

1 AN ACT in relation to debt collection.

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

4 Section 1. Short title. This Act may be cited as the  
5 State Loan Act.

6 Section 5. Definitions. As used in this Act:

7 "State loan" means any loan of \$50,000 or more made by  
8 the State of Illinois or any State agency to any person for  
9 any purpose.

10 "State agencies" has the meaning ascribed to that term in  
11 Section 1-7 of the Illinois State Auditing Act, except that  
12 "State agencies" does not include the Department of Revenue.

13 "Person" means any individual, corporation, partnership,  
14 unincorporated association, limited liability company,  
15 limited liability partnership, or other entity.

16 "Designated individuals" means:

17 (i) In the case of a partnership, all general and  
18 limited partners of the partnership.

19 (ii) In the case of a corporation, all shareholders  
20 with 10% or more equity or ownership interest in the  
21 corporation.

22 (iii) In the case of one or more individuals, all  
23 of the individuals.

24 (iv) In the case of any other entity, all  
25 individuals with any equity or ownership interest in the  
26 entity.

27 Section 10. Disclosure. Before any State loan may be  
28 made to any person or renewed (and before repayment of any  
29 part of a State loan may be forgiven or renegotiated), the  
30 names and addresses of each designated individual of the

1 person must be disclosed and made public.

2 Section 15. Guarantee. Before any State loan may be  
3 made to any person or renewed or renegotiated, each  
4 designated individual of the person must personally guarantee  
5 repayment of the loan. A guarantee remains in effect until  
6 the loan has been repaid in full. A guarantee may not be  
7 rescinded or abrogated under any circumstances. Any  
8 agreement that purports to rescind or abrogate a guarantee is  
9 null and void.

10 Section 20. Certain contracts prohibited. No State  
11 agency may enter into any contract with any person if the  
12 person or any designated individual of the person is in  
13 default on any State loan.

14 Section 25. Disclosure of contributions. No State loan  
15 may be made or renewed, nor may repayment of any part of a  
16 State loan be forgiven or renegotiated, unless each  
17 designated individual of the person with which the State  
18 loan, renewal, forgiveness, or renegotiation is proposed to  
19 be made has publicly disclosed all contributions made by the  
20 designated individual in the past 5 years. As used in this  
21 Act, "contribution" includes any contribution as defined in  
22 Section 9-1.4 of the Election Code and any contribution to a  
23 political committee. As used in this Act, "political  
24 committee" has the meaning ascribed to that term in Section  
25 9-1.9 of the Election Code.

26 Section 30. Default; Attorney General investigation. In  
27 the case of any default on a State loan, the State agency  
28 making the loan shall notify the Attorney General. The  
29 Attorney General shall investigate the circumstances of the  
30 default. Unless the Attorney General determines that the

1 loan is uncollectible, the Attorney General shall take  
2 appropriate action to collect any amount owing to the State  
3 and enforce the State's rights under the loan agreement.

4 Section 35. Uncollected State Claims Act. Any  
5 renegotiation or forgiveness of a State loan must be in  
6 compliance with the provisions of the Uncollected State  
7 Claims Act and the Illinois State Collection Act of 1986  
8 regarding reporting and recording of debt collections and the  
9 writing off of debts.

10 Section 40. Report.

11 The Attorney General shall report to the General Assembly  
12 by February 1 of each year the following:

13 (1) the total number and dollar amount of loans about  
14 which the Attorney General was notified in accordance with  
15 this Act in the preceding calendar year;

16 (2) the total amount actually collected;

17 (3) the number of cases by agency; and

18 (4) the names and addresses of all designated  
19 individuals of any person that is a party to a State loan  
20 about which the Attorney General was notified in accordance  
21 with this Act in the preceding calendar year.

22 Section 103. The Illinois Department of Revenue Sunshine  
23 Act is amended by adding Section 2.4 as follows:

24 (20 ILCS 2515/2.4 new)

25 Sec. 2.4. Public list of delinquent State taxes.

26 (a) The Director may annually disclose a list of all  
27 taxpayers, including but not limited to individuals, trusts,  
28 partnerships, corporations, and other taxable entities, that  
29 are delinquent in the payment of tax liabilities collected by  
30 the Department. The list shall include only those taxpayers

1 with total final liabilities for all taxes collected by the  
2 Department (including penalties and interest) in an amount  
3 greater than \$10,000 (or such greater amount as established  
4 by the Department by rule) for a period of 6 months (or such  
5 longer period as established by the Department by rule) from  
6 the time that the taxes were assessed or became final, as  
7 provided in the statute imposing the tax. The list shall  
8 contain the name, address, types of taxes, month and year in  
9 which each tax liability was assessed or became final, the  
10 amount of each tax outstanding of each delinquent taxpayer,  
11 and, in the case of a corporate taxpayer, the name of the  
12 current president of record of the corporation.

