



## 95TH GENERAL ASSEMBLY

### State of Illinois

#### 2007 and 2008

##### HB1465

Introduced 2/21/2007, by Rep. Eddie Washington

#### SYNOPSIS AS INTRODUCED:

220 ILCS 10/2	from Ch. 111 2/3, par. 902
220 ILCS 10/3	from Ch. 111 2/3, par. 903
220 ILCS 10/4	from Ch. 111 2/3, par. 904
220 ILCS 10/5	from Ch. 111 2/3, par. 905
220 ILCS 10/6	from Ch. 111 2/3, par. 906
220 ILCS 10/10	from Ch. 111 2/3, par. 910
220 ILCS 10/11	from Ch. 111 2/3, par. 911
220 ILCS 10/12	from Ch. 111 2/3, par. 912
220 ILCS 10/20	from Ch. 111 2/3, par. 920
220 ILCS 10/21	from Ch. 111 2/3, par. 921

Amends the Citizens Utility Board Act. Provides that the Citizens Utility Board shall represent and protect the interests of the residential utility and cable television customers (now, just residential utility customers) of this State. Makes corresponding changes.

LRB095 06873 MJR 26992 b

CORRECTIONAL  
BUDGET AND  
IMPACT NOTE ACT  
MAY APPLY

FISCAL NOTE ACT  
MAY APPLY

HOME RULE NOTE  
ACT MAY APPLY

1 AN ACT concerning regulation.

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

4 Section 5. The Citizens Utility Board Act is amended by  
5 changing Sections 2, 3, 4, 5, 6, 10, 11, 12, 20, and 21 as  
6 follows:

7 (220 ILCS 10/2) (from Ch. 111 2/3, par. 902)

8 Sec. 2. Purpose. The purpose of this Act is to promote the  
9 health, welfare and prosperity of all the citizens of this  
10 State by ensuring effective and democratic representation of  
11 utility consumers before the Illinois Commerce Commission, the  
12 Federal Energy Regulatory Commission, the Federal  
13 Communications Commission, the courts, and other public bodies  
14 and by providing for consumer education on utility service and  
15 cable television prices and on benefits and methods of energy  
16 conservation. Such purpose shall be deemed a statewide interest  
17 and not a private or special concern.

18 (Source: P.A. 83-945.)

19 (220 ILCS 10/3) (from Ch. 111 2/3, par. 903)

20 Sec. 3. Definitions. As used in this Act: (1) "Board" means  
21 the board of directors of the corporation.

22 (2) "Campaign contribution" means a gift, subscription,

1 loan, advance or deposit of money or anything of value, made  
2 for the purpose of electing a candidate to the board; or a  
3 contract, a promise or agreement, express or implied, whether  
4 or not legally enforceable, to make any campaign contribution;  
5 but does not include the value of services provided without  
6 compensation by individuals who volunteer a portion or all of  
7 their time on behalf of a candidate or political committee, or  
8 the use of real or personal property and the cost of  
9 invitations, food and beverages, voluntarily provided by an  
10 individual to a candidate in rendering voluntary personal  
11 services on the individual's residential premises for  
12 candidate-related activities if the cumulative value of the  
13 activities to the individual on behalf of any candidate does  
14 not exceed \$100 for any election.

15 (3) "Campaign expenditures" means a purchase, payment  
16 distribution, loan, advance, deposit or gift of money or  
17 anything of value, made for the purpose of electing a candidate  
18 to the board; or a contract, promise, or agreement, express or  
19 implied, whether or not legally enforceable, to make any  
20 campaign expenditure; but does not include the use of real or  
21 personal property and the cost of invitations, food and  
22 beverages, voluntarily provided by an individual to a candidate  
23 in rendering voluntary personal services on the individual's  
24 residential premises for candidate-related activities if the  
25 cumulative value of the activities by the individual on behalf  
26 of any candidate does not exceed \$100 for any election.

1           (4) "Class A utility" means any gas, electric or water  
2 public utility with annual total gross operating revenues of  
3 \$2.5 million or more or any telephone public utility with  
4 annual total gross operating revenues of \$1,600,000 or more on  
5 the effective date of this Act.

6           (5) "Corporation" means the citizens utility board.

7           (6) "Director" means any member of the board.

