



104TH GENERAL ASSEMBLY

State of Illinois

2025 and 2026

SB1778

Introduced 2/5/2025, by Sen. Michael W. Halpin

SYNOPSIS AS INTRODUCED:

See Index

Amends the State Comptroller Act. Provides an exception for vendors to receive payment by non-electronic means. Provides that outstanding liabilities as of June 30, payable from appropriations which have otherwise expired and interest penalties payable on those liabilities under the State Prompt Payment Act, may be paid out of the expiring appropriations during the 4-month period ending at the close of business on October 31 of each year, without regard to the fiscal year in which the payment is made. Amends the Prompt Payment Act. Removes provisions concerning payments made under the Public Aid Code. Provides that when a State official or agency responsible for administering a contract receives a bill or invoice from a contractor, that State official or agency shall electronically confirm the date on which the bill or invoice was received within 5 business days of receipt, and shall transmit any approved amount to the Comptroller within 30 days of receipt. Amends the Grant Accountability and Transparency Act to make conforming changes. Amends the Court of Claims Act. Provides that all claims against the State founded upon any contract entered into with the State of Illinois, except that undisputed individual claims below \$2,500 resulting from lapsed appropriations do not fall under the jurisdiction of Court of Claims. State agencies may pay undisputed individual claims below \$2,500 resulting from lapsed appropriations from current fiscal year appropriations. Sets forth that the provisions are not intended to prohibit more frequent reporting to assess items such as service needs, gaps, or capacity. Sets forth other provisions concerning grant agreement specifications, separate accounts for State grant funds, expenditures prior to grant execution and reporting requirements.

LRB104 10668 HLH 20747 b

1 AN ACT concerning finance.

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

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

6 Section 5. The State Comptroller Act is amended by
7 changing Sections 9 and 9.03 as follows:

8 (15 ILCS 405/9) (from Ch. 15, par. 209)

9 Sec. 9. Warrants; vouchers; preaudit.

10 (a) No payment may be made from public funds held by the
11 State Treasurer in or outside of the State treasury, except by
12 warrant drawn by the Comptroller and presented by him to the
13 treasurer to be countersigned except for payments made
14 pursuant to Section 9.03 or 9.05 of this Act.

15 (b) No warrant for the payment of money by the State
16 Treasurer may be drawn by the Comptroller without the
17 presentation of itemized vouchers indicating that the
18 obligation or expenditure is pursuant to law and authorized,
19 and authorizing the Comptroller to order payment.

20 (b-1) An itemized voucher ~~for under \$5~~ that is presented
21 to the Comptroller for payment may be paid through electronic
22 funds transfer unless the recipient is unable to receive an

1 electronic funds transfer or requests another form of payment.

2 This subsection (b-1) does not apply to (i) vouchers presented
3 by the legislative branch of State government, (ii) vouchers
4 presented by the State Treasurer's Office for the payment of
5 unclaimed property claims authorized under the Revised Uniform
6 Unclaimed Property Act, or (iii) vouchers presented by the
7 Department of Revenue for the payment of refunds of taxes
8 administered by the Department.

9 (c) The Comptroller shall examine each voucher required by
10 law to be filed with him and determine whether unencumbered
11 appropriations or unencumbered obligational or expenditure
12 authority other than by appropriation are legally available to
13 incur the obligation or to make the expenditure of public
14 funds. If he determines that unencumbered appropriations or
15 other obligational or expenditure authority are not available
16 from which to incur the obligation or make the expenditure,
17 the Comptroller shall refuse to draw a warrant.

18 (d) The Comptroller shall examine each voucher and all
19 other documentation required to accompany the voucher, and
20 shall ascertain whether the voucher and documentation meet all
21 requirements established by or pursuant to law. If the
22 Comptroller determines that the voucher and documentation do
23 not meet applicable requirements established by or pursuant to
24 law, he shall refuse to draw a warrant. As used in this
25 Section, "requirements established by or pursuant to law"
26 includes statutory enactments and requirements established by

1 rules and regulations adopted pursuant to this Act.

2 (e) Prior to drawing a warrant, the Comptroller may review
3 the voucher, any documentation accompanying the voucher, and
4 any other documentation related to the transaction on file
5 with him, and determine if the transaction is in accordance
6 with the law. If based on his review the Comptroller has reason
7 to believe that such transaction is not in accordance with the
8 law, he shall refuse to draw a warrant.

9 (f) Where the Comptroller refuses to draw a warrant
10 pursuant to this Section, he shall maintain separate records
11 of such transactions.

12 (g) State agencies shall have the principal responsibility
13 for the preaudit of their encumbrances, expenditures, and
14 other transactions as otherwise required by law.

15 (Source: P.A. 103-266, eff. 1-1-24.)

16 (15 ILCS 405/9.03) (from Ch. 15, par. 209.03)

17 Sec. 9.03. Direct deposit of State payments.

18 (a) The Comptroller, with the approval of the State
19 Treasurer, shall ~~may~~ provide by rule or regulation for the
20 direct deposit of any payment lawfully payable from the State
21 Treasury and in accordance with federal banking regulations
22 ~~including but not limited to payments to (i) persons paid from~~
23 ~~personal services, (ii) persons receiving benefit payments~~
24 ~~from the Comptroller under the State pension systems, (iii)~~
25 ~~individuals who receive assistance under Articles III, IV, and~~

1 ~~VI of the Illinois Public Aid Code, (iv) providers of services~~
2 ~~under the Mental Health and Developmental Disabilities~~
3 ~~Administrative Act, (v) providers of community-based mental~~
4 ~~health services, and (vi) providers of services under programs~~
5 ~~administered by the State Board of Education, in the accounts~~
6 ~~of those persons or entities maintained at a bank, savings and~~
7 ~~loan association, or credit union, where authorized by the~~
8 ~~payee.~~ The Comptroller also may deposit public aid payments
9 for individuals who receive assistance under Articles III, IV,
10 VI, and X of the Illinois Public Aid Code directly into an
11 electronic benefits transfer account in a financial
12 institution approved by the State Treasurer as prescribed by
13 the Illinois Department of Human Services and in accordance
14 with the rules and regulations of that Department and the
15 rules and regulations adopted by the Comptroller and the State
16 Treasurer. The Comptroller, with the approval of the State
17 Treasurer, shall ~~may~~ provide by rule for the electronic direct
18 deposit of payments to public agencies and any other payee of
19 the State. The electronic direct deposits may be made to the
20 designated account in those financial institutions specified
21 in this Section for the direct deposit of payments. Within 6
22 months after the effective date of this amendatory Act of
23 1994, the Comptroller shall establish a pilot program for the
24 electronic direct deposit of payments to local school
25 districts, municipalities, and units of local government. The
26 payments may be made without the use of the voucher-warrant

1 system, provided that documentation of approval by the
2 Treasurer of each group of payments made by direct deposit
3 shall be retained by the Comptroller. The form and method of
4 the Treasurer's approval shall be established by the rules or
5 regulations adopted by the Comptroller under this Section.

6 (b) Except as provided in subsection (b-5), all State
7 payments for an employee's payroll or an employee's expense
8 reimbursement must be made through direct deposit. It is the
9 responsibility of the paying State agency to ensure compliance
10 with this mandate. If a State agency pays an employee's
11 payroll or an employee's expense reimbursement without using
12 direct deposit, the Comptroller may charge that employee a
13 processing fee of \$2.50 per paper warrant. The processing fee
14 may be withheld from the employee's payment or reimbursement.
15 The amount collected from the fee shall be deposited into the
16 Comptroller's Administrative Fund.

17 (b-5) If an employee wants his or her payments deposited
18 into a secure check account, the employee must submit a direct
19 deposit form to the paying State agency for his or her payroll
20 or to the Comptroller for his or her expense reimbursements.
21 Upon acceptance of the direct deposit form, the Comptroller
22 shall disburse those funds to the secure check account. For
23 the purposes of this Section, "secure check account" means an
24 account established with a financial institution for the
25 employee that allows the dispensing of the funds in the
26 account through a third party who dispenses to the employee a

1 paper check.

