~~ Commission on Government Forecasting and Accountability Act.

(Source: P.A. 93-632, eff. 2-1-04.)

Section 80. The Fiscal Control and Internal Auditing Act is amended by changing Section 2004 as follows:

(30 ILCS 10/2004) (from Ch. 15, par. 2004)

Sec. 2004. Consultations by internal auditor. Each chief internal auditor may consult with the Auditor General, the Department of Central Management Services, the ~~Economic and Fiscal~~ Commission on Government Forecasting and Accountability, the appropriations committees of the General Assembly, the Governor's Office of Management and Budget Bureau ~~of the Budget~~, or the Internal Audit Advisory Board on matters affecting the duties or responsibilities of the chief internal auditor under this Act.

(Source: P.A. 86-936; revised 8-23-03.)

Section 83. The State Finance Act is amended by changing Sections 8g, 8h, and 14.1 as follows:

(30 ILCS 105/8g)

Sec. 8g. Fund transfers.

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

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

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

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

Beginning January 1, 2000, on the first day of each month, or as soon as may be practical thereafter, the State Comptroller shall direct and the State Treasurer shall transfer from the General Revenue Fund to each of the special funds from which payments are to be made under Section 28.1(d) of the Horse Racing Act of 1975 an amount equal to 1/12 of the annual amount required for those payments from that special fund, which annual amount shall not exceed the annual amount for those payments from that special fund for the calendar year 1998. The special funds to which transfers shall be made under this subsection (d) include, but are not necessarily limited to, the Agricultural Premium Fund; the Metropolitan Exposition Auditorium and Office Building Fund; the Fair and Exposition Fund; the Standardbred Breeders Fund; the Thoroughbred Breeders Fund; and the Illinois Veterans' Rehabilitation Fund.

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

(f) In addition to any other transfers that may be provided for by law, as soon as may be practical after the effective

date of this amendatory Act of the 91st General Assembly, but in no event later than June 30, 2000, the State Comptroller shall direct and the State Treasurer shall transfer the sum of \$70,000,000 from the General Revenue Fund to the Long-Term Care Provider Fund.

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

(g) In addition to any other transfers that may be provided for by law, on July 1, 2001, or as soon thereafter as may be practical, the State Comptroller shall direct and the State Treasurer shall transfer the sum of \$1,200,000 from the General Revenue Fund to the Violence Prevention Fund.

(h) In each of fiscal years 2002 through 2004, but not thereafter, in addition to any other transfers that may be provided for by law, the State Comptroller shall direct and the State Treasurer shall transfer \$5,000,000 from the General Revenue Fund to the Tourism Promotion Fund.

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

(i-1) On or after July 1, 2002 and until May 1, 2003, in addition to any other transfers that may be provided for by law, at the direction of and upon notification from the Governor, the State Comptroller shall direct and the State

Treasurer shall transfer amounts not exceeding a total of \$80,000,000 from the General Revenue Fund to the Tobacco Settlement Recovery Fund. Any amounts so transferred shall be re-transferred by the State Comptroller and the State Treasurer from the Tobacco Settlement Recovery Fund to the General Revenue Fund at the direction of and upon notification from the Governor, but in any event on or before June 30, 2003.

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

From the General Revenue Fund .....	\$8,450,000
From the Public Utility Fund .....	1,700,000
From the Transportation Regulatory Fund .....	2,650,000
From the Title III Social Security and Employment Fund .....	3,700,000
From the Professions Indirect Cost Fund .....	4,050,000
From the Underground Storage Tank Fund .....	550,000
From the Agricultural Premium Fund .....	750,000
From the State Pensions Fund .....	200,000
From the Road Fund .....	2,000,000
From the Health Facilities Planning Fund .....	1,000,000
From the Savings and Residential Finance Regulatory Fund .....	130,800
From the Appraisal Administration Fund .....	28,600
From the Pawnbroker Regulation Fund .....	3,600
From the Auction Regulation Administration Fund .....	35,800
From the Bank and Trust Company Fund.....	634,800
From the Real Estate License Administration Fund .....	313,600

(k) In addition to any other transfers that may be provided for by law, as soon as may be practical after the effective

date of this amendatory Act of the 92nd General Assembly, the State Comptroller shall direct and the State Treasurer shall transfer the sum of \$2,000,000 from the General Revenue Fund to the Teachers Health Insurance Security Fund.

(k-1) In addition to any other transfers that may be provided for by law, on July 1, 2002, or as soon as may be practical thereafter, the State Comptroller shall direct and the State Treasurer shall transfer the sum of \$2,000,000 from the General Revenue Fund to the Teachers Health Insurance Security Fund.

(k-2) In addition to any other transfers that may be provided for by law, on July 1, 2003, or as soon as may be practical thereafter, the State Comptroller shall direct and the State Treasurer shall transfer the sum of \$2,000,000 from the General Revenue Fund to the Teachers Health Insurance Security Fund.

(k-3) On or after July 1, 2002 and no later than June 30, 2003, in addition to any other transfers that may be provided for by law, at the direction of and upon notification from the Governor, the State Comptroller shall direct and the State Treasurer shall transfer amounts not to exceed the following sums into the Statistical Services Revolving Fund:

Appraisal Administration Fund .....	\$150,000
General Revenue Fund .....	10,440,000
Savings and Residential Finance	
Regulatory Fund .....	200,000
State Pensions Fund .....	100,000
Bank and Trust Company Fund .....	100,000
Professions Indirect Cost Fund .....	3,400,000
Public Utility Fund .....	2,081,200
Real Estate License Administration Fund .....	150,000
Title III Social Security and	
Employment Fund .....	1,000,000
Transportation Regulatory Fund .....	3,052,100
Underground Storage Tank Fund .....	50,000

(l) In addition to any other transfers that may be provided

for by law, on July 1, 2002, or as soon as may be practical thereafter, the State Comptroller shall direct and the State Treasurer shall transfer the sum of \$3,000,000 from the General Revenue Fund to the Presidential Library and Museum Operating Fund.

(m) In addition to any other transfers that may be provided for by law, on July 1, 2002 and on the effective date of this amendatory Act of the 93rd General Assembly, or as soon thereafter as may be practical, the State Comptroller shall direct and the State Treasurer shall transfer the sum of \$1,200,000 from the General Revenue Fund to the Violence Prevention Fund.

(n) In addition to any other transfers that may be provided for by law, on July 1, 2003, or as soon thereafter as may be practical, the State Comptroller shall direct and the State Treasurer shall transfer the sum of \$6,800,000 from the General Revenue Fund to the DHS Recoveries Trust Fund.

(o) On or after July 1, 2003, and no later than June 30, 2004, in addition to any other transfers that may be provided for by law, at the direction of and upon notification from the Governor, the State Comptroller shall direct and the State Treasurer shall transfer amounts not to exceed the following sums into the Vehicle Inspection Fund:

From the Underground Storage Tank Fund ..... \$35,000,000.

(p) On or after July 1, 2003 and until May 1, 2004, in addition to any other transfers that may be provided for by law, at the direction of and upon notification from the Governor, the State Comptroller shall direct and the State Treasurer shall transfer amounts not exceeding a total of \$80,000,000 from the General Revenue Fund to the Tobacco Settlement Recovery Fund. Any amounts so transferred shall be re-transferred from the Tobacco Settlement Recovery Fund to the General Revenue Fund at the direction of and upon notification from the Governor, but in any event on or before June 30, 2004.

(q) In addition to any other transfers that may be provided for by law, on July 1, 2003, or as soon as may be practical

thereafter, the State Comptroller shall direct and the State Treasurer shall transfer the sum of \$5,000,000 from the General Revenue Fund to the Illinois Military Family Relief Fund.

(r) In addition to any other transfers that may be provided for by law, on July 1, 2003, or as soon as may be practical thereafter, the State Comptroller shall direct and the State Treasurer shall transfer the sum of \$1,922,000 from the General Revenue Fund to the Presidential Library and Museum Operating Fund.

(s) In addition to any other transfers that may be provided for by law, on or after July 1, 2003, the State Comptroller shall direct and the State Treasurer shall transfer the sum of \$4,800,000 from the Statewide Economic Development Fund to the General Revenue Fund.

(t) In addition to any other transfers that may be provided for by law, on or after July 1, 2003, the State Comptroller shall direct and the State Treasurer shall transfer the sum of \$50,000,000 from the General Revenue Fund to the Budget Stabilization Fund.

(u) On or after July 1, 2004 and until May 1, 2005, in addition to any other transfers that may be provided for by law, at the direction of and upon notification from the Governor, the State Comptroller shall direct and the State Treasurer shall transfer amounts not exceeding a total of \$80,000,000 from the General Revenue Fund to the Tobacco Settlement Recovery Fund. Any amounts so transferred shall be retransferred by the State Comptroller and the State Treasurer from the Tobacco Settlement Recovery Fund to the General Revenue Fund at the direction of and upon notification from the Governor, but in any event on or before June 30, 2005.

(v) In addition to any other transfers that may be provided for by law, on July 1, 2004, or as soon thereafter as may be practical, the State Comptroller shall direct and the State Treasurer shall transfer the sum of \$1,200,000 from the General Revenue Fund to the Violence Prevention Fund.

(w) In addition to any other transfers that may be provided



for by law, on July 1, 2004, or as soon thereafter as may be practical, the State Comptroller shall direct and the State Treasurer shall transfer the sum of \$6,445,000 from the General Revenue Fund to the Presidential Library and Museum Operating Fund.

(x) In addition to any other transfers that may be provided for by law, on January 15, 2005, or as soon thereafter as may be practical, the State Comptroller shall direct and the State Treasurer shall transfer to the General Revenue Fund the following sums:

From the State Crime Laboratory Fund, \$200,000;

From the State Police Wireless Service Emergency Fund, \$200,000;

From the State Offender DNA Identification System Fund, \$800,000; and

From the State Police Whistleblower Reward and Protection Fund, \$500,000.

(Source: P.A. 92-11, eff. 6-11-01; 92-505, eff. 12-20-01; 92-600, eff. 6-28-02; 93-32, eff. 6-20-03; 93-648, eff. 1-8-04; 93-839, eff. 7-30-04.)

(30 ILCS 105/8h)

Sec. 8h. Transfers to General Revenue Fund.

