

1 AN ACT concerning government.

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

4 Section 5. The State Comptroller Act is amended by changing  
5 Sections 10.05 and 10.05d as follows:

6 (15 ILCS 405/10.05) (from Ch. 15, par. 210.05)

7 Sec. 10.05. Deductions from warrants; statement of reason  
8 for deduction. Whenever any person shall be entitled to a  
9 warrant or other payment from the treasury or other funds held  
10 by the State Treasurer, on any account, against whom there  
11 shall be any then due and payable account or claim in favor of  
12 the State, the United States upon certification by the  
13 Secretary of the Treasury of the United States, or his or her  
14 delegate, pursuant to a reciprocal offset agreement under  
15 subsection (i-1) of Section 10 of the Illinois State Collection  
16 Act of 1986, or a unit of local government, a school district,  
17 ~~or~~ a public institution of higher education, as defined in  
18 Section 1 of the Board of Higher Education Act, or the clerk of  
19 a circuit court, upon certification by that entity, the  
20 Comptroller, upon notification thereof, shall ascertain the  
21 amount due and payable to the State, the United States, the  
22 unit of local government, the school district, ~~or~~ the public  
23 institution of higher education, or the clerk of the circuit

1 court, as aforesaid, and draw a warrant on the treasury or on  
2 other funds held by the State Treasurer, stating the amount for  
3 which the party was entitled to a warrant or other payment, the  
4 amount deducted therefrom, and on what account, and directing  
5 the payment of the balance; which warrant or payment as so  
6 drawn shall be entered on the books of the Treasurer, and such  
7 balance only shall be paid. The Comptroller may deduct any one  
8 or more of the following: (i) the entire amount due and payable  
9 to the State or a portion of the amount due and payable to the  
10 State in accordance with the request of the notifying agency;  
11 (ii) the entire amount due and payable to the United States or  
12 a portion of the amount due and payable to the United States in  
13 accordance with a reciprocal offset agreement under subsection  
14 (i-1) of Section 10 of the Illinois State Collection Act of  
15 1986; or (iii) the entire amount due and payable to the unit of  
16 local government, school district, ~~or~~ public institution of  
17 higher education, or clerk of the circuit court, or a portion  
18 of the amount due and payable to that entity, in accordance  
19 with an intergovernmental agreement authorized under this  
20 Section and Section 10.05d. No request from a notifying agency,  
21 the Secretary of the Treasury of the United States, a unit of  
22 local government, a school district, ~~or~~ a public institution of  
23 higher education, or the clerk of a circuit court for an amount  
24 to be deducted under this Section from a wage or salary  
25 payment, or from a contractual payment to an individual for  
26 personal services, shall exceed 25% of the net amount of such

1 payment. "Net amount" means that part of the earnings of an  
2 individual remaining after deduction of any amounts required by  
3 law to be withheld. For purposes of this provision, wage,  
4 salary or other payments for personal services shall not  
5 include final compensation payments for the value of accrued  
6 vacation, overtime or sick leave. Whenever the Comptroller  
7 draws a warrant or makes a payment involving a deduction  
8 ordered under this Section, the Comptroller shall notify the  
9 payee and the State agency that submitted the voucher of the  
10 reason for the deduction and he or she shall retain a record of  
11 such statement in his or her records. As used in this Section,  
12 an "account or claim in favor of the State" includes all  
13 amounts owing to "State agencies" as defined in Section 7 of  
14 this Act. However, the Comptroller shall not be required to  
15 accept accounts or claims owing to funds not held by the State  
16 Treasurer, where such accounts or claims do not exceed \$50, nor  
17 shall the Comptroller deduct from funds held by the State  
18 Treasurer under the Senior Citizens and Disabled Persons  
19 Property Tax Relief and Pharmaceutical Assistance Act or for  
20 payments to institutions from the Illinois Prepaid Tuition  
21 Trust Fund (unless the Trust Fund moneys are used for child  
22 support). The Comptroller and the Department of Revenue shall  
23 enter into an interagency agreement to establish  
24 responsibilities, duties, and procedures relating to  
25 deductions from lottery prizes awarded under Section 20.1 of  
26 the Illinois Lottery Law. The Comptroller may enter into an

