



Sen. Dan Cronin

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09400HB3480sam001

LRB094 11248 NHT 45750 a

1 AMENDMENT TO HOUSE BILL 3480

2 AMENDMENT NO. _____. Amend House Bill 3480 as follows:
3 on page 1, line 1, by replacing "education" with "government";
4 and

5 on page 1, immediately below line 3, by inserting the
6 following:

7 "Section 3. The Public Officer Prohibited Activities Act is
8 amended by changing Section 3 as follows:

9 (50 ILCS 105/3) (from Ch. 102, par. 3)

10 Sec. 3. Prohibited interest in contracts.

11 (a) No person holding any office, either by election or
12 appointment under the laws or Constitution of this State, may
13 be in any manner financially interested directly in his own
14 name or indirectly in the name of any other person,
15 association, trust, or corporation, in any contract or the
16 performance of any work in the making or letting of which such
17 officer may be called upon to act or vote. No such officer may
18 represent, either as agent or otherwise, any person,
19 association, trust, or corporation, with respect to any
20 application or bid for any contract or work in regard to which
21 such officer may be called upon to vote. Nor may any such
22 officer take or receive, or offer to take or receive, either
23 directly or indirectly, any money or other thing of value as a

1 gift or bribe or means of influencing his vote or action in his
2 official character. Nothing contained in this Section may
3 preclude an officer from participating in a group health
4 insurance program provided to an employee of the entity that
5 the officer serves if the officer is a spouse or dependent of
6 that employee. Any contract made and procured in violation
7 hereof is void. This Section shall not apply to any person
8 serving on an advisory panel or commission or to any director
9 serving on a hospital district board as provided under
10 subsection (a-5) of Section 13 of the Hospital District Law.

11 (b) However, any elected or appointed member of the
12 governing body may provide materials, merchandise, property,
13 services, or labor, subject to the following provisions under
14 either paragraph (1) or (2):

15 (1) If:

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

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

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

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

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

34 F. the award of the contract would not cause the

1 aggregate amount of all such contracts so awarded to the
2 same person, firm, association, partnership, corporation,
3 or cooperative association in the same fiscal year to
4 exceed \$25,000.

5 (2) If:

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

10 B. the amount of the contract does not exceed \$2,000;
11 and

12 C. the award of the contract would not cause the
13 aggregate amount of all such contracts so awarded to the
14 same person, firm, association, partnership, corporation,
15 or cooperative association in the same fiscal year to
16 exceed \$4,000; and

17 D. such interested member publicly discloses the
18 nature and extent of his interest prior to or during
19 deliberations concerning the proposed award of the
20 contract; and

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

24 (b-5) In addition to the above exemptions, any elected or
25 appointed member of the governing body may provide materials,
26 merchandise, property, services, or labor if:

27 A. the contract is with a person, firm, partnership,
28 association, corporation, or cooperative association in
29 which the interested member of the governing body of the
30 municipality, advisory panel, or commission has less than a
31 1% share in the ownership; and

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

1 and

2 C. such interested member publicly discloses the
3 nature and extent of his interest before or during
4 deliberations concerning the proposed award of the
5 contract; and

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

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

22 (d) Notwithstanding any other provision of this Section or
23 any other law to the contrary, until January 1, 1994, a member
24 of the city council of a municipality with a population under
25 20,000 may purchase real estate from the municipality, at a
26 price of not less than 100% of the value of the real estate as
27 determined by a written MAI certified appraisal or by a written
28 certified appraisal of a State certified or licensed real
29 estate appraiser, if the purchase is approved by a unanimous
30 vote of the city council members then holding office (except
31 for the member desiring to purchase the real estate, who shall
32 not vote on the question).

33 (e) For the purposes of this Section only, a municipal
34 officer shall not be deemed interested if the officer is an

1 employee of a company or owns or holds an interest of 1% or
2 less in the municipal officer's individual name in a company,
3 or both, that company is involved in the transaction of
4 business with the municipality, and that company's stock is
5 traded on a nationally recognized securities market, provided
6 the interested member: (i) publicly discloses the fact that he
7 or she is an employee or holds an interest of 1% or less in a
8 company before deliberation of the proposed award of the
9 contract; (ii) refrains from evaluating, recommending,
10 approving, deliberating, or otherwise participating in
11 negotiation, approval, or both, of the contract, work, or
12 business; (iii) abstains from voting on the award of the
13 contract though he or she shall be considered present for
14 purposes of establishing a quorum; and (iv) the contract is
15 approved by a majority vote of those members currently holding
16 office.

