

AN ACT concerning State government.

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

Section 5. The State Salary and Annuity Withholding Act is amended by changing Section 4 as follows:

(5 ILCS 365/4) (from Ch. 127, par. 354)

Sec. 4. Authorization of withholding. An employee or annuitant may authorize the withholding of a portion of his salary, wages, or annuity for any one or more of the following purposes:

(1) for purchase of United States Savings Bonds;

(2) for payment of premiums on life or accident and health insurance as defined in Section 4 of the "Illinois Insurance Code", approved June 29, 1937, as amended, and for payment of premiums on policies of automobile insurance as defined in Section 143.13 of the "Illinois Insurance Code", as amended, and the personal multiperil coverages commonly known as homeowner's insurance. However, no portion of salaries, wages or annuities may be withheld to pay premiums on automobile, homeowner's, life or accident and health insurance policies issued by any one insurance company or insurance service company unless a minimum of 100 employees or annuitants insured by that company

authorize the withholding by an Office within 6 months after such withholding begins. If such minimum is not satisfied the Office may discontinue withholding for such company. For any insurance company or insurance service company which has not previously had withholding, the Office may allow withholding for premiums, where less than 100 policies have been written, to cover a probationary period. An insurance company which has discontinued withholding may reinstate it upon presentation of facts indicating new management or re-organization satisfactory to the Office;

(3) for payment to any labor organization designated by the employee;

(4) for payment of dues to any association the membership of which consists of State employees and former State employees;

(5) for deposit in any credit union, in which State employees are within the field of membership as a result of their employment;

(6) for payment to or for the benefit of an institution of higher education by an employee of that institution;

(7) for payment of parking fees at the parking facilities located on the Urbana-Champaign campus of the University of Illinois;

(8) for voluntary payment to the State of Illinois of amounts then due and payable to the State;

(9) for investment purchases made as a participant or contributor to qualified tuition programs in College Savings Programs established pursuant to Section 529 of the Internal Revenue Code or qualified ABLE programs established pursuant to Section 529A of the Internal Revenue Code ~~Section 30-15.8a of the School Code;~~

(10) for voluntary payment to the Illinois Department of Revenue of amounts due or to become due under the Illinois Income Tax Act;

(11) for payment of optional contributions to a retirement system subject to the provisions of the Illinois Pension Code;

(12) for contributions to organizations found qualified by the State Comptroller under the requirements set forth in the Voluntary Payroll Deductions Act of 1983;

(13) for payment of fringe benefit contributions to employee benefit trust funds (whether such employee benefit trust funds are governed by the Employee Retirement Income Security Act of 1974, as amended, 29 U.S.C. §1001 et seq. or not) for State contractual employees hired through labor organizations and working pursuant to a signed agreement between a labor organization and a State agency, whether subject to the Illinois Prevailing Wage Act or not; this item (13) is not intended to limit employee benefit trust funds and the contributions to be made thereto to be limited to those which are encompassed for purposes of

computing the prevailing wage in any particular locale, but rather such employee benefit trusts are intended to include contributions to be made to such funds that are intended to assist in training, building and maintenance, industry advancement, and the like, including but not limited to those benefit trust funds such as pension and welfare that are normally computed in the prevailing wage rates and which otherwise would be subject to contribution obligations by private employers that are signatory to agreements with labor organizations;

(14) for voluntary payment as part of the Illinois Gives Initiative under Section 26 of the State Comptroller Act; or

(15) for payment of parking fees at the underground facility located south of the William G. Stratton State Office Building in Springfield or the parking ramp located at 401 South College Street, west of the William G. Stratton State Office Building in Springfield.

(Source: P.A. 98-700, eff. 7-7-14; 99-166, eff. 7-28-15.)

Section 10. The State Comptroller Act is amended by changing Sections 10.05, 10.05d, 16.1, and 27 as follows:

