99TH GENERAL ASSEMBLY

State of Illinois

2015 and 2016

HB6629

by Rep. Patricia R. Bellock

SYNOPSIS AS INTRODUCED:

65 ILCS 5/Art. 11 Div. 150.1 heading new 65 ILCS 5/11-150.1-1 new 220 ILCS 5/9-246 new 225 ILCS 320/35.5 new 415 ILCS 5/17.11 new 415 ILCS 5/19.3 from Ch. 111 1/2, par. 1019.3

Amends the Environmental Protection Act. Provides that beginning July 1, 2017 owners or operators of specified community water systems shall conduct specified sampling and testing of water at high-risk facilities in their distribution system. Provides that the owners or operators shall develop specified inventories of their distribution system. Provides that beginning July 1, 2017, the Environmental Protection Agency may conduct audits of the specified inventories. Contains notification requirements for owners and operators of community water systems. Provides that the Public Water Supply Loan Program shall provide specified financial assistance to community water supplies pursuant to specified provisions of the federal Safe Drinking Water Act. Defines terms. Amends the Illinois Municipal Code and Public Utilities Code to provide that municipalities and public utilities may collect a specified fee to recover costs related to complying with specified provisions of the Environmental Protection Act and Illinois Plumbing Licensing Law. Amends the Illinois Plumbing Licensing Law. Adds provisions concerning protection from plumbing-related lead hazards in high-risk facilities. Provides that the owner or operator of each day care center that was constructed in whole or part before January 1, 1987, and the chief school administrator of each school that was constructed in whole or part before January 1, 1987, shall, as soon as practicable after the effective date, develop a specified water management plan for each high-risk facility over which he or she exercises ownership or control. Provides that the Department of Public Health shall, as soon as practicable after the effective date, but no later than June 30, 2018, adopt rule specified rules concerning high-risk facilities, specified inventories, and specified notifications. Defines terms. Effective immediately.

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A BILL FOR

1 AN ACT concerning safety.

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

Section 5. The Illinois Municipal Code is amended by adding
Division heading 150.1 of Article 11 and Section 11-150.1-1 as
follows:

(65 ILCS 5/Art. 11 Div. 150.1 heading new)

8 DIVISION 150.1. LEAD HAZARD COST RECOVERY FEE

9 (65 ILCS 5/11-150.1-1 new)

10 Sec. 11-150.1-1. Lead hazard cost recovery fee. The 11 corporate authorities of any municipality that operates a 12 waterworks system and that incurs reasonable costs to comply 13 with Section 17.11 of the Environmental Protection Act or rules adopted by the Department of Public Health under Section 35.5 14 15 of the Illinois Plumbing License Law shall have the authority, by ordinance, to collect a fair and reasonable fee from users 16 17 of the system in order to recover those costs. Fees collected 18 pursuant to this Section shall be used exclusively for the purpose of complying with Section 17.11 of the Environmental 19 20 Protection Act and rules adopted by the Department of Public 21 Health under Section 35.5 of the Illinois Plumbing License Law.

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- Section 10. The Public Utilities Act is amended by adding
 Section 9-246 as follows:
- 3 (220 ILCS 5/9-246 new)
 4 Sec. 9-246. Rates; lead hazard cost recovery by
 5 investor-owned water utilities. In determining the rates for an
 6 investor-owned public utility engaged in providing water
 7 service, the Commission shall allow the utility to recover

8 <u>annually any reasonable costs incurred by the utility to comply</u> 9 <u>with Section 17.11 of the Environmental Protection Act and any</u> 10 <u>reasonable costs incurred by the utility to comply with rules</u> 11 <u>adopted by the Department of Public Health under Section 35.5</u> 12 of the Illinois Plumbing License Law.

