



103RD GENERAL ASSEMBLY

State of Illinois

2023 and 2024

HB5064

Introduced 2/8/2024, by Rep. Dagmara Avelar

SYNOPSIS AS INTRODUCED:

See Index

Amends the State Comptroller Act. Provides an exception for vendors to receive payment by non-electronic means. Provides that outstanding liabilities as of June 30, payable from appropriations which have otherwise expired and interest penalties payable on those liabilities under the State Prompt Payment Act, may be paid out of the expiring appropriations during the 4-month period ending at the close of business on October 31 of each year, without regard to the fiscal year in which the payment is made. Amends the Prompt Payment Act. Removes provisions concerning payments made under the Public Aid Code. Provides that when a State official or agency responsible for administering a contract receives a bill or invoice from a contractor, that State official or agency shall electronically confirm the date on which the bill or invoice was received within 5 business days of receipt, and shall transmit any approved amount to the Comptroller within 30 days of receipt. Amends the Grant Accountability and Transparency Act. Provides that a pre-qualification requirement may include consideration of past performance in administering grants if past performance failed to meet performance goals, indicators, and milestones. Amends the Court of Claims Act. Provides that all claims against the State founded upon any contract entered into with the State of Illinois, except that undisputed individual claims below \$2,500 resulting from lapsed appropriations do not fall under the jurisdiction of Court of Claims. State agencies may pay undisputed individual claims below \$2,500 resulting from lapsed appropriations from current fiscal year appropriations. Sets forth that the provisions are not intended to prohibit more frequent reporting to assess items such as service needs, gaps, or capacity. Sets forth other provisions concerning grant agreement specifications, separate accounts for State grant funds, expenditures prior to grant execution and reporting requirements.

LRB103 37557 MXP 67682 b

1 AN ACT concerning finance.

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

4 Section 5. The State Comptroller Act is amended by
5 changing Sections 9 and 9.03 as follows:

6 (15 ILCS 405/9) (from Ch. 15, par. 209)

7 Sec. 9. Warrants; vouchers; preaudit.

8 (a) No payment may be made from public funds held by the
9 State Treasurer in or outside of the State treasury, except by
10 warrant drawn by the Comptroller and presented by him to the
11 treasurer to be countersigned except for payments made
12 pursuant to Section 9.03 or 9.05 of this Act.

13 (b) No warrant for the payment of money by the State
14 Treasurer may be drawn by the Comptroller without the
15 presentation of itemized vouchers indicating that the
16 obligation or expenditure is pursuant to law and authorized,
17 and authorizing the Comptroller to order payment.

18 (b-1) An itemized voucher ~~for under \$5~~ that is presented
19 to the Comptroller for payment may be paid through electronic
20 funds transfer unless the recipient is unable to receive an
21 electronic funds transfer or requests another form of payment.

22 This subsection (b-1) does not apply to (i) vouchers presented
23 by the legislative branch of State government, (ii) vouchers

1 presented by the State Treasurer's Office for the payment of
2 unclaimed property claims authorized under the Revised Uniform
3 Unclaimed Property Act, or (iii) vouchers presented by the
4 Department of Revenue for the payment of refunds of taxes
5 administered by the Department.

6 (c) The Comptroller shall examine each voucher required by
7 law to be filed with him and determine whether unencumbered
8 appropriations or unencumbered obligational or expenditure
9 authority other than by appropriation are legally available to
10 incur the obligation or to make the expenditure of public
11 funds. If he determines that unencumbered appropriations or
12 other obligational or expenditure authority are not available
13 from which to incur the obligation or make the expenditure,
14 the Comptroller shall refuse to draw a warrant.

15 (d) The Comptroller shall examine each voucher and all
16 other documentation required to accompany the voucher, and
17 shall ascertain whether the voucher and documentation meet all
18 requirements established by or pursuant to law. If the
19 Comptroller determines that the voucher and documentation do
20 not meet applicable requirements established by or pursuant to
21 law, he shall refuse to draw a warrant. As used in this
22 Section, "requirements established by or pursuant to law"
23 includes statutory enactments and requirements established by
24 rules and regulations adopted pursuant to this Act.

25 (e) Prior to drawing a warrant, the Comptroller may review
26 the voucher, any documentation accompanying the voucher, and

1 any other documentation related to the transaction on file
2 with him, and determine if the transaction is in accordance
3 with the law. If based on his review the Comptroller has reason
4 to believe that such transaction is not in accordance with the
5 law, he shall refuse to draw a warrant.

6 (f) Where the Comptroller refuses to draw a warrant
7 pursuant to this Section, he shall maintain separate records
8 of such transactions.

9 (g) State agencies shall have the principal responsibility
10 for the preaudit of their encumbrances, expenditures, and
11 other transactions as otherwise required by law.

12 (Source: P.A. 103-266, eff. 1-1-24.)

13 (15 ILCS 405/9.03) (from Ch. 15, par. 209.03)

14 Sec. 9.03. Direct deposit of State payments.

15 (a) The Comptroller, with the approval of the State
16 Treasurer, shall ~~may~~ provide by rule or regulation for the
17 direct deposit of any payment lawfully payable from the State
18 Treasury and in accordance with federal banking regulations
19 ~~including but not limited to payments to (i) persons paid from~~
20 ~~personal services, (ii) persons receiving benefit payments~~
21 ~~from the Comptroller under the State pension systems, (iii)~~
22 ~~individuals who receive assistance under Articles III, IV, and~~
23 ~~VI of the Illinois Public Aid Code, (iv) providers of services~~
24 ~~under the Mental Health and Developmental Disabilities~~
25 ~~Administrative Act, (v) providers of community based mental~~

1 ~~health services, and (vi) providers of services under programs~~
2 ~~administered by the State Board of Education, in the accounts~~
3 ~~of those persons or entities maintained at a bank, savings and~~
4 ~~loan association, or credit union, where authorized by the~~
5 ~~payee.~~ The Comptroller also may deposit public aid payments
6 for individuals who receive assistance under Articles III, IV,
7 VI, and X of the Illinois Public Aid Code directly into an
8 electronic benefits transfer account in a financial
9 institution approved by the State Treasurer as prescribed by
10 the Illinois Department of Human Services and in accordance
11 with the rules and regulations of that Department and the
12 rules and regulations adopted by the Comptroller and the State
13 Treasurer. The Comptroller, with the approval of the State
14 Treasurer, shall ~~may~~ provide by rule for the electronic direct
15 deposit of payments to public agencies and any other payee of
16 the State. The electronic direct deposits may be made to the
17 designated account in those financial institutions specified
18 in this Section for the direct deposit of payments. Within 6
19 months after the effective date of this amendatory Act of
20 1994, the Comptroller shall establish a pilot program for the
21 electronic direct deposit of payments to local school
22 districts, municipalities, and units of local government. The
23 payments may be made without the use of the voucher-warrant
24 system, provided that documentation of approval by the
25 Treasurer of each group of payments made by direct deposit
26 shall be retained by the Comptroller. The form and method of

1 the Treasurer's approval shall be established by the rules or
2 regulations adopted by the Comptroller under this Section.

3 (b) Except as provided in subsection (b-5), all State
4 payments for an employee's payroll or an employee's expense
5 reimbursement must be made through direct deposit. It is the
6 responsibility of the paying State agency to ensure compliance
7 with this mandate. If a State agency pays an employee's
8 payroll or an employee's expense reimbursement without using
9 direct deposit, the Comptroller may charge that employee a
10 processing fee of \$2.50 per paper warrant. The processing fee
11 may be withheld from the employee's payment or reimbursement.
12 The amount collected from the fee shall be deposited into the
13 Comptroller's Administrative Fund.

14 (b-5) If an employee wants his or her payments deposited
15 into a secure check account, the employee must submit a direct
16 deposit form to the paying State agency for his or her payroll
17 or to the Comptroller for his or her expense reimbursements.
18 Upon acceptance of the direct deposit form, the Comptroller
19 shall disburse those funds to the secure check account. For
20 the purposes of this Section, "secure check account" means an
21 account established with a financial institution for the
22 employee that allows the dispensing of the funds in the
23 account through a third party who dispenses to the employee a
24 paper check.

25 (c) All State payments to a vendor that exceed the
26 allowable limit of paper warrants in a fiscal year, by the same

1 agency, must be made through direct deposit. It is the
2 responsibility of the paying State agency to ensure compliance
3 with this mandate. If a State agency pays a vendor more times
4 than the allowable limit in a single fiscal year without using
5 direct deposit, the Comptroller may charge the vendor a
6 processing fee of \$2.50 per paper warrant. The processing fee
7 may be withheld from the vendor's payment. The amount
8 collected from the processing fee shall be deposited into the
9 Comptroller's Administrative Fund. The Office of the
10 Comptroller shall define "allowable limit" in the
11 Comptroller's Statewide Accounting Management System (SAMS)
12 manual, except that the allowable limit shall not be less than
13 30 paper warrants. The Office of the Comptroller shall also
14 provide reasonable notice to all State agencies of the
15 allowable limit of paper warrants.

16 (c-1) All State payments to an entity from a payroll or
17 retirement voluntary deduction must be made through direct
18 deposit. If an entity receives a payment from a payroll or
19 retirement voluntary deduction without using direct deposit,
20 the Comptroller may charge the entity a processing fee of
21 \$2.50 per paper warrant. The processing fee may be withheld
22 from the entity's payment or billed to the entity at a later
23 date. The amount collected from the processing fee shall be
24 deposited into the Comptroller's Administrative Fund. The
25 Comptroller shall provide reasonable notice to all entities
26 impacted by this requirement. Any new entities that receive a

1 payroll or retirement voluntary deduction must sign up for
2 direct deposit during the application process.

3 (c-2) The detail information, such as names, identifiers,
4 and amounts, associated with a State payment to an entity from
5 a payroll or retirement voluntary deduction must be retrieved
6 by the entity from the Comptroller's designated Internet
7 website or an electronic alternative approved by the
8 Comptroller. If the entity requires the Comptroller to mail
9 the detail information, the Comptroller may charge the entity
10 a processing fee up to \$25.00 per mailing. Any processing fee
11 will be billed to the entity at a later date. The amount
12 collected from the processing fee shall be deposited into the
13 Comptroller's Administrative Fund. The Comptroller shall
14 provide reasonable notice to all entities impacted by this
15 requirement.

16 (d) State employees covered by provisions in collective
17 bargaining agreements that do not require direct deposit of
18 paychecks are exempt from this mandate. No later than 60 days
19 after the effective date of this amendatory Act of the 97th
20 General Assembly, all State agencies must provide to the
21 Office of the Comptroller a list of employees that are exempt
22 under this subsection (d) from the direct deposit mandate. In
23 addition, a State employee or vendor may file a hardship
24 petition with the Office of the Comptroller requesting an
25 exemption from the direct deposit mandate under this Section.
26 A hardship petition shall be made available for download on

1 the Comptroller's official Internet website.

2 (e) Notwithstanding any provision of law to the contrary,
3 the direct deposit of State payments under this Section for an
4 employee's payroll, an employee's expense reimbursement, or a
5 State vendor's payment does not authorize the State to
6 automatically withdraw funds from those accounts.

7 (f) For the purposes of this Section, "vendor" means a
8 non-governmental entity with a taxpayer identification number
9 issued by the Social Security Administration or Internal
10 Revenue Service that receives payments through the
11 Comptroller's commercial system. The term does not include
12 State agencies.

13 (g) The requirements of this Section do not apply to the
14 legislative or judicial branches of State government.

15 (Source: P.A. 97-348, eff. 8-12-11; 97-993, eff. 9-16-12;
16 98-463, eff. 8-16-13; 98-1043, eff. 8-25-14.)

17 Section 10. The State Finance Act is amended by changing
18 Section 25 as follows:

19 (30 ILCS 105/25) (from Ch. 127, par. 161)

20 Sec. 25. Fiscal year limitations.

21 (a) All appropriations shall be available for expenditure
22 for the fiscal year or for a lesser period if the Act making
23 that appropriation so specifies. A deficiency or emergency
24 appropriation shall be available for expenditure only through

1 June 30 of the year when the Act making that appropriation is
2 enacted unless that Act otherwise provides.

3 (b) Outstanding liabilities as of June 30, payable from
4 appropriations which have otherwise expired, and interest
5 penalties payable on those liabilities under the State Prompt
6 Payment Act, may be paid out of the expiring appropriations
7 during the 4-month period ending at the close of business on
8 October 31 of each year, without regard to the fiscal year in
9 which the payment is made, ~~may be paid out of the expiring~~
10 ~~appropriations during the 2 month period ending at the close~~
11 ~~of business on August 31.~~ Any service involving professional
12 or artistic skills or any personal services by an employee
13 whose compensation is subject to income tax withholding must
14 be performed as of June 30 of the fiscal year in order to be
15 considered an "outstanding liability as of June 30" that is
16 thereby eligible for payment out of the expiring
17 appropriation.

18 (b-1) However, payment of tuition reimbursement claims
19 under Section 14-7.03 or 18-3 of the School Code may be made by
20 the State Board of Education from its appropriations for those
21 respective purposes for any fiscal year, even though the
22 claims reimbursed by the payment may be claims attributable to
23 a prior fiscal year, and payments may be made at the direction
24 of the State Superintendent of Education from the fund from
25 which the appropriation is made without regard to any fiscal
26 year limitations, except as required by subsection (j) of this

1 Section. Beginning on June 30, 2021, payment of tuition
2 reimbursement claims under Section 14-7.03 or 18-3 of the
3 School Code as of June 30, payable from appropriations that
4 have otherwise expired, may be paid out of the expiring
5 appropriation during the 4-month period ending at the close of
6 business on October 31.

