

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 State Comptroller Act is amended by adding
5 Section 30 as follows:

6 (15 ILCS 405/30 new)

7 Sec. 30. Tax Increment Finance administrator training. The
8 Comptroller, in consultation with the State Comptroller Local
9 Government Advisory Board, shall establish and conduct a
10 training and certification program for Tax Increment Finance
11 administrators. The Comptroller shall issue a certificate to
12 each administrator who satisfactorily completes the training
13 program. In the case of any administrator who fails to
14 satisfactorily complete the training program, the Comptroller
15 shall so notify the Mayor or other elected official in the
16 municipality in which that administrator is employed. The
17 Comptroller shall reimburse administrators for their
18 reasonable expenses incurred in completing the training
19 program subject to moneys appropriated to the Comptroller for
20 that purpose.

21 Section 10. The Illinois Municipal Code is amended by
22 changing Sections 8-8-3, 8-8-3.5, and 11-74.6-22 as follows:

1 (65 ILCS 5/8-8-3) (from Ch. 24, par. 8-8-3)

2 Sec. 8-8-3. Audit requirements.

3 (a) The corporate authorities of each municipality coming
4 under the provisions of this Division 8 shall cause an audit of
5 the funds and accounts of the municipality to be made by an
6 accountant or accountants employed by such municipality or by
7 an accountant or accountants retained by the Comptroller, as
8 hereinafter provided.

9 (b) The accounts and funds of each municipality having a
10 population of 800 or more or having a bonded debt or owning or
11 operating any type of public utility shall be audited annually.
12 The audit herein required shall include all of the accounts and
13 funds of the municipality. Such audit shall be begun as soon as
14 possible after the close of the fiscal year, and shall be
15 completed and the report submitted within 6 months after the
16 close of such fiscal year, unless an extension of time shall be
17 granted by the Comptroller in writing. The accountant or
18 accountants making the audit shall submit not less than 2
19 copies of the audit report to the corporate authorities of the
20 municipality being audited. Municipalities not operating
21 utilities may cause audits of the accounts of municipalities to
22 be made more often than herein provided, by an accountant or
23 accountants. The audit report of such audit when filed with the
24 Comptroller together with an audit report covering the
25 remainder of the period for which an audit is required to be

1 filed hereunder shall satisfy the requirements of this section.

2 (c) Municipalities of less than 800 population which do not
3 own or operate public utilities and do not have bonded debt,
4 shall file annually with the Comptroller a financial report
5 containing information required by the Comptroller. Such
6 annual financial report shall be on forms devised by the
7 Comptroller in such manner as to not require professional
8 accounting services for its preparation.

9 (d) In addition to any audit report required, all
10 municipalities, except municipalities of less than 800
11 population which do not own or operate public utilities and do
12 not have bonded debt, shall file annually with the Comptroller
13 a supplemental report on forms devised and approved by the
14 Comptroller.

15 (e) Notwithstanding any provision of law to the contrary,
16 if a municipality (i) has a population of less than 200, (ii)
17 has bonded debt in the amount of \$50,000 or less, and (iii)
18 owns or operates a public utility, then the municipality shall
19 cause an audit of the funds and accounts of the municipality to
20 be made by an accountant employed by the municipality or
21 retained by the Comptroller for fiscal year 2011 and every
22 fourth fiscal year thereafter or until the municipality has a
23 population of 200 or more, has bonded debt in excess of
24 \$50,000, or no longer owns or operates a public utility.
25 Nothing in this subsection shall be construed as limiting the
26 municipality's duty to file an annual financial report with the

1 Comptroller or to comply with the filing requirements
2 concerning the county clerk.

3 (f) On and after the effective date of this amendatory Act
4 of the 97th General Assembly, the State Comptroller must post
5 on the State Comptroller's official website the information
6 submitted by a municipality pursuant to subsections (b) and (c)
7 of this Section. The information must be posted no later than
8 45 days after the State Comptroller receives the information
9 from the municipality. The State Comptroller must also post a
10 list of municipalities that are not in compliance with the
11 reporting requirements set forth in subsections (b) and (c) of
12 this Section.

13 (g) The State Comptroller has the authority to grant
14 extensions for delinquent audit reports. The Comptroller may
15 charge a municipality a fee for a delinquent audit of \$5 per
16 day for the first 15 days past due, \$10 per day for 16 through
17 30 days past due, \$15 per day for 31 through 45 days past due,
18 and \$20 per day for the 46th day and every day thereafter.

19 (Source: P.A. 96-1309, eff. 7-27-10.)

