



## 99TH GENERAL ASSEMBLY

### State of Illinois

2015 and 2016

HB5711

by Rep. Joe Sosnowski

#### SYNOPSIS AS INTRODUCED:

65 ILCS 5/11-150-2 new  
70 ILCS 3705/7.4 new  
70 ILCS 3710/5.3 new  
70 ILCS 3715/6  
70 ILCS 3720/0.001b

from Ch. 111 2/3, par. 228

Amends the Illinois Municipal Code. Provides that on or after the effective date of this amendatory Act, a municipality shall bill for any utility service, including previously unbilled service, supplied to a customer within 24 months after providing the service to the customer. Provides exceptions for billing within 24 months attributed to tampering, theft of service, fraud, or the customer preventing the utility's recorded efforts to obtain an accurate reading of the meter. Further provides that a municipality may not intentionally delay billing beyond the normal bill cycle. Amends the Public Water District Act, the Water Service District Act, the Water Authorities Act, and the Water Commission Act making similar changes. Effective immediately.

LRB099 19395 AWJ 43787 b

FISCAL NOTE ACT  
MAY APPLY

HOUSING  
AFFORDABILITY  
IMPACT NOTE ACT  
MAY APPLY

1 AN ACT concerning local government.

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

4 Section 5. The Illinois Municipal Code is amended by adding  
5 Section 11-150-2 as follows:

6 (65 ILCS 5/11-150-2 new)

7 Sec. 11-150-2. Billing for services. On or after the  
8 effective date of this amendatory Act of the 99th General  
9 Assembly, the corporate authorities of any municipality  
10 operating a waterworks or combined waterworks and sewerage  
11 system:

12 (a) shall bill for any utility service, including  
13 previously unbilled service, supplied to a residential  
14 customer or non-residential customer within 24 months after the  
15 provision of that service to the customer; and

16 (b) shall not intentionally delay billing beyond the normal  
17 bill cycle.

18 The time limit of subsection (a) shall not apply to  
19 previously unbilled service attributed to tampering, theft of  
20 service, fraud, or the customer preventing the utility's  
21 recorded efforts to obtain an accurate reading of the meter.

22 Section 10. The Public Water District Act is amended by

1 adding Section 7.4 as follows:

2 (70 ILCS 3705/7.4 new)

3 Sec. 7.4. Billing for services. On or after the effective  
4 date of this amendatory Act of the 99th General Assembly, a  
5 public water district:

6 (a) shall bill for any utility service, including  
7 previously unbilled service, supplied to a residential  
8 customer or non-residential customer within 24 months after the  
9 provision of that service to the customer; and

10 (b) shall not intentionally delay billing beyond the normal  
11 bill cycle.

12 The time limit of subsection (a) shall not apply to  
13 previously unbilled service attributed to tampering, theft of  
14 service, fraud, or the customer preventing the utility's  
15 recorded efforts to obtain an accurate reading of the meter.

16 Section 15. The Water Service District Act is amended by  
17 adding Section 5.3 as follows:

18 (70 ILCS 3710/5.3 new)

19 Sec. 5.3. Billing for services. On or after the effective  
20 date of this amendatory Act of the 99th General Assembly, a  
21 water service district:

22 (a) shall bill for any utility service, including  
23 previously unbilled service, supplied to a residential

1 customer or non-residential customer within 24 months after the  
2 provision of that service to the customer; and

3 (b) shall not intentionally delay billing beyond the normal  
4 bill cycle.

5 The time limit of subsection (a) shall not apply to  
6 previously unbilled service attributed to tampering, theft of  
7 service, fraud, or the customer preventing the utility's  
8 recorded efforts to obtain an accurate reading of the meter.

9 Section 20. The Water Authorities Act is amended by  
10 changing Section 6 as follows:

11 (70 ILCS 3715/6) (from Ch. 111 2/3, par. 228)

12 Sec. 6. Such board of trustees shall have the following  
13 powers:

14 1. To make inspections of wells or other withdrawal  
15 facilities and to require information and data from the owners  
16 or operators thereof concerning the supply, withdrawal and use  
17 of water.

18 2. To require the registration with them of all wells or  
19 other withdrawal facilities in accordance with such form or  
20 forms as they deem advisable.

21 3. To require permits from them for all additional wells or  
22 withdrawal facilities or for the deepening, extending or  
23 enlarging existing wells or withdrawal facilities.