(a) Except as provided in subsection (b), notwithstanding any other State law to the contrary, the Governor may, through June 30, 2007, from time to time direct the State Treasurer and Comptroller to transfer a specified sum from any fund held by the State Treasurer to the General Revenue Fund in order to help defray the State's operating costs for the fiscal year. The total transfer under this Section from any fund in any fiscal year shall not exceed the lesser of (i) 8% of the revenues to be deposited into the fund during that fiscal year or (ii) an amount that leaves a remaining fund balance of 25% of the July 1 fund balance of that fiscal year. In fiscal year 2005 only, prior to calculating the July 1, 2004 final balances, the Governor may calculate and direct the State

Treasurer with the Comptroller to transfer additional amounts determined by applying the formula authorized in Public Act 93-839 ~~this amendatory Act of the 93rd General Assembly~~ to the funds balances on July 1, 2003. No transfer may be made from a fund under this Section that would have the effect of reducing the available balance in the fund to an amount less than the amount remaining unexpended and unreserved from the total appropriation from that fund estimated to be expended for that fiscal year. This Section does not apply to any funds that are restricted by federal law to a specific use, to any funds in the Motor Fuel Tax Fund, the Hospital Provider Fund, ~~or~~ the Medicaid Provider Relief Fund, or the Reviewing Court Alternative Dispute Resolution Fund, or to any funds to which subsection (f) of Section 20-40 of the Nursing and Advanced Practice Nursing Act applies. Notwithstanding any other provision of this Section, for fiscal year 2004, the total transfer under this Section from the Road Fund or the State Construction Account Fund shall not exceed the lesser of (i) 5% of the revenues to be deposited into the fund during that fiscal year or (ii) 25% of the beginning balance in the fund. For fiscal year 2005 through fiscal year 2007, no amounts may be transferred under this Section from the Road Fund, the State Construction Account Fund, the Criminal Justice Information Systems Trust Fund, the Wireless Service Emergency Fund ~~the Wireless Carrier Reimbursement Fund~~, or the Mandatory Arbitration Fund.

In determining the available balance in a fund, the Governor may include receipts, transfers into the fund, and other resources anticipated to be available in the fund in that fiscal year.

The State Treasurer and Comptroller shall transfer the amounts designated under this Section as soon as may be practicable after receiving the direction to transfer from the Governor.

(b) This Section does not apply to any fund established under the Community Senior Services and Resources Act.

(Source: P.A. 93-32, eff. 6-20-03; 93-659, eff. 2-3-04; 93-674, eff. 6-10-04; 93-714, eff. 7-12-04; 93-801, eff. 7-22-04; 93-839, eff. 7-30-04; 93-1054, eff. 11-18-04; revised 12-1-04.)

(30 ILCS 105/14.1) (from Ch. 127, par. 150.1)

Sec. 14.1. Appropriations for State contributions to the State Employees' Retirement System; payroll requirements.

(a) Appropriations for State contributions to the State Employees' Retirement System of Illinois shall be expended in the manner provided in this Section. Except as otherwise provided in subsection (a-1), at the time of each payment of salary to an employee under the personal services line item, payment shall be made to the State Employees' Retirement System, from the amount appropriated for State contributions to the State Employees' Retirement System, of an amount calculated at the rate certified for the applicable fiscal year by the Board of Trustees of the State Employees' Retirement System under Section 14-135.08 of the Illinois Pension Code. If a line item appropriation to an employer for this purpose is ~~unavailable or~~ exhausted or is unavailable due to any limitation on appropriations that may apply, (including, but not limited to, limitations on appropriations from the Road Fund under Section 8.3 of the State Finance Act), the amounts shall be paid under the continuing appropriation for this purpose contained in the State Pension Funds Continuing Appropriation Act.

(a-1) Beginning on the effective date of this amendatory Act of the 93rd General Assembly through the payment of the final payroll from fiscal year 2004 appropriations, appropriations for State contributions to the State Employees' Retirement System of Illinois shall be expended in the manner provided in this subsection (a-1). At the time of each payment of salary to an employee under the personal services line item from a fund other than the General Revenue Fund, payment shall be made for deposit into the General Revenue Fund from the

amount appropriated for State contributions to the State Employees' Retirement System of an amount calculated at the rate certified for fiscal year 2004 by the Board of Trustees of the State Employees' Retirement System under Section 14-135.08 of the Illinois Pension Code. This payment shall be made to the extent that a line item appropriation to an employer for this purpose is available or unexhausted. No payment from appropriations for State contributions shall be made in conjunction with payment of salary to an employee under the personal services line item from the General Revenue Fund.

(b) Except during the period beginning on the effective date of this amendatory Act of the 93rd General Assembly and ending at the time of the payment of the final payroll from fiscal year 2004 appropriations, the State Comptroller shall not approve for payment any payroll voucher that (1) includes payments of salary to eligible employees in the State Employees' Retirement System of Illinois and (2) does not include the corresponding payment of State contributions to that retirement system at the full rate certified under Section 14-135.08 for that fiscal year for eligible employees, unless the balance in the fund on which the payroll voucher is drawn is insufficient to pay the total payroll voucher, or unavailable due to any limitation on appropriations that may apply, including, but not limited to, limitations on appropriations from the Road Fund under Section 8.3 of the State Finance Act. If the State Comptroller approves a payroll voucher under this Section for which the fund balance is insufficient to pay the full amount of the required State contribution to the State Employees' Retirement System, the Comptroller shall promptly so notify the Retirement System.

(Source: P.A. 93-665, eff. 3-5-04.)

Section 85. The General Obligation Bond Act is amended by changing Sections 8 and 21 as follows:

(30 ILCS 330/8) (from Ch. 127, par. 658)

## Sec. 8. Bond sale expenses.

(a) An amount not to exceed 0.5 percent of the principal amount of the proceeds of sale of each bond sale is authorized to be used to pay the reasonable costs of issuance and sale, including, without limitation, underwriter's discounts and fees, but excluding bond insurance, of State of Illinois general obligation bonds authorized and sold pursuant to this Act, provided that no salaries of State employees or other State office operating expenses shall be paid out of non-appropriated proceeds. The Governor's Office of Management and Budget shall compile a summary of all costs of issuance on each sale (including both costs paid out of proceeds and those paid out of appropriated funds) and post that summary on its web site within 20 business days after the issuance of the Bonds. The summary shall include, as applicable, the respective percentages of participation and compensation of each underwriter that is a member of the underwriting syndicate, legal counsel, financial advisors, and other professionals for the bond issue and an identification of all costs of issuance paid to minority owned businesses, female owned businesses, and businesses owned by persons with disabilities. The terms "minority owned businesses", "female owned businesses", and "business owned by a person with a disability" have the meanings given to those terms in the Business Enterprise for Minorities, Females, and Persons with Disabilities Act. That posting shall be maintained on the web site for a period of at least 30 days. In addition, the Governor's Office of Management and Budget shall provide a written copy of each summary of costs to the Speaker and Minority Leader of the House of Representatives, the President and Minority Leader of the Senate, and the ~~Illinois Economic and Fiscal~~ Commission on Government Forecasting and Accountability within 20 business days after each issuance of the Bonds. In addition, the Governor's Office of Management and Budget shall provide copies of all contracts under which any costs of issuance are paid or to be paid to the ~~Illinois Economic and Fiscal~~ Commission on

Government Forecasting and Accountability within 20 business days after the issuance of Bonds for which those costs are paid or to be paid. Instead of filing a second or subsequent copy of the same contract, the Governor's Office of Management and Budget may file a statement that specified costs are paid under specified contracts filed earlier with the Commission.

(b) The Director of the Governor's Office of Management and Budget shall not, in connection with the issuance of Bonds, contract with any underwriter, financial advisor, or attorney unless that underwriter, financial advisor, or attorney certifies that the underwriter, financial advisor, or attorney has not and will not pay a contingent fee, whether directly or indirectly, to a third party for having promoted the selection of the underwriter, financial advisor, or attorney for that contract. In the event that the Governor's Office of Management and Budget determines that an underwriter, financial advisor, or attorney has filed a false certification with respect to the payment of contingent fees, the Governor's Office of Management and Budget shall not contract with that underwriter, financial advisor, or attorney, or with any firm employing any person who signed false certifications, for a period of 2 calendar years, beginning with the date the determination is made. The validity of Bonds issued under such circumstances of violation pursuant to this Section shall not be affected.

(Source: P.A. 93-2, eff. 4-7-03; 93-839, eff. 7-30-04.)

(30 ILCS 330/21)

Sec. 21. Truth in borrowing disclosures.

(a) Within 20 business days after the issuance of any Bonds under this Act, the Director of the Governor's Office of Management and Budget shall publish a truth in borrowing disclosure that discloses the total principal and interest payments to be paid on the Bonds over the full stated term of the Bonds. The disclosure also shall include principal and interest payments to be made by each fiscal year over the full stated term of the Bonds and total principal and interest

payments to be made by each fiscal year on all other outstanding Bonds issued under this Act over the full stated terms of those Bonds.

(b) Within 20 business days after the issuance of any refunding bonds under Section 16 of this Act, the Director of the Governor's Office of Management and Budget shall publish a truth in borrowing disclosure that discloses the estimated present-valued savings to be obtained through the refunding, in total and by each fiscal year that the refunding Bonds may be outstanding.

(c) The disclosures required in subsections (a) and (b) shall be published by posting the disclosures for no less than 30 days on the web site of the Governor's Office of Management and Budget and by providing the disclosures in written form to the ~~Illinois Economic and Fiscal~~ Commission on Government Forecasting and Accountability. These disclosures shall be calculated assuming Bonds are not redeemed or refunded prior to their stated maturities. Amounts included in these disclosures as payment of interest on variable rate Bonds shall be computed at an interest rate equal to the rate at which the variable rate Bonds are first set upon issuance, plus 2.5%, after taking into account any credits permitted in the related indenture or other instrument against the amount of such interest for each fiscal year. Amounts included in these disclosures as payment of interest on variable rate Bonds shall include the amounts certified by the Director of the Governor's Office of Management and Budget under subsection (b) of Section 9 of this Act.

(Source: P.A. 93-839, eff. 7-30-04.)

Section 90. The Metropolitan Civic Center Support Act is amended by changing Section 6 as follows:

(30 ILCS 355/6) (from Ch. 85, par. 1396)

Sec. 6. Annual statements of assets and expenses and annual audit reports shall be submitted to the Department and to the

Legislative Audit Commission by each Authority receiving or having received State financial support. Each Authority receiving or having received State financial support shall prepare an annual operating plan which details income and expenditures for the proposed budget year of the Authority. This plan shall contain the appropriate detail for the proposed budget year and a 3 year plan which will justify the project's ability to meet financial obligations by producing sufficient revenue and detailing depreciation and maintenance requirements. Such annual operating plan shall be submitted to the Department and to the ~~Illinois Economic and Fiscal Commission~~ on Government Forecasting and Accountability no later than January 15th of each year.

(Source: P.A. 84-245.)