Section 15. The Illinois Plumbing License Law is amended by adding Section 35.5 as follows:

15	(225 ILCS 320/35.5 new)
16	Sec. 35.5. Protection from plumbing-related lead hazards
17	in high-risk facilities.
18	(a) Because the appropriate management of water is among
19	the most cost-effective ways to reduce plumbing-related lead
20	exposures at high-risk facilities in the State, the owner or
21	operator of each day care center that was constructed in whole
22	or part before January 1, 1987, and the chief school
23	administrator of each school that was constructed in whole or

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part before January 1, 1987, shall, as soon as practicable 1 2 after the effective date of this amendatory Act of the 99th 3 General Assembly, develop a water management plan for each 4 high-risk facility over which he or she exercises ownership or 5 control. The water management plan developed for a high-risk facility under this subsection may: 6 (1) identify lead-containing portions of the 7 8 facility's plumbing systems used to supply water for human 9 consumption; 10 (2) identify and assess health risks posed by those 11 portions of the facility's plumbing systems; 12 (3) specify practices to be employed, whenever 13 possible, to minimize the identified risks; and 14 (4) ensure, through regular confirmatory sampling or other practices, that the plan remains up to date, 15 16 continues operating as designed, and is effective. 17 (b) If a water management plan is developed for a high-risk facility under subsection (a) of this Section, implementation 18 19 of that plan shall commence on the implementation date 20 specified in the plan or the effective date of the rules 21 adopted by the Department under subsection (c) of this Section, 22 whichever is sooner. 23 (c) To further protect children and other members of the 24 public from any threat to health that might be posed by lead in 25 a high-risk facility's plumbing, the Department shall, as soon 26 as practicable after the effective date of this amendatory Act

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1 of the 99th General Assembly but no later than June 30, 2018, 2 adopt rules that: 3 (1) establish a program to identify, in each high-risk facility in the State, plumbing that is a lead hazard; 4 5 (2) require the water distribution system material 6 inventories that are developed under subsection (c) of 7 Section 17.11 of the Environmental Protection Act (i) to be 8 made publicly accessible and (ii) to be provided to the 9 Department and the Illinois Environmental Protection 10 Agency upon request; and 11 (3) require the owner or operator of each day care 12 center that was constructed in whole or part before January 1, 1987, and the chief school administrator of each school 13 14 that was constructed in whole or part before January 1, 15 1987, to notify all parents and legal guardians of all 16 children enrolled in the facility over which he or she exercises ownership or control, as well as all occupants of 17 the facility, within 30 days after receiving a test result 18 19 which indicates that a sample collected from the facility, 20 in accordance with the rules established by the Department, 21 exceeds a health-based standard for lead exposure that is 22 established by rule of the Department. The Department's 23 rules shall also require this notification to be provided 24 not only in English, but also in other languages, when 25 there is a demonstrated need for the notification to be 26 provided in those languages.

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1	(d) For the purposes of this Section:
2	"Day care center" has the meaning ascribed to that term in
3	Section 2.09 of the Child Care Act of 1969.
4	"High-risk facility" means (i) any day care center that was
5	constructed in whole or part before January 1, 1987, and (ii)
6	any school that was constructed in whole or part before January
7	1, 1987.
8	"Lead hazard" has the meaning ascribed to that term in
9	Section 2 of the Lead Poisoning Prevention Act.
10	"School" means any public, private, charter, or nonpublic
11	day or residential educational institution that provides
12	education from pre-kindergarten through grade 5.
13	Section 20. The Environmental Protection Act is amended by
14	changing Section 19.3 and by adding Section 17.11 as follows:
15	(415 ILCS 5/17.11 new)
16	Sec. 17.11. Lead in drinking water; prevention.
17	(a) For the purposes of this Section:
18	"Community water system" has the meaning ascribed to that
19	term in 35 Ill. Adm. Code 611.101.
20	"Day care center" means any day care center as defined in
21	Section 2.09 of the Child Care Act of 1969.
22	"First-draw sample" has the meaning ascribed to that term
23	<u>in 35 Ill. Adm. Code 611.350(b).</u>
24	"High-risk facility" means (i) any day care center that was

1 <u>constructed in whole or part before January 1, 1987, and (ii)</u> 2 <u>any school that was constructed in whole or part before January</u> 3 1, 1987.