7 (b-2) (Blank).

8 (b-2.5) (Blank).

9 (b-2.6) (Blank).

10 (b-2.6a) (Blank).

11 (b-2.6b) (Blank).

12 (b-2.6c) (Blank).

13 (b-2.6d) All outstanding liabilities as of June 30, 2020,
14 payable from appropriations that would otherwise expire at the
15 conclusion of the lapse period for fiscal year 2020, and
16 interest penalties payable on those liabilities under the
17 State Prompt Payment Act, may be paid out of the expiring
18 appropriations until December 31, 2020, without regard to the
19 fiscal year in which the payment is made, as long as vouchers
20 for the liabilities are received by the Comptroller no later
21 than September 30, 2020.

22 (b-2.6e) All outstanding liabilities as of June 30, 2021,
23 payable from appropriations that would otherwise expire at the
24 conclusion of the lapse period for fiscal year 2021, and
25 interest penalties payable on those liabilities under the
26 State Prompt Payment Act, may be paid out of the expiring

1 appropriations until September 30, 2021, without regard to the
2 fiscal year in which the payment is made.

3 (b-2.7) For fiscal years 2012, 2013, 2014, 2018, and each
4 fiscal year thereafter, interest penalties payable under the
5 State Prompt Payment Act associated with a voucher for which
6 payment is issued after June 30 may be paid out of the next
7 fiscal year's appropriation. The future year appropriation
8 must be for the same purpose and from the same fund as the
9 original payment. An interest penalty voucher submitted
10 against a future year appropriation must be submitted within
11 60 days after the issuance of the associated voucher, except
12 that, for fiscal year 2018 only, an interest penalty voucher
13 submitted against a future year appropriation must be
14 submitted within 60 days of June 5, 2019 (the effective date of
15 Public Act 101-10). The Comptroller must issue the interest
16 payment within 60 days after acceptance of the interest
17 voucher.

18 (b-3) Medical payments may be made by the Department of
19 Veterans' Affairs from its appropriations for those purposes
20 for any fiscal year, without regard to the fact that the
21 medical services being compensated for by such payment may
22 have been rendered in a prior fiscal year, except as required
23 by subsection (j) of this Section. Beginning on June 30, 2021,
24 medical payments payable from appropriations that have
25 otherwise expired may be paid out of the expiring
26 appropriation during the 4-month period ending at the close of

1 business on October 31.

2 (b-4) Medical payments and child care payments may be made
3 by the Department of Human Services (as successor to the
4 Department of Public Aid) from appropriations for those
5 purposes for any fiscal year, without regard to the fact that
6 the medical or child care services being compensated for by
7 such payment may have been rendered in a prior fiscal year; and
8 payments may be made at the direction of the Department of
9 Healthcare and Family Services (or successor agency) from the
10 Health Insurance Reserve Fund without regard to any fiscal
11 year limitations, except as required by subsection (j) of this
12 Section. Beginning on June 30, 2021, medical and child care
13 payments made by the Department of Human Services and payments
14 made at the discretion of the Department of Healthcare and
15 Family Services (or successor agency) from the Health
16 Insurance Reserve Fund and payable from appropriations that
17 have otherwise expired may be paid out of the expiring
18 appropriation during the 4-month period ending at the close of
19 business on October 31.

20 (b-5) Medical payments may be made by the Department of
21 Human Services from its appropriations relating to substance
22 abuse treatment services for any fiscal year, without regard
23 to the fact that the medical services being compensated for by
24 such payment may have been rendered in a prior fiscal year,
25 provided the payments are made on a fee-for-service basis
26 consistent with requirements established for Medicaid

1 reimbursement by the Department of Healthcare and Family
2 Services, except as required by subsection (j) of this
3 Section. Beginning on June 30, 2021, medical payments made by
4 the Department of Human Services relating to substance abuse
5 treatment services payable from appropriations that have
6 otherwise expired may be paid out of the expiring
7 appropriation during the 4-month period ending at the close of
8 business on October 31.

9 (b-6) (Blank).

10 (b-7) Payments may be made in accordance with a plan
11 authorized by paragraph (11) or (12) of Section 405-105 of the
12 Department of Central Management Services Law from
13 appropriations for those payments without regard to fiscal
14 year limitations.

15 (b-8) Reimbursements to eligible airport sponsors for the
16 construction or upgrading of Automated Weather Observation
17 Systems may be made by the Department of Transportation from
18 appropriations for those purposes for any fiscal year, without
19 regard to the fact that the qualification or obligation may
20 have occurred in a prior fiscal year, provided that at the time
21 the expenditure was made the project had been approved by the
22 Department of Transportation prior to June 1, 2012 and, as a
23 result of recent changes in federal funding formulas, can no
24 longer receive federal reimbursement.

25 (b-9) (Blank).

26 (c) Further, payments may be made by the Department of

1 Public Health and the Department of Human Services (acting as
2 successor to the Department of Public Health under the
3 Department of Human Services Act) from their respective
4 appropriations for grants for medical care to or on behalf of
5 premature and high-mortality risk infants and their mothers
6 and for grants for supplemental food supplies provided under
7 the United States Department of Agriculture Women, Infants and
8 Children Nutrition Program, for any fiscal year without regard
9 to the fact that the services being compensated for by such
10 payment may have been rendered in a prior fiscal year, except
11 as required by subsection (j) of this Section. Beginning on
12 June 30, 2021, payments made by the Department of Public
13 Health and the Department of Human Services from their
14 respective appropriations for grants for medical care to or on
15 behalf of premature and high-mortality risk infants and their
16 mothers and for grants for supplemental food supplies provided
17 under the United States Department of Agriculture Women,
18 Infants and Children Nutrition Program payable from
19 appropriations that have otherwise expired may be paid out of
20 the expiring appropriations during the 4-month period ending
21 at the close of business on October 31.

22 (d) The Department of Public Health and the Department of
23 Human Services (acting as successor to the Department of
24 Public Health under the Department of Human Services Act)
25 shall each annually submit to the State Comptroller, Senate
26 President, Senate Minority Leader, Speaker of the House, House

1 Minority Leader, and the respective Chairmen and Minority
2 Spokesmen of the Appropriations Committees of the Senate and
3 the House, on or before December 31, a report of fiscal year
4 funds used to pay for services provided in any prior fiscal
5 year. This report shall document by program or service
6 category those expenditures from the most recently completed
7 fiscal year used to pay for services provided in prior fiscal
8 years.

9 (e) The Department of Healthcare and Family Services, the
10 Department of Human Services (acting as successor to the
11 Department of Public Aid), and the Department of Human
12 Services making fee-for-service payments relating to substance
13 abuse treatment services provided during a previous fiscal
14 year shall each annually submit to the State Comptroller,
15 Senate President, Senate Minority Leader, Speaker of the
16 House, House Minority Leader, the respective Chairmen and
17 Minority Spokesmen of the Appropriations Committees of the
18 Senate and the House, on or before November 30, a report that
19 shall document by program or service category those
20 expenditures from the most recently completed fiscal year used
21 to pay for (i) services provided in prior fiscal years and (ii)
22 services for which claims were received in prior fiscal years.

23 (f) The Department of Human Services (as successor to the
24 Department of Public Aid) shall annually submit to the State
25 Comptroller, Senate President, Senate Minority Leader, Speaker
26 of the House, House Minority Leader, and the respective

1 Chairmen and Minority Spokesmen of the Appropriations
2 Committees of the Senate and the House, on or before December
3 31, a report of fiscal year funds used to pay for services
4 (other than medical care) provided in any prior fiscal year.
5 This report shall document by program or service category
6 those expenditures from the most recently completed fiscal
7 year used to pay for services provided in prior fiscal years.

8 (g) In addition, each annual report required to be
9 submitted by the Department of Healthcare and Family Services
10 under subsection (e) shall include the following information
11 with respect to the State's Medicaid program:

12 (1) Explanations of the exact causes of the variance
13 between the previous year's estimated and actual
14 liabilities.

15 (2) Factors affecting the Department of Healthcare and
16 Family Services' liabilities, including, but not limited
17 to, numbers of aid recipients, levels of medical service
18 utilization by aid recipients, and inflation in the cost
19 of medical services.

20 (3) The results of the Department's efforts to combat
21 fraud and abuse.

22 (h) As provided in Section 4 of the General Assembly
23 Compensation Act, any utility bill for service provided to a
24 General Assembly member's district office for a period
25 including portions of 2 consecutive fiscal years may be paid
26 from funds appropriated for such expenditure in either fiscal

1 year.

2 (i) An agency which administers a fund classified by the
3 Comptroller as an internal service fund may issue rules for:

4 (1) billing user agencies in advance for payments or
5 authorized inter-fund transfers based on estimated charges
6 for goods or services;

7 (2) issuing credits, refunding through inter-fund
8 transfers, or reducing future inter-fund transfers during
9 the subsequent fiscal year for all user agency payments or
10 authorized inter-fund transfers received during the prior
11 fiscal year which were in excess of the final amounts owed
12 by the user agency for that period; and

13 (3) issuing catch-up billings to user agencies during
14 the subsequent fiscal year for amounts remaining due when
15 payments or authorized inter-fund transfers received from
16 the user agency during the prior fiscal year were less
17 than the total amount owed for that period.

18 User agencies are authorized to reimburse internal service
19 funds for catch-up billings by vouchers drawn against their
20 respective appropriations for the fiscal year in which the
21 catch-up billing was issued or by increasing an authorized
22 inter-fund transfer during the current fiscal year. For the
23 purposes of this Act, "inter-fund transfers" means transfers
24 without the use of the voucher-warrant process, as authorized
25 by Section 9.01 of the State Comptroller Act.

26 (i-1) Beginning on July 1, 2021, all outstanding

1 liabilities, not payable during the 4-month lapse period as
2 described in subsections (b-1), (b-3), (b-4), (b-5), and (c)
3 of this Section, that are made from appropriations for that
4 purpose for any fiscal year, without regard to the fact that
5 the services being compensated for by those payments may have
6 been rendered in a prior fiscal year, are limited to only those
7 claims that have been incurred but for which a proper bill or
8 invoice as defined by the State Prompt Payment Act has not been
9 received by September 30th following the end of the fiscal
10 year in which the service was rendered.

11 (j) Notwithstanding any other provision of this Act, the
12 aggregate amount of payments to be made without regard for
13 fiscal year limitations as contained in subsections (b-1),
14 (b-3), (b-4), (b-5), and (c) of this Section, and determined
15 by using Generally Accepted Accounting Principles, shall not
16 exceed the following amounts:

17 (1) \$6,000,000,000 for outstanding liabilities related
18 to fiscal year 2012;

19 (2) \$5,300,000,000 for outstanding liabilities related
20 to fiscal year 2013;

21 (3) \$4,600,000,000 for outstanding liabilities related
22 to fiscal year 2014;

23 (4) \$4,000,000,000 for outstanding liabilities related
24 to fiscal year 2015;

25 (5) \$3,300,000,000 for outstanding liabilities related
26 to fiscal year 2016;

1 (6) \$2,600,000,000 for outstanding liabilities related
2 to fiscal year 2017;

3 (7) \$2,000,000,000 for outstanding liabilities related
4 to fiscal year 2018;

5 (8) \$1,300,000,000 for outstanding liabilities related
6 to fiscal year 2019;

7 (9) \$600,000,000 for outstanding liabilities related
8 to fiscal year 2020; and

9 (10) \$0 for outstanding liabilities related to fiscal
10 year 2021 and fiscal years thereafter.

11 (k) Department of Healthcare and Family Services Medical
12 Assistance Payments.

13 (1) Definition of Medical Assistance.

14 For purposes of this subsection, the term "Medical
15 Assistance" shall include, but not necessarily be
16 limited to, medical programs and services authorized
17 under Titles XIX and XXI of the Social Security Act,
18 the Illinois Public Aid Code, the Children's Health
19 Insurance Program Act, the Covering ALL KIDS Health
20 Insurance Act, the Long Term Acute Care Hospital
21 Quality Improvement Transfer Program Act, and medical
22 care to or on behalf of persons suffering from chronic
23 renal disease, persons suffering from hemophilia, and
24 victims of sexual assault.

25 (2) Limitations on Medical Assistance payments that
26 may be paid from future fiscal year appropriations.

1 (A) The maximum amounts of annual unpaid Medical
2 Assistance bills received and recorded by the
3 Department of Healthcare and Family Services on or
4 before June 30th of a particular fiscal year
5 attributable in aggregate to the General Revenue Fund,
6 Healthcare Provider Relief Fund, Tobacco Settlement
7 Recovery Fund, Long-Term Care Provider Fund, and the
8 Drug Rebate Fund that may be paid in total by the
9 Department from future fiscal year Medical Assistance
10 appropriations to those funds are: \$700,000,000 for
11 fiscal year 2013 and \$100,000,000 for fiscal year 2014
12 and each fiscal year thereafter.

13 (B) Bills for Medical Assistance services rendered
14 in a particular fiscal year, but received and recorded
15 by the Department of Healthcare and Family Services
16 after June 30th of that fiscal year, may be paid from
17 either appropriations for that fiscal year or future
18 fiscal year appropriations for Medical Assistance.
19 Such payments shall not be subject to the requirements
20 of subparagraph (A).

