

1 AN ACT in relation to debt collection.

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

4 Section 1. Short title. This Act may be cited as the
5 State Loan Act.

6 Section 5. Definitions. As used in this Act:

7 "State loan" means any loan of \$50,000 or more made by
8 the State of Illinois or any State agency to any person for
9 any purpose.

10 "State agencies" has the meaning ascribed to that term in
11 Section 1-7 of the Illinois State Auditing Act, except that
12 "State agencies" does not include the Department of Revenue.

13 "Person" means any individual, corporation, partnership,
14 unincorporated association, limited liability company,
15 limited liability partnership, or other entity.

16 "Designated individuals" means:

17 (i) In the case of a partnership, all general and
18 limited partners of the partnership.

19 (ii) In the case of a corporation, all shareholders
20 with 10% or more equity or ownership interest in the
21 corporation.

22 (iii) In the case of one or more individuals, all
23 of the individuals.

24 (iv) In the case of any other entity, all
25 individuals with any equity or ownership interest in the
26 entity.

27 Section 10. Disclosure. Before any State loan may be
28 made to any person or renewed (and before repayment of any
29 part of a State loan may be forgiven or renegotiated), the
30 names and addresses of each designated individual of the

1 person must be disclosed and made public.

2 Section 15. Guarantee. Before any State loan may be
3 made to any person or renewed or renegotiated, each
4 designated individual of the person must personally guarantee
5 repayment of the loan. A guarantee remains in effect until
6 the loan has been repaid in full. A guarantee may not be
7 rescinded or abrogated under any circumstances. Any
8 agreement that purports to rescind or abrogate a guarantee is
9 null and void.

10 Section 20. Certain contracts prohibited. No State
11 agency may enter into any contract with any person if the
12 person or any designated individual of the person is in
13 default on any State loan.

14 Section 25. Disclosure of contributions. No State loan
15 may be made or renewed, nor may repayment of any part of a
16 State loan be forgiven or renegotiated, unless each
17 designated individual of the person with which the State
18 loan, renewal, forgiveness, or renegotiation is proposed to
19 be made has publicly disclosed all contributions made by the
20 designated individual in the past 5 years. As used in this
21 Act, "contribution" includes any contribution as defined in
22 Section 9-1.4 of the Election Code and any contribution to a
23 political committee. As used in this Act, "political
24 committee" has the meaning ascribed to that term in Section
25 9-1.9 of the Election Code.

26 Section 30. Default; Attorney General investigation. In
27 the case of any default on a State loan, the State agency
28 making the loan shall notify the Attorney General. The
29 Attorney General shall investigate the circumstances of the
30 default. Unless the Attorney General determines that the

1 loan is uncollectible, the Attorney General shall take
2 appropriate action to collect any amount owing to the State
3 and enforce the State's rights under the loan agreement.

4 Section 35. Uncollected State Claims Act. Any
5 renegotiation or forgiveness of a State loan must be in
6 compliance with the provisions of the Uncollected State
7 Claims Act and the Illinois State Collection Act of 1986
8 regarding reporting and recording of debt collections and the
9 writing off of debts.

10 Section 40. Report.

11 The Attorney General shall report to the General Assembly
12 by February 1 of each year the following:

- 13 (1) the total number and dollar amount of loans about
- 14 which the Attorney General was notified in accordance with
- 15 this Act in the preceding calendar year;
- 16 (2) the total amount actually collected;
- 17 (3) the number of cases by agency; and
- 18 (4) the names and addresses of all designated
- 19 individuals of any person that is a party to a State loan
- 20 about which the Attorney General was notified in accordance
- 21 with this Act in the preceding calendar year.

22 Section 103. The Illinois Department of Revenue Sunshine
23 Act is amended by adding Section 2.4 as follows:

24 (20 ILCS 2515/2.4 new)

25 Sec. 2.4. Public list of delinquent State taxes.

26 (a) The Director may annually disclose a list of all
27 taxpayers, including but not limited to individuals, trusts,
28 partnerships, corporations, and other taxable entities, that
29 are delinquent in the payment of tax liabilities collected by
30 the Department. The list shall include only those taxpayers

1 with total final liabilities for all taxes collected by the
2 Department (including penalties and interest) in an amount
3 greater than \$10,000 (or such greater amount as established
4 by the Department by rule) for a period of 6 months (or such
5 longer period as established by the Department by rule) from
6 the time that the taxes were assessed or became final, as
7 provided in the statute imposing the tax. The list shall
8 contain the name, address, types of taxes, month and year in
9 which each tax liability was assessed or became final, the
10 amount of each tax outstanding of each delinquent taxpayer,
11 and, in the case of a corporate taxpayer, the name of the
12 current president of record of the corporation.

