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STATE OF ILLINOIS

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OFFICE OF THE AUDITOR GENERAL

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MANAGEMENT AUDIT

USER FEES  
CHARGED BY  
STATE AGENCIES

APRIL 1993

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WILLIAM G. HOLLAND

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AUDITOR GENERAL

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STATE OF ILLINOIS  
WILLIAM G. HOLLAND  
AUDITOR GENERAL

*To the Legislative Audit Commission, the Speaker and  
Minority Leader of the House of Representatives, the  
President and Minority Leader of the Senate, the  
members of the General Assembly, and the Governor:*

This is our report of the management audit of User Fees Charged by State Agencies. The audit was conducted pursuant to Legislative Audit Commission Resolution Number 96 which was adopted April 16, 1992.

This report discloses the magnitude of State fees charged to the public by detailing information on individual fees. It offers the advantages and disadvantages of charging fees, discusses the types of service for which a fee may be imposed, suggests factors to consider in setting fee rates, and identifies some fees that may need adjustment (e.g., unchanged for years, obsolete, no revenue). Policy makers may also find this report useful if they wish to:

- simplify the variation in fee rates;
- establish fee rates that reflect the cost of the program or service provided;
- establish special funds for fees that were intended to recover full cost; and
- enhance controls over fees through improved reporting and oversight.

This audit was conducted in accordance with generally accepted government auditing standards and the audit standards promulgated by the Office of the Auditor General at 74 Ill. Adm. Code 420.310. The report for this audit is transmitted in conformance with Section 3-14 of the Illinois State Auditing Act.

A handwritten signature in black ink, appearing to read "W. G. Holland", with a long, sweeping underline that extends to the right.

WILLIAM G. HOLLAND  
Auditor General

Springfield, Illinois  
April 1993



OFFICE OF THE AUDITOR GENERAL  
WILLIAM G. HOLLAND

Management Audit  
**USER FEES  
CHARGED BY  
STATE AGENCIES**

**SYNOPSIS**

The State of Illinois has been charging fees for more than one hundred years. Typical fees are licenses, permits, registrations, tolls, and tuition. Only about one-quarter of the fees were intended to recover the full cost of the program or service provided while almost one-half had no stated intent to recover any portion of cost.

The State does not systematically capture and report information on fees. A reporting system would have disclosed fees that are obsolete, not charged, unchanged (a few have not changed since 1919), and provided summary information. This audit reports that in Fiscal Year 1992:

- Total fee revenue exceeded \$1.6 billion.
- 71 State agencies administered 2,096 fees.
- Department of Professional Regulation had the most fees: 555.
- Secretary of State had the most fee revenue: \$495 million.
- Over 92 percent of fee revenue was deposited in special funds.
- More than one-third of the fee rates were set by agencies.
- Almost one-half of the fees had no stated intent to recover any cost.

## REPORT CONCLUSIONS

Legislative Audit Commission Resolution Number 96 directed the Auditor General to conduct a management audit of State user fees charged to citizens and private organizations, including their amount, use, and intended purpose; cost coverage; and whether monitoring and reporting needed to be enhanced. Digest Exhibit 1 shows agencies with the most fees and revenues. (See report pages 1, 4, and 18)

The State of Illinois has been charging fees for more than one hundred years. In Fiscal Year 1992, there were 2,096 fees administered by 71 agencies. Fee revenue was \$1,639,037,071 which is about seven percent of the approximately \$23 billion in total State revenue. Over 92 percent of the total fee revenue was deposited into special funds. More than one-third of the fee rates were set by agencies. Some information about fees was available, but the State does not systematically capture and report fee information which could disclose fees that are obsolete, not charged, or unchanged for years, and which could provide information useful to the budget process.

*Digest Exhibit 1*  
**AGENCIES WITH MOST FEES  
AND FEE REVENUES**

<u>Most Fees</u>	<u>Fees</u>	<u>FY92 Revenue</u>
• Professional Regulation	555	\$ 18,668,134
• Secretary of State	362	495,487,237
• Conservation	157	25,758,653

<u>Most Fee Revenue</u>		
• Secretary of State	362	\$ 495,487,237
• Public Aid <sup>1</sup>	6	315,849,967
• Toll Highway <sup>2</sup>	1	253,911,000

<sup>1</sup> Nearly all revenue was from assessment to hospitals and long-term care facilities to obtain federal matching funds.

<sup>2</sup> Projected revenue for Calendar Year 1992.

SOURCE: OAG survey of State agencies.

## PURPOSE OF FEES

Generally, user fees are charges intended to reimburse government for some or all of the cost of providing a service or operating a program. Typical fees are licenses, permits, registrations, tolls, and tuition. Many State fees were charged for regulatory purposes. Taxes, on the other hand, raise revenue for general government functions, are levied on the general public, and are not linked to a particular government program or service. (Pg. 9)

**Advantages.** Fees prevent subsidizing recipients of the service at the expense of general taxpayers; they are another source of revenue for government; and they demonstrate a link between prices paid and services provided.

**Disadvantages.** Many government services are such that a user fee probably cannot be charged for them, such as police protection or the justice system. Businesses may view fees as one more cost of doing business (in addition to taxes and unemployment insurance), and that may adversely affect the State's business climate. There is also a cost to collect information necessary to set prices for services since it may require establishing a more comprehensive cost-accounting system. Digest Exhibit 2 shows fees set by statute that have not been changed for many years (pg. 46).

*Digest Exhibit 2*  
**FEES UNCHANGED**  
**FOR THE LONGEST TIME**

- *Supreme Court fee to prepare and certify a law license with seal was last revised in 1919. FY92 revenue was \$14,345.*
- *Agriculture cooperative registration fee was last revised in 1931. FY92 revenue was \$2,778.*
- *Secretary of State domestic corporation license fee was last revised in 1933. FY92 revenue was not available.*

**SOURCE:** OAG survey of State agencies.

## ***COST COVERAGE***

Some fees are intended to cover the full cost of the program or service, some are intended to cover part of the cost, some are intended to be nominal. Approximately one-quarter of the total State fees (565 of 2,096 fees) were intended by statute, rule, or policy to recover the full cost of the service or program provided. If all cost elements are not included in the establishment of fees, some revenue is not captured and taxpayers subsidize activities from which they may not benefit. (Pg. 23)

Almost one-half (963) of all fees had no stated intent to recover any portion of the cost. Examples of such fees included: accident report fee, lottery agent license fee, carnival/amusement ride inspection and permit fee, pilot registration, digest subscription fee, and voter registration tape fee. If recovering cost is not the intent, then fees resemble taxes whose purpose is to raise revenue for the State. Not knowing the portion of cost to be recovered makes the rate set for the fee an arbitrary amount. A correlation between fees charged and cost of providing the service or program would also show the paying public the reason for charging the fee.

### **◆ MATTER FOR CONSIDERATION BY THE GENERAL ASSEMBLY ◆**

**The General Assembly may wish to specify, when establishing fees in the future, the purpose of the fee, the portion of cost to be recovered by the fee, and a mechanism to adjust fees over time.**

## **DEPOSITING FEE REVENUES**

Some fee revenues are deposited into the General Revenue Fund, some are deposited into special funds, and some are deposited into both. The General Revenue Fund receives taxes and other types of revenues which finance general governmental activities. Special funds are created in statute with revenue sources and uses typically defined. The advantages and disadvantages of each are presented below. (Pg. 28)

**Advantages.** Depositing fee revenues in the General Revenue Fund would provide the legislature with a larger pool of funds from which to appropriate. Furthermore, it would simplify State and agency fund accounting and budgeting because the source of agency appropriation would be from only one fund. The General Revenue Fund can also be allocated by the legislature without the restrictions that may exist with special funds. Digest Exhibit 3 shows fees with the highest rates (pg. 5).

*Digest Exhibit 3*  
**FEES WITH HIGHEST RATES**  
*Fiscal Year 1992*

- *Examination fee paid by an insurance exchange could have reached \$5 million.*
- *Radioactive waste quarterly fee was \$1.71 million.*
- *Capital surcharge fee per nuclear power station was \$1.4 million.*

*SOURCE: OAG survey of State agencies.*

**Disadvantages.** When user fees are deposited into the General Revenue Fund, they become part of the large pot of State monies and there is no link between revenue and expenditure. The loss of direct use of fee revenue may decrease an agency's incentive to collect fees. If fees are placed in the General Revenue Fund, it could complicate revenue estimation because trends from hundreds of fees would need to be tracked.

The State of Illinois could establish special funds (or accounts within funds) for each group of related fees that are intended to cover the full cost of the associated service or program. These services or programs could then be operated entirely with special funds without the need for general revenue funding. It could also improve the link between fee revenue and cost and encourage more complete information on fees.

◆ **MATTER FOR CONSIDERATION BY THE GENERAL ASSEMBLY** ◆

**The General Assembly may wish to consider establishing special funds for each group of related fees that are intended to recover the full cost of the service or program provided, after determining if full cost is to include both direct and indirect costs.**

## REPORTING AND MONITORING OF FEES

Little useful information has been available about the number, intent, or financial impact of State fees. No central source of information exists on the cost of providing fee-related functions. Out of the 71 agencies that charged a fee, 16 provided some evidence of a study or cost-benefit analysis, such as how fees should be set or what amount should be charged. Digest Exhibit 4 shows the top revenue generating fees for Fiscal Year 1992. (Revenue for tolls is projected for calendar year 1992; first division vehicles carry up to 10 persons.) (Pg. 19 & 43)

• <i>First division vehicle registration fee</i> <i>(Secretary of State)</i>	\$326,620,406
• <i>Tolls</i> <i>(Toll Highway Authority)</i>	\$253,911,000
• <i>Hospital services provider participation fee</i> <i>(Public Aid)</i>	\$141,295,965

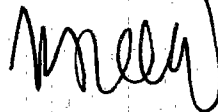
SOURCE: OAG survey of State agencies.

Several states (i.e., Delaware, Minnesota, North Carolina) have established reports on fees but Illinois has not. A formal reporting mechanism would require all agencies to maintain data on individual fees in a standardized way and assign one agency the responsibility to collect data and prepare periodic reports.

### ◆ MATTER FOR CONSIDERATION BY THE GENERAL ASSEMBLY ◆

**The General Assembly may wish to consider establishing a structure for reporting on fees administered by State agencies. This would include mandating agencies to maintain data on individual fees in a standardized format and assigning a central agency the responsibility to develop and implement procedures to collect the data and prepare summary reports.**

This report has a three volume supplement. Volume 1 contains fees of constitutional officers, Volume 2 contains fees of civil administrative code agencies, and Volume 3 contains fees of all other State agencies.



**WILLIAM G. HOLLAND, Auditor General**

WGH\AD  
Springfield

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In addition to the chapters and appendices, there is a supplement to the report which contains information on individual fees of each agency. The supplement is in three separate volumes.

## *Chapter 1* **INTRODUCTION**

The Legislative Audit Commission adopted Resolution Number 96 on April 16, 1992 which directed the Auditor General to conduct an audit of user fees charged by State agencies (see Appendix A). The resolution contained the following six determinations:

1. which user fees are charged by State agencies to citizens and to private organizations that are intended by statute, administrative rule, or agency policy to cover the cost of services provided;
2. whether such user fees cover the cost of services or benefits provided;
3. whether such user fees are collected in a timely manner;
4. whether State agencies set such user fees to cover their projected program costs;
5. whether monitoring and reporting of such user fees needs to be enhanced; and
6. the types of user fees charged or administered by State agencies, the amount, use, and intended purpose.

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## **REPORT CONCLUSIONS**

The State of Illinois has been charging fees for more than one hundred years. Typical fees are licenses, permits, registrations, tolls, and tuition. During Fiscal Year 1992, fee revenues exceeded \$1.6 billion which is about seven percent of the approximately \$23 billion in total State revenue.

It was often not possible to match revenue and cost for individual fees since groups of related fees were established to cover the cost of the program or service being provided. The rates for more than one-third of the fees were set by agencies in their rules or policies; their revenue exceeded \$600 million and came

mostly from tolls and tuition. The rates for the remaining fees were set by the legislature.

Almost one-half of the fees had no stated intent to cover any portion of the cost. Only about one-quarter of the fees were intended to recover the full cost. Fees intended to recover full cost were generally collected in a timely manner and recovered the cost based on the agency's allocation method. However, cost allocations varied among agencies with overhead or indirect costs frequently not included. Statutes and rules frequently did not specify how much cost was to be recovered by a fee or whether cost was to include administration, overhead, or indirect expenses. When fees do not recover all costs, the program or service is subsidized by government.

Some information about fees is available, but the State does not systematically capture and report information on fees. Given that the State has a large number of fees which account for a significant part of State revenue, routine information about fees may be useful to financial decision makers. Such reporting might have provided the type of information shown in Exhibit 1-1.

<i>Exhibit 1-1 VITAL STATISTICS ABOUT STATE FEES Fiscal Years 1991-92</i>
<ul style="list-style-type: none"><li>● 71 State agencies administered 2,096 fees</li><li>● Total fee revenue in Fiscal Year 1992 was \$1,639,037,071</li><li>● Over 92% of the total fee revenue was deposited into special funds; rest was deposited in GRF</li><li>● 1,276 fee rates were set by statute, the remaining 820 were set by agencies</li><li>● 565 fees were intended to recover the full cost of the program or service provided</li><li>● Department of Professional Regulation had the most fees: 555</li><li>● Secretary of State had the most fee revenue in Fiscal Year 1992: \$495 million</li><li>● The highest fee rate was for examination fees paid by insurance exchanges (0.05 percent of net premiums for a maximum of \$5 million; repealed 12/31/92)</li><li>● Several Supreme Court fee rates set by statute have not changed since 1919, including fees for preparing and certifying law licenses with a seal</li></ul>
<i>SOURCE: Auditor General's survey of State agencies.</i>

## **INSTITUTING FEES**

The State of Illinois receives revenue from numerous sources including taxes, bond proceeds, federal receipts, investment income, and fees. A few examples of fees charged by Illinois State agencies are shown in Exhibit 1-2. (Throughout the report we have presented agencies' comments in the form of outquotes.)

**Exhibit 1-2**  
**EXAMPLES OF ILLINOIS FEES**

- **NUCLEAR POWER REACTOR FEE:** *The Department of Nuclear Safety charges an annual fee for each nuclear power reactor. This statutorily established fee is set at \$925,000. Two companies paid the fee for 13 reactors. Total Fiscal Year 1992 revenue was \$12,025,000.*
- **EGG BREAKER'S LICENSE FEE:** *The Department of Agriculture imposes a fee on companies that want to remove eggs from their shells to manufacture or prepare frozen or liquid egg products. Two \$200 licenses were issued in Fiscal Year 1992.*
- **ANIMAL PERMITS:** *The Department of Conservation imposes a fee for field trials held for different breeds of dogs at a Department of Conservation area. Fiscal Year 1992 revenue was \$8,330 from 82 permits.*
- **SECURITIES REGISTRATION FEE:** *The Secretary of State imposes general filing fees to register securities. The rate is between \$500 and \$6,000 based on the security's price. Fiscal Year 1992 revenue was \$1,164,474.*
- **OIL AND GAS WELLS PERMIT:** *Department of Mines and Minerals imposes a fee for plugging, repairing, or restoring wells that are leaking or abandoned; for any related tests; and for costs related to correcting oil or salt water intrusion in fresh water zones, among other reasons. Fiscal Year 1992 revenue was \$422,907 from 2,099 permits.*

**SOURCE:** Auditor General's survey of State agencies.

In several states, the competition for revenue has increased the use of fees to allow government to expand services without a tax increase. User fees have become more prevalent as federal aid to states has declined and as resistance to income, sales, and property taxes has increased.

Governments commonly charge fees for garbage collection, water and sewer services, recreational facilities, parking spaces, health services, police services at special events, building inspections, and zoning services, in addition to regulatory purposes.

**POLLUTION CONTROL BOARD:** *"User fees are an appropriate mechanism by which those benefitting most from governmental services bear the most cost."*

**SOURCE:** September 1, 1992 response to Auditor General's questionnaire.

After California's Proposition 13 capped taxes, municipal officials increased revenue by raising local user fees, licenses, permits, fines, penalties, and service charges. The philosophy California

embraced was to pay when expanding services and not to let charges lag behind or taxpayers would be subsidizing services that should be paid by users.

There were 71 Illinois State agencies that charged at least one fee during Fiscal Years 1991-92. Exhibit 1-3 shows the 10 State agencies that administered most of the 2,096 State fees.

<i>Exhibit 1-3</i> <b>AGENCIES WITH MOST FEES</b>		
	<u>Total Fees</u>	<u>FY92 Revenue</u>
1. Department of Professional Regulation	555	\$ 18,668,134
2. Secretary of State	362	495,487,237
3. Department of Conservation	157	25,758,653
4. Department of Public Health	154	7,871,688
5. Department of Agriculture	112	9,653,626
6. Department of Nuclear Safety	79	37,500,702
7. Commissioner of Banks and Trust Companies	61	15,642,944
8. Commissioner of Savings and Residential Finance	57	2,436,833
9. Department of Transportation	54	10,287,871
10. Department of Financial Institutions	47	4,469,319
<b>TOTAL</b>	<b><u>1,638</u></b>	<b><u>\$ 627,777,007</u></b>

*SOURCE: Auditor General's survey of State agencies.*

Not all fees were for small dollar amounts; some were substantial. Exhibit 1-4 lists fees with rates of \$20,000 or more for an individual fee. The rates for all these fees were established by statute, except for the Public Health fee which was established by administrative rule. The Exhibit includes no more than three fees from an agency and excludes fines, penalties, and fees based on a formula (such as dollars per pound of weight with no maximum).

**Exhibit 1-4  
FEES WITH HIGHEST RATES**

<b>AGENCY</b>	<b>FEE</b>	<b>FEE RATE</b>	<b>FY92 REVENUE</b>
<i>Insurance</i>	<i>Examination fee paid by an insurance exchange</i>	<i>Maximum: * \$5,000,000</i>	<i>*</i>
<i>Nuclear Safety</i>	<i>Radioactive waste quarterly fee (annualized since it varies each quarter)</i>	<i>** 1,710,000</i>	<i>\$22,230,000</i>
<i>Nuclear Safety</i>	<i>Capital surcharge fee per nuclear power station</i>	<i>1,400,000</i>	<i>0</i>
<i>Nuclear Safety</i>	<i>Nuclear power reactor annual fee (per reactor)</i>	<i>925,000</i>	<i>12,025,000</i>
<i>Mines &amp; Minerals</i>	<i>Forfeited bonds (forfeited surety bonds, letters of credit, or cash)</i>	<i>Max. 100,000</i>	<i>109,000</i>
<i>Commissioner of Banks and Trusts</i>	<i>Annual non-reciprocal license fee for a foreign banking corporation</i>	<i>50,000</i>	<i>0</i>
<i>EPA</i>	<i>Permit and inspection fee</i>	<i>Max. 35,000</i>	<i>233,250</i>
<i>EPA</i>	<i>Hazardous waste fee</i>	<i>Max. 30,000</i>	<i>2,703,225</i>
<i>Financial Institutions</i>	<i>Credit union examination fee</i>	<i>Max. 28,000</i>	<i>1,654,827</i>
<i>Public Health</i>	<i>Health care facility permit application fee</i>	<i>Max. 25,200</i>	<i>***</i>
<i>EPA</i>	<i>Solid waste management fee</i>	<i>Max. 25,000 plus per cubic yard</i>	<i>15,600,509</i>
<i>Revenue - Gaming Board</i>	<i>Riverboat gambling owner's license fee</i>	<i>25,000</i>	<i>***</i>
<i>Financial Institutions</i>	<i>Title insurance company agent registration fee</i>	<i>Max. 20,000</i>	<i>178,809</i>

*\* Lesser of \$5 million or 0.05 percent of net premiums written. Fiscal Year 1992 revenue was combined with several fees. Repealed 12/31/92.*

*\*\* Fee was reduced in Fiscal Year 1993 to \$250,000 per year.*

*\*\*\* Revenue for this fee was unavailable because agency provided combined revenue for several fees.*

*NOTE: This exhibit includes no more than three fees from any agency.*

*SOURCE: Auditor General's survey of State agencies.*

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## **SCOPE AND METHODOLOGY**

This management audit was conducted in accordance with generally accepted government auditing standards and the audit standards promulgated by the Office of the Auditor General (at 74 Ill. Adm. Code 420.310).