2 (c) All State payments to a vendor that exceed the
3 allowable limit of paper warrants in a fiscal year, by the same
4 agency, must be made through direct deposit. It is the
5 responsibility of the paying State agency to ensure compliance
6 with this mandate. If a State agency pays a vendor more times
7 than the allowable limit in a single fiscal year without using
8 direct deposit, the Comptroller may charge the vendor a
9 processing fee of \$2.50 per paper warrant. The processing fee
10 may be withheld from the vendor's payment. The amount
11 collected from the processing fee shall be deposited into the
12 Comptroller's Administrative Fund. The Office of the
13 Comptroller shall define "allowable limit" in the
14 Comptroller's Statewide Accounting Management System (SAMS)
15 manual, except that the allowable limit shall not be less than
16 30 paper warrants. The Office of the Comptroller shall also
17 provide reasonable notice to all State agencies of the
18 allowable limit of paper warrants.

19 (c-1) All State payments to an entity from a payroll or
20 retirement voluntary deduction must be made through direct
21 deposit. If an entity receives a payment from a payroll or
22 retirement voluntary deduction without using direct deposit,
23 the Comptroller may charge the entity a processing fee of
24 \$2.50 per paper warrant. The processing fee may be withheld
25 from the entity's payment or billed to the entity at a later
26 date. The amount collected from the processing fee shall be

1 deposited into the Comptroller's Administrative Fund. The
2 Comptroller shall provide reasonable notice to all entities
3 impacted by this requirement. Any new entities that receive a
4 payroll or retirement voluntary deduction must sign up for
5 direct deposit during the application process.

6 (c-2) The detail information, such as names, identifiers,
7 and amounts, associated with a State payment to an entity from
8 a payroll or retirement voluntary deduction must be retrieved
9 by the entity from the Comptroller's designated Internet
10 website or an electronic alternative approved by the
11 Comptroller. If the entity requires the Comptroller to mail
12 the detail information, the Comptroller may charge the entity
13 a processing fee up to \$25.00 per mailing. Any processing fee
14 will be billed to the entity at a later date. The amount
15 collected from the processing fee shall be deposited into the
16 Comptroller's Administrative Fund. The Comptroller shall
17 provide reasonable notice to all entities impacted by this
18 requirement.

19 (d) State employees covered by provisions in collective
20 bargaining agreements that do not require direct deposit of
21 paychecks are exempt from this mandate. No later than 60 days
22 after the effective date of this amendatory Act of the 97th
23 General Assembly, all State agencies must provide to the
24 Office of the Comptroller a list of employees that are exempt
25 under this subsection (d) from the direct deposit mandate. In
26 addition, a State employee or vendor may file a hardship

1 petition with the Office of the Comptroller requesting an
2 exemption from the direct deposit mandate under this Section.
3 A hardship petition shall be made available for download on
4 the Comptroller's official Internet website.

5 (e) Notwithstanding any provision of law to the contrary,
6 the direct deposit of State payments under this Section for an
7 employee's payroll, an employee's expense reimbursement, or a
8 State vendor's payment does not authorize the State to
9 automatically withdraw funds from those accounts.

10 (f) For the purposes of this Section, "vendor" means a
11 non-governmental entity with a taxpayer identification number
12 issued by the Social Security Administration or Internal
13 Revenue Service that receives payments through the
14 Comptroller's commercial system. The term does not include
15 State agencies.

16 (g) The requirements of this Section do not apply to the
17 legislative or judicial branches of State government.

18 (Source: P.A. 97-348, eff. 8-12-11; 97-993, eff. 9-16-12;
19 98-463, eff. 8-16-13; 98-1043, eff. 8-25-14.)

20 Section 10. The State Finance Act is amended by changing
21 Section 25 as follows:

22 (30 ILCS 105/25) (from Ch. 127, par. 161)

23 Sec. 25. Fiscal year limitations.

24 (a) All appropriations shall be available for expenditure

1 for the fiscal year or for a lesser period if the Act making
2 that appropriation so specifies. A deficiency or emergency
3 appropriation shall be available for expenditure only through
4 June 30 of the year when the Act making that appropriation is
5 enacted unless that Act otherwise provides.

6 (b) Outstanding liabilities as of June 30, payable from
7 appropriations which have otherwise expired, may be paid out
8 of the expiring appropriations during the 3-month ~~2-month~~
9 period ending at the close of business on September 30 ~~August~~
10 ~~31~~. Any service involving professional or artistic skills or
11 any personal services by an employee whose compensation is
12 subject to income tax withholding must be performed as of June
13 30 of the fiscal year in order to be considered an "outstanding
14 liability as of June 30" that is thereby eligible for payment
15 out of the expiring appropriation.

16 (b-1) However, payment of tuition reimbursement claims
17 under Section 14-7.03 or 18-3 of the School Code may be made by
18 the State Board of Education from its appropriations for those
19 respective purposes for any fiscal year, even though the
20 claims reimbursed by the payment may be claims attributable to
21 a prior fiscal year, and payments may be made at the direction
22 of the State Superintendent of Education from the fund from
23 which the appropriation is made without regard to any fiscal
24 year limitations, except as required by subsection (j) of this
25 Section. Beginning on June 30, 2021, payment of tuition
26 reimbursement claims under Section 14-7.03 or 18-3 of the

1 School Code as of June 30, payable from appropriations that
2 have otherwise expired, may be paid out of the expiring
3 appropriation during the 4-month period ending at the close of
4 business on October 31.

5 (b-2) (Blank).

6 (b-2.5) (Blank).

7 (b-2.6) (Blank).

8 (b-2.6a) (Blank).

9 (b-2.6b) (Blank).

10 (b-2.6c) (Blank).

11 (b-2.6d) All outstanding liabilities as of June 30, 2020,
12 payable from appropriations that would otherwise expire at the
13 conclusion of the lapse period for fiscal year 2020, and
14 interest penalties payable on those liabilities under the
15 State Prompt Payment Act, may be paid out of the expiring
16 appropriations until December 31, 2020, without regard to the
17 fiscal year in which the payment is made, as long as vouchers
18 for the liabilities are received by the Comptroller no later
19 than September 30, 2020.

20 (b-2.6e) All outstanding liabilities as of June 30, 2021,
21 payable from appropriations that would otherwise expire at the
22 conclusion of the lapse period for fiscal year 2021, and
23 interest penalties payable on those liabilities under the
24 State Prompt Payment Act, may be paid out of the expiring
25 appropriations until September 30, 2021, without regard to the
26 fiscal year in which the payment is made.

1 (b-2.7) For fiscal years 2012, 2013, 2014, 2018, and each
2 fiscal year thereafter, interest penalties payable under the
3 State Prompt Payment Act associated with a voucher for which
4 payment is issued after June 30 may be paid out of the next
5 fiscal year's appropriation. The future year appropriation
6 must be for the same purpose and from the same fund as the
7 original payment. An interest penalty voucher submitted
8 against a future year appropriation must be submitted within
9 60 days after the issuance of the associated voucher, except
10 that, for fiscal year 2018 only, an interest penalty voucher
11 submitted against a future year appropriation must be
12 submitted within 60 days of June 5, 2019 (the effective date of
13 Public Act 101-10). The Comptroller must issue the interest
14 payment within 60 days after acceptance of the interest
15 voucher.

16 (b-3) Medical payments may be made by the Department of
17 Veterans' Affairs from its appropriations for those purposes
18 for any fiscal year, without regard to the fact that the
19 medical services being compensated for by such payment may
20 have been rendered in a prior fiscal year, except as required
21 by subsection (j) of this Section. Beginning on June 30, 2021,
22 medical payments payable from appropriations that have
23 otherwise expired may be paid out of the expiring
24 appropriation during the 4-month period ending at the close of
25 business on October 31.

