



## 103RD GENERAL ASSEMBLY

### State of Illinois

2023 and 2024

SB3563

Introduced 2/9/2024, by Sen. Erica Harriss

#### SYNOPSIS AS INTRODUCED:

75 ILCS 5/4-9	from Ch. 81, par. 4-9
75 ILCS 10/5	from Ch. 81, par. 115
75 ILCS 16/30-45	

Amends the Illinois Local Library Act. Provides that the bond of a library treasurer or custodian of the moneys paid over to a library board shall not be less than 10% (rather than 50%) of the total funds received by the library in the last fiscal year or the treasurer or custodian of the moneys paid over to a library board may provide insurance coverage for negligent and intentional acts by library officials and employees that could result in the loss of library funds in an amount at least equal to 10% (rather than 50%) of the average amount of the library's operating fund from the prior 3 fiscal years. Makes similar changes in the Illinois Library System Act and the Public Library District Act of 1991 relating to treasurer bonds. Effective immediately.

LRB103 36270 AWJ 66367 b

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 Local Library Act is amended by  
5 changing Section 4-9 as follows:

6 (75 ILCS 5/4-9) (from Ch. 81, par. 4-9)

7 Sec. 4-9. In townships and in cities, villages and  
8 incorporated towns having a population of 500,000 or less, the  
9 board of trustees shall require the treasurer of such board or  
10 such other person as may be designated as the custodian of the  
11 moneys paid over to such board to give a bond to be approved by  
12 such board and in such amount, not less than 10% ~~50%~~ of the  
13 total funds received by the library in the last fiscal year,  
14 conditioned that he will safely keep and pay over upon the  
15 order of such board all funds received and held by him for such  
16 board of trustees. For a library in a city, village,  
17 incorporated town or township, the board of library trustees  
18 may designate the treasurer of the corporate authority, or the  
19 supervisor in the case of a township, as the custodian of the  
20 library fund, and the bond given by the treasurer or the  
21 supervisor shall satisfy the bond requirements of this section  
22 when properly endorsed. The cost of any surety bond shall be  
23 borne by the library. As an alternative to a personal bond on

1 the treasurer or custodian of funds, the board of trustees may  
2 require the treasurer or custodian to secure for the library  
3 an insurance policy or other insurance instrument that  
4 provides the library with coverage for negligent or  
5 intentional acts by library officials and employees that could  
6 result in the loss of library funds. The coverage shall be in  
7 an amount at least equal to 10% ~~50%~~ of the average amount of  
8 the library's operating fund from the prior 3 fiscal years.  
9 The coverage shall be placed with an insurer approved by the  
10 board. The cost of any such coverage shall be borne by the  
11 library. The library shall provide the Illinois State Library  
12 a copy of the library's certificate of insurance at the time  
13 the library's annual report is filed.

14 (Source: P.A. 97-101, eff. 1-1-12.)

15 Section 10. The Illinois Library System Act is amended by  
16 changing Section 5 as follows:

17 (75 ILCS 10/5) (from Ch. 81, par. 115)

18 Sec. 5. Each library system created as provided in Section  
19 4 of this Act shall be governed by a board of directors  
20 numbering at least 5 and no more than 15 persons, except as  
21 required by Section 6 for library systems in cities with a  
22 population of 500,000 or more. The board shall be  
23 representative of the variety of library interests in the  
24 system, and at least a majority shall be elected or selected

1 from the governing boards of the member public libraries, with  
2 not more than one director representing a single member  
3 library. For library systems as defined in subparagraph (3) of  
4 the definition of "library system" in Section 2, the board  
5 members shall be representative of the types of libraries that  
6 library system serves. The number of directors, the manner of  
7 election or selection, the term of office and the provision  
8 for filling vacancies shall be determined by the system  
9 governing board except that all board members must be eligible  
10 electors in the geographical area of the system. No director  
11 of any library system, however, shall be permitted to serve  
12 for more than a total of 6 years unless 2 years have elapsed  
13 since his sixth year of service.

