



100TH GENERAL ASSEMBLY

State of Illinois

2017 and 2018

HB4744

by Rep. La Shawn K. Ford

SYNOPSIS AS INTRODUCED:

See Index

Amends the Illinois Municipal Code. Provides that beginning January 1, 2019, a supplying municipality in Cook County shall not charge another municipality in Cook County more than the actual cost of providing water to the municipality. Provides that a supplying municipality in Cook County shall post on its website and provide to the municipality to which it supplies water the actual cost of providing water. Provides that the Environmental Protection Agency shall monitor all supplying municipalities in Cook County to make sure the municipalities are not charging more than the actual cost of providing water. Defines "supplying municipality in Cook County" as a municipality in Cook County that either receives water directly from Lake Michigan or buys its water from another municipality that receives its water either directly or indirectly from Lake Michigan and "actual cost of providing water" as the cost of providing water along with reasonable fees to deliver the drinking water. Limits home rule powers. Amends the Environmental Protection Act. Creates the Cook County Water Infrastructure Fund. Provides that moneys in the Fund shall be used by the Agency to make grants to municipalities to fund infrastructure improvements to facilitate water supplies from Lake Michigan for residents of Cook County. Provides that the Fund is not subject to sweeps, administrative charges or chargebacks, or any other fiscal or budgetary maneuver that would in any way transfer any funds from the Cook County Water Infrastructure Fund into any other fund of the State. Provides that the Agency may adopt rules to implement the provisions. Amends the State Finance Act making conforming changes. Effective immediately.

LRB100 18684 AWJ 33914 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 local government.

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

4 Section 5. The Illinois Municipal Code is amended by
5 changing Section 11-124-1 as follows:

6 (65 ILCS 5/11-124-1) (from Ch. 24, par. 11-124-1)

7 Sec. 11-124-1. Contracts for supply of water.

8 (a) The corporate authorities of each municipality may
9 contract with any person, corporation, municipal corporation,
10 political subdivision, public water district or any other
11 agency for a supply of water. Any such contract entered into by
12 a municipality shall provide that payments to be made
13 thereunder shall be solely from the revenues to be derived from
14 the operation of the waterworks system of the municipality, and
15 the contract shall be a continuing valid and binding obligation
16 of the municipality payable from the revenues derived from the
17 operation of the waterworks system of the municipality for the
18 period of years, not to exceed 40, as may be provided in such
19 contract. Any such contract shall not be a debt within the
20 meaning of any constitutional or statutory limitation. No prior
21 appropriation shall be required before entering into such a
22 contract and no appropriation shall be required to authorize
23 payments to be made under the terms of any such contract

1 notwithstanding any provision in this Code to the contrary.

2 (b) Payments to be made under any such contract shall be an
3 operation and maintenance expense of the waterworks system of
4 the municipality. Any such contract made by a municipality for
5 a supply of water may contain provisions whereby the
6 municipality is obligated to pay for such supply of water
7 without setoff or counterclaim and irrespective of whether such
8 supply of water is ever furnished, made available or delivered
9 to the municipality or whether any project for the supply of
10 water contemplated by any such contract is completed, operable
11 or operating and notwithstanding any suspension, interruption,
12 interference, reduction or curtailment of the supply of water
13 from such project. Any such contract may provide that if one or
14 more of the other purchasers of water defaults in the payment
15 of its obligations under such contract or a similar contract
16 made with the supplier of the water, one or more of the
17 remaining purchasers party to such contract or such similar
18 contract shall be required to pay for all or a portion of the
19 obligations of the defaulting purchasers.

20 (c) Payments to be made under any such contract with a
21 municipal joint action water agency under the
22 Intergovernmental Cooperation Act shall be an operation and
23 maintenance expense of the waterworks system of the
24 municipality. Any such contract made by a municipality for a
25 supply of water with a municipal joint action water agency
26 under the provisions of the Intergovernmental Cooperation Act

1 may contain provisions whereby the municipality is obligated to
2 pay for such supply of water without setoff or counterclaim and
3 irrespective of whether such supply of water is ever furnished,
4 made available or delivered to the municipality or whether any
5 project for the supply of water contemplated by any such
6 contract is completed, operable or operating and
7 notwithstanding any suspension, interruption, interference,
8 reduction or curtailment of the supply of water from such
9 project. Any such contract with a municipal joint action water
10 agency may provide that if one or more of the other purchasers
11 of water defaults in the payment of its obligations under such
12 contract or a similar contract made with the supplier of the
13 water, one or more of the remaining purchasers party to such
14 contract or such similar contract shall be required to pay for
15 all or a portion of the obligations of the defaulting
16 purchasers.

