



## 104TH GENERAL ASSEMBLY

### State of Illinois

2025 and 2026

**HB4054**

Introduced 5/14/2025, by Rep. Norine K. Hammond

#### SYNOPSIS AS INTRODUCED:

15 ILCS 20/50-5

Amends the State Budget Law of the Civil Administrative Code of Illinois. Provides that, if the Governor revises the original general funds revenue estimate under his initial budget proposal downward and if the new revenue estimate would result in the Governor's initial proposed expenditures exceeding the estimated general revenue available for the upcoming fiscal year, then the Governor shall submit to the General Assembly a new budget proposal by no later than May 15. Effective immediately.

LRB104 13630 JDS 26262 b

1 AN ACT concerning State government.

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

4 Section 5. The State Budget Law of the Civil  
5 Administrative Code of Illinois is amended by changing Section  
6 50-5 as follows:

7 (15 ILCS 20/50-5)

8 Sec. 50-5. Governor to submit State budget.

9 (a) The Governor shall, as soon as possible and not later  
10 than the second Wednesday in March in 2010 (March 10, 2010),  
11 the third Wednesday in February in 2011, the fourth Wednesday  
12 in February in 2012 (February 22, 2012), the first Wednesday  
13 in March in 2013 (March 6, 2013), the fourth Wednesday in March  
14 in 2014 (March 26, 2014), the first Wednesday in February in  
15 2022 (February 2, 2022), and the third Wednesday in February  
16 of each year thereafter, except as otherwise provided in this  
17 Section, submit a State budget, embracing therein the amounts  
18 recommended by the Governor to be appropriated to the  
19 respective departments, offices, and institutions, and for all  
20 other public purposes, the estimated revenues from taxation,  
21 and the estimated revenues from sources other than taxation.  
22 Except with respect to the capital development provisions of  
23 the State budget, beginning with the revenue estimates

1 prepared for fiscal year 2012, revenue estimates shall be  
2 based solely on: (i) revenue sources (including non-income  
3 resources), rates, and levels that exist as of the date of the  
4 submission of the State budget for the fiscal year and (ii)  
5 revenue sources (including non-income resources), rates, and  
6 levels that have been passed by the General Assembly as of the  
7 date of the submission of the State budget for the fiscal year  
8 and that are authorized to take effect in that fiscal year.  
9 Except with respect to the capital development provisions of  
10 the State budget, the Governor shall determine available  
11 revenue, deduct the cost of essential government services,  
12 including, but not limited to, pension payments and debt  
13 service, and assign a percentage of the remaining revenue to  
14 each statewide prioritized goal, as established in Section  
15 50-25 of this Law, taking into consideration the proposed  
16 goals set forth in the report of the Commission established  
17 under that Section. The Governor shall also demonstrate how  
18 spending priorities for the fiscal year fulfill those  
19 statewide goals. The amounts recommended by the Governor for  
20 appropriation to the respective departments, offices and  
21 institutions shall be formulated according to each  
22 department's, office's, and institution's ability to  
23 effectively deliver services that meet the established  
24 statewide goals. The amounts relating to particular functions  
25 and activities shall be further formulated in accordance with  
26 the object classification specified in Section 13 of the State

1 Finance Act. In addition, the amounts recommended by the  
2 Governor for appropriation shall take into account each State  
3 agency's effectiveness in achieving its prioritized goals for  
4 the previous fiscal year, as set forth in Section 50-25 of this  
5 Law, giving priority to agencies and programs that have  
6 demonstrated a focus on the prevention of waste and the  
7 maximum yield from resources.

8 Beginning in fiscal year 2011, the Governor shall  
9 distribute written quarterly financial reports on operating  
10 funds, which may include general, State, or federal funds and  
11 may include funds related to agencies that have significant  
12 impacts on State operations, and budget statements on all  
13 appropriated funds to the General Assembly and the State  
14 Comptroller. The reports shall be submitted no later than 45  
15 days after the last day of each quarter of the fiscal year and  
16 shall be posted on the Governor's Office of Management and  
17 Budget's website on the same day. The reports shall be  
18 prepared and presented for each State agency and on a  
19 statewide level in an executive summary format that may  
20 include, for the fiscal year to date, individual itemizations  
21 for each significant revenue type as well as itemizations of  
22 expenditures and obligations, by agency, with an appropriate  
23 level of detail. The reports shall include a calculation of  
24 the actual total budget surplus or deficit for the fiscal year  
25 to date. The Governor shall also present periodic budget  
26 addresses throughout the fiscal year at the invitation of the