13 (b) At least 90 days before the disclosure of the name  
14 of any delinquent taxpayer prescribed in subsection (a), the  
15 Director shall mail a written notice to each delinquent  
16 taxpayer by certified mail addressed to the delinquent  
17 taxpayer at his or her last or usual place of business or  
18 abode detailing the amount and nature of the delinquency and  
19 the intended disclosure of the delinquency. If the  
20 delinquent tax has not been paid 60 days after the notice was  
21 delivered or the Department has been notified that delivery  
22 was refused or unclaimed, and the taxpayer has not, since the  
23 mailing of the notice, either entered into a written  
24 agreement with the Department for payment of the delinquency  
25 or corrected a default in an existing agreement to the  
26 satisfaction of the Director, the Director may disclose the  
27 tax in the list of delinquent taxpayers.

28 (c) Unpaid taxes shall not be deemed to be delinquent  
29 and subject to disclosure if (i) a written agreement for  
30 payment exists without default between the taxpayer and the  
31 Department or (ii) the tax liability is the subject of an  
32 administrative hearing, administrative review, or judicial  
33 review.

34 (d) The list shall be available for public inspection at

1 the Department or by other means of publication, including  
2 the Internet.

3 (e) The Department shall prescribe reasonable rules for  
4 the administration and implementation of this Section.

5 (f) Any disclosure made by the Director in a good faith  
6 effort to comply with this Section shall not be considered a  
7 violation of any statute prohibiting disclosure of taxpayer  
8 information.

9 Section 105. The State Finance Act is amended by adding  
10 Section 5.545 as follows:

11 (30 ILCS 105/5.545 new)

12 Sec. 5.545. The Debt Collection Fund.

13 Section 110. The Uncollected State Claims Act is amended  
14 by changing Section 2 as follows:

15 (30 ILCS 205/2) (from Ch. 15, par. 102)

16 Sec. 2. Uncollectible debts; assignment of student  
17 loans; annual reports.

18 (a) When any State agency is unable to collect any claim  
19 or account receivable of \$1,000 or more due the agency after  
20 having pursued the procedure prescribed by law or applicable  
21 rules and regulations for the collection thereof or, if no  
22 procedure is so prescribed, then after having undertaken all  
23 reasonable and appropriate procedures available to the agency  
24 to effectuate collection, the State agency shall request the  
25 Attorney General to certify the claim or account receivable  
26 to be uncollectible.

27 (b) Each request to the Attorney General asking that a  
28 claim or account receivable of \$1,000 or more be declared  
29 uncollectible shall be in a format prescribed by the Attorney  
30 General and shall include at a minimum the following

1 information: debtor's name, debtor's social security number  
2 or comparable identifying number, debtor's last known  
3 address, nature of the debt, efforts made to collect the debt  
4 and the time period covered by those efforts, the age of the  
5 debt, the age of the debtor and the specific reason the State  
6 agency believes the debt to be uncollectible. Nothing in  
7 this provision should be interpreted as a limitation on the  
8 authority of the Attorney General to require additional  
9 information that he may find to be necessary to evaluate  
10 requests sent him pursuant to this provision.

11 (c) Claims or accounts receivable of less than \$1,000  
12 may be certified as uncollectible by the agency when the  
13 agency determines that further collection efforts are not in  
14 the best economic interest of the State. Such determination  
15 shall be made in accordance with rules of the Comptroller.

16 (d) If any item of information required by this  
17 provision or any item of additional information required by  
18 the Attorney General is not available, the State agency shall  
19 specifically so state in its request to the Attorney General  
20 asking that the debt be declared uncollectible.

21 (e) A State agency participating in a federal student  
22 loan program may remove student loans from its records by  
23 assigning or referring such student loans to the federal  
24 government for collection pursuant to the procedures  
25 prescribed by federal laws and regulations.

26 (f) Claims and receivables due from another State agency  
27 may be written off if the agency has pursued all reasonable  
28 means of collection and if the amount (1) is payable from an  
29 appropriation which has lapsed; (2) may not properly be  
30 charged against a current appropriation; and (3) was not  
31 originally payable from federal funds, a trust fund or  
32 locally held funds. Each agency which writes off claims or  
33 receivables pursuant to this subparagraph shall submit a  
34 listing of all such write-offs to the Comptroller within 60

1 days of taking such action.

2 (g) Debts certified as uncollectible may be reopened for  
3 collection by an agency upon the approval of the Attorney  
4 General.

5 (h) Agencies shall submit a list of debts certified as  
6 uncollectible to the Comptroller in the form and manner  
7 specified by the Comptroller. The Comptroller shall take  
8 reasonable steps to accept information on agency computer  
9 tapes.

