



Rep. David McSweeney

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1 AMENDMENT TO HOUSE BILL 5814

2 AMENDMENT NO. \_\_\_\_\_. Amend House Bill 5814 by replacing  
3 everything after the enacting clause with the following:

4 "Section 5. The State Budget Law of the Civil  
5 Administrative Code of Illinois is amended by changing Section  
6 50-10 as follows:

7 (15 ILCS 20/50-10) (was 15 ILCS 20/38.1)

8 Sec. 50-10. Budget contents. The budget shall be submitted  
9 by the Governor with line item and program data. The budget  
10 shall also contain performance data presenting an estimate for  
11 the current fiscal year, projections for the budget year, and  
12 information for the 3 prior fiscal years comparing department  
13 objectives with actual accomplishments, formulated according  
14 to the various functions and activities, and, wherever the  
15 nature of the work admits, according to the work units, for  
16 which the respective departments, offices, and institutions of

1 the State government (including the elective officers in the  
2 executive department and including the University of Illinois  
3 and the judicial department) are responsible.

4 For the fiscal year beginning July 1, 1992 and for each  
5 fiscal year thereafter, the budget shall include the  
6 performance measures of each department's accountability  
7 report.

8 For the fiscal year beginning July 1, 1997 and for each  
9 fiscal year thereafter, the budget shall include one or more  
10 line items appropriating moneys to the Department of Human  
11 Services to fund participation in the Home-Based Support  
12 Services Program for Adults with Mental Disabilities under the  
13 Developmental Disability and Mental Disability Services Act by  
14 persons described in Section 2-17 of that Act.

15 For the fiscal year beginning July 1, 2019, and for each  
16 fiscal year thereafter, the budget shall include a separate  
17 line item request appropriating moneys to each State agency  
18 for: (1) estimated costs for each fund under the State Prompt  
19 Payment Act; and (2) estimated costs for each fund under  
20 Sections 368a and 370a of the Illinois Insurance Code.

21 The budget shall contain a capital development section in  
22 which the Governor will present (1) information on the capital  
23 projects and capital programs for which appropriations are  
24 requested, (2) the capital spending plans, which shall document  
25 the first and subsequent years cash requirements by fund for  
26 the proposed bonded program, and (3) a statement that shall

1 identify by year the principal and interest costs until  
2 retirement of the State's general obligation debt. In addition,  
3 the principal and interest costs of the budget year program  
4 shall be presented separately, to indicate the marginal cost of  
5 principal and interest payments necessary to retire the  
6 additional bonds needed to finance the budget year's capital  
7 program. In 2004 only, the capital development section of the  
8 State budget shall be submitted by the Governor not later than  
9 the fourth Tuesday of March (March 23, 2004).

10 The budget shall contain a section indicating whether there  
11 is a projected budget surplus or a projected budget deficit for  
12 general funds in the current fiscal year, or whether the  
13 current fiscal year's general funds budget is projected to be  
14 balanced, based on estimates prepared by the Governor's Office  
15 of Management and Budget using actual figures available on the  
16 date the budget is submitted. That section shall present this  
17 information in both a numerical table format and by way of a  
18 narrative description, and shall include information for the  
19 proposed upcoming fiscal year, the current fiscal year, and the  
20 2 years prior to the current fiscal year. These estimates must  
21 specifically and separately identify any non-recurring  
22 revenues, including, but not limited to, borrowed money, money  
23 derived by borrowing or transferring from other funds, or any  
24 non-operating financial source. None of these specifically and  
25 separately identified non-recurring revenues may include any  
26 revenue that cannot be realized without a change to law. The

1 table shall show accounts payable at the end of each fiscal  
2 year in a manner that specifically and separately identifies  
3 any general funds liabilities accrued during the current and  
4 prior fiscal years that may be paid from future fiscal years'  
5 appropriations, including, but not limited to, costs that may  
6 be paid beyond the end of the lapse period as set forth in  
7 Section 25 of the State Finance Act and costs incurred by the  
8 Department on Aging. The section shall also include an estimate  
9 of individual and corporate income tax overpayments that will  
10 not be refunded before the close of the fiscal year.

11 For the budget year, the current year, and 3 prior fiscal  
12 years, the Governor shall also include in the budget estimates  
13 of or actual values for the assets and liabilities for General  
14 Assembly Retirement System, State Employees' Retirement System  
15 of Illinois, State Universities Retirement System, Teachers'  
16 Retirement System of the State of Illinois, and Judges  
17 Retirement System of Illinois.