13 (b) At least 90 days before the disclosure of the name
14 of any delinquent taxpayer prescribed in subsection (a), the
15 Director shall mail a written notice to each delinquent
16 taxpayer by certified mail addressed to the delinquent
17 taxpayer at his or her last or usual place of business or
18 abode detailing the amount and nature of the delinquency and
19 the intended disclosure of the delinquency. If the
20 delinquent tax has not been paid 60 days after the notice was
21 delivered or the Department has been notified that delivery
22 was refused or unclaimed, and the taxpayer has not, since the
23 mailing of the notice, either entered into a written
24 agreement with the Department for payment of the delinquency
25 or corrected a default in an existing agreement to the
26 satisfaction of the Director, the Director may disclose the
27 tax in the list of delinquent taxpayers.

28 (c) Unpaid taxes shall not be deemed to be delinquent
29 and subject to disclosure if (i) a written agreement for
30 payment exists without default between the taxpayer and the
31 Department or (ii) the tax liability is the subject of an
32 administrative hearing, administrative review, or judicial
33 review.

34 (d) The list shall be available for public inspection at

1 the Department or by other means of publication, including
2 the Internet.

3 (e) The Department shall prescribe reasonable rules for
4 the administration and implementation of this Section.

5 (f) Any disclosure made by the Director in a good faith
6 effort to comply with this Section shall not be considered a
7 violation of any statute prohibiting disclosure of taxpayer
8 information.

9 Section 105. The State Finance Act is amended by adding
10 Section 5.595 as follows:

11 (30 ILCS 105/5.595 new)

12 Sec. 5.595. The Debt Collection Fund.

13 Section 110. The Uncollected State Claims Act is amended
14 by changing Section 2 as follows:

15 (30 ILCS 205/2) (from Ch. 15, par. 102)

16 Sec. 2. Uncollectible debts; assignment of student
17 loans; annual reports.

18 (a) When any State agency is unable to collect any claim
19 or account receivable of \$1,000 or more due the agency after
20 having pursued the procedure prescribed by law or applicable
21 rules and regulations for the collection thereof or, if no
22 procedure is so prescribed, then after having undertaken all
23 reasonable and appropriate procedures available to the agency
24 to effectuate collection, the State agency shall request the
25 Attorney General to certify the claim or account receivable
26 to be uncollectible.

27 (b) Each request to the Attorney General asking that a
28 claim or account receivable of \$1,000 or more be declared
29 uncollectible shall be in a format prescribed by the Attorney
30 General and shall include at a minimum the following

1 information: debtor's name, debtor's social security number
2 or comparable identifying number, debtor's last known
3 address, nature of the debt, efforts made to collect the debt
4 and the time period covered by those efforts, the age of the
5 debt, the age of the debtor and the specific reason the State
6 agency believes the debt to be uncollectible. Nothing in
7 this provision should be interpreted as a limitation on the
8 authority of the Attorney General to require additional
9 information that he may find to be necessary to evaluate
10 requests sent him pursuant to this provision.

11 (c) Claims or accounts receivable of less than \$1,000
12 may be certified as uncollectible by the agency when the
13 agency determines that further collection efforts are not in
14 the best economic interest of the State. Such determination
15 shall be made in accordance with rules of the Comptroller.

16 (d) If any item of information required by this
17 provision or any item of additional information required by
18 the Attorney General is not available, the State agency shall
19 specifically so state in its request to the Attorney General
20 asking that the debt be declared uncollectible.

21 (e) A State agency participating in a federal student
22 loan program may remove student loans from its records by
23 assigning or referring such student loans to the federal
24 government for collection pursuant to the procedures
25 prescribed by federal laws and regulations.

26 (f) Claims and receivables due from another State agency
27 may be written off if the agency has pursued all reasonable
28 means of collection and if the amount (1) is payable from an
29 appropriation which has lapsed; (2) may not properly be
30 charged against a current appropriation; and (3) was not
31 originally payable from federal funds, a trust fund or
32 locally held funds. Each agency which writes off claims or
33 receivables pursuant to this subparagraph shall submit a
34 listing of all such write-offs to the Comptroller within 60

1 days of taking such action.

2 (g) Debts certified as uncollectible may be reopened for
3 collection by an agency upon the approval of the Attorney
4 General.

5 (h) Agencies shall submit a list of debts certified as
6 uncollectible to the Comptroller in the form and manner
7 specified by the Comptroller. The Comptroller shall take
8 reasonable steps to accept information on agency computer
9 tapes.

10 (i) After compliance with all provisions of this
11 Section, an agency may delete from its records debts
12 certified as uncollectible as follows:

13 (1) When the debt is less than \$1,000, immediately
14 upon certification by the agency;

15 (2) For debts of \$1,000 or more that are less than
16 5 years old, when the agency determines pursuant to rules
17 and regulations promulgated by the Comptroller that such
18 deletion is in the best economic interest of the State;

19 (3) For debts of \$1,000 or more when, the debt is
20 more than 5 years old.