14 The board of directors shall elect a president, secretary  
15 and treasurer. Before entering upon his duties, the treasurer  
16 shall be required to give a bond in an amount to be approved by  
17 the board, but in no case shall such amount be less than 10%  
18 ~~50%~~ of the system's area and per capita grant for the previous  
19 year, conditioned that he will safely keep and pay over upon  
20 the order of such board all funds received and held by him for  
21 the library system. As an alternative to a personal bond on the  
22 treasurer, the board of trustees may require the treasurer to  
23 secure for the system an insurance policy or other insurance  
24 instrument that provides the library with coverage for  
25 negligent or intentional acts by system officials and  
26 employees that could result in the loss of system funds. The

1 coverage shall be in an amount at least equal to 10% ~~50%~~ of the  
2 average amount of the system's operating fund from the prior 3  
3 fiscal years. The coverage shall be placed with an insurer  
4 approved by the board. The cost of any such coverage shall be  
5 borne by the system. The system shall provide the Illinois  
6 State Library a copy of the system's certificate of insurance  
7 at the time the system's annual report is filed. The funds of  
8 the library system shall be deposited in a bank or savings and  
9 loan association designated by the board of directors and  
10 shall be expended only under the direction of such board upon  
11 properly authenticated vouchers.

12 No bank or savings and loan association shall receive  
13 public funds as permitted by this Section, unless it has  
14 complied with the requirements established pursuant to Section  
15 6 of the Public Funds Investment Act.

16 The members of the board of directors of the library  
17 system shall serve without compensation but their actual and  
18 necessary expenses shall be a proper charge against the  
19 library fund.

20 (Source: P.A. 97-101, eff. 1-1-12.)

21 Section 15. The Public Library District Act of 1991 is  
22 amended by changing Section 30-45 as follows:

23 (75 ILCS 16/30-45)

24 Sec. 30-45. Duties of officers.

1 (a) The duties of the officers of the board are as provided  
2 in this Section.

3 (b) The president shall preside over all meetings, appoint  
4 members of committees authorized by the district's  
5 regulations, and perform other duties specified by the  
6 district's regulations, ordinances, or other appropriate  
7 action. In the president's absence, the vice president shall  
8 preside at meetings. The president shall not have or exercise  
9 veto powers.

10 (c) The vice president's duties shall be prescribed by  
11 regulations.

12 (d) The treasurer shall keep and maintain accounts and  
13 records of the district during the treasurer's term in office,  
14 indicating in those accounts and records a record of all  
15 receipts, disbursements, and balances in any funds.

16 Annual audit and financial report requirements shall  
17 conform with Section 3 of the Governmental Account Audit Act.

18 (e) The treasurer shall give bond to the district to  
19 faithfully discharge the duties of the office and to account  
20 to the district for all district funds coming into the  
21 treasurer's hands. The bond shall be in an amount and with  
22 sureties approved by the board. The amount of the bond shall be  
23 based upon a minimum of 10% ~~50%~~ of the total funds received by  
24 the district in the last previous fiscal year. The cost of any  
25 surety bond shall be borne by the district. As an alternative  
26 to a personal bond on the treasurer, the treasurer may secure

1 for the district an insurance policy or other insurance  
2 instrument that provides the district with coverage for  
3 negligent or intentional acts by district officials and  
4 employees that could result in the loss of district funds. The  
5 coverage shall be in an amount at least equal to 10% ~~50%~~ of the  
6 average amount of the district's operating fund from the prior  
7 3 fiscal years. The coverage shall be placed with an insurer  
8 approved by the board. The cost of any such coverage shall be  
9 borne by the district. The system shall provide the Illinois  
10 State Library a copy of the district's certificate of  
11 insurance at the time the district's annual report is filed.

12 (f) Any person, entity, or public body or agency  
13 possessing district funds, property, or records shall, upon  
14 demand by any trustee, transfer and release the funds,  
15 property, or records to the treasurer.

16 (g) The secretary shall keep and maintain appropriate  
17 records for his or her term in office and shall include in  
18 those records a record of the minutes of all meetings, the  
19 names of those in attendance, the ordinances enacted, the  
20 resolutions and regulations adopted, and all other pertinent  
21 written matter affecting the operation of the district. The  
22 secretary may administer oaths and affirmations for the  
23 purposes of this Act.

24 (Source: P.A. 97-101, eff. 1-1-12.)

25 Section 99. Effective date. This Act takes effect upon  
26 becoming law.