## LRB093 10161 BDD 14292 a

- 1 AMENDMENT TO HOUSE BILL 3562
- 2 AMENDMENT NO. \_\_\_\_\_. Amend House Bill 3562 on page 7,
- 3 line 14, by changing "subject to appropriation" to "and
- 4 funded under Section 8 of the Illinois State Collection Act
- 5 of 1986"; and
- on page 7, immediately below line 20, by inserting the
- 7 following:

20

- 8 "Section 96. The Illinois State Collection Act of 1986
- 9 is amended by changing Section 8 as follows:
- 10 (30 ILCS 210/8) (from Ch. 15, par. 158)
- 11 Sec. 8. Debt Collection Board.
- 12 <u>(a)</u> There is created a Debt Collection Board consisting
- of the Director of Central Management Services as chairman,
- 14 the State Comptroller, and the Attorney General, or their
- 15 respective designees. The Board shall establish a
- 16 centralized collections service to undertake further
- 17 collection efforts on delinquent accounts or claims of the
- 18 State which have not been collected through the reasonable
- 19 efforts of the respective State agencies. The Board shall

promulgate rules and regulations pursuant to the Illinois

21 Administrative Procedure Act with regard to the establishment

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

The Board is empowered to adopt rules and regulations 12 subject to the provisions of the Illinois Administrative 13 Procedure Act. 14

Attorney General for that certification.

10

11

15

16

17

18

19

20

21

22

23

24

25

26

27

28

29

30

31

32

33

34

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

(b) After accounts have been certified by the Board or the Attorney General as uncollectible under this Section, the State Comptroller may sell the debts to one or more outside

- 1 private vendors or may enter into one or more contracts with
- 2 <u>outside private vendors for the purpose of pursuing a</u>
- 3 <u>last-call collection effort to collect these debts.</u> All
- 4 <u>contracts</u> with outside private vendors for the purpose of
- 5 pursuing a last-call collection effort to collect the debts
- 6 <u>shall provide for a contingent fee.</u>
- 7 Beginning on the effective date of this amendatory Act of
- 8 <u>the 93rd General Assembly, the outside private vendors shall</u>
- 9 <u>remit to the State Comptroller either (i) all amounts</u>
- 10 <u>collected under a contract, net of any contingent fees, or</u>
- 11 (ii) the purchase price for debts sold. Beginning on the
- 12 <u>effective date of this amendatory Act of the 93rd General</u>
- 13 Assembly, the State Comptroller shall deposit the money
- 14 received under this subsection (b) into the Illinois Economic
- 15 <u>Recovery Fund.</u>
- 16 (Source: P.A. 89-511, eff. 1-1-97.)".