In this audit, the words "user fees" (or "fees" for short) include all State agency charges to citizens and private organizations deposited into the State treasury, with certain exceptions (mainly taxes) discussed in Chapter 2. The fees reviewed were administered during Fiscal Years 1991 and 1992. We examined agency documents, interviewed agency representatives, and reviewed statutes, administrative rules, policies, and the Comptroller's Uniform Statewide Accounting System manual. We also reviewed literature on fees (Appendix C contains the bibliography).

The objectives of this management audit as specified in the audit resolution called for a high level review of State fees. The resolution requested an inventory of fees charged by State agencies and sought certain overall information about fees that were intended to cover cost. Due to the nature of the objectives, a more general approach was taken to conduct this audit than one that would have been followed if a particular program or agency was being audited. We relied upon the work of our financial and compliance auditors during their regular audits to test internal controls and detect abuse and illegal acts, and upon our information systems auditors to review the reliability of agencies' data processed by electronic data processing systems.

A survey questionnaire was used to obtain information on each fee charged by State agencies, including name, purpose, authority, amount, and fund (see Appendix B for methodology). This audit contains responses from 144 agencies (including boards, commissions, and universities), 71 of which charged one or more fees. Detailed information gathered from the questionnaire is summarized in the *supplement* to the audit report. Based on the questionnaire information and certain OAG verification checks, we identified fees that were intended to cover the cost of the associated service or program (see Chapter 4). Additional review of these fees was performed and is reported in the supplement with limited verification due to the scope of the audit.

The most detailed testing was performed of fees with Fiscal Year 1992 revenue of at least \$1 million which were intended to cover full cost. A maximum of three fees were tested from a single State agency so that our sample reflected the State's administration of fees (see Chapter 5). University fees over \$1 million were excluded from testing because the Auditor General's Office released a program audit in July 1990, entitled "State University Tuition and Fee Policies and Practices." For the same reason, no further data is provided on their fees intended to cover full cost.



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## **REPORT ORGANIZATION**

The remainder of this audit report is organized into five chapters. These chapters discuss the types of charges imposed by State agencies, their numbers and amounts, the fees that are intended to cover full cost, and the various policy issues that arise when determining whether to charge a fee and how much to charge.

**CHAPTER 2** This chapter explains what fees are, their purpose, their advantages and disadvantages, and examines factors to consider when establishing a fee and when setting fee rates.

**CHAPTER 3** This chapter reviews all fees administered by Illinois State agencies, including identifying the agencies that had the most fee revenue and agencies whose fees were deposited into the General Revenue Fund.

**CHAPTER 4** This chapter discusses fees that are intended to cover the full cost of the program or service provided, including whether they are set to cover the full cost. It also presents arguments for and against depositing fees into the General Revenue Fund.

**CHAPTER 5** This chapter contains the results of our detail testing of certain large fees administered by nine State agencies in our sample.

**CHAPTER 6** This chapter identifies issues pertaining to fees and denotes the State's monitoring and reporting system.

**APPENDICES** Appendices to the report contain the directing audit resolution, methodology, and bibliography. They also show the number of fees set by the legislature and by agencies, the number of fees charged by each agency, and the portion of cost that fees were intended to recover.

**SUPPLEMENT** There is a separate and detailed three volume supplement to the report that includes the following information on 2,096 individual fees charged by 71 State agencies: fee name, purpose, authority, rate, and revenue; fund into which fee was deposited; whether fee was intended to recover cost; and the number who paid the fee in Fiscal Year 1992.

## *Chapter 2* **ESTABLISHING USER FEES**

The State of Illinois has established various types of charges such as fees, tolls, tuition, permits, licenses, and registrations. These charges are not always intended to recover the full cost of providing a service or operating a program. There are varying definitions of the term "user fees" which encompass several of these charges. This audit report does not differentiate among the various charges and refers to them as user fees (or fees for short).

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### **PURPOSE OF FEES**

Generally, user fees are charges that are intended to reimburse government for some or all of the cost of providing a service or operating a program. The State charges many fees for regulatory activities, such as those undertaken by the Departments of Professional Regulation, Public Health, or Nuclear Safety.

Taxes, on the other hand, raise revenue for general governmental functions. They are levied on the general public and not linked to a particular government program or service. The United States Department of Commerce has defined taxes as compulsory contributions exacted by a government for public purposes. According to some authors who have written about the subject, user fees are being recognized as a fair way to finance some government activities because funding services through taxes results in subsidies to users from non-users.

A search by the Illinois Legislative Reference Bureau identified 18,000 citations in the statutes where there is a reference to the word "tax", although the same tax may be listed more than once. The Legislative Research Unit publishes a list of significant Illinois taxes entitled "Illinois Tax Handbook for Legislators, 1992."

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## *Various Definitions of User Fees*

A Government Finance Officers Association report on fees noted that, "One quickly discovers that user charges and fees can mean different things to different people." The Association added that, "One clear thing about user charges and fees is that there is a lack of agreement about what should be included under the rubric 'user charges and fees.'" An Illinois Tax Foundation report on user fees states that, "A difference of choice separates taxes from user charges and service fees. The difference between a user charge and a service fee is small, and frequently a matter of perception."

There are an assortment of charges that exist: taxes, surtaxes, surcharges, duties, assessments, levies, licenses, permits, registrations, tariffs, tuition, tolls, fares, fees, and so on. Various terms are used to include some of these charges: fees, user fees, public fees, impact fees, service fees, charges, user charges, impact charges, beneficiary charges, utility charges, and service charges. This audit report does not make a distinction among these terms. Other states' reports have used a variety of definitions to describe governmental charges, such as the following:

- DELAWARE - user fees are licenses, fees, permits, and fines.
- NORTH CAROLINA - user fees are all fees, charges, tuition, assessments, and other revenue that is received in exchange for services provided.
- MINNESOTA - fees are fixed charges for a service or regulatory function provided to individuals or organizations, which are not provided to the entire general public and are explicitly or implicitly designed to recover costs - not to produce income that exceeds costs.

Minnesota later found this definition unsatisfactory from an operational perspective and was trying to develop a simpler one. A Minnesota report of fees developed a state revenue continuum which is shown in Exhibit 2-1. The thick line on the continuum indicates revenues included in their fee report.

<i>Exhibit 2-1</i> <b>MINNESOTA'S CONTINUUM OF STATE REVENUES</b>					
<i>Prices</i>	<i>User/Service Charges</i>	<i>Occupational Licensure</i>	<i>Regulatory Charges</i>	<i>Special Taxes</i>	<i>General Taxes</i>
←←←←←			→→→→→		
<i>Tangible, Direct Benefit</i>			<i>Intangible, Indirect Benefit</i>		
<i>Market Orientation</i>			<i>Command Orientation</i>		
<i>Private Benefit</i>			<i>Public Benefit</i>		
<i>Discretionary</i>			<i>Mandatory</i>		
<i>SOURCE: State "Fee" Reporting and Monitoring: Issues, Problems, Possible Solutions. August 5, 1992. Minnesota Department of Finance.</i>					

Some common distinctions between taxes and fees can be found in general reference documents:

- **Black's Law Dictionary** (5th. edition) defines taxes in the usual context as "public burdens imposed generally upon the inhabitants of the whole state, or upon some civil division thereof, for governmental purposes, without reference to peculiar benefits to particular individuals or property." Fees are defined as a "recompense for an official or professional service or a charge or emolument or compensation for a particular act or service."
- Various cases annotated in Words and Phrases characterize fees in the following manner:
  - ▶ Fees are generally prescribed by law and imposed upon a party as charges for particular services rendered to that party as public officers.
  - ▶ Fees are considered voluntary in the sense that the party who pays the fee has, theoretically, asked a public officer to perform certain services which presumably give that party a benefit not shared by other members of society.
  - ▶ Generally, the rate set for fees must be reasonably necessary to cover the cost of the purpose for which the fee was set.

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## *Definition Used For This Audit*

The resolution for this audit has two distinct components. Determination number six calls for an inventory of all user fees while the remaining determinations concern fees that are intended to cover the cost of providing the associated service or program. In order to provide readers with complete information on charges established by State agencies, we used a broad definition:

*User fees are all charges imposed by a State agency on citizens and private organizations except:*

- *charges commonly considered taxes*
- *criminal and civil penalties (e.g., court fines, speeding tickets)*
- *charges to State employees only (e.g., insurance, retirement, reimbursement)*

Examples of charges that were excluded consist of fees deposited into locally held funds or jury duty money that State employees submitted to their agency.

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## *ENACTING FEES*

Governments are often concerned with providing services such as more freeways, bigger sewage treatment plants, or new landfills. But with tight budgets, governments are now also looking at the demand side. They are trying to reduce demand by raising the fees, such as for garbage collection or for water. When consumers are charged for services, they are likely to consume less than if services are free.

**ILLINOIS STATE TOLL HIGHWAY AUTHORITY:** *"[The] Authority feels that user fees are one of the best ways for existing and future roads to be operated and maintained. Advantages are that user fees are only charged to people using the system, thus not burdening the general public with higher taxes, etc."*

SOURCE: September 28, 1992 response to Auditor General's questionnaire.

A 1981 Illinois Department of Commerce and Community Affairs report for local governments tried to address the subject of when to apply a fee for government services. It stated that, "User charges should be applied only to services that provide identifiable benefits to consumers. A valid case exists for the imposition of a user charge whenever a government does something of value for an individual, firm, or group that it does not do for the general public. The question is, where does special service begin so as to warrant a specific charge and where does service to the general

public end. Admittedly, this may be hard to determine. User charges should not be rigidly applied to all services in all cases, for sometimes such an application would conflict with social policies."

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### *Advantages of Charging Fees*

Fees may be a better method than general revenue financing to charge users for the services they receive. A Tennessee audit of its Department of Conservation noted that, while society as a whole receives benefits from State parks, entrance fees were appropriate because those who use the parks receive additional direct benefits and impose additional costs to maintain park facilities. The advantages of charging fees include:

- Fees present another source of revenue for government.
- Fees prevent subsidizing recipients of the service at the expense of the general taxpayers and reduce demand for the service.
- Programs charging fees must provide services that people really want. Fees can register public demand for the service. If a program is financed with general revenue, such feedback is lacking.
- Fees show consumers the link between price paid and service provided, something lacking with taxes.
- Fees improve the operating efficiency of government agencies by compelling them to respond to market demand.

The efficiency argument was explained this way in a book by John Mikesell which quoted the former Director of the Federal Office of Management and Budget, David Stockman:

"When the federal government renders a service directly to economic enterprises at less than cost, the service amounts to a subsidy. Subsidies not only increase the size of the federal budget, but almost inevitably distort the workings of our free market economy. Such distortions decrease economic efficiency.

"The imposition of user fees will increase overall national economic efficiency. If a plant locates in one region rather than another because the decision was biased by the presence of a subsidy, the nation's overall economic efficiency is reduced and the nation's output is smaller. Because the decision maker does not consider the cost of

the subsidy when he makes a decision - only his own costs - he may locate where it costs him less, but you and I, the taxpaying public, end up paying the difference."

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### *Disadvantages of Charging Fees*

Several disadvantages are associated with charging fees. Many government services are such that a user fee probably cannot be charged for them, such as police protection or the justice system. Citizens may not want to pay for government services with both taxes and fees. Furthermore, some fees are not deductible from federal income taxes as are certain other sources of government revenue (e.g., property taxes, State income taxes). Therefore, revenue raised through fees may cost some citizens more than if it was raised through property and local income taxes.

Another disadvantage cited against charging fees is that they discriminate against the poor. A North Carolina report on fees charged by state-owned cultural, recreational, and historical facilities noted that fees should be low so the average citizen can attend the facilities.

**GUARDIANSHIP AND ADVOCACY COMMISSION:** *"Particular care should be devoted to the ability to pay of the persons assessed fees. By definition, most clients and wards of the . . . Commission are indigent, and lack the ability to pay."*

SOURCE: September 28, 1992 response to Auditor General's questionnaire.

There is also a cost to collect the information necessary to set prices for services since it may require establishing a more comprehensive cost-accounting system.

Fees might be imposed by governments in lieu of taxes without the same degree of public knowledge especially when they are established in agencies' administrative rules. Businesses may view fees as one more cost of doing business (in addition to taxes and unemployment insurance), and that may adversely affect the state's business climate.

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### *FACTORS TO CONSIDER IN CHARGING FEES*

Economists consider several factors when determining if a fee should be charged. A State of Delaware report on fees noted it was not appropriate to charge a

user fee for all government services, particularly for "pure public goods." Pure public goods contain two attributes:

1. They are nonexclusive so they benefit everyone, such as police protection or the justice system, and
2. They are nonrival so their benefit is not reduced when used by others, such as bridges or swimming pools.

The Delaware report noted that some services also have positive externalities - benefits which accrue to users other than the purchaser. For example, education not only benefits the student but rewards the whole community because well-educated students are more likely to be good citizens and productive employees than are drop-outs. The report added that some services can be best provided by government because of the free rider problem -- if the service (like national defense) is provided, all citizens automatically benefit.

Generally, the less "public" a government service, the more likely a user fee will work. According to the Illinois Tax Foundation report and others, a user fee is probably most appropriate in the following types of situations:

- when specific individuals or businesses can be identified as benefitting from the service and they have the right to choose whether to consume the service;
- when it is economical to exclude those who do not pay for the service from receiving it; and
- when resources would not be used wisely without a charge.

**DEPARTMENT OF VETERANS' AFFAIRS:** *"The Department of Veterans' Affairs believes that:*

- *Fees should be collected for specific purposes.*
- *Only individuals who receive the specific service/benefit should pay the fee.*
- *Only individuals that pay fees for services should receive the services; based upon ability to pay.*
- *Fees collected for a specific purpose should not be transferred for use upon other purposes.*
- *If fees are not to be used for purposes collected they should be returned to payee."*

SOURCE: September 14, 1992 response to Auditor General's questionnaire.

When appropriate, bills in the Illinois Legislature have a fiscal note attached to them indicating the financial impact and the prescribed method of financial support. However, the fiscal note may be an estimate by the agency that will administer the fee or by the bill sponsor.



Even if fee revenue is insufficient, State agencies may be reluctant to initiate legislation that will increase a fee because of possible adverse reaction on the part of groups affected by the fee. Agencies may also be receiving General Revenue Funds to make up the shortfall thereby reducing their incentive to keep a fee high enough to cover all costs.

Agencies with fees lower than the private sector may have greater demand for the subsidized public services, as happened with laboratory fees charged by the Department of Agriculture until their fees were raised.

Agencies lack incentive to raise fees unless fees are deposited into a special fund over which they have some control. However, money was taken from some agencies' special funds to use for other State government needs due to the Emergency Budget Act of Fiscal Year 1992 which stated, "*The General Assembly also finds that in order to most effectively use and allocate scarce revenues available to the State, excess revenues held in special funds should be transferred and made available for the State's general needs.*" [Public Act 87-838]

**DEPARTMENT OF PROFESSIONAL REGULATION:** "*The Department's fees are currently established and revised to support the full costs of regulation of the various professions. Recent trends in state budgeting/appropriations and findings from the Auditor General have indicated that these fees were intended to cover all costs and are a reversal of prior years' partial subsidization of regulatory costs from GRF. This has placed the burden of costs solely on fee revenues, a fact that has caused some concern and objection among professions who feel that the costs should be subsidized by GRF in the interest of protecting the general public's health, safety and welfare.*"

SOURCE: February 1, 1993 response to Auditor General's questionnaire.

## *Chapter 3* **ALL STATE FEES**

Seventy-one State agencies administered 2,096 fees whose revenue exceeded \$1.6 billion in Fiscal Year 1992. About \$122 million of fee revenue was deposited into the General Revenue Fund; the remaining \$1.5 billion (over 92 percent) was deposited into special funds. Two agencies accounted for most of the State's fees: the Department of Professional Regulation and the Secretary of State. When combined, they had over 43 percent of all fees and over 31 percent of fee revenues.

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### ***MOST FEE REVENUES***

During Fiscal Years 1991-92, a total of 71 agencies administered 2,096 fees applying to citizens and to private organizations. Information about each agency's fees is provided in Appendix D, such as the number of fees, the portion of cost these fees were intended to cover, and the amount of revenue they generated.

Ten agencies had over 85 percent of the State's \$1.6 billion fee revenue in Fiscal Year 1992 (see Exhibit 3-1). The Secretary of State had the most fee revenue and, as previously noted, administered the second largest number of fees of any State agency. The Department of Professional Regulation administered the most fees (555) and generated nearly \$19 million in revenue.

The more common types of fees charged by State agencies were for photocopying and for the various types of licenses. Agencies were authorized to charge a fee for copying documents requested under the Freedom of Information Act, although the amount charged commonly varied between 10¢ per page and 25¢ per page. Licensing fees also varied by profession. Some examples are shown in Appendix F.

**Exhibit 3-1**  
**AGENCIES WITH MOST FEE REVENUES**

	<u>Total Fees</u>	<u>FY92 Revenue</u>
1. Secretary of State	362	\$ 495,487,237
2. Department of Public Aid*	6	315,849,967
3. Illinois State Toll Highway Authority**	1	253,911,000
4. University of Illinois	4	119,510,650
5. Southern Illinois University - Carbondale	31	42,611,808
6. Department of Insurance	42	41,163,301
7. Department of Nuclear Safety	79	37,500,702
8. Northern Illinois University	5	35,478,746
9. Illinois State University	4	33,727,018
10. Department of Mental Health and Developmental Disabilities	<u>10</u>	<u>31,205,744</u>
<b>TOTAL</b>	<b><u>544</u></b>	<b><u>\$ 1,406,446,173</u></b>

\* Nearly all revenue was from assessment to hospitals and long-term care facilities to obtain federal matching funds.  
 \*\* Projected revenue for Calendar Year 1992.  
 SOURCE: Auditor General's survey of State agencies.

