



99TH GENERAL ASSEMBLY

State of Illinois

2015 and 2016

HB2416

by Rep. Jim Durkin

SYNOPSIS AS INTRODUCED:

105 ILCS 5/5-1

from Ch. 122, par. 5-1

Amends the Trustees of Schools Article of the School Code. Allows the school board of Lyons Township High School District 204 to withdraw from the jurisdiction and authority of the trustees of schools of Lyons Township and the township treasurer, provided that the school board elects or appoints its own school treasurer. Provides that these amendatory changes are prospective only, starting from the effective date of the amendatory Act, and shall not affect any legal action pending on the effective date of the amendatory Act in the Illinois courts in which Lyons Township High School District 204 is a listed party. Effective immediately.

LRB099 09149 NHT 29346 b

1 AN ACT concerning education.

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

4 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.

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

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

1 pupils and having boundaries that are coterminous with the
2 boundaries of a high school district, and the school board of
3 any high school district having a fall, 1989 aggregate
4 enrollment of at least 2,500 but less than 6,500 pupils and
5 having boundaries that are coterminous with the boundaries of
6 an elementary school district, may, whenever the territory of
7 such school district forms a part of a Class II county school
8 unit, by proper resolution withdraw such school district from
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
13 board of any such school district shall, upon the adoption and
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
18 trustees of schools in such township shall no longer have or
19 exercise any powers and duties with respect to the school
20 district governed by such school board or with respect to the
21 school business, operations or assets of such school district;
22 and (2) all books and records of the township trustees relating
23 to the school business and affairs of such school district
24 shall be transferred and delivered to the school board of such
25 school district. Upon the effective date of this amendatory Act
26 of 1993, the legal title to, and all right, title and interest

1 formerly held by the township trustees in any school buildings
2 and school sites used and occupied by the school board of such
3 school district for school purposes, that legal title, right,
4 title and interest thereafter having been transferred to and
5 vested in the regional board of school trustees under P.A.
6 87-473 until the abolition of that regional board of school
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
13 proper resolution, withdraw from the jurisdiction and
14 authority of the trustees of schools of Proviso and Cicero
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
18 Section 8-1 of this Code. Upon the adoption and passage of the
19 resolution and the election or appointment by the school board
20 of its own school treasurer: (1) the trustees of schools in the
21 township or townships shall no longer have or exercise any
22 powers or duties with respect to the school district or with
23 respect to the school business, operations, or assets of the
24 school district; (2) all books and records of the trustees of
25 schools and all moneys, securities, loanable funds, and other
26 assets relating to the school business and affairs of the

1 school district shall be transferred and delivered to the
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
4 common school lands, school buildings, or school sites used and
5 occupied by the school board and all rights of property and
6 causes of action pertaining to or constituting a part of the
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
13 High School District 201 may, by proper resolution, withdraw
14 from the jurisdiction and authority of the trustees of schools
15 of Cicero Township and the township treasurer, provided that
16 the school board shall, upon the adoption and passage of the
17 resolution, elect or appoint its own school treasurer as
18 provided in Section 8-1 of this Code. Upon the adoption and
19 passage of the resolution and the election or appointment by
20 the school board of its own school treasurer: (1) the trustees
21 of schools in the township shall no longer have or exercise any
22 powers or duties with respect to the school district or with
23 respect to the school business, operations, or assets of the
24 school district; (2) all books and records of the trustees of
25 schools and all moneys, securities, loanable funds, and other
26 assets relating to the school business and affairs of the

1 school district shall be transferred and delivered to the
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
4 common school lands, school buildings, or school sites used and
5 occupied by the school board and all rights of property and
6 causes of action pertaining to or constituting a part of the
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) of this Section,
11 the school board of Lyons Township High School District 204
12 may, by proper resolution, withdraw from the jurisdiction and
13 authority of the trustees of schools of Lyons Township and the
14 township treasurer, provided that the school board shall, upon
15 the adoption and passage of the resolution, elect or appoint
16 its own school treasurer as provided in Section 8-1 of this
17 Code. Upon the adoption and passage of the resolution and the
18 election or appointment by the school board of its own school
19 treasurer: (1) the trustees of schools in the township shall no
20 longer have or exercise any powers or duties with respect to
21 the school district or with respect to the school business,
22 operations, or assets of the school district; (2) all books and
23 records of the trustees of schools and all moneys, securities,
24 loanable funds, and other assets relating to the school
25 business and affairs of the school district shall be
26 transferred and delivered to the school board; and (3) all

