

101ST GENERAL ASSEMBLY State of Illinois 2019 and 2020 HB0929

by Rep. Lindsay Parkhurst

SYNOPSIS AS INTRODUCED:

735 ILCS 5/2-1303 from Ch. 110, par. 2-1303 735 ILCS 5/12-109 from Ch. 110, par. 12-109

Amends the Code of Civil Procedure. Provides that the interest on judgments arising by operation of law from child support orders shall be calculated by applying one-twelfth of 5% (rather than one-twelfth of 9%) to the unpaid child support balance as of the end of each calendar month. Provides that every calendar year, beginning in 2021, the Department of Healthcare and Family Services shall determine the percentage of simple interest that shall accrue on unpaid child support obligations. Makes corresponding changes. Effective immediately.

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1 AN ACT concerning civil law.

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

Section 5. The Code of Civil Procedure is amended by changing Sections 2-1303 and 12-109 as follows:

6 (735 ILCS 5/2-1303) (from Ch. 110, par. 2-1303)

Sec. 2-1303. Interest on judgment. Except for judgments arising by operation of law from a child support order, judgments Judgments recovered in any court shall draw interest at the rate of 9% per annum from the date of the judgment until satisfied or 6% per annum when the judgment debtor is a unit of local government, as defined in Section 1 of Article VII of the Constitution, a school district, a community college district, or any other governmental entity. When judgment is entered upon any award, report or verdict, interest shall be computed at the above rate, from the time when made or rendered to the time of entering judgment upon the same, and included in the judgment. Interest shall be computed and charged only on the unsatisfied portion of the judgment as it exists from time to time. The judgment debtor may by tender of payment of judgment, costs and interest accrued to the date of tender, stop the further accrual of interest on such judgment notwithstanding the prosecution of an appeal, or other steps to reverse, vacate or

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- 1 modify the judgment.
- 2 (Source: P.A. 85-907.)
- 3 (735 ILCS 5/12-109) (from Ch. 110, par. 12-109)
- 4 Sec. 12-109. Interest on judgments.
- 5 (a) Every judgment except those arising by operation of law 6 from child support orders shall bear interest thereon as 7 provided in Section 2-1303.
 - (b) Every judgment arising by operation of law from a child support order shall bear interest as provided in this subsection. The interest on judgments arising by operation of law from child support orders shall be calculated by applying one-twelfth of 5% the current statutory interest rate provided in Section 2-1303 to the unpaid child support balance as of the end of each calendar month. The unpaid child support balance at the end of the month is the total amount of child support ordered, excluding the child support that was due for that month to the extent that it was not paid in that month and including judgments for retroactive child support, less all payments received and applied as set forth in this subsection. The accrued interest shall not be included in the unpaid child support balance when calculating interest at the end of the month. The unpaid child support balance as of the end of each month shall be determined by calculating the current monthly child support obligation and applying all payments received for that month, except federal income tax refund intercepts, first

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to the current monthly child support obligation and then applying any payments in excess of the current monthly child support obligation to the unpaid child support balance owed from previous months. The current monthly child support obligation shall be determined from the document that established the support obligation. Federal income tax refund intercepts and any payments in excess of the current monthly child support obligation shall be applied to the unpaid child support balance. Any payments in excess of the current monthly child support obligation and the unpaid child support balance shall be applied to the accrued interest on the unpaid child support balance. Interest on child support obligations may be collected by any means available under State law for the collection of child support judgments. Every calendar year, beginning in 2021, the Illinois Department of Healthcare and Family Services shall determine the percentage of simple interest that shall accrue on unpaid child support obligations. (Source: P.A. 98-563, eff. 8-27-13.)

19 Section 99. Effective date. This Act takes effect upon 20 becoming law.