



Rep. Robert Martwick

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LRB101 06729 AWJ 58704 a

1 AMENDMENT TO HOUSE BILL 850

2 AMENDMENT NO. \_\_\_\_\_. Amend House Bill 850 by replacing  
3 everything after the enacting clause with the following:

4 "Section 5. The Illinois Municipal Code is amended by  
5 changing Sections 11-10-1 and 11-10-2 as follows:

6 (65 ILCS 5/11-10-1) (from Ch. 24, par. 11-10-1)

7 Sec. 11-10-1. (a) In each municipality or fire protection  
8 district, whether incorporated under a general or special law,  
9 which has a fire department established and maintained by  
10 municipal or fire protection district ordinances, every  
11 corporation, company, and association which is not  
12 incorporated under the laws of this state and which is engaged  
13 in effecting fire insurance in the municipality or fire  
14 protection district, shall pay to the foreign fire insurance  
15 board or to the secretary of the fire protection district for  
16 the maintenance, use, and benefit of the fire department

1       thereof, a sum of not exceeding 2% of the gross receipts  
2       received from fire insurance upon property situated within the  
3       municipality or district.

4       ~~Each municipality and fire protection district may~~  
5       ~~prescribe by ordinance the rate of the tax or license fee to be~~  
6       ~~paid, but this rate shall not exceed the rate specified in this~~  
7       ~~section.~~ Each designated corporation, company, and association  
8       shall pay at the rate ~~so~~ prescribed by this Section, upon the  
9       amount of all premiums which have been received during the year  
10      ending on every first day of July for all fire insurance  
11      effected or agreed to be effected on property situated within  
12      the municipality or fire protection district, by that  
13      corporation, company, or association respectively.

14      Every person who acts in any specified municipality or fire  
15      protection district as agent, or otherwise, on behalf of a  
16      designated corporation, company, or association, shall render  
17      to the treasurer of the foreign fire insurance board or  
18      secretary of the fire protection district, on or before the  
19      fifteenth day of July of each year, a full and true account,  
20      verified by his oath, of all of the premiums which, during the  
21      year ending on the first day of July preceding the report, were  
22      received by him, or by any other person for him on behalf of  
23      that corporation, company, or association. He shall specify in  
24      this report the amounts received for fire insurance, and he  
25      shall pay to the treasurer of the foreign fire insurance board,  
26      or to the secretary of the fire protection district, at the

1 time of rendering this report, the amount as determined by the  
2 rate fixed by this Section ~~the ordinance of the municipality or~~  
3 ~~fire protection district for which his corporation, company, or~~  
4 ~~association is accountable under this section and the~~  
5 ~~ordinance.~~

6 If this account is not rendered on or before the fifteenth  
7 day of July of each year, or if the sum due remains unpaid  
8 after that day, it shall be unlawful for any corporation,  
9 company, or association, so in default, to transact any  
10 business in the municipality or fire protection district until  
11 the sum due has been fully paid. But this provision shall not  
12 relieve any corporation, company, or association from the  
13 payment of any loss upon any risk that may be taken in  
14 violation of this requirement.

15 Any entity that maintains a website and that is charged  
16 with the collection of a tax or license fee and the rendering  
17 of the tax or license fee to the treasurer of the foreign fire  
18 insurance board or fire protection district secretary must  
19 publish on its website by the first day of August of each year  
20 the following information for the year ending on the preceding  
21 first day of July:

22 (1) the total amount of the tax or license fee  
23 collected on behalf of each municipal fire department or  
24 fire protection district;

25 (2) the total administrative fees, if any, charged to  
26 each municipal fire department or fire protection

1 district;

2 (3) the aggregate amount of taxes or license fees  
3 collected on behalf of all municipal fire departments or  
4 fire protection districts; and

5 (4) the aggregate amount of administrative fees, if  
6 any, charged to all municipal fire departments or fire  
7 protection districts.

