Sen. Michael W. Halpin

Filed: 5/19/2026

AMENDMENT TO HOUSE BILL 4340

AMENDMENT NO. ______. Amend House Bill 4340 by replacing everything after the enacting clause with the following:

"Section 1. This Act may be referred to as the Community Partner Fair Contracting Act.

Section 5. The State Prompt Payment Act is amended by changing Sections 3-2, 3-6, and 7 as follows:

(30 ILCS 540/3-2)

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

(1) (Blank). ~~Any bill, except a bill submitted under Article V of the Illinois Public Aid Code and except as provided under paragraph (1.05) of this Section, approved for payment under this Section must be paid or the payment issued to the payee within 60 days of receipt of a proper bill or invoice. If payment is not issued to the payee within this 60-day period, an interest penalty of 1.0% of any amount approved and unpaid shall be added for each month or fraction thereof after the end of this 60-day period, until final payment is made. Any bill, except a bill for pharmacy or nursing facility services or goods, and except as provided under paragraph (1.05) of this Section, submitted under Article V of the Illinois Public Aid Code approved for payment under this Section must be paid or the payment issued to the payee within 60 days after receipt of a proper bill or invoice, and, if payment is not issued to the payee within this 60-day period, an interest penalty of 2.0% of any amount approved and unpaid shall be added for each month or fraction thereof after the end of this 60-day period, until final payment is made. Any bill for pharmacy or nursing facility services or goods submitted under Article V of the Illinois Public Aid Code, except as provided under paragraph (1.05) of this Section, and approved for payment under this Section must be paid or the payment issued to the payee within 60 days of receipt of a proper bill or invoice. If payment is~~

~~not issued to the payee within this 60-day period, an interest penalty of 1.0% of any amount approved and unpaid shall be added for each month or fraction thereof after the end of this 60-day period, until final payment is made.~~

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

(1.1) A State agency shall review ~~in a timely manner~~ each bill or invoice <u>within 30 calendar days</u> after its receipt. If the State agency determines that the bill or invoice contains a defect making it unable to process the payment request, the agency shall notify the vendor requesting payment ~~as soon as possible after discovering the defect pursuant to rules promulgated under Section 3-3; provided, however, that the notice for construction related bills or invoices must be given~~ not later than 30 days after the bill or invoice was first submitted. The notice shall identify the defect and any additional information necessary to correct the defect. If one or more items on a construction related bill or invoice are disapproved, but not the entire bill or invoice, then the portion that is not disapproved shall be paid <u>in accordance with the requirements of this Act</u>.

(2) Where a State official or agency is late in payment of a vendor's bill or invoice properly approved in accordance with this Act, and different late payment terms are not reduced to writing as a contractual agreement, the State official or agency shall automatically pay interest penalties required by this Section amounting to $50 or more to the appropriate vendor. Each agency shall be responsible for determining whether an interest penalty is owed and for paying the interest to the vendor. Except as provided in paragraph (4), an individual interest payment amounting to $5 or less shall not be paid by the State. Interest due to a vendor that amounts to greater than $5 and less than $50 shall not be paid but shall be accrued until all interest due the vendor for all similar warrants exceeds $50, at which time the accrued interest shall be payable and interest will begin accruing again, except that interest accrued as of the end of the fiscal year that does not exceed $50 shall be payable at that time. In the event an individual has paid a vendor for services in advance, the provisions of this Section shall apply until payment is made to that individual.

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

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

Notwithstanding any provision to the contrary, interest may not be paid under this Act when: (1) a Chief Procurement Officer has voided the underlying contract for goods or services under Article 50 of the Illinois Procurement Code; or (2) the Auditor General is conducting a performance or program audit and the Comptroller has held or is holding for review a related contract or vouchers for payment of goods or services in the exercise of duties under Section 9 of the State Comptroller Act. In such event, interest shall not accrue

during the pendency of the Auditor General's review.
(Source: P.A. 100-1064, eff. 8-24-18.)