26 (b-4) Medical payments and child care payments may be made

1 by the Department of Human Services (as successor to the
2 Department of Public Aid) from appropriations for those
3 purposes for any fiscal year, without regard to the fact that
4 the medical or child care services being compensated for by
5 such payment may have been rendered in a prior fiscal year; and
6 payments may be made at the direction of the Department of
7 Healthcare and Family Services (or successor agency) from the
8 Health Insurance Reserve Fund without regard to any fiscal
9 year limitations, except as required by subsection (j) of this
10 Section. Beginning on June 30, 2021, medical and child care
11 payments made by the Department of Human Services and payments
12 made at the discretion of the Department of Healthcare and
13 Family Services (or successor agency) from the Health
14 Insurance Reserve Fund and payable from appropriations that
15 have otherwise expired may be paid out of the expiring
16 appropriation during the 4-month period ending at the close of
17 business on October 31.

18 (b-5) Medical payments may be made by the Department of
19 Human Services from its appropriations relating to substance
20 abuse treatment services for any fiscal year, without regard
21 to the fact that the medical services being compensated for by
22 such payment may have been rendered in a prior fiscal year,
23 provided the payments are made on a fee-for-service basis
24 consistent with requirements established for Medicaid
25 reimbursement by the Department of Healthcare and Family
26 Services, except as required by subsection (j) of this

1 Section. Beginning on June 30, 2021, medical payments made by
2 the Department of Human Services relating to substance abuse
3 treatment services payable from appropriations that have
4 otherwise expired may be paid out of the expiring
5 appropriation during the 4-month period ending at the close of
6 business on October 31.

7 (b-6) (Blank).

8 (b-7) Payments may be made in accordance with a plan
9 authorized by paragraph (11) or (12) of Section 405-105 of the
10 Department of Central Management Services Law from
11 appropriations for those payments without regard to fiscal
12 year limitations.

13 (b-8) Reimbursements to eligible airport sponsors for the
14 construction or upgrading of Automated Weather Observation
15 Systems may be made by the Department of Transportation from
16 appropriations for those purposes for any fiscal year, without
17 regard to the fact that the qualification or obligation may
18 have occurred in a prior fiscal year, provided that at the time
19 the expenditure was made the project had been approved by the
20 Department of Transportation prior to June 1, 2012 and, as a
21 result of recent changes in federal funding formulas, can no
22 longer receive federal reimbursement.

23 (b-9) (Blank).

24 (c) Further, payments may be made by the Department of
25 Public Health and the Department of Human Services (acting as
26 successor to the Department of Public Health under the

1 Department of Human Services Act) from their respective
2 appropriations for grants for medical care to or on behalf of
3 premature and high-mortality risk infants and their mothers
4 and for grants for supplemental food supplies provided under
5 the United States Department of Agriculture Women, Infants and
6 Children Nutrition Program, for any fiscal year without regard
7 to the fact that the services being compensated for by such
8 payment may have been rendered in a prior fiscal year, except
9 as required by subsection (j) of this Section. Beginning on
10 June 30, 2021, payments made by the Department of Public
11 Health and the Department of Human Services from their
12 respective appropriations for grants for medical care to or on
13 behalf of premature and high-mortality risk infants and their
14 mothers and for grants for supplemental food supplies provided
15 under the United States Department of Agriculture Women,
16 Infants and Children Nutrition Program payable from
17 appropriations that have otherwise expired may be paid out of
18 the expiring appropriations during the 4-month period ending
19 at the close of business on October 31.

20 (d) The Department of Public Health and the Department of
21 Human Services (acting as successor to the Department of
22 Public Health under the Department of Human Services Act)
23 shall each annually submit to the State Comptroller, Senate
24 President, Senate Minority Leader, Speaker of the House, House
25 Minority Leader, and the respective Chairmen and Minority
26 Spokesmen of the Appropriations Committees of the Senate and

1 the House, on or before December 31, a report of fiscal year
2 funds used to pay for services provided in any prior fiscal
3 year. This report shall document by program or service
4 category those expenditures from the most recently completed
5 fiscal year used to pay for services provided in prior fiscal
6 years.

7 (e) The Department of Healthcare and Family Services, the
8 Department of Human Services (acting as successor to the
9 Department of Public Aid), and the Department of Human
10 Services making fee-for-service payments relating to substance
11 abuse treatment services provided during a previous fiscal
12 year shall each annually submit to the State Comptroller,
13 Senate President, Senate Minority Leader, Speaker of the
14 House, House Minority Leader, the respective Chairmen and
15 Minority Spokesmen of the Appropriations Committees of the
16 Senate and the House, on or before November 30, a report that
17 shall document by program or service category those
18 expenditures from the most recently completed fiscal year used
19 to pay for (i) services provided in prior fiscal years and (ii)
20 services for which claims were received in prior fiscal years.

21 (f) The Department of Human Services (as successor to the
22 Department of Public Aid) shall annually submit to the State
23 Comptroller, Senate President, Senate Minority Leader, Speaker
24 of the House, House Minority Leader, and the respective
25 Chairmen and Minority Spokesmen of the Appropriations
26 Committees of the Senate and the House, on or before December

1 31, a report of fiscal year funds used to pay for services
2 (other than medical care) provided in any prior fiscal year.
3 This report shall document by program or service category
4 those expenditures from the most recently completed fiscal
5 year used to pay for services provided in prior fiscal years.

6 (g) In addition, each annual report required to be
7 submitted by the Department of Healthcare and Family Services
8 under subsection (e) shall include the following information
9 with respect to the State's Medicaid program:

10 (1) Explanations of the exact causes of the variance
11 between the previous year's estimated and actual
12 liabilities.

13 (2) Factors affecting the Department of Healthcare and
14 Family Services' liabilities, including, but not limited
15 to, numbers of aid recipients, levels of medical service
16 utilization by aid recipients, and inflation in the cost
17 of medical services.

18 (3) The results of the Department's efforts to combat
19 fraud and abuse.

20 (h) As provided in Section 4 of the General Assembly
21 Compensation Act, any utility bill for service provided to a
22 General Assembly member's district office for a period
23 including portions of 2 consecutive fiscal years may be paid
24 from funds appropriated for such expenditure in either fiscal
25 year.

26 (i) An agency which administers a fund classified by the

1 Comptroller as an internal service fund may issue rules for:

2 (1) billing user agencies in advance for payments or
3 authorized inter-fund transfers based on estimated charges
4 for goods or services;

5 (2) issuing credits, refunding through inter-fund
6 transfers, or reducing future inter-fund transfers during
7 the subsequent fiscal year for all user agency payments or
8 authorized inter-fund transfers received during the prior
9 fiscal year which were in excess of the final amounts owed
10 by the user agency for that period; and

11 (3) issuing catch-up billings to user agencies during
12 the subsequent fiscal year for amounts remaining due when
13 payments or authorized inter-fund transfers received from
14 the user agency during the prior fiscal year were less
15 than the total amount owed for that period.

16 User agencies are authorized to reimburse internal service
17 funds for catch-up billings by vouchers drawn against their
18 respective appropriations for the fiscal year in which the
19 catch-up billing was issued or by increasing an authorized
20 inter-fund transfer during the current fiscal year. For the
21 purposes of this Act, "inter-fund transfers" means transfers
22 without the use of the voucher-warrant process, as authorized
23 by Section 9.01 of the State Comptroller Act.

24 (i-1) Beginning on July 1, 2021, all outstanding
25 liabilities, not payable during the 4-month lapse period as
26 described in subsections (b-1), (b-3), (b-4), (b-5), and (c)

1 of this Section, that are made from appropriations for that
2 purpose for any fiscal year, without regard to the fact that
3 the services being compensated for by those payments may have
4 been rendered in a prior fiscal year, are limited to only those
5 claims that have been incurred but for which a proper bill or
6 invoice as defined by the State Prompt Payment Act has not been
7 received by September 30th following the end of the fiscal
8 year in which the service was rendered.