1 intergovernmental agreement with the Department of Revenue and  
2 the Secretary of the Treasury of the United States, or his or  
3 her delegate, to establish responsibilities, duties, and  
4 procedures relating to reciprocal offset of delinquent State  
5 and federal obligations pursuant to subsection (i-1) of Section  
6 10 of the Illinois State Collection Act of 1986. The  
7 Comptroller may enter into intergovernmental agreements with  
8 any unit of local government, school district, ~~or~~ public  
9 institution of higher education, or clerk of a circuit court to  
10 establish responsibilities, duties, and procedures to provide  
11 for the offset, by the Comptroller, of obligations owed to  
12 those entities.

13 For the purposes of this Section, "clerk of a circuit  
14 court" means the clerk of a circuit court in any county in the  
15 State.

16 (Source: P.A. 97-269, eff. 12-16-11 (see Section 15 of P.A.  
17 97-632 for the effective date of changes made by P.A. 97-269);  
18 97-632, eff. 12-16-11.)

19 (15 ILCS 405/10.05d)

20 Sec. 10.05d. Deductions for delinquent obligations owed to  
21 units of local government, school districts, ~~and~~ public  
22 institutions of higher education, and clerks of the circuit  
23 courts. Pursuant to Section 10.05 and this Section, the  
24 Comptroller may enter into intergovernmental agreements with a  
25 unit of local government, a school district, ~~or~~ a public

1 institution of higher education, or the clerk of a circuit  
2 court, in order to provide for (i) the use of the Comptroller's  
3 offset system to collect delinquent obligations owed to that  
4 entity and (ii) the payment to the Comptroller of a processing  
5 charge of up to \$15 per transaction for such offsets. The  
6 Comptroller shall deduct, from a warrant or other payment  
7 described in Section 10.05, in accordance with the procedures  
8 provided therein, its processing charge and the amount  
9 certified as necessary to satisfy, in whole or in part, the  
10 delinquent obligation owed to the unit of local government,  
11 school district, ~~or~~ public institution of higher education, or  
12 clerk of the circuit court, as applicable. The Comptroller  
13 shall provide the unit of local government, school district, ~~or~~  
14 public institution of higher education, or clerk of the circuit  
15 court, as applicable, with the address to which the warrant or  
16 other payment was to be mailed and any other information  
17 pertaining to each person from whom a deduction is made  
18 pursuant to this Section. All deductions ordered under this  
19 Section and processing charges imposed under this Section shall  
20 be deposited into the Comptroller Debt Recovery Trust Fund, a  
21 special fund that the Comptroller shall use for the collection  
22 of deductions and processing charges, as provided by law, and  
23 the payment of deductions and administrative expenses, as  
24 provided by law.

25       Upon processing a deduction, the Comptroller shall give  
26 written notice to the person subject to the offset. The notice

1 shall inform the person that he or she may make a written  
2 protest to the Comptroller within 60 days after the Comptroller  
3 has given notice. The protest shall include the reason for  
4 contesting the deduction and any other information that will  
5 enable the Comptroller to determine the amount due and payable.  
6 The intergovernmental agreement entered into under Section  
7 10.05 and this Section shall establish procedures through which  
8 the Comptroller shall determine the validity of the protest and  
9 shall make a final disposition concerning the deduction. If the  
10 person subject to the offset has not made a written protest  
11 within 60 days after the Comptroller has given notice or if a  
12 final disposition is made concerning the deduction, the  
13 Comptroller shall pay the deduction to the unit of local  
14 government, school district, ~~or~~ public institution of higher  
15 education, or clerk of the circuit court, as applicable, from  
16 the Comptroller Debt Recovery Trust Fund.

17 For the purposes of this Section, "clerk of a circuit  
18 court" means a clerk of the circuit court in any county in the  
19 State.

20 (Source: P.A. 97-632, eff. 12-16-11.)

21 Section 99. Effective date. This Act takes effect upon  
22 becoming law.