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

Sec. 10.05. Deductions from warrants; statement of reason for deduction. Whenever any person shall be entitled to a

warrant or other payment from the treasury or other funds held by the State Treasurer, on any account, against whom there shall be any then due and payable account or claim in favor of the State, the United States upon certification by the Secretary of the Treasury of the United States, or his or her delegate, pursuant to a reciprocal offset agreement under subsection (i-1) of Section 10 of the Illinois State Collection Act of 1986, or a unit of local government, a school district, a public institution of higher education, as defined in Section 1 of the Board of Higher Education Act, or the clerk of a circuit court, upon certification by that entity, the Comptroller, upon notification thereof, shall ascertain the amount due and payable to the State, the United States, the unit of local government, the school district, the public institution of higher education, or the clerk of the circuit court, as aforesaid, and draw a warrant on the treasury or on other funds held by the State Treasurer, stating the amount for which the party was entitled to a warrant or other payment, the amount deducted therefrom, and on what account, and directing the payment of the balance; which warrant or payment as so drawn shall be entered on the books of the Treasurer, and such balance only shall be paid. The Comptroller may deduct any one or more of the following: (i) the entire amount due and payable to the State or a portion of the amount due and payable to the State in accordance with the request of the notifying agency; (ii) the entire amount due and payable to the United States or

a portion of the amount due and payable to the United States in accordance with a reciprocal offset agreement under subsection (i-1) of Section 10 of the Illinois State Collection Act of 1986; or (iii) the entire amount due and payable to the unit of local government, school district, public institution of higher education, or clerk of the circuit court, or a portion of the amount due and payable to that entity, in accordance with an intergovernmental agreement authorized under this Section and Section 10.05d. No request from a notifying agency, the Secretary of the Treasury of the United States, a unit of local government, a school district, a public institution of higher education, or the clerk of a circuit court for an amount to be deducted under this Section from a wage or salary payment, ~~or~~ from a contractual payment to an individual for personal services, or from pension annuity payments made under the Illinois Pension Code shall exceed 25% of the net amount of such payment. "Net amount" means that part of the earnings of an individual remaining after deduction of any amounts required by law to be withheld. For purposes of this provision, wage, salary or other payments for personal services shall not include final compensation payments for the value of accrued vacation, overtime or sick leave. Whenever the Comptroller draws a warrant or makes a payment involving a deduction ordered under this Section, the Comptroller shall notify the payee and the State agency that submitted the voucher of the reason for the deduction and he or she shall retain a record of

such statement in his or her records. As used in this Section, an "account or claim in favor of the State" includes all amounts owing to "State agencies" as defined in Section 7 of this Act. However, the Comptroller shall not be required to accept accounts or claims owing to funds not held by the State Treasurer, where such accounts or claims do not exceed \$50, nor shall the Comptroller deduct from funds held by the State Treasurer under the Senior Citizens and Persons with Disabilities Property Tax Relief Act or for payments to institutions from the Illinois Prepaid Tuition Trust Fund (unless the Trust Fund moneys are used for child support). The Comptroller shall not deduct from payments to be disbursed from the Child Support Enforcement Trust Fund as provided for under Section 12-10.2 of the Illinois Public Aid Code, except for payments representing interest on child support obligations under Section 10-16.5 of that Code. The Comptroller and the Department of Revenue shall enter into an interagency agreement to establish responsibilities, duties, and procedures relating to deductions from lottery prizes awarded under Section 20.1 of the Illinois Lottery Law. The Comptroller may enter into an intergovernmental agreement with the Department of Revenue and the Secretary of the Treasury of the United States, or his or her delegate, to establish responsibilities, duties, and procedures relating to reciprocal offset of delinquent State and federal obligations pursuant to subsection (i-1) of Section 10 of the Illinois State Collection Act of 1986. The

Comptroller may enter into intergovernmental agreements with any unit of local government, school district, public institution of higher education, or clerk of a circuit court to establish responsibilities, duties, and procedures to provide for the offset, by the Comptroller, of obligations owed to those entities.

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

(Source: P.A. 98-463, eff. 8-16-13; 99-143, eff. 7-27-15.)

(15 ILCS 405/10.05d)

Sec. 10.05d. Deductions for delinquent obligations owed to units of local government, school districts, public institutions of higher education, and clerks of the circuit courts. Pursuant to Section 10.05 and this Section, the Comptroller may enter into intergovernmental agreements with a unit of local government, a school district, a public institution of higher education, or the clerk of a circuit court, in order to provide for (i) the use of the Comptroller's offset system to collect delinquent obligations owed to that entity and (ii) the payment to the Comptroller of a processing charge of up to \$15 per transaction for offsets processed without the assistance of a third-party vendor and a processing charge of up to \$20 per transaction for offsets processed with the assistance of a third-party vendor. A third-party vendor

may be selected by the Comptroller, pursuant to lawful procurement practices, in order to provide enhanced identification services to the State. The Comptroller shall deduct, from a warrant or other payment described in Section 10.05, in accordance with the procedures provided therein, its processing charge and the amount certified as necessary to satisfy, in whole or in part, the delinquent obligation owed to the unit of local government, school district, public institution of higher education, or clerk of the circuit court, as applicable. The Comptroller shall provide the unit of local government, school district, public institution of higher education, or clerk of the circuit court, as applicable, with the address to which the warrant or other payment was to be mailed and any other information pertaining to each person from whom a deduction is made pursuant to this Section. All deductions ordered under this Section and processing charges imposed under this Section shall be deposited into the Comptroller Debt Recovery Trust Fund, a special fund that the Comptroller shall use for the collection of deductions and processing charges, as provided by law, and the payment of deductions and administrative expenses, as provided by law.