9 (j) Notwithstanding any other provision of this Act, the
10 aggregate amount of payments to be made without regard for
11 fiscal year limitations as contained in subsections (b-1),
12 (b-3), (b-4), (b-5), and (c) of this Section, and determined
13 by using Generally Accepted Accounting Principles, shall not
14 exceed the following amounts:

15 (1) \$6,000,000,000 for outstanding liabilities related
16 to fiscal year 2012;

17 (2) \$5,300,000,000 for outstanding liabilities related
18 to fiscal year 2013;

19 (3) \$4,600,000,000 for outstanding liabilities related
20 to fiscal year 2014;

21 (4) \$4,000,000,000 for outstanding liabilities related
22 to fiscal year 2015;

23 (5) \$3,300,000,000 for outstanding liabilities related
24 to fiscal year 2016;

25 (6) \$2,600,000,000 for outstanding liabilities related
26 to fiscal year 2017;

1 (7) \$2,000,000,000 for outstanding liabilities related
2 to fiscal year 2018;

3 (8) \$1,300,000,000 for outstanding liabilities related
4 to fiscal year 2019;

5 (9) \$600,000,000 for outstanding liabilities related
6 to fiscal year 2020; and

7 (10) \$0 for outstanding liabilities related to fiscal
8 year 2021 and fiscal years thereafter.

9 (k) Department of Healthcare and Family Services Medical
10 Assistance Payments.

11 (1) Definition of Medical Assistance.

12 For purposes of this subsection, the term "Medical
13 Assistance" shall include, but not necessarily be
14 limited to, medical programs and services authorized
15 under Titles XIX and XXI of the Social Security Act,
16 the Illinois Public Aid Code, the Children's Health
17 Insurance Program Act, the Covering ALL KIDS Health
18 Insurance Act, the Long Term Acute Care Hospital
19 Quality Improvement Transfer Program Act, and medical
20 care to or on behalf of persons suffering from chronic
21 renal disease, persons suffering from hemophilia, and
22 victims of sexual assault.

23 (2) Limitations on Medical Assistance payments that
24 may be paid from future fiscal year appropriations.

25 (A) The maximum amounts of annual unpaid Medical
26 Assistance bills received and recorded by the

1 Department of Healthcare and Family Services on or
2 before June 30th of a particular fiscal year
3 attributable in aggregate to the General Revenue Fund,
4 Healthcare Provider Relief Fund, Tobacco Settlement
5 Recovery Fund, Long-Term Care Provider Fund, and the
6 Drug Rebate Fund that may be paid in total by the
7 Department from future fiscal year Medical Assistance
8 appropriations to those funds are: \$700,000,000 for
9 fiscal year 2013 and \$100,000,000 for fiscal year 2014
10 and each fiscal year thereafter.

11 (B) Bills for Medical Assistance services rendered
12 in a particular fiscal year, but received and recorded
13 by the Department of Healthcare and Family Services
14 after June 30th of that fiscal year, may be paid from
15 either appropriations for that fiscal year or future
16 fiscal year appropriations for Medical Assistance.
17 Such payments shall not be subject to the requirements
18 of subparagraph (A).

19 (C) Medical Assistance bills received by the
20 Department of Healthcare and Family Services in a
21 particular fiscal year, but subject to payment amount
22 adjustments in a future fiscal year may be paid from a
23 future fiscal year's appropriation for Medical
24 Assistance. Such payments shall not be subject to the
25 requirements of subparagraph (A).

26 (D) Medical Assistance payments made by the

1 Department of Healthcare and Family Services from
2 funds other than those specifically referenced in
3 subparagraph (A) may be made from appropriations for
4 those purposes for any fiscal year without regard to
5 the fact that the Medical Assistance services being
6 compensated for by such payment may have been rendered
7 in a prior fiscal year. Such payments shall not be
8 subject to the requirements of subparagraph (A).

9 (3) Extended lapse period for Department of Healthcare
10 and Family Services Medical Assistance payments.
11 Notwithstanding any other State law to the contrary,
12 outstanding Department of Healthcare and Family Services
13 Medical Assistance liabilities, as of June 30th, payable
14 from appropriations which have otherwise expired, may be
15 paid out of the expiring appropriations during the 4-month
16 period ending at the close of business on October 31st.

17 (1) The changes to this Section made by Public Act 97-691
18 shall be effective for payment of Medical Assistance bills
19 incurred in fiscal year 2013 and future fiscal years. The
20 changes to this Section made by Public Act 97-691 shall not be
21 applied to Medical Assistance bills incurred in fiscal year
22 2012 or prior fiscal years.

23 (m) The Comptroller must issue payments against
24 outstanding liabilities that were received prior to the lapse
25 period deadlines set forth in this Section as soon thereafter
26 as practical, but no payment may be issued after the 4 months

1 following the lapse period deadline without the signed
2 authorization of the Comptroller and the Governor or as
3 provided by Section 18 of the Court of Claims Act.

4 (Source: P.A. 102-16, eff. 6-17-21; 102-291, eff. 8-6-21;
5 102-699, eff. 4-19-22; 102-813, eff. 5-13-22; 103-8, eff.
6 6-7-23.)

7 Section 15. The State Prompt Payment Act is amended by
8 changing Sections 1, 3-2, 3-3, 3-6, 5, and 7 as follows:

9 (30 ILCS 540/1) (from Ch. 127, par. 132.401)

10 Sec. 1. This Act applies to any State official or agency
11 authorized to provide for payment from State funds, by virtue
12 of any appropriation of the General Assembly, for goods or
13 services furnished to the State.

14 For purposes of this Act, "goods or services furnished to
15 the State" include but are not limited to (i) covered health
16 care provided to eligible members and their covered dependents
17 in accordance with the State Employees Group Insurance Act of
18 1971, including coverage through a physician-owned health
19 maintenance organization under Section 6.1 of that Act, (ii)
20 ~~prevention, intervention, or treatment~~ services and supports
21 ~~for persons with developmental disabilities, mental health~~
22 ~~services, alcohol and substance abuse services, rehabilitation~~
23 ~~services, and early intervention services~~ provided by a
24 vendor, and (iii) ~~prevention, intervention, or treatment~~

1 services and supports ~~for youth~~ provided by a vendor by virtue
2 of a contractual grant agreement. For the purposes of items
3 (ii) and (iii), a vendor includes but is not limited to sellers
4 of goods and services, including community-based organizations
5 ~~that are licensed to provide prevention, intervention, or~~
6 ~~treatment services and supports for persons with developmental~~
7 ~~disabilities, mental illness, and substance abuse problems, or~~
8 ~~that provides prevention, intervention, or treatment services~~
9 ~~and supports for youth.~~

10 For the purposes of this Act, "appropriate State official
11 or agency" is defined as the Director or Chief Executive or his
12 designee of that State agency or department or facility of
13 such agency or department. With respect to covered health care
14 provided to eligible members and their dependents in
15 accordance with the State Employees Group Insurance Act of
16 1971, "appropriate State official or agency" also includes an
17 administrator of a program of health benefits under that Act.

18 As used in this Act, "eligible member" means a member who
19 is eligible for health benefits under the State Employees
20 Group Insurance Act of 1971, and "member" and "dependent" have
21 the meanings ascribed to those terms in that Act.

22 As used in this Act, "a proper bill or invoice" means a
23 bill or invoice, including, but not limited to, an invoice
24 issued under a contractual grant agreement, that includes the
25 information necessary for processing the payment as may be
26 specified by a State agency and in rules adopted in accordance

1 with this Act. Beginning on and after July 1, 2021, "a proper
2 bill or invoice" shall also include the names of all
3 subcontractors or subconsultants to be paid from the bill or
4 invoice and the amounts due to each of them, if any.

5 (Source: P.A. 100-549, eff. 1-1-18; 101-524, eff. 1-1-20.)

6 (30 ILCS 540/3-2)

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

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

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

20 (1.05) Except as provided in paragraph (3) of this
21 Section, for For State fiscal years year 2012 through 2025
22 ~~and future fiscal years,~~ any bill approved for payment
23 under this Section must be paid or the payment issued to
24 the payee within 90 days of receipt of a proper bill or
25 invoice. If payment is not issued to the payee within this
26 90-day period, an interest penalty of 1.0% of any amount

1 approved and unpaid shall be added for each month, or
2 0.033% (one-thirtieth of one percent) of any amount
3 approved and unpaid for each day, after the end of this
4 90-day period, until final payment is made.

