

STATE OF ILLINOIS
OFFICE OF THE GOVERNOR
SPRINGFIELD, 62706GEORGE H. RYAN
GOVERNOR

August 2, 2001

To the Honorable Members of the
Illinois House of Representatives
92nd General Assembly

Pursuant to Article IV, section 9(b) of the Illinois Constitution of 1970, I hereby veto and return House Bill 3071, entitled "AN ACT concerning health facilities."

House Bill 3071 amends the Hospital Licensing Act to reduce the fee structure paid to the Department of Public Health (DPH) for facility plan reviews. It also requires DPH to annually adjust the rates to reflect the increase in construction costs due to inflation. Additionally, the legislation requires DPH to review plans for the proposed alteration, addition, or new construction of hospitals or long term care facilities, and maintains that the fees collected are to be deposited into the Health Facility Plan Review Fund.

The Health Facility Plan Review Fund is a special state fund set up to receive and record monies obtained from fees assessed in association with the review of plans for construction of or specific alterations to treatment centers, nursing homes, hospitals, and other facilities. DPH may expend monies in the fund for costs associated with conducting these reviews.

Signing HB 3071 into law would decrease the percentage rate applied to estimated construction costs utilized to calculate hospital fees. Additionally, signing this bill would allow for an annual inflation adjustment to reflect the increase in construction costs.

I understand that HB 3071 attempts to correct a fee schedule that some entities consider outdated. However, I am concerned about signing legislation that enacts fees which are insufficient to support a program's operational expenses during a time when the state is facing reduced revenues. Signing this legislation would result in the Health Facility Plan Fund balance decreasing because the new fees suggested by HB 3071 are not sufficient to cover expenses for the year. This could potentially put the state in a precarious position of not maintaining adequate funds to keep up with future budgetary pressures.

For these reasons, I hereby veto and return HB 3071.

Sincerely,
s/GEORGE H. RYAN
Governor