



100TH GENERAL ASSEMBLY

State of Illinois

2017 and 2018

SB1471

Introduced 2/9/2017, by Sen. Michael Connelly

SYNOPSIS AS INTRODUCED:

See Index

Amends the Special Service Area Tax Law in the Property Tax Code. Provides that a list of the names and addresses of the individuals and entities receiving a mailed notice of the public hearing concerning the establishment of a special service area shall be published at the time notice is given and shall be available at the public hearing. Provides that the following current provisions are limits on the concurrent exercise of home rule powers: a section providing that no member of a special service area commission may be an owner or board member of the service provider agency selected for that special service area, a section providing that no business owned by a member of a special service area commission or an employee of the municipality may provide goods or services in connection with the special service area, a section providing that at least one member of the special service area commission shall be an owner of homestead property located within the special service area, a section providing that special service area commissions may not establish a loan or line of credit in connection with the special service area, and a section providing that special service area commissions shall submit an audit of the special service area to the corporate authorities of the municipality at least annually. Contains provisions concerning the expiration of special service areas. Effective immediately.

LRB100 09257 HLH 19413 b

FISCAL NOTE ACT
MAY APPLY

HOME RULE NOTE
ACT MAY APPLY

HOUSING
AFFORDABILITY
IMPACT NOTE ACT
MAY APPLY

A BILL FOR

1 AN ACT concerning revenue.

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

4 Section 5. The Property Tax Code is amended by changing
5 Sections 27-30, 27-55, 27-100, 27-105, 27-110, and 27-115 and
6 by adding Section 27-130 as follows:

7 (35 ILCS 200/27-30)

8 Sec. 27-30. Manner of notice. Prior to or within 60 days
9 after the adoption of the ordinance proposing the establishment
10 of a special service area the municipality or county shall fix
11 a time and a place for a public hearing. The public hearing
12 shall be held not less than 60 days after the adoption of the
13 ordinance proposing the establishment of a special service
14 area. Notice of the hearing shall be given by publication and
15 mailing, except that notice of a public hearing to propose the
16 establishment of a special service area for weather
17 modification purposes may be given by publication only. Notice
18 by publication shall be given by publication at least once not
19 less than 15 days prior to the hearing in a newspaper of
20 general circulation within the municipality or county. Notice
21 by mailing shall be given by depositing the notice in the
22 United States mails addressed to the person or persons in whose
23 name the general taxes for the last preceding year were paid on

1 each property lying within the special service area. A notice
2 shall be mailed not less than 10 days prior to the time set for
3 the public hearing. In the event taxes for the last preceding
4 year were not paid, the notice shall be sent to the person last
5 listed on the tax rolls prior to that year as the owner of the
6 property. A list of the names and addresses of the individuals
7 and entities to whom the notice will be sent by mail shall be
8 published at the time notice is given and shall be available at
9 the public hearing.

10 (Source: P.A. 97-1053, eff. 1-1-13.)

11 (35 ILCS 200/27-55)

12 Sec. 27-55. Authorization ~~Objection~~ petition.
13 Notwithstanding any other provision of law, on and after the
14 effective date of this amendatory Act of the 100th General
15 Assembly, no special service area may be created or enlarged;
16 no special service area tax may be levied, imposed, or
17 increased; and no bonds may be issued for the provision of
18 special services within the area, unless ~~if~~ a petition signed
19 by at least 51% of the taxpayers of record of all property
20 ~~electors residing~~ within the special service area or ~~and~~ by at
21 least 51% of the taxpayers ~~owners~~ of record of the land
22 included within the boundaries of the special service area is
23 filed with the municipal clerk or county clerk, as the case may
24 be, authorizing ~~within 60 days following the final adjournment~~
25 ~~of the public hearing, objecting to~~ the creation of the special

1 service district, the enlargement of the area, the levy or
2 imposition of a tax or the issuance of bonds for the provision
3 of special services to the area, or to a proposed increase in
4 the tax rate, as the case may be. The petition must be filed
5 within 60 days following the final adjournment of the public
6 hearing. Only one taxpayer of record may sign an authorization
7 petition for any single property index number within the
8 proposed special service area. For the purposes of signing the
9 petition, "taxpayer of record" means either (i) any person in
10 whose name the general taxes for the last preceding year were
11 paid, as demonstrated by a copy of the tax bill or
12 documentation from the assessor or clerk, or (ii) any person in
13 whose name title is held, as demonstrated by a copy of the last
14 recorded deed to the property. Any authorized agent may sign a
15 petition on behalf of an entity, and that person's
16 certification of his or her authority to sign shall be
17 presumptive evidence of his or her authority to sign. A
18 beneficiary of a land trust may sign the petition with respect
19 to the property held by that land trust, and that person's
20 certification that he or she is a beneficiary shall be
21 presumptive evidence of his or her authorization to sign.
22 ~~Taxpayers, the district shall not be created or enlarged, or~~
23 ~~the tax shall not be levied or imposed nor the rate increased,~~
24 ~~or no bonds may be issued. The subject matter of the petition~~
25 ~~shall not be proposed relative to any signatories of the~~
26 ~~petition within the next 2 years. Each resident of the special~~

1 ~~service area registered to vote at the time of the public~~
2 ~~hearing held with regard to the special service area shall be~~
3 ~~considered an elector. Each person in whose name legal title to~~
4 ~~land included within the boundaries of the special service area~~
5 ~~is held according to the records of the county in which the~~
6 ~~land is located shall be considered an owner of record. Owners~~
7 of record shall be determined at the time of the public hearing
8 held with regard to a special service area. ~~Land owned in the~~
9 ~~name of a land trust, corporation, estate or partnership shall~~
10 ~~be considered to have a single owner of record.~~

11 (Source: P.A. 82-640; 88-455.)

