

1 AN ACT concerning payroll deductions.

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

4 Section 5. The Voluntary Payroll Deductions Act of 1983
5 is amended by changing Section 3 as follows:

6 (5 ILCS 340/3) (from Ch. 15, par. 503)

7 Sec. 3. Definitions. As used in this Act unless the
8 context otherwise requires:

9 (a) "Employee" means any regular officer or employee who
10 receives salary or wages for personal services rendered to
11 the State of Illinois, and includes an individual hired as an
12 employee by contract with that individual.

13 (b) "Qualified organization" means an organization
14 representing one or more benefiting agencies, which
15 organization is designated by the State Comptroller as
16 qualified to receive payroll deductions under this Act. An
17 organization desiring to be designated as a qualified
18 organization shall:

19 (1) Submit written designations on forms approved
20 by the State Comptroller by 4,000 or more employees or
21 State annuitants, in which such employees or State
22 annuitants indicate that the organization is one for
23 which the employee or State annuitant intends to
24 authorize withholding. The forms shall require the name,
25 ~~social-security-number~~, and employing State agency for
26 each employee. Upon notification by the Comptroller that
27 such forms have been approved, the organization shall,
28 within 30 days, notify in writing the Governor or his or
29 her designee of its intention to obtain the required
30 number of designations. Such organization shall have 12
31 months from that date to obtain the necessary

1 designations. The signed forms and signatures on the
2 forms shall be subject to verification by the State
3 Comptroller;

4 (2) Certify that all benefiting agencies are tax
5 exempt under Section 501(c)(3) of the Internal Revenue
6 Code;

7 (3) Certify that all benefiting agencies are in
8 compliance with the Illinois Human Rights Act;

9 (4) Certify that all benefiting agencies are in
10 compliance with the Charitable Trust Act and the
11 Solicitation for Charity Act;

12 (5) Certify that all benefiting agencies actively
13 conduct health or welfare programs and provide services
14 to individuals directed at one or more of the following
15 common human needs within a community: service, research,
16 and education in the health fields; family and child care
17 services; protective services for children and adults;
18 services for children and adults in foster care; services
19 related to the management and maintenance of the home;
20 day care services for adults; transportation services;
21 information, referral and counseling services; services
22 to eliminate illiteracy; the preparation and delivery of
23 meals; adoption services; emergency shelter care and
24 relief services; disaster relief services; safety
25 services; neighborhood and community organization
26 services; recreation services; social adjustment and
27 rehabilitation services; health support services; or a
28 combination of such services designed to meet the special
29 needs of specific groups, such as children and youth, the
30 ill and infirm, and the physically handicapped; and that
31 all such benefiting agencies provide the above described
32 services to individuals and their families in the
33 community and surrounding area in which the organization
34 conducts its fund drive, or that such benefiting agencies

1 provide relief to victims of natural disasters and other
2 emergencies on a where and as needed basis;

3 (6) Certify that the organization has disclosed the
4 percentage of the organization's total collected receipts
5 from employees or State annuitants that are distributed
6 to the benefiting agencies and the percentage of the
7 organization's total collected receipts from employees or
8 State annuitants that are expended for fund-raising and
9 overhead costs. These percentages shall be the same
10 percentage figures annually disclosed by the organization
11 to the Attorney General. The disclosure shall be made to
12 all solicited employees and State annuitants and shall be
13 in the form of a factual statement on all petitions and
14 in the campaign's brochures for employees and State
15 annuitants;

16 (7) Certify that all benefiting agencies receiving
17 funds which the employee or State annuitant has requested
18 or designated for distribution to a particular community
19 and surrounding area use a majority of such funds
20 distributed for services in the actual provision of
21 services in that community and surrounding area;

22 (8) Certify that neither it nor its member
23 organizations will solicit State employees for
24 contributions at their workplace, except pursuant to this
25 Act and the rules promulgated thereunder. Each qualified
26 organization, and each participating United Fund, is
27 encouraged to cooperate with all others and with all
28 State agencies and educational institutions so as to
29 simplify procedures, to resolve differences and to
30 minimize costs;

31 (9) Certify that it will pay its share of the
32 campaign costs and will comply with the Code of Campaign
33 Conduct as approved by the Governor or other agency as
34 designated by the Governor; and

1 (10) Certify that it maintains a year-round office,
2 the telephone number, and person responsible for the
3 operations of the organization in Illinois. That
4 information shall be provided to the State Comptroller at
5 the time the organization is seeking participation under
6 this Act.

