## 96TH GENERAL ASSEMBLY

## State of Illinois

# 2009 and 2010

#### HB1661

Introduced 2/18/2009, by Rep. Michael J. Madigan - Barbara Flynn Currie - Michael K. Smith

### SYNOPSIS AS INTRODUCED:

105 ILCS 5/5-1

from Ch. 122, par. 5-1

Amends the School Code. Makes a technical change in a Section concerning county school units.

LRB096 05239 NHT 15305 b

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AN ACT concerning education.

# 2 Be it enacted by the People of the State of Illinois, 3 represented in the General Assembly:

Section 5. The School Code is amended by changing Section
5 5-1 as follows:

- 6 (105 ILCS 5/5-1) (from Ch. 122, par. 5-1)
- 7 Sec. 5-1. County school units.

(a) The The territory in each county, exclusive of any 8 9 school district governed by any special act which requires the district to appoint its own school treasurer, shall constitute 10 a county school unit. County school units of less than 11 2,000,000 inhabitants shall be known as Class I county school 12 units and the office of township trustees, where existing on 13 14 July 1, 1962, in such units shall be abolished on that date and all books and records of such former township trustees shall be 15 16 forthwith thereafter transferred to the county board of school 17 trustees. County school units of 2,000,000 or more inhabitants shall be known as Class II county school units and shall retain 18 19 the office of township trustees unless otherwise provided in 20 subsection (b) or (c).

(b) Notwithstanding subsections (a) and (c), the school board of any elementary school district having a fall, 1989 aggregate enrollment of at least 2,500 but less than 6,500 HB1661

pupils and having boundaries that are coterminous with the 1 2 boundaries of a high school district, and the school board of 3 any high school district having a fall, 1989 aggregate enrollment of at least 2,500 but less than 6,500 pupils and 4 5 having boundaries that are coterminous with the boundaries of an elementary school district, may, whenever the territory of 6 such school district forms a part of a Class II county school 7 unit, by proper resolution withdraw such school district from 8 9 the jurisdiction and authority of the trustees of schools of 10 the township in which such school district is located and from 11 the jurisdiction and authority of the township treasurer in 12 such Class II county school unit; provided that the school board of any such school district shall, upon the adoption and 13 14 passage of such resolution, thereupon elect or appoint its own 15 school treasurer as provided in Section 8-1. Upon the adoption 16 and passage of such resolution and the election or appointment 17 by the school board of its own school treasurer: (1) the trustees of schools in such township shall no longer have or 18 exercise any powers and duties with respect to the school 19 20 district governed by such school board or with respect to the school business, operations or assets of such school district; 21 22 and (2) all books and records of the township trustees relating 23 to the school business and affairs of such school district shall be transferred and delivered to the school board of such 24 25 school district. Upon the effective date of this amendatory Act 26 of 1993, the legal title to, and all right, title and interest

formerly held by the township trustees in any school buildings 1 2 and school sites used and occupied by the school board of such 3 school district for school purposes, that legal title, right, title and interest thereafter having been transferred to and 4 5 vested in the regional board of school trustees under P.A. 87-473 until the abolition of that regional board of school 6 7 trustees by P.A. 87-969, shall be deemed transferred by 8 operation of law to and shall vest in the school board of that 9 school district.

10 Notwithstanding subsections (a) and (c), the school boards 11 of Oak Park & River Forest District 200, Oak Park Elementary 12 School District 97, and River Forest School District 90 may, by proper resolution, withdraw from the 13 jurisdiction and authority of the trustees of schools of Proviso and Cicero 14 15 Townships and the township treasurer, provided that the school 16 board shall, upon the adoption and passage of the resolution, 17 elect or appoint its own school treasurer as provided in Section 8-1 of this Code. Upon the adoption and passage of the 18 resolution and the election or appointment by the school board 19 20 of its own school treasurer: (1) the trustees of schools in the township or townships shall no longer have or exercise any 21 22 powers or duties with respect to the school district or with 23 respect to the school business, operations, or assets of the school district; (2) all books and records of the trustees of 24 25 schools and all moneys, securities, loanable funds, and other 26 assets relating to the school business and affairs of the

school district shall be transferred and delivered to the 1 2 school board; and (3) all legal title to and all right, title, 3 and interest formerly held by the trustees of schools in any common school lands, school buildings, or school sites used and 4 5 occupied by the school board and all rights of property and causes of action pertaining to or constituting a part of the 6 7 common school lands, buildings, or sites shall be deemed 8 transferred by operation of law to and shall vest in the school 9 board.