21 (C) Medical Assistance bills received by the
22 Department of Healthcare and Family Services in a
23 particular fiscal year, but subject to payment amount
24 adjustments in a future fiscal year may be paid from a
25 future fiscal year's appropriation for Medical
26 Assistance. Such payments shall not be subject to the

1 requirements of subparagraph (A).

2 (D) Medical Assistance payments made by the
3 Department of Healthcare and Family Services from
4 funds other than those specifically referenced in
5 subparagraph (A) may be made from appropriations for
6 those purposes for any fiscal year without regard to
7 the fact that the Medical Assistance services being
8 compensated for by such payment may have been rendered
9 in a prior fiscal year. Such payments shall not be
10 subject to the requirements of subparagraph (A).

11 (3) Extended lapse period for Department of Healthcare
12 and Family Services Medical Assistance payments.
13 Notwithstanding any other State law to the contrary,
14 outstanding Department of Healthcare and Family Services
15 Medical Assistance liabilities, as of June 30th, payable
16 from appropriations which have otherwise expired, may be
17 paid out of the expiring appropriations during the 4-month
18 period ending at the close of business on October 31st.

19 (1) The changes to this Section made by Public Act 97-691
20 shall be effective for payment of Medical Assistance bills
21 incurred in fiscal year 2013 and future fiscal years. The
22 changes to this Section made by Public Act 97-691 shall not be
23 applied to Medical Assistance bills incurred in fiscal year
24 2012 or prior fiscal years.

25 (m) The Comptroller must issue payments against
26 outstanding liabilities that were received prior to the lapse

1 period deadlines set forth in this Section as soon thereafter
2 as practical, but no payment may be issued after the 4 months
3 following the lapse period deadline without the signed
4 authorization of the Comptroller and the Governor or as
5 provided by Section 18 of the Court of Claims Act.

6 (Source: P.A. 102-16, eff. 6-17-21; 102-291, eff. 8-6-21;
7 102-699, eff. 4-19-22; 102-813, eff. 5-13-22; 103-8, eff.
8 6-7-23.)

9 Section 15. The State Prompt Payment Act is amended by
10 changing Sections 1, 3-2, 3-3, 3-4, 3-5, 3-6, 5, and 7 as
11 follows:

12 (30 ILCS 540/1) (from Ch. 127, par. 132.401)

13 Sec. 1. This Act applies to any State official or agency
14 authorized to provide for payment from State funds, by virtue
15 of any appropriation of the General Assembly, for goods or
16 services furnished to the State.

17 For purposes of this Act, "goods or services furnished to
18 the State" include but are not limited to (i) covered health
19 care provided to eligible members and their covered dependents
20 in accordance with the State Employees Group Insurance Act of
21 1971, including coverage through a physician-owned health
22 maintenance organization under Section 6.1 of that Act, (ii)
23 ~~prevention, intervention, or treatment~~ services and supports
24 ~~for persons with developmental disabilities, mental health~~

1 ~~services, alcohol and substance abuse services, rehabilitation~~
2 ~~services, and early intervention services~~ provided by a
3 vendor, and (iii) ~~prevention, intervention, or treatment~~
4 services and supports ~~for youth~~ provided by a vendor by virtue
5 of a contractual grant agreement. For the purposes of items
6 (ii) and (iii), a vendor includes but is not limited to sellers
7 of goods and services, including community-based organizations
8 ~~that are licensed to provide prevention, intervention, or~~
9 ~~treatment services and supports for persons with developmental~~
10 ~~disabilities, mental illness, and substance abuse problems, or~~
11 ~~that provides prevention, intervention, or treatment services~~
12 ~~and supports for youth.~~

13 For the purposes of this Act, "appropriate State official
14 or agency" is defined as the Director or Chief Executive or his
15 designee of that State agency or department or facility of
16 such agency or department. With respect to covered health care
17 provided to eligible members and their dependents in
18 accordance with the State Employees Group Insurance Act of
19 1971, "appropriate State official or agency" also includes an
20 administrator of a program of health benefits under that Act.

21 As used in this Act, "eligible member" means a member who
22 is eligible for health benefits under the State Employees
23 Group Insurance Act of 1971, and "member" and "dependent" have
24 the meanings ascribed to those terms in that Act.

25 As used in this Act, "a proper bill or invoice" means a
26 bill or invoice, including, but not limited to, an invoice

1 issued under a contractual grant agreement, that includes the
2 information necessary for processing the payment as may be
3 specified by a State agency and in rules adopted in accordance
4 with this Act. Beginning on and after July 1, 2021, "a proper
5 bill or invoice" shall also include the names of all
6 subcontractors or subconsultants to be paid from the bill or
7 invoice and the amounts due to each of them, if any.

8 (Source: P.A. 100-549, eff. 1-1-18; 101-524, eff. 1-1-20.)

9 (30 ILCS 540/3-2)

10 Sec. 3-2. Beginning July 1, 1993, in any instance where a
11 State official or agency is late in payment of a vendor's bill
12 or invoice for goods or services furnished to the State, as
13 defined in Section 1, properly approved in accordance with
14 rules promulgated under Section 3-3, the State official or
15 agency shall pay interest to the vendor in accordance with the
16 following:

17 (1) (Blank). ~~Any bill, except a bill submitted under~~
18 ~~Article V of the Illinois Public Aid Code and except as~~
19 ~~provided under paragraph (1.05) of this Section, approved~~
20 ~~for payment under this Section must be paid or the payment~~
21 ~~issued to the payee within 60 days of receipt of a proper~~
22 ~~bill or invoice. If payment is not issued to the payee~~
23 ~~within this 60-day period, an interest penalty of 1.0% of~~
24 ~~any amount approved and unpaid shall be added for each~~
25 ~~month or fraction thereof after the end of this 60 day~~

1 ~~period, until final payment is made. Any bill, except a~~
2 ~~bill for pharmacy or nursing facility services or goods,~~
3 ~~and except as provided under paragraph (1.05) of this~~
4 ~~Section, submitted under Article V of the Illinois Public~~
5 ~~Aid Code approved for payment under this Section must be~~
6 ~~paid or the payment issued to the payee within 60 days~~
7 ~~after receipt of a proper bill or invoice, and, if payment~~
8 ~~is not issued to the payee within this 60 day period, an~~
9 ~~interest penalty of 2.0% of any amount approved and unpaid~~
10 ~~shall be added for each month or fraction thereof after~~
11 ~~the end of this 60 day period, until final payment is~~
12 ~~made. Any bill for pharmacy or nursing facility services~~
13 ~~or goods submitted under Article V of the Illinois Public~~
14 ~~Aid Code, except as provided under paragraph (1.05) of~~
15 ~~this Section, and approved for payment under this Section~~
16 ~~must be paid or the payment issued to the payee within 60~~
17 ~~days of receipt of a proper bill or invoice. If payment is~~
18 ~~not issued to the payee within this 60 day period, an~~
19 ~~interest penalty of 1.0% of any amount approved and unpaid~~
20 ~~shall be added for each month or fraction thereof after~~
21 ~~the end of this 60 day period, until final payment is~~
22 ~~made.~~

23 (1.05) Except as provided in paragraph (3) of this
24 Section, for For State fiscal years year 2012 through 2024
25 ~~and future fiscal years,~~ any bill approved for payment
26 under this Section must be paid or the payment issued to

1 the payee within 90 days of receipt of a proper bill or
2 invoice. If payment is not issued to the payee within this
3 90-day period, an interest penalty of 1.0% of any amount
4 approved and unpaid shall be added for each month, or
5 0.033% (one-thirtieth of one percent) of any amount
6 approved and unpaid for each day, after the end of this
7 90-day period, until final payment is made.

8 For State fiscal year 2025 and future fiscal years,
9 any bill approved for payment under this Section must be
10 paid or the payment issued to the payee within 45 days of
11 receipt of a proper bill or invoice. If payment is not
12 issued to the payee within this 45-day period, an interest
13 penalty of 1.0% of any amount approved and unpaid shall be
14 added for each month, or 0.033% (one-thirtieth of one
15 percent) of any amount approved and unpaid for each day,
16 after the end of this 45-day period, until final payment
17 is made.

18 (1.1) A State agency shall review ~~in a timely manner~~
19 each bill or invoice within 30 days after its receipt. If
20 the State agency determines that the bill or invoice
21 contains a defect making it unable to process the payment
22 request, the agency shall notify the vendor requesting
23 payment ~~as soon as possible after discovering the defect~~
24 ~~pursuant to rules promulgated under Section 3-3; provided,~~
25 ~~however, that the notice for construction related bills or~~
26 ~~invoices must be given not later than 30 days after the~~

1 bill or invoice was first submitted. The notice shall
2 identify the defect and any additional information
3 necessary to correct the defect. If one or more items on a
4 construction related bill or invoice are disapproved, but
5 not the entire bill or invoice, then the portion that is
6 not disapproved shall be paid in accordance with the
7 requirements of this Act.

8 (2) Where a State official or agency is late in
9 payment of a vendor's bill or invoice properly approved in
10 accordance with this Act, and different late payment terms
11 are not reduced to writing as a contractual agreement, the
12 State official or agency shall automatically pay interest
13 penalties required by this Section amounting to \$50 or
14 more to the appropriate vendor. Each agency shall be
15 responsible for determining whether an interest penalty is
16 owed and for paying the interest to the vendor. Except as
17 provided in paragraph (4), an individual interest payment
18 amounting to \$5 or less shall not be paid by the State.
19 Interest due to a vendor that amounts to greater than \$5
20 and less than \$50 shall not be paid but shall be accrued
21 until all interest due the vendor for all similar warrants
22 exceeds \$50, at which time the accrued interest shall be
23 payable and interest will begin accruing again, except
24 that interest accrued as of the end of the fiscal year that
25 does not exceed \$50 shall be payable at that time. In the
26 event an individual has paid a vendor for services in

1 advance, the provisions of this Section shall apply until
2 payment is made to that individual.

3 (3) The provisions of Public Act 96-1501 reducing the
4 interest rate on pharmacy claims under Article V of the
5 Illinois Public Aid Code to 1.0% per month shall apply to
6 any pharmacy bills for services and goods under Article V
7 of the Illinois Public Aid Code received on or after the
8 date 60 days before January 25, 2011 (the effective date
9 of Public Act 96-1501) except as provided under paragraph
10 (1.05) of this Section.

11 (4) Interest amounting to less than \$5 shall not be
12 paid by the State, except for claims (i) to the Department
13 of Healthcare and Family Services or the Department of
14 Human Services, (ii) pursuant to Article V of the Illinois
15 Public Aid Code, the Covering ALL KIDS Health Insurance
16 Act, or the Children's Health Insurance Program Act, and
17 (iii) made (A) by pharmacies for prescriptive services or
18 (B) by any federally qualified health center for
19 prescriptive services or any other services.

20 Notwithstanding any provision to the contrary, interest
21 may not be paid under this Act when: (1) a Chief Procurement
22 Officer has voided the underlying contract for goods or
23 services under Article 50 of the Illinois Procurement Code; or
24 (2) the Auditor General is conducting a performance or program
25 audit and the Comptroller has held or is holding for review a
26 related contract or vouchers for payment of goods or services

1 in the exercise of duties under Section 9 of the State
2 Comptroller Act. In such event, interest shall not accrue
3 during the pendency of the Auditor General's review.

4 (Source: P.A. 100-1064, eff. 8-24-18.)

5 (30 ILCS 540/3-3) (from Ch. 127, par. 132.403-3)

6 Sec. 3-3. The State Comptroller and the Department of
7 Central Management Services shall jointly promulgate rules and
8 policies to govern the uniform application of this Act. These
9 rules and policies shall include procedures and time frames
10 for approving a bill or invoice from a vendor for goods or
11 services furnished to the State. Those rules shall require
12 that action to approve or reject a bill or invoice shall be
13 taken not more than 30 days after receiving the bill or invoice
14 from the vendor. These rules and policies shall provide for
15 procedures and time frames applicable to payment plans as may
16 be agreed upon between State agencies and vendors. These rules
17 and policies shall be binding on all officials and agencies
18 under this Act's jurisdiction. These rules and policies may be
19 made effective no earlier than July 1, 1993.

20 (Source: P.A. 92-384, eff. 7-1-02.)

21 (30 ILCS 540/3-4)

22 Sec. 3-4. The State Comptroller must specify the manner in
23 which State agencies shall record interest penalty payments
24 made under this Act. The State Comptroller may require

1 vouchers submitted for payment, including submission by
2 electronic or other means approved by the Comptroller, to
3 indicate the appropriate date from which interest penalties
4 may be calculated as required under this Act. The date from
5 which interest penalties for late payments may be calculated
6 may be the effective date of the grant, if work included in the
7 grant agreement began on or after the effective date of the
8 grant.

9 (Source: P.A. 92-384, eff. 7-1-02.)

10 (30 ILCS 540/3-5)

11 Sec. 3-5. Budget Stabilization Fund; insufficient
12 appropriation. If an agency incurs an interest liability under
13 this Act that is ordinarily payable from the Budget
14 Stabilization Fund, but the agency has insufficient
15 appropriation authority from the Budget Stabilization Fund to
16 make the interest payment at the time the interest payment is
17 due, the agency is authorized to pay the interest from its
18 available appropriations from any funding source ~~the General~~
19 ~~Revenue Fund.~~

20 (Source: P.A. 100-23, eff. 7-6-17.)

