

1 AN ACT concerning safety.

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

4 Section 5. The Department of Public Health Act is amended  
5 by adding Section 5.2 as follows:

6 (20 ILCS 2305/5.2 new)

7 Sec. 5.2. Identification of plumbing-related lead hazards  
8 in schools. To protect children and other members of the public  
9 from any threat to public health that might be posed by lead in  
10 drinking water at schools, the Department of Public Health  
11 shall, as soon as practicable after the effective date of this  
12 amendatory Act of the 99th General Assembly but no later than  
13 June 30, 2018, adopt rules that (i) establish a program to  
14 identify, in each school in the State, any lead service line or  
15 lead-bearing plumbing that is a lead hazard, as defined in  
16 Section 2 of the Lead Poisoning Prevention Act, and (ii)  
17 require the mitigation of those lead hazards within a  
18 reasonable time after their identification.

19 Section 10. The Environmental Protection Act is amended by  
20 changing Sections 19.3 and 19.4 and by adding Section 17.11 as  
21 follows:

1 (415 ILCS 5/17.11 new)

2 Sec. 17.11. Lead in drinking water prevention.

3 (a) For the purposes of this Section:

4 "First-draw sample" means one liter of water volume  
5 collected at a source of potable water and prior to the  
6 sample there must be a minimum of 6 hours during which  
7 there is no water used from the source of potable water or  
8 any sources adjacent or close to that source.

9 "Non-source origination community water system" means  
10 a community water system owned by a city, village, or  
11 incorporated town that receives improved water from a  
12 source origination community water system and distributes  
13 that water outside the corporate limits of the city,  
14 village, or incorporated town that owns the source  
15 origination community water system.

16 "Potentially affected residence" means any residence  
17 where water service is or may be temporarily interrupted or  
18 shut off by the community water supply because the supply  
19 is carrying out construction or repair work.

20 "School" means any school district or public, private,  
21 charter, or nonpublic day or residential educational  
22 institution, constructed prior to 1987 that provides  
23 education from pre-kindergarten through grade 5 and  
24 receives water from a community water supply.

25 "Source of potable water" means the point at which  
26 non-bottled water exits any tap, faucet, drinking

1 fountain, or similar point of use regularly ingested by  
2 children or used for food preparation.

3 "Source origination community water system" means a  
4 community water system owned by a city, village, or  
5 incorporated town that operates a waterworks whereby a  
6 source of water from a lake, river, or other source is  
7 treated at the waterworks and furnished to a non-source  
8 origination community water system that operates outside  
9 the corporate limits of the city, village, or incorporated  
10 town.

11 (b) Prior to December 31, 2019, schools shall collect and  
12 the owner or operator of a community water supply shall analyze  
13 for lead a first-draw sample from representative sources of  
14 potable water located at each school within the community water  
15 supply distribution system. Representative sources of potable  
16 water shall include at least one sample from each unique model  
17 of drinking fountain or fixture that provides potable water.  
18 The community water supply shall provide the school with  
19 technical assistance to determine the sampling locations that  
20 are most representative of the sources of potable water at each  
21 school. The community water supply shall supply each school  
22 with the sampling instructions and equipment necessary to  
23 collect all required lead samples. Lead sampling results  
24 obtained shall not be used for purposes of determining  
25 compliance with the Board rules that implement the national  
26 primary drinking water regulations for lead and copper. The

1 community water supply shall submit all lead sampling results  
2 to the school and the Department of Public Health within 7  
3 business days of receipt of the results. If any sample exceeds  
4 the lead action level of 15 parts per billion (15 micrograms  
5 per liter), the school shall promptly notify the parents or  
6 legal guardians of all enrolled students of the exceedance and  
7 its location within the school and direct them to the United  
8 States Environmental Protection Agency's website for  
9 information about lead in drinking water.

10 An investor-owned water utility shall be allowed to  
11 annually recover expenditures associated with this Section  
12 through its rates.