<u>Potentially affected residence" means any residence where</u> water service is or may be temporarily interrupted or shut off on behalf of an owner or operator of a community water system because construction or repair work is to be performed on behalf of the owner or operator on a water main that is directly connected to a water service line through which the residence is supplied potable water.

11 <u>"School" means any public, private, charter, or nonpublic</u>
12 <u>day or residential educational institution that provides</u>
13 <u>education from pre-kindergarten through grade 5.</u>

14 (b) Beginning July 1, 2017, when an owner or operator of a 15 community water system arranges to collect first-draw samples 16 for purposes of complying with the Board rules that implement 17 the national primary drinking water regulations for lead and 18 copper, the owner or operator shall also arrange for a 19 first-draw sample to be collected from each high-risk facility 20 located in its distribution system and for the collected 21 samples to be analyzed for lead in the same manner as the 22 samples collected for purposes of complying with the Board 23 rules. Test results obtained shall not be used for purposes of 24 determining compliance with the Board rules. However, to 25 support the Department of Public Health's efforts under Section 35.5 of the Illinois Plumbing License Law, the owner or 26

operator of the community water system shall arrange to have the test results reported to the high-risk facility and the Department of Public Health, within 30 days after they become available.

5 (c) The owner or operator of each community water system in the State shall develop a water distribution system material 6 7 inventory that shall be made available to the Agency and the 8 Department of Public Health upon request. The distribution 9 system materials inventory shall be updated at least annually 10 and shall, at a minimum, document the composition of each 11 service connection that is made to the distribution system of 12 the community water system, based on information in the 13 possession of the community water system. The materials 14 inventory developed pursuant to this subsection (c) shall also 15 meet all requirements for water distribution system materials 16 inventories that are mandated by the United States 17 Environmental Protection Agency.

18 (d) Beginning July 1, 2017, when conducting routine 19 inspections of community water systems as required under this 20 Act, the Agency may conduct a separate audit to identify 21 progress that the community water system has made toward 22 completing the water distribution system material inventories 23 required under subsection (c) of this Section.

(e) If the owner or operator of a community water system
 becomes aware of any first-draw sample that has a lead
 concentration that is greater than or equal to 15 micrograms

per liter and that has been collected from a residence within 1 2 its distribution system, the owner or operator of the community 3 water system shall, within 30 days thereafter, both notify the owners and occupants of that residence of the test results and 4 5 provide those persons with public education materials that are comparable in content to the public education materials the 6 Board rules that implement the national primary drinking water 7 8 regulations for lead and copper require to be delivered. The 9 notification described in this subsection (e) is in addition to 10 any other notification that may be required.

11 (f) The owner or operator of a community water system 12 shall, 14 days prior to beginning planned work to repair or replace any known lead service lines or any water mains that 13 14 supply known lead service lines, notify the owners and occupants of all potentially affected residences of the planned 15 16 work. In cases where a community water system must perform 17 construction or repair work on an emergency basis or where such work is not scheduled at least 14 days prior to work taking 18 19 place, the community water system shall notify potentially 20 affected residences as soon as reasonably possible. When work 21 is to repair or replace a water meter, the notification shall 22 be provided at the time the work is initiated. The notification 23 shall include:

24 (1) a warning that the work may result in sediment,
 25 possibly containing lead, in the residence's water system;
 26 and

1	(2) information concerning best practices for
2	preventing the consumption of any lead in drinking water,
3	including a recommendation to flush water lines during and
4	after the completion of the repair or replacement work and
5	to clean faucet aerator screens. The notification
6	requirements in this subsection (f) do not apply to work
7	performed on water mains that are used to transmit treated
8	water between community water systems and have no service
9	connections.

