

HB3876



102ND GENERAL ASSEMBLY

State of Illinois

2021 and 2022

HB3876

Introduced 2/22/2021, by Rep. La Shawn K. Ford

SYNOPSIS AS INTRODUCED:

735 ILCS 5/2-1303
735 ILCS 5/12-109

from Ch. 110, par. 2-1303
from Ch. 110, par. 12-109

Amends the Code of Civil Procedure. Deletes language providing that the interest on judgments arising by operation of law from child support orders shall be calculated by applying one-twelfth of the current statutory interest rate as provided in the Code to the unpaid child support balance as of the end of each calendar month. Provides instead that every judgment arising by operation of law from a child support order shall not bear interest. Makes corresponding changes.

LRB102 04298 LNS 14316 b

A BILL FOR

1 AN ACT concerning civil law.

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

4 Section 5. The Code of Civil Procedure is amended by
5 changing Sections 2-1303 and 12-109 as follows:

6 (735 ILCS 5/2-1303) (from Ch. 110, par. 2-1303)

7 Sec. 2-1303. Interest on judgment.

8 (a) Except as provided in subsection (b) and except for
9 judgments arising by operation of law from a child support
10 order, judgments recovered in any court shall draw interest at
11 the rate of 9% per annum from the date of the judgment until
12 satisfied or 6% per annum when the judgment debtor is a unit of
13 local government, as defined in Section 1 of Article VII of the
14 Constitution, a school district, a community college district,
15 or any other governmental entity. When judgment is entered
16 upon any award, report or verdict, interest shall be computed
17 at the above rate, from the time when made or rendered to the
18 time of entering judgment upon the same, and included in the
19 judgment. Interest shall be computed and charged only on the
20 unsatisfied portion of the judgment as it exists from time to
21 time. The judgment debtor may by tender of payment of
22 judgment, costs and interest accrued to the date of tender,
23 stop the further accrual of interest on such judgment

1 notwithstanding the prosecution of an appeal, or other steps
2 to reverse, vacate or modify the judgment.

3 (b) (1) As used in this Section:

4 "Consumer debt" means money or property, or the
5 equivalent, due or owing, or alleged to be due or owing, from a
6 natural person by reason of a transaction in which property,
7 services, or money is acquired by that natural person
8 primarily for personal, family, or household purposes.

9 "Consumer debt judgment" means a judgment recovered in any
10 court against one or more natural persons arising out of
11 consumer debt. "Consumer debt judgment" does not include any
12 compensation for bodily injury or death, nor any judgment
13 entered where the debt is guaranteed by or contains a joint and
14 several liability provision between a natural person and a
15 business, whether or not that business is legally constituted
16 under the laws of this State or any other state.

17 (2) Notwithstanding subsection (a), consumer debt
18 judgments of \$25,000 or less shall draw interest from the date
19 of the judgment until satisfied at the rate of 5% per annum.

20 (3) The judgment debtor may, by tender of payment of
21 judgment, costs, and interest accrued to the date of tender,
22 stop the further accrual of interest on the consumer debt
23 judgment, notwithstanding the prosecution of an appeal, or
24 other steps to reverse, vacate, or modify the judgment.

25 (4) This subsection applies to all consumer debt judgments
26 entered into after the effective date of this amendatory Act

1 of the 101st General Assembly.

2 (Source: P.A. 101-168, eff. 1-1-20.)

3 (735 ILCS 5/12-109) (from Ch. 110, par. 12-109)

4 Sec. 12-109. Interest on judgments.

5 (a) Every judgment except those arising by operation of
6 law from child support orders shall bear interest thereon as
7 provided in Section 2-1303.

8 (b) Every judgment arising by operation of law from a
9 child support order shall not bear interest ~~as provided in~~
10 ~~this subsection. The interest on judgments arising by~~
11 ~~operation of law from child support orders shall be calculated~~
12 ~~by applying one twelfth of the current statutory interest rate~~
13 ~~as provided in Section 2-1303 to the unpaid child support~~
14 ~~balance as of the end of each calendar month. The unpaid child~~
15 ~~support balance at the end of the month is the total amount of~~
16 ~~child support ordered, excluding the child support that was~~
17 ~~due for that month to the extent that it was not paid in that~~
18 ~~month and including judgments for retroactive child support,~~
19 ~~less all payments received and applied as set forth in this~~
20 ~~subsection. The accrued interest shall not be included in the~~
21 ~~unpaid child support balance when calculating interest at the~~
22 ~~end of the month. The unpaid child support balance as of the~~
23 ~~end of each month shall be determined by calculating the~~
24 ~~current monthly child support obligation and applying all~~
25 ~~payments received for that month, except federal income tax~~

1 ~~refund intercepts, first to the current monthly child support~~
2 ~~obligation and then applying any payments in excess of the~~
3 ~~current monthly child support obligation to the unpaid child~~
4 ~~support balance owed from previous months. The current monthly~~
5 ~~child support obligation shall be determined from the document~~
6 ~~that established the support obligation. Federal income tax~~
7 ~~refund intercepts and any payments in excess of the current~~
8 ~~monthly child support obligation shall be applied to the~~
9 ~~unpaid child support balance. Any payments in excess of the~~
10 ~~current monthly child support obligation and the unpaid child~~
11 ~~support balance shall be applied to the accrued interest on~~
12 ~~the unpaid child support balance. Interest on child support~~
13 ~~obligations may be collected by any means available under~~
14 ~~federal and State law, rules, and regulations providing for~~
15 ~~the collection of child support.~~

16 (Source: P.A. 101-336, eff. 8-9-19.)