

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 4-8-6, 4-8-6a, and 4-8-7 as follows:

(65 ILCS 5/4-8-6) (from Ch. 24, par. 4-8-6)

Sec. 4-8-6. (a) No officer or employee elected or appointed under this article shall be interested, directly or indirectly, in his own name or in the name of any other person, association, trust or corporation, in any contract for work or materials, or profits thereof, or services to be furnished or performed for the municipality or for any person operating a public utility wholly or partly within the territorial limits of the municipality.

(b) However, any elected or appointed member of the governing body may provide materials, merchandise, property, services or labor, if:

A. the contract is with a person, firm, partnership, association, corporation, or cooperative association in which such interested member of the governing body of the municipality has less than a 7 1/2% share in the ownership; and

B. such interested member publicly discloses the nature and extent of his interest prior to or during deliberations

concerning the proposed award of the contract; and

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

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

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

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

(c) In addition to the above exemption, any elected or appointed member of the governing body may provide materials, merchandise, property, services or labor if:

A. the award of the contract is approved by a majority vote of the governing body of the municipality provided that any such interested member shall abstain from voting; and

B. the amount of the contract does not exceed \$1000; and

C. the award of the contract would not cause the aggregate amount of all such contracts so awarded to the same person, firm, association, partnership, corporation, or cooperative association in the same fiscal year to exceed \$2000; and

D. such interested member publicly discloses the nature and

extent of his interest prior to or during deliberations concerning the proposed award of the contract; and

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

(d) A contract for the procurement of public utility services by a municipality with a public utility company is not barred by this Section by one or more members of the governing body being an officer or employee of the public utility company or holding an ownership interest of no more than 7 1/2 % in the public utility company, or holding an ownership interest of any size if the municipality has a population of less than 7,500 and the public utility's rates are approved by the Illinois Commerce Commission. An elected or appointed member of the governing body having such an interest shall be deemed not to have a prohibited interest under this Section.

(e) Any officer who violates this Section is guilty of a Class 4 felony and in addition thereto any office held by such person so convicted shall become vacant and shall be so declared as part of the judgment of the court.

(f) Nothing contained in this Section, including the restrictions set forth in subsections (b), (c) and (d), shall preclude a contract of deposit of monies, loans or other financial services by a municipality with a local bank or local savings and loan association, regardless of whether a member or members of the governing body of the municipality are

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

(g) This Section applies only to an officer or employee elected or appointed under this Article who is a member of the board of an investor-owned public service corporation.

(Source: P.A. 82-399.)

(65 ILCS 5/4-8-6a) (from Ch. 24, par. 4-8-6a)

Sec. 4-8-6a. No officer or employee elected or appointed

under this Article shall request, accept, or receive, directly or indirectly, from any person owning, operating, or leasing within or partly within the territorial limits of the municipality, any public utility, or any water craft leaving or entering or operating within the municipality, any service or transportation upon terms more favorable than are granted to the public generally, or any employment, for hire or otherwise, or any free service or transportation, either for himself or any other person.

A violation of this Section is a petty offense. A conviction shall effect a forfeiture of the office or employment.

The prohibition of free transportation shall not apply to policemen or firemen in uniform, nor shall this Section affect any free service to municipal officers or employees provided by any franchise or license, granted prior to March 9, 1910.

This Section applies only to an officer or employee elected or appointed under this Article who is a member of the board of an investor-owned public service corporation.

(Source: P.A. 80-938.)

(65 ILCS 5/4-8-7) (from Ch. 24, par. 4-8-7)

Sec. 4-8-7. No mayor or commissioner elected under this article shall be an official of any public service corporation at the time he or she assumes office. A violation of this section is a Class A misdemeanor.

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For the purposes of this Section, "official of any public service corporation" means a member of the board of an investor-owned public service corporation.

(Source: P.A. 77-2500.)

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