



98TH GENERAL ASSEMBLY

State of Illinois

2013 and 2014

HB0058

Introduced 1/9/2013, by Rep. Joe Sosnowski

SYNOPSIS AS INTRODUCED:

65 ILCS 5/4-8-6	from Ch. 24, par. 4-8-6
65 ILCS 5/4-8-6a	from Ch. 24, par. 4-8-6a
65 ILCS 5/4-8-7	from Ch. 24, par. 4-8-7

Amends the Illinois Municipal Code. Provides that a Section prohibiting certain officers and employees of a municipality from having an interest in certain contracts applies only to an officer or employee who is a member of the board of an investor-owned public service corporation. Provides that a Section prohibiting certain officers and employees of a municipality from requesting, accepting, or receiving services or employment from certain public utility owners applies only to an officer or employee who is a member of an investor-owned public service corporation. In a Section prohibiting a mayor or commissioner from being an official of any public service corporation at the time he or she assumes office, defines "official of a public service corporation" to mean a member of the board of an investor-owned public service corporation. Effective immediately.

LRB098 03796 OMW 33812 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 Municipal Code is amended by
5 changing Sections 4-8-6, 4-8-6a, and 4-8-7 as follows:

6 (65 ILCS 5/4-8-6) (from Ch. 24, par. 4-8-6)

7 Sec. 4-8-6. (a) No officer or employee elected or appointed
8 under this article shall be interested, directly or indirectly,
9 in his own name or in the name of any other person,
10 association, trust or corporation, in any contract for work or
11 materials, or profits thereof, or services to be furnished or
12 performed for the municipality or for any person operating a
13 public utility wholly or partly within the territorial limits
14 of the municipality.

15 (b) However, any elected or appointed member of the
16 governing body may provide materials, merchandise, property,
17 services or labor, if:

18 A. the contract is with a person, firm, partnership,
19 association, corporation, or cooperative association in which
20 such interested member of the governing body of the
21 municipality has less than a 7 1/2% share in the ownership; and

22 B. such interested member publicly discloses the nature and
23 extent of his interest prior to or during deliberations

1 concerning the proposed award of the contract; and

2 C. such interested member abstains from voting on the award
3 of the contract, though he shall be considered present for the
4 purposes of establishing a quorum; and

5 D. such contract is approved by a majority vote of those
6 members presently holding office; and

7 E. the contract is awarded after sealed bids to the lowest
8 responsible bidder if the amount of the contract exceeds \$1500,
9 or awarded without bidding if the amount of the contract is
10 less than \$1500; and

11 F. the award of the contract would not cause the aggregate
12 amount of all such contracts so awarded to the same person,
13 firm, association, partnership, corporation, or cooperative
14 association in the same fiscal year to exceed \$25,000.

15 (c) In addition to the above exemption, any elected or
16 appointed member of the governing body may provide materials,
17 merchandise, property, services or labor if:

18 A. the award of the contract is approved by a majority vote
19 of the governing body of the municipality provided that any
20 such interested member shall abstain from voting; and

21 B. the amount of the contract does not exceed \$1000; and

22 C. the award of the contract would not cause the aggregate
23 amount of all such contracts so awarded to the same person,
24 firm, association, partnership, corporation, or cooperative
25 association in the same fiscal year to exceed \$2000; and

26 D. such interested member publicly discloses the nature and

1 extent of his interest prior to or during deliberations
2 concerning the proposed award of the contract; and

3 E. such interested member abstains from voting on the award
4 of the contract, though he shall be considered present for the
5 purposes of establishing a quorum.

6 (d) A contract for the procurement of public utility
7 services by a municipality with a public utility company is not
8 barred by this Section by one or more members of the governing
9 body being an officer or employee of the public utility company
10 or holding an ownership interest of no more than 7 1/2 % in the
11 public utility company, or holding an ownership interest of any
12 size if the municipality has a population of less than 7,500
13 and the public utility's rates are approved by the Illinois
14 Commerce Commission. An elected or appointed member of the
15 governing body having such an interest shall be deemed not to
16 have a prohibited interest under this Section.

17 (e) Any officer who violates this Section is guilty of a
18 Class 4 felony and in addition thereto any office held by such
19 person so convicted shall become vacant and shall be so
20 declared as part of the judgment of the court.

21 (f) Nothing contained in this Section, including the
22 restrictions set forth in subsections (b), (c) and (d), shall
23 preclude a contract of deposit of monies, loans or other
24 financial services by a municipality with a local bank or local
25 savings and loan association, regardless of whether a member or
26 members of the governing body of the municipality are

1 interested in such bank or savings and loan association as an
2 officer or employee or as a holder of less than 7 1/2% of the
3 total ownership interest. A member or members holding such an
4 interest in such a contract shall not be deemed to be holding a
5 prohibited interest for purposes of this Act. Such interested
6 member or members of the governing body must publicly state the
7 nature and extent of their interest during deliberations
8 concerning the proposed award of such a contract, but shall not
9 participate in any further deliberations concerning the
10 proposed award. Such interested member or members shall not
11 vote on such a proposed award. Any member or members abstaining
12 from participation in deliberations and voting under this
13 Section may be considered present for purposes of establishing
14 a quorum. Award of such a contract shall require approval by a
15 majority vote of those members presently holding office.
16 Consideration and award of any such contract in which a member
17 or members are interested may only be made at a regularly
18 scheduled public meeting of the governing body of the
19 municipality.

20 (g) This Section applies only to an officer or employee
21 elected or appointed under this Article who is a member of the
22 board of an investor-owned public service corporation.

23 (Source: P.A. 82-399.)

24 (65 ILCS 5/4-8-6a) (from Ch. 24, par. 4-8-6a)

25 Sec. 4-8-6a. No officer or employee elected or appointed

1 under this Article shall request, accept, or receive, directly
2 or indirectly, from any person owning, operating, or leasing
3 within or partly within the territorial limits of the
4 municipality, any public utility, or any water craft leaving or
5 entering or operating within the municipality, any service or
6 transportation upon terms more favorable than are granted to
7 the public generally, or any employment, for hire or otherwise,
8 or any free service or transportation, either for himself or
9 any other person.

10 A violation of this Section is a petty offense. A
11 conviction shall effect a forfeiture of the office or
12 employment.

13 The prohibition of free transportation shall not apply to
14 policemen or firemen in uniform, nor shall this Section affect
15 any free service to municipal officers or employees provided by
16 any franchise or license, granted prior to March 9, 1910.

17 This Section applies only to an officer or employee elected
18 or appointed under this Article who is a member of the board of
19 an investor-owned public service corporation.

20 (Source: P.A. 80-938.)

21 (65 ILCS 5/4-8-7) (from Ch. 24, par. 4-8-7)

22 Sec. 4-8-7. No mayor or commissioner elected under this
23 article shall be an official of any public service corporation
24 at the time he or she assumes office. A violation of this
25 section is a Class A misdemeanor.

1 For the purposes of this Section, "official of any public
2 service corporation" means a member of the board of an
3 investor-owned public service corporation.

4 (Source: P.A. 77-2500.)

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