(30 ILCS 540/3-6)

Sec. 3-6. Federal funds; lack of authority. If an agency incurs an interest liability under this Act that cannot be charged to the same expenditure authority account to which the related goods or services were charged due to federal prohibitions, the agency is authorized to pay the interest from its available appropriations from the General Revenue Fund <u>or from any other fund in the State treasury that is not otherwise prohibited from being used to pay interest</u>, except that the Department of Transportation is authorized to pay the interest from its available appropriations from the Road Fund, as long as the original goods or services were for purposes consistent with Section 11 of Article IX of the Illinois Constitution.
(Source: P.A. 103-588, eff. 6-5-24.)

(30 ILCS 540/7) (from Ch. 127, par. 132.407)

Sec. 7. Payments to subcontractors and material suppliers.

(a) When a State official or agency responsible for administering a contract <u>receives a proper bill or invoice from a contractor, that State official or agency shall transmit any approved amount to the Comptroller within 30 calendar days of receipt.</u>

(a-1) When a State official or agency responsible for administering a contract submits a voucher to the Comptroller for payment to a contractor, that State official or agency shall promptly make available electronically the voucher number, the date of the voucher, and the amount of the voucher. The State official or agency responsible for administering the contract shall provide subcontractors and material suppliers, known to the State official or agency, with instructions on how to access the electronic information on the Comptroller's website.

(a-5) When a contractor receives any payment, the contractor shall pay each subcontractor and material supplier electronically within 10 business days or 15 calendar days, whichever occurs earlier, or, if paid by a printed check, the printed check must be postmarked within 10 business days or 15 calendar days, whichever occurs earlier, after receiving payment in proportion to the work completed by each subcontractor and material supplier according to its application or pay estimate, plus interest received under this Act. When a contractor receives any payment, the contractor shall pay each lower-tiered subcontractor and material supplier and each subcontractor and material supplier shall make payment to its own respective subcontractors and material suppliers. If the contractor receives less than the full payment due under the public construction contract, the contractor shall be obligated to disburse on a pro rata basis those funds received, plus interest received under this Act, with the contractor, subcontractors and material suppliers each receiving a prorated portion based on the amount of payment each has earned. When, however, the State official or agency does not release the full payment due under the contract because there are specific areas of work or materials the State agency or official has determined are not suitable for payment, then those specific subcontractors or material suppliers involved shall not be paid for that portion of work rejected or deemed not suitable for payment and all other subcontractors and suppliers shall be paid based upon the amount of payment each has earned, plus interest received under this Act.

(a-10) For construction contracts with the Department of Transportation, the contractor, subcontractor, or material supplier, regardless of tier, shall not offset, decrease, or diminish payment or payments that are due to its subcontractors or material suppliers without reasonable cause.

A contractor, who refuses to make prompt payment within 10 business days or 15 calendar days, whichever occurs earlier, after receiving payment, in whole or in part, shall provide to the subcontractor or material supplier and the public owner or its agent, a written notice of that refusal. The written notice shall be made by a contractor no later than 5 calendar days after payment is received by the contractor. The written notice shall identify the Department of Transportation's contract, any subcontract or material purchase agreement, a detailed reason for refusal, the value of the payment to be withheld, and the specific remedial actions required of the subcontractor or material supplier so that payment may be made. Written notice of refusal may be given in a form and method which is acceptable to the parties and public owner.

(b) If the contractor, without reasonable cause, fails to make full payment of amounts due under subsection (a) to its subcontractors and material suppliers within 10 business days or 15 calendar days, whichever occurs earlier, after receipt of payment from the State official or agency, the contractor shall pay to its subcontractors and material suppliers, in addition to the payment due them, interest in the amount of 2% per month, calculated from the expiration of the 10-business-day period or the 15-calendar-day period until fully paid. This subsection shall further apply to any payments made by subcontractors and material suppliers to their subcontractors and material suppliers and to all payments made to lower tier subcontractors and material suppliers throughout the contracting chain.