21 (j) The Attorney General shall report to the General
22 Assembly by February 1 of each year the following:

23 (1) the total number and dollar amount of debts
24 referred to him for collection in the preceding calendar
25 year;

26 (2) the total amount actually collected;

27 (3) the number of cases by agency.

28 (k) Each State agency shall report in its annual report
29 the total amount and the number of claims due and payable to
30 the State. Each agency shall also describe in its annual
31 report the method used in collecting debts, whether by a
32 private collection service or by the Attorney General.

33 (l) The provisions of Section 2505-250 of the Department
34 of Revenue Law (20 ILCS 2505/2505-250) take precedence over

1 the provisions of this Section.

2 (m) Any renegotiation or forgiveness of a State loan to
3 which the State Loan Act applies must be in compliance with
4 the provisions of this Act regarding reporting and recording
5 of debt collections and the writing off of debts.

6 (Source: P.A. 91-239, eff. 1-1-00.)

7 Section 115. The Illinois State Collection Act of 1986
8 is amended by changing Sections 2, 4, 5, 6, 7, and 8 and
9 adding Section 10 as follows:

10 (30 ILCS 210/2) (from Ch. 15, par. 152)

11 Sec. 2. Scope of the Act. This Act applies to all
12 accounts or claims owed to "State agencies", as that term is
13 defined in the Illinois State Auditing Act, except that the
14 debt collection and write-off provisions of this Act shall
15 not apply to the Illinois State Scholarship Commission in the
16 administration of its student loan programs. To the extent
17 that some other statute prescribes procedures for collection
18 of particular types of accounts or claims owed to State
19 agencies in conflict with the provisions of this Act, such
20 other statute shall continue in full force and effect. The
21 debt collection and write-off provisions of this Act may be
22 utilized by the General Assembly, the Supreme Court and the
23 several courts of this State, and the constitutionally
24 elected State Officers, at their discretion, except that
25 Section 10 applies to all State agencies unless otherwise
26 specified in that Section. However reporting requirements
27 established by the comptroller shall be followed by all State
28 agencies. The provisions of this Act shall be utilized at
29 all times by all departments, agencies, divisions, and
30 offices under the jurisdiction of the Governor.

31 (Source: P.A. 85-814.)

1 (30 ILCS 210/4) (from Ch. 15, par. 154)

2 Sec. 4. Comptroller; rules; reports.

3 (a) The Comptroller shall provide by rule appropriate
4 procedures for State agencies to follow in establishing and
5 recording within the State accounting system records of
6 amounts owed to the State of Illinois. The rules of the
7 Comptroller shall include, but are not limited to:

8 (1) the manner by which State agencies shall
9 recognize debts;

10 (2) systems to age accounts receivable of State
11 agencies;

12 (3) standards by which State agencies' claims may
13 be entered and removed from the Comptroller's Offset
14 System authorized by Section 10.05 of the State
15 Comptroller Act;

16 (4) accounting procedures for estimating the amount
17 of uncollectible receivables of State agencies; and

18 (5) accounting procedures for writing off bad debts
19 and uncollectible claims, subject to the requirement of
20 Section 10 that debts more than 90 days overdue be turned
21 over to the Debt Collection Unit of the Auditor General's
22 Office.

23 (b) State agencies shall report to the Comptroller
24 information concerning their accounts receivable and
25 uncollectible claims in accordance with the rules of the
26 Comptroller, which may provide for summary reporting.

27 (c) The rules of the Comptroller authorized by this
28 Section may specify varying procedures and forms of reporting
29 dependent upon the nature and amount of the account
30 receivable or uncollectible claim, the age of the debt, the
31 probability of collection and such other factors that will
32 increase the net benefit to the State of the collection
33 effort.

34 (d) The Comptroller shall report annually by March 14,

1 to the Governor and the General Assembly, the amount of all
2 delinquent debt owed to each State agency as of December 31
3 of the previous calendar year.

4 (e) Any renegotiation or forgiveness of a State loan to
5 which the State Loan Act applies must be in compliance with
6 the provisions of this Act regarding reporting and recording
7 of debt collections and the writing off of debts.

8 (Source: P.A. 86-515.)

9 (30 ILCS 210/5) (from Ch. 15, par. 155)

10 Sec. 5. Rules; payment plans; offsets.

11 (a) State agencies shall adopt rules establishing formal
12 due dates for amounts owing to the State, until July 1, 2004,
13 and for the referral of seriously past due accounts to
14 private collection agencies, unless otherwise expressly
15 provided by law or rule. Such procedures shall be
16 established in accord with sound business practices.

