



Sen. Matt Murphy

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1 AMENDMENT TO SENATE BILL 342

2 AMENDMENT NO. \_\_\_\_\_. Amend Senate Bill 342 by replacing  
3 everything after the enacting clause with the following:

4 "Section 5. The Secretary of State Act is amended by  
5 changing Section 5 as follows:

6 (15 ILCS 305/5) (from Ch. 124, par. 5)

7 Sec. 5. It shall be the duty of the Secretary of State:

8 1. To countersign and affix the seal of state to all  
9 commissions required by law to be issued by the Governor.

10 2. To make a register of all appointments by the Governor,  
11 specifying the person appointed, the office conferred, the date  
12 of the appointment, the date when bond or oath is taken and the  
13 date filed. If Senate confirmation is required, the date of the  
14 confirmation shall be included in the register.

15 3. To make proper indexes to public acts, resolutions,  
16 papers and documents in his office.

1           3-a. To review all rules of all State agencies adopted in  
2 compliance with the codification system prescribed by the  
3 Secretary. The review shall be for the purposes and include all  
4 the powers and duties provided in the Illinois Administrative  
5 Procedure Act. The Secretary of State shall cooperate with the  
6 Legislative Information System to insure the accuracy of the  
7 text of the rules maintained under the Legislative Information  
8 System Act.

9           4. To give any person requiring the same paying the lawful  
10 fees therefor, a copy of any law, act, resolution, record or  
11 paper in his office, and attach thereto his certificate, under  
12 the seal of the state.

13           5. To take charge of and preserve from waste, and keep in  
14 repair, the houses, lots, grounds and appurtenances, situated  
15 in the City of Springfield, and belonging to or occupied by the  
16 State, the care of which is not otherwise provided for by law,  
17 and to take charge of and preserve from waste, and keep in  
18 repair, the houses, lots, grounds and appurtenances, situated  
19 in the State outside the City of Springfield where such houses,  
20 lots, grounds and appurtenances are occupied by the Secretary  
21 of State and no other State officer or agency.

22           6. To supervise the distribution of the laws.

23           7. To perform such other duties as may be required by law.  
24 The Secretary of State may, within appropriations authorized by  
25 the General Assembly, maintain offices in the State Capital and  
26 in such other places in the State as he may deem necessary to

1 properly carry out the powers and duties vested in him by law.

2 8. In addition to all other authority granted to the  
3 Secretary by law, subject to appropriation, to make grants or  
4 otherwise provide assistance to, among others without  
5 limitation, units of local government, school districts,  
6 educational institutions, private agencies, not-for-profit  
7 organizations, and for-profit entities for the health, safety,  
8 and welfare of Illinois residents for purposes related to  
9 education, transportation, construction, capital improvements,  
10 social services, and any other lawful public purpose. Upon  
11 request of the Secretary, all State agencies are mandated to  
12 provide the Secretary with assistance in administering the  
13 grants.

14 9. To notify the Auditor General of any Public Act filed  
15 with the Office of the Secretary of State making an  
16 appropriation or transfer of funds from the State treasury.  
17 This paragraph (9) applies only through June 30, 2016 ~~June 30,~~  
18 ~~2015~~.

19 (Source: P.A. 96-37, eff. 7-13-09; 96-1496, eff. 1-13-11.)

20 Section 10. The Illinois State Auditing Act is amended by  
21 changing Section 3-20 as follows:

22 (30 ILCS 5/3-20)

23 Sec. 3-20. Spending limitation reports. The Auditor  
24 General shall issue reports in accordance with Section 201.5 of

1 the Illinois Income Tax Act. This Section applies through June  
2 30, 2016 ~~June 30, 2015~~ or the effective date of a reduction in  
3 the rate of tax imposed by subsections (a) and (b) of Section  
4 201 of the Illinois Income Tax Act pursuant to Section 201.5 of  
5 the Illinois Income Tax Act, whichever is earlier.

6 (Source: P.A. 96-1496, eff. 1-13-11.)

7 Section 15. The Illinois Income Tax Act is amended by  
8 changing Section 201.5 as follows:

9 (35 ILCS 5/201.5)

10 Sec. 201.5. State spending limitation and tax reduction.

11 (a) If, beginning in State fiscal year 2012 and continuing  
12 through State fiscal year 2016 ~~2015~~, State spending for any  
13 fiscal year exceeds the State spending limitation set forth in  
14 subsection (b) of this Section, then the tax rates set forth in  
15 subsection (b) of Section 201 of this Act shall be reduced,  
16 according to the procedures set forth in this Section, to 3% of  
17 the taxpayer's net income for individuals, trusts, and estates  
18 and to 4.8% of the taxpayer's net income for corporations. For  
19 all taxable years following the taxable year in which the rate  
20 has been reduced pursuant to this Section, the tax rate set  
21 forth in subsection (b) of Section 201 of this Act shall be 3%  
22 of the taxpayer's net income for individuals, trusts, and  
23 estates and 4.8% of the taxpayer's net income for corporations.