18 The budget submitted by the Governor shall contain, in  
19 addition, in a separate book, a tabulation of all position and  
20 employment titles in each such department, office, and  
21 institution, the number of each, and the salaries for each,  
22 formulated according to divisions, bureaus, sections, offices,  
23 departments, boards, and similar subdivisions, which shall  
24 correspond as nearly as practicable to the functions and  
25 activities for which the department, office, or institution is  
26 responsible.

1 Together with the budget, the Governor shall transmit the  
2 estimates of receipts and expenditures, as received by the  
3 Director of the Governor's Office of Management and Budget, of  
4 the elective officers in the executive and judicial departments  
5 and of the University of Illinois.

6 An applicable appropriations committee of each chamber of  
7 the General Assembly, for fiscal year 2012 and thereafter, must  
8 review individual line item appropriations and the total budget  
9 for each State agency, as defined in the Illinois State  
10 Auditing Act.

11 (Source: P.A. 98-460, eff. 1-1-14; 99-143, eff. 7-27-15.)

12 Section 10. The State Finance Act is amended by changing  
13 Section 13.2 as follows:

14 (30 ILCS 105/13.2) (from Ch. 127, par. 149.2)

15 Sec. 13.2. Transfers among line item appropriations.

16 (a) Transfers among line item appropriations from the same  
17 treasury fund for the objects specified in this Section may be  
18 made in the manner provided in this Section when the balance  
19 remaining in one or more such line item appropriations is  
20 insufficient for the purpose for which the appropriation was  
21 made.

22 (a-1) No transfers may be made from one agency to another  
23 agency, nor may transfers be made from one institution of  
24 higher education to another institution of higher education

1 except as provided by subsection (a-4).

2 (a-2) Except as otherwise provided in this Section,  
3 transfers may be made only among the objects of expenditure  
4 enumerated in this Section, except that no funds may be  
5 transferred from any appropriation for personal services, from  
6 any appropriation for State contributions to the State  
7 Employees' Retirement System, from any separate appropriation  
8 for employee retirement contributions paid by the employer, nor  
9 from any appropriation for State contribution for employee  
10 group insurance. During State fiscal year 2005, an agency may  
11 transfer amounts among its appropriations within the same  
12 treasury fund for personal services, employee retirement  
13 contributions paid by employer, and State Contributions to  
14 retirement systems; notwithstanding and in addition to the  
15 transfers authorized in subsection (c) of this Section, the  
16 fiscal year 2005 transfers authorized in this sentence may be  
17 made in an amount not to exceed 2% of the aggregate amount  
18 appropriated to an agency within the same treasury fund. During  
19 State fiscal year 2007, the Departments of Children and Family  
20 Services, Corrections, Human Services, and Juvenile Justice  
21 may transfer amounts among their respective appropriations  
22 within the same treasury fund for personal services, employee  
23 retirement contributions paid by employer, and State  
24 contributions to retirement systems. During State fiscal year  
25 2010, the Department of Transportation may transfer amounts  
26 among their respective appropriations within the same treasury

1 fund for personal services, employee retirement contributions  
2 paid by employer, and State contributions to retirement  
3 systems. During State fiscal years 2010 and 2014 only, an  
4 agency may transfer amounts among its respective  
5 appropriations within the same treasury fund for personal  
6 services, employee retirement contributions paid by employer,  
7 and State contributions to retirement systems.  
8 Notwithstanding, and in addition to, the transfers authorized  
9 in subsection (c) of this Section, these transfers may be made  
10 in an amount not to exceed 2% of the aggregate amount  
11 appropriated to an agency within the same treasury fund.

12 (a-2.5) During State fiscal year 2015 only, the State's  
13 Attorneys Appellate Prosecutor may transfer amounts among its  
14 respective appropriations contained in operational line items  
15 within the same treasury fund. Notwithstanding, and in addition  
16 to, the transfers authorized in subsection (c) of this Section,  
17 these transfers may be made in an amount not to exceed 4% of  
18 the aggregate amount appropriated to the State's Attorneys  
19 Appellate Prosecutor within the same treasury fund.

