

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 Sections 8-1-3.1 and 8-1-7 as follows:

6 (65 ILCS 5/8-1-3.1) (from Ch. 24, par. 8-1-3.1)

7 Sec. 8-1-3.1. The corporate authorities may borrow money
8 from one fund for the use of another fund providing such
9 borrowing shall be repaid within the current fiscal year.

10 The corporate authorities may also borrow money from any
11 bank or other financial institution provided such money shall
12 be repaid within 10 years ~~one year~~ from the time the money is
13 borrowed. "Financial institution" means any bank subject to the
14 "Illinois Banking Act", any savings and loan association
15 subject to the "Illinois Savings and Loan Act of 1985", and any
16 federally chartered commercial bank or savings and loan
17 association organized and operated in this State pursuant to
18 the laws of the United States.

19 (Source: P.A. 84-1263.)

20 (65 ILCS 5/8-1-7) (from Ch. 24, par. 8-1-7)

21 Sec. 8-1-7. (a) Except as provided otherwise in this
22 Section, no contract shall be made by the corporate

1 authorities, or by any committee or member thereof, and no
2 expense shall be incurred by any of the officers or departments
3 of any municipality, whether the object of the expenditure has
4 been ordered by the corporate authorities or not, unless an
5 appropriation has been previously made concerning that
6 contract or expense. Any contract made, or any expense
7 otherwise incurred, in violation of the provisions of this
8 section shall be null and void as to the municipality, and no
9 money belonging thereto shall be paid on account thereof.
10 However, pending the passage of the annual appropriation
11 ordinance for any fiscal year, the corporate authorities may
12 authorize heads of departments or other separate agencies of
13 the municipality to make necessary expenditures for the support
14 thereof upon the basis of the appropriations of the preceding
15 fiscal year. However, if it is determined by two-thirds vote of
16 the corporate authorities then holding office at a regularly
17 scheduled meeting of the corporate authorities that it is
18 expedient and in the best public interest to begin proceedings
19 for the construction of a needed public work, then the
20 provisions of this section shall not apply to the extent that
21 the corporate authorities may employ or contract for
22 professional services necessary for the planning and financing
23 of such public work.

24 (b) Notwithstanding any provision of this Code to the
25 contrary, the corporate authorities of any municipality may
26 make contracts for a term exceeding one year and not exceeding

1 the term of the mayor or president holding office at the time
2 the contract is executed, relating to: (1) the employment of a
3 municipal manager, administrator, engineer, health officer,
4 land planner, finance director, attorney, police chief or other
5 officer who requires technical training or knowledge; (2) the
6 employment of outside professional consultants such as
7 engineers, doctors, land planners, auditors, attorneys or
8 other professional consultants who require technical training
9 or knowledge; (3) the provision of data processing equipment
10 and services; or (4) the provision of services which directly
11 relate to the prevention, identification or eradication of
12 disease. In such case the corporate authorities shall include
13 in the annual appropriation ordinance for each fiscal year, an
14 appropriation of a sum of money sufficient to pay the amount
15 which, by the terms of the contract, is to become due and
16 payable during the current fiscal year.

17 (c) This section shall not apply to municipalities
18 operating under special charters.

19 (d) In order to promote orderly collective bargaining
20 relationships, to prevent labor strife and to protect the
21 interests of the public and the health and safety of the
22 citizens of Illinois, this Section shall not apply to
23 multi-year collective bargaining agreements between public
24 employers and exclusive representatives governed by the
25 provisions of the Illinois Public Labor Relations Act.

26 Notwithstanding any provision of this Code to the

1 contrary, the corporate authorities of any municipality may
2 enter into multi-year collective bargaining agreements with
3 exclusive representatives under the provisions of the Illinois
4 Public Labor Relations Act.

5 (e) Notwithstanding any provision of this Code to the
6 contrary, the corporate authorities of any municipality may
7 enter into any multi-year contract or otherwise associate for
8 any term under the provisions of Section 10 of Article VII of
9 the Illinois Constitution or the Intergovernmental Cooperation
10 Act.

11 (f) Notwithstanding any provisions of this Code to the
12 contrary, the corporate authorities of any municipality may
13 make contracts for a term not exceeding 10 years relating to
14 borrowings from a bank or financial institution made pursuant
15 to Section 8-1-3.1 of this Code.

16 (Source: P.A. 90-517, eff. 8-22-97.)

17 Section 99. Effective date. This Act takes effect upon
18 becoming law.