17 (b) Until July 1, 2004, agencies may enter deferred
18 payment plans for debtors of the agency and documentation of
19 this fact retained by the agency, where the deferred payment
20 plan is likely to increase the net amount collected by the
21 State.

22 (c) State agencies may use the Comptroller's Offset
23 System provided in Section 10.05 of the State Comptroller Act
24 for the collection of debts owed to the agency. Until July
25 1, 2004, all debts that exceed \$1,000 and are more than 90
26 days past due shall be placed in the Comptroller's Offset
27 System, unless the State agency shall have entered into a
28 deferred payment plan or demonstrates to the Comptroller's
29 satisfaction that referral for offset is not cost effective.

30 (d) State agencies shall develop internal procedures
31 whereby agency initiated payments to its debtors may be
32 offset without referral to the Comptroller's Offset System.

33 (e) State agencies or the Comptroller may remove claims

1 from the Comptroller's Offset System, where such claims have
2 been inactive for more than one year.

3 (f) State agencies may use the Comptroller's Offset
4 System to determine if any State agency is attempting to
5 collect debt from a contractor, bidder, or other proposed
6 contracting party.

7 (g) Beginning July 1, 2004, State agencies other than
8 universities shall determine that a debt is uncollectible in
9 accordance with rules adopted by the Auditor General under
10 Section 10 and shall turn over to the Debt Collection Unit of
11 the Auditor General's Office any debt that is more than 90
12 days overdue to the State. Beginning July 1, 2004,
13 universities may determine that a debt is uncollectible in
14 accordance with rules adopted by the Auditor General under
15 Section 10 and may turn over to the Debt Collection Unit of
16 the Auditor General's Office any debt that is more than 90
17 days overdue to the State. The Department of Revenue is
18 exempt from this subsection with regard to debts the
19 confidentiality of which the Department of Revenue is
20 required by law to maintain.

21 (Source: P.A. 92-404, eff. 7-1-02.)

22 (30 ILCS 210/6) (from Ch. 15, par. 156)

23 Sec. 6. Accounts Receivable Funds. The Comptroller with
24 the approval of the Governor may provide by rule and
25 regulation for the creation of a special fund or funds for
26 the deposit of designated receipts by designated agencies to
27 be known as the Accounts Receivable Fund or Funds. Deposits
28 shall be segregated by the creditor agency. No deposit shall
29 be made unless the collection is of an account receivable
30 more than 120 days past due.

31 Seventy-five percent of the amounts deposited each
32 quarter into such a special fund shall be transferred to the
33 General Revenue Fund or such other fund that would have

1 originally received the receipts. The remaining amounts may
2 be used by the creditor agency for collecting overdue
3 accounts pursuant to appropriation by the General Assembly.

4 An agency, with the approval of the Comptroller, may
5 deposit all receipts into the General Revenue Fund or other
6 such fund that would have originally received the receipts.
7 Twenty-five percent of such deposits made each quarter for
8 accounts receivable more than 120 days past due shall be
9 transferred to the Accounts Receivable Fund or Funds. The
10 transferred amounts may be used by the creditor agency for
11 collecting overdue accounts pursuant to appropriation by the
12 General Assembly.

13 In determining the types of receipts to be deposited
14 pursuant to this Section the Comptroller and the Governor
15 shall consider the following factors:

16 (1) The percentage of such receipts estimated to be
17 uncollectible by the creditor agency;

18 (2) The percentage of such receipts certified as
19 uncollectible by the Attorney General;

20 (3) The potential increase in future receipts, as
21 estimated by the creditor agency, if 25% of amounts collected
22 are retained for collection efforts;

23 (4) The impact of the retention of 25% of receipts on
24 the relevant fund balances; and

25 (5) Such other factors as the Comptroller and the
26 Governor deem relevant.

27 This Section shall not apply to the Department of Revenue
28 nor the Department of Employment Security.

29 This Section is repealed July 1, 2004. On that date any
30 moneys in the Accounts Receivable Funds created under this
31 Section shall be transferred into the General Revenue Fund.

32 (Source: P.A. 86-194.)

33 (30 ILCS 210/7) (from Ch. 15, par. 157)

1 Sec. 7. Contracts for legal and collection assistance.

2 Upon agreement of the Attorney General, agencies may contract
3 for legal assistance in collecting past due accounts. In
4 addition, agencies may contract for collection assistance
5 where such assistance is determined by the agency to be in
6 the best economic interest of the State. Agencies may
7 utilize monies in the Accounts Receivable Fund to pay for
8 such legal and collection assistance; provided, however, that
9 no more than 20% of collections on an account may be paid
10 from the Accounts Receivable Fund as compensation for legal
11 and collection assistance on that account. If the amount
12 available for expenditure from the Accounts Receivable Fund
13 is insufficient to pay the cost of such services, the
14 difference, up to 40% of the total collections per account,
15 may be paid from other monies which may be available to the
16 Agency.