21 (30 ILCS 540/3-6)

22 Sec. 3-6. Federal funds; lack of authority. If an agency
23 incurs an interest liability under this Act that cannot be
24 charged to the same expenditure authority account to which the

1 related goods or services were charged due to federal
2 prohibitions, the agency is authorized to pay the interest
3 from its available appropriations from any funding source ~~the~~
4 ~~General Revenue Fund~~.

5 (Source: P.A. 100-587, eff. 6-4-18.)

6 (30 ILCS 540/5) (from Ch. 127, par. 132.405)

7 Sec. 5. The State remittance and the grant agreement shall
8 indicate that payment of interest may be available for failure
9 to comply with this Act.

10 (Source: P.A. 92-384, eff. 7-1-02.)

11 (30 ILCS 540/7) (from Ch. 127, par. 132.407)

12 Sec. 7. Payments to subcontractors and material suppliers.

13 (a) When a State official or agency responsible for
14 administering a contract receives a bill or invoice from a
15 contractor, that State official or agency shall electronically
16 confirm the date on which the bill or invoice was received
17 within 5 business days of receipt, and shall transmit any
18 approved amount to the Comptroller within 30 days of receipt.

19 (a-1) When a State official or agency responsible for
20 administering a contract submits a voucher to the Comptroller
21 for payment to a contractor, that State official or agency
22 shall promptly make available electronically the voucher
23 number, the date of the voucher, and the amount of the voucher
24 within 5 business days of submitting the voucher to the

1 Comptroller. The State official or agency responsible for
2 administering the contract shall provide subcontractors and
3 material suppliers, known to the State official or agency,
4 with instructions on how to access the electronic information
5 on the Comptroller's website.

6 (a-5) When a contractor receives any payment, the
7 contractor shall pay each subcontractor and material supplier
8 electronically within 10 business days or 15 calendar days,
9 whichever occurs earlier, or, if paid by a printed check, the
10 printed check must be postmarked within 10 business days or 15
11 calendar days, whichever occurs earlier, after receiving
12 payment in proportion to the work completed by each
13 subcontractor and material supplier its application or pay
14 estimate, plus interest received under this Act. When a
15 contractor receives any payment, the contractor shall pay each
16 lower-tiered subcontractor and material supplier and each
17 subcontractor and material supplier shall make payment to its
18 own respective subcontractors and material suppliers. If the
19 contractor receives less than the full payment due under the
20 public construction contract, the contractor shall be
21 obligated to disburse on a pro rata basis those funds
22 received, plus interest received under this Act, with the
23 contractor, subcontractors and material suppliers each
24 receiving a prorated portion based on the amount of payment
25 each has earned. When, however, the State official or agency
26 does not release the full payment due under the contract

1 because there are specific areas of work or materials the
2 State agency or official has determined are not suitable for
3 payment, then those specific subcontractors or material
4 suppliers involved shall not be paid for that portion of work
5 rejected or deemed not suitable for payment and all other
6 subcontractors and suppliers shall be paid based upon the
7 amount of payment each has earned, plus interest received
8 under this Act.

9 (a-10) For construction contracts with the Department of
10 Transportation, the contractor, subcontractor, or material
11 supplier, regardless of tier, shall not offset, decrease, or
12 diminish payment or payments that are due to its
13 subcontractors or material suppliers without reasonable cause.

14 A contractor, who refuses to make prompt payment within 10
15 business days or 15 calendar days, whichever occurs earlier,
16 after receiving payment, in whole or in part, shall provide to
17 the subcontractor or material supplier and the public owner or
18 its agent, a written notice of that refusal. The written
19 notice shall be made by a contractor no later than 5 calendar
20 days after payment is received by the contractor. The written
21 notice shall identify the Department of Transportation's
22 contract, any subcontract or material purchase agreement, a
23 detailed reason for refusal, the value of the payment to be
24 withheld, and the specific remedial actions required of the
25 subcontractor or material supplier so that payment may be
26 made. Written notice of refusal may be given in a form and

1 method which is acceptable to the parties and public owner.

2 (b) If the contractor, without reasonable cause, fails to
3 make full payment of amounts due under subsection (a) to its
4 subcontractors and material suppliers within 10 business days
5 or 15 calendar days, whichever occurs earlier, after receipt
6 of payment from the State official or agency, the contractor
7 shall pay to its subcontractors and material suppliers, in
8 addition to the payment due them, interest in the amount of 2%
9 per month, calculated from the expiration of the
10 10-business-day period or the 15-calendar-day period until
11 fully paid. This subsection shall further apply to any
12 payments made by subcontractors and material suppliers to
13 their subcontractors and material suppliers and to all
14 payments made to lower tier subcontractors and material
15 suppliers throughout the contracting chain.

16 (1) If a contractor, without reasonable cause, fails
17 to make payment in full as provided in subsection (a-5)
18 within 10 business days or 15 calendar days, whichever
19 occurs earlier, after receipt of payment under the public
20 construction contract, any subcontractor or material
21 supplier to whom payments are owed may file a written
22 notice and request for administrative hearing with the
23 State official or agency setting forth the amount owed by
24 the contractor and the contractor's failure to timely pay
25 the amount owed. The written notice and request for
26 administrative hearing shall identify the public

1 construction contract, the contractor, and the amount
2 owed, and shall contain a sworn statement or attestation
3 to verify the accuracy of the notice. The notice and
4 request for administrative hearing shall be filed with the
5 State official for the public construction contract, with
6 a copy of the notice concurrently provided to the
7 contractor. Notice to the State official may be made by
8 certified or registered mail, messenger service, or
9 personal service, and must include proof of delivery to
10 the State official.

11 (2) The State official or agency, within 15 calendar
12 days after receipt of a subcontractor's or material
13 supplier's written notice and request for administrative
14 hearing, shall hold a hearing convened by an
15 administrative law judge to determine whether the
16 contractor withheld payment, without reasonable cause,
17 from the subcontractors or material suppliers and what
18 amount, if any, is due to the subcontractors or material
19 suppliers, and the reasonable cause or causes asserted by
20 the contractor. The State official or agency shall provide
21 appropriate notice to the parties of the date, time, and
22 location of the hearing. Each contractor, subcontractor,
23 or material supplier has the right to be represented by
24 counsel at a hearing and to cross-examine witnesses and
25 challenge documents. Upon the request of the subcontractor
26 or material supplier and a showing of good cause,

1 reasonable continuances may be granted by the
2 administrative law judge.

3 (3) Upon a finding by the administrative law judge
4 that the contractor failed to make payment in full,
5 without reasonable cause, as provided in subsection
6 (a-10), then the administrative law judge shall, in
7 writing, order the contractor to pay the amount owed to
8 the subcontractors or material suppliers plus interest
9 within 15 calendar days after the order.

10 (4) If a contractor fails to make full payment as
11 ordered under paragraph (3) of this subsection (b) within
12 15 days after the administrative law judge's order, then
13 the contractor shall be barred from entering into a State
14 public construction contract for a period of one year
15 beginning on the date of the administrative law judge's
16 order.

17 (5) If, on 2 or more occasions within a
18 3-calendar-year period, there is a finding by an
19 administrative law judge that the contractor failed to
20 make payment in full, without reasonable cause, and a
21 written order was issued to a contractor under paragraph
22 (3) of this subsection (b), then the contractor shall be
23 barred from entering into a State public construction
24 contract for a period of 6 months beginning on the date of
25 the administrative law judge's second written order, even
26 if the payments required under the orders were made in

1 full.

2 (6) If a contractor fails to make full payment as
3 ordered under paragraph (4) of this subsection (b), the
4 subcontractor or material supplier may, within 30 days of
5 the date of that order, petition the State agency for an
6 order for reasonable attorney's fees and costs incurred in
7 the prosecution of the action under this subsection (b).
8 Upon that petition and taking of additional evidence, as
9 may be required, the administrative law judge may issue a
10 supplemental order directing the contractor to pay those
11 reasonable attorney's fees and costs.

12 (7) The written order of the administrative law judge
13 shall be final and appealable under the Administrative
14 Review Law.

15 (b-5) On or before July 2021, the Department of
16 Transportation shall publish on its website a searchable
17 database that allows for queries for each active construction
18 contract by the name of a subcontractor or the pay item such
19 that each pay item is associated with either the prime
20 contractor or a subcontractor.

21 (c) This Section shall not be construed to in any manner
22 diminish, negate, or interfere with the
23 contractor-subcontractor or contractor-material supplier
24 relationship or commercially useful function.

25 (d) This Section shall not preclude, bar, or stay the
26 rights, remedies, and defenses available to the parties by way

1 of the operation of their contract, purchase agreement, the
2 Mechanics Lien Act, or the Public Construction Bond Act.

3 (e) State officials and agencies may adopt rules as may be
4 deemed necessary in order to establish the formal procedures
5 required under this Section.

6 (f) As used in this Section:

7 "Payment" means the discharge of an obligation in money or
8 other valuable consideration or thing delivered in full or
9 partial satisfaction of an obligation to pay. "Payment" shall
10 include interest paid pursuant to this Act.

11 "Reasonable cause" may include, but is not limited to,
12 unsatisfactory workmanship or materials; failure to provide
13 documentation required by the contract, subcontract, or
14 material purchase agreement; claims made against the
15 Department of Transportation or the subcontractor pursuant to
16 subsection (c) of Section 23 of the Mechanics Lien Act or the
17 Public Construction Bond Act; judgments, levies, garnishments,
18 or other court-ordered assessments or offsets in favor of the
19 Department of Transportation or other State agency entered
20 against a subcontractor or material supplier. "Reasonable
21 cause" does not include payments issued to the contractor that
22 create a negative or reduced valuation pay application or pay
23 estimate due to a reduction of contract quantities or work not
24 performed or provided by the subcontractor or material
25 supplier; the interception or withholding of funds for reasons
26 not related to the subcontractor's or material supplier's work

1 on the contract; anticipated claims or assessments of third
2 parties not a party related to the contract or subcontract;
3 asserted claims or assessments of third parties that are not
4 authorized by court order, administrative tribunal, or
5 statute. "Reasonable cause" further does not include the
6 withholding, offset, or reduction of payment, in whole or in
7 part, due to the assessment of liquidated damages or penalties
8 assessed by the Department of Transportation against the
9 contractor, unless the subcontractor's performance or supplied
10 materials were the sole and proximate cause of the liquidated
11 damage or penalty.

12 (Source: P.A. 100-43, eff. 8-9-17; 100-376, eff. 1-1-18;
13 100-863, eff. 8-14-18; 101-524, eff. 1-1-20.)

14 Section 20. The Grant Accountability and Transparency Act
15 is amended by changing Sections 15, 25, 30, 50, 65, 97, and 125
16 and by adding Section 135 as follows:

17 (30 ILCS 708/15)

18 Sec. 15. Definitions. As used in this Act:

19 "Administrative costs" has the same meaning as given to
20 that term in 20 CFR 641.856.

21 "Allowable cost" means a cost allowable to a project if:

22 (1) the costs are reasonable and necessary for the
23 performance of the award;

24 (2) the costs are allocable to the specific project;

1 (3) the costs are treated consistently in like
2 circumstances to both federally-financed and other
3 activities of the non-federal entity;

4 (4) the costs conform to any limitations of the cost
5 principles or the sponsored agreement;

6 (5) the costs are accorded consistent treatment; a
7 cost may not be assigned to a State or federal award as a
8 direct cost if any other cost incurred for the same
9 purpose in like circumstances has been allocated to the
10 award as an indirect cost;

11 (6) the costs are determined to be in accordance with
12 generally accepted accounting principles;

13 (7) the costs are not included as a cost or used to
14 meet federal cost-sharing or matching requirements of any
15 other program in either the current or prior period;

16 (8) the costs of one State or federal grant are not
17 used to meet the match requirements of another State or
18 federal grant; and

19 (9) the costs are adequately documented.

20 "Assistance listing" means the database that helps the
21 federal government track all programs it has domestically
22 funded.

23 "Assistance listing number" or "ALN" means the number
24 assigned to a federal program in the assistance listing.

25 "Auditee" means any non-federal entity that expends State
26 or federal awards that must be audited.

1 "Auditor" means an auditor who is a public accountant or a
2 federal, State, or local government audit organization that
3 meets the general standards specified in generally-accepted
4 government auditing standards. "Auditor" does not include
5 internal auditors of not-for-profit ~~nonprofit~~ organizations.

6 "Auditor General" means the Auditor General of the State
7 of Illinois.

8 "Award" means financial assistance that provides support
9 or stimulation to accomplish a public purpose. "Awards"
10 include grants and other agreements in the form of money, or
11 property in lieu of money, by the State or federal government
12 to an eligible recipient. "Award" does not include: technical
13 assistance that provides services instead of money; other
14 assistance in the form of loans, loan guarantees, interest
15 subsidies, or insurance; direct payments of any kind to
16 individuals; or contracts that must be entered into and
17 administered under State or federal procurement laws and
18 regulations.

19 "Budget" means the financial plan for the project or
20 program that the awarding agency or pass-through entity
21 approves during the award process or in subsequent amendments
22 to the award. It may include the State or federal and
23 non-federal share or only the State or federal share, as
24 determined by the awarding agency or pass-through entity.

25 ~~"Catalog of Federal Domestic Assistance" or "CFDA" means a~~
26 ~~database that helps the federal government track all programs~~

1 ~~it has domestically funded.~~

2 ~~"Catalog of Federal Domestic Assistance number" or "CFDA~~
3 ~~number" means the number assigned to a federal program in the~~
4 ~~CFDA.~~

5 "Catalog of State Financial Assistance" means the single,
6 authoritative, statewide, comprehensive source document of
7 State financial assistance program information maintained by
8 the Governor's Office of Management and Budget.