10 (i) After compliance with all provisions of this  
11 Section, an agency may delete from its records debts  
12 certified as uncollectible as follows:

13 (1) When the debt is less than \$1,000, immediately  
14 upon certification by the agency;

15 (2) For debts of \$1,000 or more that are less than  
16 5 years old, when the agency determines pursuant to rules  
17 and regulations promulgated by the Comptroller that such  
18 deletion is in the best economic interest of the State;

19 (3) For debts of \$1,000 or more when, the debt is  
20 more than 5 years old.

21 (j) The Attorney General shall report to the General  
22 Assembly by February 1 of each year the following:

23 (1) the total number and dollar amount of debts  
24 referred to him for collection in the preceding calendar  
25 year;

26 (2) the total amount actually collected;

27 (3) the number of cases by agency.

28 (k) Each State agency shall report in its annual report  
29 the total amount and the number of claims due and payable to  
30 the State. Each agency shall also describe in its annual  
31 report the method used in collecting debts, whether by a  
32 private collection service or by the Attorney General.

33 (l) The provisions of Section 2505-250 of the Department  
34 of Revenue Law (20 ILCS 2505/2505-250) take precedence over

1 the provisions of this Section.

2 (m) Any renegotiation or forgiveness of a State loan to  
3 which the State Loan Act applies must be in compliance with  
4 the provisions of this Act regarding reporting and recording  
5 of debt collections and the writing off of debts.

6 (Source: P.A. 91-239, eff. 1-1-00.)

7 Section 115. The Illinois State Collection Act of 1986  
8 is amended by changing Sections 2, 4, 5, 6, 7, and 8 and  
9 adding Section 10 as follows:

10 (30 ILCS 210/2) (from Ch. 15, par. 152)

11 Sec. 2. Scope of the Act. This Act applies to all  
12 accounts or claims owed to "State agencies", as that term is  
13 defined in the Illinois State Auditing Act, except that the  
14 debt collection and write-off provisions of this Act shall  
15 not apply to the Illinois State Scholarship Commission in the  
16 administration of its student loan programs. To the extent  
17 that some other statute prescribes procedures for collection  
18 of particular types of accounts or claims owed to State  
19 agencies in conflict with the provisions of this Act, such  
20 other statute shall continue in full force and effect. The  
21 debt collection and write-off provisions of this Act may be  
22 utilized by the General Assembly, the Supreme Court and the  
23 several courts of this State, and the constitutionally  
24 elected State Officers, at their discretion, except that  
25 Section 10 applies to all State agencies unless otherwise  
26 specified in that Section. However reporting requirements  
27 established by the comptroller shall be followed by all State  
28 agencies. The provisions of this Act shall be utilized at  
29 all times by all departments, agencies, divisions, and  
30 offices under the jurisdiction of the Governor.

31 (Source: P.A. 85-814.)



1 (30 ILCS 210/4) (from Ch. 15, par. 154)

2 Sec. 4. Comptroller; rules; reports.

3 (a) The Comptroller shall provide by rule appropriate  
4 procedures for State agencies to follow in establishing and  
5 recording within the State accounting system records of  
6 amounts owed to the State of Illinois. The rules of the  
7 Comptroller shall include, but are not limited to:

8 (1) the manner by which State agencies shall  
9 recognize debts;

10 (2) systems to age accounts receivable of State  
11 agencies;

12 (3) standards by which State agencies' claims may  
13 be entered and removed from the Comptroller's Offset  
14 System authorized by Section 10.05 of the State  
15 Comptroller Act;

16 (4) accounting procedures for estimating the amount  
17 of uncollectible receivables of State agencies; and

18 (5) accounting procedures for writing off bad debts  
19 and uncollectible claims, subject to the requirement of  
20 Section 10 that debts more than 90 days overdue be turned  
21 over to the Debt Collection Unit of the Auditor General's  
22 Office.

23 (b) State agencies shall report to the Comptroller  
24 information concerning their accounts receivable and  
25 uncollectible claims in accordance with the rules of the  
26 Comptroller, which may provide for summary reporting.

27 (c) The rules of the Comptroller authorized by this  
28 Section may specify varying procedures and forms of reporting  
29 dependent upon the nature and amount of the account  
30 receivable or uncollectible claim, the age of the debt, the  
31 probability of collection and such other factors that will  
32 increase the net benefit to the State of the collection  
33 effort.

34 (d) The Comptroller shall report annually by March 14,

1 to the Governor and the General Assembly, the amount of all  
2 delinquent debt owed to each State agency as of December 31  
3 of the previous calendar year.

4 (e) Any renegotiation or forgiveness of a State loan to  
5 which the State Loan Act applies must be in compliance with  
6 the provisions of this Act regarding reporting and recording  
7 of debt collections and the writing off of debts.

8 (Source: P.A. 86-515.)

