



Rep. Franco Coladipietro

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09700HB5189ham002

LRB097 18784 JDS 67805 a

1 AMENDMENT TO HOUSE BILL 5189

2 AMENDMENT NO. _____. Amend House Bill 5189, AS AMENDED, by
3 replacing everything after the enacting clause with the
4 following:

5 "Section 5. The State Comptroller Act is amended by
6 changing Section 9.03 as follows:

7 (15 ILCS 405/9.03) (from Ch. 15, par. 209.03)

8 Sec. 9.03. Direct deposit of State payments.

9 (a) The Comptroller, with the approval of the State
10 Treasurer, may provide by rule or regulation for the direct
11 deposit of any payment lawfully payable from the State Treasury
12 and in accordance with federal banking regulations including
13 but not limited to payments to (i) persons paid from personal
14 services, (ii) persons receiving benefit payments from the
15 Comptroller under the State pension systems, (iii) individuals
16 who receive assistance under Articles III, IV, and VI of the

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

1 approval by the Treasurer of each group of payments made by
2 direct deposit shall be retained by the Comptroller. The form
3 and method of the Treasurer's approval shall be established by
4 the rules or regulations adopted by the Comptroller under this
5 Section.

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

17 (b-5) If an employee indicates in writing to the paying
18 State agency or the Comptroller that it is his or her desire to
19 have his or her payroll or expense reimbursement deposited to a
20 secure check account, then the Comptroller shall disburse those
21 amounts in that form. For the purposes of this Section, "secure
22 check account" means an account established with a financial
23 institution for the employee that allows the dispensing of the
24 funds in the account through a third party who dispenses to the
25 employee a paper check.

26 (c) All State payments to a vendor that exceed the

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

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

1 hardship petition shall be made available for download on the
2 Comptroller's official Internet website.

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

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

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

16 (Source: P.A. 97-348, eff. 8-12-11.)

17 Section 99. Effective date. This Act takes effect 30 days
18 after becoming law."