17 A municipal officer shall not be deemed interested if the
18 officer owns or holds an interest of 1% or less, not in the
19 officer's individual name but through a mutual fund, in a
20 company, that company is involved in the transaction of
21 business with the municipality, and that company's stock is
22 traded on a nationally recognized securities market.

23 (Source: P.A. 90-197, eff. 1-1-98; 90-364, eff, 1-1-98; 90-655,
24 eff. 7-30-98.)"; and

25 on page 1, line 5, by replacing "10-20.21" with "10-9,
26 10-20.21,"; and

27 on page 1, immediately below line 5, by inserting the
28 following:

29 "(105 ILCS 5/10-9) (from Ch. 122, par. 10-9)

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

31 (a) No school board member shall be interested, directly or

1 indirectly, in his own name or in the name of any other person,
2 association, trust or corporation, in any contract, work or
3 business of the district or in the sale of any article,
4 whenever the expense, price or consideration of the contract,
5 work, business or sale is paid either from the treasury or by
6 any assessment levied by any statute or ordinance. No school
7 board member shall be interested, directly or indirectly, in
8 the purchase of any property which (1) belongs to the district,
9 or (2) is sold for taxes or assessments, or (3) is sold by
10 virtue of legal process at the suit of the district. Nothing
11 contained in this Section may preclude a school board member
12 from participating in a group health insurance program provided
13 to a school district employee if the school board member is a
14 spouse or dependent of the employee.

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

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

21 B. such interested board member publicly discloses the
22 nature and extent of his interest prior to or during
23 deliberations concerning the proposed award of the
24 contract; and

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

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

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

34 F. the award of the contract would not cause the

1 aggregate amount of all such contracts so awarded to the
2 same person, firm, association, partnership, corporation
3 or cooperative association in the same fiscal year to
4 exceed \$25,000.

5 (c) In addition to the above exemption, any board member
6 may provide materials, merchandise, property, services or
7 labor if:

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

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

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

27 D. such interested member publicly discloses the
28 nature and extent of his interest prior to or during
29 deliberations concerning the proposed award of the
30 contract; and

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

34 (d) In addition to exemptions otherwise authorized by this

1 Section, any board member may purchase for use as the board
2 member's primary place of residence a house constructed by the
3 district's vocational education students on the same basis that
4 any other person would be entitled to purchase the property.
5 The sale of the house by the district must comply with the
6 requirements set forth in Section 5-22 of The School Code.

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

18 (f) Nothing contained in this Section, including the
19 restrictions set forth in subsections (b), (c), (d) and (e),
20 shall preclude a contract of deposit of monies, loans or other
21 financial services by a school district with a local bank or
22 local savings and loan association, regardless of whether a
23 member or members of the governing body of the school district
24 are interested in such bank or savings and loan association as
25 an officer or employee or as a holder of less than 7 1/2% of the
26 total ownership interest. A member or members holding such an
27 interest in such a contract shall not be deemed to be holding a
28 prohibited interest for purposes of this Act. Such interested
29 member or members of the governing body must publicly state the
30 nature and extent of their interest during deliberations
31 concerning the proposed award of such a contract, but shall not
32 participate in any further deliberations concerning the
33 proposed award. Such interested member or members shall not
34 vote on such a proposed award. Any member or members abstaining

1 from participation in deliberations and voting under this
2 Section may be considered present for purposes of establishing
3 a quorum. Award of such a contract shall require approval by a
4 majority vote of those members presently holding office.
5 Consideration and award of any such contract in which a member
6 or members are interested may only be made at a regularly
7 scheduled public meeting of the governing body of the school
8 district.

9 (g) Any school board member who violates this Section is
10 guilty of a Class 4 felony and in addition thereto any office
11 held by such person so convicted shall become vacant and shall
12 be so declared as part of the judgment of the court.

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