9 (30 ILCS 210/5) (from Ch. 15, par. 155)

10 Sec. 5. Rules; payment plans; offsets.

11 (a) State agencies shall adopt rules establishing formal  
12 due dates for amounts owing to the State, until July 1, 2002,  
13 and for the referral of seriously past due accounts to  
14 private collection agencies, unless otherwise expressly  
15 provided by law or rule. Such procedures shall be  
16 established in accord with sound business practices.

17 (b) Until July 1, 2002, agencies may enter deferred  
18 payment plans for debtors of the agency and documentation of  
19 this fact retained by the agency, where the deferred payment  
20 plan is likely to increase the net amount collected by the  
21 State.

22 (c) State agencies may use the Comptroller's Offset  
23 System provided in Section 10.05 of the State Comptroller Act  
24 for the collection of debts owed to the agency. Until July  
25 1, 2002, all debts that exceed \$1,000 and are more than 90  
26 days past due shall be placed in the Comptroller's Offset  
27 System, unless the State agency shall have entered into a  
28 deferred payment plan or demonstrates to the Comptroller's  
29 satisfaction that referral for offset is not cost effective.

30 (d) State agencies shall develop internal procedures  
31 whereby agency initiated payments to its debtors may be  
32 offset without referral to the Comptroller's Offset System.

33 (e) State agencies or the Comptroller may remove claims

1 from the Comptroller's Offset System, where such claims have  
2 been inactive for more than one year.

3 (f) Beginning July 1, 2002, State agencies other than  
4 universities shall determine that a debt is uncollectible in  
5 accordance with rules adopted by the Auditor General under  
6 Section 10 and shall turn over to the Debt Collection Unit of  
7 the Auditor General's Office any debt that is more than 90  
8 days overdue to the State. Beginning July 1, 2002,  
9 universities may determine that a debt is uncollectible in  
10 accordance with rules adopted by the Auditor General under  
11 Section 10 and may turn over to the Debt Collection Unit of  
12 the Auditor General's Office any debt that is more than 90  
13 days overdue to the State. The Department of Revenue is  
14 exempt from this subsection with regard to debts the  
15 confidentiality of which the Department of Revenue is  
16 required by law to maintain.

17 (Source: P.A. 90-332, eff. 1-1-98.)

18 (30 ILCS 210/6) (from Ch. 15, par. 156)

19 Sec. 6. Accounts Receivable Funds. The Comptroller with  
20 the approval of the Governor may provide by rule and  
21 regulation for the creation of a special fund or funds for  
22 the deposit of designated receipts by designated agencies to  
23 be known as the Accounts Receivable Fund or Funds. Deposits  
24 shall be segregated by the creditor agency. No deposit shall  
25 be made unless the collection is of an account receivable  
26 more than 120 days past due.

27 Seventy-five percent of the amounts deposited each  
28 quarter into such a special fund shall be transferred to the  
29 General Revenue Fund or such other fund that would have  
30 originally received the receipts. The remaining amounts may  
31 be used by the creditor agency for collecting overdue  
32 accounts pursuant to appropriation by the General Assembly.

33 An agency, with the approval of the Comptroller, may

1 deposit all receipts into the General Revenue Fund or other  
 2 such fund that would have originally received the receipts.  
 3 Twenty-five percent of such deposits made each quarter for  
 4 accounts receivable more than 120 days past due shall be  
 5 transferred to the Accounts Receivable Fund or Funds. The  
 6 transferred amounts may be used by the creditor agency for  
 7 collecting overdue accounts pursuant to appropriation by the  
 8 General Assembly.

9 In determining the types of receipts to be deposited  
 10 pursuant to this Section the Comptroller and the Governor  
 11 shall consider the following factors:

12 (1) The percentage of such receipts estimated to be  
 13 uncollectible by the creditor agency;

14 (2) The percentage of such receipts certified as  
 15 uncollectible by the Attorney General;

16 (3) The potential increase in future receipts, as  
 17 estimated by the creditor agency, if 25% of amounts collected  
 18 are retained for collection efforts;

19 (4) The impact of the retention of 25% of receipts on  
 20 the relevant fund balances; and

21 (5) Such other factors as the Comptroller and the  
 22 Governor deem relevant.

23 This Section shall not apply to the Department of Revenue  
 24 nor the Department of Employment Security.

25 This Section is repealed July 1, 2002. On that date any  
 26 moneys in the Accounts Receivable Funds created under this  
 27 Section shall be transferred into the General Revenue Fund.

28 (Source: P.A. 86-194.)

29 (30 ILCS 210/7) (from Ch. 15, par. 157)

30 Sec. 7. Contracts for legal and collection assistance.

31 Upon agreement of the Attorney General, agencies may contract  
 32 for legal assistance in collecting past due accounts. In  
 33 addition, agencies may contract for collection assistance

1 where such assistance is determined by the agency to be in  
 2 the best economic interest of the State. Agencies may  
 3 utilize monies in the Accounts Receivable Fund to pay for  
 4 such legal and collection assistance; provided, however, that  
 5 no more than 20% of collections on an account may be paid  
 6 from the Accounts Receivable Fund as compensation for legal  
 7 and collection assistance on that account. If the amount  
 8 available for expenditure from the Accounts Receivable Fund  
 9 is insufficient to pay the cost of such services, the  
 10 difference, up to 40% of the total collections per account,  
 11 may be paid from other monies which may be available to the  
 12 Agency.