8           (7) "District" means a corporation district, the  
9 boundaries of which are congruent with the boundaries of the  
10 Congressional districts in the State.

11           (8) "Immediate family" of a person means the person's  
12 spouse and legal dependents.

13           (9) "Member" means any person who satisfies the  
14 requirements for membership under Section 4.

15           (10) "Periodic customer billing" means a demand for payment  
16 for utility services by a public utility to a residential  
17 utility consumer on a monthly or other regular basis.

18           (11) "Political committee" means any committee, club,  
19 association or other group of persons which make campaign  
20 expenditures or receive campaign contributions during the year  
21 before an election of the board.

22           (12) "Public utility" means any person who owns, operates,  
23 manages or controls any plant or equipment or any part of a  
24 plant or equipment, within the State, for the conveyance of  
25 telephone messages or for the production, transmission,  
26 delivery or furnishing of heat, light, water or power either

1 directly or indirectly to or for the public. "Public utility"  
2 includes any person engaged in the transmission or delivery of  
3 natural gas for compensation within this State by means of  
4 pipes or mains. "Public utility" does not include a cooperative  
5 association organized for the purpose of furnishing telephone  
6 service to its members only. "Public utility" does not include  
7 electric cooperatives as defined in Section 3-119 of the Public  
8 Utilities Act. However, "public utility" does not include  
9 either public utilities that are owned and operated by a  
10 political subdivision, public institution of higher education  
11 or municipal corporation of this State or public utilities that  
12 are owned by such political subdivision, public institution of  
13 higher education, or municipal corporation and operated by any  
14 of its lessees or operating agents.

15 (13) "Utility consumer" means any individual or entity,  
16 which is not governmental or a public utility, which is located  
17 in this State and which is furnished with a utility service by  
18 a public utility.

19 (14) "Utility service" means electricity, natural gas,  
20 water and telephone service supplied by a public utility.

21 (15) "Cable television consumer" means any individual or  
22 non-governmental entity that is located in this State and that  
23 is furnished with cable television service by a cable  
24 television provider.

25 (16) "Cable television provider" means any entity  
26 providing cable television service to cable television

1 consumers.

2 (17) "Cable television service" means the transmission of  
3 television voice or data information through cable.

4 (Source: P.A. 91-357, eff. 7-29-99.)

5 (220 ILCS 10/4) (from Ch. 111 2/3, par. 904)

6 Sec. 4. Citizens utility board: formation and membership.

7 (1) There is created a nonprofit public body corporate and  
8 politic to be known as the "Citizens Utility Board". Any  
9 utility or cable television consumer who has submitted a  
10 membership form and has contributed membership dues to the  
11 corporation in the preceding 12 months shall be a member of the  
12 corporation. A member may resign from membership at any time.

13 (2) The board shall, upon certification of their  
14 nominations pursuant to subsection (2) of Section 12 and  
15 request by the candidate, within 5 days provide to each  
16 candidate for election to the board a current list of members  
17 residing in the candidate's district. Such list shall include  
18 the names and current addresses of members within such  
19 district, and may be used by the candidate only for election  
20 purposes.

21 (3) Notwithstanding any other provision of this Act or any  
22 other provisions of law, if the corporation does not receive  
23 contributions from at least 10,000 citizens of this State  
24 within 3 years of the effective date of this Act, the  
25 corporation shall be dissolved.

1 (Source: P.A. 86-101.)

2 (220 ILCS 10/5) (from Ch. 111 2/3, par. 905)

3 Sec. 5. Powers and duties.

4 (1) The corporation shall:

5 (a) Represent and protect the interests of the  
6 residential utility and cable television consumers of this  
7 State. All actions by the corporation under this Act shall  
8 be directed toward such duty; provided that the corporation  
9 may also give due consideration to the interests of  
10 business in the State.

11 (b) Inform, in so far as possible, all utility and  
12 cable television consumers about the corporation,  
13 including the procedure for obtaining membership in the  
14 corporation.

15 (2) The corporation shall have all the powers necessary or  
16 convenient for the effective representation and protection of  
17 the interest of utility and cable television consumers and to  
18 implement this Act, including the following powers in addition  
19 to all other powers granted by this Act.

