

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 1. Short title. This Act may be cited as the Local
5 Government Billing Act.

6 Section 5. Definitions. As used in this Act:

7 "Corporate authorities" includes, but is not limited to:

- 8 (1) the county board of a county;
9 (2) the corporate authorities of a municipality;
10 (3) the township officials of a township; and
11 (4) the board of trustees of a special district.

12 Section 10. Billing for services.

13 (a) Beginning on the effective date of this Act, the
14 corporate authorities of any unit of local government
15 operating a waterworks, sewerage system, combined waterworks
16 and sewerage system, or electric utility:

- 17 (1) shall bill for any utility service, including
18 previously unbilled service: (A) within 12 months after
19 the provision of that service to the customer if the
20 service is supplied to a residential customer; or (B)
21 within 24 months after the provision of that service to
22 that customer if the service is supplied to a

1 non-residential customer; however, the corporate
2 authorities of the unit of government may bill for unpaid
3 amounts that were billed to a customer or if the customer
4 was notified that there is an unpaid amount before the
5 effective date of this Act for service that was supplied
6 to the customer before January 1, 2026;

7 (2) shall not intentionally delay billing beyond the
8 normal billing cycle;

9 (3) shall label any amount attributed to previously
10 unbilled service as such on the customer's bill and
11 include the beginning and ending dates for the period
12 during which the previously unbilled amount accrued;

13 (4) shall issue the makeup billing amount calculated
14 on a prorated basis to reflect the varying rates for
15 previously unbilled service accrued over a period of time
16 when the rates for service have varied; and

17 (5) shall provide the customer with the option of a
18 payment arrangement to retire the makeup bill for
19 previously unbilled service by periodic payments, without
20 interest or late fees, over a time equal to the amount of
21 time the billing was delayed.

22 (b) The time limit of paragraph (1) of subsection (a)
23 shall not apply to previously unbilled service attributed to
24 tampering, theft of service, fraud, or the customer preventing
25 the utility's recorded efforts to obtain an accurate reading
26 of the meter.

1 Section 15. Home rule. A home rule unit of local
2 government may not regulate utilities in a manner inconsistent
3 with this Act. This Section is a limitation under subsection
4 (i) of Section 6 of Article VII of the Illinois Constitution on
5 the concurrent exercise by home rule units of powers and
6 functions exercised by the State.

7 (65 ILCS 5/11-150-2 rep.)

8 Section 75. The Illinois Municipal Code is amended by
9 repealing Section 11-150-2.

10 (70 ILCS 3705/7.4 rep.)

11 Section 80. The Public Water District Act is amended by
12 repealing Section 7.4.

13 (70 ILCS 3710/5.3 rep.)

14 Section 85. The Water Service District Act is amended by
15 repealing Section 5.3.

16 Section 90. The Water Authorities Act is amended by
17 changing Section 6 as follows:

18 (70 ILCS 3715/6) (from Ch. 111 2/3, par. 228)

19 Sec. 6. Such board of trustees shall have the following
20 powers:

1 1. To make inspections of wells or other withdrawal
2 facilities and to require information and data from the
3 owners or operators thereof concerning the supply,
4 withdrawal and use of water.

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

8 3. To require permits from them for all additional
9 wells or withdrawal facilities or for the deepening,
10 extending or enlarging existing wells or withdrawal
11 facilities.

12 4. To require the plugging of abandoned wells or the
13 repair of any well or withdrawal facility to prevent loss
14 of water or contamination of supply.

15 5. To reasonably regulate the use of water and during
16 any period of actual or threatened shortage to establish
17 limits upon or priorities as to the use of water. In
18 issuing any such regulation, limitation, or priority, such
19 board shall seek to promote the common welfare by
20 considering the public interest, the average amount of
21 present withdrawals, relative benefits or importance of
22 use, economy or efficiency of use and any other reasonable
23 differentiation. Appropriate consideration shall also be
24 given to any user, who has theretofore reduced the volume
25 of ground water previously consumed by such user or who
26 has taken care of increased requirements by installing and

1 using equipment and facilities permitting the use of
2 surface water by such user.

3 6. To supplement the existing water supply or provide
4 additional water supply by such means as may be
5 practicable or feasible. They may acquire property or
6 property rights either within or without the boundaries of
7 the authority by purchase, lease, condemnation proceedings
8 or otherwise, and they may construct, maintain and operate
9 wells, reservoirs, pumping stations, purification plants,
10 infiltration pits, recharging wells and such other
11 facilities as may be necessary to insure an adequate
12 supply of water for the present and future needs of the
13 authority. They shall have the right to sell water to
14 municipalities or public utilities operating water
15 distribution systems either within or without the
16 authority.