Section 95. The Build Illinois Bond Act is amended by changing Sections 5 and 8.5 as follows:

(30 ILCS 425/5) (from Ch. 127, par. 2805)

Sec. 5. Bond Sale Expenses.

(a) An amount not to exceed 0.5% of the principal amount of the proceeds of the sale of each bond sale is authorized to be used to pay reasonable costs of each issuance and sale of Bonds authorized and sold pursuant to this Act, including, without limitation, underwriter's discounts and fees, but excluding bond insurance, advertising, printing, bond rating, travel of outside vendors, security, delivery, legal and financial advisory services, initial fees of trustees, registrars, paying agents and other fiduciaries, initial costs of credit or liquidity enhancement arrangements, initial fees of indexing and remarketing agents, and initial costs of interest rate swaps, guarantees or arrangements to limit interest rate risk, as determined in the related Bond Sale Order, from the proceeds of each Bond sale, provided that no salaries of State employees or other State office operating expenses shall be paid out of non-appropriated proceeds. The Governor's Office of Management



and Budget shall compile a summary of all costs of issuance on each sale (including both costs paid out of proceeds and those paid out of appropriated funds) and post that summary on its web site within 20 business days after the issuance of the bonds. That posting shall be maintained on the web site for a period of at least 30 days. In addition, the Governor's Office of Management and Budget shall provide a written copy of each summary of costs to the Speaker and Minority Leader of the House of Representatives, the President and Minority Leader of the Senate, and the ~~Illinois Economic and Fiscal~~ Commission on Government Forecasting and Accountability within 20 business days after each issuance of the bonds. This summary shall include, as applicable, the respective percentage of participation and compensation of each underwriter that is a member of the underwriting syndicate, legal counsel, financial advisors, and other professionals for the Bond issue, and an identification of all costs of issuance paid to minority owned businesses, female owned businesses, and businesses owned by persons with disabilities. The terms "minority owned businesses", "female owned businesses", and "business owned by a person with a disability" have the meanings given to those terms in the Business Enterprise for Minorities, Females, and Persons with Disabilities Act. In addition, the Governor's Office of Management and Budget shall provide copies of all contracts under which any costs of issuance are paid or to be paid to the ~~Illinois Economic and Fiscal~~ Commission on Government Forecasting and Accountability within 20 business days after the issuance of Bonds for which those costs are paid or to be paid. Instead of filing a second or subsequent copy of the same contract, the Governor's Office of Management and Budget may file a statement that specified costs are paid under specified contracts filed earlier with the Commission.

(b) The Director of the Governor's Office of Management and Budget shall not, in connection with the issuance of Bonds, contract with any underwriter, financial advisor, or attorney unless that underwriter, financial advisor, or attorney

certifies that the underwriter, financial advisor, or attorney has not and will not pay a contingent fee, whether directly or indirectly, to any third party for having promoted the selection of the underwriter, financial advisor, or attorney for that contract. In the event that the Governor's Office of Management and Budget determines that an underwriter, financial advisor, or attorney has filed a false certification with respect to the payment of contingent fees, the Governor's Office of Management and Budget shall not contract with that underwriter, financial advisor, or attorney, or with any firm employing any person who signed false certifications, for a period of 2 calendar years, beginning with the date the determination is made. The validity of Bonds issued under such circumstances of violation pursuant to this Section shall not be affected.

(Source: P.A. 93-839, eff. 7-30-04.)

(30 ILCS 425/8.5)

Sec. 8.5. Truth in borrowing disclosures.

(a) Within 20 business days after the issuance of any Bonds under this Act, the Director of the Governor's Office of Management and Budget shall publish a truth in borrowing disclosure that discloses the total principal and interest payments to be paid on the Bonds over the full stated term of the Bonds. The disclosure also shall include principal and interest payments to be made by each fiscal year over the full stated term of the Bonds and total principal and interest payments to be made by each fiscal year on all other outstanding Bonds issued under this Act over the full stated terms of those Bonds.

(b) Within 20 business days after the issuance of any refunding bonds under Section 15 of this Act, the Director of the Governor's Office of Management and Budget shall publish a truth in borrowing disclosure that discloses the estimated present-valued savings to be obtained through the refunding, in total and by each fiscal year that the refunding Bonds may be

outstanding.

(c) The disclosures required in subsections (a) and (b) shall be published by posting the disclosures for no less than 30 days on the web site of the Governor's Office of Management and Budget and by providing the disclosures in written form to the ~~Illinois Economic and Fiscal~~ Commission on Government Forecasting and Accountability. These disclosures shall be calculated assuming Bonds are not redeemed or refunded prior to their stated maturities. Amounts included in these disclosures as payment of interest on variable rate Bonds shall be computed at an interest rate equal to the rate at which the variable rate Bonds are first set upon issuance, plus 2.5%, after taking into account any credits permitted in the related indenture or other instrument against the amount of such interest for each fiscal year. Amounts included in these disclosures as payments of interest shall include those amounts paid pursuant to arrangements authorized pursuant to subsection (b) of Section 6 of this Act.

(Source: P.A. 93-839, eff. 7-30-04.)

Section 100. The State Facilities Closure Act is amended by changing Sections 5-5 and 99-995 as follows:

(30 ILCS 608/5-5)

Sec. 5-5. Definitions. In this Act:

"Commission" means the ~~Illinois Economic and Fiscal~~ Commission on Government Forecasting and Accountability.

"State facility" means any facility (i) that is owned and operated by the State or leased and operated by the State and (ii) that is the primary stationary work location for 25 or more State employees. "State facility" does not include any facility under the jurisdiction of the legislative branch, including the Auditor General, or the judicial branch.

(Source: P.A. 93-839, eff. 7-30-04.)

(30 ILCS 608/99-995)

Sec. 99-995. Closed meetings; vote requirement. This Act authorizes the ~~Illinois Economic and Fiscal~~ Commission on Government Forecasting and Accountability to hold closed meetings in certain circumstances. In order to meet the requirements of subsection (c) of Section 5 of Article IV of the Illinois Constitution, the General Assembly determines that closed meetings of the ~~Illinois Economic and Fiscal~~ Commission on Government Forecasting and Accountability are required by the public interest. Thus, this Act is enacted by the affirmative vote of two-thirds of the members elected to each house of the General Assembly.

(Source: P.A. 93-839, eff. 7-30-04.)

Section 105. The Illinois Pension Code is amended by changing Sections 1-103.3, 3-109.3, 14-108.3, 14-108.5, 15-158.3, 16-133.3, 22-803, 22-1001, 22-1002, and 22-1003 as follows:

(40 ILCS 5/1-103.3)

Sec. 1-103.3. Application of 1994 amendment; funding standard.

(a) The provisions of this amendatory Act of 1994 that change the method of calculating, certifying, and paying the required State contributions to the retirement systems established under Articles 2, 14, 15, 16, and 18 shall first apply to the State contributions required for State fiscal year 1996.

(b) The General Assembly declares that a funding ratio (the ratio of a retirement system's total assets to its total actuarial liabilities) of 90% is an appropriate goal for State-funded retirement systems in Illinois, and it finds that a funding ratio of 90% is now the generally-recognized norm throughout the nation for public employee retirement systems that are considered to be financially secure and funded in an appropriate and responsible manner.

(c) Every 5 years, beginning in 1999, the ~~Illinois Economic~~

~~and Fiscal~~ Commission on Government Forecasting and Accountability, in consultation with the affected retirement systems and the Governor's Office of Management and Budget (formerly Bureau of the Budget), shall consider and determine whether the 90% funding ratio adopted in subsection (b) continues to represent an appropriate goal for State-funded retirement systems in Illinois, and it shall report its findings and recommendations on this subject to the Governor and the General Assembly.

(Source: P.A. 88-593, eff. 8-22-94; revised 8-23-03.)

(40 ILCS 5/3-109.3)

Sec. 3-109.3. Self-managed plan.

(a) Purpose. The General Assembly finds that it is important for municipalities to be able to attract and retain the most qualified police officers and that in order to attract and retain these police officers, municipalities should have the flexibility to provide a defined contribution plan as an alternative for eligible employees who elect not to participate in a defined benefit retirement program provided under this Article. Accordingly, a self-managed plan shall be provided, which shall offer participating employees the opportunity to accumulate assets for retirement through a combination of employee and employer contributions that may be invested in mutual funds, collective investment funds, or other investment products and used to purchase annuity contracts, either fixed or variable, or a combination thereof. The plan must be qualified under the Internal Revenue Code of 1986.

(b) Study by Commission; Adoption of plan. The Illinois Pension Laws Commission (or its successor, the ~~Economic and Fiscal~~ Commission on Government Forecasting and Accountability) shall study and evaluate the creation of a statewide self-managed plan for eligible employees under this Article. The Commission shall report its findings and recommendations to the General Assembly no later than January 1, 2002.

In accordance with the recommendations of the Commission and any action taken by the General Assembly in response to those recommendations, a statewide self-managed plan shall be adopted for eligible employees under this Article. The self-managed plan shall take effect as specified in the plan, but in no event earlier than July 1, 2002 or the date of its approval by the U.S. Internal Revenue Service, whichever occurs later.

The self-managed plan shall include a plan document and shall provide for the adoption of such rules and procedures as are necessary or desirable for the administration of the self-managed plan. Consistent with fiduciary duty to the participants and beneficiaries of the self-managed plan, it may provide for delegation of suitable aspects of plan administration to companies authorized to do business in this State.

(c) Selection of service providers and funding vehicles. The principal administrator of the self-managed plan shall solicit proposals to provide administrative services and funding vehicles for the self-managed plan from insurance and annuity companies and mutual fund companies, banks, trust companies, or other financial institutions authorized to do business in this State. In reviewing the proposals received and approving and contracting with no fewer than 2 and no more than 7 companies, the principal administrator shall consider, among other things, the following criteria:

(1) the nature and extent of the benefits that would be provided to the participants;

(2) the reasonableness of the benefits in relation to the premium charged;

(3) the suitability of the benefits to the needs and interests of the participating employees and the employer;

(4) the ability of the company to provide benefits under the contract and the financial stability of the company; and

(5) the efficacy of the contract in the recruitment and

retention of employees.

The principal administrator shall periodically review each approved company. A company may continue to provide administrative services and funding vehicles for the self-managed plan only so long as it continues to be an approved company under contract with the principal administrator.

(d) Employee Direction. Employees who are participating in the program must be allowed to direct the transfer of their account balances among the various investment options offered, subject to applicable contractual provisions. The participant shall not be deemed a fiduciary by reason of providing such investment direction. A person who is a fiduciary shall not be liable for any loss resulting from such investment direction and shall not be deemed to have breached any fiduciary duty by acting in accordance with that direction. The self-managed plan does not guarantee any of the investments in the employee's account balances.