10 Notwithstanding subsections (a) and (c), the respective 11 school boards of Berwyn North School District 98, Berwyn South 12 School District 100, Cicero School District 99, and J.S. Morton High School District 201 may, by proper resolution, withdraw 13 from the jurisdiction and authority of the trustees of schools 14 15 of Cicero Township and the township treasurer, provided that the school board shall, upon the adoption and passage of the 16 17 resolution, elect or appoint its own school treasurer as provided in Section 8-1 of this Code. Upon the adoption and 18 19 passage of the resolution and the election or appointment by 20 the school board of its own school treasurer: (1) the trustees of schools in the township shall no longer have or exercise any 21 22 powers or duties with respect to the school district or with 23 respect to the school business, operations, or assets of the school district; (2) all books and records of the trustees of 24 25 schools and all moneys, securities, loanable funds, and other 26 assets relating to the school business and affairs of the

school district shall be transferred and delivered to the 1 2 school board; and (3) all legal title to and all right, title, 3 and interest formerly held by the trustees of schools in any common school lands, school buildings, or school sites used and 4 occupied by the school board and all rights of property and 5 causes of action pertaining to or constituting a part of the 6 7 common school lands, buildings, or sites shall be deemed 8 transferred by operation of law to and shall vest in the school 9 board.

10 (c) Notwithstanding the provisions of subsection (a), the 11 offices of township treasurer and trustee of schools of any 12 township located in a Class II county school unit shall be 13 abolished as provided in this subsection if all of the 14 following conditions are met:

15 (1) During the same 30 day period, each school board of 16 each elementary and unit school district that is subject to 17 the jurisdiction and authority of the township treasurer and trustees of schools of the township in which those 18 19 offices are sought to be abolished gives written notice by 20 certified mail, return receipt requested to the township treasurer and trustees of schools of that township of the 21 22 date of a meeting of the school board, to be held not more 23 than 90 nor less than 60 days after the date when the 24 notice is given, at which meeting the school board is to 25 consider and vote upon the question of whether there shall be submitted to the electors of the school district a 26

1 proposition to abolish the offices of township treasurer and trustee of schools of that township. None of the 2 3 given under this paragraph to the notices township treasurer and trustees of schools of a township shall be 4 5 deemed sufficient or in compliance with the requirements of 6 this paragraph unless all of those notices are given within 7 the same 30 day period.

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8 (2) Each school board of each elementary and unit 9 school district that is subject to the jurisdiction and 10 authority of the township treasurer and trustees of schools 11 of the township in which those offices are sought to be 12 abolished, by the affirmative vote of at least 5 members of 13 the school board at a school board meeting of which notice 14 is given as required by paragraph (1) of this subsection, 15 adopts a resolution requiring the secretary of the school 16 board to certify to the proper election authorities for 17 submission to the electors of the school district at the next consolidated election in accordance with the general 18 19 election law a proposition to abolish the offices of 20 township treasurer and trustee of schools of that township. 21 None of the resolutions adopted under this paragraph by any 22 elementary or unit school districts that are subject to the 23 jurisdiction and authority of the township treasurer and 24 trustees of schools of the township in which those offices 25 are sought to be abolished shall be deemed in compliance 26 with the requirements of this paragraph or sufficient to 1 authorize submission of the proposition to abolish those offices to a referendum of the electors in any such school 2 district unless all of the school boards of all of the 3 elementary and unit school districts that are subject to 4 5 the jurisdiction and authority of the township treasurer and trustees of schools of that township adopt such a 6 7 resolution in accordance with the provisions of this 8 paragraph.

9 (3) The school boards of all of the elementary and unit school districts that are subject to the jurisdiction and 10 11 authority of the township treasurer and trustees of schools of the township in which those offices are sought to be 12 13 abolished submit a proposition to abolish the offices of 14 township treasurer and trustee of schools of that township 15 to the electors of their respective school districts at the 16 same consolidated election in accordance with the general election law, the ballot in each such district to be in 17 18 substantially the following form:

20 OFFICIAL BALLOT 21 Shall the offices of township 22 treasurer and YES 23 trustee of \_\_\_\_\_ 24 schools of Township ..... NO 25 Range ..... be abolished? 26 \_\_\_\_\_

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the consolidated election at 1 (4) At. which the 2 proposition to abolish the offices of township treasurer and trustee of schools of a township is submitted to the 3 electors of each elementary and unit school district that 4 5 is subject to the jurisdiction and authority of the township treasurer and trustee of schools of that township, 6 7 a majority of the electors voting on the proposition in 8 each such elementary and unit school district votes in 9 favor of the proposition as submitted to them.