17 This Section is repealed July 1, 2004. Any contract
18 entered into under this Section before that date shall remain
19 valid but may not be renewed.

20 (Source: P.A. 85-814.)

21 (30 ILCS 210/8) (from Ch. 15, par. 158)

22 Sec. 8. Debt Collection Board. There is created a Debt
23 Collection Board consisting of the Director of Central
24 Management Services as chairman, the State Comptroller, and
25 the Attorney General, or their respective designees. The
26 Board shall establish a centralized collections service to
27 undertake further collection efforts on delinquent accounts
28 or claims of the State which have not been collected through
29 the reasonable efforts of the respective State agencies.
30 The Board shall promulgate rules and regulations pursuant to
31 the Illinois Administrative Procedure Act with regard to the
32 establishment of timetables and the assumption of
33 responsibility for agency accounts receivable that have not

1 been collected by the agency, are not subject to a current
2 repayment plan, or have not been certified as uncollectible
3 as of the date specified by the Board. The Board shall make
4 a final evaluation of those accounts and either (i) direct or
5 conduct further collection activities when further collection
6 efforts are in the best economic interest of the State or
7 (ii) in accordance with Section 2 of the Uncollected State
8 Claims Act, certify the receivable as uncollectible or submit
9 the account to the Attorney General for that certification.

10 The Board is empowered to adopt rules and regulations
11 subject to the provisions of the Illinois Administrative
12 Procedure Act.

13 The Board is empowered to enter into one or more
14 contracts with outside vendors with demonstrated capabilities
15 in the area of account collection. The contracts shall be
16 let on the basis of competitive proposals secured from
17 responsible proposers. The Board may require that vendors be
18 prequalified. All contracts shall provide for a contingent
19 fee based on the age, nature, amount and type of delinquent
20 account. The Board may adopt a reasonable classification
21 schedule for the various receivables. The contractor shall
22 remit the amount collected, net of the contingent fee, to the
23 respective State agency which shall deposit the net amount
24 received into the fund that would have received the receipt
25 had it been collected by the State agency. No portion of the
26 collections shall be deposited into an Accounts Receivable
27 Fund established under Section 6 of this Act. The Board
28 shall act only upon the unanimous vote of its members.

29 This Section is repealed July 1, 2004.

30 (Source: P.A. 89-511, eff. 1-1-97.)

31 (30 ILCS 210/10 new)

32 Sec. 10. Debt Collection Unit of the Auditor General's
33 Office.

1 (a) The Auditor General shall establish and maintain a
2 division within his or her office to be known as the Debt
3 Collection Unit. The purpose of the Unit shall be the
4 collection of debts more than 90 days overdue to the State.
5 The Auditor General shall adopt rules for the administration
6 and procedures of the Unit.

7 (b) The Auditor General shall adopt rules for the
8 certification of debt collection specialists to be employed
9 by the Unit.

10 (c) The Auditor General shall adopt rules for
11 determining when a debt owed to a State agency is
12 uncollectible. The rules shall be used by State agencies
13 other than universities beginning July 1, 2004 and may be
14 used by universities beginning July 1, 2004. The Department
15 of Revenue is exempt from those rules with regard to debts
16 the confidentiality of which the Department of Revenue is
17 required by law to maintain. The Auditor General may contract
18 with private collection entities and attorneys to pursue
19 collection of a debt determined to be uncollectible.

20 (d) Beginning July 1, 2004, a State agency other than a
21 university shall turn over, and a university may turn over,
22 to the Unit for collection any debt that is more than 90 days
23 overdue to the State. The Department of Revenue is exempt
24 from turning over to the Unit any debt the confidentiality of
25 which the Department of Revenue is required by law to
26 maintain. When turning over a debt, the State agency shall
27 also turn over all documents and records relating to the
28 debt. In collecting a debt, the Unit may exercise the same
29 rights and powers with regard to debt collection possessed by
30 the State agency that turned over the debt to the Unit.

31 (e) The Debt Collection Fund is created as a special
32 fund in the State treasury. Ten percent of the amount
33 collected on each debt by the Unit shall be deposited into
34 the Debt Collection Fund; the remaining 90% of the amount

1 collected shall be deposited into the appropriate State fund
 2 or funds to which the debt was owed. Moneys in the Debt
 3 Collection Fund shall be appropriated only for the
 4 administrative costs of the Unit. At the end of each fiscal
 5 year, moneys remaining unappropriated in the Debt Collection
 6 Fund shall be transferred into the General Revenue Fund.