20 (a-3) Further, if an agency receives a separate  
21 appropriation for employee retirement contributions paid by  
22 the employer, any transfer by that agency into an appropriation  
23 for personal services must be accompanied by a corresponding  
24 transfer into the appropriation for employee retirement  
25 contributions paid by the employer, in an amount sufficient to  
26 meet the employer share of the employee contributions required

1 to be remitted to the retirement system.

2 (a-4) Long-Term Care Rebalancing. The Governor may  
3 designate amounts set aside for institutional services  
4 appropriated from the General Revenue Fund or any other State  
5 fund that receives monies for long-term care services to be  
6 transferred to all State agencies responsible for the  
7 administration of community-based long-term care programs,  
8 including, but not limited to, community-based long-term care  
9 programs administered by the Department of Healthcare and  
10 Family Services, the Department of Human Services, and the  
11 Department on Aging, provided that the Director of Healthcare  
12 and Family Services first certifies that the amounts being  
13 transferred are necessary for the purpose of assisting persons  
14 in or at risk of being in institutional care to transition to  
15 community-based settings, including the financial data needed  
16 to prove the need for the transfer of funds. The total amounts  
17 transferred shall not exceed 4% in total of the amounts  
18 appropriated from the General Revenue Fund or any other State  
19 fund that receives monies for long-term care services for each  
20 fiscal year. A notice of the fund transfer must be made to the  
21 General Assembly and posted at a minimum on the Department of  
22 Healthcare and Family Services website, the Governor's Office  
23 of Management and Budget website, and any other website the  
24 Governor sees fit. These postings shall serve as notice to the  
25 General Assembly of the amounts to be transferred. Notice shall  
26 be given at least 30 days prior to transfer.



1 (b) In addition to the general transfer authority provided  
2 under subsection (c), the following agencies have the specific  
3 transfer authority granted in this subsection:

4 The Department of Healthcare and Family Services is  
5 authorized to make transfers representing savings attributable  
6 to not increasing grants due to the births of additional  
7 children from line items for payments of cash grants to line  
8 items for payments for employment and social services for the  
9 purposes outlined in subsection (f) of Section 4-2 of the  
10 Illinois Public Aid Code.

11 The Department of Children and Family Services is  
12 authorized to make transfers not exceeding 2% of the aggregate  
13 amount appropriated to it within the same treasury fund for the  
14 following line items among these same line items: Foster Home  
15 and Specialized Foster Care and Prevention, Institutions and  
16 Group Homes and Prevention, and Purchase of Adoption and  
17 Guardianship Services.

18 The Department on Aging is authorized to make transfers not  
19 exceeding 2% of the aggregate amount appropriated to it within  
20 the same treasury fund for the following Community Care Program  
21 line items among these same line items: purchase of services  
22 covered by the Community Care Program and Comprehensive Case  
23 Coordination.

24 The State Treasurer is authorized to make transfers among  
25 line item appropriations from the Capital Litigation Trust  
26 Fund, with respect to costs incurred in fiscal years 2002 and

1 2003 only, when the balance remaining in one or more such line  
2 item appropriations is insufficient for the purpose for which  
3 the appropriation was made, provided that no such transfer may  
4 be made unless the amount transferred is no longer required for  
5 the purpose for which that appropriation was made.

6 The State Board of Education is authorized to make  
7 transfers from line item appropriations within the same  
8 treasury fund for General State Aid, General State Aid - Hold  
9 Harmless, and Evidence-Based Funding, provided that no such  
10 transfer may be made unless the amount transferred is no longer  
11 required for the purpose for which that appropriation was made,  
12 to the line item appropriation for Transitional Assistance when  
13 the balance remaining in such line item appropriation is  
14 insufficient for the purpose for which the appropriation was  
15 made.

16 The State Board of Education is authorized to make  
17 transfers between the following line item appropriations  
18 within the same treasury fund: Disabled Student  
19 Services/Materials (Section 14-13.01 of the School Code),  
20 Disabled Student Transportation Reimbursement (Section  
21 14-13.01 of the School Code), Disabled Student Tuition -  
22 Private Tuition (Section 14-7.02 of the School Code),  
23 Extraordinary Special Education (Section 14-7.02b of the  
24 School Code), Reimbursement for Free Lunch/Breakfast Program,  
25 Summer School Payments (Section 18-4.3 of the School Code), and  
26 Transportation - Regular/Vocational Reimbursement (Section

1 29-5 of the School Code). Such transfers shall be made only  
2 when the balance remaining in one or more such line item  
3 appropriations is insufficient for the purpose for which the  
4 appropriation was made and provided that no such transfer may  
5 be made unless the amount transferred is no longer required for  
6 the purpose for which that appropriation was made.

