



Sen. Thomas Cullerton

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1 AMENDMENT TO SENATE BILL 494

2 AMENDMENT NO. _____. Amend Senate Bill 494, AS AMENDED, by
3 replacing everything after the enacting clause with the
4 following:

5 "Section 5. The Counties Code is amended by adding Division
6 5-44 to Article 5 and Sections 5-44005, 5-44010, 5-44015,
7 5-44020, 5-44025, 5-44030, 5-44035, 5-44040, 5-44045, 5-44050,
8 and 5-44055 as follows:

9 (55 ILCS 5/Div. 5-44 heading new)

10 Division 5-44. Local Government Reduction and Efficiency

11 (55 ILCS 5/5-44005 new)

12 Sec. 5-44005. Findings and purpose.

13 (a) The General Assembly finds:

14 (1) Illinois has more units of local government than
15 any other state.

1 (2) The large number of units of local government
2 results in the inefficient delivery of governmental
3 services at a higher cost to taxpayers.

4 (3) In a number of cases, units of local government
5 provide services that are duplicative in nature, as they
6 are provided by other units of local government.

7 (4) It is in the best interest of taxpayers that more
8 efficient service delivery structures be established in
9 order to replace units of local government that are not
10 financially sustainable.

11 (5) Units of local government managed by appointed
12 governing boards not directly accountable to the
13 electorate can encourage a lack of oversight and
14 complacency that is not in the best interest of taxpayers.

15 (6) Various provisions of Illinois law governing the
16 dissolution of units of local government are inconsistent
17 and outdated.

18 (7) The lack of a streamlined method to consolidate
19 government functions and to dissolve units of local
20 government results in an unfair tax burden on the citizens
21 of the State of Illinois residing in those units of local
22 government and prevents the expenditure of limited public
23 funds for critical programs and services.

24 (b) The purpose of this Act is to provide county boards
25 with supplemental authority regarding the dissolution of units
26 of local government and the consolidation of governmental

1 functions.

2 (55 ILCS 5/5-44010 new)

3 Sec. 5-44010. Applicability. The powers and authorities
4 provided by this Division 5-44 apply only to counties with a
5 population of more than 900,000 and less than 3,000,000 that
6 are contiguous to a county with a population of more than
7 3,000,000 and units of local government within such counties.

8 (55 ILCS 5/5-44015 new)

9 Sec. 5-44015. Powers; supplemental. The Sections of this
10 Division 5-44 are intended to be supplemental and in addition
11 to all other powers and authorities granted to any county
12 board, shall be construed liberally, and shall not be construed
13 as a limitation of any power or authority otherwise granted.

14 (55 ILCS 5/5-44020 new)

15 Sec. 5-44020. Definitions. In this Division 5-44:

16 "Fire protection jurisdiction" means a fire protection
17 district, municipal fire department, or service organized
18 under Section 5-1056.1 of the Counties Code, Sections 195 and
19 200 of the Township Code, Section 10-2.1 of the Illinois
20 Municipal Code, or the Illinois Fire Protection District Act.

21 "Governing board" means the individual or individuals who
22 constitute the corporate authorities of a unit of local
23 government; and

1 "Unit of local government" or "unit" means any unit of
2 local government located entirely within one county, to which
3 the county board chairman or county executive directly appoints
4 a majority of its governing board with the advice and consent
5 of the county board, but shall not include a fire protection
6 district that directly employs any regular full-time employees
7 or a special district organized under the Water Commission Act
8 of 1985.

9 (55 ILCS 5/5-44025 new)

10 Sec. 5-44025. Dissolution of units of local government.

11 (a) A county board may, by ordinance, propose the
12 dissolution of a unit of local government. The ordinance shall
13 detail the purpose and cost savings to be achieved by such
14 dissolution, and be published in a newspaper of general
15 circulation served by the unit of local government and on the
16 county's website, if applicable.

17 (b) Upon the effective date of an ordinance enacted
18 pursuant to subsection (a) of this Section, the chairman of the
19 county board shall cause an audit of all claims against the
20 unit, all receipts of the unit, the inventory of all real and
21 personal property owned by the unit or under its control or
22 management, and any debts owed by the unit. The chairman may,
23 at his or her discretion, undertake any other audit or
24 financial review of the affairs of the unit. The person or
25 entity conducting such audit shall report the findings of the

1 audit to the county board and to the chairman of the county
2 board within 30 days.