Upon processing a deduction, the Comptroller shall give written notice to the person subject to the offset. The notice shall inform the person that he or she may make a written protest to the Comptroller within 60 days after the Comptroller has given notice. The protest shall include the reason for

contesting the deduction and any other information that will enable the Comptroller to determine the amount due and payable. The notice may inform the person that, in lieu of protest, he or she may provide written authority to the Comptroller to process the deduction immediately. Upon receiving the written authority provided by the person subject to the offset to process the deduction immediately, the Comptroller may process the deduction immediately. The intergovernmental agreement entered into under Section 10.05 and this Section shall establish procedures through which the Comptroller shall determine the validity of the protest and shall make a final disposition concerning the deduction. If the person subject to the offset has not made a written protest within 60 days after the Comptroller has given notice or if a final disposition is made concerning the deduction, the Comptroller shall pay the deduction to the unit of local government, school district, public institution of higher education, or clerk of the circuit court, as applicable, from the Comptroller Debt Recovery Trust Fund.

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

For purposes of this Section, "third-party vendor" means the vendor selected by the Comptroller to provide enhanced identification services to the State.

(Source: P.A. 97-632, eff. 12-16-11; 97-970, eff. 8-16-12;

98-272, eff. 8-9-13.)

(15 ILCS 405/16.1) (from Ch. 15, par. 216.1)

Sec. 16.1. All reports filed by local governmental units with the Comptroller together with any accompanying comment or explanation immediately becomes part of his or her public records and shall be open to public inspection. The Comptroller shall establish and maintain an online repository ~~designated as "The Warehouse"~~ that makes available to the public any and all reports required by law to be filed with the Office of the Comptroller by local governmental units. The Comptroller shall make the information contained in such reports available to State agencies and units of local government upon request.

(Source: P.A. 99-393, eff. 1-1-16.)

(15 ILCS 405/27)

Sec. 27. Comptroller's online ledger. The Comptroller shall establish and maintain an online repository of the State's financial transactions, ~~to be known as the Comptroller's "Online Ledger"~~. The Comptroller shall establish rules and regulations pertaining to the establishment and maintenance of the online ledger ~~"Online Ledger"~~. Any listing of an immediately preceding year's amount of State employee salaries on the online ledger ~~"Online Ledger"~~ shall list the total amount paid to a State employee during that past calendar year, or a monthly reporting of a State employee's salary from

that past calendar year, as rounded to the nearest hundred dollar. Any monthly reporting of a State employee's salary for the current year shall also be listed as rounded to the nearest hundred dollar. The Comptroller, in his or her discretion, may list the unadjusted total salary amount paid to a State employee for any previous year other than the rounded salary amount for the immediately preceding calendar year.

(Source: P.A. 99-393, eff. 1-1-16; 100-253, eff. 1-1-18.)

Section 15. The Comptroller Merit Employment Code is amended by changing Section 10b.7 as follows:

(15 ILCS 410/10b.7) (from Ch. 15, par. 432)

Sec. 10b.7. For the granting of appropriate preference in entrance examinations to qualified veterans or persons who have been members of the armed forces of the United States or to qualified persons who, while citizens of the United States, were members of the armed forces of allies of the United States in time of hostilities with a foreign country, and to certain other persons as set forth in this Section.

(a) As used in this Section:

(1) "Time of hostilities with a foreign country" means any period of time in the past, present, or future during which a declaration of war by the United States Congress has been or is in effect or during which an emergency condition has been or is in effect that is recognized by

the issuance of a Presidential proclamation or a Presidential executive order and in which the armed forces expeditionary medal or other campaign service medals are awarded according to Presidential executive order.

(2) "Armed forces of the United States" means the United States Army, Navy, Air Force, Marine Corps, Coast Guard. Service in the Merchant Marine that constitutes active duty under Section 401 of federal Public Law 95-202 shall also be considered service in the Armed Forces of the United States for purposes of this Section.