1 General Assembly.

2 The Governor shall not propose expenditures and the  
3 General Assembly shall not enact appropriations that exceed  
4 the resources estimated to be available, as provided in this  
5 Section. Appropriations may be adjusted during the fiscal year  
6 by means of one or more supplemental appropriation bills if  
7 any State agency either fails to meet or exceeds the goals set  
8 forth in Section 50-25 of this Law.

9 For the purposes of Article VIII, Section 2 of the 1970  
10 Illinois Constitution, the State budget for the following  
11 funds shall be prepared on the basis of revenue and  
12 expenditure measurement concepts that are in concert with  
13 generally accepted accounting principles for governments:

- 14 (1) General Revenue Fund.
- 15 (2) Common School Fund.
- 16 (3) Educational Assistance Fund.
- 17 (4) Road Fund.
- 18 (5) Motor Fuel Tax Fund.
- 19 (6) Agricultural Premium Fund.

20 These funds shall be known as the "budgeted funds". The  
21 revenue estimates used in the State budget for the budgeted  
22 funds shall include the estimated beginning fund balance, plus  
23 revenues estimated to be received during the budgeted year,  
24 plus the estimated receipts due the State as of June 30 of the  
25 budgeted year that are expected to be collected during the  
26 lapse period following the budgeted year, minus the receipts

1 collected during the first 2 months of the budgeted year that  
2 became due to the State in the year before the budgeted year.  
3 Revenues shall also include estimated federal reimbursements  
4 associated with the recognition of Section 25 of the State  
5 Finance Act liabilities. For any budgeted fund for which  
6 current year revenues are anticipated to exceed expenditures,  
7 the surplus shall be considered to be a resource available for  
8 expenditure in the budgeted fiscal year.

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

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

21 Appropriations for expenditures shall also include all  
22 anticipated statutory continuing appropriation obligations  
23 that are expected to be incurred during the budgeted fiscal  
24 year.

25 By March 15 of each year, the Commission on Government  
26 Forecasting and Accountability shall prepare revenue and fund

1 transfer estimates in accordance with the requirements of this  
2 Section and report those estimates to the General Assembly and  
3 the Governor.

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

9 If the Governor revises the original general funds revenue  
10 estimate under his initial budget proposal downward and if the  
11 new revenue estimate would result in the Governor's initial  
12 proposed expenditures exceeding the estimated general revenue  
13 available for the upcoming fiscal year, then the Governor  
14 shall submit to the General Assembly a new budget proposal  
15 meeting all of the requirements of this Section by no later  
16 than May 15.

17 (b) By February 24, 2010, the Governor must file a written  
18 report with the Secretary of the Senate and the Clerk of the  
19 House of Representatives containing the following:

20 (1) for fiscal year 2010, the revenues for all  
21 budgeted funds, both actual to date and estimated for the  
22 full fiscal year;

23 (2) for fiscal year 2010, the expenditures for all  
24 budgeted funds, both actual to date and estimated for the  
25 full fiscal year;

26 (3) for fiscal year 2011, the estimated revenues for

1 all budgeted funds, including without limitation the  
2 affordable General Revenue Fund appropriations, for the  
3 full fiscal year; and

4 (4) for fiscal year 2011, an estimate of the  
5 anticipated liabilities for all budgeted funds, including  
6 without limitation the affordable General Revenue Fund  
7 appropriations, debt service on bonds issued, and the  
8 State's contributions to the pension systems, for the full  
9 fiscal year.

10 Between July 1 and August 31 of each fiscal year, the  
11 members of the General Assembly and members of the public may  
12 make written budget recommendations to the Governor.

13 Beginning with budgets prepared for fiscal year 2013, the  
14 budgets submitted by the Governor and appropriations made by  
15 the General Assembly for all executive branch State agencies  
16 must adhere to a method of budgeting where each priority must  
17 be justified each year according to merit rather than  
18 according to the amount appropriated for the preceding year.

19 (Source: P.A. 102-671, eff. 11-30-21.)

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