7 Each qualified organization shall submit to the State
8 Comptroller between January 1 and March 1 of each year, a
9 statement that the organization is in compliance with all of
10 the requirements set forth in paragraphs (2) through (10).
11 The State Comptroller shall exclude any organization that
12 fails to submit the statement from the next solicitation
13 period.

14 In order to be designated as a qualified organization,
15 the organization shall have existed at least 2 years prior to
16 submitting the written designation forms required in
17 paragraph (1) and shall certify to the State Comptroller that
18 such organization has been providing services described in
19 paragraph (5) in Illinois. If the organization seeking
20 designation represents more than one benefiting agency, it
21 need not have existed for 2 years but shall certify to the
22 State Comptroller that each of its benefiting agencies has
23 existed for at least 2 years prior to submitting the written
24 designation forms required in paragraph (1) and that each has
25 been providing services described in paragraph (5) in
26 Illinois.

27 Organizations which have met the requirements of this Act
28 shall be permitted to participate in the State and
29 Universities Combined Appeal as of January 1st of the year
30 immediately following their approval by the Comptroller.

31 Where the certifications described in paragraphs (2),
32 (3), (4), (5), (6), (7), (8), (9), and (10) above are made by
33 an organization representing more than one benefiting agency
34 they shall be based upon the knowledge and belief of such

1 qualified organization. Any qualified organization shall
2 immediately notify the State Comptroller in writing if the
3 qualified organization receives information or otherwise
4 believes that a benefiting agency is no longer in compliance
5 with the certification of the qualified organization. A
6 qualified organization representing more than one benefiting
7 agency shall thereafter withhold and refrain from
8 distributing to such benefiting agency those funds received
9 pursuant to this Act until the benefiting agency is again in
10 compliance with the qualified organization's certification.
11 The qualified organization shall immediately notify the State
12 Comptroller of the benefiting agency's resumed compliance
13 with the certification, based upon the qualified
14 organization's knowledge and belief, and shall pay over to
15 the benefiting agency those funds previously withheld.

16 The Comptroller shall, by February 1st of each year, so
17 notify any qualified organization that failed to receive at
18 least 500 payroll deduction pledges during each immediately
19 preceding solicitation period as set forth in Section 6. The
20 notification shall give such qualified organization until
21 March 1st to provide the Comptroller with documentation that
22 the 500 deduction requirement has been met. On the basis of
23 all the documentation, the Comptroller shall, by March 15th
24 of each year, submit to the Governor or his or her designee,
25 or such other agency as may be determined by the Governor, a
26 list of all organizations which have met the 500 payroll
27 deduction requirement. Only those organizations which have
28 met such requirements, as well as the other requirements of
29 this Section, shall be permitted to solicit State employees
30 or State annuitants for voluntary contributions, and the
31 Comptroller shall discontinue withholding for any such
32 organization which fails to meet these requirements.

33 (c) "United Fund" means the organization conducting the
34 single, annual, consolidated effort to secure funds for

1 distribution to agencies engaged in charitable and public
2 health, welfare and services purposes, which is commonly
3 known as the United Fund, or the organization which serves in
4 place of the United Fund organization in communities where an
5 organization known as the United Fund is not organized.

6 In order for a United Fund to participate in the State
7 and Universities Employees Combined Appeal, it shall comply
8 with the provisions of paragraph (9) of subsection (b).

9 (d) "State and Universities Employees Combined Appeal",
10 otherwise known as "SECA", means the State-directed joint
11 effort of all of the qualified organizations, together with
12 the United Funds, for the solicitation of voluntary
13 contributions from State and University employees and State
14 annuitants.

15 (e) "Retirement system" means any or all of the
16 following: the General Assembly Retirement System, the State
17 Employees' Retirement System of Illinois, the State
18 Universities Retirement System, the Teachers' Retirement
19 System of the State of Illinois, and the Judges Retirement
20 System.

21 (f) "State annuitant" means a person receiving an
22 annuity or disability benefit under Article 2, 14, 15, 16, or
23 18 of the Illinois Pension Code.

24 (Source: P.A. 90-487, eff. 8-17-97; 91-357, eff. 7-29-99;
25 91-533, eff. 8-13-99; 91-896, eff. 7-6-00.)