13 This Section is repealed July 1, 2002. Any contract  
 14 entered into under this Section before that date shall remain  
 15 valid but may not be renewed.

16 (Source: P.A. 85-814.)

17 (30 ILCS 210/8) (from Ch. 15, par. 158)

18 Sec. 8. Debt Collection Board. There is created a Debt  
 19 Collection Board consisting of the Director of Central  
 20 Management Services as chairman, the State Comptroller, and  
 21 the Attorney General, or their respective designees. The  
 22 Board shall establish a centralized collections service to  
 23 undertake further collection efforts on delinquent accounts  
 24 or claims of the State which have not been collected through  
 25 the reasonable efforts of the respective State agencies.  
 26 The Board shall promulgate rules and regulations pursuant to  
 27 the Illinois Administrative Procedure Act with regard to the  
 28 establishment of timetables and the assumption of  
 29 responsibility for agency accounts receivable that have not  
 30 been collected by the agency, are not subject to a current  
 31 repayment plan, or have not been certified as uncollectible  
 32 as of the date specified by the Board. The Board shall make  
 33 a final evaluation of those accounts and either (i) direct or

1 conduct further collection activities when further collection  
 2 efforts are in the best economic interest of the State or  
 3 (ii) in accordance with Section 2 of the Uncollected State  
 4 Claims Act, certify the receivable as uncollectible or submit  
 5 the account to the Attorney General for that certification.

6 The Board is empowered to adopt rules and regulations  
 7 subject to the provisions of the Illinois Administrative  
 8 Procedure Act.

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

25 This Section is repealed July 1, 2002.

26 (Source: P.A. 89-511, eff. 1-1-97.)

27 (30 ILCS 210/10 new)

28 Sec. 10. Debt Collection Unit of the Auditor General's  
 29 Office.

30 (a) The Auditor General shall establish and maintain a  
 31 division within his or her office to be known as the Debt  
 32 Collection Unit. The purpose of the Unit shall be the  
 33 collection of debts more than 90 days overdue to the State.

1 The Auditor General shall adopt rules for the administration  
2 and procedures of the Unit.

3 (b) The Auditor General shall adopt rules for the  
4 certification of debt collection specialists to be employed  
5 by the Unit.

6 (c) The Auditor General shall adopt rules for  
7 determining when a debt owed to a State agency is  
8 uncollectible. The rules shall be used by State agencies  
9 other than universities beginning July 1, 2002 and may be  
10 used by universities beginning July 1, 2002. The Department  
11 of Revenue is exempt from those rules with regard to debts  
12 the confidentiality of which the Department of Revenue is  
13 required by law to maintain. The Auditor General may contract  
14 with private collection entities and attorneys to pursue  
15 collection of a debt determined to be uncollectible.

16 (d) Beginning July 1, 2002, a State agency other than a  
17 university shall turn over, and a university may turn over,  
18 to the Unit for collection any debt that is more than 90 days  
19 overdue to the State. The Department of Revenue is exempt  
20 from turning over to the Unit any debt the confidentiality of  
21 which the Department of Revenue is required by law to  
22 maintain. When turning over a debt, the State agency shall  
23 also turn over all documents and records relating to the  
24 debt. In collecting a debt, the Unit may exercise the same  
25 rights and powers with regard to debt collection possessed by  
26 the State agency that turned over the debt to the Unit.

27 (e) The Debt Collection Fund is created as a special  
28 fund in the State treasury. Ten percent of the amount  
29 collected on each debt by the Unit shall be deposited into  
30 the Debt Collection Fund; the remaining 90% of the amount  
31 collected shall be deposited into the appropriate State fund  
32 or funds to which the debt was owed. Moneys in the Debt  
33 Collection Fund shall be appropriated only for the  
34 administrative costs of the Unit. At the end of each fiscal

1 year, moneys remaining unappropriated in the Debt Collection  
2 Fund shall be transferred into the General Revenue Fund.

3 (f) The Attorney General and State Comptroller shall  
4 assist in the debt collection efforts of the Unit as  
5 requested by the Unit.

6 (g) The Auditor General shall report semi-annually to  
7 the General Assembly and State Comptroller upon the debt  
8 collection efforts of the Unit. Each report shall include an  
9 analysis of the overdue debts owed to the State.