10 If in each elementary and unit school district that is 11 subject to the jurisdiction and authority of the township 12 treasurer and trustees of schools of the township in which those offices are sought to be abolished a majority of the 13 electors in each such district voting at the consolidated 14 15 election on the proposition to abolish the offices of township 16 treasurer and trustee of schools of that township votes in 17 favor of the proposition as submitted to them, the proposition shall be deemed to have passed; but if in any such elementary 18 or unit school district a majority of the electors voting on 19 20 that proposition in that district fails to vote in favor of the proposition as submitted to them, then notwithstanding the vote 21 22 of the electors in any other such elementary or unit school 23 district on that proposition the proposition shall not be 24 deemed to have passed in any of those elementary or unit school 25 districts, and the offices of township treasurer and trustee of 26 schools of the township in which those offices were sought to

be abolished shall not be abolished, unless in each of those 1 2 elementary and unit school districts remaining subject to the 3 jurisdiction and authority of the township treasurer and trustees of schools of that township proceedings are again 4 5 initiated to abolish those offices and all of the proceedings 6 and conditions prescribed in paragraphs (1) through (4) of this 7 subsection are repeated and met in each of those elementary and 8 unit school districts.

9 Notwithstanding the foregoing provisions of this Section 10 or any other provision of the School Code, the offices of 11 township treasurer and trustee of schools of a township that 12 has a population of less than 200,000 and that contains a unit school district and is located in a Class II county school unit 13 14 shall also be abolished as provided in this subsection if all 15 of the conditions set forth in paragraphs (1), (2), and (3) of 16 this subsection are met and if the following additional condition is met: 17

The electors in all of the school districts subject to 18 19 the jurisdiction and authority of the township treasurer and trustees of schools of the township in which those 20 offices are sought to be abolished shall vote at the 21 22 consolidated election on the proposition to abolish the 23 offices of township treasurer and trustee of schools of 24 that township. If a majority of the electors in all of the 25 school districts combined voting on the proposition vote in 26 favor of the proposition, then the proposition shall be

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deemed to have passed; but if a majority of the electors 1 2 voting on the proposition in all of the school district 3 fails to vote in favor of the proposition as submitted to them, then the proposition shall not be deemed to have 4 5 passed and the offices of township treasurer and trustee of schools of the township in which those offices were sought 6 to be abolished shall not be abolished, unless and until 7 8 the proceedings detailed in paragraphs (1) through (3) of 9 this subsection and the conditions set forth in this 10 paragraph are met.

11 If the proposition to abolish the offices of township 12 treasurer and trustee of schools of a township is deemed to have passed at the consolidated election as provided in this 13 14 subsection, those offices shall be deemed abolished by 15 operation of law effective on January 1 of the calendar year 16 immediately following the calendar year in which that 17 consolidated election is held, provided that if after the election, the trustees of schools by resolution elect to 18 19 abolish the offices of township treasurer and trustee of 20 schools effective on July 1 immediately following the election, then the offices shall be abolished on July 1 immediately 21 22 following the election. On the date that the offices of 23 township treasurer and trustee of schools of a township are 24 deemed abolished by operation of law, the school board of each 25 elementary and unit school district and the school board of 26 each high school district that is subject to the jurisdiction

and authority of the township treasurer and trustees of schools 1 2 of that township at the time those offices are abolished: (i) shall appoint its own school treasurer as provided in Section 3 8-1; and (ii) unless the term of the contract of a township 4 5 treasurer expires on the date that the office of township 6 treasurer is abolished, shall pay to the former township 7 its proportionate share of treasurer any aggregate 8 compensation that, were the office of township treasurer not 9 abolished at that time, would have been payable to the former 10 township treasurer after that date over the remainder of the 11 term of the contract of the former township treasurer that 12 began prior to but ends after that date. In addition, on the 13 date that the offices of township treasurer and trustee of 14 schools of a township are deemed abolished as provided in this 15 subsection, the school board of each elementary school, high 16 school and unit school district that until that date is subject 17 to the jurisdiction and authority of the township treasurer and trustees of schools of that township shall be deemed by 18 19 operation of law to have agreed and assumed to pay and, when 20 determined, shall pay to the Illinois Municipal Retirement Fund a proportionate share of the unfunded liability existing in 21 22 that Fund at the time these offices are abolished in that 23 calendar year for all annuities or other benefits then or 24 thereafter to become payable from that Fund with respect to all 25 periods of service performed prior to that date as а 26 participating employee in that Fund by persons serving during