24 (b) The State spending limitation for fiscal years 2012

1 through 2016 ~~2015~~ shall be as follows: (i) for fiscal year  
2 2012, \$29,979,000,000 ~~\$36,818,000,000~~; (ii) for fiscal year  
3 2013, \$30,429,000,000 ~~\$37,554,000,000~~; (iii) for fiscal year  
4 2014, \$30,885,000,000 ~~\$38,305,000,000~~; and (iv) for fiscal  
5 year 2015, \$31,348,000,000; and (v) for fiscal year 2016,  
6 \$31,819,000,000 ~~\$39,072,000,000~~.

7 (c) Notwithstanding any other provision of law to the  
8 contrary, the Auditor General shall examine each Public Act  
9 authorizing State spending from State general funds and prepare  
10 a report no later than 30 days after receiving notification of  
11 the Public Act from the Secretary of State or 60 days after the  
12 effective date of the Public Act, whichever is earlier. The  
13 Auditor General shall file the report with the Secretary of  
14 State and copies with the Governor, the State Treasurer, the  
15 State Comptroller, the Senate, and the House of  
16 Representatives. The report shall indicate: (i) the amount of  
17 State spending set forth in the applicable Public Act; (ii) the  
18 total amount of State spending authorized by law for the  
19 applicable fiscal year as of the date of the report; and (iii)  
20 whether State spending exceeds the State spending limitation  
21 set forth in subsection (b). The Auditor General may examine  
22 multiple Public Acts in one consolidated report, provided that  
23 each Public Act is examined within the time period mandated by  
24 this subsection (c). The Auditor General shall issue reports in  
25 accordance with this Section through June 30, 2016 ~~June 30,~~  
26 ~~2015~~ or the effective date of a reduction in the rate of tax

1 imposed by subsections (a) and (b) of Section 201 of this Act  
2 pursuant to this Section, whichever is earlier.

3 At the request of the Auditor General, each State agency  
4 shall, without delay, make available to the Auditor General or  
5 his or her designated representative any record or information  
6 requested and shall provide for examination or copying all  
7 records, accounts, papers, reports, vouchers, correspondence,  
8 books and other documentation in the custody of that agency,  
9 including information stored in electronic data processing  
10 systems, which is related to or within the scope of a report  
11 prepared under this Section. The Auditor General shall report  
12 to the Governor each instance in which a State agency fails to  
13 cooperate promptly and fully with his or her office as required  
14 by this Section.

15 The Auditor General's report shall not be in the nature of  
16 a post-audit or examination and shall not lead to the issuance  
17 of an opinion as that term is defined in generally accepted  
18 government auditing standards.

19 (d) If the Auditor General reports that State spending has  
20 exceeded the State spending limitation set forth in subsection  
21 (b) and if the Governor has not been presented with a bill or  
22 bills passed by the General Assembly to reduce State spending  
23 to a level that does not exceed the State spending limitation  
24 within 45 calendar days of receipt of the Auditor General's  
25 report, then the Governor may, for the purpose of reducing  
26 State spending to a level that does not exceed the State

1 spending limitation set forth in subsection (b), designate  
2 amounts to be set aside as a reserve from the amounts  
3 appropriated from the State general funds for all boards,  
4 commissions, agencies, institutions, authorities, colleges,  
5 universities, and bodies politic and corporate of the State,  
6 but not other constitutional officers, the legislative or  
7 judicial branch, the office of the Executive Inspector General,  
8 or the Executive Ethics Commission. Such a designation must be  
9 made within 15 calendar days after the end of that 45-day  
10 period. If the Governor designates amounts to be set aside as a  
11 reserve, the Governor shall give notice of the designation to  
12 the Auditor General, the State Treasurer, the State  
13 Comptroller, the Senate, and the House of Representatives. The  
14 amounts placed in reserves shall not be transferred, obligated,  
15 encumbered, expended, or otherwise committed unless so  
16 authorized by law. Any amount placed in reserves is not State  
17 spending and shall not be considered when calculating the total  
18 amount of State spending. Any Public Act authorizing the use of  
19 amounts placed in reserve by the Governor is considered State  
20 spending, unless such Public Act authorizes the use of amounts  
21 placed in reserves in response to a fiscal emergency under  
22 subsection (g).