7 The Department of Healthcare and Family Services is  
8 authorized to make transfers not exceeding 4% of the aggregate  
9 amount appropriated to it, within the same treasury fund, among  
10 the various line items appropriated for Medical Assistance.

11 (c) The sum of such transfers for an agency in a fiscal  
12 year shall not exceed 2% of the aggregate amount appropriated  
13 to it within the same treasury fund for the following objects:  
14 Personal Services; Extra Help; Student and Inmate  
15 Compensation; State Contributions to Retirement Systems; State  
16 Contributions to Social Security; State Contribution for  
17 Employee Group Insurance; Contractual Services; Travel;  
18 Commodities; Printing; Equipment; Electronic Data Processing;  
19 Operation of Automotive Equipment; Telecommunications  
20 Services; Travel and Allowance for Committed, Paroled and  
21 Discharged Prisoners; Library Books; Federal Matching Grants  
22 for Student Loans; Refunds; Workers' Compensation,  
23 Occupational Disease, and Tort Claims; Late Interest Penalties  
24 under the State Prompt Payment Act and Sections 368a and 370a  
25 of the Illinois Insurance Code; and, in appropriations to  
26 institutions of higher education, Awards and Grants.

1 Notwithstanding the above, any amounts appropriated for  
2 payment of workers' compensation claims to an agency to which  
3 the authority to evaluate, administer and pay such claims has  
4 been delegated by the Department of Central Management Services  
5 may be transferred to any other expenditure object where such  
6 amounts exceed the amount necessary for the payment of such  
7 claims.

8 (c-1) Special provisions for State fiscal year 2003.  
9 Notwithstanding any other provision of this Section to the  
10 contrary, for State fiscal year 2003 only, transfers among line  
11 item appropriations to an agency from the same treasury fund  
12 may be made provided that the sum of such transfers for an  
13 agency in State fiscal year 2003 shall not exceed 3% of the  
14 aggregate amount appropriated to that State agency for State  
15 fiscal year 2003 for the following objects: personal services,  
16 except that no transfer may be approved which reduces the  
17 aggregate appropriations for personal services within an  
18 agency; extra help; student and inmate compensation; State  
19 contributions to retirement systems; State contributions to  
20 social security; State contributions for employee group  
21 insurance; contractual services; travel; commodities;  
22 printing; equipment; electronic data processing; operation of  
23 automotive equipment; telecommunications services; travel and  
24 allowance for committed, paroled, and discharged prisoners;  
25 library books; federal matching grants for student loans;  
26 refunds; workers' compensation, occupational disease, and tort

1 claims; and, in appropriations to institutions of higher  
2 education, awards and grants.

3 (c-2) Special provisions for State fiscal year 2005.  
4 Notwithstanding subsections (a), (a-2), and (c), for State  
5 fiscal year 2005 only, transfers may be made among any line  
6 item appropriations from the same or any other treasury fund  
7 for any objects or purposes, without limitation, when the  
8 balance remaining in one or more such line item appropriations  
9 is insufficient for the purpose for which the appropriation was  
10 made, provided that the sum of those transfers by a State  
11 agency shall not exceed 4% of the aggregate amount appropriated  
12 to that State agency for fiscal year 2005.

13 (c-3) Special provisions for State fiscal year 2015.  
14 Notwithstanding any other provision of this Section, for State  
15 fiscal year 2015, transfers among line item appropriations to a  
16 State agency from the same State treasury fund may be made for  
17 operational or lump sum expenses only, provided that the sum of  
18 such transfers for a State agency in State fiscal year 2015  
19 shall not exceed 4% of the aggregate amount appropriated to  
20 that State agency for operational or lump sum expenses for  
21 State fiscal year 2015. For the purpose of this subsection,  
22 "operational or lump sum expenses" includes the following  
23 objects: personal services; extra help; student and inmate  
24 compensation; State contributions to retirement systems; State  
25 contributions to social security; State contributions for  
26 employee group insurance; contractual services; travel;

1 commodities; printing; equipment; electronic data processing;  
2 operation of automotive equipment; telecommunications  
3 services; travel and allowance for committed, paroled, and  
4 discharged prisoners; library books; federal matching grants  
5 for student loans; refunds; workers' compensation,  
6 occupational disease, and tort claims; lump sum and other  
7 purposes; and lump sum operations. For the purpose of this  
8 subsection (c-3), "State agency" does not include the Attorney  
9 General, the Secretary of State, the Comptroller, the  
10 Treasurer, or the legislative or judicial branches.

