

# SB3581



## 96TH GENERAL ASSEMBLY

### State of Illinois

2009 and 2010

SB3581

Introduced 2/10/2010, by Sen. Tim Bivins

#### SYNOPSIS AS INTRODUCED:

30 ILCS 340/1.1  
30 ILCS 340/4 new

Amends the Short Term Borrowing Act. Provides that, when debt is incurred to address failures in revenues of the State, the required notice must contain a detailed plan to repay the debt. Provides that no debt may be incurred under the Act for the purpose of addressing failures in revenues of the State unless a majority of each chamber of the General Assembly has approved the borrowing by a recorded majority vote. Provides that no debt may be incurred under the Act while any debt previously incurred under this Act remains outstanding, unless a majority of each chamber of the General Assembly has approved the new borrowing by a recorded majority vote. Effective immediately.

LRB096 20235 HLH 35810 b

FISCAL NOTE ACT  
MAY APPLY

A BILL FOR

1 AN ACT concerning finance.

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

4 Section 5. The Short Term Borrowing Act is amended by  
5 changing Section 1.1 and by adding Section 4 as follows:

6 (30 ILCS 340/1.1)

7 Sec. 1.1. Borrowing upon failures in revenue. Whenever  
8 failures in revenues of the State occur, in order to meet those  
9 failures, the Governor, Comptroller, and Treasurer may  
10 contract debts in an amount not exceeding 15% of the State's  
11 appropriations for that fiscal year. The moneys thus borrowed  
12 shall be applied to the purposes for which they were obtained,  
13 or to pay the debts thus created by the borrowing, and to no  
14 other purpose. Before incurring debt under this Section, the  
15 Governor shall give written notice to the Clerk of the House of  
16 Representatives, the Secretary of the Senate, and the Secretary  
17 of State setting forth the reasons for the proposed borrowing,  
18 ~~and~~ the corrective measures recommended to restore the State's  
19 fiscal soundness, and a detailed plan to repay the debt,  
20 including, but not limited to, any new or increased revenues or  
21 spending reductions. The notice shall be a public record and  
22 open for inspection at the offices of the Secretary of State  
23 during normal business hours. No debt may be incurred under

1 this Section until 30 days after the notice is served and until  
2 a majority of each chamber of the General Assembly has approved  
3 the incurring of the debt by a recorded majority vote. All  
4 moneys so borrowed shall be borrowed for no longer time than  
5 one year.

6 (Source: P.A. 88-669, eff. 11-29-94; 93-1046, eff. 10-15-04.)

7 (30 ILCS 340/4 new)

8 Sec. 4. General Assembly approval. No debt shall be  
9 incurred under this Act while any debt previously incurred  
10 under this Act remains outstanding, unless a majority of each  
11 chamber of the General Assembly has approved the incurring of  
12 the new debt by a recorded majority vote.

13 Section 99. Effective date. This Act takes effect upon  
14 becoming law.