

HB0473



95TH GENERAL ASSEMBLY

State of Illinois

2007 and 2008

HB0473

Introduced 2/1/2007, by Rep. John A. Fritchey

SYNOPSIS AS INTRODUCED:

New Act

Creates the Funding Accountability and Transparency Act. Requires the full disclosure of all entities and organizations receiving State funds. Requires the Governor's Office of Management and Budget (GOMB) to establish a searchable website. Creates a pilot program for sub-award data. Requires GOMB to file reports and the Governor to make recommendations to the General Assembly. Contains other provisions. Effective immediately.

LRB095 05220 RCE 25295 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

1 AN ACT concerning finance.

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

4 Section 1. Short title. This Act may be cited as the
5 Funding Accountability and Transparency Act.

6 Section 5. Full Disclosure of entities receiving State
7 funding.

8 (a) Definitions. In this Section:

9 (1) Entity. The term "entity":

10 (A) Includes, whether for-profit or non-profit:

11 (i) a corporation;

12 (ii) an association;

13 (iii) a partnership;

14 (iv) a limited liability company;

15 (v) a limited liability partnership;

16 (vi) a sole proprietorship;

17 (vii) any other legal business entity;

18 (viii) any other grantee or contractor that is
19 not excluded by subparagraph (B) or (C); and

20 (ix) any unit of local government or school
21 district; and

22 (B) on and after January 1, 2009, includes any
23 subcontractor or subgrantee.

1 (C) Does not include:

2 (i) an individual recipient of State
3 assistance; or

4 (ii) a State employee.

5 (2) State award. The term "State award":

6 (A) means State financial assistance and
7 expenditures that include grants, contracts,
8 subgrants, subcontracts, loans, awards, cooperative
9 agreements, purchase orders, task orders, delivery
10 orders, and other forms of financial assistance;

11 (B) does not include individual transactions below
12 \$25,000; and

13 (C) before October 1, 2008, does not include credit
14 card transactions.

15 (3) Searchable website. The term "searchable website"
16 means a website that allows the public to:

17 (A) search State funding by any element required by
18 subsection (b) (1);

19 (B) ascertain through a single search the total
20 amount of State funding awarded to an entity, by fiscal
21 year; and

22 (C) download data included in subparagraph (A)
23 included in the outcome from searches.

24 (b) In general:

25 (1) Website. Not later than January 1, 2008, the
26 Governor's Office of Management and Budget shall, in

1 accordance with this Section, ensure the existence and
2 operation of a single searchable website, accessible by the
3 public at no cost to access, that includes for each State
4 award:

5 (A) the name of the entity receiving the award;

6 (B) the amount of the award;

7 (C) information on the award, including
8 transaction type, funding agency, program source, and
9 an award title descriptive of the purpose of each
10 funding action;

11 (D) the location of the entity receiving the award
12 and the primary location of performance under the
13 award, including the county, township, municipality,
14 Legislative District, and Representative District;

15 (E) a unique identifier of the entity receiving the
16 award and of the parent entity of the recipient, should
17 the entity be owned by another entity; and

18 (F) any other relevant information specified by
19 the Governor's Office of Management and Budget.

20 (2) Scope of data. The website shall include data for
21 fiscal year 2007 and each fiscal year thereafter.

22 (3) Designation of agencies. The Director of the
23 Governor's Office of Management and Budget is authorized to
24 designate one or more State agencies to participate in the
25 development, establishment, operation, and support of the
26 single website. In the initial designation, or in

1 subsequent instructions and guidance, the Director may
2 specify the scope of the responsibilities of each agency.

3 (4) Agency responsibilities. State agencies shall
4 comply with the instructions and guidance issued by the
5 Director of the Governor's Office of Management and Budget
6 under paragraph (3), and shall provide appropriate
7 assistance to the Director upon request, so as to assist
8 the Director in ensuring the existence and operation of the
9 single website.