Relatively few fees generated most of the State's fee revenue in Fiscal Year 1992. More than \$1.3 billion of \$1.6 billion in total fee revenue was generated by 29 individual fees shown in Exhibit 3-2 entitled "Fees With Revenue Over \$5 Million."

This exhibit contains only fees which individually generated more than \$5 million. There were some fees whose revenue was combined and exceeded \$5 million. The exhibit does not include them.

The First Division vehicle registration fee accounted for the most revenue (over \$326 million) followed by highway tolls (over \$253 million). First Division vehicles are designed to carry not more than 10 persons. Second Division vehicles are designed to carry more than 10 persons, designed or used for living quarters, designed to pull or carry property, freight, or cargo, etc.

**Exhibit 3-2**  
**FEES WITH REVENUE OVER \$5 MILLION**  
**Fiscal Year 1992**

<b>AGENCY</b>	<b>FEE</b>	<b>REVENUE</b>
Secretary of State	First Division vehicle registration	\$326,620,406
Toll Highway Authority	Tolls	* 253,911,000
Public Aid	Hospital Services Provider Participation Fee	141,295,965
University of Illinois	Tuition	113,900,000
Public Aid	County Hospital Services Provider Participation Fee	79,811,636
Public Aid	Long-term Care Provider Participation Fee	76,060,413
Northern Illinois University	Tuition and course fees	34,617,100
Illinois State University	Tuition	33,576,670
SIU - Carbondale	Tuition (on campus)	30,179,272
DMHDD	Recipient's service charge	25,399,157
Nuclear Safety	Radioactive Waste Quarterly Fee	22,230,000
Western Illinois University	Tuition (regular)	19,978,941
Insurance	Fee for Valuation of Life Insurance Policies	19,722,058
Public Aid	Long-term Care - Developmentally Disabled Provider Participation Fee	18,360,009
SIU - Edwardsville	Registration	17,223,530
Eastern Illinois University	Tuition	16,277,365
EPA	Solid Waste Management Fee	15,600,509
Secretary of State	Certificate of Title Fee	14,547,330
Nuclear Safety	Nuclear Power Reactor Annual Fee	12,025,000
Secretary of State	Second Division vehicle registration	11,842,660
Secretary of State	Certificate of limited partnership	10,144,425
Secretary of State	Driver's Record Fee	9,377,122
Chicago State University	Tuition	8,991,525
SIU - Carbondale	Off-campus degree program	7,135,186
Transportation	Oversize/overweight permits	6,880,000
Secretary of State	Motorcycle Registration Fee	5,915,070
DMHDD	Community Mental Health and Developmental Disabilities Service Provider Participation Fee	5,794,172
Veterans' Affairs	Member's maintenance charge - Quincy Home	5,748,353
Illinois Commerce Commission	Franchise/franchise renewal/ordering fees	5,090,858
	<b>TOTAL</b>	<b>\$1,348,255,732</b>

\* Projected revenue for Calendar Year 1992.

SOURCE: Auditor General's survey of State agencies.

Exhibit 3-3 shows the number and amount of fees deposited by agencies in the General Revenue Fund. About \$122 million of \$1.6 billion in fee revenue was deposited in the General Revenue Fund, mostly from fees administered by the Secretary of State (\$81 million).

**Exhibit 3-3  
FEES DEPOSITED INTO GRF**

AGENCY	FEES	FY92 REVENUE
Secretary of State	213	\$ 81,471,374
Department of Insurance	12	* 24,365,659
Department of Professional Regulation	219	5,358,323
Department of Agriculture	68	2,669,466
Department of Public Health	100	2,505,214
Department of Financial Institutions	44	2,314,932
State Board of Education	9	790,949
Racing Board	3	592,654
Department of State Police	2	465,572
Department of Revenue	8	435,300
Department of Labor	13	381,456
Supreme Court	36	363,724
Attorney General	11	269,542
Department of Alcoholism & Substance Abuse	3	196,080
Comptroller	13	104,517
Department of Mines and Minerals	9	62,474
Legislative Reference Bureau	2	34,210
Treasurer	2	23,783
State Board of Elections	4	23,356
Department of Transportation	1	16,691
Department of Nuclear Safety	9	10,078
Court of Claims	2	9,543
Department of Mental Health & Developmental Disabilities	5	7,292
Illinois Department of Human Rights	1	7,164
Industrial Commission	1	2,496
Department of Central Management Services	1	1,117
General Assembly	2	500
Department of Conservation	1	443
Board of Higher Education	1	267
Department of Commerce and Community Affairs	1	174
Joint Committee on Administrative Rules	1	150
Illinois Emergency Management Agency	1	145
Department on Aging	1	138
Department of Children and Family Services	3	Unavailable
Corrections	1	Unavailable
Illinois Health Care Cost Containment Council	2	0
Commissioner of Banks and Trust Companies	1	0
Legislative Information Systems	1	0
<b>TOTAL</b>	<b>807</b>	<b>\$ 122,484,783</b>

\* Revenue from the Freedom of Information Act fee was deposited into GRF and special funds.  
SOURCE: Auditor General's survey of State agencies.

## RAISING REVENUES

Some fees were not charged to the maximum rate that was authorized by statute. Exhibit 3-4 shows all such fees that we identified. The Exhibit excludes some fees such as fines, penalties, photocopying fees, fees with no revenue in Fiscal Year 1992, and university fees.

<i>Exhibit 3-4</i>				
<i>FEEES NOT CHARGED TO THE MAXIMUM RATE ALLOWED</i>				
<i>AGENCY</i>	<i>FEE NAME</i>	<i>RATE ALLOWED</i>	<i>RATE CHARGED</i>	<i>FY92 REVENUE</i>
<i>Agriculture</i>	<i>Egg inspection fee</i>	<i>6¢ per 30 dozen (statute)</i>	<i>3¢ per 30 dozen (rules)*</i>	<i>\$ 163,359</i>
<i>Commissioner of Banks and Trust Companies</i>	<i>Foreign bank representative office license application fee</i>	<i>\$300</i>	<i>\$200</i>	<i>Not available**</i>
<i>Conservation</i>	<i>Duck hunting daily usage stamp</i>	<i>\$10</i>	<i>\$5 Coleman Lake \$6 Rice Lake***</i>	<i>Unavailable</i>
<i>Conservation</i>	<i>Wild turkey hunting (Illinois residents)</i>	<i>\$15 (statute)</i>	<i>\$5 for archery permit (rules)</i>	<i>Unavailable</i>
<i>Public Health</i>	<i>Water well permit</i>	<i>\$100</i>	<i>\$75</i>	<i>\$ 177,925</i>
<p>* At end of audit fieldwork, the egg inspection fee was in the process of being raised to 5¢ per 30 dozen eggs.</p> <p>** Agency combined revenue for multiple fees.</p> <p>*** The duck hunting daily usage stamp fees at Coleman and Rice lakes were set to be raised to \$10 in Fiscal Year 1993. No charge at other sites.</p> <p>SOURCE: Auditor General's survey of State agencies.</p>				

Exhibit 3-5 shows fees set by statute that did not have any revenue during Fiscal Year 1992. Some of these fees may be obsolete while others may have had no users/applicants. The Exhibit lists no more than three fees from any agency, although we identified more than 100 such fees, to ensure diversity. The Exhibit also excludes some fees, such as photocopying fees, university fees, fines, penalties, etc.

*Exhibit 3-5*  
**FEES SET BY STATUTE WITH NO REVENUE**  
*Fiscal Year 1992*

<i>AGENCY</i>	<i>FEE</i>	<i>FEE RATE</i>
<i>Agriculture</i>	<i>Brand transfer fee</i>	<i>\$ 15</i>
<i>Agriculture</i>	<i>Breeder &amp; raiser of fur bearing animals</i>	<i>10</i>
<i>Agriculture</i>	<i>Horse meat vehicle license</i>	<i>25</i>
<i>Conservation</i>	<i>Timber grower certificate of registration</i>	<i>5</i>
<i>Conservation</i>	<i>Natural &amp; cultural heritage publications</i>	<i>*</i>
<i>Conservation</i>	<i>Lifetime license replacement</i>	<i>10</i>
<i>Corrections</i>	<i>Cost of incarceration</i>	<i>*</i>
<i>DMHDD</i>	<i>Community mental health or developmental services agency license application fee</i>	<i>Max. \$ 200</i>
<i>Financial Institutions</i>	<i>Consumer installment loan license hearing</i>	<i>*</i>
<i>Financial Institutions</i>	<i>Financial management &amp; planning license</i>	<i>100</i>
<i>Financial Institutions</i>	<i>Title Insurance Act document filing fee</i>	<i>1</i>
<i>Fire Marshal</i>	<i>Inspector supervision fee</i>	<i>20</i>
<i>Historic Preservation</i>	<i>Exploration permit</i>	<i>Not Available</i>
<i>Nuclear Safety</i>	<i>Capital surcharge fee (per nuclear power station)</i>	<i>1,400,000</i>
<i>Nuclear Safety</i>	<i>Nuclear test &amp; research reactor annual fee (per reactor at each facility)</i>	<i>150,000</i>
<i>Nuclear Safety</i>	<i>Spent nuclear fuel rail shipment fee to or from facility (per cask)</i>	<i>2,000</i>
<i>Public Health</i>	<i>Duplicate laboratory license fee</i>	<i>2</i>
<i>Public Health</i>	<i>Hearing aid dispenser exam scoring fee</i>	<i>10</i>
<i>Public Health</i>	<i>Cleaning and sanitizing facility permit late fee</i>	<i>25</i>
<i>Secretary of State</i>	<i>Ownership mark registration</i>	<i>10</i>
<i>Secretary of State</i>	<i>Trademark statement or description filing</i>	<i>25</i>
<i>Secretary of State</i>	<i>Reclassification fee because of the expiration of a disabled veteran plate</i>	<i>3</i>
<i>State Lottery</i>	<i>Hearing subpoena service fee</i>	<i>*</i>
<i>State Lottery</i>	<i>Hearing witness fee</i>	<i>\$ 20/day plus \$0.20/mile</i>
<i>Supreme Court</i>	<i>Final order fee</i>	<i>5</i>
<i>Supreme Court</i>	<i>Certificate fee - fourth district</i>	<i>1</i>
<p><i>* No single fee rate.</i>  <i>NOTE: This exhibit includes no more than three fees from any agency.</i>  <i>SOURCE: Auditor General's survey of State agencies.</i></p>		

## *Chapter 4* **FEES INTENDED TO COVER COST**

Almost one-half (46 percent) of the fees administered by State agencies had no stated intent to recover any portion of the cost. Only about one-quarter (565 fees or 27 percent) were intended to cover the full cost of providing the service or program associated with the fee. When allocating service or program cost to an individual fee, State agencies calculated their cost using different elements (e.g., direct cost, fixed cost, administrative cost). If all cost elements are not included in the establishment of fees, some revenue is not captured and taxpayers subsidize activities from which they may not be benefitting. Agencies had the most interest in collecting fees whose revenue was deposited into their special funds.

### ***COST COVERAGE***

The level of cost to be recovered by State fees varies. Some fees are intended to cover the full cost of the program or service, some are intended to cover part of the cost, and some are intended to be nominal. If fees do not cover the entire cost of the program or service, taxpayers subsidize the program or service. If the public at large benefits from a service, it probably should not be priced at its full cost. For example, an argument can be made that inspection fees benefit society as a whole and, therefore, should be borne or shared by the general public. As previously noted, many State fees are for regulatory purposes, such as licensing professions or inspecting organizations (e.g., financial institutions, nuclear power stations, meat processing plants).

State agencies administered 2,096 fees that applied to citizens and private organizations. About one-quarter of these fees were intended by statute, rule, or policy to recover the full cost of the service or program (see Exhibit 4-1). Appendix D shows the portion of cost that was intended to be recovered for each agency's fees.

**ILLINOIS INDUSTRIAL COMMISSION:**  
*"User fee schedules, when established, should include the additional costs associated with the administration of the funds."*

SOURCE: September 22, 1992 response to Auditor General's questionnaire.



**Exhibit 4-1  
INTENDED COST COVERAGE OF FEES**

<i>PORTION OF COST THAT FEES WERE INTENDED TO RECOVER</i>					<i>TOTAL</i>
<u>Full</u>	<u>Most</u>	<u>Some</u>	<u>None</u>	<u>Other*</u>	<u>FEES</u>
565	152	258	963	158	2,096

\* Fees difficult to classify (e.g., fees intended to cover reasonable cost.)  
SOURCE: Auditor General's survey of State agencies.

Almost one-half (46 percent) of the fees administered by State agencies had no stated intent to recover any portion of the cost. Examples of such fees included: accident report fee, lottery agent license fee, initial registration franchise fee, carnival/amusement ride inspection and permit fee, pilot registration, digest subscription fee, and voter registration tape fee.

It is generally considered that fees are charged to recover at least some portion of the cost that is incurred by providing a service or program. If recovering cost is not the intent, then fees resemble taxes whose purpose is to raise revenue for the State. Not knowing the portion of cost to be recovered makes the rate established for the fee an arbitrary amount. A correlation between fees charged and cost of providing the service or program would also show the paying public the reason for charging the fee.

**MATTER FOR CONSIDERATION  
BY THE GENERAL ASSEMBLY**

**The General Assembly may wish to specify, when establishing fees in the future, the purpose of the fee, the portion of cost to be recovered by the fee, and a mechanism to adjust fees over time.**

For fees that are intended to recover the entire cost, it is important to know the accurate cost of the service or program. Since agencies typically offer multiple services and programs, they need to determine the portion of expenditures that can be allocated to the program or service for which the fee was charged. However, agencies do not include all elements of cost in their cost allocation. They calculate the cost of their service or program by including different elements of their actual

total cost: operational or direct cost, overhead or fixed cost, and administrative cost.

Unless all direct and indirect cost is included, the calculation of program or service cost will not be accurate. Accurate calculation of cost is necessary to determine the level at which to set fees that are intended to cover full cost.

Exhibit 4-2 shows examples of fees intended to cover full cost which did not include all elements of cost. There was little uniformity in the way agencies calculated their cost.

**STATE BOARD OF ELECTIONS:**

"...fees are kept reasonably low so as not to price the general public out of the ability to acquire election information. The \$.10 per page of photocopy charge is being revisited to determine if a price adjustment should be made."

SOURCE: September 1, 1992 response to Auditor General's questionnaire.

<i>Exhibit 4-2</i>				
<b>EXAMPLES OF FEES THAT DID NOT INCLUDE ALL ELEMENTS OF COST</b>				
<i>Fiscal Year 1992</i>				
<i>AGENCY</i>	<i>FEE</i>	<i>REVENUE</i>	<i>COST</i>	<i>ITEMS INCLUDED IN COST</i>
<i>Agriculture</i>	<i>Feeder swine grading</i>	<i>\$10,337</i>	<i>\$9,841</i>	<i>Salary, mileage, and postage only</i>
<i>DMHDD</i>	<i>Medical records</i>	<i>6,504</i>	<i>Unavailable</i>	<i>Unavailable</i>
<i>EPA</i>	<i>Community water supply lab testing</i>	<i>1,192,711</i>	<i>1,086,426</i>	<i>Direct costs only for personnel, contractual, travel, etc.</i>
<i>Financial Institutions</i>	<i>Ambulatory currency exchange license fee</i>	<i>11,499</i>	<i>~ 224,284</i>	<i>Direct costs only</i>
<i>Financial Institutions</i>	<i>Community currency exchange license investigation fee</i>	<i>45,850</i>	<i>~ 267,162</i>	<i>Direct costs only</i>
<i>Historic Preservation</i>	<i>Micro-photographing fee</i>	<i>41,100</i>	<i>46,500</i>	<i>Salaries and supplies only</i>
<i>Insurance</i>	<i>Fee for processing, maintaining, and generating computer data for public record</i>	<i>245,030</i>	<i>245,030</i>	<i>Direct costs only</i>
<i>Public Health</i>	<i>Hearing Aid Dispenser License Renewal Fee</i>	<i>33,680</i>	<i>Unavailable</i>	<i>Unavailable</i>

~ Agency estimate.  
SOURCE: Auditor General's survey of State agencies.

Two of the approaches for setting rates offered by the Government Finance Officers Association are full-cost pricing and incremental pricing. Incremental pricing recovers only costs that are directly associated with the addition of the service and are avoided if a program or activity ceases operation. The full-cost approach sets charges at a level that recovers all costs (direct and indirect/overhead) associated with the service and includes operation, maintenance, and capital costs. It may be difficult, however, to identify all the costs associated with a program or service.

Agencies of the federal government have suggested several factors to consider in setting fee rates. These include: direct and indirect cost of service, benefit to recipient, public policy or interest served, comparable fees, and economic or administrative feasibility of fee collection.

About one-third of the fee rates were set by agencies (see Appendix E). When fee rates were set by the legislature, several agencies indicated participating in the process of setting the fee. The task of matching fee revenue and cost is not easy, as is illustrated by the following remark from a State agency:

"The Department of Nuclear Safety funds most of its programs and operations from fees. Most of the revenues come from fees which are set by statute. Some fee categories are set by rule and regulation. The department has, when possible, promoted setting fees at rates which cover 100% of program costs. This is more easily done for programs which have traditionally been 100% fee funded. It is often difficult to do where programs have been partially GRF funded. The department would prefer to have all of its programs completely funded from user fees."

The revenue for some fees intended to cover the full cost was greater than the cost by at least \$100,000 while it was the opposite for some other fees, as shown in Exhibits 4-3 and 4-4 (excludes fees for which cost data was unavailable by individual fee because the agency combined it with several other fees). For example, the fee for valuation of life insurance policies had a surplus that exceeded over \$19 million, although the rate for this fee was set by the legislature and its revenues were deposited into the General Revenue Fund. The Toll Highway Authority's expenditures exceeded revenue by approximately \$140 million during Calendar Year 1992. However, Authority officials said that was planned to be offset by previously accumulated revenue (see Chapter 5).