17 The changes in this Section made by these amendatory Acts
18 of 1984 are intended to be declarative of existing law.

19 (d) A municipality with a water supply contract with a
20 county water commission organized pursuant to the Water
21 Commission Act of 1985 shall provide water to unincorporated
22 areas of that home county in accordance with the terms of this
23 subsection. The provision of water by the municipality shall be
24 in accordance with a mandate of the home county as provided in
25 Section 0.01 of the Water Commission Act of 1985. A home rule
26 unit may not provide water in a manner that is inconsistent

1 with the provisions of this amendatory Act of the 93rd General
2 Assembly. This subsection is a limitation under subsection (i)
3 of Section 6 of Article VII of the Illinois Constitution on the
4 concurrent exercise by home rule units of powers and functions
5 exercised by the State.

6 (e) Beginning January 1, 2019, a supplying municipality in
7 Cook County shall not charge another municipality in Cook
8 County more than the actual cost of providing water to the
9 municipality. A supplying municipality in Cook County shall
10 post on its website and provide to the municipality to which it
11 supplies water the actual cost of providing water. The
12 Environmental Protection Agency shall monitor all supplying
13 municipalities in Cook County to make sure the municipalities
14 are not charging more than the actual cost of providing water.

15 As used in this subsection:

16 "Actual cost of providing water" means the cost of
17 providing water along with reasonable fees to deliver the
18 drinking water.

19 "Supplying municipality in Cook County" means a
20 municipality in Cook County that either receives water directly
21 from Lake Michigan or buys its water from another municipality
22 that receives its water either directly or indirectly from Lake
23 Michigan.

24 A home rule municipality in Cook County may not supply
25 water to another Cook County municipality in a manner
26 inconsistent with this subsection. This subsection is a

1 limitation under subsection (i) of Section 6 of Article VII of
2 the Illinois Constitution on the concurrent exercise by home
3 rule units of powers and functions exercised by the State.

4 (Source: P.A. 95-331, eff. 8-21-07.)

5 Section 10. The Environmental Protection Act is amended by
6 adding Section 14.8 as follows:

7 (415 ILCS 5/14.8 new)

8 Sec. 14.8. Monitoring water supplies from Lake Michigan.

9 (a) The Agency shall monitor all supplying municipalities
10 in Cook County, as defined in subsection (e) of Section
11 11-124-1 of the Illinois Municipal Code, to make sure that the
12 municipalities are not charging more than the actual cost of
13 providing water as provided under subsection (e) of Section
14 11-124-1 of the Illinois Municipal Code.

15 (b) The Cook County Water Infrastructure Fund is created as
16 a new fund in the State treasury. Moneys in the Fund shall be
17 used by the Agency to make grants to municipalities to fund
18 infrastructure improvements to facilitate water supplies from
19 Lake Michigan for residents of Cook County.

20 Notwithstanding any other provision of law, the Cook County
21 Water Infrastructure Fund is not subject to sweeps,
22 administrative charges or chargebacks, or any other fiscal or
23 budgetary maneuver that would in any way transfer any funds
24 from the Cook County Water Infrastructure Fund into any other

1 fund of the State.

2 (c) The Agency may adopt rules under the Illinois
3 Administrative Procedure Act to implement this Section.

4 Section 15. The State Finance Act is amended by adding
5 Section 5.886 as follows:

6 (30 ILCS 105/5.886 new)

7 Sec. 5.886. The Cook County Water Infrastructure Fund.

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

1 INDEX

2 Statutes amended in order of appearance

3 65 ILCS 5/11-124-1 from Ch. 24, par. 11-124-1

4 415 ILCS 5/14.8 new

5 30 ILCS 105/5.886 new