



Sen. Thomas Cullerton

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1 AMENDMENT TO SENATE BILL 494

2 AMENDMENT NO. _____. Amend Senate Bill 494, AS AMENDED, by
3 replacing everything after the enacting clause with the
4 following:

5 "Section 5. The Counties Code is amended by adding Division
6 5-44 to Article 5 and Sections 5-44005, 5-44010, 5-44015,
7 5-44020, 5-44025, 5-44030, 5-44035, 5-44040, 5-44045, 5-44050,
8 and 5-44055 as follows:

9 (55 ILCS 5/Div. 5-44 heading new)

10 Division 5-44. Local Government Reduction and Efficiency

11 (55 ILCS 5/5-44005 new)

12 Sec. 5-44005. Findings and purpose.

13 (a) The General Assembly finds:

14 (1) Illinois has more units of local government than
15 any other state.

1 (2) The large number of units of local government
2 results in the inefficient delivery of governmental
3 services at a higher cost to taxpayers.

4 (3) In a number of cases, units of local government
5 provide services that are duplicative in nature, as they
6 are provided by other units of local government.

7 (4) It is in the best interest of taxpayers that more
8 efficient service delivery structures be established in
9 order to replace units of local government that are not
10 financially sustainable.

11 (5) Units of local government managed by appointed
12 governing boards not directly accountable to the
13 electorate can encourage a lack of oversight and
14 complacency that is not in the best interest of taxpayers.

15 (6) Various provisions of Illinois law governing the
16 dissolution of units of local government are inconsistent
17 and outdated.

18 (7) The lack of a streamlined method to consolidate
19 government functions and to dissolve units of local
20 government results in an unfair tax burden on the citizens
21 of the State of Illinois residing in those units of local
22 government and prevents the expenditure of limited public
23 funds for critical programs and services.

24 (b) The purpose of this Act is to provide county boards
25 with supplemental authority regarding the dissolution of units
26 of local government and the consolidation of governmental

1 functions.

2 (55 ILCS 5/5-44010 new)

3 Sec. 5-44010. Applicability. The powers and authorities
4 provided by this Division 5-44 apply only to counties with a
5 population of more than 900,000 and less than 3,000,000 that
6 are contiguous to a county with a population of more than
7 3,000,000 and units of local government within such counties.

8 (55 ILCS 5/5-44015 new)

9 Sec. 5-44015. Powers; supplemental. The Sections of this
10 Division 5-44 are intended to be supplemental and in addition
11 to all other powers and authorities granted to any county
12 board, shall be construed liberally, and shall not be construed
13 as a limitation of any power or authority otherwise granted.

14 (55 ILCS 5/5-44020 new)

15 Sec. 5-44020. Definitions. In this Division 5-44:

16 "Fire protection jurisdiction" means a fire protection
17 district, municipal fire department, or service organized
18 under Section 5-1056.1 of the Counties Code, Sections 195 and
19 200 of the Township Code, Section 10-2.1 of the Illinois
20 Municipal Code, or the Illinois Fire Protection District Act.

21 "Governing board" means the individual or individuals who
22 constitute the corporate authorities of a unit of local
23 government; and

1 "Unit of local government" or "unit" means any unit of
2 local government located entirely within one county, to which
3 the county board chairman or county executive directly appoints
4 a majority of its governing board with the advice and consent
5 of the county board, but shall not include a fire protection
6 district that directly employs any regular full-time employees
7 or a special district organized under the Water Commission Act
8 of 1985.

9 (55 ILCS 5/5-44025 new)

10 Sec. 5-44025. Dissolution of units of local government.

11 (a) A county board may, by ordinance, propose the
12 dissolution of a unit of local government. The ordinance shall
13 detail the purpose and cost savings to be achieved by such
14 dissolution, and be published in a newspaper of general
15 circulation served by the unit of local government and on the
16 county's website, if applicable.