9 "Catalog of State Financial Assistance Number" means the
10 number assigned to a State program in the Catalog of State
11 Financial Assistance. The first 3 digits represent the State
12 agency number and the last 4 digits represent the program.

13 "Cluster of programs" means a grouping of closely related
14 programs that share common compliance requirements. The types
15 of clusters of programs are research and development, student
16 financial aid, and other clusters. A "cluster of programs"
17 shall be considered as one program for determining major
18 programs and, with the exception of research and development,
19 whether a program-specific audit may be elected.

20 "Cognizant agency for audit" means the federal agency
21 designated to carry out the responsibilities described in 2
22 CFR 200.513(a).

23 "Contract" means a legal instrument by which a non-federal
24 entity purchases property or services needed to carry out the
25 project or program under an award. "Contract" does not include
26 a legal instrument, even if the non-federal entity considers

1 it a contract, when the substance of the transaction meets the
2 definition of an award or subaward.

3 "Contractor" means an entity that receives a contract.

4 "Cooperative agreement" means a legal instrument of
5 financial assistance between an awarding agency or
6 pass-through entity and a non-federal entity that:

7 (1) is used to enter into a relationship with the
8 principal purpose of transferring anything of value from
9 the awarding agency or pass-through entity to the
10 non-federal entity to carry out a public purpose
11 authorized by law, but is not used to acquire property or
12 services for the awarding agency's or pass-through
13 entity's direct benefit or use; and

14 (2) is distinguished from a grant in that it provides
15 for substantial involvement between the awarding agency or
16 pass-through entity and the non-federal entity in carrying
17 out the activity contemplated by the award.

18 "Cooperative agreement" does not include a cooperative
19 research and development agreement, nor an agreement that
20 provides only direct cash assistance to an individual, a
21 subsidy, a loan, a loan guarantee, or insurance.

22 "Corrective action" means action taken by the auditee that
23 (i) corrects identified deficiencies, (ii) produces
24 recommended improvements, or (iii) demonstrates that audit
25 findings are either invalid or do not warrant auditee action.

26 "Cost objective" means a program, function, activity,

1 award, organizational subdivision, contract, or work unit for
2 which cost data is desired and for which provision is made to
3 accumulate and measure the cost of processes, products, jobs,
4 and capital projects. A "cost objective" may be a major
5 function of the non-federal entity, a particular service or
6 project, an award, or an indirect cost activity.

7 "Cost sharing" means the portion of project costs not paid
8 by State or federal funds, unless otherwise authorized by
9 statute.

10 "Development" is the systematic use of knowledge and
11 understanding gained from research directed toward the
12 production of useful materials, devices, systems, or methods,
13 including design and development of prototypes and processes.

14 ~~"Data Universal Numbering System number" means the 9 digit~~
15 ~~number established and assigned by Dun and Bradstreet, Inc. to~~
16 ~~uniquely identify entities and, under federal law, is required~~
17 ~~for non federal entities to apply for, receive, and report on~~
18 ~~a federal award.~~

19 "Direct costs" means costs that can be identified
20 specifically with a particular final cost objective, such as a
21 State or federal or federal pass-through award or a particular
22 sponsored project, an instructional activity, or any other
23 institutional activity, or that can be directly assigned to
24 such activities relatively easily with a high degree of
25 accuracy.

26 "Equipment" means tangible personal property (including

1 information technology systems) having a useful life of more
2 than one year and a per-unit acquisition cost that equals or
3 exceeds the lesser of the capitalization level established by
4 the non-federal entity for financial statement purposes, or
5 \$5,000.

6 "Executive branch" means that branch of State government
7 that is under the jurisdiction of the Governor.

8 "Federal agency" has the meaning provided for "agency"
9 under 5 U.S.C. 551(1) together with the meaning provided for
10 "agency" by 5 U.S.C. 552(f).

11 "Federal award" means:

12 (1) the federal financial assistance that a
13 non-federal entity receives directly from a federal
14 awarding agency or indirectly from a pass-through entity;

15 (2) the cost-reimbursement contract under the Federal
16 Acquisition Regulations that a non-federal entity receives
17 directly from a federal awarding agency or indirectly from
18 a pass-through entity; or

19 (3) the instrument setting forth the terms and
20 conditions when the instrument is the grant agreement,
21 cooperative agreement, other agreement for assistance
22 covered in paragraph (b) of 20 CFR 200.40, or the
23 cost-reimbursement contract awarded under the Federal
24 Acquisition Regulations.

25 "Federal award" does not include other contracts that a
26 federal agency uses to buy goods or services from a contractor

1 or a contract to operate federal government owned,
2 contractor-operated facilities.

3 "Federal awarding agency" means the federal agency that
4 provides a federal award directly to a non-federal entity.

5 "Federal interest" means, for purposes of 2 CFR 200.329 or
6 when used in connection with the acquisition or improvement of
7 real property, equipment, or supplies under a federal award,
8 the dollar amount that is the product of the federal share of
9 total project costs and current fair market value of the
10 property, improvements, or both, to the extent the costs of
11 acquiring or improving the property were included as project
12 costs.

13 "Federal program" means any of the following:

14 (1) All federal awards which are assigned a single
15 number in the assistance listing ~~CFDA~~.

16 (2) When no ALN ~~CFDA~~ number is assigned, all federal
17 awards to non-federal entities from the same agency made
18 for the same purpose should be combined and considered one
19 program.

20 (3) Notwithstanding paragraphs (1) and (2) of this
21 definition, a cluster of programs. The types of clusters
22 of programs are:

23 (A) research and development;

24 (B) student financial aid; and

25 (C) "other clusters", as described in the
26 definition of "cluster of programs".

1 "Federal share" means the portion of the total project
2 costs that are paid by federal funds.

3 "Final cost objective" means a cost objective which has
4 allocated to it both direct and indirect costs and, in the
5 non-federal entity's accumulation system, is one of the final
6 accumulation points, such as a particular award, internal
7 project, or other direct activity of a non-federal entity.

8 "Financial assistance" means the following:

9 (1) For grants and cooperative agreements, "financial
10 assistance" means assistance that non-federal entities
11 receive or administer in the form of:

12 (A) grants;

13 (B) cooperative agreements;

14 (C) non-cash contributions or donations of
15 property, including donated surplus property;

16 (D) direct appropriations;

17 (E) food commodities; and

18 (F) other financial assistance, except assistance
19 listed in paragraph (2) of this definition.

20 (2) "Financial assistance" includes assistance that
21 non-federal entities receive or administer in the form of
22 loans, loan guarantees, interest subsidies, and insurance.

23 (3) "Financial assistance" does not include amounts
24 received as reimbursement for services rendered to
25 individuals.

26 "Fixed amount awards" means a type of grant agreement

1 under which the awarding agency or pass-through entity
2 provides a specific level of support without regard to actual
3 costs incurred under the award. "Fixed amount awards" reduce
4 some of the administrative burden and record-keeping
5 requirements for both the non-federal entity and awarding
6 agency or pass-through entity. Accountability is based
7 primarily on performance and results.

8 "Foreign public entity" means:

9 (1) a foreign government or foreign governmental
10 entity;

11 (2) a public international organization that is
12 entitled to enjoy privileges, exemptions, and immunities
13 as an international organization under the International
14 Organizations Immunities Act (22 U.S.C. 288-288f);

15 (3) an entity owned, in whole or in part, or
16 controlled by a foreign government; or

17 (4) any other entity consisting wholly or partially of
18 one or more foreign governments or foreign governmental
19 entities.

20 "Foreign organization" means an entity that is:

21 (1) a public or private organization located in a
22 country other than the United States and its territories
23 that are subject to the laws of the country in which it is
24 located, irrespective of the citizenship of project staff
25 or place of performance;

26 (2) a private nongovernmental organization located in

1 a country other than the United States that solicits and
2 receives cash contributions from the general public;

3 (3) a charitable organization located in a country
4 other than the United States that is not-for-profit
5 ~~nonprofit~~ and tax exempt under the laws of its country of
6 domicile and operation, but is not a university, college,
7 accredited degree-granting institution of education,
8 private foundation, hospital, organization engaged
9 exclusively in research or scientific activities, church,
10 synagogue, mosque, or other similar entity organized
11 primarily for religious purposes; or

12 (4) an organization located in a country other than
13 the United States not recognized as a Foreign Public
14 Entity.

15 "Fringe benefits" has the meaning given to that term in
16 CFR 200.431.

17 "Generally Accepted Accounting Principles" has the meaning
18 provided in accounting standards issued by the Government
19 Accounting Standards Board and the Financial Accounting
20 Standards Board.

21 "Generally Accepted Government Auditing Standards" means
22 generally accepted government auditing standards issued by the
23 Comptroller General of the United States that are applicable
24 to financial audits.

25 "Grant agreement" means a legal instrument of financial
26 assistance between an awarding agency or pass-through entity

1 and a non-federal entity that:

2 (1) is used to enter into a relationship, the
3 principal purpose of which is to transfer anything of
4 value from the awarding agency or pass-through entity to
5 the non-federal entity to carry out a public purpose
6 authorized by law and not to acquire property or services
7 for the awarding agency or pass-through entity's direct
8 benefit or use; and

9 (2) is distinguished from a cooperative agreement in
10 that it does not provide for substantial involvement
11 between the awarding agency or pass-through entity and the
12 non-federal entity in carrying out the activity
13 contemplated by the award.

14 "Grant agreement" does not include an agreement that
15 provides only direct cash assistance to an individual, a
16 subsidy, a loan, a loan guarantee, or insurance.

17 "Grant application" means a specified form that is
18 completed by a non-federal entity in connection with a request
19 for a specific funding opportunity or a request for financial
20 support of a project or activity.

21 "Hospital" means a facility licensed as a hospital under
22 the law of any state or a facility operated as a hospital by
23 the United States, a state, or a subdivision of a state.

24 "Illinois Debarred and Suspended List" means the list
25 maintained by the Governor's Office of Management and Budget
26 that contains the names of those individuals and entities that

1 are ineligible, either temporarily or permanently, from
2 receiving an award of grant funds from the State.

3 "Indirect cost" means those costs incurred for a common or
4 joint purpose benefitting more than one cost objective and not
5 readily assignable to the cost objectives specifically
6 benefitted without effort disproportionate to the results
7 achieved.

8 "Inspector General" means the Office of the Executive
9 Inspector General for Executive branch agencies.

10 "Loan" means a State or federal loan or loan guarantee
11 received or administered by a non-federal entity. "Loan" does
12 not include a "program income" as defined in 2 CFR 200.80.

13 "Loan guarantee" means any State or federal government
14 guarantee, insurance, or other pledge with respect to the
15 payment of all or a part of the principal or interest on any
16 debt obligation of a non-federal borrower to a non-federal
17 lender, but does not include the insurance of deposits,
18 shares, or other withdrawable accounts in financial
19 institutions.

20 "Local government" has the meaning provided for the term
21 "units of local government" under Section 1 of Article VII of
22 the Illinois Constitution and includes school districts.

23 "Major program" means a federal program determined by the
24 auditor to be a major program in accordance with 2 CFR 200.518
25 or a program identified as a major program by a federal
26 awarding agency or pass-through entity in accordance with 2

1 CFR 200.503(e).

2 "Non-federal entity" means a state, local government,
3 Indian tribe, institution of higher education, or
4 organization, whether nonprofit or for-profit, that carries
5 out a State or federal award as a recipient or subrecipient.

6 ~~"Nonprofit organization" means any corporation, trust,~~
7 ~~association, cooperative, or other organization, not including~~
8 ~~institutions of higher education, that:~~

9 ~~(1) is operated primarily for scientific, educational,~~
10 ~~service, charitable, or similar purposes in the public~~
11 ~~interest;~~

12 ~~(2) is not organized primarily for profit; and~~

13 ~~(3) uses net proceeds to maintain, improve, or expand~~
14 ~~the operations of the organization.~~

15 "Not-for-profit corporation" has the meaning given to that
16 term in Section 101.80 of the General Not For Profit
17 Corporation Act of 1986.

18 "Obligations", when used in connection with a non-federal
19 entity's utilization of funds under an award, means orders
20 placed for property and services, contracts and subawards
21 made, and similar transactions during a given period that
22 require payment by the non-federal entity during the same or a
23 future period.

24 "Office of Management and Budget" means the Office of
25 Management and Budget of the Executive Office of the
26 President.

1 "Other clusters" has the meaning provided by the federal
2 Office of Management and Budget in the compliance supplement
3 or has the meaning as it is designated by a state for federal
4 awards the state provides to its subrecipients that meet the
5 definition of a cluster of programs. When designating an
6 "other cluster", a state must identify the federal awards
7 included in the cluster and advise the subrecipients of
8 compliance requirements applicable to the cluster.

9 "Oversight agency for audit" means the federal awarding
10 agency that provides the predominant amount of funding
11 directly to a non-federal entity not assigned a cognizant
12 agency for audit. When there is no direct funding, the
13 awarding agency that is the predominant source of pass-through
14 funding must assume the oversight responsibilities. The duties
15 of the oversight agency for audit and the process for any
16 reassignments are described in 2 CFR 200.513(b).

17 "Pass-through entity" means a non-federal entity that
18 provides a subaward to a subrecipient to carry out part of a
19 program.