(3) "Veteran" means a person who has served as a member of the armed forces of the United States, the Illinois National Guard, or a reserve component of the armed forces of the United States.

(b) The preference granted under this Section shall be in the form of points added to the final grades of the persons if they otherwise qualify and are entitled to appear on the list of those eligible for appointments.

(c) A veteran is qualified for a preference of 10 points if the veteran currently holds proof of a service connected disability from the United States Department of Veterans Affairs or an allied country or if the veteran is a recipient of the Purple Heart.

(d) A veteran who has served during a time of hostilities with a foreign country is qualified for a preference of 5 points if the veteran served under one or more of the following

conditions:

- (1) The veteran served a total of at least 6 months, or
- (2) The veteran served for the duration of hostilities regardless of the length of engagement, or
- (3) The veteran was discharged on the basis of hardship, or
- (4) The veteran was released from active duty because of a service connected disability and was discharged under honorable conditions.

(e) A person not eligible for a preference under subsection (c) or (d) is qualified for a preference of 3 points if the person has served in the armed forces of the United States, the Illinois National Guard, or any reserve component of the armed forces of the United States and the person: (1) served for at least 6 months and has been discharged under honorable conditions; ~~or~~ (2) has been discharged on the ground of hardship; ~~or~~ (3) was released from active duty because of a service connected disability; or (4) served a minimum of 4 years in the Illinois National Guard or reserve component of the armed forces of the United States regardless of whether or not the person was mobilized to active duty. An active member of the National Guard or a reserve component of the armed forces of the United States is eligible for the preference if the member meets the service requirements of this subsection (e).

(f) The rank order of persons entitled to a preference on

eligible lists shall be determined on the basis of their augmented ratings. When the Director establishes eligible lists on the basis of category ratings such as "superior", "excellent", "well-qualified", and "qualified", the veteran eligibles in each such category shall be preferred for appointment before the non-veteran eligibles in the same category.

(g) Employees in positions covered by jurisdiction B who, while in good standing, leave to engage in military service during a period of hostility, shall be given credit for seniority purposes for time served in the armed forces.

(h) A surviving unremarried spouse of a veteran who suffered a service connected death or the spouse of a veteran who suffered a service connected disability that prevents the veteran from qualifying for civil service employment shall be entitled to the same preference to which the veteran would have been entitled under this Section.

(i) A preference shall also be given to the following individuals: 10 points for one parent of an unmarried veteran who suffered a service connected death or a service connected disability that prevents the veteran from qualifying for civil service employment. The first parent to receive a civil service appointment shall be the parent entitled to the preference.

(Source: P.A. 87-796.)

Section 20. The Illinois State Collection Act of 1986 is

amended by changing Section 5 as follows:

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

Sec. 5. Rules; payment plans; offsets.

(a) Until July 1, 2004 for the Department of Public Aid and July 1, 2005 for Universities and all other State agencies, State agencies shall adopt rules establishing formal due dates for amounts owing to the State and for the referral of seriously past due accounts to private collection agencies, unless otherwise expressly provided by law or rule, except that on and after July 1, 2005, the Department of Employment Security may continue to refer to private collection agencies past due amounts that are exempt from subsection (g). Such procedures shall be established in accord with sound business practices.

(b) Until July 1, 2004 for the Department of Public Aid and July 1, 2005 for Universities and all other State agencies, agencies may enter deferred payment plans for debtors of the agency and documentation of this fact retained by the agency, where the deferred payment plan is likely to increase the net amount collected by the State, except that, on and after July 1, 2005, the Department of Employment Security may continue to enter deferred payment plans for debts that are exempt from subsection (g).

(c) Until July 1, 2004 for the Department of Public Aid and July 1, 2005 for Universities and all other State agencies,

State agencies may use the Comptroller's Offset System provided in Section 10.05 of the State Comptroller Act for the collection of debts owed to the agency, except that, on and after July 1, 2005, the Department of Employment Security may continue to use the Comptroller's offset system to collect amounts that are exempt from subsection (g).

(c-1) All debts that exceed \$250 and are more than 90 days past due shall be placed in the Comptroller's Offset System, unless (i) the State agency shall have entered into a deferred payment plan or demonstrates to the Comptroller's satisfaction that referral for offset is not cost effective; or (ii) the State agency is a university that elects to place in the Comptroller's Offset System only debts that exceed \$1,000 and are more than 90 days past due. All debt, and maintenance of that debt, that is placed in the Comptroller's Offset System must be submitted electronically to the office of the Comptroller. Any exception to this requirement must be approved in writing by the Comptroller.