13 (c) Within 180 days after the effective date of this  
14 amendatory Act of the 99th General Assembly, the owner or  
15 operator of a community water supply shall develop and submit  
16 to the Department of Public Health a plan to compile a  
17 comprehensive inventory of all lead service lines within the  
18 community water supply distribution system including privately  
19 owned lead service lines. At a minimum, the plan shall include:

20 (1) a procedure for determining whether any water  
21 service lines exposed as a result of construction or  
22 excavation by the community water supply or any other  
23 public utility are made of lead; and

24 (2) a procedure by which the owner or operator of the  
25 community water supply will update the information in its  
26 lead service line inventory on at least an annual basis.

1       The owner or operator of a community water supply shall  
2 implement the lead service line inventory development plan in  
3 accordance with its terms.

4       (d) On or before April 15 of each year, the owner or  
5 operator of a community water supply shall submit to the  
6 Department of Public Health an inventory of all known lead  
7 service lines within its community water supply distribution  
8 system, including privately owned lead service lines current  
9 through at least the end of the previous calendar year. The  
10 lead service line inventory shall separately identify the lead  
11 service lines that were added to the inventory after the  
12 previous year's submission and shall include a summary that  
13 provides:

14           (1) the total number of service lines within the  
15 community water supply distribution system;

16           (2) the percentage of service lines that are known to  
17 contain lead;

18           (3) the percentage of service lines that are known to  
19 be of a material other than lead; and

20           (4) the percentage of service lines added to the  
21 inventory after the previous submission of the annual lead  
22 service line inventory.

23       (e) Beginning January 1, 2017, when conducting routine  
24 inspections of community water supplies as required under this  
25 Act, the Agency may conduct a separate audit to identify  
26 progress that the community water supply has made toward

1 completing the material inventories required under this  
2 Section.

3 (f) The owner or operator of a community water supply shall  
4 promptly notify the owners and occupants of a residence where  
5 sampling results show lead levels in any individual tap sample  
6 exceed 15 parts per billion (15 micrograms per liter) and shall  
7 also provide public education materials comparable in content  
8 to the public education materials that the Board rules require  
9 to be delivered when a supplier exceeds the lead action level.

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

22 (1) a warning that the work may result in sediment,  
23 possibly containing lead, in the residence's water supply;  
24 and

25 (2) information concerning best practices for  
26 preventing the consumption of any lead in drinking water,

1 including a recommendation to flush water lines during and  
2 after the completion of the repair or replacement work and  
3 to clean faucet aerator screens.

4 (h) A source origination community water system's  
5 obligation to comply with this Section is limited  
6 geographically to any and all activity that occurs within the  
7 corporate limits of the city, village, or incorporated town  
8 that owns or operates the source origination community water  
9 system. Once a source origination community water system has  
10 furnished water to a non-source origination community water  
11 system, it is the sole responsibility of that system to comply  
12 with and implement the provisions of this Section. Nothing in  
13 this Section shall relieve a community water system of its  
14 obligations under the Public Water Supply Operations Act.

15 (415 ILCS 5/19.3) (from Ch. 111 1/2, par. 1019.3)

16 Sec. 19.3. Water Revolving Fund.

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

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

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

4           (2) to make direct loans at or below market interest  
5           rates and to provide additional subsidization, including,  
6           but not limited to, forgiveness of principal, negative  
7           interest rates, and grants, to any eligible local  
8           government unit to finance the construction of treatments  
9           works, including storm water treatment systems that are  
10          treatment works, ~~and~~ projects that fulfill federal State  
11          Revolving Fund grant requirements for a green project  
12          reserve, and sampling and replacement of lead pipes and  
13          fixtures in schools;

14          (2.5) with respect to funds provided under the American  
15          Recovery and Reinvestment Act of 2009:

16                (A) to make direct loans at or below market  
17                interest rates to any eligible local government unit  
18                and to provide additional subsidization to any  
19                eligible local government unit, including, but not  
20                limited to, forgiveness of principal, negative  
21                interest rates, and grants;

