



Rep. Mike Bost

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09700HB1156ham001

LRB097 06161 RLJ 51767 a

1 AMENDMENT TO HOUSE BILL 1156

2 AMENDMENT NO. \_\_\_\_\_. Amend House Bill 1156 by replacing  
3 everything after the enacting clause with the following:

4 "Section 5. The State Prompt Payment Act is amended by  
5 changing Section 3-2 as follows:

6 (30 ILCS 540/3-2)

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

14 (1) Any bill, except a bill submitted under Article V  
15 of the Illinois Public Aid Code, approved for payment under  
16 this Section must be paid or the payment issued to the

1 payee within 60 days of receipt of a proper bill or  
2 invoice. If payment is not issued to the payee within this  
3 60-day ~~60-day~~ period, an interest penalty of 1.0% of any  
4 amount approved and unpaid shall be added for each month or  
5 fraction thereof after the end of this 60-day ~~60-day~~  
6 period, until final payment is made. Any bill, except a  
7 bill for pharmacy or nursing facility services or goods,  
8 submitted under Article V of the Illinois Public Aid Code  
9 approved for payment under this Section must be paid or the  
10 payment issued to the payee within 60 days after receipt of  
11 a proper bill or invoice, and, if payment is not issued to  
12 the payee within this 60-day period, an interest penalty of  
13 2.0% of any amount approved and unpaid shall be added for  
14 each month or fraction thereof after the end of this 60-day  
15 period, until final payment is made. Any bill for pharmacy  
16 or nursing facility services or goods submitted under  
17 Article V of the Illinois Public Aid Code and~~r~~ approved for  
18 payment under this Section must be paid or the payment  
19 issued to the payee within 60 days of receipt of a proper  
20 bill or invoice. If payment is not issued to the payee  
21 within this 60-day ~~60-day~~ period, an interest penalty of  
22 1.0% of any amount approved and unpaid shall be added for  
23 each month or fraction thereof after the end of this 60-day  
24 ~~60-day~~ period, until final payment is made.

25 (1.1) A State agency shall review in a timely manner  
26 each bill or invoice after its receipt. If the State agency

1 determines that the bill or invoice contains a defect  
2 making it unable to process the payment request, the agency  
3 shall notify the vendor requesting payment as soon as  
4 possible after discovering the defect pursuant to rules  
5 promulgated under Section 3-3; provided, however, that the  
6 notice for construction related bills or invoices must be  
7 given not later than 30 days after the bill or invoice was  
8 first submitted. The notice shall identify the defect and  
9 any additional information necessary to correct the  
10 defect. If one or more items on a construction related bill  
11 or invoice are disapproved, but not the entire bill or  
12 invoice, then the portion that is not disapproved shall be  
13 paid.

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

1       again. Interest ~~, except that interest~~ accrued as of the  
2       end of the fiscal year that does not exceed \$50 shall be  
3       payable at that time only if the interest accrued is \$5 or  
4       more. In the event an individual has paid a vendor for  
5       services in advance, the provisions of this Section shall  
6       apply until payment is made to that individual.

7               (3) The provisions of Public Act 96-1501 ~~this~~  
8       ~~amendatory Act of the 96th General Assembly~~ reducing the  
9       interest rate on pharmacy claims under Article V of the  
10       Illinois Public Aid Code to 1.0% per month shall apply to  
11       any pharmacy bills for services and goods under Article V  
12       of the Illinois Public Aid Code received on or after the  
13       date 60 days before January 25, 2011 (the effective date of  
14       Public Act 96-1501) ~~this amendatory Act of the 96th General~~  
15       ~~Assembly~~.

16       (Source: P.A. 96-555, eff. 8-18-09; 96-802, eff. 1-1-10;  
17       96-959, eff. 7-1-10; 96-1000, eff. 7-2-10; 96-1501, eff.  
18       1-25-11; 96-1530, eff. 2-16-11; revised 2-22-11.)".