1 legal title to and all right, title, and interest formerly held
2 by the trustees of schools in any common school lands, school
3 buildings, or school sites used and occupied by the school
4 board and all rights of property and causes of action
5 pertaining to or constituting a part of the common school
6 lands, buildings, or sites shall be deemed transferred by
7 operation of law to and shall vest in the school board. The
8 changes made to this Section by this amendatory Act of the 99th
9 General Assembly are prospective only, starting from the
10 effective date of this amendatory Act of the 99th General
11 Assembly, and shall not affect any legal action pending on the
12 effective date of this amendatory Act of the 99th General
13 Assembly in the Illinois courts in which Lyons Township High
14 School District 204 is a listed party.

15 (c) Notwithstanding the provisions of subsection (a), the
16 offices of township treasurer and trustee of schools of any
17 township located in a Class II county school unit shall be
18 abolished as provided in this subsection if all of the
19 following conditions are met:

20 (1) During the same 30 day period, each school board of
21 each elementary and unit school district that is subject to
22 the jurisdiction and authority of the township treasurer
23 and trustees of schools of the township in which those
24 offices are sought to be abolished gives written notice by
25 certified mail, return receipt requested to the township
26 treasurer and trustees of schools of that township of the

1 date of a meeting of the school board, to be held not more
2 than 90 nor less than 60 days after the date when the
3 notice is given, at which meeting the school board is to
4 consider and vote upon the question of whether there shall
5 be submitted to the electors of the school district a
6 proposition to abolish the offices of township treasurer
7 and trustee of schools of that township. None of the
8 notices given under this paragraph to the township
9 treasurer and trustees of schools of a township shall be
10 deemed sufficient or in compliance with the requirements of
11 this paragraph unless all of those notices are given within
12 the same 30 day period.

13 (2) Each school board of each elementary and unit
14 school district that is subject to the jurisdiction and
15 authority of the township treasurer and trustees of schools
16 of the township in which those offices are sought to be
17 abolished, by the affirmative vote of at least 5 members of
18 the school board at a school board meeting of which notice
19 is given as required by paragraph (1) of this subsection,
20 adopts a resolution requiring the secretary of the school
21 board to certify to the proper election authorities for
22 submission to the electors of the school district at the
23 next consolidated election in accordance with the general
24 election law a proposition to abolish the offices of
25 township treasurer and trustee of schools of that township.
26 None of the resolutions adopted under this paragraph by any

1 elementary or unit school districts that are subject to the
 2 jurisdiction and authority of the township treasurer and
 3 trustees of schools of the township in which those offices
 4 are sought to be abolished shall be deemed in compliance
 5 with the requirements of this paragraph or sufficient to
 6 authorize submission of the proposition to abolish those
 7 offices to a referendum of the electors in any such school
 8 district unless all of the school boards of all of the
 9 elementary and unit school districts that are subject to
 10 the jurisdiction and authority of the township treasurer
 11 and trustees of schools of that township adopt such a
 12 resolution in accordance with the provisions of this
 13 paragraph.

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

24 -----

25 OFFICIAL BALLOT

26 Shall the offices of township

1	treasurer and	YES
2	trustee of	-----
3	schools of Township	NO
4	Range be abolished?	

