

1 AMENDMENT TO SENATE BILL 1039

2 AMENDMENT NO. _____. Amend Senate Bill 1039 by replacing
3 the title with the following:

4 "AN ACT concerning State finances."; and

5 by replacing everything after the enacting clause with the
6 following:

7 "Section 5. The Illinois State Collection Act of 1986 is
8 amended by changing Section 5 as follows:

9 (30 ILCS 210/5) (from Ch. 15, par. 155)

10 Sec. 5. Rules; payment plans; offsets.

11 (a) State agencies shall adopt rules establishing formal
12 due dates for amounts owing to the State and for the referral
13 of seriously past due accounts to private collection
14 agencies, unless otherwise expressly provided by law or rule.
15 Such procedures shall be established in accord with sound
16 business practices.

17 (b) Agencies may enter deferred payment plans for
18 debtors of the agency and documentation of this fact retained
19 by the agency, where the deferred payment plan is likely to
20 increase the net amount collected by the State.

21 (c) State agencies may use the Comptroller's Offset

1 System provided in Section 10.05 of the State Comptroller Act
2 for the collection of debts owed to the agency. All debts
3 that exceed \$1,000 and are more than 90 days past due shall
4 be placed in the Comptroller's Offset System, unless the
5 State agency shall have entered into a deferred payment plan
6 or demonstrates to the Comptroller's satisfaction that
7 referral for offset is not cost effective.

8 (d) State agencies shall develop internal procedures
9 whereby agency initiated payments to its debtors may be
10 offset without referral to the Comptroller's Offset System.

11 (e) State agencies or the Comptroller may remove claims
12 from the Comptroller's Offset System, where such claims have
13 been inactive for more than one year.

14 (f) State agencies may use the Comptroller's Offset
15 System to determine if any State agency is attempting to
16 collect debt from a contractor, bidder, or other proposed
17 contracting party.

18 (Source: P.A. 90-332, eff. 1-1-98.)

19 Section 10. The Illinois Procurement Code is amended by
20 changing Section 50-60 and by adding Section 50-11 as
21 follows:

22 (30 ILCS 500/50-11 new)

23 Sec. 50-11. Debt delinquency.

24 (a) No person shall submit a bid for or enter into a
25 contract with a State agency under this Code if that person
26 knows or should know that he or she is delinquent in the
27 payment of any debt to the State, unless the person has
28 entered into a deferred payment plan to pay off the debt.
29 For purposes of this Section, the phrase "delinquent in the
30 payment of any debt" shall be determined by the Debt
31 Collection Board.

32 (b) Every bid submitted to and contract executed by the

1 State shall contain a certification by the bidder or
2 contractor that the contractor is not barred from being
3 awarded a contract under this Section and that the contractor
4 acknowledges that the contracting State agency may declare
5 the contract void if the certification completed pursuant to
6 this subsection (b) is false.

7 (30 ILCS 500/50-60)

8 Sec. 50-60. Voidable contracts.

9 (a) If any contract is entered into or purchase or
10 expenditure of funds is made in violation of this Code or any
11 other law, the contract may be declared void by the chief
12 procurement officer or may be ratified and affirmed, provided
13 the chief procurement officer determines that ratification is
14 in the best interests of the State. If the contract is
15 ratified and affirmed, it shall be without prejudice to the
16 State's rights to any appropriate damages.

17 (b) If, during the term of a contract, the contracting
18 agency determines that the contractor is delinquent in the
19 payment of debt as set forth in Section 50-11 of this Code,
20 the State agency may declare the contract void if it
21 determines that voiding the contract is in the best interests
22 of the State. The Debt Collection Board shall adopt rules
23 for the implementation of this subsection (b).

24 (Source: P.A. 90-572, eff. 2-6-98.)

25 Section 99. Effective date. This Act takes effect on
26 July 1, 2002."