3 (c) Following the return of the audit report required by
4 subsection (b) of this Section, the county board may adopt an
5 ordinance dissolving the unit 150 days following the effective
6 date of the ordinance. Upon adoption of the ordinance, but not
7 before the end of the 30 day period set forth in subsection (e)
8 of this Section and prior to its effective date, the chairman
9 of the county board shall petition the circuit court for an
10 order designating a trustee-in-dissolution for the unit,
11 immediately terminating the terms of the members of the
12 governing board of the unit of local government on the
13 effective date of the ordinance, and providing for the
14 compensation of the trustee, which shall be paid from the
15 corporate funds of the unit.

16 (d) Upon the effective date of an ordinance enacted under
17 subsection (c) of this Section, and notwithstanding any other
18 provision of law, the State's attorney, or his or her designee,
19 shall become the exclusive legal representative of the
20 dissolving unit of local government. The county treasurer shall
21 become the treasurer of the unit of local government and the
22 county clerk shall become the secretary of the unit of local
23 government.

24 (e) Any dissolution of a unit of local government proposed
25 pursuant to this Act shall be subject to a backdoor referendum.
26 In addition to, or as part of, the authorizing ordinance

1 enacted pursuant to subsection (c) of this Section, a notice
2 shall be published that includes: (1) the specific number of
3 voters required to sign a petition requesting that the question
4 of dissolution be submitted to referendum; (2) the time when
5 such petition must be filed; (3) the date of the prospective
6 referendum; and (4) the statement of the costs savings and the
7 purpose or basis for the dissolution as set forth in the
8 authorizing ordinance under subsection (a) of this Section. The
9 county's election authority shall provide a petition form to
10 anyone requesting one. If no petition is filed with the
11 county's election authority within 30 days of publication of
12 the authorizing ordinance and notice, the ordinance shall
13 become effective.

14 However, the election authority shall certify the question
15 for submission at the next election held in accordance with
16 general election law if a petition: (1) is filed within the
17 30-day period; (2) is signed by electors numbering either 7.5%
18 of the registered voters in the governmental unit or 200
19 registered voters, whichever is less; and (3) asks that the
20 question of dissolution be submitted to referendum.

21 The election authority shall submit the question to voters
22 residing in the area served by the unit of local government in
23 substantially the following form:

24 Shall the county board be authorized to dissolve [name
25 of unit of local government]?

26 The election authority shall record the votes as "Yes" or

1 "No".

2 If a majority of the votes cast on the question at such
3 election are in favor of dissolution of the unit of local
4 government and provided that notice of the referendum was
5 provided as set forth in Section 12-5 of the Election Code, the
6 county board is authorized to proceed pursuant to subsection
7 (c) of this Section.

8 (55 ILCS 5/5-44030 new)

9 Sec. 5-44030. Trustee-in-dissolution; powers and duties.

10 (a) The trustee-in-dissolution shall have the following
11 powers and duties:

12 (1) to execute all of the powers and duties of the
13 previous board;

14 (2) to levy and rebate taxes, subject to the approval
15 of the county board, for the purpose of paying the debts,
16 obligations, and liabilities of the unit that are
17 outstanding on the date of the dissolution and the
18 necessary expenses of closing up the affairs of the
19 district if these funds are not available from the unit of
20 local government's general fund;

21 (3) to present, within 30 days of his or her
22 appointment, a plan for the consolidation and dissolution
23 of the unit of local government to the county board for its
24 approval. The plan shall identify what functions, if any,
25 of the unit of local government shall be undertaken by the

1 county upon dissolution and whether any taxes previously
2 levied for the provision of these functions shall be
3 maintained;

4 (4) to enter into an intergovernmental agreement with
5 one or more governmental entities to utilize existing
6 resources including, but not limited to, labor, materials,
7 and property, as may be needed to carry out the foregoing
8 duties;

9 (5) to enter into an intergovernmental agreement with
10 the county to combine or transfer any of the powers,
11 privileges, functions, or authority of the unit of local
12 government to the county as may be required to facilitate
13 the transition; and

14 (6) to sell the property of the unit and, in case any
15 excess remains after all liabilities of the unit are paid,
16 the excess shall be transferred to a special fund created
17 and maintained by the county treasurer to be expended
18 solely to defer the costs incurred by the county in
19 performing the duties of the unit, subject to the
20 requirements of Section 5-44035 of this Division. Nothing
21 in this Section shall prohibit the county from acquiring
22 any or all real or personal property of the district.