(1) If a contractor, without reasonable cause, fails to make payment in full as provided in subsection (a-5) within 10 business days or 15 calendar days, whichever occurs earlier, after receipt of payment under the public construction contract, any subcontractor or material supplier to whom payments are owed may file a written

notice and request for administrative hearing with the State official or agency setting forth the amount owed by the contractor and the contractor's failure to timely pay the amount owed. The written notice and request for administrative hearing shall identify the public construction contract, the contractor, and the amount owed, and shall contain a sworn statement or attestation to verify the accuracy of the notice. The notice and request for administrative hearing shall be filed with the State official for the public construction contract, with a copy of the notice concurrently provided to the contractor. Notice to the State official may be made by certified or registered mail, messenger service, or personal service, and must include proof of delivery to the State official.

(2) The State official or agency, within 15 calendar days after receipt of a subcontractor's or material supplier's written notice and request for administrative hearing, shall hold a hearing convened by an administrative law judge to determine whether the contractor withheld payment, without reasonable cause, from the subcontractors or material suppliers and what amount, if any, is due to the subcontractors or material suppliers, and the reasonable cause or causes asserted by the contractor. The State official or agency shall provide appropriate notice to the parties of the date, time, and

location of the hearing. Each contractor, subcontractor, or material supplier has the right to be represented by counsel at a hearing and to cross-examine witnesses and challenge documents. Upon the request of the subcontractor or material supplier and a showing of good cause, reasonable continuances may be granted by the administrative law judge.

(3) Upon a finding by the administrative law judge that the contractor failed to make payment in full, without reasonable cause, as provided in subsection (a-10), then the administrative law judge shall, in writing, order the contractor to pay the amount owed to the subcontractors or material suppliers plus interest within 15 calendar days after the order.

(4) If a contractor fails to make full payment as ordered under paragraph (3) of this subsection (b) within 15 days after the administrative law judge's order, then the contractor shall be barred from entering into a State public construction contract for a period of one year beginning on the date of the administrative law judge's order.

(5) If, on 2 or more occasions within a 3-calendar-year period, there is a finding by an administrative law judge that the contractor failed to make payment in full, without reasonable cause, and a written order was issued to a contractor under paragraph

(3) of this subsection (b), then the contractor shall be barred from entering into a State public construction contract for a period of 6 months beginning on the date of the administrative law judge's second written order, even if the payments required under the orders were made in full.

(6) If a contractor fails to make full payment as ordered under paragraph (4) of this subsection (b), the subcontractor or material supplier may, within 30 days of the date of that order, petition the State agency for an order for reasonable attorney's fees and costs incurred in the prosecution of the action under this subsection (b). Upon that petition and taking of additional evidence, as may be required, the administrative law judge may issue a supplemental order directing the contractor to pay those reasonable attorney's fees and costs.

(7) The written order of the administrative law judge shall be final and appealable under the Administrative Review Law.

(b-5) On or before July 2021, the Department of Transportation shall publish on its website a searchable database that allows for queries for each active construction contract by the name of a subcontractor or the pay item such that each pay item is associated with either the prime contractor or a subcontractor.

(c) This Section shall not be construed to in any manner diminish, negate, or interfere with the contractor-subcontractor or contractor-material supplier relationship or commercially useful function.

(d) This Section shall not preclude, bar, or stay the rights, remedies, and defenses available to the parties by way of the operation of their contract, purchase agreement, the Mechanics Lien Act, or the Public Construction Bond Act.

(e) State officials and agencies may adopt rules as may be deemed necessary in order to establish the formal procedures required under this Section.

(f) As used in this Section:

"Payment" means the discharge of an obligation in money or other valuable consideration or thing delivered in full or partial satisfaction of an obligation to pay. "Payment" shall include interest paid pursuant to this Act.