8 The amount of this tax or license fee may be recovered from  
9 the corporation, company, or association which owes it, or from  
10 its agent, by an action brought by a foreign fire insurance  
11 board in the name and for the use of the municipality or fire  
12 protection district as for money had and received.

13 The foreign fire insurance board ~~municipal comptroller, if~~  
14 ~~any, and if not, then the municipal clerk or the secretary of~~  
15 ~~the fire protection district,~~ or his or her designee, may  
16 examine the books, records, and other papers and documents of a  
17 designated agent, corporation, company, or association for the  
18 purpose of verifying the correctness of the report of the  
19 amounts received for fire insurance.

20 This section shall not be applicable to receipts from  
21 contracts of marine insurance, even though they include  
22 insurance against fire, where the premium for the fire  
23 insurance is not separately specified.

24 (b) Any foreign fire insurance board or fire protection  
25 district aggrieved by a violation of this Section may file suit  
26 in the circuit court of the county where the alleged violation

1 occurred.

2 (c) The regulation of the collection or rendering or  
3 payment of taxes or license fees to a foreign fire insurance  
4 board or secretary of a fire protection district for the  
5 maintenance, use, or benefit of the fire department provided  
6 for in subsection (a) is an exclusive power and function of the  
7 State. A home rule municipality may not regulate the collection  
8 or rendering or payment of taxes or license fees to a foreign  
9 fire insurance board or secretary of a fire protection district  
10 for the maintenance, use, or benefit of the fire department.  
11 This Section is a denial and limitation of home rule powers and  
12 functions under subsection (h) of Section 6 of Article VII of  
13 the Illinois Constitution.

14 (Source: P.A. 95-807, eff. 8-12-08.)

15 (65 ILCS 5/11-10-2) (from Ch. 24, par. 11-10-2)

16 Sec. 11-10-2. (a) A department foreign fire insurance board  
17 shall be created by and among the sworn members of ~~within~~ the  
18 fire department of each municipality with fewer than 500,000  
19 inhabitants that has an organized fire department. The board  
20 shall consist of 7 trustees; the fire chief, who shall hold  
21 office by virtue of rank, and 6 members, who shall be elected  
22 at large by the sworn members of the department. If there is an  
23 insufficient number of candidates to fill all these positions,  
24 the number of board members may be reduced, but not to fewer  
25 than 3 trustees. All members of the department shall be

1 eligible to be elected as officers of the ~~department~~ foreign  
2 fire insurance board. The members of this board shall annually  
3 elect officers. These officers shall be a chairman and a  
4 treasurer. The trustees of the ~~department~~ foreign fire  
5 insurance board shall make all needful rules and regulations  
6 with respect to the ~~department~~ foreign fire insurance board and  
7 the management of the money to be paid ~~appropriated~~ to the  
8 board. The foreign fire insurance board has the right to:  
9 establish, manage, and maintain an account for the holding and  
10 expenditure of all funds paid to the board; contract for the  
11 purchase of goods and services; and sue all parties necessary  
12 to enforce its rights under this Section and Section 11-10-2.  
13 The officers of the ~~department~~ foreign fire insurance board  
14 shall develop and maintain a listing of those items that the  
15 board feels are appropriate expenditures under this Act. The  
16 treasurer of the ~~department~~ foreign fire insurance board shall  
17 give a sufficient bond to the municipality in which the fire  
18 department is organized. This bond shall be approved by the  
19 mayor or president, as the case may be, conditioned upon the  
20 faithful performance by the treasurer of his or her duties  
21 under ~~the ordinance and~~ the rules and regulations provided for  
22 in this section. The treasurer of the ~~department~~ foreign fire  
23 insurance board shall receive the appropriated money and shall  
24 pay out the money upon the order of the ~~department~~ foreign fire  
25 insurance board for the maintenance, use, and benefit of the  
26 department. As part of the annual municipal audit, these funds

1 shall be audited to verify that the funds have been expended by  
2 that board only for the maintenance, use, and benefit of the  
3 department.

