

HB1796



102ND GENERAL ASSEMBLY

State of Illinois

2021 and 2022

HB1796

Introduced 2/17/2021, by Rep. Ann M. Williams

SYNOPSIS AS INTRODUCED:

65 ILCS 5/11-139-8

from Ch. 24, par. 11-139-8

Amends the Combined Waterworks and Sewerage Systems Division of the Illinois Municipal Code. Provides that charges a municipality may charge to inhabitants include storm water utility charges to offset the cost of owning, maintaining, and improving local storm water infrastructure.

LRB102 02715 AWJ 12718 b

FISCAL 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 11-139-8 as follows:

6 (65 ILCS 5/11-139-8) (from Ch. 24, par. 11-139-8)

7 Sec. 11-139-8. The corporate authorities of any
8 municipality availing itself of this Division 139 may (1)
9 make, enact, and enforce all needful rules and regulations for
10 the acquisition, construction, extension, improvement,
11 management, and maintenance of the combined waterworks and
12 sewerage system of the municipality and for the use thereof,
13 (2) make, enact, and enforce all needful rules, regulations,
14 and ordinances for the care and protection of such a system,
15 which may be conducive to the preservation of the public
16 health, comfort, and convenience and to rendering the water
17 supply of the municipality pure and the sewerage harmless
18 insofar as it is reasonably possible to do so, and (3) charge
19 the inhabitants thereof a reasonable compensation for the use
20 and service of the combined waterworks and sewerage system,
21 including, but not limited to, storm water utility charges to
22 offset the cost of owning, maintaining, and improving local
23 storm water infrastructure, and to establish rates for that

1 purpose. Separate rates may be fixed for the water and sewer
2 services respectively or single rates may be fixed for the
3 combined water and sewer services. Separate rates may be fixed
4 for any water services to any other municipality and separate
5 sewer rates to any industrial establishment for the purposes
6 set forth in Section 11-139-2. These rates, whether separate
7 or combined, shall be sufficient at all times to (1) pay the
8 cost of operation and maintenance of the combined waterworks
9 and sewerage system, (2) provide an adequate depreciation
10 fund, and (3) pay the principal of and interest upon all
11 revenue bonds issued under this Division. Rates shall be
12 established, revised, and maintained by ordinance and become
13 payable as the corporate authorities may determine by
14 ordinance.

15 Whenever a municipality shall issue revenue bonds as
16 provided by this Division to pay the cost of the extension or
17 improvement of its combined waterworks and sewerage system or
18 any part thereof to serve a particular area of the
19 municipality, the municipality may vary its rates to be
20 charged for the water and sewer services of the system or for
21 either of them effective upon the issuance of bonds as
22 provided by this division to pay the cost of the extension or
23 improvement of its combined waterworks or sewerage system or
24 any part thereof to serve a particular area of a municipality
25 so that the rates to be charged for services in the particular
26 area to be served by such extension or improvement shall be

1 calculated to produce, in addition to the revenues generally
2 to be produced by such rates, sufficient funds to pay the
3 principal of and interest upon the revenue bonds issued to pay
4 the cost of such extension or improvement for that particular
5 area.

6 Such charges or rates are liens upon the real estate upon
7 or for which service is supplied whenever the charges or rates
8 become delinquent as provided by the ordinance of the
9 municipality fixing a delinquency date; except the charges or
10 rates established by contract for the supply of water to
11 another municipality. A lien is created under the preceding
12 sentence only if the municipality sends to the owner or owners
13 of record of the real estate, as referenced by the taxpayer's
14 identification number, (i) a copy of each delinquency notice
15 sent to the person who is delinquent in paying the charges or
16 rates or other notice sufficient to inform the owner or owners
17 of record, as referenced by the taxpayer's identification
18 number, that the charges or rates have become delinquent and
19 (ii) a notice that unpaid charges or rates may create a lien on
20 the real estate under this Section. However, the municipality
21 has no preference over the rights of any purchaser, mortgagee,
22 judgment creditor, or other lien holder arising prior to the
23 filing of the notice of such a lien in the office of the
24 recorder of the county in which such real estate is located, or
25 in the office of the registrar of titles of such county if the
26 property affected is registered under "An Act concerning land

1 titles", approved May 1, 1897, as amended. This notice shall
2 consist of a sworn statement setting out (1) a description of
3 such real estate sufficient for the identification thereof,
4 (2) the amount of money due for such service, and (3) the date
5 when such amount became delinquent. The municipality shall
6 send a copy of the notice of the lien to the owner or owners of
7 record of the real estate, as referenced by the taxpayer's
8 identification number. The municipality has the power to
9 foreclose this lien in the same manner and with the same effect
10 as in the foreclosure of mortgages on real estate.

11 The municipality also has the power, from time to time, to
12 sue the occupant or user of the real estate in a civil action
13 to recover the money due for services rendered, plus a
14 reasonable attorney's fee, to be fixed by the court. Whenever
15 a judgment is entered in such a civil action the foregoing
16 provisions in this section with respect to filing sworn
17 statements of such delinquencies in the office of the recorder
18 and creating a lien against the real estate shall not be
19 effective thereafter as to charges sued upon and no lien shall
20 exist thereafter against the real estate for the delinquency.
21 Judgment in such a civil action operates as a release and
22 waiver of the lien for the amount of the judgment.

23 (Source: P.A. 87-1197.)