11 (c-4) Special provisions for State fiscal year 2018.  
12 Notwithstanding any other provision of this Section, for State  
13 fiscal year 2018, transfers among line item appropriations to a  
14 State agency from the same State treasury fund may be made for  
15 operational or lump sum expenses only, provided that the sum of  
16 such transfers for a State agency in State fiscal year 2018  
17 shall not exceed 4% of the aggregate amount appropriated to  
18 that State agency for operational or lump sum expenses for  
19 State fiscal year 2018. For the purpose of this subsection  
20 (c-4), "operational or lump sum expenses" includes the  
21 following objects: personal services; extra help; student and  
22 inmate compensation; State contributions to retirement  
23 systems; State contributions to social security; State  
24 contributions for employee group insurance; contractual  
25 services; travel; commodities; printing; equipment; electronic  
26 data processing; operation of automotive equipment;

1 telecommunications services; travel and allowance for  
2 committed, paroled, and discharged prisoners; library books;  
3 federal matching grants for student loans; refunds; workers'  
4 compensation, occupational disease, and tort claims; lump sum  
5 and other purposes; and lump sum operations. For the purpose of  
6 this subsection (c-4), "State agency" does not include the  
7 Attorney General, the Secretary of State, the Comptroller, the  
8 Treasurer, or the legislative or judicial branches.

9 (d) Transfers among appropriations made to agencies of the  
10 Legislative and Judicial departments and to the  
11 constitutionally elected officers in the Executive branch  
12 require the approval of the officer authorized in Section 10 of  
13 this Act to approve and certify vouchers. Transfers among  
14 appropriations made to the University of Illinois, Southern  
15 Illinois University, Chicago State University, Eastern  
16 Illinois University, Governors State University, Illinois  
17 State University, Northeastern Illinois University, Northern  
18 Illinois University, Western Illinois University, the Illinois  
19 Mathematics and Science Academy and the Board of Higher  
20 Education require the approval of the Board of Higher Education  
21 and the Governor. Transfers among appropriations to all other  
22 agencies require the approval of the Governor.

23 The officer responsible for approval shall certify that the  
24 transfer is necessary to carry out the programs and purposes  
25 for which the appropriations were made by the General Assembly  
26 and shall transmit to the State Comptroller a certified copy of

1 the approval which shall set forth the specific amounts  
2 transferred so that the Comptroller may change his records  
3 accordingly. The Comptroller shall furnish the Governor with  
4 information copies of all transfers approved for agencies of  
5 the Legislative and Judicial departments and transfers  
6 approved by the constitutionally elected officials of the  
7 Executive branch other than the Governor, showing the amounts  
8 transferred and indicating the dates such changes were entered  
9 on the Comptroller's records.

10 (e) The State Board of Education, in consultation with the  
11 State Comptroller, may transfer line item appropriations for  
12 General State Aid or Evidence-Based Funding between the Common  
13 School Fund and the Education Assistance Fund. With the advice  
14 and consent of the Governor's Office of Management and Budget,  
15 the State Board of Education, in consultation with the State  
16 Comptroller, may transfer line item appropriations between the  
17 General Revenue Fund and the Education Assistance Fund for the  
18 following programs:

19 (1) Disabled Student Personnel Reimbursement (Section  
20 14-13.01 of the School Code);

21 (2) Disabled Student Transportation Reimbursement  
22 (subsection (b) of Section 14-13.01 of the School Code);

23 (3) Disabled Student Tuition - Private Tuition  
24 (Section 14-7.02 of the School Code);

25 (4) Extraordinary Special Education (Section 14-7.02b  
26 of the School Code);



- 1 (5) Reimbursement for Free Lunch/Breakfast Programs;
- 2 (6) Summer School Payments (Section 18-4.3 of the  
3 School Code);
- 4 (7) Transportation - Regular/Vocational Reimbursement  
5 (Section 29-5 of the School Code);
- 6 (8) Regular Education Reimbursement (Section 18-3 of  
7 the School Code); and
- 8 (9) Special Education Reimbursement (Section 14-7.03  
9 of the School Code).
- 10 (Source: P.A. 99-2, eff. 3-26-15; 100-23, eff. 7-6-17; 100-465,  
11 eff. 8-31-17; revised 10-4-17.)