4 (b) As used in this subsection, "active member" means a  
5 member of the Chicago Fire Department who is not receiving a  
6 disability pension, retired, or a deferred pensioner of the  
7 Firemen's Annuity and Benefit Fund of Chicago.

8 A department foreign fire insurance board is created within  
9 the Chicago Fire Department. The board shall consist of 7  
10 trustees who shall be initially elected on or before January 1,  
11 2019: the fire commissioner, who shall hold office by virtue of  
12 rank, and 6 elected trustees, who shall be elected at large by  
13 the sworn members of the department. If there is an  
14 insufficient number of candidates seeking election to each  
15 vacant trustee position, the number of board members is reduced  
16 to 5 trustees, including the fire commissioner of the  
17 department, until the next election cycle when there are enough  
18 active members seeking election to fill all 7 member seats. All  
19 active members are eligible to be elected as trustees of the  
20 department foreign fire insurance board. Of the trustees first  
21 elected, 3 trustees shall be elected to a 2-year term and 3  
22 trustees shall be elected to a 3-year term. After the initial  
23 election, a trustee shall be elected for a term of 3 years. If  
24 a member of the board resigns, is removed, or is unable to  
25 continue serving on the board, the vacancy shall be filled by  
26 special election of the active members or, in the case of a

1 vacancy that will exist for fewer than 180 days until the term  
2 expires, by appointment by majority vote of the members of the  
3 board.

4 The members of the board shall annually elect officers.  
5 These officers shall be a chairman, treasurer, and secretary.  
6 The trustees of the board shall make rules and regulations with  
7 respect to the board and the management of the money  
8 appropriated to the board. The officers of the board shall  
9 develop and maintain a listing of those items that the board  
10 believes are appropriate expenditures under this subsection.  
11 The treasurer of the board shall give a sufficient bond to the  
12 City of Chicago. The cost of the bond shall be paid out of the  
13 moneys in the board's fund. The bond shall be conditioned upon  
14 the faithful performance by the treasurer of his or her duties  
15 under the rules and regulations provided for in this  
16 subsection. The treasurer of the board shall receive the  
17 appropriated proceeds and shall disburse the proceeds upon the  
18 order of the board for the maintenance, use, and benefit of the  
19 department consistent with this subsection. As part of the  
20 annual municipal audit, these funds shall be audited to verify  
21 that the funds have been expended lawfully by the board  
22 consistent with this subsection.

23 Within 30 days after receipt of any foreign fire insurance  
24 proceeds by the City of Chicago, the City of Chicago shall  
25 transfer the proceeds to the board by depositing the proceeds  
26 into an account determined by the board, except that if the



1 effective date of this amendatory Act of the 100th General  
2 Assembly is after July 31, 2018, then the City of Chicago  
3 shall, for budget year 2019 only, transfer only 50% of the  
4 proceeds to the board. Notwithstanding any other provision of  
5 law: 50% of the foreign fire insurance proceeds received by the  
6 board shall be used for the maintenance, use, benefit, or  
7 enhancement of fire stations or training facilities used by the  
8 active members of the fire department; 25% of the foreign fire  
9 insurance proceeds received by the board shall be used for the  
10 maintenance, use, benefit, or enhancement of emergency  
11 response vehicles, tools, and equipment used by the active  
12 members of the department; and 25% of the foreign fire  
13 insurance proceeds received by the board shall be used for the  
14 maintenance and enhancement of the department and for the use  
15 and benefit of the active members of the department in a manner  
16 otherwise consistent with this subsection. Foreign fire  
17 insurance proceeds may not be used to purchase, maintain, or  
18 enhance personal property of a member of the department, except  
19 for personal property used in the performance of his or her  
20 duties or training activities.

21 (c) The provisions of this Section shall be the exclusive  
22 power of the State, pursuant to subsection (h) of Section 6 of  
23 Article VII of the Constitution.

24 (Source: P.A. 100-656, eff. 7-31-18.)".