

1 AN ACT concerning State government.

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

4 Section 5. The State Comptroller Act is amended by
5 changing Section 10.05 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, 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
16 Collection Act of 1986, or a unit of local government, a school
17 district, a public institution of higher education, as defined
18 in Section 1 of the Board of Higher Education Act, a public
19 agency or association organized under an intergovernmental
20 agreement in accordance with the provisions of the
21 Intergovernmental Cooperation Act, including an
22 intergovernmental risk management association or
23 self-insurance pool, or the clerk of a circuit court, upon

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

1 of the Intergovernmental Cooperation Act, or the clerk of the
2 circuit court, or a portion of the amount due and payable to
3 that entity, in accordance with an intergovernmental agreement
4 authorized under this Section and Section 10.05d. No request
5 from a notifying agency, the Secretary of the Treasury of the
6 United States, a unit of local government, a school district,
7 a public institution of higher education, a public agency or
8 association organized under an intergovernmental agreement in
9 accordance with the provisions of the Intergovernmental
10 Cooperation Act, or the clerk of a circuit court for an amount
11 to be deducted under this Section from a wage or salary
12 payment, from a contractual payment to an individual for
13 personal services, or from pension annuity payments made under
14 the Illinois Pension Code shall exceed 25% of the net amount of
15 such payment. "Net amount" means that part of the earnings of
16 an individual remaining after deduction of any amounts
17 required by law to be withheld. For purposes of this
18 provision, wage, salary or other payments for personal
19 services shall not include final compensation payments for the
20 value of accrued vacation, overtime or sick leave. Whenever
21 the Comptroller draws a warrant or makes a payment involving a
22 deduction ordered under this Section, the Comptroller shall
23 notify the payee and the State agency that submitted the
24 voucher of the reason for the deduction and he or she shall
25 retain a record of such statement in his or her records. As
26 used in this Section, an "account or claim in favor of the

1 State" includes all amounts owing to "State agencies" as
2 defined in Section 7 of this Act. However, the Comptroller
3 shall not be required to accept accounts or claims owing to
4 funds not held by the State Treasurer, where such accounts or
5 claims do not exceed \$50, nor shall the Comptroller deduct
6 from funds held by the State Treasurer under the Senior
7 Citizens and Persons with Disabilities Property Tax Relief Act
8 or for payments to institutions from the Illinois Prepaid
9 Tuition Trust Fund (unless the Trust Fund moneys are used for
10 child support). The Comptroller shall not deduct from payments
11 to be disbursed from the Child Support Enforcement Trust Fund
12 as provided for under Section 12-10.2 of the Illinois Public
13 Aid Code, except for payments representing interest on child
14 support obligations under Section 10-16.5 of that Code. The
15 Comptroller and the Department of Revenue shall enter into an
16 interagency agreement to establish responsibilities, duties,
17 and procedures relating to deductions from lottery prizes
18 awarded under Section 20.1 of the Illinois Lottery Law. The
19 Comptroller may enter into an intergovernmental agreement with
20 the Department of Revenue and the Secretary of the Treasury of
21 the United States, or his or her delegate, to establish
22 responsibilities, duties, and procedures relating to
23 reciprocal offset of delinquent State and federal obligations
24 pursuant to subsection (i-1) of Section 10 of the Illinois
25 State Collection Act of 1986. The Comptroller may enter into
26 intergovernmental agreements with a ~~any~~ unit of local

1 government, a school district, a public institution of higher
2 education, a public agency or association organized under an
3 intergovernmental agreement in accordance with the provisions
4 of the Intergovernmental Cooperation Act, or the clerk of a
5 circuit court to establish responsibilities, duties, and
6 procedures to provide for the offset, by the Comptroller, of
7 obligations owed to those entities. A request for a deduction
8 by a public agency or association organized under an
9 intergovernmental agreement in accordance with the provisions
10 of the Intergovernmental Cooperation Act shall be accompanied
11 by a written agreement between the 2 parties or a court order
12 to that effect.

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

16 (Source: P.A. 99-143, eff. 7-27-15; 100-763, eff. 8-10-18.)

17 Section 99. Effective date. This Act takes effect July 1,
18 2026.