12 Section 15. The Governor's Office of Management and Budget  
13 Act is amended by changing Section 7.3 as follows:

14 (20 ILCS 3005/7.3)

15 Sec. 7.3. Annual economic and fiscal policy report. No  
16 later than November 15 of each year, the Governor's Office of  
17 Management and Budget shall submit an economic and fiscal  
18 policy report to the General Assembly. The report must outline  
19 the long-term economic and fiscal policy objectives of the  
20 State, the economic and fiscal policy intentions for the  
21 upcoming fiscal year, and the economic and fiscal policy  
22 intentions for the following 4 fiscal years. The report must  
23 highlight the total level of revenue, expenditure, deficit or  
24 surplus, and debt with respect to each of the reporting

1 categories. The report must include any assumptions concerning  
2 tax rates and fees used to determine revenue and expenditures  
3 for future fiscal years. The report must include a comparison  
4 of the enacted current fiscal year budget to the current fiscal  
5 year outlook, and, if applicable, must outline any budgetary  
6 shortfalls and fiscal and policy options that the Office will  
7 pursue to remedy those budgetary shortfalls. If the projected  
8 expenditures for any of the following 4 fiscal years exceeds  
9 the corresponding fiscal year projected revenues, then the  
10 report must outline fiscal and policy options that the Office  
11 will pursue to remedy the budgetary shortfall. The report must  
12 include: (1) an estimate of Late Interest Penalties under the  
13 State Prompt Payment Act for the upcoming fiscal year and  
14 projections of the same for each of the following 4 fiscal  
15 years; and (2) an estimate of interest penalties under Sections  
16 368a and 370a of the Illinois Insurance Code for the upcoming  
17 fiscal year and projections of the same for each of the  
18 following 4 fiscal years. The report must include an agency  
19 categorization key for the reporting categories. The report  
20 must be posted on the Office's Internet website and allow  
21 members of the public to post comments concerning the report.  
22 (Source: P.A. 98-692, eff. 7-1-14; 99-854, eff. 8-19-16.)

23 Section 20. The State Prompt Payment Act is amended by  
24 changing Section 3-2 as follows:

1 (30 ILCS 540/3-2)

2 Sec. 3-2. Beginning July 1, 1993, in any instance where a  
3 State official or agency is late in payment of a vendor's bill  
4 or invoice for goods or services furnished to the State, as  
5 defined in Section 1, properly approved in accordance with  
6 rules promulgated under Section 3-3, the State official or  
7 agency shall pay interest to the vendor in accordance with the  
8 following:

9 (1) Any bill, except a bill submitted under Article V  
10 of the Illinois Public Aid Code and except as provided  
11 under paragraph (1.05) of this Section, approved for  
12 payment under this Section must be paid or the payment  
13 issued to the payee within 60 days of receipt of a proper  
14 bill or invoice. If payment is not issued to the payee  
15 within this 60-day period, an interest penalty of 1.0% of  
16 any amount approved and unpaid shall be added for each  
17 month or fraction thereof after the end of this 60-day  
18 period, until final payment is made. Any bill, except a  
19 bill for pharmacy or nursing facility services or goods,  
20 and except as provided under paragraph (1.05) of this  
21 Section, submitted under Article V of the Illinois Public  
22 Aid Code approved for payment under this Section must be  
23 paid or the payment issued to the payee within 60 days  
24 after receipt of a proper bill or invoice, and, if payment  
25 is not issued to the payee within this 60-day period, an  
26 interest penalty of 2.0% of any amount approved and unpaid

1 shall be added for each month or fraction thereof after the  
2 end of this 60-day period, until final payment is made. Any  
3 bill for pharmacy or nursing facility services or goods  
4 submitted under Article V of the Illinois Public Aid Code,  
5 except as provided under paragraph (1.05) of this Section,  
6 and approved for payment under this Section must be paid or  
7 the payment issued to the payee within 60 days of receipt  
8 of a proper bill or invoice. If payment is not issued to  
9 the payee within this 60-day period, an interest penalty of  
10 1.0% of any amount approved and unpaid shall be added for  
11 each month or fraction thereof after the end of this 60-day  
12 period, until final payment is made.