5 For State fiscal year 2026 and future fiscal years,
6 any bill approved for payment under this Section must be
7 paid or the payment issued to the payee within 60 days of
8 receipt of a proper bill or invoice. If payment is not
9 issued to the payee within this 60-day period, an interest
10 penalty of 1% of any amount approved and unpaid shall be
11 added for each month, or 0.033% (one-thirtieth of one
12 percent) of any amount approved and unpaid for each day,
13 after the end of this 60-day period, until final payment
14 is made.

15 (1.1) A State agency shall review ~~in a timely manner~~
16 each bill or invoice within 30 days after its receipt. If
17 the State agency determines that the bill or invoice
18 contains a defect making it unable to process the payment
19 request, the agency shall notify the vendor requesting
20 payment ~~as soon as possible after discovering the defect~~
21 ~~pursuant to rules promulgated under Section 3-3; provided,~~
22 ~~however, that the notice for construction related bills or~~
23 ~~invoices must be given~~ not later than 30 days after the
24 bill or invoice was first submitted. The notice shall
25 identify the defect and any additional information
26 necessary to correct the defect. If one or more items on a

1 construction related bill or invoice are disapproved, but
2 not the entire bill or invoice, then the portion that is
3 not disapproved shall be paid in accordance with the
4 requirements of this Act.

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

26 (3) The provisions of Public Act 96-1501 reducing the

1 interest rate on pharmacy claims under Article V of the
2 Illinois Public Aid Code to 1.0% per month shall apply to
3 any pharmacy bills for services and goods under Article V
4 of the Illinois Public Aid Code received on or after the
5 date 60 days before January 25, 2011 (the effective date
6 of Public Act 96-1501) except as provided under paragraph
7 (1.05) of this Section.

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

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

1 (Source: P.A. 100-1064, eff. 8-24-18.)

2 (30 ILCS 540/3-3) (from Ch. 127, par. 132.403-3)

3 Sec. 3-3. The State Comptroller and the Department of
4 Central Management Services shall jointly promulgate rules and
5 policies to govern the uniform application of this Act. These
6 rules and policies shall include procedures and time frames
7 for approving a bill or invoice from a vendor for goods or
8 services furnished to the State. Those rules shall require
9 that action to approve or reject a bill or invoice shall be
10 taken not more than 30 days after receiving the bill or invoice
11 from the vendor. These rules and policies shall provide for
12 procedures and time frames applicable to payment plans as may
13 be agreed upon between State agencies and vendors. These rules
14 and policies shall be binding on all officials and agencies
15 under this Act's jurisdiction. These rules and policies may be
16 made effective no earlier than July 1, 1993.

17 (Source: P.A. 92-384, eff. 7-1-02.)

18 (30 ILCS 540/3-6)

19 Sec. 3-6. Federal funds; lack of authority. If an agency
20 incurs an interest liability under this Act that cannot be
21 charged to the same expenditure authority account to which the
22 related goods or services were charged due to federal
23 prohibitions, the agency is authorized to pay the interest
24 from its available appropriations from any funding source ~~the~~

1 ~~General Revenue Fund~~, except that the Department of
2 Transportation is authorized to pay the interest from its
3 available appropriations from the Road Fund, as long as the
4 original goods or services were for purposes consistent with
5 Section 11 of Article IX of the Illinois Constitution.

6 (Source: P.A. 103-588, eff. 6-5-24.)

7 (30 ILCS 540/5) (from Ch. 127, par. 132.405)

8 Sec. 5. The State remittance and the grant agreement shall
9 indicate that payment of interest may be available for failure
10 to comply with this Act.

11 (Source: P.A. 92-384, eff. 7-1-02.)

12 (30 ILCS 540/7) (from Ch. 127, par. 132.407)

13 Sec. 7. Payments to subcontractors and material suppliers.

14 (a) When a State official or agency responsible for
15 administering a contract receives a bill or invoice from a
16 contractor, that State official or agency shall confirm the
17 date on which the bill or invoice was received within 5
18 business days of receipt, and shall transmit any approved
19 amount to the Comptroller within 30 days of receipt.

20 (a-1) When a State official or agency responsible for
21 administering a contract submits a voucher to the Comptroller
22 for payment to a contractor, that State official or agency
23 shall ~~promptly~~ make available electronically the voucher
24 number, the date of the voucher, and the amount of the voucher

1 within 5 business days of submitting the voucher to the
2 Comptroller. The State official or agency responsible for
3 administering the contract shall provide subcontractors and
4 material suppliers, known to the State official or agency,
5 with instructions on how to access the electronic information
6 on the Comptroller's website.

7 (a-5) When a contractor receives any payment, the
8 contractor shall pay each subcontractor and material supplier
9 electronically within 10 business days or 15 calendar days,
10 whichever occurs earlier, or, if paid by a printed check, the
11 printed check must be postmarked within 10 business days or 15
12 calendar days, whichever occurs earlier, after receiving
13 payment in proportion to the work completed by each
14 subcontractor and material supplier its application or pay
15 estimate, plus interest received under this Act. When a
16 contractor receives any payment, the contractor shall pay each
17 lower-tiered subcontractor and material supplier and each
18 subcontractor and material supplier shall make payment to its
19 own respective subcontractors and material suppliers. If the
20 contractor receives less than the full payment due under the
21 public construction contract, the contractor shall be
22 obligated to disburse on a pro rata basis those funds
23 received, plus interest received under this Act, with the
24 contractor, subcontractors and material suppliers each
25 receiving a prorated portion based on the amount of payment
26 each has earned. When, however, the State official or agency

1 does not release the full payment due under the contract
2 because there are specific areas of work or materials the
3 State agency or official has determined are not suitable for
4 payment, then those specific subcontractors or material
5 suppliers involved shall not be paid for that portion of work
6 rejected or deemed not suitable for payment and all other
7 subcontractors and suppliers shall be paid based upon the
8 amount of payment each has earned, plus interest received
9 under this Act.

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

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

1 made. Written notice of refusal may be given in a form and
2 method which is acceptable to the parties and public owner.

3 (b) If the contractor, without reasonable cause, fails to
4 make full payment of amounts due under subsection (a) to its
5 subcontractors and material suppliers within 10 business days
6 or 15 calendar days, whichever occurs earlier, after receipt
7 of payment from the State official or agency, the contractor
8 shall pay to its subcontractors and material suppliers, in
9 addition to the payment due them, interest in the amount of 2%
10 per month, calculated from the expiration of the
11 10-business-day period or the 15-calendar-day period until
12 fully paid. This subsection shall further apply to any
13 payments made by subcontractors and material suppliers to
14 their subcontractors and material suppliers and to all
15 payments made to lower tier subcontractors and material
16 suppliers throughout the contracting chain.

17 (1) If a contractor, without reasonable cause, fails
18 to make payment in full as provided in subsection (a-5)
19 within 10 business days or 15 calendar days, whichever
20 occurs earlier, after receipt of payment under the public
21 construction contract, any subcontractor or material
22 supplier to whom payments are owed may file a written
23 notice and request for administrative hearing with the
24 State official or agency setting forth the amount owed by
25 the contractor and the contractor's failure to timely pay
26 the amount owed. The written notice and request for

1 administrative hearing shall identify the public
2 construction contract, the contractor, and the amount
3 owed, and shall contain a sworn statement or attestation
4 to verify the accuracy of the notice. The notice and
5 request for administrative hearing shall be filed with the
6 State official for the public construction contract, with
7 a copy of the notice concurrently provided to the
8 contractor. Notice to the State official may be made by
9 certified or registered mail, messenger service, or
10 personal service, and must include proof of delivery to
11 the State official.

12 (2) The State official or agency, within 15 calendar
13 days after receipt of a subcontractor's or material
14 supplier's written notice and request for administrative
15 hearing, shall hold a hearing convened by an
16 administrative law judge to determine whether the
17 contractor withheld payment, without reasonable cause,
18 from the subcontractors or material suppliers and what
19 amount, if any, is due to the subcontractors or material
20 suppliers, and the reasonable cause or causes asserted by
21 the contractor. The State official or agency shall provide
22 appropriate notice to the parties of the date, time, and
23 location of the hearing. Each contractor, subcontractor,
24 or material supplier has the right to be represented by
25 counsel at a hearing and to cross-examine witnesses and
26 challenge documents. Upon the request of the subcontractor

1 or material supplier and a showing of good cause,
2 reasonable continuances may be granted by the
3 administrative law judge.

