



State of Illinois

COMPTROLLER

Loleta A. Didrickson

PAYROLL BULLETIN

To: All State Agencies, Boards, Commissions and Universities
From: Steven L. Valasek, Director of State Accounting
Date: December 14, 1998
Subject: Processing of Wage Deduction Orders
Number: 5-98

Effective January 1, 1999, Public Act 90-677 changes the processing requirements for wage deduction orders. The statutory amendment impacts all garnishments, citations, and administrative garnishments.

The changes impact the following sections of the statute:

- Section 12-805 Summons; Issuance
- Section 12-806 Service and return of summons
- Section 12-808 Duty of employers
- Section 12-808.5 Certification of judgment balance

The area that impacts the Comptroller's Office (IOC) processing of wage deduction orders the most is Section 12-808 (Duty of employers). Public Act 90-677 eliminates the 84 day limitation on the duration of the wage deductions order, and directs that deducted wages be remitted to the creditor or creditor's attorney at least monthly.

In order for the IOC to effect these changes, we have re-engineered our processing of wage deduction summons. Effective with the implementation of Public Act 90-677, the IOC will treat wage deductions as a payroll deduction trailer that will be returned to the originating agency (similar to child support deductions). The trailer warrants will be distributed to the agency with their normal payroll. The originating agency then will remit the payment to the creditor or creditor's attorney at least monthly.

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Agencies will continue to process the wage deductions by placing the withholding amount in the garnishment field and using a trailer code 97. **The only change to the process is the agency will now use the creditor/claimant name as the payee, instead of using the Garnishment Fund as the payee.**

Any payroll vouchers that are received and processed after December 31, 1998 must comply with the new IOC guidelines for processing wage deduction orders. Any payrolls not complying with the new guidelines will not be processed and the agency will be notified.

Agencies will need to obtain a Release Satisfaction of Judgment to allow the pay out of all previous withholdings now being held in the garnishment fund. To aide the agencies in this process, the IOC will furnish a printout for each agency that will include the employee's name, social security number and the balance of all withholdings in the garnishment fund. A copy of the Release Satisfaction of Judgment must accompany the C-13 voucher prior to release of any funds.

If you have any questions regarding this bulletin, please contact our payroll office at (217) 782-4758.

- Section 12-808.6 Certification of judgment balance
- Section 12-808 Duty of employers
- Section 12-808 Service and return of summons
- Section 12-808 Summons; issuance

The area that impacts the Comptroller's Office (IOC) processing of wage deduction orders the most is Section 12-808 (Duty of employers). Public Act 90-577 eliminates the 64 day limitation on the duration of the wage deduction order, and directs that deducted wages be remitted to the creditor or creditor's attorney at least monthly.

In order for the IOC to effect these changes, we have re-engineered our processing of wage deduction summons. Effective with the implementation of Public Act 90-577, the IOC will treat wage deductions as a payroll deduction trailer that will be returned to the originating agency (similar to child support deductions). The trailer amounts will be distributed to the agency with their normal payroll. The originating agency then will remit the payment to the creditor or creditor's attorney at least monthly.