

AN ACT concerning finance.

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

Section 1. Short title. This Act may be cited as the Interfund Borrowing Act of 2009.

Section 5. Interfund transfers.

(a) Notwithstanding any other provision of State law to the contrary, on the effective date of this Act, or as soon thereafter as practical, for the purpose of making hospital access payments as set forth in the Title XIX State plan amendments 08-06 and 08-07 submitted by the Department of Healthcare and Family Services and approved by the Center for Medicaid and State Operations as required in 305 ILCS 5/5A-12.2, the State Comptroller shall direct and the State Treasurer shall transfer amounts into the Hospital Provider Fund from the designated funds not exceeding the following totals:

General Obligation Bond Retirement	
and Interest Fund	\$335,000,000
State Employees' Retirement System Fund	\$175,000,000

(b) On and after the effective date of this Act of the 96th

General Assembly through April 14, 2009, if either the General Obligation Bond Retirement and Interest Fund or the State Employees' Retirement System Fund has insufficient cash from which the State Comptroller may make expenditures properly supported by appropriations from the fund, then the State Treasurer and State Comptroller shall transfer from the General Revenue Fund to the fund only such amount as is immediately necessary to satisfy outstanding expenditure obligations on a timely basis, subject to the provisions of the State Prompt Payment Act. All or a portion of the amounts transferred from the General Revenue Fund to a fund pursuant to this subsection (b) from time to time may be re-transferred by the State Comptroller and the State Treasurer from the receiving fund into the General Revenue Fund as soon as and to the extent that deposits are made into or receipts are collected by the receiving fund.

(c) As soon as practical upon receipt of assessment payments to the Hospital Provider Fund pursuant to 305 ILCS 5/5A-2 and 5/5A-4, but under no circumstance later than April 14, 2009, any amounts transferred to the Hospital Provider Fund under the authority of this Section shall be transferred back and receipted by the specific fund of origin, with the General Obligation Bond Retirement and Interest Fund first being repaid in full. These transfers back to the funds of origin shall be made and receipted notwithstanding any other State law to the contrary. If, as of April 14, 2009, there is insufficient money

in the Hospital Provider Fund to make the transfers as provided in this Section, then those transfers shall instead be made from the General Revenue Fund. Transfers must be made from the Hospital Provider Fund to the General Revenue Fund to replace any such transfers made as soon as there is sufficient money in the Hospital Provider Fund to do so.

Section 10. Interest payable to the General Obligation Bond Retirement and Interest Fund and the State Employees' Retirement System Fund. As soon as practical after all amounts initially transferred from the General Obligation Bond Retirement and Interest Fund and the State Employees' Retirement System Fund have been transferred back pursuant to Section 5 of this Act, the State Treasurer shall calculate the amounts of interest that would have accrued to both the General Obligation Bond Retirement and Interest Fund and the State Employees' Retirement System Fund if those transfers had not occurred and transfer those amounts from the Hospital Provider Fund to the General Obligation Bond Retirement and Interest Fund and the State Employees' Retirement System Fund.

Section 15. Prohibition on payments to contractors. No fees or expenses shall be paid by the State to any contractual legal counsel, financial advisor, or other consultant or contractor in relation to the actions authorized pursuant to this Act.

Section 90. The Illinois Public Aid Code is amended by changing Section 5A-8 as follows:

(305 ILCS 5/5A-8) (from Ch. 23, par. 5A-8)

Sec. 5A-8. Hospital Provider Fund.

(a) There is created in the State Treasury the Hospital Provider Fund. Interest earned by the Fund shall be credited to the Fund. The Fund shall not be used to replace any moneys appropriated to the Medicaid program by the General Assembly.

(b) The Fund is created for the purpose of receiving moneys in accordance with Section 5A-6 and disbursing moneys only for the following purposes, notwithstanding any other provision of law:

(1) For making payments to hospitals as required under Articles V, VI, and XIV of this Code, under the Children's Health Insurance Program Act, and under the Covering ALL KIDS Health Insurance Act.

(2) For the reimbursement of moneys collected by the Illinois Department from hospitals or hospital providers through error or mistake in performing the activities authorized under this Article and Article V of this Code.