10 (c) Website. The website established under this Section:

11 (1) may use any other existing sources of data if these
12 data sources are searchable through the website and can be
13 accessed in a single search;

14 (2) shall not be considered in compliance if it
15 hyperlinks to other existing websites or sources of data
16 and the result is that the information elements required in
17 subsection (b)(1) cannot be searched electronically by
18 field in a single search;

19 (3) shall provide an opportunity for the public to
20 provide input about the utility of the site and
21 recommendations for improvements; and

22 (4) shall be updated not later than 30 days after the
23 award of any State award requiring a posting.

24 (d) Sub-award data.

25 (1) Pilot program.

26 (A) In general. Not later than July 1, 2007, the

1 Director of the Governor's Office of Management and
2 Budget shall commence a pilot program to:

3 (i) test the collection and accession of data
4 about subgrants and subcontracts;

5 (ii) determine how to implement a sub-award
6 reporting program across State government,
7 including a reporting system under which the
8 entity issuing a sub-grant or subcontract is
9 responsible for fulfilling the sub-award reporting
10 requirement; and

11 (iii) a mechanism for collecting and
12 incorporating agency and public feedback on the
13 design and utility of the website.

14 (B) Termination. The pilot program under
15 subparagraph (A) shall terminate not later than
16 January 1, 2009.

17 (2) Reporting of sub-awards.

18 (A) In general. Based on the pilot program
19 conducted under paragraph (1) and, except as provided in
20 subparagraph (B), not later than January 1, 2009, the
21 Director of the Governor's Office of Management and Budget:

22 (i) shall ensure that data regarding
23 sub-awards are disclosed in the same manner as data
24 regarding other State awards, as required by this
25 Act;

26 (ii) shall ensure that the method for

1 collecting and distributing data about sub-awards
2 under clause (i):

3 (I) minimizes burdens imposed on State
4 award recipients and sub-award recipients;

5 (II) allows State award recipients and
6 sub-award recipients to allocate reasonable
7 costs for the collection and reporting of
8 sub-award data as indirect costs; and

9 (III) establishes cost-effective
10 requirements for collecting sub-award data
11 under block grants, formula grants, and other
12 types of assistance to units of local
13 governments and school districts.

14 (B) Extension of deadline. For sub-award
15 recipients that receive State funds through units of
16 local government or school districts, the Director of
17 the Governor's Office of Management and Budget may
18 extend the deadline for ensuring that data regarding
19 such sub-awards are disclosed in the same manner as
20 data regarding other State awards for a period not to
21 exceed 18 months if the Director determines that
22 compliance would impose an undue burden on the
23 sub-award recipient.

24 (e) Exception. Any entity that demonstrates to the Director
25 of the Governor's Office of Management and Budget that the
26 gross income, from all sources, for that entity did not exceed

1 \$300,000 in the previous tax year of that entity shall be
2 exempt from the requirement to report sub-awards under
3 subsection (d) until the Director determines that the
4 imposition of that reporting requirements will not cause an
5 undue burden on that entity.

6 (f) Construction. Nothing in this Act shall prohibit the
7 Governor's Office of Management and Budget from including
8 through the website established under this Section access to
9 data that is publicly available in any other federal database.

10 (g) Report:

11 (1) In general. The Director of the Governor's Office
12 of Management and Budget shall submit to Governor an annual
13 report regarding the implementation of the website
14 established under this Section.

15 (2) Contents. Each report submitted under paragraph
16 (1) shall include:

17 (A) data regarding the usage and public feedback on
18 the utility of the site (including recommendations for
19 improving data quality and collection);

20 (B) an assessment of the reporting burden placed on
21 State award and sub-award recipients; and

22 (C) an explanation of any extension of the
23 sub-award reporting deadline under subsection
24 (d) (2) (B), if applicable.

25 (3) Recommendations. The Governor shall review the
26 report of the Governor's Office of Management and Budget

1 and in each even-numbered year make recommendations to the
2 General Assembly on how to improve the website.

3 (4) Publication. The Director of the Governor's Office
4 of Management and Budget shall make each report submitted
5 under paragraph (1) publicly available on the website
6 established under this Section.

7 Section 10. Classified information. Nothing in this Act
8 shall require the disclosure of classified information.

9 Section 99. Effective date. This Act takes effect upon
10 becoming law.