7 (f) The Attorney General and State Comptroller shall
 8 assist in the debt collection efforts of the Unit as
 9 requested by the Unit.

10 (g) The Auditor General shall report semi-annually to
 11 the General Assembly and State Comptroller upon the debt
 12 collection efforts of the Unit. Each report shall include an
 13 analysis of the overdue debts owed to the State.

14 Section 180. The Illinois Public Aid Code is amended by
 15 adding Section 10-10.6 as follows:

16 (305 ILCS 5/10-10.6 new)

17 Sec. 10-10.6. Tracking income and assets of obligors.

18 (a) A transfer made by an obligor is fraudulent as to an
 19 obligee if the obligor made the transfer:

20 (1) with actual intent to hinder, delay, or defraud
 21 any obligee of the obligor; or

22 (2) without receiving a reasonably equivalent value
 23 in exchange for the transfer.

24 (b) In determining actual intent under paragraph (1) of
 25 subsection (a), consideration may be given, among other
 26 factors, to whether:

27 (1) the transfer was to an insider;

28 (2) the obligor retained possession or control of
 29 the property transferred after the transfer;

30 (3) the transfer was disclosed or concealed;

31 (4) before the transfer was made, the obligor had
 32 been sued or threatened with suit;

1 (5) the transfer was of substantially all the
2 obligor's assets;

3 (6) the obligor absconded;

4 (7) the obligor removed or concealed assets;

5 (8) the value of the consideration received by the
6 obligor was reasonably equivalent to the value of the
7 asset transferred;

8 (9) the obligor was insolvent or became insolvent
9 shortly after the transfer was made;

10 (10) the transfer occurred shortly before or
11 shortly after a substantial debt was incurred; and

12 (11) the obligor transferred the essential assets
13 of a business to a lienor who transferred the assets to
14 an insider of the obligor.

15 (c) In an action for relief against a transfer by a
16 child support obligor under this Act, the State's Attorney,
17 on behalf of a child support obligee, may obtain:

18 (1) avoidance of the transfer to the extent
19 necessary to satisfy the obligee's claim;

20 (2) an attachment or other provisional remedy
21 against the asset transferred or other property of the
22 transferee in accordance with the procedure prescribed by
23 the Code of Civil Procedure;

24 (3) subject to applicable principles of equity and
25 in accordance with applicable rules of civil procedure:

26 (A) an injunction against further disposition
27 by the obligor or a transferee, or both, of the
28 asset transferred or of other property;

29 (B) appointment of a receiver to take charge
30 of the asset transferred or of other property of the
31 transferee; or

32 (C) any other relief the circumstances may
33 require.

34 (d) If an obligee has obtained a judgment on a claim

1 against the obligor, the State's Attorney, if the court so
2 orders, may levy execution on the asset transferred or its
3 proceeds.

4 Section 185. The Illinois Marriage and Dissolution of
5 Marriage Act is amended by adding Sections 505.4, 714, and
6 715 as follows:

7 (750 ILCS 5/505.4 new)

8 Sec. 505.4. Tracking income and assets of obligors.

9 (a) A transfer made by an obligor is fraudulent as to an
10 obligee if the obligor made the transfer:

11 (1) with actual intent to hinder, delay, or defraud
12 any obligee of the obligor; or

13 (2) without receiving a reasonably equivalent value
14 in exchange for the transfer.

15 (b) In determining actual intent under paragraph (1) of
16 subsection (a), consideration may be given, among other
17 factors, to whether:

18 (1) the transfer was to an insider;

19 (2) the obligor retained possession or control of
20 the property transferred after the transfer;

21 (3) the transfer was disclosed or concealed;

22 (4) before the transfer was made, the obligor had
23 been sued or threatened with suit;

24 (5) the transfer was of substantially all the
25 obligor's assets;

26 (6) the obligor absconded;

27 (7) the obligor removed or concealed assets;

28 (8) the value of the consideration received by the
29 obligor was reasonably equivalent to the value of the
30 asset transferred;

31 (9) the obligor was insolvent or became insolvent
32 shortly after the transfer was made;

1 (10) the transfer occurred shortly before or
2 shortly after a substantial debt was incurred; and

3 (11) the obligor transferred the essential assets
4 of a business to a lienor who transferred the assets to
5 an insider of the obligor.

6 (c) In an action for relief against a transfer by a
7 child support obligor under this Act, the State's Attorney,
8 on behalf of a child support obligee, may obtain:

9 (1) avoidance of the transfer to the extent
10 necessary to satisfy the obligee's claim;

11 (2) an attachment or other provisional remedy
12 against the asset transferred or other property of the
13 transferee in accordance with the procedure prescribed by
14 the Code of Civil Procedure;

15 (3) subject to applicable principles of equity and
16 in accordance with applicable rules of civil procedure:

17 (A) an injunction against further disposition
18 by the obligor or a transferee, or both, of the
19 asset transferred or of other property;

20 (B) appointment of a receiver to take charge
21 of the asset transferred or of other property of the
22 transferee; or

23 (C) any other relief the circumstances may
24 require.