**Exhibit 4-3**  
**FEEES WITH REVENUE EXCEEDING COST BY OVER \$100,000**  
**Fiscal Year 1992**

AGENCY	FEE	REVENUE	COST	DIFFERENCE
Insurance	Valuation of life insurance policies fee <sup>1</sup>	\$19,722,058	~ \$ 500,000	\$ 19,222,058
Insurance	All fees deposited into Insurance Financial Regulation Fund <sup>2</sup>	9,717,130	2,861,449	6,855,681
Nuclear Safety	Radioactive waste quarterly fee <sup>3</sup>	22,230,000	* 16,995,300	5,234,700
Liquor Control Commission	Liquor license fee <sup>4</sup>	2,817,660	1,575,750	1,241,910
Financial Institutions	Title insurance foreign corporation retaliatory fee	1,286,831	~ 85,885	1,200,946
Insurance	All fees deposited into Insurance Producer Administration Fund <sup>2</sup>	7,080,512	6,471,668	608,844
Financial Institutions	Credit Union Exam fee	1,654,827	~ 1,381,877	272,950
Public Health	Newborn screening and treatment fee	~ 3,040,470	2,792,589	247,881
Agriculture	Fertilizer control fee <sup>5</sup>	623,793	400,000	223,793
DCMS	Federal Surplus property charge	677,792	535,523	142,269
Racing Board	Fingerprint fee <sup>6</sup>	122,430	~ 12,000	110,430
Financial Institutions	Consumer installment loan license fee	150,150	~ 42,793	107,357
EPA	Community water supply lab testing fee	1,192,711	1,086,426	106,285

- \* Includes cost for 2 additional fees. ~ Agency estimate.
- 1 Fee is set by statute and deposited into the General Revenue Fund.
- 2 Agency combined revenue for several fees.
- 3 The rate for this statutorily set fee was reduced from \$1,710,000 to \$250,000 during FY93.
- 4 In addition to the cost shown, \$50 per retail liquor license (\$1,080,100) was transferred to the Youth Alcoholism and Substance Abuse Prevention Fund pursuant to law.
- 5 Only 3 percent of the appropriation can be used for administration, the rest is for grants.
- 6 All revenue for this fee is remitted to State Police.

SOURCE: Auditor General's survey of State agencies.

**Exhibit 4-4**  
**FEEES WITH COST OF AT LEAST \$100,000 MORE THAN REVENUE**  
**Fiscal Year 1992**

AGENCY	FEE	REVENUE	COST	DIFFERENCE
Toll Highway *	Tolls	\$253,911,000	\$394,572,000	(\$ 140,661,000)
Financial Institutions	Title insurance company exam fee	15,900	~ 257,567	(241,667)
Nuclear Safety	Radioactive material waste disposal license/ amendment fee for low level radioactive waste disposal facilities	377,885	~ 616,911	(239,026)
Financial Institutions	Community currency exchange license investigation fee	45,850	~ 267,162	(221,312)
Financial Institutions	Ambulatory currency exchange license fee	11,499	~ 224,284	(212,785)

\* Projected revenue for Calendar Year 1992. An agency representative said difference between revenue and expense was planned as in previous years and will be paid with balance on hand.  
~ Agency estimate.  
SOURCE: Auditor General's survey of State agencies.

## DEPOSITING FEE REVENUES

Some fee revenues are deposited into the General Revenue Fund, some are deposited into special funds, and some are deposited into both. The General Revenue Fund receives taxes and other types of revenues which finance general governmental activities. Special funds are created in statute with defined revenue sources and uses. The advantages and disadvantages of depositing fee revenues into General Revenue Fund are presented below.

**DEPARTMENT OF HUMAN RIGHTS:**  
*"If user fees are established for services provided by a particular agency, then those fees should go into the agency's Operational Fund instead of going into the state General Revenue Fund. The costs generated by the agency as a result of this service are not being recovered."*

SOURCE: September 14, 1992 response to Auditor General's questionnaire.

**Advantages.** Depositing fee revenues in the General Revenue Fund would provide the legislature with a larger pool of funds from which to appropriate. Furthermore, it would simplify State and agency fund accounting and budgeting because the source of agency appropriation would be from only one fund. The General Revenue Fund can also be allocated by the legislature without the restrictions that may exist with special funds.

**ILLINOIS HEALTH CARE COST CONTAINMENT COUNCIL:** *"The disadvantage of this agency's user fees is that the revenue received can only be utilized to offset expenses incurred for preparing the data compilations. This agency would like to utilize these monies to offset some of the agency's overall operational expenses not funded through General Revenue."*

SOURCE: September 8, 1992 response to Auditor General's questionnaire.

**Disadvantages.** When user fees are deposited into the General Revenue Fund, they become part of the large pot of State monies and there is no link between revenue and expenditure. If fees were placed in the General Revenue Fund, it could complicate revenue estimation for the Fund because trends from hundreds of fees would need to be tracked.

Earmarking funds can establish a direct relationship between fees and benefits. It may provide a sense of fairness by connecting fees charged with the services provided and give agencies greater flexibility to enlarge staff or other resources to meet any increasing service needs.

The loss of direct use of fee revenue may decrease an agency's incentive to collect fees. Without incentives, agencies may lack the motivation to generate additional revenue for the State. For example, a 1991 compliance audit reported that an agency agreed to a \$16,800 per year contract to lease its parking lot on terms that would not increase rental fees for at least nine years. An agency representative indicated their agency did not have a vested interest to renegotiate contract terms because any additional collections did not directly benefit them.

**DEPARTMENT OF MINES AND MINERALS:** *"Fees should be established to cover the majority of the programs costs they are intended to regulate. Fees should be deposited into dedicated funds for the program's regulation (individuals and industry are more inclined to pay fees and agree to increases if they are assured the monies go to the regulatory program). Dedicated funds are a stable source of revenue unlike general revenue funding wherein program priorities can be planned in advance. It would also allow general revenue funding to be withdrawn and allocated elsewhere."*

SOURCE: September 14, 1992 response to Auditor General's questionnaire.

The State could establish special funds (or accounts within funds) for each group of related fees that are intended to cover the full cost of the associated service or program. These programs or services could then be operated entirely with

special funds without the need for general revenue funding. It could also improve the link between fee revenue and cost and encourage agencies to keep more complete information on their fees.

**MATTER FOR CONSIDERATION  
BY THE GENERAL ASSEMBLY**

**The General Assembly may wish to consider establishing special funds for each group of related fees that are intended to recover the full cost of the service or program provided, after determining if full cost is to include both direct and indirect cost.**

## *Chapter 5* **FEES REVIEWED IN DETAIL**

Although many fees were intended to recover the full cost of the program or service provided, agencies frequently did not allocate costs to individual fees. Instead, they were more likely to set fees so that a group of related fees would recover the cost of providing a service or program, or the revenue from all agency fees would recover cost.

### **RESULTS OF AUDIT TESTS**

We reviewed 13 individual fees and 2 groups of fees that were intended to recover the full cost. The two groups of fees were sampled because they were considered to be individual fees since they were for closely related purposes. The Fiscal Year 1992 revenue for each fee exceeded \$1 million and the fee was one of the top three revenue generating fees for the agency that was intended to cover full cost. The combined revenue for these fees exceeded \$343 million (see Exhibit 5-1).

Although these fees were intended by statute or administrative rule to recover full cost, agencies lacked complete documentation to support their cost allocation on some fees. For others, the cost of a division or the entire agency was intended to be covered by revenues from many fees. The results of our detailed testing for these large fees indicated the following:

- 12 fees generated sufficient revenue to cover the cost of the program or service provided during Fiscal Year 1992.
- Three fees in our sample were set by agencies. Two of these fees covered costs. The third fee was tolls charged by the Toll Highway Authority. Although in Fiscal Year 1992 their expenditures exceeded revenues by \$140 million, Authority officials said that was planned. The Illinois Comprehensive Annual Financial Report (CAFR) showed the Authority had \$320,897,000 in cash and cash equivalents as of June 30, 1992. (Agency-set fees not in our sample, but still included in the supplement to this audit, were generally set to recover costs as well.)



**Exhibit 5-1  
FEES SAMPLED**

<b>AGENCY</b>	<b>FEE NAME</b>	<b>FY92 FEE REVENUE</b>
<i>Toll Highway Authority</i>	<i>Tolls</i>	<i>* \$ 253,911,000</i>
<i>Nuclear Safety</i>	<i>Radioactive Waste Quarterly Fee</i>	<i>22,230,000</i>
<i>Insurance</i>	<i>Valuation of Life Insurance Policies Fee</i>	<i>19,722,058</i>
<i>Nuclear Safety</i>	<i>Nuclear Power Reactor Annual Fee</i>	<i>12,025,000</i>
<i>Insurance</i>	<i>All fees deposited into Insurance Financial Regulation Fund+</i>	<i>9,717,130</i>
<i>Insurance</i>	<i>All fees deposited into Insurance Producer Administration Fund+</i>	<i>7,080,512</i>
<i>Professional Regulation</i>	<i>Nurse License Renewal Fee</i>	<i>4,639,315</i>
<i>Public Health</i>	<i>Newborn Screening and Treatment Fee</i>	<i>Est. 3,040,470</i>
<i>Liquor Control Commission</i>	<i>Liquor License Fee</i>	<i>2,817,660</i>
<i>Financial Institutions</i>	<i>Credit Union Examination Fee</i>	<i>1,654,827</i>
<i>Professional Regulation</i>	<i>Pharmacist License Renewal Fee</i>	<i>1,627,190</i>
<i>State Police</i>	<i>Fingerprint Program Fee</i>	<i>1,515,294</i>
<i>Financial Institutions</i>	<i>Title Insurance Foreign Corporation Retaliatory Fee</i>	<i>1,286,831</i>
<i>EPA</i>	<i>Community Water Supply Laboratory Testing Fee</i>	<i>1,192,711</i>
<i>Nuclear Safety</i>	<i>Radioactive Waste Fee</i>	<i>1,170,000</i>
	<b>TOTAL</b>	<b>\$ 343,629,998</b>

\* Projection for Calendar Year 1992.

+ Agency did not have information for individual fees and revenue included more than one fee.

SOURCE: Agency data analyzed by OAG.

- For 12 fees in our sample, agencies included all administrative cost; for the remaining 3 fees a portion of the administrative cost was covered.

- 6 fees had a surplus that exceeded 10 percent of revenue:
  - ▶ Credit Union Examination Fee: 16 percent surplus.
  - ▶ Radioactive Waste Quarterly Fee: 23 percent surplus. This surplus resulted although the revenue was for this one fee only while the cost was for three fees: this fee, the Radioactive Waste Fee, and a third related fee.
  - ▶ Radioactive Waste Fee: The exact surplus could not be determined because costs were included with the Radioactive Waste Quarterly Fee above.
  - ▶ Fees deposited into the Insurance Financial Regulation Fund: 71 percent surplus.
  - ▶ Title Insurance Foreign Corporation Retaliatory Fee: 93 percent surplus.
  - ▶ Life Insurance Valuation Fee: 97 percent surplus (estimated).

The Liquor License Fee had a surplus of 44 percent, but the surplus was reduced to 5.7 percent after the statutory transfer of \$50 per retail liquor license (\$1,080,100) to the Youth Alcoholism and Substance Abuse Prevention Fund.

- 11 fees were charged before services were provided. Agencies had a rationale for the remaining 4 fees that were charged later in the process. For example, an insurance licensing fee was charged on the agent's anniversary date. (Other State fees were also commonly charged before services were provided, as shown in the supplement.)
- 2 fees had significant accounts receivable:
  - ▶ The Newborn Screening and Treatment Fee's accounts receivable were \$1,643,000 (net) on June 30, 1992. The receivable existed because the fee was not charged until after services were provided. Agency officials said the fee was charged after providing services to avoid multiple billings.
  - ▶ The Toll Highway Authority's accounts receivable approximated \$5.8 million on December 31, 1992. Of this amount, \$2.7 was from charge card customers. The Authority allows commercial drivers to use charge cards which are then billed.

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## **FEES SAMPLED**

We sampled certain large fees that were intended to cover cost and whose revenue exceeded \$1 million during Fiscal Year 1992. The nature and type of these fees varied. This section contains information about these fees administered by nine State agencies. It is organized by agency.

- **Highway Tolls** - Toll Highway Authority

The legislature established this fee to pay the expense of maintaining and operating toll highways, including the administrative expenses of the Toll Highway Authority, and to discharge all obligations of the Authority as they become due and payable. The Board of Directors of the Authority set the toll to be charged based on location and size of vehicle.

The Authority projected revenue for Calendar Year 1992 at \$253,911,000 and expenditures at \$394,572,000 (difference of \$140,661,000). The Authority had over \$320 million in cash and cash equivalents as of June 30, 1992. The Authority charges only one fee whose revenue pays for all the expenses, including capital expenditures, debt service, and administration. The Authority receives additional revenue from interest income and concessions. The Authority's accounts receivable were \$5.8 million as of December 1992.

- **Radioactive Waste Quarterly Fee** - Department of Nuclear Safety

This fee was established by the Low-Level Radioactive Waste Management Act whose intent is to oversee radioactive waste in Illinois. In Fiscal Year 1992, the fee was set by statute at \$1,710,000 (it was reduced to \$250,000 in Fiscal Year 1993). Fiscal Year 1992 revenue was \$22,230,000 and the cost for this fee, plus two other related fees which could not be separated, was \$16,995,300 (difference of \$5,234,700).

- **Radioactive Waste Fee** - Department of Nuclear Safety

This fee administered by the Department of Nuclear Safety was established by the Low-Level Radioactive Waste Management Act which is intended to oversee radioactive waste in Illinois. The fee is set by statute at a rate of \$90,000 per reactor to provide for the storage, treatment, and disposal of low-level radioactive wastes in

Illinois. The Fiscal Year 1992 revenue for this fee was \$1,170,000; its cost is included in the Radioactive Waste Quarterly Fee administered by the Department.

- ***Nuclear Power Reactor Annual Fee*** - Department of Nuclear Safety

This fee was intended to establish an emergency response capability and a monitoring system pursuant to the 1980 Nuclear Safety Preparedness Act which was passed after the 1979 Three Mile Island incident. The fee is set by statute at a rate of \$925,000 per nuclear power reactor. The State negotiated the fee rate with the utility companies. The fee is charged in January and July pursuant to statute. The Fiscal Year 1992 revenue for this fee was \$12,025,000 and the cost was \$12,491,500 (difference of \$466,500). The Department of Nuclear Safety works with the legislature to establish the fee at a level that will cover agency-wide costs. The fee has increased annually to cover agency costs.

- ***Valuation of Life Insurance Policies Fee*** - Department of Insurance

This statutorily established fee is intended to cover the cost of actuarial examinations to verify that the amount a life insurance company pays is correct. The exam is performed every other year by the Department of Insurance. Since 1980, this fee has been 3 cents per \$1,000 of face value of every life insurance policy the company has in force nationwide. The Fiscal Year 1992 revenue for this fee was \$19,722,058 and the cost was estimated by the Department to be approximately \$500,000 (difference of \$19,222,058). Department officials stated that they have no control over the surplus since the fee is set by statute and the revenue is deposited into the General Revenue Fund.

- ***Financial Regulation Fee*** - Department of Insurance

The Department of Insurance charges this statutorily established fee to regulate the financial condition of the insurance industry through on-site examinations and in-house financial statement reviews. This fee is due March 1 of each year. The fee is based on either premium value or admitted assets. The minimum fee is \$100 while the maximum fee is \$16,000 for domestic companies and \$25,000 for foreign companies. The Fiscal Year 1992 revenue for this fee was \$7,451,000. The cost for this fee was not available since it was combined with several other fees. Fiscal Year 1992 accounts receivable were \$637,400.

- ***Producers License, Appointment, and Education Fee*** - Department of Insurance

The Department of Insurance charges this statutorily established fee to qualify agents to sell various types of insurance. The rate for this fee has been \$75 per year since 1989 when it was raised from \$50. It is due on the agent's anniversary date of original licensure. The Fiscal Year 1992 revenue for this fee was unavailable, although the revenue for all fees, which were deposited into the Insurance Producer Administration Fund, was \$7,080,512 while the cost was \$6,471,668 (difference of \$608,844). The cost allocation included all expenditures (operations, personnel, administration, and overhead). The agency annually examines cost when preparing its budget.

- ***Nurse License Renewal Fee*** - Department of Professional Regulation

Based on the Department of Professional Regulation's suggestion, the legislature established this fee to offset the Department's cost of administering the act which governs the nursing profession. Since fees charged are negotiated with professions, the Department uses consultants to perform an independent study annually to monitor cost. A Department representative said they internally monitor fee rate and revenue at least once a year. He estimated the consulting charge to be \$15,000.

The Department does not analyze cost at the fee level, but rather at the professional group level. All fees combined for a profession are intended to cover the cost of administering the program. There are many types of fees for each profession, such as the examination fee, the exam verification fee, the certificate of registration, the duplicate license certification, the license restoration fee, etc. All costs are allocated to a profession, including the direct cost of the program, administration, and fixed costs of the Department. The total Fiscal Year 1991 cost of regulating the nursing profession was \$2,468,520; the 1992 cost study was not completed by the end of fieldwork. This renewal fee is \$40 for two years and is collected before the license is renewed. Fiscal Year 1992 revenue for this fee was \$4,639,315.

- ***Pharmacist License Renewal Fee*** - Department of Professional Regulation

Based on the Department of Professional Regulation's suggestion, the legislature established this fee to offset the Department's cost of administering the act which governs the pharmacy profession. As with the Department's nursing program, all fees combined for a profession are intended to cover the cost of administering the program. Costs associated with this particular fee were not available because the Department does not analyze cost at the specific fee level, but rather at the

professional group level. All costs are allocated to a profession, such as direct cost of program, administration, and fixed costs of the Department. The total Fiscal Year 1991 cost of regulating the pharmacy program was \$1,612,422. This renewal fee is \$150 for two years and is collected before the license is renewed. Fiscal Year 1992 revenue for this fee was \$1,627,190.

- ***Newborn Screening and Treatment Fee*** - Department of Public Health

The legislature established this fee in 1983 so the Department of Public Health would recover part of the laboratory expenses incurred in screening newborns for certain metabolic diseases. The fee rate is established in Public Health's administrative rules at \$20. In the mid-1980's it was \$4. This fee covers all screening (no matter how many individual tests are required) and all follow-up services. The fee is charged after services are performed because Department officials said this prevents double billing. The accounts receivable for the fee were \$1,643,000 (net) on June 30, 1992. The Fiscal Year 1992 revenue for this fee was estimated at \$3,040,470 and the cost was \$2,792,589 (difference of \$247,881). The cost has two components: laboratory expenses (\$1,391,388) and follow-up service expenses (\$1,401,201).

- ***Liquor License Fee*** - Liquor Control Commission

Established in 1934, this statutorily set fee is used to regulate the liquor industry. The fee is collected from liquor licenses and used for the operating expenses of the Liquor Control Commission, and is also used by for Department of Alcohol and Substance Abuse's programs related to youth alcoholism. The Commission has established a schedule of flat-rate fees for the three tiers of industry - manufacturing, distributing, and retailing.

The Fiscal Year 1992 revenue for this fee was \$2,817,660 and the cost was \$1,575,750 (difference of \$1,241,910). However, \$1,080,100 was transferred to DASA's Youth Alcoholism and Substance Abuse Prevention Fund because \$50 of every license goes to this fund. The fee supports the total expenditures of the Liquor Control Commission which had 41 employees. It is charged before the license is issued.

- ***Credit Union Examination Fee*** - Department of Financial Institutions

This statutorily established fee is used by the Department of Financial Institutions to pay for expenses associated with conducting credit union examinations. The fee varies between \$35 and \$28,000 depending upon a credit union's total assets.

It is charged after the examination when total assets can be determined. The Fiscal Year 1992 revenue for this fee was \$1,654,827 and the cost was estimated at \$1,381,877 (difference of \$272,950). The cost of the Credit Union Division (e.g., personnel, travel) is allocated to its two programs based upon the percentage of time spent on each program.