(3) For payment of administrative expenses incurred by the Illinois Department or its agent in performing the activities authorized by this Article.

(4) For payments of any amounts which are reimbursable to the federal government for payments from this Fund which

are required to be paid by State warrant.

(5) For making transfers, as those transfers are authorized in the proceedings authorizing debt under the Short Term Borrowing Act, but transfers made under this paragraph (5) shall not exceed the principal amount of debt issued in anticipation of the receipt by the State of moneys to be deposited into the Fund.

(6) For making transfers to any other fund in the State treasury, but transfers made under this paragraph (6) shall not exceed the amount transferred previously from that other fund into the Hospital Provider Fund.

(7) For State fiscal years 2004 and 2005 for making transfers to the Health and Human Services Medicaid Trust Fund, including 20% of the moneys received from hospital providers under Section 5A-4 and transferred into the Hospital Provider Fund under Section 5A-6. For State fiscal year 2006 for making transfers to the Health and Human Services Medicaid Trust Fund of up to \$130,000,000 per year of the moneys received from hospital providers under Section 5A-4 and transferred into the Hospital Provider Fund under Section 5A-6. Transfers under this paragraph shall be made within 7 days after the payments have been received pursuant to the schedule of payments provided in subsection (a) of Section 5A-4.

(7.5) For State fiscal year 2007 for making transfers of the moneys received from hospital providers under

Section 5A-4 and transferred into the Hospital Provider Fund under Section 5A-6 to the designated funds not exceeding the following amounts in that State fiscal year:

Health and Human Services

Medicaid Trust Fund	\$20,000,000
Long-Term Care Provider Fund	\$30,000,000
General Revenue Fund	\$80,000,000.

Transfers under this paragraph shall be made within 7 days after the payments have been received pursuant to the schedule of payments provided in subsection (a) of Section 5A-4.

(7.8) For State fiscal year 2008, for making transfers of the moneys received from hospital providers under Section 5A-4 and transferred into the Hospital Provider Fund under Section 5A-6 to the designated funds not exceeding the following amounts in that State fiscal year:

Health and Human Services

Medicaid Trust Fund	\$40,000,000
Long-Term Care Provider Fund	\$60,000,000
General Revenue Fund	\$160,000,000.

Transfers under this paragraph shall be made within 7 days after the payments have been received pursuant to the schedule of payments provided in subsection (a) of Section 5A-4.

(7.9) For State fiscal years 2009 through 2013, for making transfers of the moneys received from hospital

providers under Section 5A-4 and transferred into the Hospital Provider Fund under Section 5A-6 to the designated funds not exceeding the following amounts in that State fiscal year:

Health and Human Services

Medicaid Trust Fund	\$20,000,000
Long Term Care Provider Fund	\$30,000,000
General Revenue Fund	\$80,000,000.

Except as provided under this paragraph, transfers
~~Transfers~~ under this paragraph shall be made within 7 business days after the payments have been received pursuant to the schedule of payments provided in subsection (a) of Section 5A-4. For State fiscal year 2009, transfers to the General Revenue Fund under this paragraph shall be made on or before June 30, 2009, as sufficient funds become available in the Hospital Provider Fund to both make the transfers and continue hospital payments.

(8) For making refunds to hospital providers pursuant to Section 5A-10.

Disbursements from the Fund, other than transfers authorized under paragraphs (5) and (6) of this subsection, shall be by warrants drawn by the State Comptroller upon receipt of vouchers duly executed and certified by the Illinois Department.

(c) The Fund shall consist of the following:

(1) All moneys collected or received by the Illinois

Department from the hospital provider assessment imposed by this Article.

(2) All federal matching funds received by the Illinois Department as a result of expenditures made by the Illinois Department that are attributable to moneys deposited in the Fund.

(3) Any interest or penalty levied in conjunction with the administration of this Article.

(4) Moneys transferred from another fund in the State treasury.

(5) All other moneys received for the Fund from any other source, including interest earned thereon.

(d) (Blank).

(Source: P.A. 94-242, eff. 7-18-05; 94-839, eff. 6-6-06; 95-707, eff. 1-11-08; 95-859, eff. 8-19-08.)

Section 95. Repeal. The Interfund Borrowing Act of 2009 is repealed on July 1, 2009.

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