17 7. To levy and collect a general tax on all of the
18 taxable property within the corporate limits of the
19 authority, the aggregate amount of which for one year,
20 exclusive of the amount levied for bonded indebtedness or
21 interest thereon, shall not exceed .08 per cent of the
22 value as equalized or assessed by the Department of
23 Revenue. For the purpose of acquiring necessary property
24 or facilities, to issue general obligation bonds bearing
25 interest at the rate of not to exceed the maximum rate
26 authorized by the Bond Authorization Act, as amended at

1 the time of the making of the contract, and payable over a
2 period of not to exceed 20 years, the aggregate principal
3 amount of which at any one time outstanding shall not
4 exceed one-half of 1% of the value as equalized or
5 assessed by the Department of Revenue of all taxable
6 property located within the corporate limits of the
7 authority and to levy and collect a further or additional
8 direct annual tax upon all the taxable property within the
9 corporate limits of such authority sufficient to meet the
10 principal and interest of such bonds as the same mature.
11 They shall also have authority to issue revenue bonds
12 payable solely out of anticipated revenues.

13 8. To consult with and receive available information
14 concerning their duties and responsibilities from the
15 State Water Survey, the State Geological Survey, the Board
16 of Natural Resources and Conservation, the Water Resources
17 and Flood Control Board and any other board or commission
18 of the State. Before constructing any facility for
19 providing additional water supply, the plans therefor
20 shall be submitted to and approved by the Environmental
21 Protection Agency or its successor and all operations of
22 such facilities shall be conducted in accordance with such
23 rules and regulations as may from time to time be
24 prescribed by the Pollution Control Board.

25 9. To have the right by appropriate action in the
26 circuit court of any county in which such authority, or

1 any part thereof, is located to restrain any violation or
2 threatened violation of any of their orders, rules,
3 regulations or ordinances.

4 10. To provide by ordinance that the violation of any
5 provision of any rule, regulation or ordinance adopted by
6 them shall constitute a misdemeanor subject to a fine by
7 the circuit court of not to exceed \$50 for each act of
8 violation and that each day's violation shall constitute a
9 separate offense.

10 11. (Blank). ~~On or after the effective date of this~~
11 ~~amendatory Act of the 100th General Assembly, to bill for~~
12 ~~any utility service, including previously unbilled~~
13 ~~service, supplied to a residential customer within 12~~
14 ~~months, or a non-residential customer within 24 months,~~
15 ~~after the provision of that service to the customer;~~
16 ~~however, the water authority may bill for unpaid amounts~~
17 ~~that were billed to a customer or if the customer was~~
18 ~~notified that there is an unpaid amount before the~~
19 ~~effective date of this amendatory Act of the 100th General~~
20 ~~Assembly for service that was supplied to the customer~~
21 ~~before January 1, 2016. The time limit of this paragraph~~
22 ~~shall not apply to previously unbilled service attributed~~
23 ~~to tampering, theft of service, fraud, or the customer~~
24 ~~preventing the utility's recorded efforts to obtain an~~
25 ~~accurate reading of the meter. The trustees shall: (i)~~
26 ~~label any amount attributed to previously unbilled service~~

1 ~~as such on the customer's bill and include the beginning~~
2 ~~and ending dates for the period during which the~~
3 ~~previously unbilled amount accrued; (ii) issue the makeup~~
4 ~~billing amount calculated on a prorated basis to reflect~~
5 ~~the varying rates for previously unbilled service accrued~~
6 ~~over a period of time when the rates for service have~~
7 ~~varied; and (iii) provide the customer with the option of~~
8 ~~a payment arrangement to retire the makeup bill for~~
9 ~~previously unbilled service by periodic payments, without~~
10 ~~interest or late fees, over a time equal to the amount of~~
11 ~~time the billing was delayed. The trustees shall not~~
12 ~~intentionally delay billing beyond the normal bill cycle.~~

13 With respect to instruments for the payment of money
14 issued under this Section either before, on, or after the
15 effective date of this amendatory Act of 1989, it is and always
16 has been the intention of the General Assembly (i) that the
17 Omnibus Bond Acts are and always have been supplementary
18 grants of power to issue instruments in accordance with the
19 Omnibus Bond Acts, regardless of any provision of this Act
20 that may appear to be or to have been more restrictive than
21 those Acts, (ii) that the provisions of this Section are not a
22 limitation on the supplementary authority granted by the
23 Omnibus Bond Acts, and (iii) that instruments issued under
24 this Section within the supplementary authority granted by the
25 Omnibus Bond Acts are not invalid because of any provision of
26 this Act that may appear to be or to have been more restrictive

1 than those Acts.

2 (Source: P.A. 100-178, eff. 8-18-17.)