(e) Participation. An eligible employee must make a written election in accordance with the provisions of Section 3-109.2 and the procedures established under the self-managed plan. Participation in the self-managed plan by an eligible employee who elects to participate in the self-managed plan shall begin on the first day of the first pay period following the later of the date the employee's election is filed with the fund or the employer, but in no event sooner than the effective date of the self-managed plan.

A police officer who has elected to participate in the self-managed plan under this Section must continue participation while employed in an eligible position, and may not participate in any other retirement program administered by the municipality while employed as a police officer by that municipality. Participation in the self-managed plan under this Section shall constitute membership in an Article 3 pension fund.

(f) No Duplication of Service Credit. Notwithstanding any

other provision of this Article, a police officer may not purchase or receive service or service credit applicable to any other retirement program administered by a fund under this Article for any period during which the police officer was a participant in the self-managed plan established under this Section.

(g) Contributions. The self-managed plan shall be funded by contributions from participants in the self-managed plan and employer contributions as provided in this Section.

The contribution rate for a participant in the self-managed plan under this Section shall be a minimum of 10% of his or her salary. This required contribution shall be made as an "employer pick-up" under Section 414(h) of the Internal Revenue Code of 1986 or any successor Section thereof. An employee may make additional contributions to the self-managed plan in accordance with the terms of the plan.

The self-managed plan shall provide for employer contributions to be credited to each self-managed plan participant at a rate of 10% of the participating employee's salary, less the amount of the employer contribution used to provide disability benefits for the employee. The amounts so credited shall be paid into the participant's self-managed plan accounts in the manner prescribed by the plan.

An amount of employer contribution, not exceeding 1.5% of the participating employee's salary, shall be used for the purpose of providing disability benefits to the participating employee. Prior to the beginning of each plan year under the self-managed plan, the principal administrator shall determine, as a percentage of salary, the amount of employer contributions to be allocated during that plan year for providing disability benefits for employees in the self-managed plan.

(h) Vesting; Withdrawal; Return to Service. A participant in the self-managed plan becomes fully vested in the employer contributions credited to his or her account in the self-managed plan on the earliest to occur of the following:



(1) completion of 6 years of service with the municipality; or

(2) the death of the participating employee while employed by the municipality, if the participant has completed at least 1.5 years of service.

A participant in the self-managed plan who receives a distribution of his or her vested amounts from the self-managed plan upon or after termination of employment shall forfeit all service credit and accrued rights in the fund of his or her employer; if subsequently re-employed, the participant shall be considered a new employee. If a former participant again becomes a participating employee and continues as such for at least 2 years, all such rights, service credit, and previous status as a participant shall be restored upon repayment of the amount of the distribution without interest.

(i) Benefit amounts. If a participating employee who is fully vested in employer contributions terminates employment, the participating employee shall be entitled to a benefit which is based on the account values attributable to both employer and employee contributions and any investment return thereon.

If a participating employee who is not fully vested in employer contributions terminates employment, the employee shall be entitled to a benefit based on the account values attributable to the employee's contributions and any investment return thereon, plus the following percentage of employer contributions and any investment return thereon: 20% after the second year; 40% after the third year; 60% after the fourth year; 80% after the fifth year; and 100% after the sixth year. The remainder of employer contributions and investment return thereon shall be forfeited. Any employer contributions that are forfeited shall be held in escrow by the company investing those contributions and shall be used as directed by the municipality for future allocations of employer contributions or for the restoration of amounts previously forfeited by former participants who again become participating employees.

(Source: P.A. 93-632, eff. 2-1-04.)

(40 ILCS 5/14-108.3)

Sec. 14-108.3. Early retirement incentives.

(a) To be eligible for the benefits provided in this Section, a person must:

(1) be a member of this System who, on any day during June, 2002, is (i) in active payroll status in a position of employment with a department and an active contributor to this System with respect to that employment, and terminates that employment before the retirement annuity under this Article begins, or (ii) on layoff status from such a position with a right of re-employment or recall to service, or (iii) receiving benefits under Section 14-123, 14-123.1 or 14-124, but only if the member has not been receiving those benefits for a continuous period of more than 2 years as of the date of application;

(2) not have received any retirement annuity under this Article beginning earlier than August 1, 2002;

(3) file with the Board on or before December 31, 2002 a written application requesting the benefits provided in this Section;

(4) terminate employment under this Article no later than December 31, 2002 (or the date established under subsection (d), if applicable);

(5) by the date of termination of service, have at least 8 years of creditable service under this Article, without the use of any creditable service established under this Section;

(6) by the date of termination of service, have at least 5 years of membership service earned while an employee under this Article, which may include military service for which credit is established under Section 14-105(b), service during the qualifying period for which credit is established under Section 14-104(a), and service for which credit has been established by repaying a refund

under Section 14-130, but shall not include service for which any other optional service credit has been established; and

(7) not receive any early retirement benefit under Section 16-133.3 of this Code.

(b) An eligible person may establish up to 5 years of creditable service under this Article, in increments of one month, by making the contributions specified in subsection (c). In addition, for each month of creditable service established under this Section, a person's age at retirement shall be deemed to be one month older than it actually is.

The creditable service established under this Section may be used for all purposes under this Article and the Retirement Systems Reciprocal Act, except for the computation of final average compensation under Section 14-103.12 or the determination of compensation under this or any other Article of this Code.

The age enhancement established under this Section may not be used to enable any person to begin receiving a retirement annuity calculated under Section 14-110 before actually attaining age 50 (without any age enhancement under this Section). The age enhancement established under this Section may be used for all other purposes under this Article (including calculation of a proportionate annuity payable by this System under the Retirement Systems Reciprocal Act), except for purposes of the level income option in Section 14-112, the reversionary annuity under Section 14-113, and the required distributions under Section 14-121.1.

The age enhancement established under this Section may be used in determining benefits payable under Article 16 of this Code under the Retirement Systems Reciprocal Act, if the person has at least 5 years of service credit in the Article 16 system that was earned while participating in that system as a teacher (as defined in Section 16-106) employed by a department (as defined in Section 14-103.04). Age enhancement established under this Section shall not otherwise be used in determining

benefits payable under other Articles of this Code under the Retirement Systems Reciprocal Act.

(c) For all creditable service established under this Section, a person must pay to the System an employee contribution to be determined by the System, based on the member's rate of compensation on June 1, 2002 (or the last date before June 1, 2002 for which a rate can be determined) and the retirement contribution rate in effect on June 1, 2002 for the member (or for members with the same social security and alternative formula status as the member).

If the member receives a lump sum payment for accumulated vacation, sick leave and personal leave upon withdrawal from service, and the net amount of that lump sum payment is at least as great as the amount of the contribution required under this Section, the entire contribution must be paid by the employee by payroll deduction. If there is no such lump sum payment, or if it is less than the contribution required under this Section, the member shall make an initial payment by payroll deduction, equal to the net amount of the lump sum payment for accumulated vacation, sick leave, and personal leave, and have the remaining amount due treated as a reduction from the retirement annuity in 24 equal monthly installments beginning in the month in which the retirement annuity takes effect. The required contribution may be paid as a pre-tax deduction from earnings. For federal and Illinois tax purposes, the monthly amount by which the annuitant's benefit is reduced shall not be treated as a contribution by the annuitant, but rather as a reduction of the annuitant's monthly benefit.

(c-5) The reduction in retirement annuity provided in subsection (c) of Section 14-108 does not apply to the annuity of a person who retires under this Section. A person who has received any age enhancement or creditable service under this Section may begin to receive an unreduced retirement annuity upon attainment of age 55 with at least 25 years of creditable service (including any age enhancement and creditable service established under this Section).

(d) In order to ensure that the efficient operation of State government is not jeopardized by the simultaneous retirement of large numbers of key personnel, the director or other head of a department may, for key employees of that department, extend the December 31, 2002 deadline for terminating employment under this Article established in subdivision (a)(4) of this Section to a date not later than April 30, 2003 by so notifying the System in writing by December 31, 2002.

(e) Notwithstanding Section 14-111, a person who has received any age enhancement or creditable service under this Section and who reenters service under this Article (or as an employee of a department under Article 16) other than as a temporary employee thereby forfeits that age enhancement and creditable service and is entitled to a refund of the contributions made pursuant to this Section.

(f) The System shall determine the amount of the increase in the present value of future benefits resulting from the granting of early retirement incentives under this Section and shall report that amount to the Governor and the ~~Economic and Fiscal~~ Commission on Government Forecasting and Accountability on or after the effective date of this amendatory Act of the 93rd General Assembly and on or before November 15, 2004. The increase reported under this subsection (f) shall not be included in the calculation of the required State contribution under Section 14-131.

(g) In addition to the contributions otherwise required under this Article, the State shall appropriate and pay to the System (1) an amount equal to \$70,000,000 in State fiscal years 2004 and 2005 and (2) in each of State fiscal years 2006 through 2015, a level dollar-payment based upon the increase in the present value of future benefits provided by the early retirement incentives provided under this Section amortized at 8.5% interest.

(h) The ~~Economic and Fiscal~~ Commission on Government Forecasting and Accountability (i) shall hold one or more

hearings on or before the last session day during the fall veto session of 2004 to review recommendations relating to funding of early retirement incentives under this Section and (ii) shall file its report with the General Assembly on or before December 31, 2004 making its recommendations relating to funding of early retirement incentives under this Section; the Commission's report may contain both majority recommendations and minority recommendations. The System shall recalculate and recertify to the Governor by January 31, 2005 the amount of the required State contribution to the System for State fiscal year 2005 with respect to those incentives. The Pension Laws Commission (or its successor, the ~~Economic and Fiscal~~ Commission on Government Forecasting and Accountability) shall determine and report to the General Assembly, on or before January 1, 2004 and annually thereafter through the year 2013, its estimate of (1) the annual amount of payroll savings likely to be realized by the State as a result of the early retirement of persons receiving early retirement incentives under this Section and (2) the net annual savings or cost to the State from the program of early retirement incentives created under this Section.

The System, the Department of Central Management Services, the Governor's Office of Management and Budget (formerly Bureau of the Budget), and all other departments shall provide to the Commission any assistance that the Commission may request with respect to its reports under this Section. The Commission may require departments to provide it with any information that it deems necessary or useful with respect to its reports under this Section, including without limitation information about (1) the final earnings of former department employees who elected to receive benefits under this Section, (2) the earnings of current department employees holding the positions vacated by persons who elected to receive benefits under this Section, and (3) positions vacated by persons who elected to receive benefits under this Section that have not yet been refilled.