10 (415 ILCS 5/19.3) (from Ch. 111 1/2, par. 1019.3)

11 Sec. 19.3. Water Revolving Fund.

(a) There is hereby created within the State Treasury a
Water Revolving Fund, consisting of 3 interest-bearing special
programs to be known as the Water Pollution Control Loan
Program, the Public Water Supply Loan Program, and the Loan
Support Program, which shall be used and administered by the
Agency.

18 (b) The Water Pollution Control Loan Program shall be used 19 and administered by the Agency to provide assistance for the 20 following purposes:

(1) to accept and retain funds from grant awards,
 appropriations, transfers, and payments of interest and
 principal;

(2) to make direct loans at or below market interest
 rates and to provide additional subsidization, including,

but not limited to, forgiveness of principal, negative interest rates, and grants, to any eligible local government unit to finance the construction of treatments works, including storm water treatment systems that are treatment works, and projects that fulfill federal State Revolving Fund grant requirements for a green project reserve;

8 (2.5) with respect to funds provided under the American
9 Recovery and Reinvestment Act of 2009:

10 (A) to make direct loans at or below market 11 interest rates to any eligible local government unit 12 and to provide additional subsidization to any 13 eligible local government unit, including, but not 14 limited to, forgiveness of principal, negative 15 interest rates, and grants;

16 (B) to make direct loans at or below market
17 interest rates to any eligible local government unit to
18 buy or refinance debt obligations for treatment works
19 incurred on or after October 1, 2008; and

(C) to provide additional subsidization,
 including, but not limited to, forgiveness of
 principal, negative interest rates, and grants for
 treatment works incurred on or after October 1, 2008;

(3) to make direct loans at or below market interest
rates and to provide additional subsidization, including,
but not limited to, forgiveness of principal, negative

1 interest rates, and grants, to any eligible local 2 government unit to buy or refinance debt obligations for costs incurred after March 7, 1985, for the construction of 3 treatment works, including storm water treatment systems 4 5 that are treatment works, and projects that fulfill federal 6 State Revolving Fund grant requirements for a green project 7 reserve;

8 (3.5) to make loans, including, but not limited to, 9 loans through a linked deposit program, at or below market 10 interest rates for the implementation of a management 11 program established under Section 319 of the Federal Water 12 Pollution Control Act, as amended;

13 (4) to guarantee or purchase insurance for local
14 obligations where such action would improve credit market
15 access or reduce interest rates;

16 (5) as a source of revenue or security for the payment 17 of principal and interest on revenue or general obligation 18 bonds issued by the State or any political subdivision or 19 instrumentality thereof, if the proceeds of such bonds will 20 be deposited in the Fund;

21 (6) to finance the reasonable costs incurred by the
22 Agency in the administration of the Fund;

23 (7) to transfer funds to the Public Water Supply Loan24 Program; and

25 (8) notwithstanding any other provision of this
26 subsection (b), to provide, in accordance with rules

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adopted under this Title, any other financial assistance that may be provided under Section 603 of the Federal Water Pollution Control Act for any other projects or activities eligible for assistance under that Section or federal rules adopted to implement that Section.

6 (c) The Loan Support Program shall be used and administered
7 by the Agency for the following purposes:

8 (1) to accept and retain funds from grant awards and 9 appropriations;

10 (2) to finance the reasonable costs incurred by the 11 Agency in the administration of the Fund, including 12 activities under Title III of this Act, including the 13 administration of the State construction grant program;

14 (3) to transfer funds to the Water Pollution Control
 15 Loan Program and the Public Water Supply Loan Program;

16 (4) to accept and retain a portion of the loan 17 repayments;

18 (5) to finance the development of the low interest loan 19 programs for water pollution control and public water 20 supply projects;

(6) to finance the reasonable costs incurred by the
 Agency to provide technical assistance for public water
 supplies; and

(7) to finance the reasonable costs incurred by the
 Agency for public water system supervision programs, to
 administer or provide for technical assistance through

source water protection programs, to develop and implement
 a capacity development strategy, to delineate and assess
 source water protection areas, and for an operator
 certification program in accordance with Section 1452 of
 the federal Safe Drinking Water Act.

