



Rep. Franco Coladipietro

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09700HB5189ham003

LRB097 18784 JDS 67977 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 wants their payments deposited into a  
18 secure check account, the employee must submit a direct deposit  
19 form to the paying State agency for their payroll or to the  
20 Comptroller for their expense reimbursements. Upon acceptance  
21 of the direct deposit form, the Comptroller shall disburse  
22 those funds to the secure check account. For the purposes of  
23 this Section, "secure check account" means an account  
24 established with a financial institution for the employee that  
25 allows the dispensing of the funds in the account through a  
26 third party who dispenses to the employee a paper check.

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

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

1 exemption from the direct deposit mandate under this Section. A  
2 hardship petition shall be made available for download on the  
3 Comptroller's official Internet website.

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

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

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

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

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