(c-2) Upon processing a deduction to satisfy a debt owed to a university or a State agency and placed in the Comptroller's Offset System in accordance with subsection (c-1), the Comptroller shall give written notice to the person subject to the offset. The notice shall inform the person that he or she may make a written protest to the Comptroller within 60 days after the Comptroller has given notice. The notice may inform the person that, in lieu of protest, he or she may provide

written authority to the Comptroller to process the deduction immediately. Upon receiving the written authority provided by the person subject to the offset to process the deduction immediately, the Comptroller may process the deduction immediately. The protest shall include the reason for contesting the deduction and any other information that will enable the Comptroller to determine the amount due and payable. If the person subject to the offset has not made a written protest within 60 days after the Comptroller has given notice, or if a final disposition is made concerning the deduction, the Comptroller shall pay the deduction to the university or the State agency.

(c-3) For a debt owed to a university or a State agency and placed in the Comptroller's Offset System in accordance with subsection (c-1), the Comptroller shall deduct, from a warrant or other payment, its processing charge and the amount certified as necessary to satisfy, in whole or in part, the debt owed to the university or the State agency. The Comptroller shall deduct a processing charge of up to \$15 per transaction for each offset and such charges shall be deposited into the Comptroller Debt Recovery Trust Fund.

(c-4) If a State university withholds moneys from a university-funded payroll for a debt in accordance with this Act, the university may also withhold the processing charge identified in Section 10.05d of the State Comptroller Act and subsection (c-3) of Section 5 of the Illinois State Collection

Act of 1986. Both amounts must be remitted to the Office of the Comptroller in a timely manner.

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

(e) State agencies or the Comptroller may remove claims from the Comptroller's Offset System, where such claims have been inactive for more than one year.

(f) State agencies may use the Comptroller's Offset System to determine if any State agency is attempting to collect debt from a contractor, bidder, or other proposed contracting party.

(g) Beginning July 1, 2004 for the Departments of Public Aid (now Healthcare and Family Services) and Employment Security and July 1, 2005 for Universities and other State agencies, State agencies shall refer to the Department of Revenue Debt Collection Bureau (the Bureau) all debt to the State, provided that the debt satisfies the requirements for referral of delinquent debt as established by rule by the Department of Revenue.

(h) The Department of Healthcare and Family Services shall be exempt from the requirements of this Section with regard to child support debts, the collection of which is governed by the requirements of Title IV, Part D of the federal Social Security Act. The Department of Healthcare and Family Services may refer child support debts to the Bureau, provided that the debt satisfies the requirements for referral of delinquent debt as

established by rule by the Department of Revenue. The Bureau shall use all legal means available to collect child support debt, including those authorizing the Department of Revenue to collect debt and those authorizing the Department of Healthcare and Family Services to collect debt. All such referred debt shall remain an obligation under the Department of Healthcare and Family Services' Child Support Enforcement Program subject to the requirements of Title IV, Part D of the federal Social Security Act, including the continued use of federally mandated enforcement remedies and techniques by the Department of Healthcare and Family Services.

(h-1) The Department of Employment Security is exempt from subsection (g) with regard to debts to any federal account, including but not limited to the Unemployment Trust Fund, and penalties and interest assessed under the Unemployment Insurance Act. The Department of Employment Security may refer those debts to the Bureau, provided the debt satisfies the requirements for referral of delinquent debt as established by rule by the Department of Revenue. The Bureau shall use all legal means available to collect the debts, including those authorizing the Department of Revenue to collect debt and those authorizing the Department of Employment Security to collect debt. All referred debt shall remain an obligation to the account to which it is owed.

(i) All debt referred to the Bureau for collection shall remain the property of the referring agency. The Bureau shall

collect debt on behalf of the referring agency using all legal means available, including those authorizing the Department of Revenue to collect debt and those authorizing the referring agency to collect debt.

(j) No debt secured by an interest in real property granted by the debtor in exchange for the creation of the debt shall be referred to the Bureau. The Bureau shall have no obligation to collect debts secured by an interest in real property.

(k) Beginning July 1, 2003, each agency shall collect and provide the Bureau information regarding the nature and details of its debt in such form and manner as the Department of Revenue shall require.

(l) For all debt accruing after July 1, 2003, each agency shall collect and transmit such debtor identification information as the Department of Revenue shall require.

(Source: P.A. 97-759, eff. 7-6-12; 98-1043, eff. 8-25-14.)

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