20 (a) To make, amend and repeal bylaws and rules for the  
21 regulation of its affairs and the conduct of its business;  
22 to adopt an official seal and alter it at pleasure; to  
23 maintain an office; to sue and be sued in its own name,  
24 plead and be impleaded; and to make and execute contracts  
25 and other instruments necessary or convenient to the

1 exercise of the powers of the corporation.

2 (b) To employ such agents, employees and special  
3 advisors as it finds necessary and to fix their  
4 compensation.

5 (c) To solicit and accept gifts, loans, including loans  
6 made by the Illinois Commerce Commission from funds  
7 appropriated for that purpose by law, or other aid in order  
8 to support activities concerning the interests of utility  
9 consumers. Except as provided in Section 5.1, the  
10 corporation may not accept gifts, loans or other aid from  
11 any public utility or from any director, employee or agent  
12 or member of the immediate family of a director, employee  
13 or agent of any public utility and, after the first  
14 election the corporation, may not accept from any  
15 individual, private corporation, association or  
16 partnership in any single year a total of more than \$1,000  
17 in gifts. Under this paragraph, "aid" does not mean payment  
18 of membership dues.

19 (d) To intervene as a party or otherwise participate on  
20 behalf of utility and cable television consumers in any  
21 proceeding which affects the interest of utility or cable  
22 television consumers.

23 (e) To represent the interests of utility and cable  
24 television consumers before the Illinois Commerce  
25 Commission, the Federal Energy Regulatory Commission, the  
26 Federal Communications Commission, the courts, and other



1 public bodies, except that no director, employee or agent  
2 of the corporation may engage in lobbying without first  
3 complying with any applicable statute, administrative rule  
4 or other regulation relating to lobbying.

5 (f) To establish annual dues which shall be set at a  
6 level that provides sufficient funding for the corporation  
7 to effectively perform its powers and duties, and is  
8 affordable for as many utility and cable television  
9 consumers as is possible.

10 (g) To implement solicitation for corporation funding  
11 and membership.

12 (h) To seek tax exempt status under State and federal  
13 law, including 501(c)(3) status under the United States  
14 Internal Revenue Code.

15 (i) To provide information and advice to utility and  
16 cable television consumers on any matter with respect to  
17 utility or cable television service, including but not  
18 limited to information and advice on benefits and methods  
19 of energy conservation.

20 (3) The powers, duties, rights and privileges conferred or  
21 imposed upon the corporation by this Act may not be  
22 transferred.

23 (4) The corporation shall refrain from interfering with  
24 collective bargaining rights of any employees of a public  
25 utility.

26 (Source: P.A. 91-50, eff. 6-30-99.)

1 (220 ILCS 10/6) (from Ch. 111 2/3, par. 906)

2 Sec. 6. Board. The corporation shall be managed by, and its  
3 powers, functions and duties shall be exercised through a board  
4 to be composed as follows:

5 (1) Election and Terms of Directors. The Citizens Utility  
6 Board Districts shall be divided into two groups for the  
7 purpose of establishing terms for which the Directors shall be  
8 elected in each group. One group shall be comprised of the even  
9 numbered Congressional Districts. The odd numbered  
10 Congressional Districts shall comprise the other group.

11 (a) The Interim Board, within 60 days after their  
12 appointment, shall meet and publicly by lot determine which  
13 group shall be the first group and which group shall be the  
14 second. The board members or their successors from the first  
15 group shall be elected for successive terms of two years, two  
16 years and four years; and members or their successors from the  
17 second group shall be elected for successive terms of four  
18 years, two years and two years.

19 (b) The first election of directors of the board is to be  
20 held no later than April 30, 1985. Subsequent elections of  
21 directors of the board shall be held on March 31 of each  
22 election year. If March 31 falls on a weekend or holiday, the  
23 election shall occur on the next business day following March  
24 31.

25 (c) Interim and elected board members shall serve until

1 their successors are elected and have qualified.

2 (d) In the year following each decennial census and within  
3 45 days after the redistricted Congressional Districts are  
4 enacted, the board shall allocate terms between the 2 groups of  
5 districts publicly by lot as provided in paragraph (a). Board  
6 members or their successors from the first group shall be  
7 elected for successive terms of two years, four years and four  
8 years; and members or their successors from the second group  
9 shall be elected for successive terms of four years, four  
10 years, and two years.

