

AN ACT concerning local government.

**Be it enacted by the People of the State of Illinois,
represented in the General Assembly:**

Section 5. The Illinois Municipal Code is amended by changing Sections 11-10-1 and 11-10-2 as follows:

(65 ILCS 5/11-10-1) (from Ch. 24, par. 11-10-1)

Sec. 11-10-1. In each municipality or fire protection district, whether incorporated under a general or special law, which has a fire department established and maintained by municipal or fire protection district ordinances, every corporation, company, and association which is not incorporated under the laws of this state and which is engaged in effecting fire insurance in the municipality or fire protection district, shall pay to the foreign fire insurance board ~~treasurer of the municipality~~ or to the secretary of the fire protection district for the maintenance, use, and benefit of the fire department thereof, a sum not exceeding 2% of the gross receipts received from fire insurance upon property situated within the municipality or district.

Each municipality and fire protection district may prescribe by ordinance the rate of the tax or license fee to be paid, but this rate shall not exceed the rate specified in this section. Each designated corporation, company, and association

shall pay at the rate so prescribed, upon the amount of all premiums which have been received during the year ending on every first day of July for all fire insurance effected or agreed to be effected on property situated within the municipality or fire protection district, by that corporation, company, or association respectively.

Every person who acts in any specified municipality or fire protection district as agent, or otherwise, on behalf of a designated corporation, company, or association, shall render to the treasurer of the foreign fire insurance board ~~municipal comptroller, if there is one, or if not to the municipal clerk~~ or secretary of the fire protection district, on or before the fifteenth day of July of each year, a full and true account, verified by his oath, of all of the premiums which, during the year ending on the first day of July preceding the report, were received by him, or by any other person for him on behalf of that corporation, company, or association. He shall specify in this report the amounts received for fire insurance, and he shall pay to the treasurer of the foreign fire insurance board ~~municipality,~~ or to the secretary of the fire protection district, at the time of rendering this report, the amount as determined by the rate fixed by the ordinance of the municipality or fire protection district for which his corporation, company, or association is accountable under this section and the ordinance.

If this account is not rendered on or before the fifteenth

day of July of each year, or if the sum due remains unpaid after that day, it shall be unlawful for any corporation, company, or association, so in default, to transact any business in the municipality or fire protection district until the sum due has been fully paid. But this provision shall not relieve any corporation, company, or association from the payment of any loss upon any risk that may be taken in violation of this requirement.

The amount of this tax or license fee may be recovered from the corporation, company, or association which owes it, or from its agent, by an action in the name and for the use of the municipality or fire protection district as for money had and received.

The municipal comptroller, if any, and if not, then the municipal clerk or the secretary of the fire protection district, may examine the books, records, and other papers and documents of a designated agent, corporation, company, or association for the purpose of verifying the correctness of the report of the amounts received for fire insurance.

This section shall not be applicable to receipts from contracts of marine insurance, even though they include insurance against fire, where the premium for the fire insurance is not separately specified.

(Source: Laws 1961, p. 576.)

Sec. 11-10-2. The corporate authorities of any municipality containing less than 250,000 inhabitants which has an organized fire department shall pass an ordinance providing for the election of officers of the department foreign fire insurance board by the members of the department. All members of the department shall be eligible to be elected as officers of the department foreign fire insurance board. These officers shall include a treasurer, and they shall make all needful rules and regulations with respect to the department foreign fire insurance board and the management of the money to be appropriated to the board. The officers of the department foreign fire insurance board shall develop and maintain a listing of those items that the board feels are appropriate expenditures under this Act. ~~All of the money paid to the municipal treasurer as provided in Section 11-10-1 shall be set apart and shall be appropriated annually by the corporate authorities to the department foreign fire insurance board.~~ The treasurer of the department foreign fire insurance board shall give a sufficient bond to the municipality in which the fire department is organized. This bond shall be approved by the mayor or president, as the case may be, conditioned upon the faithful performance by the treasurer of his or her duties under the ordinance and the rules and regulations provided for in this section. The treasurer of the department foreign fire insurance board shall receive the appropriated money and shall pay out the money upon the order of the department foreign fire

insurance board for the maintenance, use, and benefit of the department. As part of the annual municipal audit, these funds shall be audited to verify that these purchases are for the maintenance, use, and benefit of the department.

The provisions of this Section shall be the exclusive power of the State, pursuant to subsection (h) of Section 6 of Article VII of the Constitution.

(Source: P.A. 89-63, eff. 6-30-95.)

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