25 (d) If an obligee has obtained a judgment on a claim
26 against the obligor, the State's Attorney, if the court so
27 orders, may levy execution on the asset transferred or its
28 proceeds.

29 (750 ILCS 5/714 new)

30 Sec. 714. Willful default on support; penalties. A
31 person who willfully defaults on an order for child support
32 issued by an Illinois court or authorized administrative
33 proceeding may be subject to summary criminal contempt

1 proceedings.

2 In addition to other remedies provided by law regarding
3 the suspension of professional and occupational licenses,
4 recreational licenses, and driver's licenses, the State
5 licensing agency shall have the authority to withhold or
6 suspend, or to restrict the use of driver's licenses,
7 professional and occupational licenses or certificates, and
8 recreational licenses of individuals owing overdue support or
9 failing, after receiving appropriate notice, to comply with
10 subpoenas or warrants relating to paternity or child support
11 proceedings. The suspension shall remain in effect until all
12 defaults on an order for child support are satisfied.

13 This Section applies to an order for child support issued
14 under the Illinois Public Aid Code, the Illinois Marriage and
15 Dissolution of Marriage Act, the Illinois Parentage Act of
16 1984, the Revised Uniform Reciprocal Enforcement of Support
17 Act, and the Uniform Interstate Family Support Act.

18 (750 ILCS 5/715 new)

19 Sec. 715. Information to locate support obligors and
20 putative fathers. The Illinois Department of Public Aid's
21 Child and Spouse Support Unit, the State's Attorney, or any
22 other appropriate State official may request and shall
23 receive from employers, labor unions, telephone companies,
24 and utility companies location information concerning
25 putative fathers and noncustodial parents for the purpose of
26 establishing a child's paternity or establishing, enforcing,
27 or modifying a child support obligation. In this Section,
28 "location information" means information about (i) the
29 physical whereabouts of a putative father or noncustodial
30 parent, (ii) the putative father or noncustodial parent's
31 employer, or (iii) the salary, wages, and other compensation
32 paid and the health insurance coverage provided to the
33 putative father or noncustodial parent by an employer or by a

1 labor union of which the putative father or noncustodial
2 parent is a member.

3 Section 190. The Non-Support Punishment Act is amended
4 by adding Section 67 as follows:

5 (750 ILCS 16/67 new)

6 Sec. 67. Tracking income and assets of obligors.

7 (a) A transfer made by an obligor is fraudulent as to an
8 obligee if the obligor made the transfer:

9 (1) with actual intent to hinder, delay, or defraud
10 any obligee of the obligor; or

11 (2) without receiving a reasonably equivalent value
12 in exchange for the transfer.

13 (b) In determining actual intent under paragraph (1) of
14 subsection (a), consideration may be given, among other
15 factors, to whether:

16 (1) the transfer was to an insider;

17 (2) the obligor retained possession or control of
18 the property transferred after the transfer;

19 (3) the transfer was disclosed or concealed;

20 (4) before the transfer was made, the obligor had
21 been sued or threatened with suit;

22 (5) the transfer was of substantially all the
23 obligor's assets;

24 (6) the obligor absconded;

25 (7) the obligor removed or concealed assets;

26 (8) the value of the consideration received by the
27 obligor was reasonably equivalent to the value of the
28 asset transferred;

29 (9) the obligor was insolvent or became insolvent
30 shortly after the transfer was made;

31 (10) the transfer occurred shortly before or
32 shortly after a substantial debt was incurred; and

1 (11) the obligor transferred the essential assets
2 of a business to a lienor who transferred the assets to
3 an insider of the obligor.

4 (c) In an action for relief against a transfer by a
5 child support obligor under this Act, the State's Attorney,
6 on behalf of a child support obligee, may obtain:

7 (1) avoidance of the transfer to the extent
8 necessary to satisfy the obligee's claim;

9 (2) an attachment or other provisional remedy
10 against the asset transferred or other property of the
11 transferee in accordance with the procedure prescribed by
12 the Code of Civil Procedure;

13 (3) subject to applicable principles of equity and
14 in accordance with applicable rules of civil procedure:

15 (A) an injunction against further disposition
16 by the obligor or a transferee, or both, of the
17 asset transferred or of other property;

18 (B) appointment of a receiver to take charge
19 of the asset transferred or of other property of the
20 transferee; or

21 (C) any other relief the circumstances may
22 require.