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

11 (4) If a contractor fails to make full payment as
12 ordered under paragraph (3) of this subsection (b) within
13 15 days after the administrative law judge's order, then
14 the contractor shall be barred from entering into a State
15 public construction contract for a period of one year
16 beginning on the date of the administrative law judge's
17 order.

18 (5) If, on 2 or more occasions within a
19 3-calendar-year period, there is a finding by an
20 administrative law judge that the contractor failed to
21 make payment in full, without reasonable cause, and a
22 written order was issued to a contractor under paragraph
23 (3) of this subsection (b), then the contractor shall be
24 barred from entering into a State public construction
25 contract for a period of 6 months beginning on the date of
26 the administrative law judge's second written order, even

1 if the payments required under the orders were made in
2 full.

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

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

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

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

26 (d) This Section shall not preclude, bar, or stay the

1 rights, remedies, and defenses available to the parties by way
2 of the operation of their contract, purchase agreement, the
3 Mechanics Lien Act, or the Public Construction Bond Act.

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

7 (f) As used in this Section:

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

12 "Reasonable cause" may include, but is not limited to,
13 unsatisfactory workmanship or materials; failure to provide
14 documentation required by the contract, subcontract, or
15 material purchase agreement; claims made against the
16 Department of Transportation or the subcontractor pursuant to
17 subsection (c) of Section 23 of the Mechanics Lien Act or the
18 Public Construction Bond Act; judgments, levies, garnishments,
19 or other court-ordered assessments or offsets in favor of the
20 Department of Transportation or other State agency entered
21 against a subcontractor or material supplier. "Reasonable
22 cause" does not include payments issued to the contractor that
23 create a negative or reduced valuation pay application or pay
24 estimate due to a reduction of contract quantities or work not
25 performed or provided by the subcontractor or material
26 supplier; the interception or withholding of funds for reasons

1 not related to the subcontractor's or material supplier's work
2 on the contract; anticipated claims or assessments of third
3 parties not a party related to the contract or subcontract;
4 asserted claims or assessments of third parties that are not
5 authorized by court order, administrative tribunal, or
6 statute. "Reasonable cause" further does not include the
7 withholding, offset, or reduction of payment, in whole or in
8 part, due to the assessment of liquidated damages or penalties
9 assessed by the Department of Transportation against the
10 contractor, unless the subcontractor's performance or supplied
11 materials were the sole and proximate cause of the liquidated
12 damage or penalty.

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

15 Section 20. The Grant Accountability and Transparency Act
16 is amended by changing Sections 30, 50, and 125 and by adding
17 Section 135 as follows:

18 (30 ILCS 708/30)

19 Sec. 30. Catalog of State Financial Assistance. The
20 Catalog of State Financial Assistance is a single,
21 authoritative, statewide, comprehensive source document of
22 State financial assistance program information. The Catalog
23 shall contain, at a minimum, the following information:

24 (1) An introductory section that contains Catalog

1 highlights, an explanation of how to use the Catalog, an
2 explanation of the Catalog and its contents, and suggested
3 grant proposal writing methods and grant application
4 procedures.

5 (2) A comprehensive indexing system that categorizes
6 programs by issuing agency, eligible applicant,
7 application deadlines, function, popular name, and subject
8 area.

9 (3) Comprehensive appendices showing State assistance
10 programs that require coordination through this Act and
11 regulatory, legislative, and Executive Order authority for
12 each program, commonly used abbreviations and acronyms,
13 agency regional and local office addresses, and sources of
14 additional information.

15 (4) A list of programs that have been added to or
16 deleted from the Catalog and the various program numbers
17 and title changes.

18 (5) Program number, title, and popular name, if
19 applicable.

20 (6) The name of the State department or agency or
21 independent agency and primary organization sub-unit
22 administering the program.

23 (7) The enabling legislation, including popular name
24 of the Act, titles and Sections, Public Act number, and
25 citation to the Illinois Compiled Statutes.

26 (8) The type or types of financial and nonfinancial

1 assistance offered by the program.

2 (9) Uses and restrictions placed upon the program.

3 (10) Eligibility requirements, including applicant
4 eligibility criteria, beneficiary eligibility criteria,
5 and required credentials and documentation.

6 (11) Objectives and goals of the program.

7 (12) Information regarding application and award
8 processing; application deadlines; range of approval or
9 disapproval time; appeal procedure; and availability of a
10 renewal or extension of assistance.

11 (13) Assistance considerations, including an
12 explanation of the award formula, matching requirements,
13 and the length and time phasing of the assistance.

14 (14) Post-assistance requirements, including any
15 reports, audits, and records that may be required.

16 (15) Program accomplishments (where available)
17 describing quantitative measures of program performance.

18 (16) Regulations, guidelines, and literature
19 containing citations to the Illinois Administrative Code,
20 the Code of Federal Regulations, and other pertinent
21 informational materials.

22 (17) The names, telephone numbers, and e-mail
23 addresses of persons to be contacted for detailed program
24 information at the headquarters, regional, and local
25 levels.

26 (18) Criteria for Prompt Payment Act eligibility and

1 advanced payment eligibility.

2 (Source: P.A. 98-706, eff. 7-16-14.)

3 (30 ILCS 708/50)

4 Sec. 50. State grant-making agency responsibilities.

5 (a) The specific requirements and responsibilities of
6 State grant-making agencies and non-federal entities are set
7 forth in this Act. State agencies making State awards to
8 non-federal entities must adopt by rule the language in 2 CFR
9 200, Subpart C through Subpart F unless different provisions
10 are required by law.

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

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

19 (1) require its recipients and subrecipients to relate
20 financial data to performance accomplishments of the award
21 and, when applicable, must require recipients and
22 subrecipients to provide cost information to demonstrate
23 cost-effective practices. The recipient's and
24 subrecipient's performance should be measured in a way
25 that will help the State agency to improve program

1 outcomes, share lessons learned, and spread the adoption
2 of promising practices; and

3 (2) provide recipients and subrecipients with clear
4 performance goals, indicators, and milestones and must
5 establish performance reporting frequency and content to
6 not only allow the State agency to understand the
7 recipient's progress, but also to facilitate
8 identification of promising practices among recipients and
9 subrecipients and build the evidence upon which the State
10 agency's program and performance decisions are made. The
11 frequency of reports on performance goals, indicators, and
12 milestones required under this Section shall not be more
13 frequent than quarterly. Nothing in this Section is
14 intended to prohibit more frequent reporting to assess
15 items such as service needs, gaps, or capacity, as
16 indicated by a corrective action plan or by a risk
17 assessment.

18 (c-5) Each State grant-making agency shall, when it is in
19 the best interests of the State, request that the Office of the
20 Comptroller issue a stop payment order in accordance with
21 Section 105 of this Act.

22 (c-6) Upon notification by the Grant Transparency and
23 Accountability Unit that a stop payment order has been
24 requested by a State grant-making agency, each State
25 grant-making agency who has issued a grant to that recipient
26 or subrecipient shall determine if it remains in the best

1 interests of the State to continue to issue payments to the
2 recipient or subrecipient.

3 (d) The Governor's Office of Management and Budget shall
4 provide such advice and technical assistance to the State
5 grant-making agencies as is necessary or indicated in order to
6 ensure compliance with this Act. Advice and technical
7 assistance to State grant-making agencies shall include:

8 (1) training for State agency staff about the criteria
9 for Prompt Payment Act eligibility and advanced payment
10 eligibility;

11 (2) best practices for disseminating information about
12 grant opportunities statewide, with an emphasis on
13 reaching previously underserved communities and new
14 vendors, and

15 (3) the Court of Claims' jurisdiction and process
16 under the Court of Claims Act.

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

21 (Source: P.A. 100-997, eff. 8-20-18.)