10 Section 180. The Illinois Public Aid Code is amended by  
11 adding Section 10-10.6 as follows:

12 (305 ILCS 5/10-10.6 new)

13 Sec. 10-10.6. Tracking income and assets of obligors.

14 (a) A transfer made by an obligor is fraudulent as to an  
15 obligee if the obligor made the transfer:

16 (1) with actual intent to hinder, delay, or defraud  
17 any obligee of the obligor; or

18 (2) without receiving a reasonably equivalent value  
19 in exchange for the transfer.

20 (b) In determining actual intent under paragraph (1) of  
21 subsection (a), consideration may be given, among other  
22 factors, to whether:

23 (1) the transfer was to an insider;

24 (2) the obligor retained possession or control of  
25 the property transferred after the transfer;

26 (3) the transfer was disclosed or concealed;

27 (4) before the transfer was made, the obligor had  
28 been sued or threatened with suit;

29 (5) the transfer was of substantially all the  
30 obligor's assets;

31 (6) the obligor absconded;

32 (7) the obligor removed or concealed assets;



1           (8) the value of the consideration received by the  
2           obligor was reasonably equivalent to the value of the  
3           asset transferred;

4           (9) the obligor was insolvent or became insolvent  
5           shortly after the transfer was made;

6           (10) the transfer occurred shortly before or  
7           shortly after a substantial debt was incurred; and

8           (11) the obligor transferred the essential assets  
9           of a business to a lienor who transferred the assets to  
10           an insider of the obligor.

11           (c) In an action for relief against a transfer by a  
12           child support obligor under this Act, the State's Attorney,  
13           on behalf of a child support obligee, may obtain:

14           (1) avoidance of the transfer to the extent  
15           necessary to satisfy the obligee's claim;

16           (2) an attachment or other provisional remedy  
17           against the asset transferred or other property of the  
18           transferee in accordance with the procedure prescribed by  
19           the Code of Civil Procedure;

20           (3) subject to applicable principles of equity and  
21           in accordance with applicable rules of civil procedure:

22           (A) an injunction against further disposition  
23           by the obligor or a transferee, or both, of the  
24           asset transferred or of other property;

25           (B) appointment of a receiver to take charge  
26           of the asset transferred or of other property of the  
27           transferee; or

28           (C) any other relief the circumstances may  
29           require.

30           (d) If an obligee has obtained a judgment on a claim  
31           against the obligor, the State's Attorney, if the court so  
32           orders, may levy execution on the asset transferred or its  
33           proceeds.

1 Section 185. The Illinois Marriage and Dissolution of  
2 Marriage Act is amended by adding Sections 505.4, 714, and  
3 715 as follows:

4 (750 ILCS 5/505.4 new)

5 Sec. 505.4. Tracking income and assets of obligors.

6 (a) A transfer made by an obligor is fraudulent as to an  
7 obligee if the obligor made the transfer:

8 (1) with actual intent to hinder, delay, or defraud  
9 any obligee of the obligor; or

10 (2) without receiving a reasonably equivalent value  
11 in exchange for the transfer.

12 (b) In determining actual intent under paragraph (1) of  
13 subsection (a), consideration may be given, among other  
14 factors, to whether:

15 (1) the transfer was to an insider;

16 (2) the obligor retained possession or control of  
17 the property transferred after the transfer;

18 (3) the transfer was disclosed or concealed;

19 (4) before the transfer was made, the obligor had  
20 been sued or threatened with suit;

21 (5) the transfer was of substantially all the  
22 obligor's assets;

23 (6) the obligor absconded;

24 (7) the obligor removed or concealed assets;

25 (8) the value of the consideration received by the  
26 obligor was reasonably equivalent to the value of the  
27 asset transferred;

28 (9) the obligor was insolvent or became insolvent  
29 shortly after the transfer was made;

30 (10) the transfer occurred shortly before or  
31 shortly after a substantial debt was incurred; and

32 (11) the obligor transferred the essential assets  
33 of a business to a lienor who transferred the assets to

1 an insider of the obligor.

2 (c) In an action for relief against a transfer by a  
3 child support obligor under this Act, the State's Attorney,  
4 on behalf of a child support obligee, may obtain:

5 (1) avoidance of the transfer to the extent  
6 necessary to satisfy the obligee's claim;

7 (2) an attachment or other provisional remedy  
8 against the asset transferred or other property of the  
9 transferee in accordance with the procedure prescribed by  
10 the Code of Civil Procedure;

11 (3) subject to applicable principles of equity and  
12 in accordance with applicable rules of civil procedure:

13 (A) an injunction against further disposition  
14 by the obligor or a transferee, or both, of the  
15 asset transferred or of other property;

16 (B) appointment of a receiver to take charge  
17 of the asset transferred or of other property of the  
18 transferee; or

19 (C) any other relief the circumstances may  
20 require.

21 (d) If an obligee has obtained a judgment on a claim  
22 against the obligor, the State's Attorney, if the court so  
23 orders, may levy execution on the asset transferred or its  
24 proceeds.

