



Rep. Frank J. Mautino

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1 AMENDMENT TO HOUSE BILL 384

2 AMENDMENT NO. \_\_\_\_\_. Amend House Bill 384 by replacing  
3 everything after the enacting clause with the following:

4 "Section 5. The State Comptroller Act is amended by  
5 changing 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, ~~or to~~ 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,

1 or a public institution of higher education, as defined in  
2 Section 1 of the Board of Higher Education Act, upon  
3 certification by that entity ~~then due and payable,~~ the  
4 Comptroller, upon notification thereof, shall ascertain the  
5 amount due and payable to the State, ~~or to the United States,~~  
6 the unit of local government, the school district, or the  
7 public institution of higher education, as aforesaid, and draw  
8 a warrant on the treasury or on other funds held by the State  
9 Treasurer, stating the amount for which the party was entitled  
10 to a warrant or other payment, the amount deducted therefrom,  
11 and on what account, and directing the payment of the balance;  
12 which warrant or payment as so drawn shall be entered on the  
13 books of the Treasurer, and such balance only shall be paid.  
14 The Comptroller may deduct any one or more of the following:  
15 (i) the entire amount due and payable to the State or ~~may~~  
16 ~~deduct~~ a portion of the amount due and payable to the State in  
17 accordance with the request of the notifying agency; (ii) ~~and~~  
18 ~~may deduct~~ the entire amount due and payable to the United  
19 States, ~~or may deduct~~ a portion of the amount due and payable  
20 to the United States, ~~or~~ in accordance with a reciprocal offset  
21 agreement under subsection (i-1) of Section 10 of the Illinois  
22 State Collection Act of 1986; or (iii) the entire amount due  
23 and payable to the unit of local government, school district,  
24 or public institution of higher education or a portion of the  
25 amount due and payable to that entity in accordance with an  
26 intergovernmental agreement authorized under this Section and

1 Section 10.05d. No request from a notifying agency, ~~or from~~ the  
2 Secretary of the Treasury of the United States, a unit of local  
3 government, a school district, or a public institution of  
4 higher education for an amount to be deducted under this  
5 Section from a wage or salary payment, or from a contractual  
6 payment to an individual for personal services, shall exceed  
7 25% of the net amount of such payment. "Net amount" means that  
8 part of the earnings of an individual remaining after deduction  
9 of any amounts required by law to be withheld. For purposes of  
10 this provision, wage, salary or other payments for personal  
11 services shall not include final compensation payments for the  
12 value of accrued vacation, overtime or sick leave. Whenever the  
13 Comptroller draws a warrant or makes a payment involving a  
14 deduction ordered under this Section, the Comptroller shall  
15 notify the payee and the State agency that submitted the  
16 voucher of the reason for the deduction and he or she shall  
17 retain a record of such statement in his or her records. As  
18 used in this Section, an "account or claim in favor of the  
19 State" includes all amounts owing to "State agencies" as  
20 defined in Section 7 of this Act. However, the Comptroller  
21 shall not be required to accept accounts or claims owing to  
22 funds not held by the State Treasurer, where such accounts or  
23 claims do not exceed \$50, nor shall the Comptroller deduct from  
24 funds held by the State Treasurer under the Senior Citizens and  
25 Disabled Persons Property Tax Relief and Pharmaceutical  
26 Assistance Act or for payments to institutions from the

1 Illinois Prepaid Tuition Trust Fund (unless the Trust Fund  
2 moneys are used for child support). The Comptroller and the  
3 Department of Revenue shall enter into an interagency agreement  
4 to establish responsibilities ~~responsibility~~, duties, and  
5 procedures relating to deductions from lottery prizes awarded  
6 under Section 20.1 of the Illinois Lottery Law. The Comptroller  
7 may enter into an intergovernmental agreement with the  
8 Department of Revenue and the Secretary of the Treasury of the  
9 United States, or his or her delegate, to establish  
10 responsibilities, duties, and procedures relating to  
11 reciprocal offset of delinquent State and federal obligations  
12 pursuant to subsection (i-1) of Section 10 of the Illinois  
13 State Collection Act of 1986. The Comptroller may enter into  
14 intergovernmental agreements with any unit of local  
15 government, school district, or public institution of higher  
16 education to establish responsibilities, duties, and  
17 procedures to provide for the offset, by the Comptroller, of  
18 obligations owed to those entities.

19 (Source: P.A. 97-269, eff. 1-1-12.)

20 (15 ILCS 405/10.05d new)

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

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

24 Upon processing a deduction, the Comptroller shall give  
25 written notice to the person subject to the offset. The notice  
26 shall inform the person that he or she may make a written

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

16 Section 10. The Illinois Income Tax Act is amended by  
17 changing Section 911.3 as follows:

18 (35 ILCS 5/911.3)

19 Sec. 911.3. Refunds withheld; order of honoring requests.  
20 The Department shall honor refund withholding requests in the  
21 following order:

22 (1) a refund withholding request to collect an unpaid  
23 State tax;

24 (2) a refund withholding request to collect certified

1 past due child support amounts under Section 2505-650 of  
2 the Department of Revenue Law of the Civil Administrative  
3 Code of Illinois;

4 (3) a refund withholding request to collect any debt  
5 owed to the State;

6 (4) a refund withholding request made by the Secretary  
7 of the Treasury of the United States, or his or her  
8 delegate, to collect any tax liability arising from Title  
9 26 of the United States Code;

10 (4.5) a refund withholding request made by the  
11 Secretary of the Treasury of the United States, or his or  
12 her delegate, to collect any nontax debt owed to the United  
13 States as authorized under subsection (i-1) of Section 10  
14 of the Illinois State Collection Act of 1986;

15 (4.6) a refund withholding request to collect any debt  
16 owed to a unit of local government, school district, or  
17 public institution of higher education collected under an  
18 intergovernmental agreement entered into under Sections  
19 10.05 and 10.05d of the State Comptroller Act;

20 (5) a refund withholding request pursuant to Section  
21 911.2 of this Act; and

22 (6) a refund withholding request to collect certified  
23 past due fees owed to the Clerk of the Circuit Court as  
24 authorized under Section 2505-655 of the Department of  
25 Revenue Law of the Civil Administrative Code of Illinois.

26 (Source: P.A. 97-269, eff. 1-1-12.)

1           Section 15. "An Act concerning State government", approved  
2 August 8, 2011, Public Act 97-269, is amended by adding Section  
3 99 as follows:

4           (P.A. 97-269, Sec. 99 new)

5           Sec. 99. Effective date. This Act (Public Act 97-269) takes  
6 effect on the effective date of this amendatory Act of the 97th  
7 General Assembly or January 1, 2012, whichever is earlier.

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