• ***Title Insurance Foreign Corporation Retaliatory Fee*** - Department of Financial Institutions

This statutorily established fee is intended to provide some degree of equity and fairness with what other states and countries charge Illinois title insurance companies. The Department of Financial Institutions charges this fee based upon the fee that would be charged to Illinois title insurance companies in the foreign company's home state or country.

The Fiscal Year 1992 revenue for this fee was \$1,286,831 and the cost was estimated at \$85,885 (difference of \$1,200,946). The fee was set by the legislature and is deposited into the General Revenue Fund. The Department's Consumer Credit Division is responsible for collecting this fee. The Department allocates costs to its eight programs based on the number of licenses associated with the fee and time spent on fee related activities. The cost allocated to this fee consists of personnel, travel, and supplies.

• ***Fingerprint Program Fee*** - Department of State Police

This fee is charged for criminal history information requested by non-criminal agencies, such as municipalities or school districts. The legislature established this fee because the Department of State Police began receiving many requests and did not have enough money to provide all requested services.

The fee rate is established by the State Police in interagency agreements and varies based on type of information requested, such as whether FBI information is requested. The fee is charged before providing services. Although State Police officials said they consider anticipated demand in advance of each fiscal year to set fee rates, they could not document their analysis to demonstrate that the fee structure or rate was reviewed and modified. Department officials said they charge \$12 for a fingerprint card as compared to \$23 charged by the federal government.

The Fiscal Year 1992 revenue for this fee was \$1,515,294 and the cost was \$1,592,088 (difference of \$76,794). About half of their expenditures (\$800,000) went to the federal government. Cost included operating expenditures (not administration and agency overhead).

- ***Community Water Supply Lab Testing Fee*** - Illinois Environmental Protection Agency

The Illinois Environmental Protection Agency charges a fee to water suppliers in the State, whether public or private, that choose to use IEPA's laboratory to test their water supply. This fee applies to any water supply that serves 15 or more service connections or serves more than 25 people at least 60 days per year. Participants include municipalities (primarily), mobile home parks, and water companies. IEPA's administrative rules specify the collection period -- bills are sent in January and collected by March.

In 1986, the federal government passed amendments to the Safe Drinking Water Act which increased testing responsibilities. The current fee rate is \$0.90 per service connection and varies between a \$108 and \$3,000 for a community. The statute allows up to \$0.95 per service connection and a maximum of \$3,200 for a community. The Fiscal Year 1992 revenue for this fee was \$1,192,711 and the cost was \$1,086,426 (difference of \$106,285). Costs include all expenditures of the division such as personal services, retirement, social security, insurance, travel, commodities, printing, equipment, and telecommunications. IEPA has retained Griffith and Associates, who agency officials stated are specialists in cost allocation methods, to review their fees and devise a more precise cost allocation plan.



## Chapter 6 MANAGING FEES

The State of Illinois has a large number, type, and variety of fees. One-third of the fee rates, with revenue exceeding \$600 million, were established by agencies in their administrative rules or policies. State agencies did not document their analyses to demonstrate how they determined whether to charge a fee, what amount to charge, or whether fee revenues would be sufficient to cover cost. The State needs to improve the quality and quantity of information reported about fees. At least three states, Delaware, Minnesota, and North Carolina, have reports on their fees.

### STRUCTURING FEES IN ILLINOIS

If a fee is established by statute, it may be changed only by the General Assembly. This can increase the demand on legislators' time. Considerable time may elapse before an existing fee can be adjusted or before a new fee can be established, approved, and collected. Furthermore, fee rates established by statute reduce agencies' flexibility to adjust them when needed, such as for inflation.

The State of Utah has considered requiring that fees be set with assistance provided by the Division of Finance while allowing an agency to adjust the fee level if a change would be economically efficient, socially responsible, or politically responsive. A Utah report on fees stated that if a fee is considered a form of a tax, the legislature should have to approve it. Utah restricts agencies from charging license, registration, and certification fees unless they have obtained legislative approval.

**DEPARTMENT OF LABOR:** "User fees do have the value of making the 'user' aware of state involvement and regulation of their activity. However, the fees should be authorized in the enabling legislation but the specific amount for the service or permit should be set by administrative rule. It would also be helpful if the reason for assessing the fee (public safety, cover cost of service, etc.) would be specified in the law."

SOURCE: September 14, 1992 response to Auditor General's questionnaire.

The Illinois Tax Foundation report on user fees noted that before starting or expanding programs that charge fees, officials need to first define a program's objectives, forecast its cost for several years, and document results once the program is operational. The advantage would be that program costs and benefits would be addressed beforehand.

The report's authors added that fees are sometimes artificially low because oversight (legislative) committees often do not ask that fees be raised. Low fees mean that fewer people complain. The report stated that legislative control of fee rates may be effectively maintained without setting fees in the statute if the legislature:

- establishes objectives for each fee;
- mandates agencies to develop data on whether fees are sufficient to cover program goals;
- directs agencies to set fee rates to cover fee-related expenditures; and
- maintains control over fee-related expenditures during appropriations.

Fees of Illinois are complex because of the large number of fees, variety of fees, and agencies that administer fees. They become further complicated because there are varying rates for related fees, as illustrated below.

- Camping fees vary depending on one's age and military service. For example, the regular Class A camping fees are \$11. Disabled veterans and former POWs are charged \$3 (to cover utilities); \$3 is also charged to individuals aged 65 and above but only Monday through Thursday. Individuals between the ages of 62 to 64 receive a discounted rate of \$7 Monday through Thursday.
- Registration fees for vehicles with permanently mounted equipment (e.g., for digging, drilling, mining) vary based on a vehicle's weight. They range from \$36 for vehicles up to 10,000 pounds, to \$308 for vehicles up to 80,000 pounds.

**UNIVERSITY OF ILLINOIS:** *"The University of Illinois supports the present system of 'checks and balances' which exists for determining tuition and fee charges for which revenue is deposited into the University Income Fund. The Illinois Board of Higher Education provides advice to the Governor and General Assembly about budget matters, including appropriations from the Income Fund and the underlying tuition and fee levels on which those appropriations are based. Similarly, the General Assembly and Governor must enact and approve appropriations before any funds from the Income Fund can be expended by the University. There are thus a number of participants in the process of setting tuition and fees for public universities. That process has worked effectively for both students and institutions, and it should be continued."*

SOURCE: September 18, 1992 response to Auditor General's questionnaire.

- Rates for oversize/overweight permits vary depending on vehicle dimension, axle weight, or gross weight in excess of the maximum size or weight allowed. Rates also vary depending on the length of the trip.
- Rates differ for various boiler inspections: \$20 per internal inspection of boilers up to 5 horsepower, \$40 otherwise; \$20 per external inspection of power boilers; \$15 per internal or external inspection of each pressure vessel subject to inspection having a cross sectional area of 50 square feet (another \$15 for each additional 100 square feet); and \$40 where it is necessary to make a special trip to witness the application of hydrostatic testing.

Agencies also administer many different but related fees. For example, there are explosive storage facility fees whose rates vary between \$25 and \$200 depending upon the type of explosives, quantity of explosives, and type of facility in which the explosives are stored. Driver's license fees vary between \$0 and \$40 depending upon the type of license issued. Registration fees for professions vary based on whether it is an examination fee, initial fee, or renewal fee.

## **REPORTING AND MONITORING OF FEES**

Little useful information is available about the number, intent, or financial impact of State fees. No central source of information exists on the cost of providing fee-related functions. In fact, some agencies stated they would need to develop cost information on their fee-related programs/services when we first inquired about the availability of such data.

There is one reporting requirement in the statute for the following five agencies to submit fee receipt information twice a year to the Governor: Attorney General, Board of Education, Comptroller, Secretary of State, and Treasurer. This statute was originally passed in 1872 (Ill. Rev. Stat. 1991, ch. 53, par. 27).

**DEPARTMENT OF CONSERVATION:**  
*"Natural resource stewardship requires substantial revenues and generating the needed revenues solely through user fees is not feasible. A periodic analysis of the user fee structure should be conducted."*

SOURCE: October 1, 1992 response to Auditor General's questionnaire.

The Comptroller has reports pertaining to revenues in general. They indicated that nearly all State receipts for Fiscal Year 1992 came from sources other than fees, such as taxes, bond proceeds, federal receipts, and investment income.

Part of the reason for limited fee information may be that the State's accounting system is mainly devoted to expenditures. Only 1 of 18 sections in the Comptroller's Uniform Statewide Accounting System (CUSAS) manual pertains to revenues and only one of the many legislative budget forms concerns receipts.

**DEPARTMENT OF STATE POLICE:**  
*"Reasonable fees should be charged to cover the costs incurred for the program. They should not be established by statute, but set by the agency dependent on the completion of an appropriate cost study."*

SOURCE: September 15, 1992 response to Auditor General's questionnaire.

The existing State accounting system has the capability to track fee cost and revenue with some refinement. For example, the 12-digit receipt account code in CUSAS is not fully used. Three digits of the receipt code identify the source of deposit (the remaining digits identify the agency, fund, and sub-source). These source codes have already been assigned the numbers 1 through 899, but the numbers 900 to 999 are available and could be used to track various types of fee revenues.

Similarly, there are numbers available in the 16-digit expenditure authority account code which could be used to track costs associated with fees. For example, the last four expenditure numbers are used to track expenditures from appropriations made for special projects and unique services. They could be used to provide for the matching of fee revenues with related costs.

Agencies usually did not have complete data on the cost of the program or service that was provided. Complete cost data is especially needed for fees that are intended to cover cost so fees can be set at an appropriate level.

Out of the 71 agencies that charged a fee, 16 provided some evidence of a study or cost-benefit analysis (e.g., how fees should be set, what amount should be charged, whether revenues from fees were sufficient to cover program/service costs). Forty-four agencies prepared some type of report on fees, mostly a report which showed fee revenues. Exhibit 6-1 provides a description of reports produced by the nine agencies whose fees were in our sample of fees tested in detail.

**DEPARTMENT OF EMPLOYMENT SECURITY:**  
*"The level of user fees should be sufficient to cover out-of-pocket costs to the Agency. User fees at this Agency are not significant and would probably not warrant the additional costs of monitoring. However, a review for reasonableness on an annual basis should be adequate."*

SOURCE: September 22, 1992 response to Auditor General's questionnaire.

**Exhibit 6-1  
AGENCIES' REPORTING AND MONITORING OF FEES**

<b>AGENCY</b>	<b>AGENCY'S STUDY OR COST-BENEFIT REVIEW</b>	<b>FEE REPORTS FOR AGENCY MANAGEMENT</b>
<i>Environmental Protection Agency</i>	<i>Report concerning only one fee's revenue and expenditure for past years.</i>	<i>Report on several funds which summarize fund activity (e.g., receipts, expenditures, past due accounts receivable, etc.).</i>
<i>Financial Institutions</i>	<i>Agency said, ". . . no in-depth study has been undertaken because revenue generating capacity has been the determining factor for funding level."</i>	<i>Report on fee revenues and expenditures.</i>
<i>Insurance</i>	<i>Only revenue projection by source of receipt.</i>	<i>Report summarizing taxes and fees collected.</i>
<i>Liquor Control Commission</i>	<i>None available.</i>	<i>Report on licenses issued and their revenue.</i>
<i>Nuclear Safety</i>	<i>Report estimating revenues and costs until the year 2002.</i>	<i>Same report as in previous column which includes Fiscal Year 1992 information.</i>
<i>Professional Regulation</i>	<i>Annual report prepared by consultants which allocates cost to each profession regulated by agency.</i>	<i>Report of revenue received by each fund, along with annual consultant report.</i>
<i>Public Health</i>	<i>None available.</i>	<i>Receipt report on only a few fees (agency has over 150 fees).</i>
<i>State Police</i>	<i>None available.</i>	<i>None available.</i>
<i>Toll Highway Authority</i>	<i>1992 Annual Toll Revenue Report.</i>	<i>1992 Annual Toll Revenue Report.</i>

**SOURCE:** Agency reports reviewed by OAG.

If a regular reporting system existed, it might be able to sort fee data in many ways, some of which have been shown in the exhibits and appendices of this report, including fees that are obsolete and/or not charged, fees that have been unchanged for many years, and which could provide information useful to the budget process. Additional types of fee information which may be of benefit to the General Assembly

is shown in the next two exhibits. Exhibit 6-2 lists fees that had a statutorily established rate which has not been changed for over 30 years (maximum of three fees for any one agency). It excludes some fees such as photocopy fees, fees that were based on a formula, and fees that were intended to cover the full cost (unless the full cost was not covered).

<i>Exhibit 6-2</i> <b>FEE RATES UNCHANGED FOR OVER 30 YEARS</b>			
<i>AGENCY</i>	<i>FEE</i>	<i>LAST REVISED</i>	<i>FY92 REVENUE</i>
<i>Supreme Court</i>	<i>Fee to prepare and certify a law license with seal</i>	<i>1919</i>	<i>\$ 14,345</i>
<i>Supreme Court</i>	<i>Final order fee charged for not appearing but who desires a final order</i>	<i>1919</i>	<i>0</i>
<i>Supreme Court</i>	<i>Fee for each certificate and seal - First District*</i>	<i>1919</i>	<i>339</i>
<i>Agriculture</i>	<i>Cooperative registration fee</i>	<i>1931</i>	<i>2,778</i>
<i>Secretary of State</i>	<i>Domestic corporation license fees</i>	<i>1933</i>	<i>**</i>
<i>Secretary of State</i>	<i>Foreign corporation license fees</i>	<i>1933</i>	<i>**</i>
<i>Secretary of State</i>	<i>Application and certificate fee (soil conservation districts law)</i>	<i>1943</i>	<i>**</i>
<i>Comptroller</i>	<i>Certification fee (for any document or record in the Comptroller's Office)</i>	<i>1943</i>	<i>251</i>
<i>Conservation</i>	<i>Sale of land fee</i>	<i>1950</i>	<i>20,452</i>
<i>Agriculture</i>	<i>Horsemeat vehicle license fee</i>	<i>1951</i>	<i>0</i>
<i>Mines &amp; Minerals</i>	<i>Section lease of public lands</i>	<i>1951</i>	<i>0</i>
<i>Comptroller</i>	<i>Reporting fee</i>	<i>1955</i>	<i>1,666</i>
<i>Comptroller</i>	<i>Application fee</i>	<i>1955</i>	<i>260</i>
<i>Agriculture</i>	<i>Horsemeat license fee</i>	<i>1957</i>	<i>150</i>

\* *This statutorily set fee for the other four court districts has also not been changed since 1919.*  
 \*\* *Not available.*  
 NOTE: *This exhibit contains no more than three fees from an agency.*  
 SOURCE: *Auditor General's survey of State agencies.*

Exhibit 6-3 shows fee rates set by agencies and lists agencies with over \$1 million in fee revenue during Fiscal Year 1992. The rates for 1,276 fees were set by statute and generated nearly \$1 billion; the rates for the remaining 820 fees were set

by agency rules or policy and exceeded \$600 million during Fiscal Year 1992. Additional details are provided in Appendix E, such as the number of fee rates set by the General Assembly and their revenue.

<i>Exhibit 6-3</i> <b>FEE RATES SET BY AGENCIES</b>		
<b>AGENCY</b>	<b>FEEES</b>	<b>FY92 REVENUE</b>
<i>Capital Development Board</i>	2	\$ 2,648,404
<i>Commissioner of Banks and Trust Companies</i>	49	2,549,054
<i>Commissioner of Savings and Residential Finance</i>	50	2,430,266
<i>Department of Agriculture</i>	45	5,840,428
<i>Department of Central Management Services</i>	8	2,119,875
<i>Department of Conservation</i>	50	4,743,618
<i>Department of Mental Health and Developmental Disabilities</i>	6	25,411,572
<i>Department of Nuclear Safety</i>	49	1,048,043
<i>Department of Professional Regulation</i>	100	3,533,333
<i>Department of Public Health</i>	55	5,341,001
<i>Department of State Police</i>	2	1,523,204
<i>Department of Transportation</i>	49	2,679,119
<i>Environmental Protection Agency</i>	1	1,192,711
<i>Illinois Commerce Commission**</i>	2	7,081,588
<i>Secretary of State</i>	102	9,547,507
<i>All Other Agencies</i>	138	3,091,107
<b>SUBTOTAL</b>	<b>708</b>	<b>80,780,830</b>
<i>Illinois State Toll Highway Authority</i>	1	253,911,000
<i>All Universities Combined*</i>	111	304,000,123
<b>TOTAL</b>	<b>820</b>	<b>638,691,953</b>
<p>* Universities set fees in association with their governing boards.  ** Part set by statute and part set by rule.  SOURCE: Auditor General's survey of State agencies.</p>		

Several states have established reports on fees, including Delaware, North Carolina, and Minnesota, as noted in Chapter 2. Minnesota has a biennial report on user fees which is prepared by their finance department. The over 300-page report provides information on fees where the difference between costs and receipts for the

biennium exceeds \$2,000. An official from their finance department noted that although the report contains considerable information, the most useful information is the difference between fee costs and revenues. He added that their legislature uses the information to enhance revenue.

The State of Illinois does not have a formal mechanism for reporting on fees administered by agencies. Such a mechanism would require agencies to maintain data on individual fees (such as fee revenue, cost, rate, authority, and payees) in a standardized way and assign an agency the responsibility to collect the data and prepare periodic reports.

**MATTER FOR CONSIDERATION  
BY THE GENERAL ASSEMBLY**

**The General Assembly may wish to consider establishing a structure for reporting on fees administered by State agencies. This would include mandating agencies to maintain data on individual fees in a standardized format and assigning a central agency the responsibility to develop and implement procedures to collect the data and prepare summary reports.**



*Appendix A*

L.A.C. RESOLUTION  
NUMBER 96

## Legislative Audit Commission

RESOLUTION NO. 96

Presented by the Office of the Auditor General

WHEREAS, a 1991 Illinois Tax Foundation report identified that State agencies administered different user fees with total receipts in excess of \$800 million in Fiscal Year 1990;

WHEREAS, this report found that some user fees were intended to cover the full cost of the service, while some were not, and the mandate of some user fees was unclear;

WHEREAS, many State agencies charge user fees, their nature, use and financial effect is often unclear;

THEREFORE BE IT RESOLVED by the Legislative Audit Commission of the State of Illinois that the Auditor General is directed to conduct a management audit of the types of user fees and the extent to which the fee supports the services for which it was collected;

BE IT FURTHER RESOLVED that this audit shall include but need not be limited to determining:

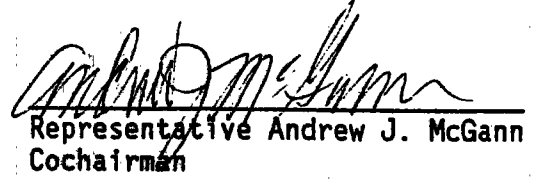
1. which user fees are charged by State agencies to citizens and to private organizations that are intended by statute, administrative rule, or agency policy to cover the cost of services provided;
2. whether such user fees cover the cost of the services or benefits provided;
3. whether such user fees are collected in a timely manner;
4. whether State agencies set such fees to cover their projected program costs;
5. whether monitoring and reporting of such user fees needs to be enhanced; and
6. the types of user fees charged or administered by State agencies, the amount, use and intended purpose.

