



Sen. Dan Kotowski

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1 AMENDMENT TO SENATE BILL 540

2 AMENDMENT NO. _____. Amend Senate Bill 540 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The State Comptroller Act is amended by adding
5 Section 30 as follows:

6 (15 ILCS 405/30 new)

7 Sec. 30. Tax Increment Finance administrator training. The
8 Comptroller, in consultation with the State Comptroller Local
9 Government Advisory Board, shall establish and conduct a
10 training and certification program for Tax Increment Finance
11 administrators. The Comptroller shall issue a certificate to
12 each administrator who satisfactorily completes the training
13 program. In the case of any administrator who fails to
14 satisfactorily complete the training program, the Comptroller
15 shall so notify the Mayor or other elected official in the
16 municipality in which that administrator is employed. The

1 Comptroller shall reimburse administrators for their
2 reasonable expenses incurred in completing the training
3 program subject to moneys appropriated to the Comptroller for
4 that purpose.

5 Section 10. The Illinois Municipal Code is amended by
6 changing Sections 8-8-3, 8-8-3.5, and 11-74.6-22 as follows:

7 (65 ILCS 5/8-8-3) (from Ch. 24, par. 8-8-3)

8 Sec. 8-8-3. Audit requirements.

9 (a) The corporate authorities of each municipality coming
10 under the provisions of this Division 8 shall cause an audit of
11 the funds and accounts of the municipality to be made by an
12 accountant or accountants employed by such municipality or by
13 an accountant or accountants retained by the Comptroller, as
14 hereinafter provided.

15 (b) The accounts and funds of each municipality having a
16 population of 800 or more or having a bonded debt or owning or
17 operating any type of public utility shall be audited annually.
18 The audit herein required shall include all of the accounts and
19 funds of the municipality. Such audit shall be begun as soon as
20 possible after the close of the fiscal year, and shall be
21 completed and the report submitted within 6 months after the
22 close of such fiscal year, unless an extension of time shall be
23 granted by the Comptroller in writing. The accountant or
24 accountants making the audit shall submit not less than 2

1 copies of the audit report to the corporate authorities of the
2 municipality being audited. Municipalities not operating
3 utilities may cause audits of the accounts of municipalities to
4 be made more often than herein provided, by an accountant or
5 accountants. The audit report of such audit when filed with the
6 Comptroller together with an audit report covering the
7 remainder of the period for which an audit is required to be
8 filed hereunder shall satisfy the requirements of this section.

9 (c) Municipalities of less than 800 population which do not
10 own or operate public utilities and do not have bonded debt,
11 shall file annually with the Comptroller a financial report
12 containing information required by the Comptroller. Such
13 annual financial report shall be on forms devised by the
14 Comptroller in such manner as to not require professional
15 accounting services for its preparation.

16 (d) In addition to any audit report required, all
17 municipalities, except municipalities of less than 800
18 population which do not own or operate public utilities and do
19 not have bonded debt, shall file annually with the Comptroller
20 a supplemental report on forms devised and approved by the
21 Comptroller.

22 (e) Notwithstanding any provision of law to the contrary,
23 if a municipality (i) has a population of less than 200, (ii)
24 has bonded debt in the amount of \$50,000 or less, and (iii)
25 owns or operates a public utility, then the municipality shall
26 cause an audit of the funds and accounts of the municipality to

1 be made by an accountant employed by the municipality or
2 retained by the Comptroller for fiscal year 2011 and every
3 fourth fiscal year thereafter or until the municipality has a
4 population of 200 or more, has bonded debt in excess of
5 \$50,000, or no longer owns or operates a public utility.
6 Nothing in this subsection shall be construed as limiting the
7 municipality's duty to file an annual financial report with the
8 Comptroller or to comply with the filing requirements
9 concerning the county clerk.

10 (f) On and after the effective date of this amendatory Act
11 of the 97th General Assembly, the State Comptroller must post
12 on the State Comptroller's official website the information
13 submitted by a municipality pursuant to subsections (b) and (c)
14 of this Section. The information must be posted no later than
15 45 days after the State Comptroller receives the information
16 from the municipality. The State Comptroller must also post a
17 list of municipalities that are not in compliance with the
18 reporting requirements set forth in subsections (b) and (c) of
19 this Section.

20 (g) The State Comptroller has the authority to grant
21 extensions for delinquent audit reports. The Comptroller may
22 charge a municipality a fee for a delinquent audit of \$5 per
23 day for the first 15 days past due, \$10 per day for 16 through
24 30 days past due, \$15 per day for 31 through 45 days past due,
25 and \$20 per day for the 46th day and every day thereafter.

26 (Source: P.A. 96-1309, eff. 7-27-10.)