those periods of service as a trustee of schools, township 1 2 treasurer or regular employee in the office of the township treasurer of that township. That unfunded liability shall be 3 actuarially determined by the board of trustees of the Illinois 4 5 Municipal Retirement Fund, and the board of trustees shall 6 thereupon notify each school board required to pay а 7 proportionate share of that unfunded liability of the aggregate 8 amount of the unfunded liability so determined. The amount so 9 paid to the Illinois Municipal Retirement Fund by each of those school districts shall be credited to the account of the 10 11 township in that Fund. For each elementary school, high school 12 and unit school district under the jurisdiction and authority 13 of a township treasurer and trustees of schools of a township in which those offices are abolished as provided in this 14 15 subsection, each such district's proportionate share of the 16 aggregate compensation payable to the former township 17 provided in this paragraph and each such treasurer as district's proportionate share of the aggregate amount of the 18 19 unfunded liability payable to the Illinois Municipal 20 Retirement Fund as provided in this paragraph shall be computed in accordance with the ratio that the number of pupils in 21 22 average daily attendance in each such district for the school 23 year last ending prior to the date on which the offices of township treasurer and trustee of schools of that township are 24 25 abolished bears to the aggregate number of pupils in average 26 daily attendance in all of those districts as so reported for

1 that school year.

2 Upon abolition of the offices of township treasurer and 3 trustee of schools of a township as provided in this subsection: (i) the regional board of school trustees, in its 4 5 corporate capacity, shall be deemed the successor in interest to the former trustees of schools of that township with respect 6 7 to the common school lands and township loanable funds of the 8 township; (ii) all right, title and interest existing or vested 9 in the former trustees of schools of that township in the 10 common school lands and township loanable funds of the 11 township, and all records, moneys, securities and other assets, 12 rights of property and causes of action pertaining to or constituting a part of those common school lands or township 13 14 loanable funds, shall be transferred to and deemed vested by 15 operation of law in the regional board of school trustees, 16 which shall hold legal title to, manage and operate all common 17 school lands and township loanable funds of the township, receive the rents, issues and profits therefrom, and have and 18 19 exercise with respect thereto the same powers and duties as are 20 provided by this Code to be exercised by regional boards of school trustees when acting as township land commissioners in 21 22 counties having at least 220,000 but fewer than 2,000,000 23 inhabitants; (iii) the regional board of school trustees shall 24 select to serve as its treasurer with respect to the common 25 school lands and township loanable funds of the township a 26 person from time to time also serving as the appointed school

treasurer of any school district that was subject to the 1 2 jurisdiction and authority of the township treasurer and 3 trustees of schools of that township at the time those offices were abolished, and the person selected to also serve as 4 5 treasurer of the regional board of school trustees shall have his compensation for services in that capacity fixed by the 6 7 regional board of school trustees, to be paid from the township 8 loanable funds, and shall make to the regional board of school 9 trustees the reports required to be made by treasurers of 10 township land commissioners, give bond as required bv 11 treasurers of township land commissioners, and perform the 12 duties and exercise the powers of treasurers of township land 13 commissioners; (iv) the regional board of school trustees shall 14 designate in the manner provided by Section 8-7, insofar as 15 applicable, a depositary for its treasurer, and the proceeds of 16 all rents, issues and profits from the common school lands and 17 township loanable funds of that township shall be deposited and held in the account maintained for those purposes with that 18 19 depositary and shall be expended and distributed therefrom as 20 provided in Section 15-24 and other applicable provisions of this Code; and (v) whenever there is vested in the trustees of 21 22 schools of a township at the time that office is abolished 23 under this subsection the legal title to any school buildings 24 or school sites used or occupied for school purposes by any 25 elementary school, high school or unit school district subject 26 to the jurisdiction and authority of those trustees of school

1 at the time that office is abolished, the legal title to those 2 school buildings and school sites shall be deemed transferred 3 by operation of law to and invested in the school board of that 4 school district, in its corporate capacity Section 7-28, the 5 same to be held, sold, exchanged leased or otherwise 6 transferred in accordance with applicable provisions of this 7 Code.

Notwithstanding Section 2-3.25g of this Code, a waiver of a
mandate established under this Section may not be requested.
(Source: P.A. 94-1078, eff. 1-9-07; 94-1105, eff. 6-1-07; 95-4,
eff. 5-31-07; 95-876, eff. 8-21-08.)