25 (750 ILCS 5/714 new)

26 Sec. 714. Willful default on support; penalties. A  
27 person who willfully defaults on an order for child support  
28 issued by an Illinois court or authorized administrative  
29 proceeding may be subject to summary criminal contempt  
30 proceedings.

31 In addition to other remedies provided by law regarding  
32 the suspension of professional and occupational licenses,  
33 recreational licenses, and driver's licenses, the State

1 licensing agency shall have the authority to withhold or  
2 suspend, or to restrict the use of driver's licenses,  
3 professional and occupational licenses or certificates, and  
4 recreational licenses of individuals owing overdue support or  
5 failing, after receiving appropriate notice, to comply with  
6 subpoenas or warrants relating to paternity or child support  
7 proceedings. The suspension shall remain in effect until all  
8 defaults on an order for child support are satisfied.

9 This Section applies to an order for child support issued  
10 under the Illinois Public Aid Code, the Illinois Marriage and  
11 Dissolution of Marriage Act, the Illinois Parentage Act of  
12 1984, the Revised Uniform Reciprocal Enforcement of Support  
13 Act, and the Uniform Interstate Family Support Act.

14 (750 ILCS 5/715 new)

15 Sec. 715. Information to locate support obligors and  
16 putative fathers. The Illinois Department of Public Aid's  
17 Child and Spouse Support Unit, the State's Attorney, or any  
18 other appropriate State official may request and shall  
19 receive from employers, labor unions, telephone companies,  
20 and utility companies location information concerning  
21 putative fathers and noncustodial parents for the purpose of  
22 establishing a child's paternity or establishing, enforcing,  
23 or modifying a child support obligation. In this Section,  
24 "location information" means information about (i) the  
25 physical whereabouts of a putative father or noncustodial  
26 parent, (ii) the putative father or noncustodial parent's  
27 employer, or (iii) the salary, wages, and other compensation  
28 paid and the health insurance coverage provided to the  
29 putative father or noncustodial parent by an employer or by a  
30 labor union of which the putative father or noncustodial  
31 parent is a member.

32 Section 190. The Non-Support Punishment Act is amended

1 by adding Section 67 as follows:

2 (750 ILCS 16/67 new)

3 Sec. 67. Tracking income and assets of obligors.

4 (a) A transfer made by an obligor is fraudulent as to an  
5 obligee if the obligor made the transfer:

6 (1) with actual intent to hinder, delay, or defraud  
7 any obligee of the obligor; or

8 (2) without receiving a reasonably equivalent value  
9 in exchange for the transfer.

10 (b) In determining actual intent under paragraph (1) of  
11 subsection (a), consideration may be given, among other  
12 factors, to whether:

13 (1) the transfer was to an insider;

14 (2) the obligor retained possession or control of  
15 the property transferred after the transfer;

16 (3) the transfer was disclosed or concealed;

17 (4) before the transfer was made, the obligor had  
18 been sued or threatened with suit;

19 (5) the transfer was of substantially all the  
20 obligor's assets;

21 (6) the obligor absconded;

22 (7) the obligor removed or concealed assets;

23 (8) the value of the consideration received by the  
24 obligor was reasonably equivalent to the value of the  
25 asset transferred;

26 (9) the obligor was insolvent or became insolvent  
27 shortly after the transfer was made;

28 (10) the transfer occurred shortly before or  
29 shortly after a substantial debt was incurred; and

30 (11) the obligor transferred the essential assets  
31 of a business to a lienor who transferred the assets to  
32 an insider of the obligor.

33 (c) In an action for relief against a transfer by a

1 child support obligor under this Act, the State's Attorney,  
2 on behalf of a child support obligee, may obtain:

3 (1) avoidance of the transfer to the extent  
4 necessary to satisfy the obligee's claim;

5 (2) an attachment or other provisional remedy  
6 against the asset transferred or other property of the  
7 transferee in accordance with the procedure prescribed by  
8 the Code of Civil Procedure;

9 (3) subject to applicable principles of equity and  
10 in accordance with applicable rules of civil procedure:

11 (A) an injunction against further disposition  
12 by the obligor or a transferee, or both, of the  
13 asset transferred or of other property;

14 (B) appointment of a receiver to take charge  
15 of the asset transferred or of other property of the  
16 transferee; or

17 (C) any other relief the circumstances may  
18 require.

19 (d) If an obligee has obtained a judgment on a claim  
20 against the obligor, the State's Attorney, if the court so  
21 orders, may levy execution on the asset transferred or its  
22 proceeds.

23 Section 200. The Uniform Interstate Family Support Act  
24 is amended by changing Section 318 as follows:

25 (750 ILCS 22/318)

26 Sec. 318. Assistance with discovery. A tribunal of this  
27 State may:

28 (1) request a tribunal of another state to assist in  
29 obtaining discovery; and

30 (2) upon request, compel a person over whom it has  
31 jurisdiction to respond to a discovery order issued by a  
32 tribunal of another state;.