(d) The Public Water Supply Loan Program shall be used and
administered by the Agency to provide assistance to local
government units and privately owned community water supplies
for public water supplies for the following public purposes:

10 (1) to accept and retain funds from grant awards, 11 appropriations, transfers, and payments of interest and 12 principal;

13 (2) to make direct loans at or below market interest 14 rates and to provide additional subsidization, including, 15 but not limited to, forgiveness of principal, negative 16 interest rates, and grants, to any eliqible local 17 government unit or to any eligible privately owned community water supply to finance the construction of water 18 19 supplies and projects that fulfill federal State Revolving 20 Fund grant requirements for a green project reserve;

(2.5) with respect to funds provided under the American
 Recovery and Reinvestment Act of 2009:

(A) to make direct loans at or below market
interest rates to any eligible local government unit or
to any eligible privately owned community water
supply, and to provide additional subsidization to any

eligible local government unit or to any eligible privately owned community water supply, including, but not limited to, forgiveness of principal, negative interest rates, and grants;

5 (B) to buy or refinance the debt obligation of a 6 local government unit for costs incurred on or after 7 October 1, 2008; and

8 (C) to provide additional subsidization, 9 including, but not limited to, forgiveness of 10 principal, negative interest rates, and grants for a 11 local government unit for costs incurred on or after 12 October 1, 2008;

13 (3) to make direct loans at or below market interest 14 rates and to provide additional subsidization, including, 15 but not limited to, forgiveness of principal, negative 16 interest rates, and grants, to any eligible local 17 government unit or to any eligible privately owned community water supply to buy or refinance debt obligations 18 for costs incurred on or after July 17, 1997, for the 19 20 construction of water supplies and projects that fulfill 21 federal State Revolving Fund requirements for a green 22 project reserve;

23 (4) to guarantee local obligations where such action 24 would improve credit market access or reduce interest 25 rates;

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(5) as a source of revenue or security for the payment

of principal and interest on revenue or general obligation bonds issued by the State or any political subdivision or instrumentality thereof, if the proceeds of such bonds will be deposited into the Fund; and

5 (6) to transfer funds to the Water Pollution Control
6 Loan Program; and.

7 <u>(7) notwithstanding any other provision of this</u> 8 <u>subsection (d), to provide any other financial assistance</u> 9 <u>that may be provided under Section 1452 of the Safe</u> 10 <u>Drinking Water Act for any expenditures eligible for</u> 11 <u>assistance under that Section or federal rules adopted to</u> 12 <u>implement that Section.</u>

13 (e) The Agency is designated as the administering agency of 14 the Fund. The Agency shall submit to the Regional Administrator the United States Environmental Protection Agency an 15 of 16 intended use plan which outlines the proposed use of funds 17 available to the State. The Agency shall take all actions necessary to secure to the State the benefits of the federal 18 Water Pollution Control Act and the federal Safe Drinking Water 19 20 Act, as now or hereafter amended.

(f) The Agency shall have the power to enter into intergovernmental agreements with the federal government or the State, or any instrumentality thereof, for purposes of capitalizing the Water Revolving Fund. Moneys on deposit in the Water Revolving Fund may be used for the creation of reserve funds or pledged funds that secure the obligations of repayment

of loans made pursuant to this Section. For the purpose of 1 2 obtaining capital for deposit into the Water Revolving Fund, 3 the Agency may also enter into agreements with financial institutions and other persons for the purpose of selling loans 4 5 and developing a secondary market for such loans. The Agency 6 shall have the power to create and establish such reserve funds 7 and accounts as may be necessary or desirable to accomplish its 8 purposes under this subsection and to allocate its available 9 moneys into such funds and accounts. Investment earnings on 10 moneys held in the Water Revolving Fund, including any reserve 11 fund or pledged fund, shall be deposited into the Water 12 Revolving Fund.

13 (Source: P.A. 98-782, eff. 7-23-14; 99-187, eff. 7-29-15.)

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

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