(i) The changes made to this Section by this amendatory Act of the 92nd General Assembly do not apply to persons who retired under this Section on or before May 1, 1992.

(Source: P.A. 92-566, eff. 6-25-02; 93-632, eff. 2-1-04; 93-839, eff. 7-30-04.)

(40 ILCS 5/14-108.5)

Sec. 14-108.5. Alternative retirement cancellation payment.

(a) To be eligible for the alternative retirement cancellation payment provided in this Section, a person must:

(1) be a member of this System who, on any day during June 2004, was (i) in active payroll status as an employee in a position listed in subsection (b) of this Section and continuously employed in a position listed in subsection (b) on and after January 1, 2004 and (ii) an active contributor to this System with respect to that employment;

(2) have not previously received any retirement annuity under this Article;

(3) not accept an incentive payment under Section 14a.5 of the State Finance Act;

(4) in the case of persons employed in a position title listed under paragraph (1) of subsection (b), be among the first 3,000 persons to file with the Board on or before September 30, 2004 a written application requesting the alternative retirement cancellation payment provided in this Section;

(5) in the case of persons employed in a position title listed under paragraph (2) of subsection (b), have received written authorization from the director or other head of his or her department and filed that authorization with the system on or before September 1, 2004;

(6) if there is a QILDRO in effect against the person, file with the Board the written consent of all alternate payees under the QILDRO to the election of an alternative retirement cancellation payment under this Section; and

(7) terminate employment under this Article within 2 weeks after approval of the person's application requesting the alternative retirement cancellation payment, but in no event later than October 31, 2004.

(b) (1) Position titles eligible for the alternative retirement cancellation payment provided in this Section are:

911 Analyst III; Brickmason; Account Clerk I and II; Budget Analyst I and II; Account Technician I and II; Budget Operations Director; Accountant; Budget Principal; Accountant Advanced; Building Services Worker; Accountant Supervisor; Building/Grounds Laborer; Accounting Fiscal Administrative Career Trainee; Building/Grounds Lead 1 and 2; Accounts Payable Processing Analyst; Building/Grounds Maintenance Worker; Accounts Payable Specialist; Building/Grounds Supervisor; Accounts Processing Analyst; Bureau Chief; Actuarial Assistant; Business Administrative Specialist; Administrative and Technology Director; Business Analyst I through IV; Administrative Assistant I through III; Business Manager; Administrative Clerk; Buyer; Administrative Coordinator; Buyer Assistant; Administrator; Capital Budget Analyst I and II; Administrator of Capital Programs; Capital Budget Director; Administrator of Construction Administration; Capital Programs Analyst I and II; Administrator of Contract Administration; Capital Programs Technician; Administrator of Fair Employment Practices; Carpenter; Administrator of Fiscal; Carpenter Foreman; Administrator of Information Management; Cartographer I through III; Administrator of Information Systems; Chief - Police; Administrator of Personnel; Chief Veterans Technician; Administrator of Professional Services; Circuit Provisioning Specialist; Administrator of Public Affairs; Civil Engineer I through IX; Administrator of Quality-Based Selection; Civil Engineer Trainee;



Administrator of Strategic Planning and Training; Clerical Trainee; Appeals & Orders Coordinator; Communications Director; Appraisal Specialist 1 through 3; Community Planner 3; Assignment Coordinator; Commander; Assistant Art-in-Architecture Coordinator; Compliance Specialist; Assistant Chief - Police; Conservation Education Representative; Assistant Internal Auditor; Conservation Grant Administrator 1 through 3; Assistant Manager; Construction Supervisor I and II; Assistant Personnel Officer; Consumer Policy Analyst; Assistant Professor Scientist; Consumer Program Coordinator; Assistant Reimbursement Officer; Contract Executive; Assistant Steward; Coordinator of Administrative Services; Associate Director for Administrative Services; Coordinator of Art-in-Architecture; Associate Museum Director; Corrections Clerk I through III; Associate Professor Scientist; Corrections Maintenance Supervisor; Corrections Caseworker Supervisor; Corrections Food Service Supervisor; Auto Parts Warehouse Specialist; Corrections Maintenance Worker; Auto Parts Warehouse; Curator I through III; Automotive Attendant I and II; Data Processing Administrative Specialist; Automotive Mechanic; Data Processing Assistant; Automotive Shop Supervisor; Data Processing Operator; Baker; Data Processing Specialist; Barber; Data Processing Supervisor 1 through 3; Beautician; Data Processing Technician; Brickmason; Deputy Chief Counsel; Director of Licensing; Desktop Technician; Director of Security; Human Resources Officer; Division Chief; Human Resources Representative; Division Director; Human Resources Specialist; Economic Analyst I through IV; Human Resources Trainee; Electrical Engineer; Human Services Casework Manager; Electrical Engineer I through V; Human Services Grant Coordinator 2 and 3; Electrical Equipment Installer/Repairer; Iconographer; Electrical Equipment Installer/Repairer Lead Worker; Industry and Commercial Development Representative 1 and 2;

Electrician; Industry Services Consultant 1 and 2; Electronics Technician; Information Services Intern; Elevator Operator; Information Services Specialist I and II; Endangered Species Secretary; Information Systems Analyst I through III; Engineering Aide; Information Systems Manager; Engineering Analyst I through IV; Information Systems Planner; Engineering Manager I and II; Institutional Maintenance Worker; Engineering Technician I through V; Instrument Designer; Environmental Scientist I and II; Insurance Analyst I through IV; Executive I through VI; Executive Assistant; Intermittent Clerk; Executive Assistant I through IV; Intermittent Laborer Maintenance; Executive Secretary 1 through 3; Intern; Federal Funding and Public Safety Director; Internal Auditor 1; Financial & Budget Assistant; Internal Communications Officer; Financial & Budget Supervisor; International Marketing Representative 1; Financial Management Director; IT Manager; Fiscal Executive; Janitor I and II; Fiscal Officer; Junior State Veterinarian; Gas Engineer I through IV; Junior Supervisor Scientist; General Counsel and Regulatory Director; Laboratory Manager II; General Services Administrator I; Labor Maintenance Lead Worker; General Services Technician; Laborer; Geographic Information Specialist 1 and 2; Laborer (Building); Geologist I through IV; Laborer (Maintenance); Graphic Arts Design Supervisor; Landscape Architect; Graphic Arts Designer; Landscape Architect I through IV; Graphic Arts Technician; Landscape Planner; Grounds Supervisor; Laundry Manager I; Highway Construction Supervisor I; Legislative Liaison I and II; Historical Research Editor 2; Liability Claims Adjuster 1 and 2; Historical Research Specialist; Librarian 1 and 2; Horse Custodian; Library Aide I through III; Horse Identifier; Library Associate; Hourly Assistant; Library Technical Assistant; Human Resource Coordinator; Licensing Assistant; Human Resources Analyst; Line Technician I through II; Human Resources Assistant;

Local History Service Representative; Human Resources Associate; Local Housing Advisor 2 and 3; Human Resources Manager; Local Revenue and Fiscal Advisor 3; Machinist; Locksmith; Maintenance Equipment Operator; Operations Communications Specialist Trainee; Maintenance Worker; Operations Technician; Maintenance Worker Power Plant; Painter; Management Information Technician; Paralegal Assistant; Management Operations Analyst 1 and 2; Performance Management Analyst; Management Secretary I; Personnel Manager; Management Systems Specialist; Photogrammetrist I through IV; Management Technician I through IV; Physician; Manager; Physician Specialist Operations A through D; Manpower Planner 1 through 3; Planning Director; Medical Administrator III and V; Plant Maintenance Engineer 1 and 2; Methods & Processes Advisor 1, 2 and III; Plumber; Methods & Processes Career Associate 1 and 2; Policy Advisor; Microfilm Operator I through III; Policy Analyst I through IV; Military Administrative Assistant I; Power Shovel Operator (Maintenance); Military Administrative Clerk; Principal Economist; Military Administrative Officer-Legal; Principal Scientist; Military Administrative Specialist; Private Secretary 1 and 2; Military Community Relations Specialist; Private Secretary I and II; Military Cooperative Agreement Specialist; Procurement Representative; Military Crash, Fire, Rescue I through III; Professor & Scientist; Military Energy Manager; Program Manager; Military Engineer Technician; Program Specialist; Military Environmental Specialist I through III; Project Coordinator; Military Facilities Engineer; Project Designer; Military Facilities Officer I; Project Manager I through III; Military Maintenance Engineer; Project Manager; Military Museum Director; Project Manager/Technical Specialist I thru III; Military Program Supervisor; Project Specialist I through IV; Military Property Custodian II; Projects Director; Military Real Property Clerk; Property & Supply Clerk I

through III; Motorist Assistance Specialist; Property Control Officer; Museum Director; Public Administration Intern; Museum Security Head I through III; Public Information Coordinator; Museum Technician I through III; Public Information Officer; Network Control Center Specialist; Public Information Officer 2 through 4; Network Control Center Technician 2; Public Service Administrator; Network Engineer I through IV; Race Track Maintenance 1 and 2; Office Administration Specialist; Radio Technician Program Coordinator; Office Administrator 1 through 5; Realty Specialist I through V; Office Aide; Receptionist; Office Assistant; Regional Manager; Office Associate; Regulatory Accountant IV; Office Clerk; Reimbursement Officer 1 and 2; Office Coordinator; Representative I and II; Office Manager; Representative Trainee; Office Occupations Trainee; School Construction Manager; Office Specialist; Secretary I and IV; Operations Communications Specialist I and II; Security Guard; Senior Economic Analyst; Security Supervisor; Senior Editor; Systems Developer I through IV; Senior Electrical Engineer; Systems Developer Trainee; Senior Financial & Budget Assistant; Systems Engineer I through IV; Senior Gas Engineer; Systems Engineer Trainee; Senior Policy Analyst; Tariff & Order Coordinator; Senior Programs Analyst; Tariff Administrator III; Senior Project Consultant; Tariff Analyst IV; Senior Project Manager; Teacher of Barbering; Senior Public Information Officer; Teacher of Beauty Culture; Senior Public Service Administrator; Technical Advisor 2 and 3; Senior Rate Analyst; Technical Advisor I through VII; Senior Technical Assistant; Technical Analyst; Technical Manager I through IX; Senior Technical Supervisor; Technical Assistant; Senior Technology Specialist; Technical Manager 1; Senior Transportation Industry Analyst; Technical Manager I through X; Sewage Plant Operator; Technical Specialist; Sign Hanger; Technical Support Specialist; Sign Hanger

Foreman; Technical Specialist I thru III; Sign Painter; Technician Trainee; Sign Shop Foreman; Telecom Systems Analyst; Silk Screen Operator; Telecom Systems Consultant; Senior Administrative Assistant; Telecom Systems Technician 1 and 2; Site Superintendent; Telecommunication Supervisor; Software Architect; Tinsmith; Special Assistant; Trades Tender; Special Assistant to the Executive Director; Training Coordinator; Staff Development Specialist I; Transportation Counsel; Staff Development Technician II; Transportation Industry Analyst III; State Police Captain; Transportation Industry Customer Service; State Police Lieutenant; Transportation Officer; State Police Major; Transportation Policy Analyst III and IV; State Police Master Sergeant; Urban Planner I through VI; Stationary Engineer; Utility Engineer I and II; Stationary Engineer Assistant Chief; Veteran Secretary; Stationary Engineer Chief; Veteran Technician; Stationary Fireman; Water Engineer I through IV; Statistical Research Specialist 1 through 3; Water Plant Operator; Statistical Research Supervisor; Web and Publications Manager; Statistical Research Technician; Steamfitter; Steward; Steward Secretary; Storekeeper I through III; Stores Clerk; Student Intern; Student Worker; Supervisor; Supervisor & Assistant Scientist; Supervisor & Associate Scientist; Switchboard Operator 1 through 3; Administrative Assistant to the Superintendent; Assistant Legal Advisor; Legal Assistant; Senior Human Resources Specialist; Principal Internal Auditor; Division Administrator; Division Supervisor; and Private Secretary I through III.