1 (65 ILCS 5/8-8-3.5)

2 Sec. 8-8-3.5. Tax Increment Financing Report. The reports
3 filed under subsection (d) of Section 11-74.4-5 of the Tax
4 Increment Allocation Redevelopment Act and the reports filed
5 under subsection (d) of Section 11-74.6-22 of the Industrial
6 Jobs Recovery Law in the Illinois Municipal Code must be
7 separate from any other annual report filed with the
8 Comptroller. The Comptroller must, in cooperation with
9 reporting municipalities, create a format for the reporting of
10 information described in paragraphs (1.5) and (5) and in
11 subparagraph (G) of paragraph (7) of subsection (d) of Section
12 11-74.4-5 of the Tax Increment Allocation Redevelopment Act and
13 the information described in paragraphs (1.5) and (5) and in
14 subparagraph (G) of paragraph (7) of subsection (d) of Section
15 11-74.6-22 of the Industrial Jobs Recovery Law that facilitates
16 consistent reporting among the reporting municipalities. The
17 Comptroller may allow these reports to be filed electronically
18 and may display the report, or portions of the report,
19 electronically via the Internet. All reports filed under this
20 Section must be made available for examination and copying by
21 the public at all reasonable times. A Tax Increment Financing
22 Report must be filed with the Comptroller within 180 days after
23 the close of the municipal fiscal year or as soon thereafter as
24 the audit for the redevelopment project area for that fiscal
25 year becomes available. If the Tax Increment Finance

1 administrator provides the Comptroller's office with
2 sufficient evidence that the report is in the process of being
3 completed by an auditor, the Comptroller may grant an
4 extension. If the required report is not filed within the time
5 extended by the Comptroller, the Comptroller may charge a
6 municipality a fee of \$5 per day for the first 15 days past
7 due, \$10 per day for 16 through 30 days past due, \$15 per day
8 for 31 through 45 days past due, and \$20 per day for the 46th
9 day and every day thereafter.

10 (Source: P.A. 91-478, eff. 11-1-99; 91-900, eff. 7-6-00.)

11 (65 ILCS 5/11-74.6-22)

12 Sec. 11-74.6-22. Adoption of ordinance; requirements;
13 changes.

14 (a) Before adoption of an ordinance proposing the
15 designation of a redevelopment planning area or a redevelopment
16 project area, or both, or approving a redevelopment plan or
17 redevelopment project, the municipality or commission
18 designated pursuant to subsection (1) of Section 11-74.6-15
19 shall fix by ordinance or resolution a time and place for
20 public hearing. Prior to the adoption of the ordinance or
21 resolution establishing the time and place for the public
22 hearing, the municipality shall make available for public
23 inspection a redevelopment plan or a report that provides in
24 sufficient detail, the basis for the eligibility of the
25 redevelopment project area. The report along with the name of a

1 person to contact for further information shall be sent to the
2 affected taxing district by certified mail within a reasonable
3 time following the adoption of the ordinance or resolution
4 establishing the time and place for the public hearing.

5 At the public hearing any interested person or affected
6 taxing district may file with the municipal clerk written
7 objections to the ordinance and may be heard orally on any
8 issues that are the subject of the hearing. The municipality
9 shall hear and determine all alternate proposals or bids for
10 any proposed conveyance, lease, mortgage or other disposition
11 of land and all protests and objections at the hearing and the
12 hearing may be adjourned to another date without further notice
13 other than a motion to be entered upon the minutes fixing the
14 time and place of the later hearing. At the public hearing or
15 at any time prior to the adoption by the municipality of an
16 ordinance approving a redevelopment plan, the municipality may
17 make changes in the redevelopment plan. Changes which (1) add
18 additional parcels of property to the proposed redevelopment
19 project area, (2) substantially affect the general land uses
20 proposed in the redevelopment plan, or (3) substantially change
21 the nature of or extend the life of the redevelopment project
22 shall be made only after the municipality gives notice,
23 convenes a joint review board, and conducts a public hearing
24 pursuant to the procedures set forth in this Section and in
25 Section 11-74.6-25. Changes which do not (1) add additional
26 parcels of property to the proposed redevelopment project area,

1 (2) substantially affect the general land uses proposed in the
2 redevelopment plan, or (3) substantially change the nature of
3 or extend the life of the redevelopment project may be made
4 without further hearing, provided that the municipality shall
5 give notice of any such changes by mail to each affected taxing
6 district and by publication in a newspaper of general
7 circulation within the affected taxing district. Such notice by
8 mail and by publication shall each occur not later than 10 days
9 following the adoption by ordinance of such changes.