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

26                (C) to provide additional subsidization,



1 including, but not limited to, forgiveness of  
2 principal, negative interest rates, and grants for  
3 treatment works incurred on or after October 1, 2008;

4 (3) to make direct loans at or below market interest  
5 rates and to provide additional subsidization, including,  
6 but not limited to, forgiveness of principal, negative  
7 interest rates, and grants, to any eligible local  
8 government unit to buy or refinance debt obligations for  
9 costs incurred after March 7, 1985, for the construction of  
10 treatment works, including storm water treatment systems  
11 that are treatment works, and projects that fulfill federal  
12 State Revolving Fund grant requirements for a green project  
13 reserve;

14 (3.5) to make loans, including, but not limited to,  
15 loans through a linked deposit program, at or below market  
16 interest rates for the implementation of a management  
17 program established under Section 319 of the Federal Water  
18 Pollution Control Act, as amended;

19 (4) to guarantee or purchase insurance for local  
20 obligations where such action would improve credit market  
21 access or reduce interest rates;

22 (5) as a source of revenue or security for the payment  
23 of principal and interest on revenue or general obligation  
24 bonds issued by the State or any political subdivision or  
25 instrumentality thereof, if the proceeds of such bonds will  
26 be deposited in the Fund;

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

3           (7) to transfer funds to the Public Water Supply Loan  
4 Program; and

5           (8) notwithstanding any other provision of this  
6 subsection (b), to provide, in accordance with rules  
7 adopted under this Title, any other financial assistance  
8 that may be provided under Section 603 of the Federal Water  
9 Pollution Control Act for any other projects or activities  
10 eligible for assistance under that Section or federal rules  
11 adopted to implement that Section.

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

14           (1) to accept and retain funds from grant awards and  
15 appropriations;

16           (2) to finance the reasonable costs incurred by the  
17 Agency in the administration of the Fund, including  
18 activities under Title III of this Act, including the  
19 administration of the State construction grant program;

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

22           (4) to accept and retain a portion of the loan  
23 repayments;

24           (5) to finance the development of the low interest loan  
25 programs for water pollution control and public water  
26 supply projects;

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

4           (7) to finance the reasonable costs incurred by the  
5 Agency for public water system supervision programs, to  
6 administer or provide for technical assistance through  
7 source water protection programs, to develop and implement  
8 a capacity development strategy, to delineate and assess  
9 source water protection areas, and for an operator  
10 certification program in accordance with Section 1452 of  
11 the federal Safe Drinking Water Act.

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

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

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

1 (2.5) with respect to funds provided under the American  
2 Recovery and Reinvestment Act of 2009:

3 (A) to make direct loans at or below market  
4 interest rates to any eligible local government unit or  
5 to any eligible privately owned community water  
6 supply, and to provide additional subsidization to any  
7 eligible local government unit or to any eligible  
8 privately owned community water supply, including, but  
9 not limited to, forgiveness of principal, negative  
10 interest rates, and grants;

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

14 (C) to provide additional subsidization,  
15 including, but not limited to, forgiveness of  
16 principal, negative interest rates, and grants for a  
17 local government unit for costs incurred on or after  
18 October 1, 2008;

19 (3) to make direct loans at or below market interest  
20 rates and to provide additional subsidization, including,  
21 but not limited to, forgiveness of principal, negative  
22 interest rates, and grants, to any eligible local  
23 government unit or to any eligible privately owned  
24 community water supply to buy or refinance debt obligations  
25 for costs incurred on or after July 17, 1997, for the  
26 construction of water supplies and projects that fulfill

1 federal State Revolving Fund requirements for a green  
2 project reserve;

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

6 (5) as a source of revenue or security for the payment  
7 of principal and interest on revenue or general obligation  
8 bonds issued by the State or any political subdivision or  
9 instrumentality thereof, if the proceeds of such bonds will  
10 be deposited into the Fund; and

11 (6) to transfer funds to the Water Pollution Control  
12 Loan Program.