(2) In addition, any position titles with the Speaker of the House of Representatives, the Minority Leader of the House of Representatives, the President of the Senate, the Minority Leader of the Senate, the Attorney General, the Secretary of State, the Comptroller, the Treasurer, the Auditor General, the Supreme Court, the Court of Claims,

and each legislative agency are eligible for the alternative retirement cancellation payment provided in this Section.

(c) In lieu of any retirement annuity or other benefit provided under this Article, a person who qualifies for and elects to receive the alternative retirement cancellation payment under this Section shall be entitled to receive a one-time lump sum retirement cancellation payment equal to the amount of his or her contributions to the System (including any employee contributions for optional service credit and including any employee contributions paid by the employer or credited to the employee during disability) as of the date of termination, with regular interest, multiplied by 2.

(d) Notwithstanding any other provision of this Article, a person who receives an alternative retirement cancellation payment under this Section thereby forfeits the right to any other retirement or disability benefit or refund under this Article, and no widow's, survivor's, or death benefit deriving from that person shall be payable under this Article. Upon accepting an alternative retirement cancellation payment under this Section, the person's creditable service and all other rights in the System are terminated for all purposes, except for the purpose of determining State group life and health benefits for the person and his or her survivors as provided under the State Employees Group Insurance Act of 1971.

(e) To the extent permitted by federal law, a person who receives an alternative retirement cancellation payment under this Section may direct the System to pay all or a portion of that payment as a rollover into another retirement plan or account qualified under the Internal Revenue Code of 1986, as amended.

(f) Notwithstanding Section 14-111, a person who has received an alternative retirement cancellation payment under this Section and who reenters service under this Article other than as a temporary employee must repay to the System the amount by which that alternative retirement cancellation

payment exceeded the amount of his or her refundable employee contributions within 60 days of resuming employment under this System. For the purposes of re-establishing creditable service that was terminated upon election of the alternative retirement cancellation payment, the portion of the alternative retirement cancellation payment representing refundable employee contributions shall be deemed a refund repayable in accordance with Section 14-130.

(g) The ~~Economic and Fiscal~~ Commission on Government Forecasting and Accountability shall determine and report to the Governor and the General Assembly, on or before January 1, 2006, its estimate of (1) the annual amount of payroll savings likely to be realized by the State as a result of the early termination of persons receiving the alternative retirement cancellation payment under this Section and (2) the net annual savings or cost to the State from the program of alternative retirement cancellation payments under this Section.

The System, the Department of Central Management Services, the Governor's Office of Management and Budget, and all other departments shall provide to the Commission any assistance that the Commission may request with respect to its report under this Section. The Commission may require departments to provide it with any information that it deems necessary or useful with respect to its reports under this Section, including without limitation information about (1) the final earnings of former department employees who elected to receive alternative retirement cancellation payments under this Section, (2) the earnings of current department employees holding the positions vacated by persons who elected to receive alternative retirement cancellation payments under this Section, and (3) positions vacated by persons who elected to receive alternative retirement cancellation payments under this Section that have not yet been refilled.

(Source: P.A. 93-839, eff. 7-30-04.)

Sec. 15-158.3. Reports on cost reduction; effect on retirement at any age with 30 years of service.

(a) On or before November 15, 2001 and on or before November 15th of each year thereafter, the Board shall have the System's actuary prepare a report showing, on a fiscal year by fiscal year basis, the actual rate of participation in the self-managed plan authorized by Section 15-158.2, (i) by employees of the System's covered higher educational institutions who were hired on or after the implementation date of the self-managed plan and (ii) by other System participants.

The actuary's report must also quantify the extent to which employee optional retirement plan participation has reduced the State's required contributions to the System, expressed both in dollars and as a percentage of covered payroll, in relation to what the State's contributions to the System would have been (1) if the self-managed plan had not been implemented, and (2) if 45% of employees of the System's covered higher educational institutions who were hired on or after the implementation date of the self-managed plan had elected to participate in the self-managed plan and 10% of other System participants had transferred to the self-managed plan following its implementation.

(b) On or before November 15th of 2001 and on or before November 15th of each year thereafter, the Illinois Board of Higher Education, in conjunction with the Bureau of the Budget (now Governor's Office of Management and Budget) shall prepare a report showing, on a fiscal year by fiscal year basis, the amount by which the costs associated with compensable sick leave have been reduced as a result of the termination of compensable sick leave accrual on and after January 1, 1998 by employees of higher education institutions who are participants in the System.

(c) On or before November 15 of 2001 and on or before November 15th of each year thereafter, the Department of Central Management Services shall prepare a report showing, on a fiscal year by fiscal year basis, the amount by which the



State's cost for health insurance coverage under the State Employees Group Insurance Act of 1971 for retirees of the State's universities and their survivors has declined as a result of requiring some of those retirees and survivors to contribute to the cost of their basic health insurance. These year-by-year reductions in cost must be quantified both in dollars and as a level percentage of payroll covered by the System.

(d) The reports required under subsections (a), (b), and (c) shall be disseminated to the Board, the Pension Laws Commission (until it ceases to exist), the ~~Illinois Economic and Fiscal~~ Commission on Government Forecasting and Accountability, the Illinois Board of Higher Education, and the Governor.

(e) The reports required under subsections (a), (b), and (c) shall be taken into account by the Pension Laws Commission (or its successor, the ~~Economic and Fiscal~~ Commission on Government Forecasting and Accountability) in making any recommendation to extend by legislation beyond December 31, 2002 the provision that allows a System participant to retire at any age with 30 or more years of service as authorized in Section 15-135. If that provision is extended beyond December 31, 2002, and if the most recent report under subsection (a) indicates that actual State contributions to the System for the period during which the self-managed plan has been in operation have exceeded the projected State contributions under the assumptions in clause (2) of subsection (a), then any extension of the provision beyond December 31, 2002 must require that the System's higher educational institutions and agencies cover any funding deficiency through an annual payment to the System out of appropriate resources of their own.

(Source: P.A. 93-632, eff. 2-1-04.)

(40 ILCS 5/16-133.3) (from Ch. 108 1/2, par. 16-133.3)

Sec. 16-133.3. Early retirement incentives for State employees.

(a) To be eligible for the benefits provided in this Section, a person must:

(1) be a member of this System who, on any day during June, 2002, is (i) in active payroll status as a full-time teacher employed by a department and an active contributor to this System with respect to that employment, or (ii) on layoff status from such a position with a right of re-employment or recall to service, or (iii) receiving a disability benefit under Section 16-149 or 16-149.1, but only if the member has not been receiving that benefit for a continuous period of more than 2 years as of the date of application;

(2) not have received any retirement annuity under this Article beginning earlier than August 1, 2002;

(3) file with the Board on or before December 31, 2002 a written application requesting the benefits provided in this Section;

(4) terminate employment under this Article no later than December 31, 2002 (or the date established under subsection (d), if applicable);

(5) by the date of termination of service, have at least 8 years of creditable service under this Article, without the use of any creditable service established under this Section;

(6) by the date of termination of service, have at least 5 years of service credit earned while participating in the System as a teacher employed by a department; and

(7) not receive any early retirement benefit under Section 14-108.3 of this Code.

For the purposes of this Section, "department" means a department as defined in Section 14-103.04 that employs a teacher as defined in this Article.

(b) An eligible person may establish up to 5 years of creditable service under this Article by making the contributions specified in subsection (c). In addition, for each period of creditable service established under this

Section, a person's age at retirement shall be deemed to be enhanced by an equivalent period.

The creditable service established under this Section may be used for all purposes under this Article and the Retirement Systems Reciprocal Act, except for the computation of final average salary, the determination of salary or compensation under this Article or any other Article of this Code, or the determination of eligibility for or the computation of benefits under Section 16-133.2.

The age enhancement established under this Section may be used for all purposes under this Article (including calculation of a proportionate annuity payable by this System under the Retirement Systems Reciprocal Act), except for purposes of a retirement annuity under Section 16-133(a)(A), a reversionary annuity under Section 16-136, the required distributions under Section 16-142.3, and the determination of eligibility for or the computation of benefits under Section 16-133.2. Age enhancement established under this Section may be used in determining benefits payable under Article 14 of this Code under the Retirement Systems Reciprocal Act (subject to the limitations on the use of age enhancement provided in Section 14-108.3); age enhancement established under this Section shall not be used in determining benefits payable under other Articles of this Code under the Retirement Systems Reciprocal Act.

(c) For all creditable service established under this Section, a person must pay to the System an employee contribution to be determined by the System, equal to 9.0% of the member's highest annual salary rate that would be used in the determination of the average salary for retirement annuity purposes if the member retired immediately after withdrawal, for each year of creditable service established under this Section.

If the member receives a lump sum payment for accumulated vacation, sick leave, and personal leave upon withdrawal from service, and the net amount of that lump sum payment is at

least as great as the amount of the contribution required under this Section, the entire contribution must be paid by the employee by payroll deduction. If there is no such lump sum payment, or if it is less than the contribution required under this Section, the member shall make an initial payment by payroll deduction, equal to the net amount of the lump sum payment for accumulated vacation, sick leave, and personal leave, and have the remaining amount due treated as a reduction from the retirement annuity in 24 equal monthly installments beginning in the month in which the retirement annuity takes effect. The required contribution may be paid as a pre-tax deduction from earnings.