24 4. To require the plugging of abandoned wells or the repair

1 of any well or withdrawal facility to prevent loss of water or  
2 contamination of supply.

3 5. To reasonably regulate the use of water and during any  
4 period of actual or threatened shortage to establish limits  
5 upon or priorities as to the use of water. In issuing any such  
6 regulation, limitation, or priority, such board shall seek to  
7 promote the common welfare by considering the public interest,  
8 the average amount of present withdrawals, relative benefits or  
9 importance of use, economy or efficiency of use and any other  
10 reasonable differentiation. Appropriate consideration shall  
11 also be given to any user, who has theretofore reduced the  
12 volume of ground water previously consumed by such user or who  
13 has taken care of increased requirements by installing and  
14 using equipment and facilities permitting the use of surface  
15 water by such user.

16 6. To supplement the existing water supply or provide  
17 additional water supply by such means as may be practicable or  
18 feasible. They may acquire property or property rights either  
19 within or without the boundaries of the authority by purchase,  
20 lease, condemnation proceedings or otherwise, and they may  
21 construct, maintain and operate wells, reservoirs, pumping  
22 stations, purification plants, infiltration pits, recharging  
23 wells and such other facilities as may be necessary to insure  
24 an adequate supply of water for the present and future needs of  
25 the authority. They shall have the right to sell water to  
26 municipalities or public utilities operating water

1 distribution systems either within or without the authority.

2 7. To levy and collect a general tax on all of the taxable  
3 property within the corporate limits of the authority, the  
4 aggregate amount of which for one year, exclusive of the amount  
5 levied for bonded indebtedness or interest thereon, shall not  
6 exceed .08 per cent of the value as equalized or assessed by  
7 the Department of Revenue. For the purpose of acquiring  
8 necessary property or facilities, to issue general obligation  
9 bonds bearing interest at the rate of not to exceed the maximum  
10 rate authorized by the Bond Authorization Act, as amended at  
11 the time of the making of the contract, and payable over a  
12 period of not to exceed 20 years, the aggregate principal  
13 amount of which at any one time outstanding shall not exceed  
14 one-half of 1% of the value as equalized or assessed by the  
15 Department of Revenue of all taxable property located within  
16 the corporate limits of the authority and to levy and collect a  
17 further or additional direct annual tax upon all the taxable  
18 property within the corporate limits of such authority  
19 sufficient to meet the principal and interest of such bonds as  
20 the same mature. They shall also have authority to issue  
21 revenue bonds payable solely out of anticipated revenues.

22 8. To consult with and receive available information  
23 concerning their duties and responsibilities from the State  
24 Water Survey, the State Geological Survey, the Board of Natural  
25 Resources and Conservation, the Water Resources and Flood  
26 Control Board and any other board or commission of the State.

1 Before constructing any facility for providing additional  
2 water supply, the plans therefor shall be submitted to and  
3 approved by the Environmental Protection Agency or its  
4 successor and all operations of such facilities shall be  
5 conducted in accordance with such rules and regulations as may  
6 from time to time be prescribed by the Pollution Control Board.

7 9. To have the right by appropriate action in the circuit  
8 court of any county in which such authority, or any part  
9 thereof, is located to restrain any violation or threatened  
10 violation of any of their orders, rules, regulations or  
11 ordinances.

12 10. To provide by ordinance that the violation of any  
13 provision of any rule, regulation or ordinance adopted by them  
14 shall constitute a misdemeanor subject to a fine by the circuit  
15 court of not to exceed \$50 for each act of violation and that  
16 each day's violation shall constitute a separate offense.

17 11. On or after the effective date of this amendatory Act  
18 of the 99th General Assembly, to bill for any utility service,  
19 including previously unbilled service, supplied to a  
20 residential customer or non-residential customer within 24  
21 months after the provision of that service to the customer. The  
22 time limit of this paragraph shall not apply to previously  
23 unbilled service attributed to tampering, theft of service,  
24 fraud, or the customer preventing the utility's recorded  
25 efforts to obtain an accurate reading of the meter. The  
26 trustees shall not intentionally delay billing beyond the

1 normal bill cycle.

