

1 AN ACT concerning civil law.

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

4 Section 5. The Illinois State Collection Act of 1986 is  
5 amended by adding Section 10.3 and 10.4 as follows:

6 (30 ILCS 210/10.3 new)

7 Sec. 10.3. Five-year limitation. Except in the case of  
8 fraud, if a State agency fails to provide a debtor with written  
9 notice and a demand for payment of any debt, accounts, or  
10 claims owed to the State agency with 5 years of when the State  
11 agency's right to collect the debt first accrued, then the  
12 State agency is barred from attempting to collect such debt,  
13 accounts, or claims owed to it by the debtor. This Section does  
14 not apply to taxes, fines, or fees.

15 (30 ILCS 210/10.4 new)

16 Sec. 10.4. Ten-year limitation. When a State agency is  
17 attempting to collect outstanding health benefits premiums  
18 from a covered employee who was reinstated to employment  
19 status after a grievance resolution, the State agency shall  
20 provide the employee with a written notice and demand for  
21 payment of the premiums within 10 years of when the State  
22 agency's right to collect the premiums first accrued.

1 Otherwise, the State agency is barred from attempting to  
2 collect such premiums.

3 Section 10. The Code of Civil Procedure is amended by  
4 changing Section 13-205 as follows:

5 (735 ILCS 5/13-205) (from Ch. 110, par. 13-205)

6 Sec. 13-205. Five year limitation.

7 (a) Except as provided in Section 2-725 of the "Uniform  
8 Commercial Code", approved July 31, 1961, as amended, and  
9 Section 11-13 of "The Illinois Public Aid Code", approved  
10 April 11, 1967, as amended, actions on unwritten contracts,  
11 expressed or implied, or on awards of arbitration, or to  
12 recover damages for an injury done to property, real or  
13 personal, or to recover the possession of personal property or  
14 damages for the detention or conversion thereof, and all civil  
15 actions not otherwise provided for, shall be commenced within  
16 5 years next after the cause of action accrued.

17 (b) Except in the case of fraud or where facts material to  
18 the State agency's right to collect the debt were not known nor  
19 could reasonably have been known by the State agency's  
20 official charged with the responsibility to discover and  
21 collect the debt, an action by a State agency may not be  
22 conducted more than 5 years after the State agency's right to  
23 collect the debt first accrued. This subsection does not apply  
24 to taxes, fines, or fees.

1 (Source: P.A. 82-280.)