5 -----

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

15 If in each elementary and unit school district that is
16 subject to the jurisdiction and authority of the township
17 treasurer and trustees of schools of the township in which
18 those offices are sought to be abolished a majority of the
19 electors in each such district voting at the consolidated
20 election on the proposition to abolish the offices of township
21 treasurer and trustee of schools of that township votes in
22 favor of the proposition as submitted to them, the proposition
23 shall be deemed to have passed; but if in any such elementary
24 or unit school district a majority of the electors voting on
25 that proposition in that district fails to vote in favor of the
26 proposition as submitted to them, then notwithstanding the vote

1 of the electors in any other such elementary or unit school
2 district on that proposition the proposition shall not be
3 deemed to have passed in any of those elementary or unit school
4 districts, and the offices of township treasurer and trustee of
5 schools of the township in which those offices were sought to
6 be abolished shall not be abolished, unless in each of those
7 elementary and unit school districts remaining subject to the
8 jurisdiction and authority of the township treasurer and
9 trustees of schools of that township proceedings are again
10 initiated to abolish those offices and all of the proceedings
11 and conditions prescribed in paragraphs (1) through (4) of this
12 subsection are repeated and met in each of those elementary and
13 unit school districts.

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

23 The electors in all of the school districts subject to
24 the jurisdiction and authority of the township treasurer
25 and trustees of schools of the township in which those
26 offices are sought to be abolished shall vote at the

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

16 If the proposition to abolish the offices of township
17 treasurer and trustee of schools of a township is deemed to
18 have passed at the consolidated election as provided in this
19 subsection, those offices shall be deemed abolished by
20 operation of law effective on January 1 of the calendar year
21 immediately following the calendar year in which that
22 consolidated election is held, provided that if after the
23 election, the trustees of schools by resolution elect to
24 abolish the offices of township treasurer and trustee of
25 schools effective on July 1 immediately following the election,
26 then the offices shall be abolished on July 1 immediately

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

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

1 average daily attendance in each such district for the school
2 year last ending prior to the date on which the offices of
3 township treasurer and trustee of schools of that township are
4 abolished bears to the aggregate number of pupils in average
5 daily attendance in all of those districts as so reported for
6 that school year.

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

1 counties having at least 220,000 but fewer than 2,000,000
2 inhabitants; (iii) the regional board of school trustees shall
3 select to serve as its treasurer with respect to the common
4 school lands and township loanable funds of the township a
5 person from time to time also serving as the appointed school
6 treasurer of any school district that was subject to the
7 jurisdiction and authority of the township treasurer and
8 trustees of schools of that township at the time those offices
9 were abolished, and the person selected to also serve as
10 treasurer of the regional board of school trustees shall have
11 his compensation for services in that capacity fixed by the
12 regional board of school trustees, to be paid from the township
13 loanable funds, and shall make to the regional board of school
14 trustees the reports required to be made by treasurers of
15 township land commissioners, give bond as required by
16 treasurers of township land commissioners, and perform the
17 duties and exercise the powers of treasurers of township land
18 commissioners; (iv) the regional board of school trustees shall
19 designate in the manner provided by Section 8-7, insofar as
20 applicable, a depository for its treasurer, and the proceeds of
21 all rents, issues and profits from the common school lands and
22 township loanable funds of that township shall be deposited and
23 held in the account maintained for those purposes with that
24 depository and shall be expended and distributed therefrom as
25 provided in Section 15-24 and other applicable provisions of
26 this Code; and (v) whenever there is vested in the trustees of

1 schools of a township at the time that office is abolished
2 under this subsection the legal title to any school buildings
3 or school sites used or occupied for school purposes by any
4 elementary school, high school or unit school district subject
5 to the jurisdiction and authority of those trustees of school
6 at the time that office is abolished, the legal title to those
7 school buildings and school sites shall be deemed transferred
8 by operation of law to and invested in the school board of that
9 school district, in its corporate capacity Section 7-28, the
10 same to be held, sold, exchanged leased or otherwise
11 transferred in accordance with applicable provisions of this
12 Code.

13 Notwithstanding Section 2-3.25g of this Code, a waiver of a
14 mandate established under this Section may not be requested.

15 (Source: P.A. 94-1078, eff. 1-9-07; 94-1105, eff. 6-1-07; 95-4,
16 eff. 5-31-07; 95-876, eff. 8-21-08.)

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