22 (30 ILCS 708/125)

23 Sec. 125. Expenditures prior to grant execution; reporting
24 requirements.

25 (a) In the event that a recipient or subrecipient incurs

1 expenses related to the grant award prior to the execution of
2 the grant agreement but within the term of the grant, and the
3 grant agreement is executed more than 30 days after the
4 effective date of the grant, the recipient or subrecipient
5 must submit to the State grant-making agency a report that
6 accounts for eligible grant expenditures and project
7 activities from the effective date of the grant up to and
8 including the date of execution of the grant agreement. If the
9 State grant-making agency does not issue the grant agreement
10 to the recipient within 60 days of the effective date of the
11 grant, interest penalties shall apply pursuant to Section 3-4
12 of the State Prompt Payment Act.

13 (b) The recipient or subrecipient must submit the report
14 to the State grant-making agency within 30 days of execution
15 of the grant agreement.

16 (c) Only those expenses that are reasonable, allowable,
17 and in furtherance of the purpose of the grant award shall be
18 reimbursed.

19 (d) The State grant-making agency must approve the report
20 prior to issuing any payment to the recipient or subrecipient.

21 (Source: P.A. 100-997, eff. 8-20-18.)

22 (30 ILCS 708/135 new)

23 Sec. 135. Grant Agreement specifications.

24 (a) A grant agreement shall include:

25 (1) the dates on which the State grant-making agency

1 will transmit vouchers to the Comptroller; and

2 (2) whether the grant is eligible under the Prompt
3 Payment Act or for advanced payments.

4 (b) A State agency shall not restrict the amount of money
5 used to pay for fringe benefits.

6 (c) A State agency shall not restrict indirect costs to
7 less than 20% of the grant agreement or the federally
8 negotiated rate, whichever is higher, unless the recipient
9 prefers a lower rate.

10 (d) A State agency shall not restrict direct
11 administrative costs to less than 20% of direct costs in the
12 grant agreement unless the recipient prefers a lower rate.

13 (e) Nothing in this Section shall apply to grants that are
14 solely for the purpose of capital projects.

15 (f) Nothing in this Section shall apply if the grant
16 conflicts with requirements due to federal law or federal
17 grant obligations.

18 Section 25. The Court of Claims Act is amended by changing
19 Sections 6, 9, 10, 11, 13, 16, 19, 21, 22, 23, and 24 and by
20 adding Section 8.1 as follows:

21 (705 ILCS 505/6) (from Ch. 37, par. 439.6)

22 Sec. 6. The court shall hold sessions at such places as it
23 deems necessary to expedite the business of the court and may
24 hold sessions in person or remotely. The court may adopt

1 administrative rules to provide for remote participation and
2 electronic filing in any proceeding and for the conduct of any
3 business of the court.

4 (Source: P.A. 90-492, eff. 8-17-97.)

5 (705 ILCS 505/8.1 new)

6 Sec. 8.1. Confirmation of claims. The court must confirm
7 receipt of claim to the vendor within 30 days for all claims
8 arising under paragraph (b) of Section 8 of this Act. The State
9 agency must confirm or reject all claims arising under
10 paragraph (b) of Section 8 of this Act within 30 days after
11 being contacted by the Attorney General. If the State agency
12 does not confirm or reject a claim within 30 days, the State
13 agency forfeits the right to reject or contest the claim. The
14 Comptroller must issue payment to vendors within 30 days of
15 the court entering an award for claims arising under paragraph
16 (b) of Section 8 of this Act, subject to available
17 appropriation.

18 (705 ILCS 505/9) (from Ch. 37, par. 439.9)

19 Sec. 9. Court powers and duties. ~~The court may:~~

20 (a) The court may establish ~~A. Establish~~ rules for its
21 government and for the regulation of practice therein; appoint
22 commissioners to assist the court in such manner as it directs
23 and discharge them at will; and exercise such powers as are
24 necessary to carry into effect the powers granted in this

1 Section. Any Commissioner appointed shall be an attorney
2 licensed to practice law in the State of Illinois. The rules
3 established hereunder shall not be waived, and any extension
4 of time authorized by such rules shall only be allowed on
5 motion duly filed within the time limitation for which the
6 extension is requested.

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

24 (c) The court shall create an online portal that allows
25 vendors to submit claims electronically under subsection (b)
26 of Section 8 of this Act, and to view and track the status of

1 their claim and any related documentation.

2 (d) If the court determines that it is unable to process a
3 claim because the bill or invoice contains a defect, the court
4 shall notify the vendor requesting payment not later than 30
5 days after the bill or invoice was first submitted. The notice
6 shall identify the defect and any additional information
7 necessary to correct the defect. If one or more items on a bill
8 or invoice are disapproved, but not the entire bill or
9 invoice, then the portion that is not disapproved shall be
10 paid. For disapproved portions of a claim, the court shall
11 allow claimants to electronically submit documentation to
12 amend and cure defects through the online portal created by
13 this Act within 30 days after receipt of notice of denied
14 claim.

15 (Source: P.A. 83-865.)

16 (705 ILCS 505/10) (from Ch. 37, par. 439.10)

17 Sec. 10. (a) The judges, commissioners and the clerk of
18 the court may administer oaths and affirmations, take
19 acknowledgments of instruments in writing, and give
20 certificates of them.

21 (b) The clerk of the court may administratively determine
22 certain claims against the State if the claim possesses all of
23 the following characteristics:

24 (1) The claim does not arise under an appropriation
25 for the current fiscal year.

1 (2) The State agency concerned concurs in the claim.

2 (3) The amount claimed does not exceed \$2,500.

3 (4) The claim has been approved by the Attorney
4 General as one that, in view of the purposes of this Act,
5 should be paid.

6 The State agency concerned shall prepare the record of the
7 claim consisting of all papers, stipulations, and evidential
8 documents required by the rules of the court and file the same
9 with the clerk. The clerk shall consider the claim informally
10 upon the record submitted. If the clerk determines that the
11 claim should be entered as an approved claim and an award made,
12 the clerk shall so order and shall file a statement with the
13 court. If the clerk finds that the record is inadequate, or
14 that the claim should not be paid, the clerk shall reject the
15 claim. The rejection of a claim under this Section does not bar
16 its resubmission under the regular procedure.

17 (c) The judges, commissioners, and the clerk of the court
18 may conduct any activity of the court remotely.

19 (d) The Court of Claims may adopt administrative rules to
20 implement this Section.

21 (Source: Laws 1945, p. 660.)

22 (705 ILCS 505/11) (from Ch. 37, par. 439.11)

23 Sec. 11. Filing claims.

24 (a) Except as otherwise provided in subsection (b) of this
25 Section and subsection (4) of Section 24, the claimant shall

1 in all cases set forth fully in his petition the claim, the
2 action thereon, if any, on behalf of the State, what persons
3 are owners or trustees as defined under Section 3 of the
4 Charitable Trust Act thereof or interested therein, when and
5 upon what consideration such persons became so interested;
6 that no assignment or transfer of the claim or any part thereof
7 or interest therein has been made, except as stated in the
8 petition; that the claimant is justly entitled to the amount
9 therein claimed from the State of Illinois, after allowing all
10 just credits; and that claimant believes the facts stated in
11 the petition to be true. The petition shall be verified, as to
12 statements of facts, by the affidavit of the claimant, his
13 agent, or attorney.

14 (b) Whenever a person has served a term of imprisonment
15 and has received a pardon by the Governor stating that such
16 pardon was issued on the ground of innocence of the crime for
17 which he or she was imprisoned, the Prisoner Review Board
18 shall transmit this information to the clerk of the Court of
19 Claims, together with the claimant's current address. Whenever
20 a person has served a term of imprisonment and has received a
21 certificate of innocence from the Circuit Court as provided in
22 Section 2-702 of the Code of Civil Procedure, the clerk of the
23 issuing Circuit Court shall transmit this information to the
24 clerk of the Court of Claims, together with the claimant's
25 current address. The clerk of the Court of Claims shall
26 immediately docket the case for consideration by the Court of

1 Claims, and shall provide notice to the claimant of such
2 docketing together with all hearing dates and applicable
3 deadlines. The Court of Claims shall hear the case and render a
4 decision within 90 days after its docketing.