10 (b) Before adoption of an ordinance proposing the
11 designation of a redevelopment planning area or a redevelopment
12 project area, or both, or amending the boundaries of an
13 existing redevelopment project area or redevelopment planning
14 area, or both, the municipality shall convene a joint review
15 board to consider the proposal. The board shall consist of a
16 representative selected by each taxing district that has
17 authority to levy real property taxes on the property within
18 the proposed redevelopment project area and that has at least
19 5% of its total equalized assessed value located within the
20 proposed redevelopment project area, a representative selected
21 by the municipality and a public member. The public member and
22 the board's chairperson shall be selected by a majority of
23 other board members.

24 All board members shall be appointed and the first board
25 meeting held within 14 days following the notice by the
26 municipality to all the taxing districts as required by

1 subsection (c) of Section 11-74.6-25. The notice shall also
2 advise the taxing bodies represented on the joint review board
3 of the time and place of the first meeting of the board.
4 Additional meetings of the board shall be held upon the call of
5 any 2 members. The municipality seeking designation of the
6 redevelopment project area may provide administrative support
7 to the board.

8 The board shall review the public record, planning
9 documents and proposed ordinances approving the redevelopment
10 plan and project to be adopted by the municipality. As part of
11 its deliberations, the board may hold additional hearings on
12 the proposal. A board's recommendation, if any, shall be a
13 written recommendation adopted by a majority vote of the board
14 and submitted to the municipality within 30 days after the
15 board convenes. A board's recommendation shall be binding upon
16 the municipality. Failure of the board to submit its
17 recommendation on a timely basis shall not be cause to delay
18 the public hearing or the process of establishing or amending
19 the redevelopment project area. The board's recommendation on
20 the proposal shall be based upon the area satisfying the
21 applicable eligibility criteria defined in Section 11-74.6-10
22 and whether there is a basis for the municipal findings set
23 forth in the redevelopment plan as required by this Act. If the
24 board does not file a recommendation it shall be presumed that
25 the board has found that the redevelopment project area
26 satisfies the eligibility criteria.

1 (c) After a municipality has by ordinance approved a
2 redevelopment plan and designated a redevelopment planning
3 area or a redevelopment project area, or both, the plan may be
4 amended and additional properties may be added to the
5 redevelopment project area only as herein provided. Amendments
6 which (1) add additional parcels of property to the proposed
7 redevelopment project area, (2) substantially affect the
8 general land uses proposed in the redevelopment plan, (3)
9 substantially change the nature of the redevelopment project,
10 (4) increase the total estimated redevelopment project costs
11 set out in the redevelopment plan by more than 5% after
12 adjustment for inflation from the date the plan was adopted, or
13 (5) add additional redevelopment project costs to the itemized
14 list of redevelopment project costs set out in the
15 redevelopment plan shall be made only after the municipality
16 gives notice, convenes a joint review board, and conducts a
17 public hearing pursuant to the procedures set forth in this
18 Section and in Section 11-74.6-25. Changes which do not (1) add
19 additional parcels of property to the proposed redevelopment
20 project area, (2) substantially affect the general land uses
21 proposed in the redevelopment plan, (3) substantially change
22 the nature of the redevelopment project, (4) increase the total
23 estimated redevelopment project cost set out in the
24 redevelopment plan by more than 5% after adjustment for
25 inflation from the date the plan was adopted, or (5) add
26 additional redevelopment project costs to the itemized list of

1 redevelopment project costs set out in the redevelopment plan
2 may be made without further hearing, provided that the
3 municipality shall give notice of any such changes by mail to
4 each affected taxing district and by publication in a newspaper
5 of general circulation within the affected taxing district.
6 Such notice by mail and by publication shall each occur not
7 later than 10 days following the adoption by ordinance of such
8 changes.

9 (d) After the effective date of this amendatory Act of the
10 91st General Assembly, a municipality shall submit in an
11 electronic format the following information for each
12 redevelopment project area (i) to the State Comptroller under
13 Section 8-8-3.5 of the Illinois Municipal Code and (ii) to all
14 taxing districts overlapping the redevelopment project area no
15 later than 180 days after the close of each municipal fiscal
16 year or as soon thereafter as the audited financial statements
17 become available and, in any case, shall be submitted before
18 the annual meeting of the joint review board to each of the
19 taxing districts that overlap the redevelopment project area:

20 (1) Any amendments to the redevelopment plan, or the
21 redevelopment project area.

22 (1.5) A list of the redevelopment project areas
23 administered by the municipality and, if applicable, the
24 date each redevelopment project area was designated or
25 terminated by the municipality.

26 (2) Audited financial statements of the special tax

1 allocation fund once a cumulative total of \$100,000 of tax
2 increment revenues has been deposited in the fund.

3 (3) Certification of the Chief Executive Officer of the
4 municipality that the municipality has complied with all of
5 the requirements of this Act during the preceding fiscal
6 year.