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

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

1 of loans made pursuant to this Section. For the purpose of  
2 obtaining capital for deposit into the Water Revolving Fund,  
3 the Agency may also enter into agreements with financial  
4 institutions and other persons for the purpose of selling loans  
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.)

14 (415 ILCS 5/19.4) (from Ch. 111 1/2, par. 1019.4)

15 Sec. 19.4. Regulations; priorities.

16 (a) The Agency shall have the authority to promulgate  
17 regulations for the administration of this Title, including,  
18 but not limited to, rules setting forth procedures and criteria  
19 concerning loan applications and the issuance of loans. For  
20 loans to units of local government, the regulations shall  
21 include, but need not be limited to, the following elements:

22 (1) loan application requirements;

23 (2) determination of credit worthiness of the loan  
24 applicant;

25 (3) special loan terms, as necessary, for securing the

- 1           repayment of the loan;
- 2           (4) assurance of payment;
- 3           (5) interest rates;
- 4           (6) loan support rates;
- 5           (7) impact on user charges;
- 6           (8) eligibility of proposed construction;
- 7           (9) priority of needs;
- 8           (10) special loan terms for disadvantaged communities;
- 9           (11) maximum limits on annual distributions of funds to
- 10          applicants or groups of applicants;
- 11          (12) penalties for noncompliance with loan
- 12          requirements and conditions, including stop-work orders,
- 13          termination, and recovery of loan funds; and
- 14          (13) indemnification of the State of Illinois and the
- 15          Agency by the loan recipient.

16          (b) The Agency shall have the authority to promulgate

17          regulations to set forth procedures and criteria concerning

18          loan applications for loan recipients other than units of local

19          government. In addition to all of the elements required for

20          units of local government under subsection (a), the regulations

21          shall include, but need not be limited to, the following

22          elements:

- 23                 (1) types of security required for the loan;
- 24                 (2) types of collateral, as necessary, that can be
- 25                 pledged for the loan; and
- 26                 (3) staged access to fund privately owned community

1 water supplies.

2 (c) Rules adopted under this Title shall also include, but  
3 shall not be limited to, criteria for prioritizing the issuance  
4 of loans under this Title according to applicant need. Priority  
5 in making loans from the Public Water Supply Loan Program must  
6 first be given to local government units and privately owned  
7 community water supplies that need to make capital improvements  
8 to protect human health and to achieve compliance with the  
9 State and federal primary drinking water standards adopted  
10 pursuant to this Act and the federal Safe Drinking Water Act,  
11 as now and hereafter amended. Rules for prioritizing loans from  
12 the Water Pollution Control Loan Program may include, but shall  
13 not be limited to, criteria designed to encourage green  
14 infrastructure, water efficiency, environmentally innovative  
15 projects, ~~and~~ nutrient pollution removal, and lead sampling and  
16 removal.

17 (d) The Agency shall have the authority to promulgate  
18 regulations to set forth procedures and criteria concerning  
19 loan applications for funds provided under the American  
20 Recovery and Reinvestment Act of 2009. In addition, due to time  
21 constraints in the American Recovery and Reinvestment Act of  
22 2009, the Agency shall adopt emergency rules as necessary to  
23 allow the timely administration of funds provided under the  
24 American Recovery and Reinvestment Act of 2009. Emergency rules  
25 adopted under this subsection (d) shall be adopted in  
26 accordance with Section 5-45 of the Illinois Administrative



1 Procedure Act.

2 (e) The Agency may adopt rules to create a linked deposit  
3 loan program through which loans made pursuant to paragraph  
4 (3.5) of subsection (b) of Section 19.3 may be made through  
5 private lenders. Rules adopted under this subsection (e) shall  
6 include, but shall not be limited to, provisions requiring  
7 private lenders, prior to disbursing loan proceeds through the  
8 linked deposit loan program, to verify that the loan recipients  
9 have been approved by the Agency for financing under paragraph  
10 (3.5) of subsection (b) of Section 19.3.  
11 (Source: P.A. 98-782, eff. 7-23-14.)

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