"Reasonable cause" may include, but is not limited to, unsatisfactory workmanship or materials; failure to provide documentation required by the contract, subcontract, or material purchase agreement; claims made against the Department of Transportation or the subcontractor pursuant to subsection (c) of Section 23 of the Mechanics Lien Act or the Public Construction Bond Act; judgments, levies, garnishments, or other court-ordered assessments or offsets in favor of the Department of Transportation or other State agency entered against a subcontractor or material supplier. "Reasonable cause" does not include payments issued to the contractor that create a negative or reduced valuation pay application or pay estimate due to a reduction of contract quantities or work not performed or provided by the subcontractor or material supplier; the interception or withholding of funds for reasons not related to the subcontractor's or material supplier's work on the contract; anticipated claims or assessments of third parties not a party related to the contract or subcontract; asserted claims or assessments of third parties that are not authorized by court order, administrative tribunal, or statute. "Reasonable cause" further does not include the withholding, offset, or reduction of payment, in whole or in part, due to the assessment of liquidated damages or penalties assessed by the Department of Transportation against the contractor, unless the subcontractor's performance or supplied materials were the sole and proximate cause of the liquidated damage or penalty.

(Source: P.A. 100-43, eff. 8-9-17; 100-376, eff. 1-1-18; 100-863, eff. 8-14-18; 101-524, eff. 1-1-20.)

Section 10. The Grant Accountability and Transparency Act is amended by changing Section 50 as follows:

(30 ILCS 708/50)

Sec. 50. State grant-making agency responsibilities.

(a) The specific requirements and responsibilities of State grant-making agencies and non-federal entities are set forth in this Act. State agencies making State awards to non-federal entities must adopt by rule the language in 2 CFR Part 200, Subpart C through Subpart F unless different provisions are required by law.

(b) Each State grant-making agency shall appoint a Chief Accountability Officer who shall serve as a liaison to the Grant Accountability and Transparency Unit and who shall be responsible for the State agency's implementation of and compliance with the rules.

(c) In order to effectively measure the performance of its recipients and subrecipients, each State grant-making agency shall:

(1) require its recipients and subrecipients to relate financial data to performance accomplishments of the award and, when applicable, must require recipients and subrecipients to provide cost information to demonstrate cost-effective practices. The recipient's and subrecipient's performance should be measured in a way that will help the State agency to improve program outcomes, share lessons learned, and spread the adoption of promising practices; and

(2) provide recipients and subrecipients with clear performance goals, indicators, and milestones and must establish performance reporting frequency and content to not only allow the State agency to understand the recipient's progress, but also to facilitate

identification of promising practices among recipients and subrecipients and build the evidence upon which the State agency's program and performance decisions are made. The frequency of reports on performance goals, indicators, and milestones required under this Section shall not be more frequent than quarterly. Nothing in this Section is intended to prohibit more frequent reporting to assess items such as service needs, gaps, or capacity, as indicated by a corrective action plan or by a risk assessment.

(3) Each State grant-making agency shall, when it is in the best interests of the State, request that the Office of the Comptroller issue a stop payment order in accordance with Section 105 of this Act.

(4) Upon notification by the Grant Accountability and Transparency ~~Transparency and Accountability~~ Unit that a stop payment order has been requested by a State grant-making agency, each State grant-making agency who has issued a grant to that recipient or subrecipient shall determine if it remains in the best interests of the State to continue to issue payments to the recipient or subrecipient.

(c-5) Each State grant-making agency shall specify in each grant agreement whether the applicable payment methodology is advance payment, reimbursement, or working capital advance. If advance payment is not the applicable payment methodology, the grant agreement shall specify why an alternative payment methodology applies.

(d) The Governor's Office of Management and Budget shall provide such advice and technical assistance to the State grant-making agencies as is necessary or indicated in order to ensure compliance with this Act. The advice and technical assistance provided to State grant-making agencies by the Governor's Office of Management and Budget shall include an explanation of how to determine if the awardee is eligible for advance payments, reimbursement, or working capital advances.