7 (4) An opinion of legal counsel that the municipality
8 is in compliance with this Act.

9 (5) An analysis of the special tax allocation fund
10 which sets forth:

11 (A) the balance in the special tax allocation fund
12 at the beginning of the fiscal year;

13 (B) all amounts deposited in the special tax
14 allocation fund by source;

15 (C) an itemized list of all expenditures from the
16 special tax allocation fund by category of permissible
17 redevelopment project cost; and

18 (D) the balance in the special tax allocation fund
19 at the end of the fiscal year including a breakdown of
20 that balance by source and a breakdown of that balance
21 identifying any portion of the balance that is
22 required, pledged, earmarked, or otherwise designated
23 for payment of or securing of obligations and
24 anticipated redevelopment project costs. Any portion
25 of such ending balance that has not been identified or
26 is not identified as being required, pledged,

1 earmarked, or otherwise designated for payment of or
2 securing of obligations or anticipated redevelopment
3 project costs shall be designated as surplus as set
4 forth in Section 11-74.6-30 hereof.

5 (6) A description of all property purchased by the
6 municipality within the redevelopment project area
7 including:

8 (A) Street address.

9 (B) Approximate size or description of property.

10 (C) Purchase price.

11 (D) Seller of property.

12 (7) A statement setting forth all activities
13 undertaken in furtherance of the objectives of the
14 redevelopment plan, including:

15 (A) Any project implemented in the preceding
16 fiscal year.

17 (B) A description of the redevelopment activities
18 undertaken.

19 (C) A description of any agreements entered into by
20 the municipality with regard to the disposition or
21 redevelopment of any property within the redevelopment
22 project area.

23 (D) Additional information on the use of all funds
24 received under this Division and steps taken by the
25 municipality to achieve the objectives of the
26 redevelopment plan.

1 (E) Information regarding contracts that the
2 municipality's tax increment advisors or consultants
3 have entered into with entities or persons that have
4 received, or are receiving, payments financed by tax
5 increment revenues produced by the same redevelopment
6 project area.

7 (F) Any reports submitted to the municipality by
8 the joint review board.

9 (G) A review of public and, to the extent possible,
10 private investment actually undertaken to date after
11 the effective date of this amendatory Act of the 91st
12 General Assembly and estimated to be undertaken during
13 the following year. This review shall, on a
14 project-by-project basis, set forth the estimated
15 amounts of public and private investment incurred
16 after the effective date of this amendatory Act of the
17 91st General Assembly and provide the ratio of private
18 investment to public investment to the date of the
19 report and as estimated to the completion of the
20 redevelopment project.

21 (8) With regard to any obligations issued by the
22 municipality:

23 (A) copies of any official statements; and

24 (B) an analysis prepared by financial advisor or
25 underwriter setting forth: (i) nature and term of
26 obligation; and (ii) projected debt service including

1 required reserves and debt coverage.

2 (9) For special tax allocation funds that have received
3 cumulative deposits of incremental tax revenues of
4 \$100,000 or more, a certified audit report reviewing
5 compliance with this Act performed by an independent public
6 accountant certified and licensed by the authority of the
7 State of Illinois. The financial portion of the audit must
8 be conducted in accordance with Standards for Audits of
9 Governmental Organizations, Programs, Activities, and
10 Functions adopted by the Comptroller General of the United
11 States (1981), as amended, or the standards specified by
12 Section 8-8-5 of the Illinois Municipal Auditing Law of the
13 Illinois Municipal Code. The audit report shall contain a
14 letter from the independent certified public accountant
15 indicating compliance or noncompliance with the
16 requirements of subsection (o) of Section 11-74.6-10.

17 (10) A list of all intergovernmental agreements in
18 effect during the fiscal year to which the municipality is
19 a party and an accounting of any moneys transferred or
20 received by the municipality during that fiscal year
21 pursuant to those intergovernmental agreements.

22 (e) The joint review board shall meet annually 180 days
23 after the close of the municipal fiscal year or as soon as the
24 redevelopment project audit for that fiscal year becomes
25 available to review the effectiveness and status of the
26 redevelopment project area up to that date.

1 (f) On and after the effective date of this amendatory Act
2 of the 97th General Assembly, the State Comptroller must post
3 on the State Comptroller's official website the information
4 submitted by a municipality pursuant to subsection (d) of this
5 Section. The information must be posted no later than 45 days
6 after the State Comptroller receives the information from the
7 municipality. The State Comptroller must also post a list of
8 the municipalities not in compliance with the reporting
9 requirements set forth in subsection (d) of this Section.

10 (Source: P.A. 91-474, eff. 11-1-99; 91-900, eff. 7-6-00.)

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