



Sen. Willie Preston

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10300SB2729sam003

LRB103 36029 AWJ 71339 a

1 AMENDMENT TO SENATE BILL 2729

2 AMENDMENT NO. _____. Amend Senate Bill 2729 by replacing
3 everything after the enacting clause with the following:

4 "Section 1. Short title. This Act may be cited as the
5 Government Contract Retainage Act.

6 Section 5. Definitions. As used in this Act:

7 "Governmental unit" means a State agency or a unit of
8 local government.

9 "State agency" has the meaning given to "state agencies"
10 in Section 1-7 of the Illinois State Auditing Act.

11 "Retainage" means a portion of money withheld from the
12 payment of a contract for a specified period of time to ensure
13 that a contractor or subcontractor finishes a construction
14 project completely and finishes in the manner specified in the
15 contract.

1 Section 10. Retained funds. All governmental units shall
2 deposit all retainage into an interest-bearing escrow account
3 and the moneys in the escrow account and all interest shall be
4 divided up between the contractor and subcontractors
5 proportionally.

6 Section 90. Home rule. A home rule unit may not regulate
7 retainage in a manner inconsistent with this Act. This Act is a
8 limitation under subsection (i) of Section 6 of Article VII of
9 the Illinois Constitution on the concurrent exercise by home
10 rule units of powers and functions exercised by the State.".