(d) In order to ensure that the efficient operation of State government is not jeopardized by the simultaneous retirement of large numbers of key personnel, the director or other head of a department may, for key employees of that department, extend the December 31, 2002 deadline for terminating employment under this Article established in subdivision (a)(4) of this Section to a date not later than April 30, 2003 by so notifying the System in writing by December 31, 2002.

(e) A person who has received any age enhancement or creditable service under this Section and who reenters contributing service under this Article or Article 14 shall thereby forfeit that age enhancement and creditable service, and become entitled to a refund of the contributions made pursuant to this Section.

(f) The System shall determine the amount of the increase in the present value of future benefits resulting from the granting of early retirement incentives under this Section and shall report that amount to the Governor and the ~~Economic and Fiscal~~ Commission on Government Forecasting and Accountability on or after the effective date of this amendatory Act of the 93rd General Assembly and on or before November 15, 2004. The increase in liability reported under this subsection (f) shall not be included in the calculation of the required State

contribution under Section 16-158.

(g) In addition to the contributions otherwise required under this Article, the State shall appropriate and pay to the System (1) an amount equal to \$1,000,000 in State fiscal year 2004 and (2) in each of State fiscal years 2006 through 2015, a level dollar-payment based upon the increase in the present value of future benefits provided by the early retirement incentives provided under this Section amortized at 8.5% interest.

(h) The Pension Laws Commission (or its successor, the ~~Economic and Fiscal~~ Commission on Government Forecasting and Accountability) shall determine and report to the General Assembly, on or before January 1, 2004 and annually thereafter through the year 2013, its estimate of (1) the annual amount of payroll savings likely to be realized by the State as a result of the early retirement of persons receiving early retirement incentives under this Section and (2) the net annual savings or cost to the State from the program of early retirement incentives created under this Section.

The System, the Department of Central Management Services, the Governor's Office of Management and Budget (formerly Bureau of the Budget), and all other departments shall provide to the Commission any assistance that the Commission may request with respect to its reports under this Section. The Commission may require departments to provide it with any information that it deems necessary or useful with respect to its reports under this Section, including without limitation information about (1) the final earnings of former department employees who elected to receive benefits under this Section, (2) the earnings of current department employees holding the positions vacated by persons who elected to receive benefits under this Section, and (3) positions vacated by persons who elected to receive benefits under this Section that have not yet been refilled.

(i) The changes made to this Section by this amendatory Act of the 92nd General Assembly do not apply to persons who

retired under this Section on or before May 1, 1992.

(Source: P.A. 92-566, eff. 6-25-02; 93-632, eff. 2-1-04; 93-839, eff. 7-30-04.)

(40 ILCS 5/22-803)

Sec. 22-803. ~~Economic and Fiscal~~ Commission on Government Forecasting and Accountability. The Illinois State Board of Investment and all pension funds and retirement systems subject to this Code shall cooperate with the ~~Economic and Fiscal~~ Commission on Government Forecasting and Accountability and shall upon request provide the Commission with such information and other assistance as it may find necessary or useful for the performance of its duties.

(Source: P.A. 93-632, eff. 2-1-04.)

(40 ILCS 5/22-1001) (from Ch. 108 1/2, par. 22-1001)

Sec. 22-1001. Submission of information. By March 1 of each year, the retirement systems created under Articles 2, 14, 15, 16 and 18 of this Code shall each submit the following information to the ~~Economic and Fiscal~~ Commission on Government Forecasting and Accountability:

(1) the most recent actuarial valuation computed using the projected unit credit actuarial cost method for retirement and ancillary benefits.

(2) a full disclosure of the provisions of the plan; economic, mortality, termination, and demographic assumptions used for the valuation; methods used to determine the actuarial values; the impact of significant changes in the actuarial assumptions and methods; the most recent experience review; and other information affecting the plan's actuarial status.

(3) the State's share of the amount necessary to fund the normal cost plus interest on the unfunded accrued liability for the next fiscal year as determined by the projected unit credit computations.

(4) a five-year history of the system's liabilities,

assets (valued at cost), and unfunded liabilities.

(5) the July 1 market value of system assets and a five-year history of annual and annualized investment returns of the system's total portfolio and each segment of the portfolio; and

(6) measures of financial status, including ten-year trends of: unfunded liabilities, funded ratios, quick liability ratios, current reserves, and other solvency tests requested by the Commission.

For plan years ending prior to December 31, 1984, the historical data submitted by the retirement systems pursuant to items (4) and (6) above may be based on a cost method other than the projected unit credit actuarial cost method. In submitting the data, the retirement systems shall specify the method used.

(Source: P.A. 93-632, eff. 2-1-04.)

(40 ILCS 5/22-1002) (from Ch. 108 1/2, par. 22-1002)

Sec. 22-1002. Within 3 days of the Governor's submission of the State Budget, the Director of the Governor's Office of Management and Budget shall provide the ~~Illinois Economic and Fiscal~~ Commission on Government Forecasting and Accountability with the recommendations for budgeted annual appropriations for each system as specified in the Governor's budget recommendations.

(Source: P.A. 93-632, eff. 2-1-04.)

(40 ILCS 5/22-1003) (from Ch. 108 1/2, par. 22-1003)

Sec. 22-1003. The ~~Economic and Fiscal~~ Commission on Government Forecasting and Accountability shall receive the information specified in Section 22-1001 and Section 22-1002 of this Act. Commission staff shall examine the information and submit a report of the analysis thereof to the General Assembly. The report shall also include either an analysis of the effect of the different economic assumptions used by the 5 systems, or supplemental valuations using the same economic

assumptions for all 5 systems. The Commission shall compare (1) each system's required actuarial funding computed using the projected unit credit actuarial cost method, and (2) the required State contribution levels established by Public Act 88-593. The report shall also identify the amount of the required funding for each system expected to come from (i) budgeted annual appropriations and (ii) continuing appropriations under the State Pension Funds Continuing Appropriation Act.

The Commission shall also compute multiple year projections showing the effect on system liabilities and the State's annual cost (1) if the systems were to be funded according to actuarial recommendations that the Commission deems reasonable, (2) if each system were to be funded according to recommendations made by the system's actuary, and (3) if the systems were to be funded according to the required State contribution levels established by Public Act 88-593; including (i) comparisons of State costs with projected benefit payments, payroll, and the general funds budget, and (ii) comparisons of unfunded liabilities, funded ratios, solvency tests, and projected reserves. The Commission may conduct additional analyses and projections as it deems useful.

(Source: P.A. 93-632, eff. 2-1-04.)

Section 107. The State Pension Funds Continuing Appropriation Act is amended by changing Sections 1 and 1.2 as follows:

(40 ILCS 15/1)

Sec. 1. Appropriations from State Pensions Fund. For the purpose of making up any deficiency in the appropriations to the designated retirement systems that are required to be made under Section 8.12 of the State Finance Act, there is hereby appropriated, on a continuing annual basis in each fiscal year, from the State Pensions Fund to each designated retirement system, the amount, if any, by which the total appropriation to



that system from the State Pensions Fund for that fiscal year is less than the amount required to be appropriated to that retirement system under Section 8.12 of the State Finance Act.

The annual appropriation under this Section to each designated retirement system shall take effect on July 1 for the State fiscal year beginning on that date.

The amount of any continuing appropriation used by a retirement system under this Section for a given fiscal year shall be charged against the unexpended amount of any appropriation to that retirement system for that fiscal year under Section 8.12 of the State Finance Act that subsequently becomes available, subject to Section 8.3 of the State Finance Act.

"Designated retirement systems" means the State Employees' Retirement System of Illinois, the Teachers' Retirement System of the State of Illinois, the State Universities Retirement System, the Judges Retirement System of Illinois, and the General Assembly Retirement System.

The appropriations made in this Section are appropriated to the designated retirement systems as a part of the annual State contribution required by the laws providing for the funding of those systems.

(Source: P.A. 87-923; 88-593, eff. 8-22-94.)

(40 ILCS 15/1.2)

Sec. 1.2. Appropriations for the State Employees' Retirement System.

(a) From each fund from which an amount is appropriated for personal services to a department or other employer under Article 14 of the Illinois Pension Code, there is hereby appropriated to that department or other employer, on a continuing annual basis for each State fiscal year, an additional amount equal to the amount, if any, by which (1) an amount equal to the percentage of the personal services line item for that department or employer from that fund for that fiscal year that the Board of Trustees of the State Employees'

Retirement System of Illinois has certified under Section 14-135.08 of the Illinois Pension Code to be necessary to meet the State's obligation under Section 14-131 of the Illinois Pension Code for that fiscal year, exceeds (2) the amounts otherwise appropriated to that department or employer from that fund for State contributions to the State Employees' Retirement System for that fiscal year. From the effective date of this amendatory Act of the 93rd General Assembly through the final payment from a department or employer's personal services line item for fiscal year 2004, payments to the State Employees' Retirement System that otherwise would have been made under this subsection (a) shall be governed by the provisions in subsection (a-1).

(a-1) If a Fiscal Year 2004 Shortfall is certified under subsection (f) of Section 14-131 of the Illinois Pension Code, there is hereby appropriated to the State Employees' Retirement System of Illinois on a continuing basis from the General Revenue Fund an additional aggregate amount equal to the Fiscal Year 2004 Shortfall.

(b) The continuing appropriations provided for by this Section shall first be available in State fiscal year 1996.

(c) Beginning in Fiscal Year 2005, any continuing appropriation under this Section arising out of an appropriation for personal services from the Road Fund to the Department of State Police or the Secretary of State shall be payable from the General Revenue Fund rather than the Road Fund.

(Source: P.A. 93-665, eff. 3-5-04.)

Section 110. The Illinois Sports Facilities Authority Act is amended by changing Section 18 as follows:

(70 ILCS 3205/18) (from Ch. 85, par. 6018)

Sec. 18. Records and Reports of the Authority. The secretary shall keep a record of the proceedings of the Authority. The treasurer of the Authority shall be custodian of

all Authority funds, and shall be bonded in such amount as the other members of the Authority may designate. The accounts and books of the Authority shall be set up and maintained in a manner approved by the Auditor General, and the Authority shall file with the Auditor General a certified annual report within 120 days after the close of its fiscal year. The Authority shall also file with the Governor, the Secretary of the Senate, the Clerk of the House of Representatives, the ~~Illinois Economic and Fiscal~~ Commission on Government Forecasting and Accountability, by March 1 of each year, a written report covering its activities for the previous fiscal year and so filed, such report shall be a public record and open for inspection at the offices of the Authority during normal business hours.

