

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 last 4 digits only of the social security number, and  
26 employing State agency for each employee. Upon  
27 notification by the Comptroller that such forms have been  
28 approved, the organization shall, within 30 days, notify  
29 in writing the Governor or his or her designee of its  
30 intention to obtain the required number of designations.  
31 Such organization shall have 12 months from that date to

1 obtain the necessary designations and return to the State  
 2 Comptroller's office the completed designations, which-  
 3 ~~The--signed--forms--and--signatures-on-the-forms~~ shall be  
 4 subject to verification procedures established by the  
 5 State Comptroller;

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

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

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

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

1 community and surrounding area in which the organization  
2 conducts its fund drive, or that such benefiting agencies  
3 provide relief to victims of natural disasters and other  
4 emergencies on a where and as needed basis;

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

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

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

33 (9) Certify that it will pay its share of the  
34 campaign costs and will comply with the Code of Campaign

1           Conduct as approved by the Governor or other agency as  
2           designated by the Governor; and

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

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

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

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

33          Where the certifications described in paragraphs (2),  
34          (3), (4), (5), (6), (7), (8), (9), and (10) above are made by

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

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

1 (c) "United Fund" means the organization conducting the  
2 single, annual, consolidated effort to secure funds for  
3 distribution to agencies engaged in charitable and public  
4 health, welfare and services purposes, which is commonly  
5 known as the United Fund, or the organization which serves in  
6 place of the United Fund organization in communities where an  
7 organization known as the United Fund is not organized.

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

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

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

23 (f) "State annuitant" means a person receiving an  
24 annuity or disability benefit under Article 2, 14, 15, 16, or  
25 18 of the Illinois Pension Code.

26 (Source: P.A. 90-487, eff. 8-17-97; 91-357, eff. 7-29-99;  
27 91-533, eff. 8-13-99; 91-896, eff. 7-6-00.)

28 Section 99. Effective date. This Act takes effect upon  
29 becoming law.