20 "Private award" means an award from a person or entity
21 other than a State or federal entity. Private awards are not
22 subject to the provisions of this Act.

23 "Property" means real property or personal property.

24 "Project cost" means total allowable costs incurred under
25 an award and all required cost sharing and voluntary committed
26 cost sharing, including third-party contributions.

1 "Public institutions of higher education" has the meaning
2 provided in Section 1 of the Board of Higher Education Act.

3 "Unique entity ID" means the number established and
4 assigned by the federal government utilizing the SAM.gov
5 website to uniquely identify entities that apply to receive
6 and report on a federal award.

7 "Recipient" means a non-federal entity that receives an
8 award directly from an awarding agency to carry out an
9 activity under a program. "Recipient" does not include
10 subrecipients.

11 "Research and Development" means all research activities,
12 both basic and applied, and all development activities that
13 are performed by non-federal entities.

14 "Single Audit Act" means the federal Single Audit Act
15 Amendments of 1996 (31 U.S.C. 7501-7507).

16 "State agency" means an Executive branch agency. For
17 purposes of this Act, "State agency" does not include public
18 institutions of higher education.

19 "State award" means the financial assistance that a
20 non-federal entity receives from the State and that is funded
21 with either State funds or federal funds; in the latter case,
22 the State is acting as a pass-through entity.

23 "State awarding agency" means a State agency that provides
24 an award to a non-federal entity.

25 "State grant-making agency" has the same meaning as "State
26 awarding agency".

1 "State interest" means the acquisition or improvement of
2 real property, equipment, or supplies under a State award, the
3 dollar amount that is the product of the State share of the
4 total project costs and current fair market value of the
5 property, improvements, or both, to the extent the costs of
6 acquiring or improving the property were included as project
7 costs.

8 "State program" means any of the following:

9 (1) All State awards which are assigned a single
10 number in the Catalog of State Financial Assistance.

11 (2) When no Catalog of State Financial Assistance
12 number is assigned, all State awards to non-federal
13 entities from the same agency made for the same purpose
14 are considered one program.

15 (3) A cluster of programs as defined in this Section.

16 "State share" means the portion of the total project costs
17 that are paid by State funds.

18 "Stop payment order" means a communication from a State
19 grant-making agency to the Office of the Comptroller,
20 following procedures set out by the Office of the Comptroller,
21 causing the cessation of payments to a recipient or
22 subrecipient as a result of the recipient's or subrecipient's
23 failure to comply with one or more terms of the grant or
24 subaward.

25 "Stop payment procedure" means the procedure created by
26 the Office of the Comptroller which effects a stop payment

1 order and the lifting of a stop payment order upon the request
2 of the State grant-making agency.

3 "Student Financial Aid" means federal awards under those
4 programs of general student assistance, such as those
5 authorized by Title IV of the Higher Education Act of 1965, as
6 amended (20 U.S.C. 1070-1099d), that are administered by the
7 United States Department of Education and similar programs
8 provided by other federal agencies. "Student Financial Aid"
9 does not include federal awards under programs that provide
10 fellowships or similar federal awards to students on a
11 competitive basis or for specified studies or research.

12 "Subaward" means a State or federal award provided by a
13 pass-through entity to a subrecipient for the subrecipient to
14 carry out part of a federal award received by the pass-through
15 entity. "Subaward" does not include payments to a contractor
16 or payments to an individual that is a beneficiary of a federal
17 program. A "subaward" may be provided through any form of
18 legal agreement, including an agreement that the pass-through
19 entity considers a contract.

20 "Subrecipient" means a non-federal entity that receives a
21 State or federal subaward from a pass-through entity to carry
22 out part of a federal program. "Subrecipient" does not include
23 an individual that is a beneficiary of such program. A
24 "subrecipient" may also be a recipient of other State or
25 federal awards directly from a State or federal awarding
26 agency.

1 "Suspension" means a post-award action by the State or
2 federal agency or pass-through entity that temporarily
3 withdraws the State or federal agency's or pass-through
4 entity's financial assistance sponsorship under an award,
5 pending corrective action by the recipient or subrecipient or
6 pending a decision to terminate the award.

7 "Uniform Administrative Requirements, Costs Principles,
8 and Audit Requirements for Federal Awards" means those rules
9 applicable to grants contained in 2 CFR 200.

10 "Voluntary committed cost sharing" means cost sharing
11 specifically pledged on a voluntary basis in the proposal's
12 budget or the award on the part of the non-federal entity and
13 that becomes a binding requirement of the award.

14 (Source: P.A. 100-997, eff. 8-20-18.)

15 (30 ILCS 708/25)

16 Sec. 25. Supplemental rules. On or before July 1, 2017,
17 the Governor's Office of Management and Budget, with the
18 advice and technical assistance of the Illinois Single Audit
19 Commission, shall adopt supplemental rules pertaining to the
20 following:

21 (1) Criteria to define mandatory formula-based grants
22 and discretionary grants.

23 (2) The award of one-year grants for new applicants.

24 (3) The award of competitive grants in 3-year terms
25 (one-year initial terms with the option to renew for up to

1 2 additional years) to coincide with the federal award.

2 (4) The issuance of grants, including:

3 (A) public notice of announcements of funding
4 opportunities;

5 (B) the development of uniform grant applications;

6 (C) State agency review of merit of proposals and
7 risk posed by applicants;

8 (D) specific conditions for individual recipients
9 (including the use of a fiscal agent and additional
10 corrective conditions);

11 (E) certifications and representations;

12 (F) pre-award costs;

13 (G) performance measures and statewide prioritized
14 goals under Section 50-25 of the State Budget Law of
15 the Civil Administrative Code of Illinois, commonly
16 referred to as "Budgeting for Results"; and

17 (H) for mandatory formula grants, the merit of the
18 proposal and the risk posed should result in
19 additional reporting, monitoring, or measures such as
20 reimbursement-basis only.

21 (5) The development of uniform budget requirements,
22 which shall include:

23 (A) mandatory submission of budgets as part of the
24 grant application process;

25 (B) mandatory requirements regarding contents of
26 the budget including, at a minimum, common detail line

1 items specified under guidelines issued by the
2 Governor's Office of Management and Budget;

3 (C) a requirement that the budget allow
4 flexibility to add lines describing costs that are
5 common for the services provided as outlined in the
6 grant application;

7 (D) a requirement that the budget include
8 information necessary for analyzing cost and
9 performance for use in Budgeting for Results; and

10 (E) caps on the amount of salaries that may be
11 charged to grants, which shall not be less than ~~based~~
12 ~~on~~ the limitations imposed by federal agencies.

13 (6) The development of pre-qualification requirements
14 for applicants, including the fiscal condition of the
15 organization and the provision of the following
16 information:

17 (A) organization name;

18 (B) Federal Employee Identification Number;

19 (C) unique entity ID ~~Data Universal Numbering~~
20 ~~System (DUNS)~~ number;

21 (D) fiscal condition;

22 (E) whether the applicant is in good standing with
23 the Secretary of State;

24 (F) (blank); ~~past performance in administering~~
25 ~~grants;~~

26 (G) whether the applicant is on the Debarred and

1 Suspended List maintained by the Governor's Office of
2 Management and Budget;

3 (H) whether the applicant is on the federal
4 Excluded Parties List; and

5 (I) whether the applicant is on the Sanctioned
6 Party List maintained by the Illinois Department of
7 Healthcare and Family Services.

8 Pre-qualification requirements may include consideration
9 of past performance in administering grants if past
10 performance failed to meet performance goals, indicators, and
11 milestones.

12 Nothing in this Act affects the provisions of the Fiscal
13 Control and Internal Auditing Act nor the requirement that the
14 management of each State agency is responsible for maintaining
15 effective internal controls under that Act.

16 For public institutions of higher education, the
17 provisions of this Section apply only to awards funded by
18 federal pass-through awards from a State agency to public
19 institutions of higher education.

20 (Source: P.A. 101-81, eff. 7-12-19; 102-626, eff. 8-27-21.)

21 (30 ILCS 708/30)

22 Sec. 30. Catalog of State Financial Assistance. The
23 Catalog of State Financial Assistance is a single,
24 authoritative, statewide, comprehensive source document of
25 State financial assistance program information. The Catalog

1 shall contain, at a minimum, the following information:

2 (1) An introductory section that contains Catalog
3 highlights, an explanation of how to use the Catalog, an
4 explanation of the Catalog and its contents, and suggested
5 grant proposal writing methods and grant application
6 procedures.

7 (2) A comprehensive indexing system that categorizes
8 programs by issuing agency, eligible applicant,
9 application deadlines, function, popular name, and subject
10 area.

11 (3) Comprehensive appendices showing State assistance
12 programs that require coordination through this Act and
13 regulatory, legislative, and Executive Order authority for
14 each program, commonly used abbreviations and acronyms,
15 agency regional and local office addresses, and sources of
16 additional information.

17 (4) A list of programs that have been added to or
18 deleted from the Catalog and the various program numbers
19 and title changes.

20 (5) Program number, title, and popular name, if
21 applicable.

22 (6) The name of the State department or agency or
23 independent agency and primary organization sub-unit
24 administering the program.

25 (7) The enabling legislation, including popular name
26 of the Act, titles and Sections, Public Act number, and

1 citation to the Illinois Compiled Statutes.

2 (8) The type or types of financial and nonfinancial
3 assistance offered by the program.

4 (9) Uses and restrictions placed upon the program.

5 (10) Eligibility requirements, including applicant
6 eligibility criteria, beneficiary eligibility criteria,
7 and required credentials and documentation.

8 (11) Objectives and goals of the program.

9 (12) Information regarding application and award
10 processing; application deadlines; range of approval or
11 disapproval time; appeal procedure; and availability of a
12 renewal or extension of assistance.

13 (13) Assistance considerations, including an
14 explanation of the award formula, matching requirements,
15 and the length and time phasing of the assistance.

16 (14) Post-assistance requirements, including any
17 reports, audits, and records that may be required.

18 (15) Program accomplishments (where available)
19 describing quantitative measures of program performance.

20 (16) Regulations, guidelines, and literature
21 containing citations to the Illinois Administrative Code,
22 the Code of Federal Regulations, and other pertinent
23 informational materials.

24 (17) The names, telephone numbers, and e-mail
25 addresses of persons to be contacted for detailed program
26 information at the headquarters, regional, and local

1 levels.

2 (18) Criteria for Prompt Payment Act eligibility and
3 advanced payment eligibility.

4 (Source: P.A. 98-706, eff. 7-16-14.)

5 (30 ILCS 708/50)

6 Sec. 50. State grant-making agency responsibilities.

7 (a) The specific requirements and responsibilities of
8 State grant-making agencies and non-federal entities are set
9 forth in this Act. State agencies making State awards to
10 non-federal entities must adopt by rule the language in 2 CFR
11 200, Subpart C through Subpart F unless different provisions
12 are required by law.

13 (b) Each State grant-making agency shall appoint a Chief
14 Accountability Officer who shall serve as a liaison to the
15 Grant Accountability and Transparency Unit and who shall be
16 responsible for the State agency's implementation of and
17 compliance with the rules.

18 (c) In order to effectively measure the performance of its
19 recipients and subrecipients, each State grant-making agency
20 shall:

21 (1) require its recipients and subrecipients to relate
22 financial data to performance accomplishments of the award
23 and, when applicable, must require recipients and
24 subrecipients to provide cost information to demonstrate
25 cost-effective practices. The recipient's and

1 subrecipient's performance should be measured in a way
2 that will help the State agency to improve program
3 outcomes, share lessons learned, and spread the adoption
4 of promising practices; and

5 (2) provide recipients and subrecipients with clear
6 performance goals, indicators, and milestones and must
7 establish performance reporting frequency and content to
8 not only allow the State agency to understand the
9 recipient's progress, but also to facilitate
10 identification of promising practices among recipients and
11 subrecipients and build the evidence upon which the State
12 agency's program and performance decisions are made. The
13 frequency of reports on performance goals, indicators, and
14 milestones required under this Section shall not be more
15 frequent than quarterly. Nothing in this Section is
16 intended to prohibit more frequent reporting to assess
17 items such as service needs, gaps, or capacity.

18 (c-5) Each State grant-making agency shall, when it is in
19 the best interests of the State, request that the Office of the
20 Comptroller issue a stop payment order in accordance with
21 Section 105 of this Act.

22 (c-6) Upon notification by the Grant Transparency and
23 Accountability Unit that a stop payment order has been
24 requested by a State grant-making agency, each State
25 grant-making agency who has issued a grant to that recipient
26 or subrecipient shall determine if it remains in the best

1 interests of the State to continue to issue payments to the
2 recipient or subrecipient.

3 (d) The Governor's Office of Management and Budget shall
4 provide such advice and technical assistance to the State
5 grant-making agencies as is necessary or indicated in order to
6 ensure compliance with this Act. Advice and technical
7 assistance to State grant-making agencies shall include:

8 (1) training for State agency staff about the criteria
9 for Prompt Payment Act eligibility and advanced payment
10 eligibility;

11 (2) best practices for disseminating information about
12 grant opportunities statewide, with an emphasis on
13 reaching previously underserved communities and new
14 vendors, and

15 (3) the Court of Claims' jurisdiction and process
16 under the Court of Claims Act.

17 (e) In accordance with this Act and the Illinois State
18 Collection Act of 1986, refunds required under the Grant Funds
19 Recovery Act may be referred to the Comptroller's offset
20 system.

