

1 AN ACT concerning public aid.

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

4 Section 5. The Illinois Public Aid Code is amended by  
5 changing Sections 10-26 and 12-8.1 as follows:

6 (305 ILCS 5/10-26)

7 Sec. 10-26. State Disbursement Unit.

8 (a) Effective October 1, 1999 the Illinois Department  
9 shall establish a State Disbursement Unit in accordance with  
10 the requirements of Title IV-D of the Social Security Act.  
11 The Illinois Department shall enter into an agreement with a  
12 State or local governmental unit or private entity to perform  
13 the functions of the State Disbursement Unit as set forth in  
14 this Section. The State Disbursement Unit shall collect and  
15 disburse support payments made under court and administrative  
16 support orders:

17 (1) being enforced in cases in which child and  
18 spouse support services are being provided under this  
19 Article X; and

20 (2) in all cases in which child and spouse support  
21 services are not being provided under this Article X and  
22 in which support payments are made under the provisions  
23 of the Income Withholding for Support Act.

24 (a-5) If the State Disbursement Unit receives a support  
25 payment that was not appropriately made to the Unit under  
26 this Section, the Unit shall immediately return the payment  
27 to the sender, including, if possible, instructions detailing  
28 where to send the support payments.

29 (b) All payments received by the State Disbursement  
30 Unit:

31 (1) shall be deposited into an account obtained by

1 the State or local governmental unit or private entity,  
2 as the case may be, and

3 (2) distributed and disbursed by the State  
4 Disbursement Unit, in accordance with the directions of  
5 the Illinois Department, pursuant to Title IV-D of the  
6 Social Security Act and rules promulgated by the  
7 Department.

8 (c) All support payments assigned to the Illinois  
9 Department under Article X of this Code and rules promulgated  
10 by the Illinois Department that are disbursed to the Illinois  
11 Department by the State Disbursement Unit shall be paid into  
12 the Child Support Enforcement Trust Fund.

13 (d) If the agreement with the State or local  
14 governmental unit or private entity provided for in this  
15 Section is not in effect for any reason, the Department shall  
16 perform the functions of the State Disbursement Unit as set  
17 forth in this Section for a maximum of 12 months before July  
18 1, 2001, and for a maximum of 24 months after June 30, 2001.  
19 If the Illinois Department is performing the functions of the  
20 State Disbursement Unit on July 1, 2001, then the Illinois  
21 Department shall make an award on or before December 31,  
22 2002, to a State or local government unit or private entity  
23 to perform the functions of the State Disbursement Unit.  
24 Payments received by the Department in performance of the  
25 duties of the State Disbursement Unit shall be deposited into  
26 the State Disbursement Unit Revolving Fund established under  
27 Section 12-8.1.

28 (e) By February 1, 2000, the Illinois Department shall  
29 conduct at least 4 regional training and educational seminars  
30 to educate the clerks of the circuit court on the general  
31 operation of the State Disbursement Unit, the role of the  
32 State Disbursement Unit, and the role of the clerks of the  
33 circuit court in the collection and distribution of child  
34 support payments.

1 (f) By March 1, 2000, the Illinois Department shall  
 2 conduct at least 4 regional educational and training seminars  
 3 to educate payors, as defined in the Income Withholding for  
 4 Support Act, on the general operation of the State  
 5 Disbursement Unit, the role of the State Disbursement Unit,  
 6 and the distribution of income withholding payments pursuant  
 7 to this Section and the Income Withholding for Support Act.  
 8 (Source: P.A. 91-212, eff. 7-20-99; 91-677, eff. 1-5-00;  
 9 91-712, eff. 7-1-00.)

10 (305 ILCS 5/12-8.1)

11 Sec. 12-8.1. State Disbursement Unit Revolving Fund.

12 (a) There is created a revolving fund to be known as the  
 13 State Disbursement Unit Revolving Fund, to be held by the  
 14 Director of the Illinois Department, outside the State  
 15 treasury State--Treasurer--as--ex--officie--custodian, for the  
 16 following purposes:

17 (1) the deposit of all support payments received by  
 18 the Illinois Department's State Disbursement Unit; and

19 (2) the deposit of other funds including, but not  
 20 limited to, transfers of funds from other accounts  
 21 attributable to support payments received by the Illinois  
 22 Department's State Disbursement Unit;

23 (3) the deposit of any interest accrued by the  
 24 revolving fund, which interest shall be available for  
 25 payment of (i) any amounts considered to be Title IV-D  
 26 program income that must be paid to the U.S. Department  
 27 of Health and Human Services and (ii) any balance  
 28 remaining after payments made under item (i) of this  
 29 subsection (3) to the General Revenue Fund; however, the  
 30 disbursements under this subdivision (3) may not exceed  
 31 the amount of the interest accrued by the revolving fund;

32 (4) the disbursement of such payments to obligees  
 33 or to the assignees of the obligees in accordance with

1 the provisions of Title IV-D of the Social Security Act  
2 and rules promulgated by the Department, provided that  
3 such disbursement is based upon a payment by a payor or  
4 obligor deposited into the revolving fund established by  
5 this Section; and-

6 (5) the disbursement of funds to payors or obligors  
7 to correct erroneous payments to the Illinois  
8 Department's State Disbursement Unit, in an amount not to  
9 exceed the erroneous payments.

10 (b) The provisions of this Section shall apply only if  
11 the Department performs the functions of the Illinois  
12 Department's State Disbursement Unit under paragraph (d) of  
13 Section 10-26.

14 ~~(e)--Moneys-in-the-State-Disbursement-Unit-Revolving-Fund~~  
15 ~~shall-be-expended-upon-the-direction-of-the-Director.~~

16 (Source: P.A. 91-712, eff. 7-1-00.)

17 Section 99. Effective date. This Act takes effect upon  
18 becoming law.