20 (65 ILCS 5/8-8-3.5)

21 Sec. 8-8-3.5. Tax Increment Financing Report. The reports
22 filed under subsection (d) of Section 11-74.4-5 of the Tax
23 Increment Allocation Redevelopment Act and the reports filed
24 under subsection (d) of Section 11-74.6-22 of the Industrial
25 Jobs Recovery Law in the Illinois Municipal Code must be

1 separate from any other annual report filed with the
2 Comptroller. The Comptroller must, in cooperation with
3 reporting municipalities, create a format for the reporting of
4 information described in paragraphs (1.5) and (5) and in
5 subparagraph (G) of paragraph (7) of subsection (d) of Section
6 11-74.4-5 of the Tax Increment Allocation Redevelopment Act and
7 the information described in paragraphs (1.5) and (5) and in
8 subparagraph (G) of paragraph (7) of subsection (d) of Section
9 11-74.6-22 of the Industrial Jobs Recovery Law that facilitates
10 consistent reporting among the reporting municipalities. The
11 Comptroller may allow these reports to be filed electronically
12 and may display the report, or portions of the report,
13 electronically via the Internet. All reports filed under this
14 Section must be made available for examination and copying by
15 the public at all reasonable times. A Tax Increment Financing
16 Report must be filed with the Comptroller within 180 days after
17 the close of the municipal fiscal year or as soon thereafter as
18 the audit for the redevelopment project area for that fiscal
19 year becomes available. If the Tax Increment Finance
20 administrator provides the Comptroller's office with
21 sufficient evidence that the report is in the process of being
22 completed by an auditor, the Comptroller may grant an
23 extension. If the required report is not filed within the time
24 extended by the Comptroller, the Comptroller may charge a
25 municipality a fee of \$5 per day for the first 15 days past
26 due, \$10 per day for 16 through 30 days past due, \$15 per day

1 for 31 through 45 days past due, and \$20 per day for the 46th
2 day and every day thereafter.

3 (Source: P.A. 91-478, eff. 11-1-99; 91-900, eff. 7-6-00.)

4 (65 ILCS 5/11-74.6-22)

5 Sec. 11-74.6-22. Adoption of ordinance; requirements;
6 changes.

7 (a) Before adoption of an ordinance proposing the
8 designation of a redevelopment planning area or a redevelopment
9 project area, or both, or approving a redevelopment plan or
10 redevelopment project, the municipality or commission
11 designated pursuant to subsection (l) of Section 11-74.6-15
12 shall fix by ordinance or resolution a time and place for
13 public hearing. Prior to the adoption of the ordinance or
14 resolution establishing the time and place for the public
15 hearing, the municipality shall make available for public
16 inspection a redevelopment plan or a report that provides in
17 sufficient detail, the basis for the eligibility of the
18 redevelopment project area. The report along with the name of a
19 person to contact for further information shall be sent to the
20 affected taxing district by certified mail within a reasonable
21 time following the adoption of the ordinance or resolution
22 establishing the time and place for the public hearing.

23 At the public hearing any interested person or affected
24 taxing district may file with the municipal clerk written
25 objections to the ordinance and may be heard orally on any

1 issues that are the subject of the hearing. The municipality
2 shall hear and determine all alternate proposals or bids for
3 any proposed conveyance, lease, mortgage or other disposition
4 of land and all protests and objections at the hearing and the
5 hearing may be adjourned to another date without further notice
6 other than a motion to be entered upon the minutes fixing the
7 time and place of the later hearing. At the public hearing or
8 at any time prior to the adoption by the municipality of an
9 ordinance approving a redevelopment plan, the municipality may
10 make changes in the redevelopment plan. Changes which (1) add
11 additional parcels of property to the proposed redevelopment
12 project area, (2) substantially affect the general land uses
13 proposed in the redevelopment plan, or (3) substantially change
14 the nature of or extend the life of the redevelopment project
15 shall be made only after the municipality gives notice,
16 convenes a joint review board, and conducts a public hearing
17 pursuant to the procedures set forth in this Section and in
18 Section 11-74.6-25. Changes which do not (1) add additional
19 parcels of property to the proposed redevelopment project area,
20 (2) substantially affect the general land uses proposed in the
21 redevelopment plan, or (3) substantially change the nature of
22 or extend the life of the redevelopment project may be made
23 without further hearing, provided that the municipality shall
24 give notice of any such changes by mail to each affected taxing
25 district and by publication in a newspaper of general
26 circulation within the affected taxing district. Such notice by

1 mail and by publication shall each occur not later than 10 days
2 following the adoption by ordinance of such changes.

