



Rep. Patrick J Verschoore

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09500HB2544ham001

LRB095 01452 RAS 39707 a

1 AMENDMENT TO HOUSE BILL 2544

2 AMENDMENT NO. _____. Amend House Bill 2544 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The School Code is amended by changing Sections
5 10-9 and 10-22.3a as follows:

6 (105 ILCS 5/10-9) (from Ch. 122, par. 10-9)

7 Sec. 10-9. Interest of board member in contracts.

8 (a) No school board member shall be interested, directly or
9 indirectly, in his own name or in the name of any other person,
10 association, trust or corporation, in any contract, work or
11 business of the district or in the sale of any article,
12 whenever the expense, price or consideration of the contract,
13 work, business or sale is paid either from the treasury or by
14 any assessment levied by any statute or ordinance. No school
15 board member shall be interested, directly or indirectly, in
16 the purchase of any property which (1) belongs to the district,

1 or (2) is sold for taxes or assessments, or (3) is sold by
2 virtue of legal process at the suit of the district.

3 (b) However, any board member may provide materials,
4 merchandise, property, services or labor, if:

5 A. the contract is with a person, firm, partnership,
6 association, corporation or cooperative association in
7 which the board member has less than a 7 1/2% share in the
8 ownership; and

9 B. such interested board member publicly discloses the
10 nature and extent of his interest prior to or during
11 deliberations concerning the proposed award of the
12 contract; and

13 C. such interested board member abstains from voting on
14 the award of the contract, though he shall be considered
15 present for the purposes of establishing a quorum; and

16 D. such contract is approved by a majority vote of
17 those board members presently holding office; and

18 E. the contract is awarded after sealed bids to the
19 lowest responsible bidder if the amount of the contract
20 exceeds \$1500, or awarded without bidding if the amount of
21 the contract is less than \$1500; and

22 F. the award of the contract would not cause the
23 aggregate amount of all such contracts so awarded to the
24 same person, firm, association, partnership, corporation
25 or cooperative association in the same fiscal year to
26 exceed \$25,000.

1 (c) In addition to the above exemption, any board member
2 may provide materials, merchandise, property, services or
3 labor if:

4 A. the award of the contract is approved by a majority
5 vote of the board provided that any such interested member
6 shall abstain from voting; and

7 B. the amount of the contract does not exceed \$1,000;
8 and

9 C. the award of the contract would not cause the
10 aggregate amount of all such contracts so awarded to the
11 same person, firm, association, partnership, corporation,
12 or cooperative association in the same fiscal year to
13 exceed \$2,000, except with respect to a board member of a
14 school district in which the materials, merchandise,
15 property, services, or labor to be provided under the
16 contract are not available from any other person, firm,
17 association, partnership, corporation, or cooperative
18 association in the district, in which event the award of
19 the contract shall not cause the aggregate amount of all
20 contracts so awarded to that same person, firm,
21 association, partnership, or cooperative association in
22 the same fiscal year to exceed \$5,000; and

23 D. such interested member publicly discloses the
24 nature and extent of his interest prior to or during
25 deliberations concerning the proposed award of the
26 contract; and

1 E. such interested member abstains from voting on the
2 award of the contract, though he shall be considered
3 present for the purposes of establishing a quorum.

4 (d) In addition to exemptions otherwise authorized by this
5 Section, any board member may purchase for use as the board
6 member's primary place of residence a house constructed by the
7 district's vocational education students on the same basis that
8 any other person would be entitled to purchase the property.
9 The sale of the house by the district must comply with the
10 requirements set forth in Section 5-22 of The School Code.

11 (e) A contract for the procurement of public utility
12 services by a district with a public utility company is not
13 barred by this Section by one or more members of the board
14 being an officer or employee of the public utility company or
15 holding an ownership interest of no more than 7 1/2% in the
16 public utility company, or holding an ownership interest of any
17 size if the school district has a population of less than 7,500
18 and the public utility's rates are approved by the Illinois
19 Commerce Commission. An elected or appointed member of the
20 board having such an interest shall be deemed not to have a
21 prohibited interest under this Section.

22 (f) Nothing contained in this Section, including the
23 restrictions set forth in subsections (b), (c), (d) and (e),
24 shall preclude a contract of deposit of monies, loans or other
25 financial services by a school district with a local bank or
26 local savings and loan association, regardless of whether a

1 member or members of the governing body of the school district
2 are interested in such bank or savings and loan association as
3 an officer or employee or as a holder of less than 7 1/2% of the
4 total ownership interest. A member or members holding such an
5 interest in such a contract shall not be deemed to be holding a
6 prohibited interest for purposes of this Act. Such interested
7 member or members of the governing body must publicly state the
8 nature and extent of their interest during deliberations
9 concerning the proposed award of such a contract, but shall not
10 participate in any further deliberations concerning the
11 proposed award. Such interested member or members shall not
12 vote on such a proposed award. Any member or members abstaining
13 from participation in deliberations and voting under this
14 Section may be considered present for purposes of establishing
15 a quorum. Award of such a contract shall require approval by a
16 majority vote of those members presently holding office.
17 Consideration and award of any such contract in which a member
18 or members are interested may only be made at a regularly
19 scheduled public meeting of the governing body of the school
20 district.

21 (f-5) It is not a conflict of interest for an elected board
22 member who is a recipient of benefits under the district's
23 health insurance plan to vote on the district's health
24 insurance contract and issues related to that contract.

25 (g) Any school board member who violates this Section is
26 guilty of a Class 4 felony and in addition thereto any office

1 held by such person so convicted shall become vacant and shall
2 be so declared as part of the judgment of the court.

3 (Source: P.A. 89-244, eff. 8-4-95.)

4 (105 ILCS 5/10-22.3a) (from Ch. 122, par. 10-22.3a)

5 Sec. 10-22.3a. To provide for or to participate in
6 provisions for insurance protection and benefits for its
7 employees and their dependents including but not limited to
8 retirement annuities, medical, surgical and hospitalization
9 benefits in such types and amounts, if any, as shall be
10 determined by the board, for the purpose of aiding in securing
11 and retaining the services of competent employees. Where
12 employee participation in such provisions is involved, the
13 board, with the consent of the employee, may withhold
14 deductions from the employee's salary necessary to defray the
15 employee's share of such insurance costs. Such insurance or
16 benefits may be contracted for only with an insurance company
17 authorized to do business in this State. Such insurance may
18 include provisions for employees and their dependents who rely
19 on treatment by prayer or spiritual means alone for healing, in
20 accordance with the tenets and practice of a recognized
21 religious denomination.

22 For purposes of this Section, the term "dependent" means an
23 employee's spouse and any unmarried child (1) under the age of
24 19 years including (a) an adopted child and (b) a step-child or
25 recognized child who lives with the employee in a regular

1 parent-child relationship, or (2) under the age of 23 who is
2 enrolled as a full-time student in any accredited school,
3 college or university.

4 Nothing contained in this Code shall ~~may~~ preclude an
5 elected school board member from participating in a group
6 health insurance program provided to that person as a retired
7 employee of the school district that the board member serves or
8 as a dependent of a current or retired ~~an~~ employee of the
9 school district that the board member serves ~~if the board~~
10 ~~member is a dependent of that employee.~~

11 (Source: P.A. 94-410, eff. 8-2-05.)

12 Section 99. Effective date. This Act takes effect upon
13 becoming law.".