2 With respect to instruments for the payment of money issued  
3 under this Section either before, on, or after the effective  
4 date of this amendatory Act of 1989, it is and always has been  
5 the intention of the General Assembly (i) that the Omnibus Bond  
6 Acts are and always have been supplementary grants of power to  
7 issue instruments in accordance with the Omnibus Bond Acts,  
8 regardless of any provision of this Act that may appear to be  
9 or to have been more restrictive than those Acts, (ii) that the  
10 provisions of this Section are not a limitation on the  
11 supplementary authority granted by the Omnibus Bond Acts, and  
12 (iii) that instruments issued under this Section within the  
13 supplementary authority granted by the Omnibus Bond Acts are  
14 not invalid because of any provision of this Act that may  
15 appear to be or to have been more restrictive than those Acts.  
16 (Source: P.A. 86-4.)

17 Section 25. The Water Commission Act of 1985 is amended by  
18 changing Section 0.001b as follows:

19 (70 ILCS 3720/0.001b)

20 Sec. 0.001b. Powers and duties. A water commission has the  
21 power and duty to:

22 (1) establish and define the responsibilities of the  
23 commission and its committees;

24 (2) establish and define the responsibilities of the



1 commission's management and staff;

2 (3) establish a finance committee to conduct monthly  
3 meetings to supervise staff's handling of financial  
4 matters and budgeting;

5 (4) require the finance director and treasurer to  
6 report to the finance committee the status of all  
7 commission funds and obligations;

8 (5) require the treasurer to report to the commission  
9 any improper or unnecessary expenditures, budgetary  
10 errors, or accounting irregularities;

11 (6) require commission staff to document and comply  
12 with standard accounting policies, procedures, and  
13 controls to ensure accurate reporting to the finance  
14 committee and commission and to identify improper or  
15 unnecessary expenditures, budgetary errors, or accounting  
16 irregularities;

17 (7) require the commission's finance director to  
18 provide monthly reports regarding the commission's cash  
19 and investment position including whether the commission  
20 has sufficient cash and investments to pay its debt  
21 service, operating expenses, and capital expenditures and  
22 maintain required reserve levels. The information shall  
23 include the required funding levels for restricted funds  
24 and unrestricted cash and investment balances with  
25 comparisons to unrestricted reserves. The information  
26 shall also include the type and performance of the

1 commission's investments and description as to whether  
2 those investments are in compliance with the commission's  
3 investment policies;

4 (8) require the commission's finance director to  
5 provide the commission with detailed information  
6 concerning the commission's operating performance  
7 including the budgeted and actual monthly amounts for water  
8 sales, water costs, and other operating expenses;

9 (9) require commission staff to provide the commission  
10 with detailed information regarding the progress of  
11 capital projects including whether the percentage of  
12 completion and costs incurred are timely;

13 (10) require the commission's staff accountant to  
14 perform bank reconciliations and general ledger account  
15 reconciliations on a monthly basis; the finance director  
16 shall review these reconciliations and provide them to the  
17 treasurer and the finance committee on a monthly basis;

18 (11) establish policies to ensure the proper  
19 segregation of the financial duties performed by  
20 employees;

21 (12) restrict access to the established accounting  
22 systems and general ledger systems and provide for adequate  
23 segregation of duties so that no single person has sole  
24 access and control over the accounting system or the  
25 general ledger system;

26 (13) require that the finance director review and

1 approve all manual journal entries and supporting  
2 documentation; the treasurer shall review and approve the  
3 finance director's review and approval of manual journal  
4 entries and supporting documentation;

5 (14) require that the finance director closely monitor  
6 the progress of construction projects;

7 (15) require that the finance director carefully  
8 document any GAAP analysis or communications with GASB and  
9 provide full and timely reports for the same to the finance  
10 committee; ~~and~~

11 (16) retain an outside independent auditor to perform a  
12 comprehensive audit of the water commission's financial  
13 activities for each fiscal year in conformance with the  
14 standard practices of the Association of Governmental  
15 Auditors; within 30 days after the independent audit is  
16 completed, the results of the audit must be sent to the  
17 county auditor; and.

18 (17) on or after the effective date of this amendatory  
19 Act of the 99th General Assembly, to bill for any utility  
20 service, including previously unbilled service, supplied  
21 to a residential customer or non-residential customer  
22 within 24 months after the provision of that service to the  
23 customer. The time limit of this paragraph shall not apply  
24 to previously unbilled service attributed to tampering,  
25 theft of service, fraud, or the customer preventing the  
26 utility's recorded efforts to obtain an accurate reading of

1           the meter. The commission shall not intentionally delay  
2           billing beyond the normal bill cycle.

3           (Source: P.A. 96-1389, eff. 7-29-10.)

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