3 (b) Before adoption of an ordinance proposing the
4 designation of a redevelopment planning area or a redevelopment
5 project area, or both, or amending the boundaries of an
6 existing redevelopment project area or redevelopment planning
7 area, or both, the municipality shall convene a joint review
8 board to consider the proposal. The board shall consist of a
9 representative selected by each taxing district that has
10 authority to levy real property taxes on the property within
11 the proposed redevelopment project area and that has at least
12 5% of its total equalized assessed value located within the
13 proposed redevelopment project area, a representative selected
14 by the municipality and a public member. The public member and
15 the board's chairperson shall be selected by a majority of
16 other board members.

17 All board members shall be appointed and the first board
18 meeting held within 14 days following the notice by the
19 municipality to all the taxing districts as required by
20 subsection (c) of Section 11-74.6-25. The notice shall also
21 advise the taxing bodies represented on the joint review board
22 of the time and place of the first meeting of the board.
23 Additional meetings of the board shall be held upon the call of
24 any 2 members. The municipality seeking designation of the
25 redevelopment project area may provide administrative support
26 to the board.

1 The board shall review the public record, planning
2 documents and proposed ordinances approving the redevelopment
3 plan and project to be adopted by the municipality. As part of
4 its deliberations, the board may hold additional hearings on
5 the proposal. A board's recommendation, if any, shall be a
6 written recommendation adopted by a majority vote of the board
7 and submitted to the municipality within 30 days after the
8 board convenes. A board's recommendation shall be binding upon
9 the municipality. Failure of the board to submit its
10 recommendation on a timely basis shall not be cause to delay
11 the public hearing or the process of establishing or amending
12 the redevelopment project area. The board's recommendation on
13 the proposal shall be based upon the area satisfying the
14 applicable eligibility criteria defined in Section 11-74.6-10
15 and whether there is a basis for the municipal findings set
16 forth in the redevelopment plan as required by this Act. If the
17 board does not file a recommendation it shall be presumed that
18 the board has found that the redevelopment project area
19 satisfies the eligibility criteria.

20 (c) After a municipality has by ordinance approved a
21 redevelopment plan and designated a redevelopment planning
22 area or a redevelopment project area, or both, the plan may be
23 amended and additional properties may be added to the
24 redevelopment project area only as herein provided. Amendments
25 which (1) add additional parcels of property to the proposed
26 redevelopment project area, (2) substantially affect the

1 general land uses proposed in the redevelopment plan, (3)
2 substantially change the nature of the redevelopment project,
3 (4) increase the total estimated redevelopment project costs
4 set out in the redevelopment plan by more than 5% after
5 adjustment for inflation from the date the plan was adopted, or
6 (5) add additional redevelopment project costs to the itemized
7 list of redevelopment project costs set out in the
8 redevelopment plan shall be made only after the municipality
9 gives notice, convenes a joint review board, and conducts a
10 public hearing pursuant to the procedures set forth in this
11 Section and in Section 11-74.6-25. Changes which do not (1) add
12 additional parcels of property to the proposed redevelopment
13 project area, (2) substantially affect the general land uses
14 proposed in the redevelopment plan, (3) substantially change
15 the nature of the redevelopment project, (4) increase the total
16 estimated redevelopment project cost set out in the
17 redevelopment plan by more than 5% after adjustment for
18 inflation from the date the plan was adopted, or (5) add
19 additional redevelopment project costs to the itemized list of
20 redevelopment project costs set out in the redevelopment plan
21 may be made without further hearing, provided that the
22 municipality shall give notice of any such changes by mail to
23 each affected taxing district and by publication in a newspaper
24 of general circulation within the affected taxing district.
25 Such notice by mail and by publication shall each occur not
26 later than 10 days following the adoption by ordinance of such

1 changes.

2 (d) After the effective date of this amendatory Act of the
3 91st General Assembly, a municipality shall submit in an
4 electronic format the following information for each
5 redevelopment project area (i) to the State Comptroller under
6 Section 8-8-3.5 of the Illinois Municipal Code and (ii) to all
7 taxing districts overlapping the redevelopment project area no
8 later than 180 days after the close of each municipal fiscal
9 year or as soon thereafter as the audited financial statements
10 become available and, in any case, shall be submitted before
11 the annual meeting of the joint review board to each of the
12 taxing districts that overlap the redevelopment project area:

13 (1) Any amendments to the redevelopment plan, or the
14 redevelopment project area.

15 (1.5) A list of the redevelopment project areas
16 administered by the municipality and, if applicable, the
17 date each redevelopment project area was designated or
18 terminated by the municipality.

19 (2) Audited financial statements of the special tax
20 allocation fund once a cumulative total of \$100,000 of tax
21 increment revenues has been deposited in the fund.

22 (3) Certification of the Chief Executive Officer of the
23 municipality that the municipality has complied with all of
24 the requirements of this Act during the preceding fiscal
25 year.