21 (Source: P.A. 100-997, eff. 8-20-18.)

22 (30 ILCS 708/65)

23 Sec. 65. Audit requirements.

24 (a) The standards set forth in Subpart F of 2 CFR 200 and
25 any other standards that apply directly to State or federal

1 agencies shall apply to audits of fiscal years beginning on or
2 after December 26, 2014.

3 (b) Books and records must be available for review or
4 audit by appropriate officials of the pass-through entity, and
5 the agency, the Auditor General, the Inspector General,
6 appropriate officials of the agency, and the federal
7 Government Accountability Office.

8 (c) The Governor's Office of Management and Budget, with
9 the advice and technical assistance of the Illinois Single
10 Audit Commission, shall adopt rules for audits of grants from
11 a State or federal pass-through entity that are not subject to
12 the Single Audit Act because the amount of the federal award is
13 less than the amount specified in subparts (a) and (b) of 2 CFR
14 200.501 ~~\$750,000~~ or the subrecipient is an exempt entity and
15 that are reasonably consistent with 2 CFR 200.

16 (d) This Act does not affect the provisions of the
17 Illinois State Auditing Act and does not address the external
18 audit function of the Auditor General.

19 (Source: P.A. 98-706, eff. 7-16-14.)

20 (30 ILCS 708/97) (was 30 ILCS 708/520)

21 Sec. 97. Separate accounts for State grant funds.
22 Notwithstanding any provision of law to the contrary, all
23 grants for which advance payments are made and any grant
24 agreement entered into, renewed, or extended on or after
25 August 20, 2018 (the effective date of Public Act 100-997)

1 that permits advanced payments, between a State grant-making
2 agency and a not-for-profit ~~nonprofit~~ organization, shall
3 require the not-for-profit ~~nonprofit~~ organization receiving
4 grant funds to maintain those funds in an account which is
5 separate and distinct from any account holding non-grant
6 funds. Except as otherwise provided in an agreement between a
7 State grant-making agency and a nonprofit organization, the
8 grant funds held in a separate account by a nonprofit
9 organization shall not be used for non-grant-related
10 activities, and any unused grant funds shall be returned to
11 the State grant-making agency. This Section does not apply to
12 grant payments that are made as reimbursements.

13 (Source: P.A. 100-997, eff. 8-20-18; 101-81, eff. 7-12-19.)

14 (30 ILCS 708/125)

15 Sec. 125. Expenditures prior to grant execution; reporting
16 requirements.

17 (a) In the event that a recipient or subrecipient incurs
18 expenses related to the grant award prior to the execution of
19 the grant agreement but within the term of the grant, and the
20 grant agreement is executed more than 30 days after the
21 effective date of the grant, the recipient or subrecipient
22 must submit to the State grant-making agency a report that
23 accounts for eligible grant expenditures and project
24 activities from the effective date of the grant up to and
25 including the date of execution of the grant agreement. If the

1 State grant-making agency does not issue the grant agreement
2 to the recipient within 30 days of the effective date of the
3 grant, interest penalties shall apply pursuant to Section 3-4
4 of the State Prompt Payment Act.

5 (b) The recipient or subrecipient must submit the report
6 to the State grant-making agency within 30 days of execution
7 of the grant agreement.

8 (c) Only those expenses that are reasonable, allowable,
9 and in furtherance of the purpose of the grant award shall be
10 reimbursed.

11 (d) The State grant-making agency must approve the report
12 prior to issuing any payment to the recipient or subrecipient.

13 (Source: P.A. 100-997, eff. 8-20-18.)

14 (30 ILCS 708/135 new)

15 Sec. 135. Grant Agreement specifications.

16 (a) A grant agreement shall include:

17 (1) the dates on which the State grant-making agency
18 will transmit vouchers to the Comptroller; and

19 (2) whether the grant is eligible under the Prompt
20 Payment Act or for advanced payments.

21 (b) A State agency shall not restrict the amount of money
22 used to pay for fringe benefits.

23 (c) A State agency shall not restrict indirect costs to
24 less than 20% of the grant agreement or the federally
25 negotiated rate, whichever is higher, unless the recipient

1 prefers a lower rate.

2 (d) A State agency shall not restrict direct
3 administrative costs to less than 20% of direct costs in the
4 grant agreement unless the recipient prefers a lower rate.

5 (e) Nothing in this Section shall apply to grants that are
6 solely for the purpose of capital projects.

7 (f) Nothing in this Section shall apply if the grant
8 conflicts with requirements due to federal law or federal
9 grant obligations.

10 Section 25. The Court of Claims Act is amended by changing
11 Sections 4, 6, 8, 9, 11, 19, 21, 22, 23, and 24 as follows:

12 (705 ILCS 505/4) (from Ch. 37, par. 439.4)

13 Sec. 4. Each judge shall receive an annual salary of:
14 ~~\$68,000 \$20,900 from the third Monday in January, 1979 to the~~
15 ~~third Monday in January, 1980; \$22,100 from the third Monday~~
16 ~~in January, 1980 to the third Monday in January, 1981; \$23,400~~
17 ~~from the third Monday in January, 1981 to the third Monday in~~
18 ~~January, 1982, and \$25,000 thereafter, or as set by the~~
19 Compensation Review Board, whichever is greater, payable in
20 equal monthly installments.

21 (Source: P.A. 83-1177.)

22 (705 ILCS 505/6) (from Ch. 37, par. 439.6)

23 Sec. 6. The court shall hold sessions at such places as it

1 deems necessary to expedite the business of the court. The
2 Court shall permit virtual hearings for claims arising from
3 paragraph (b) of Section 8 of this Act.

4 (Source: P.A. 90-492, eff. 8-17-97.)

5 (705 ILCS 505/8) (from Ch. 37, par. 439.8)

6 Sec. 8. Court of Claims jurisdiction; deliberation
7 periods. The court shall have exclusive jurisdiction to hear
8 and determine the following matters:

9 (a) All claims against the State founded upon any law
10 of the State of Illinois or upon any regulation adopted
11 thereunder by an executive or administrative officer or
12 agency; provided, however, the court shall not have
13 jurisdiction (i) to hear or determine claims arising under
14 the Workers' Compensation Act or the Workers' Occupational
15 Diseases Act, or claims for expenses in civil litigation,
16 or (ii) to review administrative decisions for which a
17 statute provides that review shall be in the circuit or
18 appellate court.

19 (b) All claims against the State founded upon any
20 contract entered into with the State of Illinois, except
21 that undisputed individual claims of less than \$2,500
22 resulting from lapsed appropriations do not fall under the
23 jurisdiction of Court of Claims. State agencies may pay
24 undisputed individual claims of less than \$2,500 resulting
25 from lapsed appropriations from current fiscal year

1 appropriations.

2 (c) All claims against the State for time unjustly
3 served in prisons of this State when the person imprisoned
4 received a pardon from the Governor stating that such
5 pardon is issued on the ground of innocence of the crime
6 for which he or she was imprisoned or he or she received a
7 certificate of innocence from the Circuit Court as
8 provided in Section 2-702 of the Code of Civil Procedure;
9 provided, the amount of the award is at the discretion of
10 the court; and provided, the court shall make no award in
11 excess of the following amounts: for imprisonment of 5
12 years or less, not more than \$85,350; for imprisonment of
13 14 years or less but over 5 years, not more than \$170,000;
14 for imprisonment of over 14 years, not more than \$199,150;
15 and provided further, the court shall fix attorney's fees
16 not to exceed 25% of the award granted. On or after the
17 effective date of this amendatory Act of the 95th General
18 Assembly, the court shall annually adjust the maximum
19 awards authorized by this subsection (c) to reflect the
20 increase, if any, in the Consumer Price Index For All
21 Urban Consumers for the previous calendar year, as
22 determined by the United States Department of Labor,
23 except that no annual increment may exceed 5%. For the
24 annual adjustments, if the Consumer Price Index decreases
25 during a calendar year, there shall be no adjustment for
26 that calendar year. The transmission by the Prisoner

1 Review Board or the clerk of the circuit court of the
2 information described in Section 11(b) to the clerk of the
3 Court of Claims is conclusive evidence of the validity of
4 the claim. The changes made by this amendatory Act of the
5 95th General Assembly apply to all claims pending on or
6 filed on or after the effective date.

7 (d) All claims against the State for damages in cases
8 sounding in tort, if a like cause of action would lie
9 against a private person or corporation in a civil suit,
10 and all like claims sounding in tort against the Medical
11 Center Commission, the Board of Trustees of the University
12 of Illinois, the Board of Trustees of Southern Illinois
13 University, the Board of Trustees of Chicago State
14 University, the Board of Trustees of Eastern Illinois
15 University, the Board of Trustees of Governors State
16 University, the Board of Trustees of Illinois State
17 University, the Board of Trustees of Northeastern Illinois
18 University, the Board of Trustees of Northern Illinois
19 University, the Board of Trustees of Western Illinois
20 University, or the Board of Trustees of the Illinois
21 Mathematics and Science Academy; provided, that an award
22 for damages in a case sounding in tort, other than certain
23 cases involving the operation of a State vehicle described
24 in this paragraph, shall not exceed the sum of \$2,000,000
25 to or for the benefit of any claimant. The \$2,000,000
26 limit prescribed by this Section does not apply to an

1 award of damages in any case sounding in tort arising out
2 of the operation by a State employee of a vehicle owned,
3 leased or controlled by the State. The defense that the
4 State or the Medical Center Commission or the Board of
5 Trustees of the University of Illinois, the Board of
6 Trustees of Southern Illinois University, the Board of
7 Trustees of Chicago State University, the Board of
8 Trustees of Eastern Illinois University, the Board of
9 Trustees of Governors State University, the Board of
10 Trustees of Illinois State University, the Board of
11 Trustees of Northeastern Illinois University, the Board of
12 Trustees of Northern Illinois University, the Board of
13 Trustees of Western Illinois University, or the Board of
14 Trustees of the Illinois Mathematics and Science Academy
15 is not liable for the negligence of its officers, agents,
16 and employees in the course of their employment is not
17 applicable to the hearing and determination of such
18 claims. The changes to this Section made by this
19 amendatory Act of the 100th General Assembly apply only to
20 claims filed on or after July 1, 2015.

21 The court shall annually adjust the maximum awards
22 authorized by this subsection to reflect the increase, if
23 any, in the Consumer Price Index For All Urban Consumers
24 for the previous calendar year, as determined by the
25 United States Department of Labor. The Comptroller shall
26 make the new amount resulting from each annual adjustment

1 available to the public via the Comptroller's official
2 website by January 31 of every year.

3 (e) All claims for recoupment made by the State of
4 Illinois against any claimant.

5 (f) All claims pursuant to the Line of Duty
6 Compensation Act. A claim under that Act must be heard and
7 determined within one year after the application for that
8 claim is filed with the Court as provided in that Act.

9 (g) All claims filed pursuant to the Crime Victims
10 Compensation Act.

11 (h) All claims pursuant to the Illinois National
12 Guardsman's Compensation Act. A claim under that Act must
13 be heard and determined within one year after the
14 application for that claim is filed with the Court as
15 provided in that Act.

16 (i) All claims authorized by subsection (a) of Section
17 10-55 of the Illinois Administrative Procedure Act for the
18 expenses incurred by a party in a contested case on the
19 administrative level.

20 (Source: P.A. 100-1124, eff. 11-27-18.)

21 (705 ILCS 505/9) (from Ch. 37, par. 439.9)

22 Sec. 9. Court powers and duties. ~~The court may:~~

23 (a) The court may establish ~~A. Establish~~ rules for its
24 government and for the regulation of practice therein; appoint
25 commissioners to assist the court in such manner as it directs

1 and discharge them at will; and exercise such powers as are
2 necessary to carry into effect the powers granted in this
3 Section. Any Commissioner appointed shall be an attorney
4 licensed to practice law in the State of Illinois. The rules
5 established hereunder shall not be waived, and any extension
6 of time authorized by such rules shall only be allowed on
7 motion duly filed within the time limitation for which the
8 extension is requested.

9 (b) The court may issue ~~B. Issue~~ subpoenas through the
10 Chief Justice or one of its judges or commissioners to require
11 the attendance of witnesses for the purpose of testifying
12 before it, or before any judge of the court, or before any
13 notary public, or any of its commissioners, and to require the
14 production of any books, records, papers or documents that may
15 be material or relevant as evidence in any matter pending
16 before it. In case any person refuses to comply with any
17 subpoena issued in the name of the chief justice, or one of the
18 judges or commissioners, attested by the clerk, with the seal
19 of the court attached, and served upon the person named
20 therein as a summons in a civil action is served, the circuit
21 court of the proper county, on application of the party at
22 whose instance the subpoena was issued, shall compel obedience
23 by attachment proceedings, as for contempt, as in a case of a
24 disobedience of the requirements of a subpoena from such court
25 on a refusal to testify therein.

26 (c) The court shall create an online portal that allows

1 vendors to submit claims electronically under subsection (b)
2 of Section 8 of this Act, and to view and track the status of
3 their claim.

4 (Source: P.A. 83-865.)

