

1 AN ACT in relation to public aid.

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

4 Section 5. The Illinois Public Aid Code is amended by
5 changing Sections 10-26 and 12-8.1 as follows:

6 (305 ILCS 5/10-26)

7 Sec. 10-26. State Disbursement Unit.

8 (a) Effective October 1, 1999 the Illinois Department
9 shall establish a State Disbursement Unit in accordance with
10 the requirements of Title IV-D of the Social Security Act.
11 The Illinois Department shall enter into an agreement with a
12 State or local governmental unit or private entity to perform
13 the functions of the State Disbursement Unit as set forth in
14 this Section. The State Disbursement Unit shall collect and
15 disburse support payments made under court and administrative
16 support orders:

17 (1) being enforced in cases in which child and
18 spouse support services are being provided under this
19 Article X; and

20 (2) in all cases in which child and spouse support
21 services are not being provided under this Article X and
22 in which support payments are made under the provisions
23 of the Income Withholding for Support Act.

24 (a-2) The contract entered into by the Illinois
25 Department with a public or private entity or an individual
26 for the operation of the State Disbursement Unit is subject
27 to competitive bidding. In addition, the contract is subject
28 to Section 10-26.2 of this Code. As used in this subsection
29 (a-2), "contract" has the same meaning as in the Illinois
30 Procurement Code.

31 (a-5) If the State Disbursement Unit receives a support

1 payment that was not appropriately made to the Unit under
2 this Section, the Unit shall immediately return the payment
3 to the sender, including, if possible, instructions detailing
4 where to send the support payments.

5 (b) All payments received by the State Disbursement
6 Unit:

7 (1) shall be deposited into an account obtained by
8 the Illinois Department or the State or local
9 governmental unit or private entity, as the case may be,
10 and

11 (2) distributed and disbursed by the State
12 Disbursement Unit, in accordance with the directions of
13 the Illinois Department, pursuant to Title IV-D of the
14 Social Security Act and rules promulgated by the
15 Department.

16 (c) All support payments assigned to the Illinois
17 Department under Article X of this Code and rules promulgated
18 by the Illinois Department that are disbursed to the Illinois
19 Department by the State Disbursement Unit shall be paid into
20 the Child Support Enforcement Trust Fund.

21 (d) If the agreement with the State or local
22 governmental unit or private entity provided for in this
23 Section is not in effect for any reason, the Department shall
24 perform the functions of the State Disbursement Unit as set
25 forth in this Section for a maximum of 12 months before July
26 1, 2001, and for a maximum of 24 months after June 30, 2001.
27 If the Illinois Department is performing the functions of the
28 State Disbursement Unit on July 1, 2001, then the Illinois
29 Department shall make an award on or before December 31,
30 2002, to a State or local government unit or private entity
31 to perform the functions of the State Disbursement Unit.
32 Payments received by the Illinois Department in performance
33 of the duties of the State Disbursement Unit shall be
34 deposited into the State Disbursement Unit Revolving Fund

1 established under Section 12-8.1. Nothing in this Section
2 shall prohibit the Illinois Department from holding the State
3 Disbursement Unit Revolving Fund after June 30, 2003.

4 (e) By February 1, 2000, the Illinois Department shall
5 conduct at least 4 regional training and educational seminars
6 to educate the clerks of the circuit court on the general
7 operation of the State Disbursement Unit, the role of the
8 State Disbursement Unit, and the role of the clerks of the
9 circuit court in the collection and distribution of child
10 support payments.

11 (f) By March 1, 2000, the Illinois Department shall
12 conduct at least 4 regional educational and training seminars
13 to educate payors, as defined in the Income Withholding for
14 Support Act, on the general operation of the State
15 Disbursement Unit, the role of the State Disbursement Unit,
16 and the distribution of income withholding payments pursuant
17 to this Section and the Income Withholding for Support Act.

18 (Source: P.A. 91-212, eff. 7-20-99; 91-677, eff. 1-5-00;
19 91-712, eff. 7-1-00; 92-44, eff. 7-1-01.)

20 (305 ILCS 5/12-8.1)

21 Sec. 12-8.1. State Disbursement Unit Revolving Fund.

22 (a) There is created a revolving fund to be known as the
23 State Disbursement Unit Revolving Fund, to be held by the
24 Director of the Illinois Department, outside the State
25 treasury, for the following purposes:

26 (1) the deposit of all support payments received by
27 the Illinois Department's State Disbursement Unit;

28 (2) the deposit of other funds including, but not
29 limited to, transfers of funds from other accounts
30 attributable to support payments received by the Illinois
31 Department's State Disbursement Unit;

32 (3) the deposit of any interest accrued by the
33 revolving fund, which interest shall be available for

1 payment of (i) any amounts considered to be Title IV-D
2 program income that must be paid to the U.S. Department
3 of Health and Human Services and (ii) any balance
4 remaining after payments made under item (i) of this
5 subsection (3) to the General Revenue Fund; however, the
6 disbursements under this subdivision (3) may not exceed
7 the amount of the interest accrued by the revolving fund;

8 (4) the disbursement of such payments to obligees
9 or to the assignees of the obligees in accordance with
10 the provisions of Title IV-D of the Social Security Act
11 and rules promulgated by the Department, provided that
12 such disbursement is based upon a payment by a payor or
13 obligor deposited into the revolving fund established by
14 this Section; and

15 (5) the disbursement of funds to payors or obligors
16 to correct erroneous payments to the Illinois
17 Department's State Disbursement Unit, in an amount not to
18 exceed the erroneous payments.

19 (b) (Blank). ~~The provisions of this Section shall apply~~
20 ~~only if the Department performs the functions of the Illinois~~
21 ~~Department's State Disbursement Unit under paragraph --(d)-- of~~
22 ~~Section 10-26.~~

23 (Source: P.A. 91-712, eff. 7-1-00; 92-44, eff. 7-1-01.)

24 Section 99. Effective date. This Act takes effect upon
25 becoming law.