

1 AN ACT concerning public bodies.

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

4 Section 5. The Home Equity Assurance Act is amended by
5 changing Sections 4 and 9 as follows:

6 (65 ILCS 95/4) (from Ch. 24, par. 1604)

7 Sec. 4. Creation of Commission. (a) Whenever in a
8 municipality with more than 1,000,000 inhabitants, the
9 question of creating a home equity program within a contiguous
10 territory included entirely within the municipality is
11 initiated by resolution or ordinance of the corporate
12 authorities of the municipality or by a petition signed by not
13 less than 10% of the total number of registered voters of each
14 precinct in the territory, the registered voters of which are
15 eligible to sign the petition, it shall be the duty of the
16 election authority having jurisdiction over such municipality
17 to submit the question of creating a home equity program to the
18 electors of each precinct within the territory at the regular
19 election specified in the resolution, ordinance or petition
20 initiating the question. If the question is initiated by
21 petition and if the requisite number of signatures is not
22 obtained in any precinct included within the territory
23 described in the petition, then the petition shall be valid as
24 to the territory encompassed by those precincts for which the
25 requisite number of signatures is obtained and any such
26 precinct for which the requisite number of signatures is not
27 obtained shall be excluded from the territory. A petition
28 initiating a question described in this Section shall be filed
29 with the election authority having jurisdiction over the
30 municipality. The petition shall be filed and objections
31 thereto shall be made in the manner provided in the general
32 election law. A resolution, ordinance, or petition initiating a

1 question described in this Section shall specify the election
2 at which the question is to be submitted. The referendum on
3 such question shall be held in accordance with general election
4 law. Such question, and the resolution, ordinance, or petition
5 initiating the question, shall include a description of the
6 territory, the name of the proposed home equity program, and
7 the maximum rate at which the home equity program shall be able
8 to levy a property tax. All of that area within the geographic
9 boundaries of the territory described in such question shall be
10 included in the program, and no area outside the geographic
11 boundaries of the territory described in such question shall be
12 included in the program. If the election authority determines
13 that the description cannot be included within the space
14 limitations of the ballot, the election authority shall prepare
15 large printed copies of a notice of the question, which shall
16 be prominently displayed in the polling place of each precinct
17 in which the question is to be submitted.

18 (b) Whenever a majority of the voters on such public
19 question approve the creation of a home equity program as
20 certified by the proper election authorities, the mayor of the
21 municipality shall appoint, with the consent of the corporate
22 authorities, 9 individuals, to be known as commissioners, to
23 serve as the governing body of the home equity program. The
24 mayor shall choose 7 of the 9 individuals to be appointed to
25 the governing commission from nominees submitted by a community
26 organization or community organizations as defined in this Act.
27 A community organization may recommend up to 20 individuals to
28 serve on a governing commission.

29 No fewer than 5 commissioners serving at any one time shall
30 reside within the territory of the program.

31 Upon creation of a governing commission, the terms of the
32 initial commissioners shall be as follows: 3 shall serve for
33 one year, 3 shall serve for 2 years, and 3 shall serve for 3
34 years and until a successor is appointed and qualified. All
35 succeeding terms shall be for 3 years, or until a successor is
36 appointed or qualified, ~~and no commissioner may serve more than~~

1 ~~2 consecutive terms~~. Commissioners shall serve without
2 compensation except for reimbursement for reasonable expenses
3 incurred in the performance of duties as a commissioner. A
4 vacancy in the office of a member of a commission shall be
5 filled in like manner as an original appointment.

6 All proceedings and meetings of the governing commission
7 shall be conducted in accordance with the provisions of the
8 Open Meetings Act, as now or hereafter amended.

9 (Source: P.A. 86-684.)

10 (65 ILCS 95/9) (from Ch. 24, par. 1609)

11 Sec. 9. Establishing a new guaranteed value and
12 registration date. (a) A member has the option of applying for
13 a new program appraisal by a program appraiser in order to
14 establish a new certificate of participation with a new
15 registration date. The governing commission may exercise the
16 right to require a second program appraisal in accordance with
17 the procedures described in Section 6 of this Act. This new
18 guaranteed value shall be subject to the following conditions:

19 (1) A new guaranteed value established solely for the
20 purpose of determining a property's increased value due to
21 inflation may not be requested by the member until 5 years have
22 elapsed from the member's initial ~~most recent~~ registration date
23 or 3 years have elapsed from the most recent new registration
24 date under this item (1), whichever is later.

25 (2) A new guaranteed value established due to home
26 improvements shall be granted only when the value of the home
27 improvements exceed \$5,000.

28 (3) A member may not initiate a claim against the program
29 based upon the new guaranteed value until 8 years after the
30 member's initial registration date or 3 ~~5~~ years after the new
31 registration date, whichever is later. Until that time,
32 coverage shall be based on the most recent certificate of
33 participation that meets the time limitations ~~which is at least~~
34 ~~5 years old~~ and the guaranteed value set forth in that
35 certificate of participation.

1 (4) If the governing commission, by majority vote,
2 determines that the application for a new appraisal is due to
3 substantial property improvements on the guaranteed residence,
4 then the application fee for the appraisal shall be one-half of
5 the registration fee then being charged by the program.

6 (5) If the governing commission, by a majority vote,
7 concludes that the application for a new appraisal is not due
8 to substantial property improvements, the application fee for
9 the new appraisal shall be the amount of the registration fee
10 then being charged by the program.

11 (6) A new guaranteed value shall be subject to all of the
12 conditions, stipulations, and provisions of this Act.

13 (b) After following the above procedures, the member shall
14 be issued a new certificate of participation which shall state
15 the new guaranteed value and registration date.

16 (c) A member may request a new guaranteed value and
17 registration date only once per year.

18 (Source: P.A. 85-1044.)

19 Section 99. Effective date. This Act takes effect upon
20 becoming law.