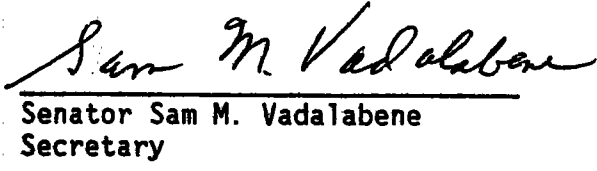
BE IT FURTHER RESOLVED that all State agencies which may have information relevant to this audit shall cooperate fully and promptly with the Office of the Auditor General in the conduct of this audit; and

BE IT FURTHER RESOLVED that the Auditor General shall commence the audit immediately and shall report his findings and recommendations in accordance with the provisions of the Illinois State Auditing Act.

Adopted this 16th day of April, 1992.

  
Senator Aldo A. DeAngelis  
Cochairman

  
Representative Andrew J. McGann  
Cochairman

  
Senator Sam M. Vadalabene  
Secretary

*Appendix B*

**METHODOLOGY**

## **Appendix B METHODOLOGY**

A survey questionnaire was used to obtain information on each fee charged to citizens and to private organizations by State agencies. The survey included questions such as fee name, purpose, authority, amount, whether fee was intended to cover cost, and fund. This report is concerned only with fees deposited into the State treasury; fees deposited into locally held funds were excluded.

Fee information was obtained from 144 State agencies, boards, commissions, and universities (see Table B-1 on next page). We identified 71 agencies that charged at least one such fee. Another 5 agencies had the authority to charge fees, mainly for photocopying, but did not during Fiscal Year 1992. For example, the Auditor General's Office is authorized to waive photocopying fees if it is in the public's interest.

We examined much of the fee data provided by agencies, particularly code agencies and elected constitutional officers. We searched statutes and administrative rules to identify fees, checked citations, verified when fee was last revised, determined if fee was set by statute or rule, and so on.

The data provided by agencies has been organized in the form of spreadsheets. The spreadsheets were returned to agencies to review, make necessary changes, and sign-off. Agencies were also afforded another opportunity to review their final spreadsheets.

Using the list of all fees, we identified fees that were intended to cover the full cost of the associated service or program. Most of the determinations in the audit resolution called for information about such fees. This cost information is presented in the supplement. We developed it with input from agencies who were invited to review their cost spreadsheets and make necessary changes before signing-off.

The most detailed reviews were performed of 13 individual fees and 2 groups of fees with Fiscal Year 1992 revenue of at least \$1 million that were intended to cover the full cost (maximum of three from any one agency). Information about these fees is detailed in Chapter 5 of the report.

University fees over \$1 million were excluded from testing because the Auditor General's Office released a program audit in July 1990, entitled "State University Tuition and Fee Policies and Practices." For the same reason, no further data is provided on their fees intended to cover full cost.

**Table B-1**  
**FEE INFORMATION FOR AGENCIES SURVEYED**  
**Fiscal Years 1991-92**

<i>Agency</i>	<i>Fee charged to citizens or to private organizations (deposited in Treasury)</i>
1. Abandoned Mined Lands Reclamation Council	No
2. Attorney General	Yes
3. Auditor General*	No
4. Board of Governors	No
5. Board of Higher Education	Yes
6. Board of Regents	No
7. Bureau of the Budget	No
8. Capital Development Board	Yes
9. Chicago State University	Yes
10. Chicago State University - Foundation	N/A - Local funds only
11. Citizens Assembly	No
12. Civil Service Commission	No
13. Commission on Human Rights	No
14. Commissioner of Banks and Trust Companies	Yes
15. Commissioner of Savings & Residential Finance	Yes
16. Comptroller	Yes
17. Court of Claims	Yes
18. Department on Aging	Yes
19. Department of Agriculture	Yes
20. Department of Alcoholism & Substance Abuse	Yes
21. Department of Central Management Services	Yes
22. Department of Children and Family Services	Yes
23. Department of Commerce & Community Affairs	Yes
24. Department of Conservation	Yes
25. Department of Corrections	Yes
26. Department of Employment Security	Yes
27. Department of Energy and Natural Resources	Yes
28. Department of Financial Institutions	Yes
29. Department of Human Rights	Yes
30. Department of Insurance	Yes
31. Department of Labor	Yes
32. Department of Mental Health and Developmental Disabilities	Yes
33. Department of Military Affairs	No
34. Department of Mines and Minerals	Yes
35. Department of Nuclear Safety	Yes
36. Department of Professional Regulation	Yes

Agency	Fee charged to citizens or to private organizations (deposited in Treasury)
37. Department of Public Aid	Yes
38. Department of Public Health	Yes
39. Department of Rehabilitation Services	Yes
40. Department of Revenue	Yes
41. Department of Revenue - Gaming Board	Yes
42. Department of State Police	Yes
43. Department of Transportation	Yes
44. Department of Veterans' Affairs	Yes
45. East St. Louis Area Development Authority	No
46. East St. Louis Financial Advisory Authority	No
47. Eastern Illinois University	Yes
48. E.I.U. Foundation/Alumni Association	N/A - Local funds only
49. Environmental Protection Agency	Yes
50. Environmental Protection Trust Fund Comm.	No
51. General Assembly	Yes
52. General Assembly Retirement System	No
53. Governor	Yes
54. Governor's Health & Physical Fitness Council	Yes
55. Governor's Purchased Care Review Board*	No
56. Governors State University	Yes
57. Governors State University - Alumni Association	N/A - Local funds only
58. Governors State University - Foundation	N/A - Local funds only
59. Guardianship and Advocacy Commission	Yes
60. Historic Preservation Agency	Yes
61. Illinois Arts Council	N/A - Local funds only
62. Illinois Commission on Intergovernmental Cooperation*	No
63. Illinois Community College Board	No
64. Illinois Criminal Justice Information Authority	No
65. Illinois Development Finance Authority	N/A - Local funds only
66. Illinois Economic and Fiscal Commission	No
67. Illinois Educational Facilities Authority	N/A - Local funds only
68. Illinois Educational Labor Relations Board	No
69. Illinois Emergency Management Agency	Yes
70. Illinois Export Development Authority	No
71. Illinois Farm Development Authority	N/A - Local funds only
72. Illinois Health Care Cost Containment Council	Yes
73. Illinois Health Facilities Authority	N/A - Local funds only
74. Illinois Housing Development Authority	Yes
75. Illinois Mathematics and Science Academy	Yes
76. Illinois Rural Bond Bank	N/A - Local funds only

Agency	Fee charged to citizens or to private organizations (deposited in Treasury)
77. Illinois Sports Facility Authority	No
78. Illinois State Board of Investment	No
79. Illinois State Toll Highway Authority	Yes
80. Illinois State University	Yes
81. Illinois State University - Foundation	N/A - Local funds only
82. Illinois Student Assistance Commission	No
83. Illinois Commerce Commission	Yes
84. Industrial Commission	Yes
85. Joint Committee on Administrative Rules	Yes
86. Judges Retirement System	No
87. Judicial Inquiry Board*	No
88. Legislative Audit Commission	No
89. Legislative Information System	Yes
90. Legislative Printing Unit	No
91. Legislative Reference Bureau	Yes
92. Legislative Research Unit	No
93. Legislative Space Needs Commission	No
94. Lieutenant Governor	No
95. Liquor Control Commission	Yes
96. Local Governmental Law Enforcement Officers Training Board	No
97. Local Labor Relations Board	No
98. Medical Center Commission	No
99. Northeastern Illinois University	Yes
100. Northeastern Illinois University - Foundation	N/A - Local funds only
101. Northern Illinois University	Yes
102. Northern Illinois University-Alumni Association	N/A - Local funds only
103. Northern Illinois University - Foundation	N/A - Local funds only
104. Office of the State Appellate Defender	No
105. Office of the State Fire Marshal	Yes
106. Planning Council on Developmental Disabilities	No
107. Pollution Control Board	Yes
108. Prairie State 2000 Authority	No
109. Prisoner Review Board	Yes
110. Property Tax Appeal Board	No
111. Public Counsel	No
112. Quad Cities Regional Economic Development Authority	N/A - Local funds only
113. Racing Board	Yes
114. Sangamon State University	Yes
115. Sangamon State University - Alumni Association	N/A - Local funds only
116. Sangamon State University - Foundation	N/A - Local funds only



Agency	Fee charged to citizens or to private organizations (deposited in Treasury)
117. Secretary of State	Yes
118. Southern Illinois University - Carbondale	Yes
119. S.I.U. - Carbondale Alumni Association	N/A - Local funds only
120. S.I.U. - Carbondale Foundation	N/A - Local funds only
121. Southern Illinois University - Edwardsville	Yes
122. S.I.U. - Edwardsville Alumni Association	N/A - Local funds only
123. S.I.U. - Edwardsville Foundation	N/A - Local funds only
124. Southwestern Illinois Development Authority	N/A - Local funds only
125. State Board of Education	Yes
126. State Board of Elections	Yes
127. State Community College of East St. Louis	N/A - Local funds only
128. State Employees Retirement System	No
129. State Labor Relations Board	No
130. State Lottery	Yes
131. State Police Merit Board	No
132. State Universities Civil Service Merit Board*	No
133. State Universities Retirement System	No
134. State's Attorneys Appellate Prosecutor	No
135. Summer School for the Arts	No
136. Supreme Court	Yes
137. Teachers' Pensions and Retirement System, Chicago	No
138. Teachers' Retirement System	No
139. Treasurer	Yes
140. University of Illinois	Yes
141. University of Illinois - Alumni Association	N/A - Local funds only
142. University of Illinois - Foundation	N/A - Local funds only
143. Western Illinois University	Yes
144. Western Illinois University - Foundation	N/A - Local funds only

\* Agency had authority to charge a fee but did not.

### **SUMMARY**

71 Yes (agencies that charged a fee)  
 47 No  
 26 N/A - had locally held funds only  
 144 TOTAL

*Appendix C*

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*Appendix C*  
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*Appendix D*

***FEES AND COST COVERAGE***

*Appendix D*  
**FEES AND COST COVERAGE**

This appendix shows the total number of fees deposited into the State treasury for each of the 144 agencies, including the number of fees that were intended to cover full, most, some, or none of the cost of the service/program associated with the fee. The category "Other" includes fees which are difficult to classify, such as fees that were set by statute and intended to cover "reasonable" costs. A summary of fee information for all 144 State of Illinois agencies is presented below.

<b>SUMMARY</b>						
<i>FEES INTENDED COST COVERAGE</i>					<i>Total Fees</i>	<i>FY92 Fee Revenue</i>
<i>Full</i>	<i>Most</i>	<i>Some</i>	<i>None</i>	<i>Other</i>		
565	152	258	963	158	2,096	\$1,639,037,071

This data is sorted in three different ways: first in alphabetical order by agency, second by agencies that had the most individual fees, and third by agencies that had the most fee revenue.



Agency	Fees' Intended Cost Coverage					Total Fees	FY 1992 Fee Revenue
	Full	Most	Some	None	Other		
<b><u>AGENCIES IN ALPHABETICAL ORDER</u></b>							
1. Abandoned Mined Lands Reclamation Council	0	0	0	0	0	0	\$ 0
2. Attorney General	1	0	0	7	3	11	269,542
3. Auditor General (1)	0	0	0	0	0	0	0
4. Board of Governors	0	0	0	0	0	0	0
5. Board of Higher Education	0	0	1	0	0	1	267
6. Board of Regents	0	0	0	0	0	0	0
7. Bureau of the Budget	0	0	0	0	0	0	0
8. Capital Development Board	1	0	0	1	0	2	2,648,404
9. Chicago State University	1	0	0	3	0	4	10,594,869
10. Chicago State University Foundation	0	0	0	0	0	0	0
11. Citizens Assembly	0	0	0	0	0	0	0
12. Civil Service Commission	0	0	0	0	0	0	0
13. Commission on Human Rights	0	0	0	0	0	0	0
14. Commissioner of Banks and Trust Companies	51	3	1	6	0	61	15,642,944
15. Commissioner of Savings and Residential Finance	18	0	0	39	0	57	2,436,833
16. Comptroller	0	0	0	14	0	14	140,127
17. Court of Claims	1	0	1	0	0	2	9,543
18. Department of Agriculture	3	13	28	66	2	112	9,653,626
19. Department of Alcoholism and Substance Abuse	1	0	0	1	1	3	196,080
20. Department of Central Management Services	3	3	2	0	0	8	2,119,875
21. Department of Children and Family Services	2	1	0	0	0	3	Not Available
22. Department of Commerce and Community Affairs	0	0	3	0	0	3	664,125
23. Department of Conservation	2	0	11	134	10	157	25,758,653
24. Department of Corrections	1	0	1	1	0	3	816,612
25. Department of Employment Security	0	7	1	0	0	8	14,245
26. Department of Energy and Natural Resources	1	1	0	2	0	4	168,458
27. Department of Financial Institutions	47	0	0	0	0	47	4,469,319
28. Department of Human Rights	0	0	0	1	0	1	7,164
29. Department of Insurance	16	1	15	10	0	42	41,163,301
30. Department of Labor	2	1	1	9	0	13	381,456
31. Department of Mental Health and Developmental Disabilities	5	0	5	0	0	10	31,205,744
32. Department of Military Affairs	0	0	0	0	0	0	0
33. Department of Mines and Minerals	7	2	13	0	0	22	1,773,034
34. Department of Nuclear Safety	24	4	29	22	0	79	37,500,702
35. Department of Professional Regulation	289	0	0	217	49	555	18,668,134
36. Department of Public Aid	1	0	0	5	0	6	315,849,967
37. Department of Public Health	18	32	19	80	5	154	7,871,688
38. Department of Rehabilitation Services	0	0	3	0	0	3	1,589
39. Department of Revenue	1	0	8	6	0	15	1,167,600
40. Department of Revenue (Gaming Board)	5	0	0	4	0	9	712,017

Agency	Fees' Intended Cost Coverage					Total Fees	FY 1992 Fee Revenue
	Full	Most	Some	None	Other		
41. Department of State Police	1	1	3	1	0	6	\$ 2,360,405
42. Department of Transportation	1	11	33	8	1	54	10,287,871
43. Department of Veterans' Affairs	0	0	5	0	0	5	9,296,398
44. Department on Aging	1	0	0	0	0	1	138
45. East St. Louis Area Development Authority	0	0	0	0	0	0	0
46. E. St. Louis Financial Advisory Authority	0	0	0	0	0	0	0
47. Eastern Illinois University	0	0	9	2	0	11	16,697,012
48. E.I.U. Foundation/Alumni Association	0	0	0	0	0	0	0
49. Environmental Protection Agency	1	2	11	0	0	14	22,840,819
50. Environmental Protection Trust Fund Commission	0	0	0	0	0	0	0
51. General Assembly	0	6	0	0	0	6	19,500
52. General Assembly Retirement System	0	0	0	0	0	0	0
53. Governor	5	0	0	0	0	5	57,204
54. Governor's Health and Physical Fitness Council (2)	0	0	0	1	0	1	100,000
55. Governor's Purchased Care Review Board (1)	0	0	0	0	0	0	0
56. Governors State University	0	3	1	0	0	4	76,404
57. G.S.U. Alumni Association	0	0	0	0	0	0	0
58. Governors State University Foundation	0	0	0	0	0	0	0
59. Guardianship and Advocacy Commission	0	0	2	0	0	2	30,010
60. Historic Preservation Agency	2	0	8	3	0	13	149,120
61. Illinois Arts Council	0	0	0	0	0	0	0
62. Illinois Commerce Commission	1	5	0	0	0	6	7,391,854
63. Illinois Commission on Intergovernmental Cooperation (1)	0	0	0	0	0	0	0
64. Illinois Community College Board	0	0	0	0	0	0	0
65. Illinois Criminal Justice Information Authority	0	0	0	0	0	0	0
66. Illinois Development Finance Authority	0	0	0	0	0	0	0
67. Illinois Economic and Fiscal Commission	0	0	0	0	0	0	0
68. Illinois Educational Facilities Authority	0	0	0	0	0	0	0
69. Illinois Educational Labor Relations Board	0	0	0	0	0	0	0
70. Illinois Emergency Management Agency	0	0	1	0	0	1	145
71. Illinois Export Development Authority	0	0	0	0	0	0	0
72. Illinois Farm Development Authority	0	0	0	0	0	0	0
73. Illinois Health Care Cost Containment Council	3	0	0	0	0	3	87,510
74. Illinois Health Facilities Authority	0	0	0	0	0	0	0
75. Illinois Housing Development Authority	0	0	0	2	0	2	19,000
76. Illinois Mathematics and Science Academy	0	0	0	1	0	1	30,360
77. Illinois Rural Bond Bank	0	0	0	0	0	0	0
78. Illinois Sports Facilities Authority	0	0	0	0	0	0	0
79. Illinois State Board of Investment	0	0	0	0	0	0	0
80. Illinois State Toll Highway Authority (3)	1	0	0	0	0	1	253,911,000
81. Illinois State University	0	0	4	0	0	4	33,727,018
82. Illinois State University Foundation	0	0	0	0	0	0	0
83. Illinois Student Assistance Commission	0	0	0	0	0	0	0

Agency	Fees' Intended Cost Coverage					Total Fees	FY 1992 Fee Revenue
	Full	Most	Some	None	Other		
84. Industrial Commission	0	2	0	0	0	2	\$ 22,306
85. Joint Committee on Administrative Rules	0	0	1	0	0	1	150
86. Judges Retirement System	0	0	0	0	0	0	0
87. Judicial Inquiry Board (1)	0	0	0	0	0	0	0
88. Legislative Audit Commission	0	0	0	0	0	0	0
89. Legislative Information System	5	0	0	0	0	5	106,575
90. Legislative Printing Unit	0	0	0	0	0	0	0
91. Legislative Reference Bureau	1	0	0	1	0	2	34,210
92. Legislative Research Unit	0	0	0	0	0	0	0
93. Legislative Space Needs Commission	0	0	0	0	0	0	0
94. Lieutenant Governor	0	0	0	0	0	0	0
95. Liquor Control Commission	1	0	0	0	0	1	2,817,660
96. Local Governmental Law Enforcement Officers Training Board	0	0	0	0	0	0	0
97. Local Labor Relations Board	0	0	0	0	0	0	0
98. Medical Center Commission	0	0	0	0	0	0	0
99. Northeastern Illinois University	0	16	0	0	0	16	265,940
100. Northeastern Illinois University Foundation	0	0	0	0	0	0	0
101. Northern Illinois University	0	0	5	0	0	5	35,478,746
102. N.I.U. Alumni Association	0	0	0	0	0	0	0
103. Northern Illinois University Foundation	0	0	0	0	0	0	0
104. Office of the State Appellate Defender	0	0	0	0	0	0	0
105. Office of the State Fire Marshal	17	1	0	2	0	20	3,646,319
106. Planning Council on Developmental Disabilities	0	0	0	0	0	0	0
107. Pollution Control Board	0	0	4	0	0	4	29,132
108. Prairie State 2000 Authority	0	0	0	0	0	0	0
109. Prisoner Review Board	0	0	1	0	0	1	223
110. Property Tax Appeal Board	0	0	0	0	0	0	0
111. Public Counsel	0	0	0	0	0	0	0
112. Quad Cities Regional Economic Development Authority	0	0	0	0	0	0	0
113. Racing Board	1	0	0	3	0	4	715,084
114. Sangamon State University	1	0	4	3	0	8	4,927,599
115. S.S.U. Alumni Association	0	0	0	0	0	0	0
116. Sangamon State University Foundation	0	0	0	0	0	0	0
117. Secretary of State	12	0	3	261	86	362	495,487,237
118. Southern Illinois University - Carbondale	0	31	0	0	0	31	42,611,808
119. S.I.U. - Carbondale Alumni Association	0	0	0	0	0	0	0
120. S.I.U. - Carbondale Foundation	0	0	0	0	0	0	0
121. Southern Illinois University - Edwardsville	2	2	4	0	1	9	17,955,762
122. S.I.U. - Edwardsville Alumni Association	0	0	0	0	0	0	0
123. S.I.U. - Edwardsville Foundation	0	0	0	0	0	0	0
124. Southwestern Illinois Development Authority	0	0	0	0	0	0	0
125. State Board of Education	0	0	8	1	0	9	790,949
126. State Board of Elections	0	0	0	4	0	4	23,356