(d-5) Grant agreements issued by State grant-making agencies regarding awards to qualified grantees pursuant to a Notice of Funding Opportunity are subject to the following provisions:

(1) Except as provided in item (3), if the State grant-making agency has determined that the grantee has submitted all of the documentation required for the State grant-making agency to issue the Notice of State-Issued Award to the grantee, the State grant-making agency shall issue the grant agreement within 60 calendar days after the beginning of the applicable fiscal year or within 60 calendar days after issuing the Notice of State-Issued Award, whichever is later.

(2) Except as provided in item (3), if the State grant-making agency determines that the grantee has not submitted all of the documentation required to issue a

grant agreement or if the submitted documentation has defects, the State grant-making agency shall notify the grantee of the missing or defective documentation as soon as practical. The State grant-making agency shall issue the grant agreement within 60 calendar days after the beginning of the applicable fiscal year or within 60 calendar days after determining that all documentation has been received and there are no remaining defects, whichever is later.

(3) The 60-day deadlines established in items (1) and (2) may be tolled by the State grant-making agency if the State grant-making agency and the grantee must negotiate any of the required contents of the Uniform Grant Agreement, as established by this Act or in administrative rule adopted pursuant to this Act, including, but not limited to:

(A) the project description;

(B) the period of performance;

(C) the amount of the grant;

(D) the estimated budget;

(E) the indirect cost rate;

(F) general terms and conditions;

(G) agency-specific, program-specific, or grant-specific terms;

(H) grant performance goals;

(I) reporting requirements; or

(J) any other factors identified in administrative rules adopted pursuant to this Act.

Nothing in this subsection applies to grants that are solely for the purpose of capital projects or to grants that the grantee declines to accept.

(e) In accordance with this Act and the Illinois State Collection Act of 1986, refunds required under the Grant Funds Recovery Act may be referred to the Comptroller's offset system.

(Source: P.A. 103-1068, eff. 3-21-25.)

Section 15. The Court of Claims Act is amended by changing Sections 9, 11, 18, 19, and 24 and by adding Section 8.2 as follows:

(705 ILCS 505/8.2 new)

Sec. 8.2. Contractual claims.

(a) A State agency must confirm, reject, or identify a defect within a claim arising under subsection (b) of Section 8 of this Act that is from a lapsed appropriation and valued at less than $2,500 within 60 calendar days after being notified in writing of the claim by the Attorney General. If the State agency confirms the claim, then the court must enter an award for the claim within 30 calendar days of being notified.

(b) If the State agency determines that it is unable to process a claim under this Section because the bill or invoice contains a defect, the State agency must notify the vendor and the Attorney General in writing of the defect no later than 60 calendar days after receiving notice of the claim from the Attorney General's office pursuant to subsection (a). The notice must identify the defect and any additional information necessary to correct the defect, if possible. If one or more items on a bill or invoice are disapproved, but not the entire bill or invoice, then the portion that is not disapproved must be transmitted to the Court for processing. For disapproved portions of a claim, the Attorney General must allow vendors to submit documentation to the Attorney General's office showing amendments and cured defects.

(c) The Court of Claims may adopt rules to implement this Section.

(705 ILCS 505/9) (from Ch. 37, par. 439.9)

Sec. 9. Powers and duties. ~~The court may:~~

(a) The court shall confirm receipt of a claim to the vendor within 30 calendar days for all claims arising under subsection (b) of Section 8 of this Act.

(b) The court may establish ~~A. Establish~~ rules for its government and for the regulation of practice therein; appoint commissioners to assist the court in such manner as it directs and discharge them at will; and exercise such powers as are necessary to carry into effect the powers granted in this Section. Any Commissioner appointed shall be an attorney licensed to practice law in the State of Illinois. The rules established hereunder shall not be waived, and any extension of time authorized by such rules shall only be allowed on motion duly filed within the time limitation for which the extension is requested.