23 (b) For fire protection jurisdictions, the
24 trustee-in-dissolution shall not have:

25 (1) the powers enumerated in this Section unless the
26 dissolution of that unit of local government shall not

1 increase the average response times nor decrease the level
2 of services provided; and

3 (2) the power to decrease the levy that is in effect on
4 or before the date of dissolution of the fire protection
5 jurisdiction that affects the provision of fire and
6 emergency medical services.

7 (55 ILCS 5/5-44035 new)

8 Sec. 5-44035. Outstanding indebtedness.

9 (a) In case any unit dissolved pursuant to this Division
10 has bonds or notes outstanding that are a lien on funds
11 available in the treasury at the time of consolidation, such
12 lien shall be unimpaired by such dissolution and the lien shall
13 continue in favor of the bond or note holders. The funds
14 available subject to such a lien shall be set apart and held
15 for the purpose of retiring such secured debt and no such funds
16 shall be transferred into the general funds of the county.

17 (b) In case any unit dissolved pursuant to this Division
18 has unsecured debts outstanding at the time of dissolution, any
19 funds in the treasury of such unit or otherwise available and
20 not committed shall, to the extent necessary, be applied to the
21 payment of such debts.

22 (c) All property in the territory served by the dissolved
23 unit of government shall be subject to taxation to pay the
24 debts, bonds, and obligations of the dissolved district. The
25 county board shall abate this taxation upon the discharge of

1 all outstanding obligations.

2 (55 ILCS 5/5-44040 new)

3 Sec. 5-44040. Effect of dissolution. Immediately upon the
4 dissolution of a unit of local government pursuant to this
5 Division:

6 (a) Notwithstanding the provisions of the Special Service
7 Area Tax Law of the Property Tax Code that pertain to the
8 establishment of special service areas, all or part of the
9 territory formerly served by the dissolved unit of local
10 government may be established as a special service area or
11 areas of the county if the county board by resolution
12 determines that this designation is necessary for it to provide
13 services. The special service area, if created, shall include
14 all territory formerly served by the dissolved unit of local
15 government if the dissolved unit has outstanding indebtedness.
16 If the boundaries of a special service area created under this
17 subsection include territory within a municipality, the
18 corporate authorities of that municipality may, with the
19 consent of the county, assume responsibility for the special
20 service area and become its governing body.

21 All or part of the territory formerly served by a dissolved
22 fire protection jurisdiction shall not be established as a
23 special service area unless the creation of the special service
24 area does not increase the average response times nor decrease
25 the level of service provided.

1 (b) In addition to any other powers provided by law, the
2 governing body of a special service area created pursuant to
3 this subsection shall assume and is authorized to exercise all
4 the powers and duties of the dissolved unit with respect to the
5 special service area. The governing body is also authorized to
6 continue to levy any tax previously imposed by the unit of
7 local government within the special service area. However, the
8 governing board shall not have the power to decrease the levy
9 that is in effect on or before the date of dissolution of the
10 fire protection jurisdiction that affects the provision of fire
11 and emergency medical services.

12 (c) Subsequent increases of the current tax levy within the
13 special service area or areas shall be made in accordance with
14 the provisions of the Special Service Area Tax Law of the
15 Property Tax Code.

16 (55 ILCS 5/5-44045 new)

17 Sec. 5-44045. Abatement of levy. Whenever a county has
18 dissolved a unit of local government pursuant to this Division,
19 the county or municipality shall, within 6 months of the
20 effective date of the dissolution and every year thereafter,
21 evaluate the need to continue any existing tax levy until the
22 county or municipality abates the levy in the manner set forth
23 by the Special Service Area Tax Law of the Property Tax Code.

24 (55 ILCS 5/5-44050 new)

1 Sec. 5-44050. Tax collection and enforcement. The
2 dissolution of a unit of government pursuant to this Division
3 shall not adversely affect proceedings for the collection or
4 enforcement of any tax. Those proceedings shall continue to
5 finality as though no dissolution had taken place. The proceeds
6 thereof shall be paid over to the treasurer of the county to be
7 used for the purpose for which the tax was levied or assessed.
8 Proceedings to collect and enforce such taxes may be instituted
9 and carried on in the name of the unit.

10 (55 ILCS 5/5-44055 new)

11 Sec. 5-44055. Litigation. All suits pending in any court on
12 behalf of or against a unit dissolved pursuant to this Division
13 may be prosecuted or defended in the name of the county by the
14 state's attorney. All judgments obtained for a unit dissolved
15 pursuant to this Division shall be collected and enforced by
16 the county for its benefit.

17 Section 99. Effective date. This Act takes effect upon
18 becoming law.".