

# SB2642



## 98TH GENERAL ASSEMBLY

### State of Illinois

2013 and 2014

SB2642

Introduced 1/21/2014, by Sen. Dale A. Righter

#### SYNOPSIS AS INTRODUCED:

30 ILCS 122/20

Amends the Budget Stabilization Act. Increases the amount transferred from the General Revenue Fund to the Pension Stabilization Fund to 90% (currently 10%) of the specified sums. Provides that the transferred amount is intended to represent nine-tenths (currently one-tenth) of the annual savings to the State resulting from the enactment of Public Act 98-599. Effective immediately.

LRB098 15293 JWD 50316 b

FISCAL NOTE ACT  
MAY APPLY

PENSION IMPACT  
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 Budget Stabilization Act is amended by  
5 changing Section 20 as follows:

6 (30 ILCS 122/20)

7 (Text of Section before amendment by P.A. 98-599)

8 Sec. 20. Pension Stabilization Fund.

9 (a) The Pension Stabilization Fund is hereby created as a  
10 special fund in the State treasury. Moneys in the fund shall be  
11 used for the sole purpose of making payments to the designated  
12 retirement systems as provided in Section 25.

13 (b) For each fiscal year through State fiscal year 2014,  
14 when the General Assembly's appropriations and transfers or  
15 diversions as required by law from general funds do not exceed  
16 99% of the estimated general funds revenues pursuant to  
17 subsection (a) of Section 10, the Comptroller shall transfer  
18 from the General Revenue Fund as provided by this Section a  
19 total amount equal to 0.5% of the estimated general funds  
20 revenues to the Pension Stabilization Fund.

21 (c) For each fiscal year through State fiscal year 2014,  
22 when the General Assembly's appropriations and transfers or  
23 diversions as required by law from general funds do not exceed

1 98% of the estimated general funds revenues pursuant to  
2 subsection (b) of Section 10, the Comptroller shall transfer  
3 from the General Revenue Fund as provided by this Section a  
4 total amount equal to 1.0% of the estimated general funds  
5 revenues to the Pension Stabilization Fund.

6 (c-5) In addition to any other amounts required to be  
7 transferred under this Section, in State fiscal year 2016 and  
8 each fiscal year thereafter through State fiscal year 2045, or  
9 when each of the designated retirement systems, as defined in  
10 Section 25, has achieved 100% funding, whichever occurs first,  
11 the State Comptroller shall order transferred and the State  
12 Treasurer shall transfer from the General Revenue Fund to the  
13 Pension Stabilization Fund an amount equal to 90% of (1) the  
14 sum of the amounts certified by the designated retirement  
15 systems under subsection (a-5) of Section 2-134, subsection  
16 (a-10) of Section 14-135.08, subsection (a-10) of Section  
17 15-165, and subsection (a-10) of Section 16-158 of this Code  
18 for that fiscal year minus (2) the sum of (i) the transfer  
19 required under subsection (c-10) of this Section for that  
20 fiscal year and (ii) the sum of the required State  
21 contributions certified by the retirement systems under  
22 subsection (a) of Section 2-134, subsection (a-5) of Section  
23 14-135.08, subsection (a-5) of Section 15-165, and subsection  
24 (a-5) of Section 16-158 of this Code for that fiscal year. The  
25 transferred amount is intended to represent nine-tenths of the  
26 annual savings to the State resulting from the enactment of

1 this amendatory Act of the 98th General Assembly.

2 (c-10) In State fiscal year 2019, the State Comptroller  
3 shall order transferred and the State Treasurer shall transfer  
4 \$364,000,000 from the General Revenue Fund to the Pension  
5 Stabilization Fund. In State fiscal year 2020 and each fiscal  
6 year thereafter until terminated under subsection (c-15), the  
7 State Comptroller shall order transferred and the State  
8 Treasurer shall transfer \$1,000,000,000 from the General  
9 Revenue Fund to the Pension Stabilization Fund.

10 (c-15) The transfers made beginning in State fiscal year  
11 2020 pursuant to subsection (c-10) of this Section shall  
12 terminate at the end of State fiscal year 2045 or when each of  
13 the designated retirement systems, as defined in Section 25,  
14 has achieved 100% funding, whichever occurs first.

15 (d) The Comptroller shall transfer 1/12 of the total amount  
16 to be transferred each fiscal year under this Section into the  
17 Pension Stabilization Fund on the first day of each month of  
18 that fiscal year or as soon thereafter as possible; except that  
19 the final transfer of the fiscal year shall be made as soon as  
20 practical after the August 31 following the end of the fiscal  
21 year.

22 Until State fiscal year 2015, before ~~Before~~ the final  
23 transfer for a fiscal year is made, the Comptroller shall  
24 reconcile the estimated general funds revenues used in  
25 calculating the other transfers under this Section for that  
26 fiscal year with the actual general funds revenues for that

1 fiscal year. The final transfer for the fiscal year shall be  
2 adjusted so that the total amount transferred under this  
3 Section for that fiscal year is equal to the percentage  
4 specified in subsection (b) or (c) of this Section, whichever  
5 is applicable, of the actual general funds revenues for that  
6 fiscal year. The actual general funds revenues for the fiscal  
7 year shall be calculated in a manner consistent with subsection  
8 (c) of Section 10 of this Act.