12 (35 ILCS 200/27-100)

13 Sec. 27-100. Special service area commissions.

14 (a) Notwithstanding any other provision of law, no member
15 of a special service area commission may be an executive
16 officer, owner, or member of the board of directors of the
17 service provider agency selected for a services contract for
18 that special service area.

19 (b) Notwithstanding any other provision of law, no business
20 owned by a member of a special service area commission may, for
21 valuable consideration, provide goods or services as a
22 subcontractor of a service provider agency pursuant to a
23 services contract for the special service area that is the
24 subject of that special service area commission. No business
25 owned by an employee or elected official of a municipality may,

1 for valuable consideration, provide goods or services as a
2 subcontractor of a service provider agency pursuant to a
3 services contract for any special service area located within
4 that municipality.

5 (c) At least one membership position for a special service
6 area commission in a special service area which contains one or
7 more homestead properties, as defined in Section 15-175, shall
8 be reserved as a first priority membership position for any
9 owner of homestead property located within such special service
10 area.

11 (d) A home rule unit may not establish or maintain a
12 special service area commission in a manner inconsistent with
13 this Section. This Section is a limitation under subsection (i)
14 of Section 6 of Article VII of the Illinois Constitution on the
15 concurrent exercise by home rule units of powers and functions
16 exercised by the State.

17 (Source: P.A. 99-930, eff. 1-20-17.)

18 (35 ILCS 200/27-105)

19 Sec. 27-105. Lines of credit. Special service area
20 commissions may not establish a loan or line of credit in
21 connection with the special service area. Service provider
22 agencies in those municipalities may establish a loan or line
23 of credit in connection with the special service area; however,
24 financing under this Section may not be secured by future tax
25 revenue generated by the special service area. A home rule unit

1 may not regulate lines of credit for special service areas in a
2 manner inconsistent with this Section. This Section is a
3 limitation under subsection (i) of Section 6 of Article VII of
4 the Illinois Constitution on the concurrent exercise by home
5 rule units of powers and functions exercised by the State.

6 (Source: P.A. 99-930, eff. 1-20-17.)

7 (35 ILCS 200/27-110)

8 Sec. 27-110. Special service area moneys used in the next
9 fiscal year. Notwithstanding any other provision of law, if
10 there is excess money remaining in a special service area fund
11 at the end of a fiscal year, then the corporate authorities may
12 authorize the use of that excess money to provide special
13 services within the special service area in the next fiscal
14 year, provided that the total amount used for purposes other
15 than capital expenditures may not exceed 25% of the previous
16 fiscal year's budget for the special service area. A home rule
17 unit may not regulate the use of special service area moneys in
18 a manner inconsistent with this Section. This Section is a
19 limitation under subsection (i) of Section 6 of Article VII of
20 the Illinois Constitution on the concurrent exercise by home
21 rule units of powers and functions exercised by the State.

22 (Source: P.A. 99-930, eff. 1-20-17.)

23 (35 ILCS 200/27-115)

24 Sec. 27-115. Special service area audits. Each special

1 service area commission shall cause an audit of the funds and
2 accounts of the special service area to be submitted to the
3 corporate authorities of the municipality at least annually.
4 The audit shall be made in accordance with generally accepted
5 auditing standards. A home rule unit may not regulate special
6 service area audits in a manner inconsistent with this Section.
7 This Section is a limitation under subsection (i) of Section 6
8 of Article VII of the Illinois Constitution on the concurrent
9 exercise by home rule units of powers and functions exercised
10 by the State.

11 (Source: P.A. 99-930, eff. 1-20-17.)

12 (35 ILCS 200/27-130 new)

13 Sec. 27-130. Terms of special service areas.
14 Notwithstanding any other provision of law, each special
15 service area established on or after the effective date of this
16 amendatory Act of the 100th General Assembly shall expire on
17 December 31 of the tenth levy year after the special service
18 area takes effect, unless an earlier date is specified in the
19 ordinance proposing the establishment of the special service
20 area. A special service area established on or after the
21 effective date of this amendatory Act of the 100th General
22 Assembly may be renewed once for an additional period of not
23 more than 15 years if a petition proposing the extension signed
24 by at least 20% of the electors residing within the special
25 service area and by at least 20% of the owners of record of the

1 land included within the boundaries of the special service area
2 is filed with the municipal clerk not less than 60 days prior
3 to expiration of the special service area. This Section is a
4 limitation under subsection (i) of Section 6 of Article VII of
5 the Illinois Constitution on the concurrent exercise by home
6 rule units of powers and functions exercised by the State.

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

1 INDEX

2 Statutes amended in order of appearance

- 3 35 ILCS 200/27-30
- 4 35 ILCS 200/27-55
- 5 35 ILCS 200/27-100
- 6 35 ILCS 200/27-105
- 7 35 ILCS 200/27-110
- 8 35 ILCS 200/27-115
- 9 35 ILCS 200/27-130 new