11 (2) Qualifications. A director shall be a resident of the  
12 district he or she represents and member of the corporation. No  
13 person who is an employee in any managerial or supervisory  
14 capacity, director, officer or agent or who is a member of the  
15 immediate family of any such employee, director, officer or  
16 agent of any public utility or any cable television provider is  
17 eligible to be a director. No director may hold any elective  
18 position, be a candidate for any elective position, be a State  
19 public official, be employed by the Illinois Commerce  
20 Commission, or be employed in a governmental position exempt  
21 from the Personnel Code.

22 (3) Director, Family Member Employment. No director, nor  
23 member of his or her immediate family shall, either directly or  
24 indirectly, be employed for compensation as a staff member or  
25 consultant of the corporation.

26 (4) Meetings. The board shall hold regular meetings at

1 least once every 3 months on such dates and at such places as  
2 it may determine. Special meetings may be called by the  
3 president or by a majority of the directors upon at least 7  
4 days' advance written notice. Unless otherwise provided in the  
5 bylaws, a majority of the board of directors shall constitute a  
6 quorum; provided, that in no event shall a quorum consist of  
7 less than one-third of the board of directors. The act of the  
8 majority of the directors, present at a meeting at which a  
9 quorum is present, shall be the act of the board of directors  
10 unless the act of a greater number is required by this Act or  
11 bylaws. A summary of the minutes of every board meeting shall  
12 be made available to each public library in the State upon  
13 request and to individuals upon request.

14 (5) Expenses. A director may not receive any compensation  
15 for his or her services but shall be reimbursed for necessary  
16 expenses, including travel expenses incurred in the discharge  
17 of duties. The board shall establish standard allowances for  
18 mileage, room and meals and the purposes for which such  
19 allowances may be made and shall determine the reasonableness  
20 and necessity for such reimbursements. The board shall include  
21 the schedule of such standard allowances in the annual report  
22 under subsection (4) (d) of Section 7.

23 (6) Bonding. Directors and employees eligible to disburse  
24 funds shall be bonded. The costs of such bonds shall be paid by  
25 the corporation.

26 (Source: P.A. 84-1093.)

1 (220 ILCS 10/10) (from Ch. 111 2/3, par. 910)

2 Sec. 10. Prohibited Acts. (1) No person may interfere or  
3 threaten to interfere with or cause any interference with  
4 utility service or cable television service or with the utility  
5 service or cable television service of or penalize any person  
6 who contributes to the corporation or participates in any of  
7 its activities, in retribution for such contribution or  
8 participation.

9 (2) No person may act with intent to prevent, interfere  
10 with or hinder the activities permitted under this Act.

11 (3) A person who violates this Section may be fined not  
12 more than \$1,000. Each such violation shall constitute a  
13 separate and continuing violation of this Act. A person who  
14 knowingly and wilfully violates this Section may be imprisoned  
15 not more than 6 months.

16 (Source: P.A. 83-945.)

17 (220 ILCS 10/11) (from Ch. 111 2/3, par. 911)

18 Sec. 11. Appointment of Interim Board of Directors. (1)  
19 Within 90 days after the effective date of this Act, an interim  
20 board of directors shall be appointed. The Board shall consist  
21 of 11 members. The Governor shall appoint 3 members. The  
22 President of the Senate, the Speaker of the House, the Minority  
23 Leader of the Senate and the Minority Leader of the House shall  
24 each appoint 2 members. The appointees shall reflect the

1 geographical diversity of this State and shall include  
2 representation from minority groups, low-income persons, labor  
3 organizations, business, women and senior citizens. No interim  
4 director appointed under this Section may hold an elective  
5 position, be a candidate for any elective position, or be a  
6 State public official.

7 (2) The interim board appointed under this Section shall:

8 (a) As soon as possible after appointment, organize for the  
9 transaction of business.

10 (b) Inform the utility and cable television consumers of  
11 this State of the existence, nature and purposes of the  
12 corporation, and encourage utility and cable television  
13 consumers to join the corporation, to participate in the  
14 corporation's activities and to contribute to the corporation.

15 (c) Establish annual dues to be in effect until such time  
16 as an elected board assumes the duty as provided in paragraph  
17 (2) (f) of Section 5.