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

6 (705 ILCS 505/13) (from Ch. 37, par. 439.13)

7 Sec. 13. Evidence. Any judge or commissioner of the court
8 may sit at any place within the State to take evidence in any
9 case in the court. Any judge or commissioner may take evidence
10 remotely.

11 (Source: Laws 1945, p. 660.)

12 (705 ILCS 505/16) (from Ch. 37, par. 439.16)

13 Sec. 16. Concurrence of judges. Concurrence of 4 judges is
14 necessary to the decision of any case; provided, however, the
15 court in its discretion may assign any case to a commissioner
16 for hearing and final decision, subject to whatever right of
17 review the court by rule may choose to exercise. In matters
18 involving claims made with respect to lapsed appropriations or
19 the award of emergency funds under the Crime Victims
20 Compensation Act, the decision of only one judge is necessary
21 to award emergency funds.

22 (Source: P.A. 92-286, eff. 1-1-02.)

23 (705 ILCS 505/19) (from Ch. 37, par. 439.19)

1 Sec. 19. The Attorney General, or his assistants under his
2 direction, shall appear for the defense and protection of the
3 interests of the State of Illinois in all cases filed in the
4 court, and may make claim for recoupment by the State.

5 For all claims arising under paragraph (b) of Section 8 of
6 this Act:

7 (1) the Attorney General must confirm receipt of the
8 claim to the claimant and contact the State agency within
9 5 days of receiving the claim from the court to confirm or
10 reject the veracity of the claim.

11 (2) the State agency must confirm or reject the
12 veracity of the claim with the Attorney General's office
13 within 45 days of being contacted by the Attorney General.

14 (3) The Attorney General must notify the claimant of
15 the State agency's decision and file a stipulation or
16 motion with the Court within 30 days of the State agency
17 confirming or rejecting the claim.

18 (Source: Laws 1945, p. 660.)

19 (705 ILCS 505/21) (from Ch. 37, par. 439.21)

20 Sec. 21. The court is authorized to impose, by uniform
21 rules, a fee of \$15 for the filing of a petition in any case in
22 which the award sought is more than \$500 ~~\$50~~ and less than
23 \$10,000 ~~\$1,000~~ and \$35 in any case in which the award sought is
24 \$10,000 ~~\$1,000~~ or more; and to charge and collect for copies of
25 opinions or other documents filed in the Court of Claims such

1 fees as may be prescribed by the rules of the Court. All fees
2 and charges so collected shall be forthwith paid into the
3 State Treasury. For claims arising from paragraph (b) of
4 Section 8 of this Act, when the Court rules in favor of the
5 vendor, the filing fee shall be refunded to the claimant. The
6 court may determine the form and manner of all filing fees and
7 other charges due the court by rule.

8 A petitioner who is a prisoner in an Illinois Department
9 of Corrections facility who files a pleading, motion, or other
10 filing that purports to be a legal document against the State,
11 the Illinois Department of Corrections, the Prisoner Review
12 Board, or any of their officers or employees in which the court
13 makes a specific finding that it is frivolous shall pay all
14 filing fees and court costs in the manner provided in Article
15 XXII of the Code of Civil Procedure.

16 In claims based upon lapsed appropriations or lost warrant
17 or in claims filed under the Line of Duty Compensation Act, the
18 Illinois National Guardsman's Compensation Act, or the Crime
19 Victims Compensation Act or in claims filed by medical vendors
20 for medical services rendered by the claimant to persons
21 eligible for Medical Assistance under programs administered by
22 the Department of Healthcare and Family Services, no filing
23 fee shall be required.

24 (Source: P.A. 95-331, eff. 8-21-07.)

1 Sec. 23. Notwithstanding the exceptions for lapsed
2 appropriations as stipulated by subsection (b) of Section 8 of
3 this Act, it ~~is~~ is the policy of the General Assembly to make
4 no appropriation to pay any claim against the State,
5 cognizable by the court, unless an award therefor has been
6 made by the court.

7 (Source: Laws 1945, p. 660.)

8 (705 ILCS 505/24) (from Ch. 37, par. 439.24)

9 Sec. 24. Payment of awards.

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

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

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

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

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

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

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

3 (2) The court may, from funds specifically appropriated
4 from the General Revenue Fund for this purpose, direct the
5 payment of awards less than \$100,000 ~~\$50,000~~ solely as a
6 result of the lapsing of an appropriation originally made from
7 any fund held by the State Treasurer. For any such award paid
8 from the General Revenue Fund, the court shall thereafter seek
9 an appropriation from the fund from which the liability
10 originally accrued in reimbursement of the General Revenue
11 Fund.

12 (3) In directing payment of a claim pursuant to the Line of
13 Duty Compensation Act, the Court must direct the Comptroller
14 to add an interest penalty if payment of a claim is not made
15 within 6 months after a claim is filed in accordance with
16 Section 3 of the Line of Duty Compensation Act and all
17 information has been submitted as required under Section 4 of
18 the Line of Duty Compensation Act. If payment is not issued
19 within the 6-month period, an interest penalty of 1% of the
20 amount of the award shall be added for each month or fraction
21 thereof after the end of the 6-month period, until final
22 payment is made. This interest penalty shall be added
23 regardless of whether the payment is not issued within the
24 6-month period because of the appropriation process, the
25 consideration of the matter by the Court, or any other reason.

26 (3.5) The interest penalty payment provided for in

1 subsection (3) shall be added to all claims for which benefits
2 were not paid as of the effective date of P.A. 95-928. The
3 interest penalty shall be calculated starting from the
4 effective date of P.A. 95-928, provided that the effective
5 date of P.A. 95-928 is at least 6 months after the date on
6 which the claim was filed in accordance with Section 3 of the
7 Line of Duty Compensation Act. In the event that the date 6
8 months after the date on which the claim was filed is later
9 than the effective date of P.A. 95-928, the Court shall
10 calculate the interest payment penalty starting from the date
11 6 months after the date on which the claim was filed in
12 accordance with Section 3 of the Line of Duty Compensation
13 Act. This subsection (3.5) of this amendatory Act of the 96th
14 General Assembly is declarative of existing law.

15 (3.6) In addition to the interest payments provided for in
16 subsections (3) and (3.5), the Court shall direct the
17 Comptroller to add a "catch-up" payment to the claims of
18 eligible claimants. For the purposes of this subsection (3.6),
19 an "eligible claimant" is a claimant whose claim is not paid in
20 the year in which it was filed. For purposes of this subsection
21 (3.6), "'catch-up' payment" is defined as the difference
22 between the amount paid to claimants whose claims were filed
23 in the year in which the eligible claimant's claim is paid and
24 the amount paid to claimants whose claims were filed in the
25 year in which the eligible claimant filed his or her claim. The
26 "catch-up" payment is payable simultaneously with the claim

1 award.

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

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

1 INDEX
2 Statutes amended in order of appearance

3	15 ILCS 405/9	from Ch. 15, par. 209
4	15 ILCS 405/9.03	from Ch. 15, par. 209.03
5	30 ILCS 105/25	from Ch. 127, par. 161
6	30 ILCS 540/1	from Ch. 127, par. 132.401
7	30 ILCS 540/3-2	
8	30 ILCS 540/3-3	from Ch. 127, par. 132.403-3
9	30 ILCS 540/3-6	
10	30 ILCS 540/5	from Ch. 127, par. 132.405
11	30 ILCS 540/7	from Ch. 127, par. 132.407
12	30 ILCS 708/30	
13	30 ILCS 708/50	
14	30 ILCS 708/125	
15	30 ILCS 708/135 new	
16	705 ILCS 505/6	from Ch. 37, par. 439.6
17	705 ILCS 505/8.1 new	
18	705 ILCS 505/9	from Ch. 37, par. 439.9
19	705 ILCS 505/10	from Ch. 37, par. 439.10
20	705 ILCS 505/11	from Ch. 37, par. 439.11
21	705 ILCS 505/13	from Ch. 37, par. 439.13
22	705 ILCS 505/16	from Ch. 37, par. 439.16
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