3 Section 95. The Water Commission Act of 1985 is amended by
4 changing Section 0.001b as follows:

5 (70 ILCS 3720/0.001b)

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

8 (1) establish and define the responsibilities of the
9 commission and its committees;

10 (2) establish and define the responsibilities of the
11 commission's management and staff;

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

15 (4) require the finance director and treasurer to
16 report to the finance committee the status of all
17 commission funds and obligations;

18 (5) require the treasurer to report to the commission
19 any improper or unnecessary expenditures, budgetary
20 errors, or accounting irregularities;

21 (6) require commission staff to document and comply
22 with standard accounting policies, procedures, and
23 controls to ensure accurate reporting to the finance
24 committee and commission and to identify improper or

1 unnecessary expenditures, budgetary errors, or accounting
2 irregularities;

3 (7) require the commission's finance director to
4 provide monthly reports regarding the commission's cash
5 and investment position including whether the commission
6 has sufficient cash and investments to pay its debt
7 service, operating expenses, and capital expenditures and
8 maintain required reserve levels. The information shall
9 include the required funding levels for restricted funds
10 and unrestricted cash and investment balances with
11 comparisons to unrestricted reserves. The information
12 shall also include the type and performance of the
13 commission's investments and description as to whether
14 those investments are in compliance with the commission's
15 investment policies;

16 (8) require the commission's finance director to
17 provide the commission with detailed information
18 concerning the commission's operating performance
19 including the budgeted and actual monthly amounts for
20 water sales, water costs, and other operating expenses;

21 (9) require commission staff to provide the commission
22 with detailed information regarding the progress of
23 capital projects including whether the percentage of
24 completion and costs incurred are timely;

25 (10) require the commission's staff accountant to
26 perform bank reconciliations and general ledger account

1 reconciliations on a monthly basis; the finance director
2 shall review these reconciliations and provide them to the
3 treasurer and the finance committee on a monthly basis;

4 (11) establish policies to ensure the proper
5 segregation of the financial duties performed by
6 employees;

7 (12) restrict access to the established accounting
8 systems and general ledger systems and provide for
9 adequate segregation of duties so that no single person
10 has sole access and control over the accounting system or
11 the general ledger system;

12 (13) require that the finance director review and
13 approve all manual journal entries and supporting
14 documentation; the treasurer shall review and approve the
15 finance director's review and approval of manual journal
16 entries and supporting documentation;

17 (14) require that the finance director closely monitor
18 the progress of construction projects;

19 (15) require that the finance director carefully
20 document any GAAP analysis or communications with GASB and
21 provide full and timely reports for the same to the
22 finance committee;

23 (16) retain an outside independent auditor to perform
24 a comprehensive audit of the water commission's financial
25 activities for each fiscal year in conformance with the
26 standard practices of the Association of Governmental

1 Auditors; within 30 days after the independent audit is
2 completed, the results of the audit must be sent to the
3 county auditor; and

4 (17) (blank). ~~on or after the effective date of this~~
5 ~~amendatory Act of the 100th General Assembly, bill for any~~
6 ~~utility service, including previously unbilled service,~~
7 ~~supplied to a residential customer within 12 months, or a~~
8 ~~non residential customer within 24 months, after the~~
9 ~~provision of that service to the customer; however, the~~
10 ~~water commission may bill for unpaid amounts that were~~
11 ~~billed to a customer or if the customer was notified that~~
12 ~~there is an unpaid amount before the effective date of~~
13 ~~this amendatory Act of the 100th General Assembly for~~
14 ~~service that was supplied to the customer before January~~
15 ~~1, 2016. The time limit of this paragraph shall not apply~~
16 ~~to previously unbilled service attributed to tampering,~~
17 ~~theft of service, fraud, or the customer preventing the~~
18 ~~utility's recorded efforts to obtain an accurate reading~~
19 ~~of the meter. The commission shall: (i) label any amount~~
20 ~~attributed to previously unbilled service as such on the~~
21 ~~customer's bill and include the beginning and ending dates~~
22 ~~for the period during which the previously unbilled amount~~
23 ~~accrued; (ii) issue the makeup billing amount calculated~~
24 ~~on a prorated basis to reflect the varying rates for~~
25 ~~previously unbilled service accrued over a period of time~~
26 ~~when the rates for service have varied; and (iii) provide~~

1 ~~the customer with the option of a payment arrangement to~~
2 ~~retire the makeup bill for previously unbilled service by~~
3 ~~periodic payments, without interest or late fees, over a~~
4 ~~time equal to the amount of time the billing was delayed.~~
5 ~~The commission shall not intentionally delay billing~~
6 ~~beyond the normal bill cycle.~~

7 (Source: P.A. 100-178, eff. 8-18-17.)