9 (Source: P.A. 94-839, eff. 6-6-06.)

10 (Text of Section after amendment by P.A. 98-599)

11 Sec. 20. Pension Stabilization Fund.

12 (a) The Pension Stabilization Fund is hereby created as a  
13 special fund in the State treasury. Moneys in the fund shall be  
14 used for the sole purpose of making payments to the designated  
15 retirement systems as provided in Section 25.

16 (b) For each fiscal year through State fiscal year 2014,  
17 when the General Assembly's appropriations and transfers or  
18 diversions as required by law from general funds do not exceed  
19 99% of the estimated general funds revenues pursuant to  
20 subsection (a) of Section 10, the Comptroller shall transfer  
21 from the General Revenue Fund as provided by this Section a  
22 total amount equal to 0.5% of the estimated general funds  
23 revenues to the Pension Stabilization Fund.

24 (c) For each fiscal year through State fiscal year 2014,  
25 when the General Assembly's appropriations and transfers or

1 diversions as required by law from general funds do not exceed  
2 98% of the estimated general funds revenues pursuant to  
3 subsection (b) of Section 10, the Comptroller shall transfer  
4 from the General Revenue Fund as provided by this Section a  
5 total amount equal to 1.0% of the estimated general funds  
6 revenues to the Pension Stabilization Fund.

7 (c-5) In addition to any other amounts required to be  
8 transferred under this Section, in State fiscal year 2016 and  
9 each fiscal year thereafter through State fiscal year 2045, or  
10 when each of the designated retirement systems, as defined in  
11 Section 25, has achieved 100% funding, whichever occurs first,  
12 the State Comptroller shall order transferred and the State  
13 Treasurer shall transfer from the General Revenue Fund to the  
14 Pension Stabilization Fund an amount equal to 90% ~~10%~~ of (1)  
15 the sum of the amounts certified by the designated retirement  
16 systems under subsection (a-5) of Section 2-134, subsection  
17 (a-10) of Section 14-135.08, subsection (a-10) of Section  
18 15-165, and subsection (a-10) of Section 16-158 of this Code  
19 for that fiscal year minus (2) the sum of (i) the transfer  
20 required under subsection (c-10) of this Section for that  
21 fiscal year and (ii) the sum of the required State  
22 contributions certified by the retirement systems under  
23 subsection (a) of Section 2-134, subsection (a-5) of Section  
24 14-135.08, subsection (a-5) of Section 15-165, and subsection  
25 (a-5) of Section 16-158 of this Code for that fiscal year. The  
26 transferred amount is intended to represent nine-tenths

1 ~~one-tenth~~ of the annual savings to the State resulting from the  
2 enactment of this amendatory Act of the 98th General Assembly.

3 (c-10) In State fiscal year 2019, the State Comptroller  
4 shall order transferred and the State Treasurer shall transfer  
5 \$364,000,000 from the General Revenue Fund to the Pension  
6 Stabilization Fund. In State fiscal year 2020 and each fiscal  
7 year thereafter until terminated under subsection (c-15), the  
8 State Comptroller shall order transferred and the State  
9 Treasurer shall transfer \$1,000,000,000 from the General  
10 Revenue Fund to the Pension Stabilization Fund.

11 (c-15) The transfers made beginning in State fiscal year  
12 2020 pursuant to subsection (c-10) of this Section shall  
13 terminate at the end of State fiscal year 2045 or when each of  
14 the designated retirement systems, as defined in Section 25,  
15 has achieved 100% funding, whichever occurs first.

16 (d) The Comptroller shall transfer 1/12 of the total amount  
17 to be transferred each fiscal year under this Section into the  
18 Pension Stabilization Fund on the first day of each month of  
19 that fiscal year or as soon thereafter as possible; except that  
20 the final transfer of the fiscal year shall be made as soon as  
21 practical after the August 31 following the end of the fiscal  
22 year.

23 Until State fiscal year 2015, before the final transfer for  
24 a fiscal year is made, the Comptroller shall reconcile the  
25 estimated general funds revenues used in calculating the other  
26 transfers under this Section for that fiscal year with the

1 actual general funds revenues for that fiscal year. The final  
2 transfer for the fiscal year shall be adjusted so that the  
3 total amount transferred under this Section for that fiscal  
4 year is equal to the percentage specified in subsection (b) or  
5 (c) of this Section, whichever is applicable, of the actual  
6 general funds revenues for that fiscal year. The actual general  
7 funds revenues for the fiscal year shall be calculated in a  
8 manner consistent with subsection (c) of Section 10 of this  
9 Act.

10 (Source: P.A. 98-599, eff. 6-1-14.)

11 Section 95. No acceleration or delay. Where this Act makes  
12 changes in a statute that is represented in this Act by text  
13 that is not yet or no longer in effect (for example, a Section  
14 represented by multiple versions), the use of that text does  
15 not accelerate or delay the taking effect of (i) the changes  
16 made by this Act or (ii) provisions derived from any other  
17 Public Act.

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