18 (d) Elect officers as provided under Section 12.

19 (e) Employ such staff as the interim directors deem  
20 necessary to carry out the purposes of this Section. The  
21 interim board appointed under this Section shall follow the  
22 procedures required under Section 7.2 if it hires an executive  
23 director of the corporation.

24 (f) Make all necessary preparations for the first election  
25 of directors, oversee the election campaign and tally the votes  
26 under Section 12.

1 (g) Solicit funds for the corporation.

2 (h) Carry out all other duties and exercise all other  
3 powers accorded to the board under this Act including the  
4 powers given to the corporation under Section 9.

5 (Source: P.A. 83-945.)

6 (220 ILCS 10/12) (from Ch. 111 2/3, par. 912)

7 Sec. 12. (1) Eligibility. To be eligible for election to  
8 the board, a candidate must:

9 (a) Meet the qualifications for directors under subsection

10 (2) of Section 6.

11 (b) Have his or her nomination certified by the board under  
12 subsection (2) of this Section.

13 (c) Submit to the board a statement of financial interests  
14 under subsection (3) and a statement of personal background and  
15 positions under subsection (4).

16 (d) Make the affirmation under subsection (3) (e).

17 (2) Nomination. A candidate for election to the board shall  
18 circulate or have a member of the corporation circulate a  
19 petition for nomination on the candidate's behalf not sooner  
20 than 120 days preceding the election and shall file the  
21 petition with the corporation not later than 60 days prior to  
22 the election. The petition for nomination shall be signed by at  
23 least 5% or 30, whichever is less, of the members residing in  
24 his or her district. The board shall verify the validity of the  
25 signatures by comparing them to the signatures on the

1 membership applications and the current list of members  
2 maintained by the Board. Within 14 days after the petition is  
3 due, the board shall determine whether a sufficient number of  
4 signatures are valid. If the board determines a sufficient  
5 number are valid, it shall certify the nomination of the  
6 candidate.

7 (3) Statement of financial interests. A candidate for  
8 election to the board whose nomination is certified under  
9 subsection (2) shall submit to the board, not later than 60  
10 days prior to the election, a statement of financial interests  
11 upon a form provided by the board. The statement of financial  
12 interests shall include the following information:

13 (a) The occupation, employer and position at place of  
14 employment of the candidate and of his or her immediate family  
15 members.

16 (b) A list of all corporate directorships or other offices,  
17 and of all fiduciary relationships, held in the past 3 years by  
18 the candidate and by his or her immediate family members.

19 (c) The name of any creditor to whom the candidate or a  
20 member of the candidate's immediate family owes \$10,000 or  
21 more.

22 (d) The name of any corporation in which the candidate  
23 holds a security, the current market value of which is \$5,000  
24 or more.

25 (e) An affirmation, subject to penalty of perjury, that the  
26 information contained in the statement of financial interests



1 is true and complete.

2 (4) Statement of personal background and positions. A  
3 candidate for election to the board whose nomination is  
4 certified under subsection (2) shall submit to the board, not  
5 later than 60 days prior to the election, on a form to be  
6 provided by the board, a statement concerning his or her  
7 personal background and positions on issues relating to public  
8 utilities or cable television or the operations of the  
9 corporation. The statement shall contain an affirmation,  
10 subject to penalty of perjury, that the candidate meets the  
11 qualifications prescribed for directors in subsection (2) of  
12 Section 6.

13 (5) Restrictions on a reporting of campaign contributions  
14 and expenditures. (a) No candidate may accept more than \$200 in  
15 campaign contributions from any person or political committee  
16 from one year before the date of an election through the date  
17 of the election.

18 (b) Each candidate for election to the board shall keep  
19 complete records of all contributions to his or her campaign of  
20 \$25 or more from one year before the date of an election  
21 through the date of the election, and, at the board's request,  
22 shall make such records available for inspection by the board.

23 (c) As a condition for receiving the benefits of the  
24 board's mailing under subsection (6), a candidate for election  
25 to the board shall agree in writing to incur no more than  
26 \$2,500 in campaign expenditures from the time he or she

1 commences circulation of petitions for nomination or from 4  
2 months prior to the election, whichever is earlier, through the  
3 date of the election.