(Source: P.A. 84-1470.)

Section 115. The Downstate Illinois Sports Facilities Authority Act is amended by changing Section 75 as follows:

(70 ILCS 3210/75)

Sec. 75. Records and reports of the Authority. The secretary shall keep a record of the proceedings of the Authority. The treasurer of the Authority shall be custodian of all Authority funds and shall be bonded in the amount the other members of the Authority may designate. The accounts and books of the Authority shall be set up and maintained in a manner approved by the Auditor General, and the Authority shall file with the Auditor General a certified annual report within 120 days after the close of its fiscal year. The Authority shall also file with the Governor, the Secretary of the Senate, the Clerk of the House of Representatives, and the ~~Illinois Economic and Fiscal~~ Commission on Government Forecasting and Accountability, by March 1 of each year, a written report covering its activities for the previous fiscal year. So filed, the report shall be a public record and open for inspection at the offices of the Authority during normal business hours.

(Source: P.A. 93-227, eff. 1-1-04.)

Section 120. The Board of Higher Education Act is amended by changing Sections 9.11 and 9.18 as follows:

(110 ILCS 205/9.11) (from Ch. 144, par. 189.11)

Sec. 9.11. Effective January 1, 1980, to require the preparation of an annual capital plan which details the proposed budget year and 3 year capital needs of the Board of Trustees of the University of Illinois, the Board of Trustees of Southern Illinois University, the Board of Trustees of Chicago State University, the Board of Trustees of Eastern Illinois University, the Board of Trustees of Governors State University, the Board of Trustees of Illinois State University, the Board of Trustees of Northeastern Illinois University, the Board of Trustees of Northern Illinois University, and the Board of Trustees of Western Illinois University. Such plan shall detail capital expenditures to finance revenue producing facilities through the issuance of revenue bonds. This plan shall detail each project and the project cost in current dollar amounts. The plan shall contain the appropriate detail for the proposed budget year and the 3 year plan which will justify the projects ability to meet: the debt service requirements by producing sufficient revenue, life expectancy and maintenance requirements. Such annual capital plans shall be submitted to the ~~Illinois Economic and Fiscal~~ Commission on Government Forecasting and Accountability no later than March 15th of each year.

(Source: P.A. 89-4, eff. 1-1-96.)

(110 ILCS 205/9.18) (from Ch. 144, par. 189.18)

Sec. 9.18. To review the annual budget proposals of the Illinois Mathematics and Science Academy and to submit to the Governor, the General Assembly, the Governor's Office of Management and Budget ~~Bureau of the Budget~~, and the ~~Illinois Economic and Fiscal~~ Commission on Government Forecasting and

Accountability its analysis and recommendations on such budget proposals.

(Source: P.A. 85-1019; revised 8-23-03.)

Section 125. The Illinois Horse Racing Act of 1975 is amended by changing Section 1.3 as follows:

(230 ILCS 5/1.3)

Sec. 1.3. Legislative findings.

(a) The General Assembly finds that the Illinois gaming industry is a single industry consisting of horse racing and riverboat gambling. Reports issued by the ~~legislative Economic and Fiscal~~ Commission on Government Forecasting and Accountability in 1992, 1994, and 1998 have found that horse racing and riverboat gambling:

- (1) "share many of the same characteristics" and are "more alike than different";
- (2) are planned events;
- (3) have similar odds of winning;
- (4) occur in similar settings; and
- (5) compete with each other for limited gaming dollars.

(b) The General Assembly declares it to be the public policy of this State to ensure the viability of both horse racing and riverboat aspects of the Illinois gaming industry.

(Source: P.A. 91-40, eff. 6-25-99.)

Section 130. The Toll Highway Act is amended by changing Section 23 as follows:

(605 ILCS 10/23) (from Ch. 121, par. 100-23)

Sec. 23. The Authority shall file with the Governor, the Clerk of the House of Representatives, the Secretary of the Senate, and the ~~Illinois Economic and Fiscal~~ Commission on Government Forecasting and Accountability, on or prior to March 15th of each year, a written statement and report covering its activities for the preceding calendar year. The Authority shall

present, to the committees of the House of Representatives designated by the Speaker of the House and to the committees of the Senate designated by the President of the Senate, an annual report outlining its planned revenues and expenditures. The Authority shall prepare an annual capital plan which identifies capital projects by location and details the project costs in correct dollar amounts. The Authority shall also prepare and file a ten-year capital plan that includes a listing of all capital improvement projects contemplated during the ensuing ten-year period. The first ten-year capital plan shall be filed in 1991 and thereafter on the anniversary of each ten-year period.

It shall also be the duty of the Auditor General of the State of Illinois, annually to audit or cause to be audited the books and records of the Authority and to file a certified copy of the report of such audit with the Governor and with the Legislative Audit Commission, which audit reports, when so filed, shall be open to the public for inspection.

(Source: P.A. 91-256, eff. 1-1-00.)

Section 135. The Illinois Vehicle Code is amended by changing Sections 3-820 and 3-821 as follows:

(625 ILCS 5/3-820) (from Ch. 95 1/2, par. 3-820)

Sec. 3-820. Duplicate Number Plates. Upon filing in the Office of the Secretary of State an affidavit to the effect that an original number plate for a vehicle is lost, stolen or destroyed, a duplicate number plate shall be furnished upon payment of a fee of \$6 for each duplicate plate and a fee of \$9 for a pair of duplicate plates.

Upon filing in the Office of the Secretary of State an affidavit to the effect that an original registration sticker for a vehicle is lost, stolen or destroyed, a new registration sticker shall be furnished upon payment of a fee of \$5 for registration stickers issued on or before February 28, 2005 and \$20 for registration stickers issued on or after March 1, 2005.

The Secretary of State may, in his discretion, assign a new number plate or plates in lieu of a duplicate of the plate or plates so lost, stolen or destroyed, but such assignment of a new plate or plates shall not affect the right of the owner to secure a reassignment of his original registration number in the manner provided in this Act. The fee for one new number plate shall be \$6, and for a pair of new number plates, \$9.

For the administration of this Section, the Secretary shall consider the loss of a registration plate or plates with properly affixed registration stickers as requiring the payment of:

(i) \$11 for each duplicate issued on or before February 28, 2005 and \$26 for each duplicate issued on or after March 1, 2005; or

(ii) \$14 for a pair of duplicate plates issued on or before February 28, 2005 and \$29 for a pair of duplicate plates issued on or after March 1, 2005. ~~or~~

~~(iii) \$39 for a pair of duplicate plates on or after January 1, 2005, which includes a fee of \$20 for the replacement sticker.~~

(Source: P.A. 93-840, eff. 7-30-04.)

(625 ILCS 5/3-821) (from Ch. 95 1/2, par. 3-821)

Sec. 3-821. Miscellaneous Registration and Title Fees.

(a) The fee to be paid to the Secretary of State for the following certificates, registrations or evidences of proper registration, or for corrected or duplicate documents shall be in accordance with the following schedule:

Certificate of Title, except for an all-terrain vehicle or off-highway motorcycle	\$65
Certificate of Title for an all-terrain vehicle or off-highway motorcycle	\$30
Certificate of Title for an all-terrain vehicle or off-highway motorcycle used for production agriculture, or accepted by a dealer in trade	13
Transfer of Registration or any evidence of	

proper registration	15
Duplicate Registration Card for plates or other evidence of proper registration	3
Duplicate Registration Sticker or Stickers <u>issued on or before February 28, 2005, each</u>	<u>5</u>
<u>Duplicate Registration Sticker or Stickers issued on or after March 1, 2005, each</u>	<u>20</u>
Duplicate Certificate of Title	65
Corrected Registration Card or Card for other evidence of proper registration	3
Corrected Certificate of Title	65
Salvage Certificate	4
Fleet Reciprocity Permit	15
Prorate Decal	1
Prorate Backing Plate	3

There shall be no fee paid for a Junking Certificate.

(b) The Secretary may prescribe the maximum service charge to be imposed upon an applicant for renewal of a registration by any person authorized by law to receive and remit or transmit to the Secretary such renewal application and fees therewith.

(c) If a check is delivered to the Office of the Secretary of State as payment of any fee or tax under this Code, and such check is not honored by the bank on which it is drawn for any reason, the registrant or other person tendering the check remains liable for the payment of such fee or tax. The Secretary of State may assess a service charge of \$19 in addition to the fee or tax due and owing for all dishonored checks.

If the total amount then due and owing exceeds the sum of \$50 and has not been paid in full within 60 days from the date such fee or tax became due to the Secretary of State, the Secretary of State shall assess a penalty of 25% of such amount remaining unpaid.

All amounts payable under this Section shall be computed to the nearest dollar.



(d) The minimum fee and tax to be paid by any applicant for apportionment of a fleet of vehicles under this Code shall be \$15 if the application was filed on or before the date specified by the Secretary together with fees and taxes due. If an application and the fees or taxes due are filed after the date specified by the Secretary, the Secretary may prescribe the payment of interest at the rate of 1/2 of 1% per month or fraction thereof after such due date and a minimum of \$8.

(e) Trucks, truck tractors, truck tractors with loads, and motor buses, any one of which having a combined total weight in excess of 12,000 lbs. shall file an application for a Fleet Reciprocity Permit issued by the Secretary of State. This permit shall be in the possession of any driver operating a vehicle on Illinois highways. Any foreign licensed vehicle of the second division operating at any time in Illinois without a Fleet Reciprocity Permit or other proper Illinois registration, shall subject the operator to the penalties provided in Section 3-834 of this Code. For the purposes of this Code, "Fleet Reciprocity Permit" means any second division motor vehicle with a foreign license and used only in interstate transportation of goods. The fee for such permit shall be \$15 per fleet which shall include all vehicles of the fleet being registered.

(f) For purposes of this Section, "all-terrain vehicle or off-highway motorcycle used for production agriculture" means any all-terrain vehicle or off-highway motorcycle used in the raising of or the propagation of livestock, crops for sale for human consumption, crops for livestock consumption, and production seed stock grown for the propagation of feed grains and the husbandry of animals or for the purpose of providing a food product, including the husbandry of blood stock as a main source of providing a food product. "All-terrain vehicle or off-highway motorcycle used in production agriculture" also means any all-terrain vehicle or off-highway motorcycle used in animal husbandry, floriculture, aquaculture, horticulture, and viticulture.

Public Act 093-1067

SB3195 Enrolled

LRB093 21118 RCE 47172 b

(Source: P.A. 92-16, eff. 6-28-01; 93-840, eff. 7-30-04;  
revised 10-6-04.)

Section 999. Effective date. This Act takes effect upon  
becoming law.