(c) The court may issue ~~B. Issue~~ subpoenas through the Chief Justice or one of its judges or commissioners to require the attendance of witnesses for the purpose of testifying before it, or before any judge of the court, or before any notary public, or any of its commissioners, and to require the production of any books, records, papers or documents that may be material or relevant as evidence in any matter pending before it. In case any person refuses to comply with any subpoena issued in the name of the chief justice, or one of the judges or commissioners, attested by the clerk, with the seal of the court attached, and served upon the person named therein as a summons in a civil action is served, the circuit court of the proper county, on application of the party at whose instance the subpoena was issued, shall compel obedience by attachment proceedings, as for contempt, as in a case of a disobedience of the requirements of a subpoena from such court on a refusal to testify therein.

~~C.~~ The court may adopt administrative rules to provide for remote or electronic filing of a claim or other motion, participation in any capacity before the court, taking of evidence or testimony, conducting any business of the court,

or payment of any fees to the court.
(Source: P.A. 104-188, eff. 1-1-26.)

(705 ILCS 505/11) (from Ch. 37, par. 439.11)

Sec. 11. Filing claims.

(a) Except as otherwise provided in subsection (b) of this Section and subsection (4) of Section 24, the claimant shall in all cases set forth fully in his or her petition the claim, the action thereon, if any, on behalf of the State, what persons are owners or trustees as defined under Section 3 of the Charitable Trust Act thereof or interested therein, when and upon what consideration such persons became so interested; that no assignment or transfer of the claim or any part thereof or interest therein has been made, except as stated in the petition; that the claimant is justly entitled to the amount therein claimed from the State of Illinois, after allowing all just credits; and that claimant believes the facts stated in the petition to be true. The petition shall be verified, as to statements of facts, by the affidavit of the claimant, his agent, or attorney.

(b) Whenever a person has served a term of imprisonment and has received a pardon by the Governor stating that such pardon was issued on the ground of innocence of the crime for which he or she was imprisoned, the Prisoner Review Board shall transmit this information to the clerk of the Court of Claims, together with the claimant's current address. Whenever a person has served a term of imprisonment and has received a certificate of innocence from the Circuit Court as provided in Section 2-702 of the Code of Civil Procedure, the clerk of the issuing Circuit Court shall transmit this information to the clerk of the Court of Claims, together with the claimant's current address. The clerk of the Court of Claims shall immediately docket the case for consideration by the Court of Claims, and shall provide notice to the claimant of such docketing together with all hearing dates and applicable deadlines. The Court of Claims shall hear the case and render a decision within 90 days after its docketing.

(Source: P.A. 95-970, eff. 9-22-08; 96-328, eff. 8-11-09.)

(705 ILCS 505/18) (from Ch. 37, par. 439.18)

Sec. 18. The court shall provide, by rule, for the maintenance of separate records of claims which arise solely due to lapsed appropriations and for claims for which amount of recovery sought is less than $50,000. In all other cases, the court or Commissioner as the case may be, shall file with its clerk a written opinion in each case upon final disposition thereof. All opinions shall be compiled and published annually by the clerk of the court.

<u>Beginning December 31, 2027, and every December 31st thereafter, the Court shall produce an annual report to the General Assembly on claims arising from lapsed appropriations. The report shall include data on the number of claims</u>

submitted each year, the number of claims resolved, the number and dollar amount of claims paid and pending, the State agencies associated with the lapsed claims, the average length of time from claim submission to resolution for each State agency, and the number and age of unresolved claims that are older than 12 months, by State agency.

(Source: P.A. 100-1124, eff. 11-27-18.)