4 (d) Each candidate for election to the board shall keep  
5 complete records of his or her campaign expenditures, and, at  
6 the board's request, shall make such records available for  
7 inspection by the board.

8 (e) No earlier than 14 days and no later than 8 days  
9 preceding the election and no earlier than 21 days and no later  
10 than 30 days after the election, each candidate for election to  
11 the board shall submit to the board, on a form provided by the  
12 board, an accurate statement of his or her campaign  
13 contributions, swearing that he or she has fully complied with  
14 the requirements of this subsection.

15 (f) No candidate for election to the board may use any  
16 campaign contribution for any purpose except for campaign  
17 expenditures. Any campaign contribution not expended shall be  
18 donated no later than 90 days after the election to the  
19 corporation or to any charitable organization at the option of  
20 the candidate.

21 (6) Election procedures. (a) The board shall mail or  
22 distribute to each member's address on file with the  
23 corporation, not sooner than 30 and not later than 10 days  
24 before the date fixed for the election:

25 (i) An official ballot listing all candidates for director  
26 from the member's district whose nominations the board has

1 certified and who satisfy the requirements of subsection (1).  
2 The board shall include with the ballot each candidate's  
3 statement of financial interests submitted under subsection  
4 (3).

5 (ii) The statement by each candidate for election to the  
6 board of personal background and positions as required under  
7 subsection (4), if the candidate has agreed in writing to limit  
8 his or her campaign expenditures under subsection (5) (c).

9 (b) Each member may vote in the election by returning his  
10 or her official ballot in person or by first class mail,  
11 properly marked, to the ballot return location designated by  
12 the corporation. Ballots returned to the location designated by  
13 the corporation must be postmarked on or before the date fixed  
14 for the election or must be received at the ballot return  
15 location designated by the corporation on or before the date  
16 fixed for the election.

17 (c) Voting shall be by secret ballot.

18 (d) The board shall tally votes with all reasonable speed  
19 and shall inform the membership promptly of the names of the  
20 candidates elected.

21 (e) For each district the board within 30 days of the  
22 election shall certify the candidate elected to the board if  
23 the candidate has the most votes in the district and if he or  
24 she has complied with this Section.

25 (f) If a vacancy in nomination occurs because no candidate  
26 has filed for nomination, the board by a majority of those

1 voting shall appoint a member of the corporation who resides in  
2 the district where the vacancy exists to be the candidate.

3 (g) If the candidate with the most votes dies, declines or  
4 resigns from candidacy prior to being certified under paragraph  
5 (e), or for any other reason is not certified under paragraph  
6 (e), the office for which the candidate ran shall be vacant and  
7 shall be filled by the board as provided herein.

8 (h) If a vacancy on the Board occurs, with more than 12  
9 months remaining in the term, the Board shall set a date for a  
10 special election for the district for the purpose of electing a  
11 director to serve out the term of the vacant office and shall  
12 so notify every member in the district. The election may not be  
13 less than 2 months nor more than 4 months after such  
14 notification. An election under this Section shall be conducted  
15 in the same manner as other elections of directors are  
16 conducted. The seat shall remain vacant if there is 8 months or  
17 less remaining in the term.

18 (7) Election rules. The board may prescribe rules for the  
19 conduct of elections and election campaigns not inconsistent  
20 with this Act.

21 (Source: P.A. 84-1093.)

22 (220 ILCS 10/20) (from Ch. 111 2/3, par. 920)

23 Sec. 20. Liability of public utility. No public utility or  
24 cable television provider shall be liable on any claim based on  
25 any action it is required to take to be in compliance with this

1 Act.

2 (Source: P.A. 83-945.)

3 (220 ILCS 10/21) (from Ch. 111 2/3, par. 921)

4 Sec. 21. Home rule preemption. The provisions of this Act  
5 are declared to be an exclusive exercise of power by the State  
6 of Illinois pursuant to paragraphs (h) or (i) of Section 6 of  
7 Article VII of the Illinois Constitution. No home rule unit may  
8 impose any requirement or regulation on any public utility or  
9 cable television provider inconsistent with or in addition to  
10 the requirements or regulations set forth in this Act.

11 (Source: P.A. 83-945.)