Agency	Fees' Intended Cost Coverage					Total Fees	FY 1992 Fee Revenue
	Full	Most	Some	None	Other		
127. State Community College of East St. Louis	0	0	0	0	0	0	\$ 0
128. State Employees' Retirement System	0	0	0	0	0	0	0
129. State Labor Relations Board	0	0	0	0	0	0	0
130. State Lottery	3	0	0	1	0	4	19,530
131. State Police Merit Board	0	0	0	0	0	0	0
132. State Universities Civil Service Merit Board (1)	0	0	0	0	0	0	0
133. State Universities Retirement System	0	0	0	0	0	0	0
134. State's Attorneys Appellate Prosecutor	0	0	0	0	0	0	0
135. Summer School for the Arts	0	0	0	0	0	0	0
136. Supreme Court	0	0	2	36	0	38	3,428,051
137. Teachers' Pension and Retirement System, Chicago	0	0	0	0	0	0	0
138. Teachers' Retirement System	0	0	0	0	0	0	0
139. Treasurer	1	0	1	0	0	2	23,783
140. University of Illinois	1	2	1	0	0	4	119,510,650
141. University of Illinois Alumni Association	0	0	0	0	0	0	0
142. University of Illinois Foundation	0	0	0	0	0	0	0
143. Western Illinois University	3	2	5	5	0	15	22,154,315
144. Western Illinois University Foundation	0	0	0	0	0	0	0
<b>TOTAL</b>	<b><u>565</u></b>	<b><u>152</u></b>	<b><u>258</u></b>	<b><u>963</u></b>	<b><u>158</u></b>	<b><u>2,096</u></b>	<b><u>\$1,639,037,071</u></b>

- (1) Agency had the authority to charge a fee in Fiscal Year 1992. The fees waived were generally for the Freedom of Information Act. For example, the Auditor General's Office is authorized to waive photocopying fees if it is in the public's interest.
- (2) Revenue was estimated by agency.
- (3) Revenue was projected by agency for Calendar Year 1992.

Agency	Fees' Intended			Cost Coverage		Total Fees	FY 1992 Fee Revenue
	Full	Most	Some	None	Other		
<b><u>AGENCIES BY NUMBER OF FEES</u></b>							
1. Department of Professional Regulation	289	0	0	217	49	555	\$ 18,668,134
2. Secretary of State	12	0	3	261	86	362	495,487,237
3. Department of Conservation	2	0	11	134	10	157	25,758,653
4. Department of Public Health	18	32	19	80	5	154	7,871,688
5. Department of Agriculture	3	13	28	66	2	112	9,653,626
6. Department of Nuclear Safety	24	4	29	22	0	79	37,500,702
7. Commissioner of Banks and Trust Companies	51	3	1	6	0	61	15,642,944
8. Commissioner of Savings and Residential Finance	18	0	0	39	0	57	2,436,833
9. Department of Transportation	1	11	33	8	1	54	10,287,871
10. Department of Financial Institutions	47	0	0	0	0	47	4,469,319
11. Department of Insurance	16	1	15	10	0	42	41,163,301
12. Supreme Court	0	0	2	36	0	38	3,428,051
13. Southern Illinois University - Carbondale	0	31	0	0	0	31	42,611,808
14. Department of Mines and Minerals	7	2	13	0	0	22	1,773,034
15. Office of the State Fire Marshal	17	1	0	2	0	20	3,646,319
16. Northeastern Illinois University	0	16	0	0	0	16	265,940
17. Western Illinois University	3	2	5	5	0	15	22,154,315
18. Department of Revenue	1	0	8	6	0	15	1,167,600
19. Environmental Protection Agency	1	2	11	0	0	14	22,840,819
20. Comptroller	0	0	0	14	0	14	140,127
21. Department of Labor	2	1	1	9	0	13	381,456
22. Historic Preservation Agency	2	0	8	3	0	13	149,120
23. Eastern Illinois University	0	0	9	2	0	11	16,697,012
24. Attorney General	1	0	0	7	3	11	269,542
25. Department of Mental Health and Developmental Disabilities	5	0	5	0	0	10	31,205,744
26. Southern Illinois University - Edwardsville	2	2	4	0	1	9	17,955,762
27. State Board of Education	0	0	8	1	0	9	790,949
28. Department of Revenue (Gaming Board)	5	0	0	4	0	9	712,017
29. Sangamon State University	1	0	4	3	0	8	4,927,599
30. Department of Central Management Services	3	3	2	0	0	8	2,119,875
31. Department of Employment Security	0	7	1	0	0	8	14,245
32. Department of Public Aid	1	0	0	5	0	6	315,849,967
33. Illinois Commerce Commission	1	5	0	0	0	6	7,391,854
34. Department of State Police	1	1	3	1	0	6	2,360,405
35. General Assembly	0	6	0	0	0	6	19,500
36. Northern Illinois University	0	0	5	0	0	5	35,478,746
37. Department of Veterans' Affairs	0	0	5	0	0	5	9,296,398
38. Legislative Information System	5	0	0	0	0	5	106,575
39. Governor	5	0	0	0	0	5	57,204
40. University of Illinois	1	2	1	0	0	4	119,510,650

Agency	Fees' Intended Cost Coverage					Total Fees	FY 1992 Fee Revenue
	Full	Most	Some	None	Other		
41. Illinois State University	0	0	4	0	0	4	\$ 33,727,018
42. Chicago State University	1	0	0	3	0	4	10,594,869
43. Racing Board	0	0	3	0	4	715,084	
44. Department of Energy and Natural Resources	1	1	0	2	0	4	168,458
45. Governors State University	0	3	1	0	0	4	76,404
46. Pollution Control Board	0	0	4	0	0	4	29,132
47. State Board of Elections	0	0	0	4	0	4	23,356
48. State Lottery	3	0	0	1	0	4	19,530
49. Department of Children and Family Services	2	1	0	0	0	3	Not Available
50. Department of Corrections	1	0	1	1	0	3	816,612
51. Department of Commerce and Community Affairs	0	0	3	0	0	3	664,125
52. Department of Alcoholism and Substance Abuse	1	0	0	1	1	3	196,080
53. Illinois Health Care Cost Containment Council	3	0	0	0	0	3	87,510
54. Department of Rehabilitation Services	0	0	3	0	0	3	1,589
55. Capital Development Board	1	0	0	1	0	2	2,648,404
56. Legislative Reference Bureau	1	0	0	1	0	2	34,210
57. Guardianship and Advocacy Commission	0	0	2	0	0	2	30,010
58. Treasurer	1	0	1	0	0	2	23,783
59. Industrial Commission	0	2	0	0	0	2	22,306
60. Illinois Housing Development Authority	0	0	0	2	0	2	19,000
61. Court of Claims	1	0	1	0	0	2	9,543
62. Illinois State Toll Highway Authority (3)	1	0	0	0	0	1	253,911,000
63. Liquor Control Commission	1	0	0	0	0	1	2,817,660
64. Governor's Health and Physical Fitness Council (2)	0	0	0	1	0	1	100,000
65. Illinois Mathematics and Science Academy	0	0	0	1	0	1	30,360
66. Department of Human Rights	0	0	0	1	0	1	7,164
67. Board of Higher Education	0	0	1	0	0	1	267
68. Prisoner Review Board	0	0	1	0	0	1	223
69. Joint Committee on Administrative Rules	0	0	1	0	0	1	150
70. Illinois Emergency Management Agency	0	0	1	0	0	1	145
71. Department on Aging	1	0	0	0	0	1	138
72. Abandoned Mined Lands Reclamation Council	0	0	0	0	0	0	0
73. Auditor General (1)	0	0	0	0	0	0	0
74. Board of Governors	0	0	0	0	0	0	0
75. Board of Regents	0	0	0	0	0	0	0
76. Bureau of the Budget	0	0	0	0	0	0	0
77. Chicago State University Foundation	0	0	0	0	0	0	0
78. Citizens Assembly	0	0	0	0	0	0	0
79. Civil Service Commission	0	0	0	0	0	0	0
80. Commission on Human Rights	0	0	0	0	0	0	0
81. Department of Military Affairs	0	0	0	0	0	0	0
82. East St. Louis Area Development Authority	0	0	0	0	0	0	0
83. E. St. Louis Financial Advisory Authority	0	0	0	0	0	0	0
84. E.I.U. Foundation/Alumni Association	0	0	0	0	0	0	0

<u>Agency</u>	<u>Fees' Intended Cost Coverage</u>					<u>Total Fees</u>	<u>FY 1992 Fee Revenue</u>
	<u>Full</u>	<u>Most</u>	<u>Some</u>	<u>None</u>	<u>Other</u>		
85. Environmental Protection Trust Fund Commission	0	0	0	0	0	0	\$ 0
86. General Assembly Retirement System	0	0	0	0	0	0	0
87. Governor's Purchased Care Review Board (1)	0	0	0	0	0	0	0
88. G.S.U. Alumni Association	0	0	0	0	0	0	0
89. Governors State University Foundation	0	0	0	0	0	0	0
90. Illinois Arts Council	0	0	0	0	0	0	0
91. Illinois Commission on Intergovernmental Cooperation (1)	0	0	0	0	0	0	0
92. Illinois Community College Board	0	0	0	0	0	0	0
93. Illinois Criminal Justice Information Authority	0	0	0	0	0	0	0
94. Illinois Development Finance Authority	0	0	0	0	0	0	0
95. Illinois Economic and Fiscal Commission	0	0	0	0	0	0	0
96. Illinois Educational Facilities Authority	0	0	0	0	0	0	0
97. Illinois Educational Labor Relations Board	0	0	0	0	0	0	0
98. Illinois Export Development Authority	0	0	0	0	0	0	0
99. Illinois Farm Development Authority	0	0	0	0	0	0	0
100. Illinois Health Facilities Authority	0	0	0	0	0	0	0
101. Illinois Rural Bond Bank	0	0	0	0	0	0	0
102. Illinois Sports Facilities Authority	0	0	0	0	0	0	0
103. Illinois State Board of Investment	0	0	0	0	0	0	0
104. Illinois State University Foundation	0	0	0	0	0	0	0
105. Illinois Student Assistance Commission	0	0	0	0	0	0	0
106. Judges Retirement System	0	0	0	0	0	0	0
107. Judicial Inquiry Board (1)	0	0	0	0	0	0	0
108. Legislative Audit Commission	0	0	0	0	0	0	0
109. Legislative Printing Unit	0	0	0	0	0	0	0
110. Legislative Research Unit	0	0	0	0	0	0	0
111. Legislative Space Needs Commission	0	0	0	0	0	0	0
112. Lieutenant Governor	0	0	0	0	0	0	0
113. Local Governmental Law Enforcement Officers Training Board	0	0	0	0	0	0	0
114. Local Labor Relations Board	0	0	0	0	0	0	0
115. Medical Center Commission	0	0	0	0	0	0	0
116. Northeastern Illinois University Foundation	0	0	0	0	0	0	0
117. N.I.U. Alumni Association	0	0	0	0	0	0	0
118. Northern Illinois University Foundation	0	0	0	0	0	0	0
119. Office of the State Appellate Defender	0	0	0	0	0	0	0
120. Planning Council on Developmental Disabilities	0	0	0	0	0	0	0
121. Prairie State 2000 Authority	0	0	0	0	0	0	0
122. Property Tax Appeal Board	0	0	0	0	0	0	0
123. Public Counsel	0	0	0	0	0	0	0
124. Quad Cities Regional Economic Development Authority	0	0	0	0	0	0	0
125. S.S.U. Alumni Association	0	0	0	0	0	0	0
126. Sangamon State University Foundation	0	0	0	0	0	0	0

Agency	Fees' Intended Cost Coverage					Total Fees	FY 1992 Fee Revenue
	Full	Most	Some	None	Other		
127. S.I.U. - Carbondale Alumni Association	0	0	0	0	0	0	\$ 0
128. S.I.U. - Carbondale Foundation	0	0	0	0	0	0	0
129. S.I.U. - Edwardsville Alumni Association	0	0	0	0	0	0	0
130. S.I.U. - Edwardsville Foundation	0	0	0	0	0	0	0
131. Southwestern Illinois Development Authority	0	0	0	0	0	0	0
132. State Community College of East St. Louis	0	0	0	0	0	0	0
133. State Employees' Retirement System	0	0	0	0	0	0	0
134. State Labor Relations Board	0	0	0	0	0	0	0
135. State Police Merit Board	0	0	0	0	0	0	0
136. State Universities Civil Service Merit Board (1)	0	0	0	0	0	0	0
137. State Universities Retirement System	0	0	0	0	0	0	0
138. State's Attorneys Appellate Prosecutor	0	0	0	0	0	0	0
139. Summer School for the Arts	0	0	0	0	0	0	0
140. Teachers' Pension and Retirement System, Chicago	0	0	0	0	0	0	0
141. Teachers' Retirement System	0	0	0	0	0	0	0
142. University of Illinois Alumni Association	0	0	0	0	0	0	0
143. University of Illinois Foundation	0	0	0	0	0	0	0
144. Western Illinois University Foundation	0	0	0	0	0	0	0
<b>TOTAL</b>	<u>565</u>	<u>152</u>	<u>258</u>	<u>963</u>	<u>158</u>	<u>2,096</u>	<u>\$1,639,037,071</u>

- (1) Agency had the authority to charge a fee in Fiscal Year 1992. The fees waived were generally for the Freedom of Information Act. For example, the Auditor General's Office is authorized to waive photocopying fees if it is in the public's interest.
- (2) Revenue was estimated by agency.
- (3) Revenue was projected by agency for Calendar Year 1992.



Agency	Fees' Intended			Cost Coverage		Total Fees	FY 1992 Fee Revenue
	Full	Most	Some	None	Other		
<b>AGENCIES BY FEE REVENUES</b>							
1. Secretary of State	12	0	3	261	86	362	\$ 495,487,237
2. Department of Public Aid	1	0	0	5	0	6	315,849,967
3. Illinois State Toll Highway Authority (3)	1	0	0	0	0	1	253,911,000
4. University of Illinois	1	2	1	0	0	4	119,510,650
5. Southern Illinois University - Carbondale	0	31	0	0	0	31	42,611,808
6. Department of Insurance	16	1	15	10	0	42	41,163,301
7. Department of Nuclear Safety	24	4	29	22	0	79	37,500,702
8. Northern Illinois University	0	0	5	0	0	5	35,478,746
9. Illinois State University	0	0	4	0	0	4	33,727,018
10. Department of Mental Health and Developmental Disabilities	5	0	5	0	0	10	31,205,744
11. Department of Conservation	2	0	11	134	10	157	25,758,653
12. Environmental Protection Agency	1	2	11	0	0	14	22,840,819
13. Western Illinois University	3	2	5	5	0	15	22,154,315
14. Department of Professional Regulation	289	0	0	217	49	555	18,668,134
15. Southern Illinois University - Edwardsville	2	2	4	0	1	9	17,955,762
16. Eastern Illinois University	0	0	9	2	0	11	16,697,012
17. Commissioner of Banks and Trust Companies	51	3	1	6	0	61	15,642,944
18. Chicago State University	1	0	0	3	0	4	10,594,869
19. Department of Transportation	1	11	33	8	1	54	10,287,871
20. Department of Agriculture	3	13	28	66	2	112	9,653,626
21. Department of Veterans' Affairs	0	0	5	0	0	5	9,296,398
22. Department of Public Health	18	32	19	80	5	154	7,871,688
23. Illinois Commerce Commission	1	5	0	0	0	6	7,391,854
24. Sangamon State University	1	0	4	3	0	8	4,927,599
25. Department of Financial Institutions	47	0	0	0	0	47	4,469,319
26. Office of the State Fire Marshal	17	1	0	2	0	20	3,646,319
27. Supreme Court	0	0	2	36	0	38	3,428,051
28. Liquor Control Commission	1	0	0	0	0	1	2,817,660
29. Capital Development Board	1	0	0	1	0	2	2,648,404
30. Commissioner of Savings and Residential Finance	18	0	0	39	0	57	2,436,833
31. Department of State Police	1	1	3	1	0	6	2,360,405
32. Department of Central Management Services	3	3	2	0	0	8	2,119,875
33. Department of Mines and Minerals	7	2	13	0	0	22	1,773,034
34. Department of Revenue	1	0	8	6	0	15	1,167,600
35. Department of Corrections	1	0	1	1	0	3	816,612
36. State Board of Education	0	0	8	1	0	9	790,949
37. Racing Board	0	0	3	0	4	715,084	
38. Department of Revenue (Gaming Board)	5	0	0	4	0	9	712,017
39. Department of Commerce and Community Affairs	0	0	3	0	0	3	664,125
40. Department of Labor	2	1	1	9	0	13	381,456