(705 ILCS 505/19) (from Ch. 37, par. 439.19)

Sec. 19. The Attorney General, or his or her assistants under his or her direction, shall appear for the defense and protection of the interests of the State of Illinois in all cases filed in the court, and may make claim for recoupment by the State. Except as provided in Section 8.2, for all claims arising under subsection (b) of Section 8 of this Act that are from lapsed appropriations and are equal to or greater than $2,500:

(1) the State agency must confirm, reject, or identify a defect within the claim in writing with the Attorney General's office within 90 calendar days of being contacted by the Attorney General; and

(2) the Attorney General must file a stipulation or motion with the Court within 90 calendar days of the State agency confirming or rejecting the claim.

(Source: Laws 1945, p. 660.)

(705 ILCS 505/24) (from Ch. 37, par. 439.24)

Sec. 24. Payment of awards.

(1) From funds appropriated by the General Assembly for the purposes of this Section the Court may direct immediate payment of:

(a) All claims arising solely as a result of the lapsing of an appropriation out of which the obligation could have been paid.

(b) All claims pursuant to the Line of Duty Compensation Act.

(c) All claims pursuant to the "Illinois National Guardsman's and Naval Militiaman's Compensation Act", approved August 12, 1971, as amended.

(d) All claims pursuant to the "Crime Victims Compensation Act", approved August 23, 1973, as amended.

(d-5) All claims against the State for unjust imprisonment as provided in subsection (c) of Section 8 of this Act.

(e) All other claims wherein the amount of the award of the Court is less than $50,000.

(2) The court may, from funds specifically appropriated from the General Revenue Fund for this purpose, direct the payment of awards less than <u>$100,000</u> ~~$50,000~~ solely as a result of the lapsing of an appropriation originally made from any fund held by the State Treasurer. For any such award paid from the General Revenue Fund, the court shall thereafter seek

an appropriation from the fund from which the liability originally accrued in reimbursement of the General Revenue Fund.

(3) In directing payment of a claim pursuant to the Line of Duty Compensation Act, the Court must direct the Comptroller to add an interest penalty if payment of a claim is not made within 6 months after a claim is filed in accordance with Section 3 of the Line of Duty Compensation Act and all information has been submitted as required under Section 4 of the Line of Duty Compensation Act. If payment is not issued within the 6-month period, an interest penalty of 1% of the amount of the award shall be added for each month or fraction thereof after the end of the 6-month period, until final payment is made. This interest penalty shall be added regardless of whether the payment is not issued within the 6-month period because of the appropriation process, the consideration of the matter by the Court, or any other reason.

(3.5) The interest penalty payment provided for in subsection (3) shall be added to all claims for which benefits were not paid as of the effective date of P.A. 95-928. The interest penalty shall be calculated starting from the effective date of P.A. 95-928, provided that the effective date of P.A. 95-928 is at least 6 months after the date on which the claim was filed in accordance with Section 3 of the Line of Duty Compensation Act. In the event that the date 6 months after the date on which the claim was filed is later than the effective date of P.A. 95-928, the Court shall calculate the interest payment penalty starting from the date 6 months after the date on which the claim was filed in accordance with Section 3 of the Line of Duty Compensation Act. This subsection (3.5) of this amendatory Act of the 96th General Assembly is declarative of existing law.

(3.6) In addition to the interest payments provided for in subsections (3) and (3.5), the Court shall direct the Comptroller to add a "catch-up" payment to the claims of eligible claimants. For the purposes of this subsection (3.6), an "eligible claimant" is a claimant whose claim is not paid in the year in which it was filed. For purposes of this subsection (3.6), "'catch-up' payment" is defined as the difference between the amount paid to claimants whose claims were filed in the year in which the eligible claimant's claim is paid and the amount paid to claimants whose claims were filed in the year in which the eligible claimant filed his or her claim. The "catch-up" payment is payable simultaneously with the claim award.

(4) From funds appropriated by the General Assembly for the purposes of paying claims under paragraph (c) of Section 8, the court must direct payment of each claim and the payment must be received by the claimant within 60 days after the date that the funds are appropriated for that purpose.

(Source: P.A. 100-1124, eff. 11-27-18.)

Section 99. Effective date. This Act takes effect July 1, 2027.".