1       (3) upon request by a tribunal of another state, issue a  
 2 subpoena or a subpoena duces tecum (in the case of a  
 3 tribunal authorized to issue subpoenas) or direct the clerk  
 4 of the circuit court to issue a subpoena or a subpoena duces  
 5 tecum (in the case of the circuit court) requiring a person  
 6 in this State to appear at a deposition or before a tribunal  
 7 and answer questions or produce documents or other tangible  
 8 things for the purpose of obtaining information regarding  
 9 the person's assets, income, and ability to pay a support  
 10 order or judgment entered in the other state; and

11       (4) request a tribunal of another state to issue or  
 12 cause to be issued a subpoena or a subpoena duces tecum  
 13 requiring a person in the other state to appear at a  
 14 deposition or before a tribunal in that state and answer  
 15 questions or produce documents or other tangible things for  
 16 the purpose of obtaining information regarding the person's  
 17 assets, income, and ability to pay a support order or  
 18 judgment entered in this State.

19       The clerk of the circuit court shall issue a subpoena or  
 20 a subpoena duces tecum when directed to do so by the circuit  
 21 court in accordance with this Section.

22       (Source: P.A. 88-550, eff. date changed from 1-1-95 to 1-1-96  
 23 by P.A. 88-691.)

24       Section 205. The Illinois Parentage Act of 1984 is  
 25 amended by adding Section 15.3 as follows:

26       (750 ILCS 45/15.3 new)

27       Sec. 15.3. Tracking income and assets of obligors.

28       (a) A transfer made by an obligor is fraudulent as to an  
 29 obligee if the obligor made the transfer:

30               (1) with actual intent to hinder, delay, or defraud  
 31 any obligee of the obligor; or

32               (2) without receiving a reasonably equivalent value

1 in exchange for the transfer.

2 (b) In determining actual intent under paragraph (1) of  
3 subsection (a), consideration may be given, among other  
4 factors, to whether:

5 (1) the transfer was to an insider;

6 (2) the obligor retained possession or control of  
7 the property transferred after the transfer;

8 (3) the transfer was disclosed or concealed;

9 (4) before the transfer was made, the obligor had  
10 been sued or threatened with suit;

11 (5) the transfer was of substantially all the  
12 obligor's assets;

13 (6) the obligor absconded;

14 (7) the obligor removed or concealed assets;

15 (8) the value of the consideration received by the  
16 obligor was reasonably equivalent to the value of the  
17 asset transferred;

18 (9) the obligor was insolvent or became insolvent  
19 shortly after the transfer was made;

20 (10) the transfer occurred shortly before or  
21 shortly after a substantial debt was incurred; and

22 (11) the obligor transferred the essential assets  
23 of a business to a lienor who transferred the assets to  
24 an insider of the obligor.

25 (c) In an action for relief against a transfer by a  
26 child support obligor under this Act, the State's Attorney,  
27 on behalf of a child support obligee, may obtain:

28 (1) avoidance of the transfer to the extent  
29 necessary to satisfy the obligee's claim;

30 (2) an attachment or other provisional remedy  
31 against the asset transferred or other property of the  
32 transferee in accordance with the procedure prescribed by  
33 the Code of Civil Procedure;

34 (3) subject to applicable principles of equity and



1 in accordance with applicable rules of civil procedure:

2 (A) an injunction against further disposition  
3 by the obligor or a transferee, or both, of the  
4 asset transferred or of other property;

5 (B) appointment of a receiver to take charge  
6 of the asset transferred or of other property of the  
7 transferee; or

8 (C) any other relief the circumstances may  
9 require.

10 (d) If an obligee has obtained a judgment on a claim  
11 against the obligor, the State's Attorney, if the court so  
12 orders, may levy execution on the asset transferred or its  
13 proceeds.

14 Section 999. Effective date. This Act takes effect upon  
15 becoming law.

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- 20 ILCS 2515/2.4 new
- 30 ILCS 105/5.545 new
- 30 ILCS 205/2 from Ch. 15, par. 102
- 30 ILCS 210/2 from Ch. 15, par. 152
- 30 ILCS 210/4 from Ch. 15, par. 154
- 30 ILCS 210/5 from Ch. 15, par. 155
- 30 ILCS 210/6 from Ch. 15, par. 156
- 30 ILCS 210/7 from Ch. 15, par. 157
- 30 ILCS 210/8 from Ch. 15, par. 158
- 30 ILCS 210/10 new
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- 750 ILCS 5/505.4 new
- 750 ILCS 5/714 new
- 750 ILCS 5/715 new
- 750 ILCS 16/67 new
- 750 ILCS 22/318
- 750 ILCS 45/15.3 new