23 (e) If the Auditor General reports under subsection (c)  
24 that State spending has exceeded the State spending limitation  
25 set forth in subsection (b), then the Auditor General shall  
26 issue a supplemental report no sooner than the 61st day and no

1 later than the 65th day after issuing the report pursuant to  
2 subsection (c). The supplemental report shall: (i) summarize  
3 details of actions taken by the General Assembly and the  
4 Governor after the issuance of the initial report to reduce  
5 State spending, if any, (ii) indicate whether the level of  
6 State spending has changed since the initial report, and (iii)  
7 indicate whether State spending exceeds the State spending  
8 limitation. The Auditor General shall file the report with the  
9 Secretary of State and copies with the Governor, the State  
10 Treasurer, the State Comptroller, the Senate, and the House of  
11 Representatives. If the supplemental report of the Auditor  
12 General provides that State spending exceeds the State spending  
13 limitation, then the rate of tax imposed by subsections (a) and  
14 (b) of Section 201 is reduced as provided in this Section  
15 beginning on the first day of the first month to occur not less  
16 than 30 days after issuance of the supplemental report.

17 (f) For any taxable year in which the rates of tax have  
18 been reduced under this Section, the tax imposed by subsections  
19 (a) and (b) of Section 201 shall be determined as follows:

20 (1) In the case of an individual, trust, or estate, the  
21 tax shall be imposed in an amount equal to the sum of (i)  
22 the rate applicable to the taxpayer under subsection (b) of  
23 Section 201 (without regard to the provisions of this  
24 Section) times the taxpayer's net income for any portion of  
25 the taxable year prior to the effective date of the  
26 reduction and (ii) 3% of the taxpayer's net income for any



1 portion of the taxable year on or after the effective date  
2 of the reduction.

3 (2) In the case of a corporation, the tax shall be  
4 imposed in an amount equal to the sum of (i) the rate  
5 applicable to the taxpayer under subsection (b) of Section  
6 201 (without regard to the provisions of this Section)  
7 times the taxpayer's net income for any portion of the  
8 taxable year prior to the effective date of the reduction  
9 and (ii) 4.8% of the taxpayer's net income for any portion  
10 of the taxable year on or after the effective date of the  
11 reduction.

12 (3) For any taxpayer for whom the rate has been reduced  
13 under this Section for a portion of a taxable year, the  
14 taxpayer shall determine the net income for each portion of  
15 the taxable year following the rules set forth in Section  
16 202.5 of this Act, using the effective date of the rate  
17 reduction rather than the January 1 dates found in that  
18 Section, and the day before the effective date of the rate  
19 reduction rather than the December 31 dates found in that  
20 Section.

21 (4) If the rate applicable to the taxpayer under  
22 subsection (b) of Section 201 (without regard to the  
23 provisions of this Section) changes during a portion of the  
24 taxable year to which that rate is applied under paragraphs  
25 (1) or (2) of this subsection (f), the tax for that portion  
26 of the taxable year for purposes of paragraph (1) or (2) of

1           this subsection (f) shall be determined as if that portion  
2           of the taxable year were a separate taxable year, following  
3           the rules set forth in Section 202.5 of this Act. If the  
4           taxpayer elects to follow the rules set forth in subsection  
5           (b) of Section 202.5, the taxpayer shall follow the rules  
6           set forth in subsection (b) of Section 202.5 for all  
7           purposes of this Section for that taxable year.

8           (g) Notwithstanding the State spending limitation set  
9           forth in subsection (b) of this Section, the Governor may  
10          declare a fiscal emergency by filing a declaration with the  
11          Secretary of State and copies with the State Treasurer, the  
12          State Comptroller, the Senate, and the House of  
13          Representatives. The declaration must be limited to only one  
14          State fiscal year, set forth compelling reasons for declaring a  
15          fiscal emergency, and request a specific dollar amount. Unless,  
16          within 10 calendar days of receipt of the Governor's  
17          declaration, the State Comptroller or State Treasurer notifies  
18          the Senate and the House of Representatives that he or she does  
19          not concur in the Governor's declaration, State spending  
20          authorized by law to address the fiscal emergency in an amount  
21          no greater than the dollar amount specified in the declaration  
22          shall not be considered "State spending" for purposes of the  
23          State spending limitation.

24          (h) As used in this Section:

25                 "State general funds" means the General Revenue Fund, the  
26          Common School Fund, the General Revenue Common School Special

1 Account Fund, the Education Assistance Fund, and the Budget  
2 Stabilization Fund.

3 "State spending" means (i) the total amount authorized for  
4 spending by appropriation or statutory transfer from the State  
5 general funds in the applicable fiscal year, and (ii) any  
6 amounts the Governor places in reserves in accordance with  
7 subsection (d) that are subsequently released from reserves  
8 following authorization by a Public Act. For the purpose of  
9 this definition, "appropriation" means authority to spend  
10 money from a State general fund for a specific amount, purpose,  
11 and time period, including any supplemental appropriation or  
12 continuing appropriation, but does not include  
13 reappropriations from a previous fiscal year. For the purpose  
14 of this definition, "statutory transfer" means authority to  
15 transfer funds from one State general fund to any other fund in  
16 the State treasury, but does not include transfers made from  
17 one State general fund to another State general fund.

18 "State spending limitation" means the amount described in  
19 subsection (b) of this Section for the applicable fiscal year.  
20 (Source: P.A. 96-1496, eff. 1-13-11.)

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