26 (4) An opinion of legal counsel that the municipality

1 is in compliance with this Act.

2 (5) An analysis of the special tax allocation fund
3 which sets forth:

4 (A) the balance in the special tax allocation fund
5 at the beginning of the fiscal year;

6 (B) all amounts deposited in the special tax
7 allocation fund by source;

8 (C) an itemized list of all expenditures from the
9 special tax allocation fund by category of permissible
10 redevelopment project cost; and

11 (D) the balance in the special tax allocation fund
12 at the end of the fiscal year including a breakdown of
13 that balance by source and a breakdown of that balance
14 identifying any portion of the balance that is
15 required, pledged, earmarked, or otherwise designated
16 for payment of or securing of obligations and
17 anticipated redevelopment project costs. Any portion
18 of such ending balance that has not been identified or
19 is not identified as being required, pledged,
20 earmarked, or otherwise designated for payment of or
21 securing of obligations or anticipated redevelopment
22 project costs shall be designated as surplus as set
23 forth in Section 11-74.6-30 hereof.

24 (6) A description of all property purchased by the
25 municipality within the redevelopment project area
26 including:

1 (A) Street address.

2 (B) Approximate size or description of property.

3 (C) Purchase price.

4 (D) Seller of property.

5 (7) A statement setting forth all activities
6 undertaken in furtherance of the objectives of the
7 redevelopment plan, including:

8 (A) Any project implemented in the preceding
9 fiscal year.

10 (B) A description of the redevelopment activities
11 undertaken.

12 (C) A description of any agreements entered into by
13 the municipality with regard to the disposition or
14 redevelopment of any property within the redevelopment
15 project area.

16 (D) Additional information on the use of all funds
17 received under this Division and steps taken by the
18 municipality to achieve the objectives of the
19 redevelopment plan.

20 (E) Information regarding contracts that the
21 municipality's tax increment advisors or consultants
22 have entered into with entities or persons that have
23 received, or are receiving, payments financed by tax
24 increment revenues produced by the same redevelopment
25 project area.

26 (F) Any reports submitted to the municipality by

1 the joint review board.

2 (G) A review of public and, to the extent possible,
3 private investment actually undertaken to date after
4 the effective date of this amendatory Act of the 91st
5 General Assembly and estimated to be undertaken during
6 the following year. This review shall, on a
7 project-by-project basis, set forth the estimated
8 amounts of public and private investment incurred
9 after the effective date of this amendatory Act of the
10 91st General Assembly and provide the ratio of private
11 investment to public investment to the date of the
12 report and as estimated to the completion of the
13 redevelopment project.

14 (8) With regard to any obligations issued by the
15 municipality:

16 (A) copies of any official statements; and

17 (B) an analysis prepared by financial advisor or
18 underwriter setting forth: (i) nature and term of
19 obligation; and (ii) projected debt service including
20 required reserves and debt coverage.

21 (9) For special tax allocation funds that have received
22 cumulative deposits of incremental tax revenues of
23 \$100,000 or more, a certified audit report reviewing
24 compliance with this Act performed by an independent public
25 accountant certified and licensed by the authority of the
26 State of Illinois. The financial portion of the audit must

1 be conducted in accordance with Standards for Audits of
2 Governmental Organizations, Programs, Activities, and
3 Functions adopted by the Comptroller General of the United
4 States (1981), as amended, or the standards specified by
5 Section 8-8-5 of the Illinois Municipal Auditing Law of the
6 Illinois Municipal Code. The audit report shall contain a
7 letter from the independent certified public accountant
8 indicating compliance or noncompliance with the
9 requirements of subsection (o) of Section 11-74.6-10.

10 (10) A list of all intergovernmental agreements in
11 effect during the fiscal year to which the municipality is
12 a party and an accounting of any moneys transferred or
13 received by the municipality during that fiscal year
14 pursuant to those intergovernmental agreements.

15 (e) The joint review board shall meet annually 180 days
16 after the close of the municipal fiscal year or as soon as the
17 redevelopment project audit for that fiscal year becomes
18 available to review the effectiveness and status of the
19 redevelopment project area up to that date.

20 (f) On and after the effective date of this amendatory Act
21 of the 97th General Assembly, the State Comptroller must post
22 on the State Comptroller's official website the information
23 submitted by a municipality pursuant to subsection (d) of this
24 Section. The information must be posted no later than 45 days
25 after the State Comptroller receives the information from the
26 municipality. The State Comptroller must also post a list of

1 the municipalities not in compliance with the reporting
2 requirements set forth in subsection (d) of this Section.

3 (Source: P.A. 91-474, eff. 11-1-99; 91-900, eff. 7-6-00.)

4 Section 99. Effective date. This Act takes effect upon
5 becoming law.