23 (d) If an obligee has obtained a judgment on a claim
24 against the obligor, the State's Attorney, if the court so
25 orders, may levy execution on the asset transferred or its
26 proceeds.

27 Section 200. The Uniform Interstate Family Support Act
28 is amended by changing Section 318 as follows:

29 (750 ILCS 22/318)

30 Sec. 318. Assistance with discovery. A tribunal of this
31 State may:

32 (1) request a tribunal of another state to assist in

1 obtaining discovery; and

2 (2) upon request, compel a person over whom it has
3 jurisdiction to respond to a discovery order issued by a
4 tribunal of another state;

5 (3) upon request by a tribunal of another state, issue a
6 subpoena or a subpoena duces tecum (in the case of a
7 tribunal authorized to issue subpoenas) or direct the clerk
8 of the circuit court to issue a subpoena or a subpoena duces
9 tecum (in the case of the circuit court) requiring a person
10 in this State to appear at a deposition or before a tribunal
11 and answer questions or produce documents or other tangible
12 things for the purpose of obtaining information regarding
13 the person's assets, income, and ability to pay a support
14 order or judgment entered in the other state; and

15 (4) request a tribunal of another state to issue or
16 cause to be issued a subpoena or a subpoena duces tecum
17 requiring a person in the other state to appear at a
18 deposition or before a tribunal in that state and answer
19 questions or produce documents or other tangible things for
20 the purpose of obtaining information regarding the person's
21 assets, income, and ability to pay a support order or
22 judgment entered in this State.

23 The clerk of the circuit court shall issue a subpoena or
24 a subpoena duces tecum when directed to do so by the circuit
25 court in accordance with this Section.

26 (Source: P.A. 88-550, eff. date changed from 1-1-95 to 1-1-96
27 by P.A. 88-691.)

28 Section 205. The Illinois Parentage Act of 1984 is
29 amended by adding Section 15.3 as follows:

30 (750 ILCS 45/15.3 new)

31 Sec. 15.3. Tracking income and assets of obligors.

32 (a) A transfer made by an obligor is fraudulent as to an

1 obligee if the obligor made the transfer:

2 (1) with actual intent to hinder, delay, or defraud
3 any obligee of the obligor; or

4 (2) without receiving a reasonably equivalent value
5 in exchange for the transfer.

6 (b) In determining actual intent under paragraph (1) of
7 subsection (a), consideration may be given, among other
8 factors, to whether:

9 (1) the transfer was to an insider;

10 (2) the obligor retained possession or control of
11 the property transferred after the transfer;

12 (3) the transfer was disclosed or concealed;

13 (4) before the transfer was made, the obligor had
14 been sued or threatened with suit;

15 (5) the transfer was of substantially all the
16 obligor's assets;

17 (6) the obligor absconded;

18 (7) the obligor removed or concealed assets;

19 (8) the value of the consideration received by the
20 obligor was reasonably equivalent to the value of the
21 asset transferred;

22 (9) the obligor was insolvent or became insolvent
23 shortly after the transfer was made;

24 (10) the transfer occurred shortly before or
25 shortly after a substantial debt was incurred; and

26 (11) the obligor transferred the essential assets
27 of a business to a lienor who transferred the assets to
28 an insider of the obligor.

29 (c) In an action for relief against a transfer by a
30 child support obligor under this Act, the State's Attorney,
31 on behalf of a child support obligee, may obtain:

32 (1) avoidance of the transfer to the extent
33 necessary to satisfy the obligee's claim;

34 (2) an attachment or other provisional remedy

1 against the asset transferred or other property of the
2 transferee in accordance with the procedure prescribed by
3 the Code of Civil Procedure;

4 (3) subject to applicable principles of equity and
5 in accordance with applicable rules of civil procedure:

6 (A) an injunction against further disposition
7 by the obligor or a transferee, or both, of the
8 asset transferred or of other property;

9 (B) appointment of a receiver to take charge
10 of the asset transferred or of other property of the
11 transferee; or

12 (C) any other relief the circumstances may
13 require.

14 (d) If an obligee has obtained a judgment on a claim
15 against the obligor, the State's Attorney, if the court so
16 orders, may levy execution on the asset transferred or its
17 proceeds.

18 Section 999. Effective date. This Act takes effect upon
19 becoming law.

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- 30 ILCS 105/5.595 new
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- 30 ILCS 210/2 from Ch. 15, par. 152
- 30 ILCS 210/4 from Ch. 15, par. 154
- 30 ILCS 210/5 from Ch. 15, par. 155
- 30 ILCS 210/6 from Ch. 15, par. 156
- 30 ILCS 210/7 from Ch. 15, par. 157
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- 750 ILCS 5/505.4 new
- 750 ILCS 5/714 new
- 750 ILCS 5/715 new
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