

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 5. The State Prompt Payment Act is amended by
5 changing Section 3-2 as follows:

6 (30 ILCS 540/3-2) (from Ch. 127, par. 132.403-2)
7 (Text of Section before amendment by P.A. 92-384)

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

15 (1) Any bill approved for payment under this
16 Section must be paid or the payment mailed to the payee
17 within 60 days of the date of approval. If payment is not
18 made or mailed to the payee within this 60 day period, an
19 interest penalty of 1.0% of any amount approved and
20 unpaid shall be added for each month or fraction thereof
21 after the end of this 60 day period, until final payment
22 is made.

23 (2) Where a State official or agency is late in
24 payment of a vendor's bill or invoice properly approved
25 in accordance with this Act, and different late payment
26 terms are not reduced to writing as a contractual
27 agreement, the State official or agency shall
28 automatically pay interest penalties required by this
29 Section amounting to \$50 or more to the appropriate
30 vendor. For interest of at least \$5 but less than \$50,
31 the vendor must initiate a written request for the

1 interest penalty when such interest is due and payable.
2 The Department of Central Management Services and the
3 State Comptroller shall jointly promulgate rules
4 establishing the conditions under which interest of less
5 than \$5 may be claimed and paid. In the event an
6 individual has paid a vendor for services in advance, the
7 provisions of this Section shall apply until payment is
8 made to that individual.

9 (Source: P.A. 87-1232; 88-494.)

10 (Text of Section after amendment by P.A. 92-384)

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

18 (1) Any bill approved for payment under this
19 Section must be paid or the payment issued to the payee
20 within 60 days of receipt of a proper bill or invoice. If
21 payment is not issued to the payee within this 60 day
22 period, an interest penalty of 1.0% of any amount
23 approved and unpaid shall be added for each month or
24 fraction thereof after the end of this 60 day period,
25 until final payment is made.

26 (1.1) A State agency shall review in a timely
27 manner each bill or invoice after its receipt. If the
28 State agency determines that the bill or invoice contains
29 a defect making it unable to process the payment request,
30 the agency shall notify the vendor requesting payment as
31 soon as possible after discovering the defect pursuant to
32 rules promulgated under Section 3-3. The notice shall
33 identify the defect and any additional information
34 necessary to correct the defect.

1 (2) Where a State official or agency is late in
2 payment of a vendor's bill or invoice properly approved
3 in accordance with this Act, and different late payment
4 terms are not reduced to writing as a contractual
5 agreement, the State official or agency shall
6 automatically pay interest penalties required by this
7 Section amounting to \$50 or more to the appropriate
8 vendor. Each agency shall be responsible for determining
9 whether an interest penalty is owed and for paying the
10 interest to the vendor. For interest of at least \$5 but
11 less than \$50, the vendor must initiate a written request
12 for the interest penalty when such interest is due and
13 payable. The Department of Central Management Services
14 and the State Comptroller shall jointly promulgate rules
15 establishing the conditions under which interest of less
16 than \$5 may be claimed and paid. In the event an
17 individual has paid a vendor for services in advance, the
18 provisions of this Section shall apply until payment is
19 made to that individual.

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

21 Section 95. No acceleration or delay. Where this Act
22 makes changes in a statute that is represented in this Act by
23 text that is not yet or no longer in effect (for example, a
24 Section represented by multiple versions), the use of that
25 text does not accelerate or delay the taking effect of (i)
26 the changes made by this Act or (ii) provisions derived from
27 any other Public Act.