13 (1.05) For State fiscal year 2012 and future fiscal  
14 years, any bill approved for payment under this Section  
15 must be paid or the payment issued to the payee within 90  
16 days of receipt of a proper bill or invoice. If payment is  
17 not issued to the payee within this 90-day period, an  
18 interest penalty of 1.0% of any amount approved and unpaid  
19 shall be added for each month, or 0.033% (one-thirtieth of  
20 one percent) of any amount approved and unpaid for each  
21 day, after the end of this 90-day period, until final  
22 payment is made.

23 (1.1) A State agency shall review in a timely manner  
24 each bill or invoice after its receipt. If the State agency  
25 determines that the bill or invoice contains a defect  
26 making it unable to process the payment request, the agency

1 shall notify the vendor requesting payment as soon as  
2 possible after discovering the defect pursuant to rules  
3 promulgated under Section 3-3; provided, however, that the  
4 notice for construction related bills or invoices must be  
5 given not later than 30 days after the bill or invoice was  
6 first submitted. The notice shall identify the defect and  
7 any additional information necessary to correct the  
8 defect. If one or more items on a construction related bill  
9 or invoice are disapproved, but not the entire bill or  
10 invoice, then the portion that is not disapproved shall be  
11 paid.

12 (2) Where a State official or agency is late in payment  
13 of a vendor's bill or invoice properly approved in  
14 accordance with this Act, and different late payment terms  
15 are not reduced to writing as a contractual agreement, the  
16 State official or agency shall automatically pay interest  
17 penalties required by this Section amounting to \$50 or more  
18 to the appropriate vendor. Each agency shall be responsible  
19 for determining whether an interest penalty is owed and for  
20 paying the interest to the vendor. Except as provided in  
21 paragraph (4), an individual interest payment amounting to  
22 \$5 or less shall not be paid by the State. Interest due to  
23 a vendor that amounts to greater than \$5 and less than \$50  
24 shall not be paid but shall be accrued until all interest  
25 due the vendor for all similar warrants exceeds \$50, at  
26 which time the accrued interest shall be payable and

1 interest will begin accruing again, except that interest  
2 accrued as of the end of the fiscal year that does not  
3 exceed \$50 shall be payable at that time. In the event an  
4 individual has paid a vendor for services in advance, the  
5 provisions of this Section shall apply until payment is  
6 made to that individual.

7 (3) The provisions of Public Act 96-1501 reducing the  
8 interest rate on pharmacy claims under Article V of the  
9 Illinois Public Aid Code to 1.0% per month shall apply to  
10 any pharmacy bills for services and goods under Article V  
11 of the Illinois Public Aid Code received on or after the  
12 date 60 days before January 25, 2011 (the effective date of  
13 Public Act 96-1501) except as provided under paragraph  
14 (1.05) of this Section.

15 (4) Interest amounting to less than \$5 shall not be  
16 paid by the State, except for claims (i) to the Department  
17 of Healthcare and Family Services or the Department of  
18 Human Services, (ii) pursuant to Article V of the Illinois  
19 Public Aid Code, the Covering ALL KIDS Health Insurance  
20 Act, or the Children's Health Insurance Program Act, and  
21 (iii) made (A) by pharmacies for prescriptive services or  
22 (B) by any federally qualified health center for  
23 prescriptive services or any other services.

24 Notwithstanding any provision to the contrary, interest  
25 may not be paid under this Act when: (1) a Chief Procurement  
26 Officer has voided the underlying contract for goods or

1 services under Article 50 of the Illinois Procurement Code; or  
2 (2) the Auditor General is conducting a performance or program  
3 audit and the Comptroller has held or is holding for review a  
4 related contract or vouchers for payment of goods or services  
5 in the exercise of duties under Section 9 of the State  
6 Comptroller Act. In such event, interest shall not accrue  
7 during the pendency of the Auditor General's review.

8 (Source: P.A. 96-555, eff. 8-18-09; 96-802, eff. 1-1-10;  
9 96-959, eff. 7-1-10; 96-1000, eff. 7-2-10; 96-1501, eff.  
10 1-25-11; 96-1530, eff. 2-16-11; 97-72, eff. 7-1-11; 97-74, eff.  
11 6-30-11; 97-348, eff. 8-12-11; 97-813, eff. 7-13-12; 97-932,  
12 eff. 8-10-12; 97-1142, eff. 12-28-12.)

13 Section 99. Effective date. This Act takes effect July 1,  
14 2018."