Agency	Fees' Intended Cost Coverage					Total Fees	FY 1992 Fee Revenue
	Full	Most	Some	None	Other		
41. Attorney General	1	0	0	7	3	11	\$ 269,542
42. Northeastern Illinois University	0	16	0	0	0	16	265,940
43. Department of Alcoholism and Substance Abuse	1	0	0	1	1	3	196,080
44. Department of Energy and Natural Resources	1	1	0	2	0	4	168,458
45. Historic Preservation Agency	2	0	8	3	0	13	149,120
46. Comptroller	0	0	0	14	0	14	140,127
47. Legislative Information System	5	0	0	0	0	5	106,575
48. Governor's Health and Physical Fitness Council (2)	0	0	0	1	0	1	100,000
49. Illinois Health Care Cost Containment Council	3	0	0	0	0	3	87,510
50. Governors State University	0	3	1	0	0	4	76,404
51. Governor	5	0	0	0	0	5	57,204
52. Legislative Reference Bureau	1	0	0	1	0	2	34,210
53. Illinois Mathematics and Science Academy	0	0	0	1	0	1	30,360
54. Guardianship and Advocacy Commission	0	0	2	0	0	2	30,010
55. Pollution Control Board	0	0	4	0	0	4	29,132
56. Treasurer	1	0	1	0	0	2	23,783
57. State Board of Elections	0	0	0	4	0	4	23,356
58. Industrial Commission	0	2	0	0	0	2	22,306
59. State Lottery	3	0	0	1	0	4	19,530
60. General Assembly	0	6	0	0	0	6	19,500
61. Illinois Housing Development Authority	0	0	0	2	0	2	19,000
62. Department of Employment Security	0	7	1	0	0	8	14,245
63. Court of Claims	1	0	1	0	0	2	9,543
64. Department of Human Rights	0	0	0	1	0	1	7,164
65. Department of Rehabilitation Services	0	0	3	0	0	3	1,589
66. Board of Higher Education	0	0	1	0	0	1	267
67. Prisoner Review Board	0	0	1	0	0	1	223
68. Joint Committee on Administrative Rules	0	0	1	0	0	1	150
69. Illinois Emergency Management Agency	0	0	1	0	0	1	145
70. Department on Aging	1	0	0	0	0	1	138
71. Department of Children and Family Services	2	1	0	0	0	3	Not Available
72. Abandoned Mined Lands Reclamation Council	0	0	0	0	0	0	0
73. Auditor General (1)	0	0	0	0	0	0	0
74. Board of Governors	0	0	0	0	0	0	0
75. Board of Regents	0	0	0	0	0	0	0
76. Bureau of the Budget	0	0	0	0	0	0	0
77. Chicago State University Foundation	0	0	0	0	0	0	0
78. Citizens Assembly	0	0	0	0	0	0	0
79. Civil Service Commission	0	0	0	0	0	0	0
80. Commission on Human Rights	0	0	0	0	0	0	0
81. Department of Military Affairs	0	0	0	0	0	0	0
82. East St. Louis Area Development Authority	0	0	0	0	0	0	0
83. E. St. Louis Financial Advisory Authority	0	0	0	0	0	0	0
84. E.I.U. Foundation/Alumni Association	0	0	0	0	0	0	0

Agency	Fees' Intended Cost Coverage					Total Fees	FY 1992 Fee Revenue
	Full	Most	Some	None	Other		
85. Environmental Protection Trust Fund Commission	0	0	0	0	0	0	\$ 0
86. General Assembly Retirement System	0	0	0	0	0	0	0
87. Governor's Purchased Care Review Board (1)	0	0	0	0	0	0	0
88. G.S.U. Alumni Association	0	0	0	0	0	0	0
89. Governors State University Foundation	0	0	0	0	0	0	0
90. Illinois Arts Council	0	0	0	0	0	0	0
91. Illinois Commission on Intergovernmental Cooperation (1)	0	0	0	0	0	0	0
92. Illinois Community College Board	0	0	0	0	0	0	0
93. Illinois Criminal Justice Information Authority	0	0	0	0	0	0	0
94. Illinois Development Finance Authority	0	0	0	0	0	0	0
95. Illinois Economic and Fiscal Commission	0	0	0	0	0	0	0
96. Illinois Educational Facilities Authority	0	0	0	0	0	0	0
97. Illinois Educational Labor Relations Board	0	0	0	0	0	0	0
98. Illinois Export Development Authority	0	0	0	0	0	0	0
99. Illinois Farm Development Authority	0	0	0	0	0	0	0
100. Illinois Health Facilities Authority	0	0	0	0	0	0	0
101. Illinois Rural Bond Bank	0	0	0	0	0	0	0
102. Illinois Sports Facilities Authority	0	0	0	0	0	0	0
103. Illinois State Board of Investment	0	0	0	0	0	0	0
104. Illinois State University Foundation	0	0	0	0	0	0	0
105. Illinois Student Assistance Commission	0	0	0	0	0	0	0
106. Judges Retirement System	0	0	0	0	0	0	0
107. Judicial Inquiry Board (1)	0	0	0	0	0	0	0
108. Legislative Audit Commission	0	0	0	0	0	0	0
109. Legislative Printing Unit	0	0	0	0	0	0	0
110. Legislative Research Unit	0	0	0	0	0	0	0
111. Legislative Space Needs Commission	0	0	0	0	0	0	0
112. Lieutenant Governor	0	0	0	0	0	0	0
113. Local Governmental Law Enforcement Officers Training Board	0	0	0	0	0	0	0
114. Local Labor Relations Board	0	0	0	0	0	0	0
115. Medical Center Commission	0	0	0	0	0	0	0
116. Northeastern Illinois University Foundation	0	0	0	0	0	0	0
117. N.I.U. Alumni Association	0	0	0	0	0	0	0
118. Northern Illinois University Foundation	0	0	0	0	0	0	0
119. Office of the State Appellate Defender	0	0	0	0	0	0	0
120. Planning Council on Developmental Disabilities	0	0	0	0	0	0	0
121. Prairie State 2000 Authority	0	0	0	0	0	0	0
122. Property Tax Appeal Board	0	0	0	0	0	0	0
123. Public Counsel	0	0	0	0	0	0	0
124. Quad Cities Regional Economic Development Authority	0	0	0	0	0	0	0
125. S.S.U. Alumni Association	0	0	0	0	0	0	0
126. Sangamon State University Foundation	0	0	0	0	0	0	0

Agency	Fees' Intended Cost Coverage					Total Fees	FY 1992 Fee Revenue
	Full	Most	Some	None	Other		
127. S.I.U. - Carbondale Alumni Association	0	0	0	0	0	0	\$ 0
128. S.I.U. - Carbondale Foundation	0	0	0	0	0	0	0
129. S.I.U. - Edwardsville Alumni Association	0	0	0	0	0	0	0
130. S.I.U. - Edwardsville Foundation	0	0	0	0	0	0	0
131. Southwestern Illinois Development Authority	0	0	0	0	0	0	0
132. State Community College of East St. Louis	0	0	0	0	0	0	0
133. State Employees' Retirement System	0	0	0	0	0	0	0
134. State Labor Relations Board	0	0	0	0	0	0	0
135. State Police Merit Board	0	0	0	0	0	0	0
136. State Universities Civil Service Merit Board (1)	0	0	0	0	0	0	0
137. State Universities Retirement System	0	0	0	0	0	0	0
138. State's Attorneys Appellate Prosecutor	0	0	0	0	0	0	0
139. Summer School for the Arts	0	0	0	0	0	0	0
140. Teachers' Pension and Retirement System, Chicago	0	0	0	0	0	0	0
141. Teachers' Retirement System	0	0	0	0	0	0	0
142. University of Illinois Alumni Association	0	0	0	0	0	0	0
143. University of Illinois Foundation	0	0	0	0	0	0	0
144. Western Illinois University Foundation	0	0	0	0	0	0	0
<b>TOTAL</b>	<b><u>565</u></b>	<b><u>152</u></b>	<b><u>258</u></b>	<b><u>963</u></b>	<b><u>158</u></b>	<b><u>2,096</u></b>	<b><u>\$1,639,037,071</u></b>

- (1) Agency had the authority to charge a fee in Fiscal Year 1992. The fees waived were generally for the Freedom of Information Act. For example, the Auditor General's Office is authorized to waive photocopying fees if it is in the public's interest.
- (2) Revenue was estimated by agency.
- (3) Revenue was projected by agency for Calendar Year 1992.

*Appendix E*

**FEES SET BY GENERAL ASSEMBLY  
VERSUS FEES SET BY AGENCY**

APPENDIX E

FEES SET BY THE GENERAL ASSEMBLY VERSUS FEES SET BY AGENCIES						
Agency	Rate set in Statute	Revenue	Rate set in Rules & Policy	Revenue	Total Fees	Total FY 1992 Fee Revenue
<b>TOTAL (1)</b>	<b>1,276</b>	<b>\$999,270,695</b>	<b>820</b>	<b>\$638,691,953</b>	<b>2,096</b>	<b>\$1,639,037,071</b>
Attorney General	7	\$249,838	4	\$19,704	11	\$269,542
Board of Higher Education	0	0	1	267	1	267
Capital Development Board	0	0	2	2,648,404	2	2,648,404
Chicago State University	0	0	4	10,594,869	4	10,594,869
Commissioner of Banks and Trust Companies	12	13,093,890	49	2,549,054	61	15,642,944
Commissioner of Savings and Residential Finance	7	6,567	50	2,430,266	57	2,436,833
Comptroller	13	92,172	1	47,955	14	140,127
Court of Claims	2	9,543	0	0	2	9,543
Department of Agriculture	67	3,813,198	45	5,840,428	112	9,653,626
Department of Alcoholism and Substance Abuse	1	99,500	2	96,580	3	196,080
Department of Central Management Services	0	0	8	2,119,875	8	2,119,875
Department of Children and Family Services	0	0	3	Not Available	3	Not Available
Department of Commerce and Community Affairs	0	0	3	664,125	3	664,125
Department of Conservation	107	21,015,035	50	4,743,618	157	25,758,653
Department of Corrections	2	816,612	1	0	3	816,612
Department of Employment Security	1	945	7	13,300	8	14,245
Department of Energy and Natural Resources	0	0	4	168,458	4	168,458
Department of Financial Institutions	32	4,325,500	15	143,819	47	4,469,319
Department of Human Rights	0	0	1	7,164	1	7,164
Department of Insurance	38	41,163,301	4	0	42	41,163,301
Department of Labor	6	277,100	7	104,356	13	381,456
Department of Mental Health & Dev. Dis.	4	5,794,172	6	25,411,572	10	31,205,744
Department of Mines and Minerals	14	1,315,857	8	457,177	22	1,773,034
Department of Nuclear Safety	30	36,452,659	49	1,048,043	79	37,500,702
Department of Professional Regulation (1)	455	14,060,378	100	3,533,333	555	18,593,711
Department of Public Aid	4	315,528,023	2	321,944	6	315,849,967
Department of Public Health	99	2,530,687	55	5,341,001	154	7,871,688
Department of Rehabilitation Services	1	1,484	2	105	3	1,589

APPENDIX E

FEES SET BY THE GENERAL ASSEMBLY VERSUS FEES SET BY AGENCIES						
Agency	Rate set in Statute	Revenue	Rate set in Rules & Policy	Revenue	Total Fees	Total FY 1992 Fee Revenue
Department of Revenue	12	\$1,105,600	3	\$62,000	15	\$1,167,600
Department of Revenue (Gaming Board)	4	452,195	5	259,822	9	712,017
Department of State Police	4	837,201	2	1,523,204	6	2,360,405
Department of Transportation	5	7,608,752	49	2,679,119	54	10,287,871
Department of Veterans' Affairs	4	9,295,549	1	849	5	9,296,398
Department on Aging	0	0	1	138	1	138
Eastern Illinois University	0	0	11	16,697,012	11	16,697,012
Environmental Protection Agency	13	21,648,108	1	1,192,711	14	22,840,819
General Assembly	2	500	4	19,000	6	19,500
Governor	0	0	5	57,204	5	57,204
Governor's Health and Physical Fitness Council (2)	0	0	1	100,000	1	100,000
Governors State University	0	0	4	76,404	4	76,404
Guardianship and Advocacy Commission	0	0	2	30,010	2	30,010
Historic Preservation Agency	9	107,194	4	41,926	13	149,120
Illinois Commerce Commission	4	310,266	2	7,081,588	6	7,391,854
Illinois Emergency Management Agency	0	0	1	145	1	145
Illinois Health Care Cost Containment Council	1	87,510	2	0	3	87,510
Illinois Housing Development Authority	0	0	2	19,000	2	19,000
Illinois Mathematics and Science Academy	0	0	1	30,360	1	30,360
Illinois State Toll Highway Authority (3)	0	0	1	253,911,000	1	253,911,000
Illinois State University	0	0	4	33,727,018	4	33,727,018
Industrial Commission	0	0	2	22,306	2	22,306
Joint Committee on Administrative Rules	0	0	1	150	1	150
Legislative Information System	0	0	5	106,575	5	106,575
Legislative Reference Bureau	1	34,210	1	0	2	34,210
Liquor Control Commission	1	2,817,660	0	0	1	2,817,660
Northeastern Illinois University	0	0	16	265,940	16	265,940
Northern Illinois University	0	0	5	35,478,746	5	35,478,746
Office of the State Fire Marshal	17	3,646,069	3	250	20	3,646,319
Pollution Control Board	1	11,625	3	17,507	4	29,132
Prisoner Review Board	0	0	1	223	1	223
Racing Board	2	573,660	2	141,424	4	715,084

APPENDIX E

Agency	Rate set in Statute	Revenue	Rate set in Rules & Policy	Revenue	Total Fees	Total FY 1992 Fee Revenue
Sangamon State University	0	\$0	8	\$4,927,599	8	\$4,927,599
Secretary of State	260	485,939,730	102	9,547,507	362	495,487,237
Southern Illinois University (Carbondale)	0	0	31	42,611,808	31	42,611,808
Southern Illinois University (Edwardsville)	0	0	9	17,955,762	9	17,955,762
State Board of Education	9	790,949	0	0	9	790,949
State Board of Elections	0	0	4	23,356	4	23,356
State Lottery	2	0	2	19,530	4	19,530
Supreme Court	23	3,357,456	15	70,595	38	3,428,051
Treasurer	0	0	2	23,783	2	23,783
University of Illinois	0	0	4	119,510,650	4	119,510,650
Western Illinois University	0	0	15	22,154,315	15	22,154,315

(1) The sum of the two revenue columns does not add to the total revenue figure because the Department of Professional Regulation lacked some revenue data for individual fees.

(2) Revenue was estimated by agency.

(3) Revenue was projected by agency for Calendar Year 1992.

Note: The revenue column for fee rates set by statute includes a few fees that were set by administrative rule or agency policy because some agencies combined revenue for a few fees. Conversely, the revenue column for fee rates set by rule/policy includes a few fees set by statute. To illustrate, the following example is presented: Agency XYZ combined revenue for 5 fees; 4 set by statute and 1 set by rule. The revenue for all 5 fees was included in the column for fee rates set by statute.



*Appendix F*

**LICENSE FEES  
FOR SELECTED ACTIVITIES**

<b>Appendix F</b> <b>LICENSE FEES FOR SELECTED ACTIVITIES</b> <b>Fiscal Year 1992</b>				
<b>AGENCY</b>	<b>ACTIVITY</b>	<b>NUMBER WHO PAID FEE</b>	<b>FEE RATE</b>	<b>REVENUE</b>
Agriculture	Livestock dealer's license	380	\$25 Renewal: 10	\$3,900
Agriculture	Grain dealer's license	635	50	31,750
Fire Marshal	Inspector's examination fee	28	15	420
Insurance	Producers license, appointment, and education fee	Est. 67,000	75 Temporary: 25	* 7,080,512
Nuclear Safety	Radon detection registration fee (new individual)	50	100	5,000
Public Health	Hearing aid dispenser license application fee	118	35	4,130
Public Health	Emergency Medical Technician License Paramedic	Est. 626	25	15,650
State Board of Education	Teacher's certificate	Est. 30,000	First time: 20 Renewal: 4	648,624

\* Includes revenue from 17 fees. Agency officials said most revenue was from this particular fee.  
SOURCE: Auditor General's survey of State agencies.

<b>AGENCY</b>	<b>ACTIVITY</b>	<b>NUMBER WHO PAID FEE</b>	<b>FEE RATE</b>	<b>FY92 REVENUE</b>
Professional Regulation	Architect's license	465	25	\$17,415
Professional Regulation	Athletic Trainer registration	79	50	3,990
Professional Regulation	Barber, cosmetologist, and esthetician license	3,305	25	96,120
Professional Regulation	Collection agency license	76	75	5,700
Professional Regulation	Dental or specialist initial license	492	25	13,900
Professional Regulation	Dental hygienist initial license	350	25	10,375
Professional Regulation	Detection of deception examiner license application	0	25	0
Professional Regulation	Dietetic and nutrition license application	0	50	0
Professional Regulation	Detective's license	176	500	230,955
Professional Regulation	Funeral director trainee and embalmer trainee license	106	25 to 50	5,315
Professional Regulation	Funeral director and embalmer license	92	100	9,685
Professional Regulation	Interior designer certificate application	1,815	100	167,120
Professional Regulation	Land surveyors license application	67	75	4,295
Professional Regulation	Landscape architect application	326	100	32,600
Professional Regulation	Medical corporation license	199	50	9,950

SOURCE: Auditor General's survey of State agencies

<b>AGENCY</b>	<b>ACTIVITY</b>	<b>NUMBER WHO PAID FEE</b>	<b>FEE RATE</b>	<b>FY92 REVENUE</b>
Professional Regulation	Nursing certificate of registration	7,942	50	437,785
Professional Regulation	Nursing home administrator license application	200	100	20,840
Professional Regulation	Occupational therapist license	334	25	10,375
Professional Regulation	Optometrist license application	122	200	24,400
Professional Regulation	Pharmacist license application	565	75	55,035
Professional Regulation	Physical therapist license	1,812	25	45,300
Professional Regulation	Physicians assistant certificate of registration	44	50	2,200
Professional Regulation	Physicians and chiropractors license application	2,269	300	673,500
Professional Regulation	Podiatry certificate of licensure	86	250	21,500
Professional Regulation	Professional boxing and wrestling license and renewal	302	10 to 300	11,470
Professional Regulation	Professional engineer license	1,197	25	37,075
Professional Regulation	Professional service corporation license	302	50	15,055
Professional Regulation	Clinical Psychologist license	196	50	12,200
Professional Regulation	Public accountant license	661	75	52,175

SOURCE: Auditor General's survey of State agencies

<b>AGENCY</b>	<b>ACTIVITY</b>	<b>NUMBER WHO PAID FEE</b>	<b>FEE RATE</b>	<b>FY92 REVENUE</b>
Professional Regulation	Real estate appraiser license	1,262	\$ 100	\$ 71,250
Professional Regulation	Real estate branch office license	63	20	1,315
Professional Regulation	Real estate broker license	910	65	59,070
Professional Regulation	Real estate salesperson license	6,206	40	248,440
Professional Regulation	Real estate partnership or corporation license	331	55	18,205
Professional Regulation	Real estate school and instructor license application	4	600	2,400
Professional Regulation	Roofing contractor certificate	764	Odd FY: 100 Even FY: 50	75,950
Professional Regulation	Shorthand reporter license	125	25	3,275
Professional Regulation	Social Worker license	2,062	50	112,250
Professional Regulation	Structural engineer license	159	25	4,455
Professional Regulation	Veterinarians license	233	25	9,650
Professional Regulation	Speech language pathologist or audiologist application fee	267	90	24,760
Professional Regulation	Wholesale drug distributor certificate of registration	0	200	0

**SOURCE:** Auditor General's survey of State agencies