5 (705 ILCS 505/11) (from Ch. 37, par. 439.11)

6 Sec. 11. Filing claims.

7 (a) Except as otherwise provided in subsection (b) of this
8 Section and subsection (4) of Section 24, the claimant shall
9 in all cases set forth fully in his petition the claim, the
10 action thereon, if any, on behalf of the State, what persons
11 are owners or trustees as defined under Section 3 of the
12 Charitable Trust Act thereof or interested therein, when and
13 upon what consideration such persons became so interested;
14 that no assignment or transfer of the claim or any part thereof
15 or interest therein has been made, except as stated in the
16 petition; that the claimant is justly entitled to the amount
17 therein claimed from the State of Illinois, after allowing all
18 just credits; and that claimant believes the facts stated in
19 the petition to be true. The petition shall be verified, as to
20 statements of facts, by the affidavit of the claimant, his
21 agent, or attorney.

22 (b) Whenever a person has served a term of imprisonment
23 and has received a pardon by the Governor stating that such
24 pardon was issued on the ground of innocence of the crime for
25 which he or she was imprisoned, the Prisoner Review Board

1 shall transmit this information to the clerk of the Court of
2 Claims, together with the claimant's current address. Whenever
3 a person has served a term of imprisonment and has received a
4 certificate of innocence from the Circuit Court as provided in
5 Section 2-702 of the Code of Civil Procedure, the clerk of the
6 issuing Circuit Court shall transmit this information to the
7 clerk of the Court of Claims, together with the claimant's
8 current address. The clerk of the Court of Claims shall
9 immediately docket the case for consideration by the Court of
10 Claims, and shall provide notice to the claimant of such
11 docketing together with all hearing dates and applicable
12 deadlines. The Court of Claims shall hear the case and render a
13 decision within 90 days after its docketing.

14 (Source: P.A. 95-970, eff. 9-22-08; 96-328, eff. 8-11-09.)

15 (705 ILCS 505/19) (from Ch. 37, par. 439.19)

16 Sec. 19. The Attorney General, or his assistants under his
17 direction, shall appear for the defense and protection of the
18 interests of the State of Illinois in all cases filed in the
19 court, and may make claim for recoupment by the State.

20 For all claims arising under paragraph (b) of Section 8 of
21 this Act:

22 (1) the Attorney General must electronically confirm
23 receipt of the Claim to the claimant and contact the State
24 agency within 5 days of receiving the claim from the Court
25 to confirm or reject the veracity of the claim.

1 (2) the State agency must confirm or reject the
2 veracity of the claim with the Attorney General's office
3 within 30 days of being contacted by the Attorney General.

4 (3) The Attorney General must electronically notify
5 the claimant of the State agency's decision and file a
6 stipulation or motion with the Court within 30 days of the
7 State agency confirming or rejecting the claim.

8 (Source: Laws 1945, p. 660.)

9 (705 ILCS 505/21) (from Ch. 37, par. 439.21)

10 Sec. 21. The court is authorized to impose, by uniform
11 rules, a fee of \$15 for the filing of a petition in any case in
12 which the award sought is more than \$500 ~~\$50~~ and less than
13 \$10,000 ~~\$1,000~~ and \$35 in any case in which the award sought is
14 \$10,000 ~~\$1,000~~ or more; and to charge and collect for copies of
15 opinions or other documents filed in the Court of Claims such
16 fees as may be prescribed by the rules of the Court. All fees
17 and charges so collected shall be forthwith paid into the
18 State Treasury. For claims arising from paragraph (b) of
19 Section 8 of this Act, when the Court rules in favor of the
20 vendor, the filing fee shall be refunded to the claimant.

21 A petitioner who is a prisoner in an Illinois Department
22 of Corrections facility who files a pleading, motion, or other
23 filing that purports to be a legal document against the State,
24 the Illinois Department of Corrections, the Prisoner Review
25 Board, or any of their officers or employees in which the court

1 makes a specific finding that it is frivolous shall pay all
2 filing fees and court costs in the manner provided in Article
3 XXII of the Code of Civil Procedure.

4 In claims based upon lapsed appropriations or lost warrant
5 or in claims filed under the Line of Duty Compensation Act, the
6 Illinois National Guardsman's Compensation Act, or the Crime
7 Victims Compensation Act or in claims filed by medical vendors
8 for medical services rendered by the claimant to persons
9 eligible for Medical Assistance under programs administered by
10 the Department of Healthcare and Family Services, no filing
11 fee shall be required.

12 (Source: P.A. 95-331, eff. 8-21-07.)

13 (705 ILCS 505/22) (from Ch. 37, par. 439.22)

14 Sec. 22. Every claim cognizable by the court and not
15 otherwise sooner barred by law shall be forever barred from
16 prosecution therein unless it is filed with the clerk of the
17 court within the time set forth as follows:

18 (a) All claims arising out of a contract must be filed
19 within 5 years after it first accrues, saving to minors,
20 and persons under legal disability at the time the claim
21 accrues, in which cases the claim must be filed within 5
22 years from the time the disability ceases.

23 (b) All claims cognizable against the State by vendors
24 of goods or services under the Illinois Public Aid Code
25 must be filed within one year after the accrual of the

1 cause of action, as provided in Section 11-13 of that
2 Code.

3 (c) All claims arising under paragraph (c) of Section
4 8 of this Act must be automatically heard by the court
5 within 120 days after the person asserting such claim is
6 either issued a certificate of innocence from the circuit
7 court as provided in Section 2-702 of the Code of Civil
8 Procedure, or is granted a pardon by the Governor,
9 whichever occurs later, without the person asserting the
10 claim being required to file a petition under Section 11
11 of this Act, except as otherwise provided by the Crime
12 Victims Compensation Act. Any claims filed by the claimant
13 under paragraph (c) of Section 8 of this Act must be filed
14 within 2 years after the person asserting such claim is
15 either issued a certificate of innocence as provided in
16 Section 2-702 of the Code of Civil Procedure, or is
17 granted a pardon by the Governor, whichever occurs later.

18 (d) All claims arising under paragraph (f) of Section
19 8 of this Act must be filed within the time set forth in
20 Section 3 of the Line of Duty Compensation Act.

21 (e) All claims arising under paragraph (h) of Section
22 8 of this Act must be filed within one year of the date of
23 the death of the guardsman or militiaman as provided in
24 Section 3 of the Illinois National Guardsman's
25 Compensation Act.

26 (f) All claims arising under paragraph (g) of Section

1 8 of this Act must be filed within one year of the crime on
2 which a claim is based as provided in Section 6.1 of the
3 Crime Victims Compensation Act.

4 (g) All claims arising from the Comptroller's refusal
5 to issue a replacement warrant pursuant to Section 10.10
6 of the State Comptroller Act must be filed within 5 years
7 after the date of the Comptroller's refusal.

8 (h) All other claims must be filed within 2 years
9 after it first accrues, saving to minors, and persons
10 under legal disability at the time the claim accrues, in
11 which case the claim must be filed within 2 years from the
12 time the disability ceases.

13 (i) The changes made by Public Act 86-458 apply to all
14 warrants issued within the 5-year period preceding August
15 31, 1989 (the effective date of Public Act 86-458). The
16 changes made to this Section by Public Act 100-1124 apply
17 to claims pending on November 27, 2018 (the effective date
18 of Public Act 100-1124) and to claims filed thereafter.

19 (j) All time limitations established under this Act
20 and the rules promulgated under this Act shall be binding
21 and jurisdictional, except upon extension authorized by
22 law or rule and granted pursuant to a motion timely filed.

23 (k) The Court must electronically confirm receipt of claim
24 to the vendor within 30 days for all claims arising under
25 paragraph (b) of Section 8 of this Act.

26 (1) The State agency must electronically confirm or

1 reject all claims arising under paragraph (b) of Section 8
2 of this Act within 30 days of being contacted by the
3 Attorney General. If the state agency does not confirm or
4 reject a claim within 30 days, the State agency forfeits
5 the right to reject or contest the claim.

6 (2) The Comptroller must issue payment to vendors
7 within 30 days of the Court entering an award for claims
8 arising under paragraph (b) of Section 8 of this Act,
9 subject to available appropriation.

10 (Source: P.A. 102-558, eff. 8-20-21; 102-813, eff. 5-13-22.)

11 (705 ILCS 505/23) (from Ch. 37, par. 439.23)

12 Sec. 23. Notwithstanding the exceptions for lapsed
13 appropriations as stipulated by 705 ILCS 505/8(b), it ~~it~~ is
14 the policy of the General Assembly to make no appropriation to
15 pay any claim against the State, cognizable by the court,
16 unless an award therefor has been made by the court.

17 (Source: Laws 1945, p. 660.)

18 (705 ILCS 505/24) (from Ch. 37, par. 439.24)

19 Sec. 24. Payment of awards.

20 (1) From funds appropriated by the General Assembly for
21 the purposes of this Section the Court may direct immediate
22 payment of:

23 (a) All claims arising solely as a result of the
24 lapsing of an appropriation out of which the obligation

1 could have been paid.

2 (b) All claims pursuant to the Line of Duty
3 Compensation Act.

4 (c) All claims pursuant to the "Illinois National
5 Guardsman's and Naval Militiaman's Compensation Act",
6 approved August 12, 1971, as amended.

7 (d) All claims pursuant to the "Crime Victims
8 Compensation Act", approved August 23, 1973, as amended.

9 (d-5) All claims against the State for unjust
10 imprisonment as provided in subsection (c) of Section 8 of
11 this Act.

12 (e) All other claims wherein the amount of the award
13 of the Court is less than \$50,000.

14 (2) The court may, from funds specifically appropriated
15 from the General Revenue Fund for this purpose, direct the
16 payment of awards less than \$100,000 ~~\$50,000~~ solely as a
17 result of the lapsing of an appropriation originally made from
18 any fund held by the State Treasurer. For any such award paid
19 from the General Revenue Fund, the court shall thereafter seek
20 an appropriation from the fund from which the liability
21 originally accrued in reimbursement of the General Revenue
22 Fund. For awards that are less than \$2,500, the relevant State
23 agency may pay from current year appropriations.

24 (3) In directing payment of a claim pursuant to the Line of
25 Duty Compensation Act, the Court must direct the Comptroller
26 to add an interest penalty if payment of a claim is not made

1 within 6 months after a claim is filed in accordance with
2 Section 3 of the Line of Duty Compensation Act and all
3 information has been submitted as required under Section 4 of
4 the Line of Duty Compensation Act. If payment is not issued
5 within the 6-month period, an interest penalty of 1% of the
6 amount of the award shall be added for each month or fraction
7 thereof after the end of the 6-month period, until final
8 payment is made. This interest penalty shall be added
9 regardless of whether the payment is not issued within the
10 6-month period because of the appropriation process, the
11 consideration of the matter by the Court, or any other reason.

12 (3.5) The interest penalty payment provided for in
13 subsection (3) shall be added to all claims for which benefits
14 were not paid as of the effective date of P.A. 95-928. The
15 interest penalty shall be calculated starting from the
16 effective date of P.A. 95-928, provided that the effective
17 date of P.A. 95-928 is at least 6 months after the date on
18 which the claim was filed in accordance with Section 3 of the
19 Line of Duty Compensation Act. In the event that the date 6
20 months after the date on which the claim was filed is later
21 than the effective date of P.A. 95-928, the Court shall
22 calculate the interest payment penalty starting from the date
23 6 months after the date on which the claim was filed in
24 accordance with Section 3 of the Line of Duty Compensation
25 Act. This subsection (3.5) of this amendatory Act of the 96th
26 General Assembly is declarative of existing law.

1 (3.6) In addition to the interest payments provided for in
2 subsections (3) and (3.5), the Court shall direct the
3 Comptroller to add a "catch-up" payment to the claims of
4 eligible claimants. For the purposes of this subsection (3.6),
5 an "eligible claimant" is a claimant whose claim is not paid in
6 the year in which it was filed. For purposes of this subsection
7 (3.6), "'catch-up' payment" is defined as the difference
8 between the amount paid to claimants whose claims were filed
9 in the year in which the eligible claimant's claim is paid and
10 the amount paid to claimants whose claims were filed in the
11 year in which the eligible claimant filed his or her claim. The
12 "catch-up" payment is payable simultaneously with the claim
13 award.

14 (4) From funds appropriated by the General Assembly for
15 the purposes of paying claims under paragraph (c) of Section
16 8, the court must direct payment of each claim and the payment
17 must be received by the claimant within 60 days after the date
18 that the funds are appropriated for that purpose.

19 (Source: P.A. 100-1124, eff. 11-27-18.)

1 INDEX
2 Statutes amended in order of appearance

3	15 ILCS 405/9	from Ch. 15, par. 209
4	15 ILCS 405/9.03	from Ch. 15, par. 209.03
5	30 ILCS 105/25	from Ch. 127, par. 161
6	30 ILCS 540/1	from Ch. 127, par. 132.401
7	30 ILCS 540/3-2	
8	30 ILCS 540/3-3	from Ch. 127, par. 132.403-3
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20	30 ILCS 708/125	
21	30 ILCS 708/135 new	
22	705 ILCS 505/4	from Ch. 37, par. 439.4
23	705 ILCS 505/6	from Ch. 37, par. 439.6
24	705 ILCS 505/8	from Ch. 37, par. 439.8
25	705 ILCS 505/9	from Ch. 37, par. 439.9

- 1 705 ILCS 505/11 from Ch. 37, par. 439.11
- 2 705 ILCS 505/19 from Ch. 37, par. 439.19
- 3 705 ILCS 505/21 from Ch. 37, par. 439.21
- 4 705 ILCS 505/22 from Ch. 37, par. 439.22
- 5 705 ILCS 505/23 from Ch. 37, par. 439.23
- 6 705 ILCS 505/24 from Ch. 37, par. 439.24