17 (b) Upon the effective date of an ordinance enacted
18 pursuant to subsection (a) of this Section, the chairman of the
19 county board shall cause an audit of all claims against the
20 unit, all receipts of the unit, the inventory of all real and
21 personal property owned by the unit or under its control or
22 management, and any debts owed by the unit. The chairman may,
23 at his or her discretion, undertake any other audit or
24 financial review of the affairs of the unit. The person or
25 entity conducting such audit shall report the findings of the

1 audit to the county board and to the chairman of the county
2 board within 30 days.

3 (c) Following the return of the audit report required by
4 subsection (b) of this Section, the county board may adopt an
5 ordinance dissolving the unit 150 days following the effective
6 date of the ordinance. Upon adoption of the ordinance, but
7 prior to its effective date, the chairman of the county board
8 shall petition the circuit court for an order designating a
9 trustee-in-dissolution for the unit, immediately terminating
10 the terms of the members of the governing board of the unit of
11 local government on the effective date of the ordinance, and
12 providing for the compensation of the trustee, which shall be
13 paid from the corporate funds of the unit.

14 (d) Upon the effective date of an ordinance enacted under
15 subsection (c) of this Section, and notwithstanding any other
16 provision of law, the State's attorney, or his or her designee,
17 shall become the exclusive legal representative of the
18 dissolving unit of local government. The county treasurer shall
19 become the treasurer of the unit of local government and the
20 county clerk shall become the secretary of the unit of local
21 government.

22 (55 ILCS 5/5-44030 new)

23 Sec. 5-44030. Trustee-in-dissolution; powers and duties.

24 (a) The trustee-in-dissolution shall have the following
25 powers and duties:

1 (1) to execute all of the powers and duties of the
2 previous board;

3 (2) to levy and rebate taxes, subject to the approval
4 of the county board, for the purpose of paying the debts,
5 obligations, and liabilities of the unit that are
6 outstanding on the date of the dissolution and the
7 necessary expenses of closing up the affairs of the
8 district if these funds are not available from the unit of
9 local government's general fund;

10 (3) to present, within 30 days of his or her
11 appointment, a plan for the consolidation and dissolution
12 of the unit of local government to the county board for its
13 approval. The plan shall identify what functions, if any,
14 of the unit of local government shall be undertaken by the
15 county upon dissolution and whether any taxes previously
16 levied for the provision of these functions shall be
17 maintained;

18 (4) to enter into an intergovernmental agreement with
19 one or more governmental entities to utilize existing
20 resources including, but not limited to, labor, materials,
21 and property, as may be needed to carry out the foregoing
22 duties;

23 (5) to enter into an intergovernmental agreement with
24 the county to combine or transfer any of the powers,
25 privileges, functions, or authority of the unit of local
26 government to the county as may be required to facilitate

1 the transition; and

2 (6) to sell the property of the unit and, in case any
3 excess remains after all liabilities of the unit are paid,
4 the excess shall be transferred to a special fund created
5 and maintained by the county treasurer to be expended
6 solely to defer the costs incurred by the county in
7 performing the duties of the unit, subject to the
8 requirements of Section 5-44035 of this Division. Nothing
9 in this Section shall prohibit the county from acquiring
10 any or all real or personal property of the district.

11 (b) For fire protection jurisdictions, the
12 trustee-in-dissolution shall not have:

13 (1) the powers enumerated in this Section unless the
14 dissolution of that unit of local government shall not
15 increase the average response times nor decrease the level
16 of services provided; and

17 (2) the power to decrease the levy that is in effect on
18 or before the date of dissolution of the fire protection
19 jurisdiction that affects the provision of fire and
20 emergency medical services.

21 (55 ILCS 5/5-44035 new)

22 Sec. 5-44035. Outstanding indebtedness.

23 (a) In case any unit dissolved pursuant to this Division
24 has bonds or notes outstanding that are a lien on funds
25 available in the treasury at the time of consolidation, such

1 lien shall be unimpaired by such dissolution and the lien shall
2 continue in favor of the bond or note holders. The funds
3 available subject to such a lien shall be set apart and held
4 for the purpose of retiring such secured debt and no such funds
5 shall be transferred into the general funds of the county.

6 (b) In case any unit dissolved pursuant to this Division
7 has unsecured debts outstanding at the time of dissolution, any
8 funds in the treasury of such unit or otherwise available and
9 not committed shall, to the extent necessary, be applied to the
10 payment of such debts.

11 (c) All property in the territory served by the dissolved
12 unit of government shall be subject to taxation to pay the
13 debts, bonds, and obligations of the dissolved district. The
14 county board shall abate this taxation upon the discharge of
15 all outstanding obligations.

16 (55 ILCS 5/5-44040 new)

17 Sec. 5-44040. Effect of dissolution. Immediately upon the
18 dissolution of a unit of local government pursuant to this
19 Division:

20 (a) Notwithstanding the provisions of the Special Service
21 Area Tax Law of the Property Tax Code that pertain to the
22 establishment of special service areas, all or part of the
23 territory formerly served by the dissolved unit of local
24 government may be established as a special service area or
25 areas of the county if the county board by resolution

1 determines that this designation is necessary for it to provide
2 services. The special service area, if created, shall include
3 all territory formerly served by the dissolved unit of local
4 government if the dissolved unit has outstanding indebtedness.
5 If the boundaries of a special service area created under this
6 subsection include territory within a municipality, the
7 corporate authorities of that municipality may, with the
8 consent of the county, assume responsibility for the special
9 service area and become its governing body.

10 All or part of the territory formerly served by a dissolved
11 fire protection jurisdiction shall not be established as a
12 special service area unless the creation of the special service
13 area does not increase the average response times nor decrease
14 the level of service provided.

15 (b) In addition to any other powers provided by law, the
16 governing body of a special service area created pursuant to
17 this subsection shall assume and is authorized to exercise all
18 the powers and duties of the dissolved unit with respect to the
19 special service area. The governing body is also authorized to
20 continue to levy any tax previously imposed by the unit of
21 local government within the special service area. However, the
22 governing board shall not have the power to decrease the levy
23 that is in effect on or before the date of dissolution of the
24 fire protection jurisdiction that affects the provision of fire
25 and emergency medical services.

26 (c) Subsequent increases of the current tax levy within the

1 special service area or areas shall be made in accordance with
2 the provisions of the Special Service Area Tax Law of the
3 Property Tax Code.

4 (55 ILCS 5/5-44045 new)

5 Sec. 5-44045. Abatement of levy. Whenever a county has
6 dissolved a unit of local government pursuant to this Division,
7 the county or municipality shall, within 6 months of the
8 effective date of the dissolution and every year thereafter,
9 evaluate the need to continue any existing tax levy until the
10 county or municipality abates the levy in the manner set forth
11 by the Special Service Area Tax Law of the Property Tax Code.

12 (55 ILCS 5/5-44050 new)

13 Sec. 5-44050. Tax collection and enforcement. The
14 dissolution of a unit of government pursuant to this Division
15 shall not adversely affect proceedings for the collection or
16 enforcement of any tax. Those proceedings shall continue to
17 finality as though no dissolution had taken place. The proceeds
18 thereof shall be paid over to the treasurer of the county to be
19 used for the purpose for which the tax was levied or assessed.
20 Proceedings to collect and enforce such taxes may be instituted
21 and carried on in the name of the unit.

22 (55 ILCS 5/5-44055 new)

23 Sec. 5-44055. Litigation. All suits pending in any court on

1 behalf of or against a unit dissolved pursuant to this Division
2 may be prosecuted or defended in the name of the county by the
3 state's attorney. All judgments obtained for a unit dissolved
4 pursuant to this Division shall be collected and enforced by
5 the county for its benefit.

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