



Sen. Thomas Cullerton

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1 AMENDMENT TO SENATE BILL 494

2 AMENDMENT NO. _____. Amend Senate Bill 494 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Counties Code is amended by adding the
5 Division 5-44 to Article 5 and Sections 5-44005, 5-44010,
6 5-44015, 5-44020, 5-44025, 5-44030, 5-44035, 5-44040, 5-44045,
7 5-44050, and 5-44055 as follows:

8 (55 ILCS 5/Div. 5-44 heading new)
9 Division 5-44. Local Government Reduction and Efficiency

10 (55 ILCS 5/5-44005 new)
11 Sec. 5-44005. Findings and purpose.

12 (a) The General Assembly finds:

13 (1) Illinois has more units of local government than
14 any other state.

15 (2) The large number of units of local government

1 results in the inefficient delivery of governmental
2 services at a higher cost to taxpayers.

3 (3) In a number of cases, units of local government
4 provide services that are duplicative in nature, as they
5 are provided by other units of local government.

6 (4) It is in the best interest of taxpayers that more
7 efficient service delivery structures be established in
8 order to replace units of local government that are not
9 financially sustainable.

10 (5) Units of local government managed by appointed
11 governing boards not directly accountable to the
12 electorate can encourage a lack of oversight and
13 complacency that is not in the best interest of taxpayers.

14 (6) Various provisions of Illinois law governing the
15 dissolution of units of local government are inconsistent
16 and outdated.

17 (7) The lack of a streamlined method to consolidate
18 government functions and to dissolve units of local
19 government results in an unfair tax burden on the citizens
20 of the State of Illinois residing in those units of local
21 government and prevents the expenditure of limited public
22 funds for critical programs and services.

23 (b) The purpose of this Act is to provide county boards
24 with supplemental authority regarding the dissolution of units
25 of local government and the consolidation of governmental
26 functions.

1 (55 ILCS 5/5-44010 new)

2 Sec. 5-44010. Applicability. The powers and authorities
3 provided by this Division 5-44 apply only to counties with a
4 population of more than 900,000 and less than 3,000,000 that
5 are contiguous to a county with a population of more than
6 3,000,000 and units of local government within such counties.

7 (55 ILCS 5/5-44015 new)

8 Sec. 5-44015. Powers; supplemental. The Sections of this
9 Division 5-44 are intended to be supplemental and in addition
10 to all other powers and authorities granted to any county
11 board, shall be construed liberally, and shall not be construed
12 as a limitation of any power or authority otherwise granted.

13 (55 ILCS 5/5-44020 new)

14 Sec. 5-44020. Definitions. In this Division 5-44:
15 "Governing board" means the individual or individuals who
16 constitute the corporate authorities of a unit of local
17 government; and

18 "Unit of local government" or "unit" means any unit of
19 local government located entirely within one county, to which
20 the county board chairman or county executive directly appoints
21 a majority of its governing board with the advice and consent
22 of the county board, but shall not include a fire protection
23 district that directly employs any regular full-time employees

1 or a special district organized under the Water Commission Act
2 of 1985.

3 (55 ILCS 5/5-44025 new)

4 Sec. 5-44025. Dissolution of units of local government.

5 (a) A county board may, by ordinance, propose the
6 dissolution of a unit of local government. The ordinance shall
7 detail the purpose and cost savings to be achieved by such
8 dissolution, and be published in a newspaper of general
9 circulation served by the unit of local government and on the
10 county's website, if applicable.

11 (b) Upon the effective date of an ordinance enacted
12 pursuant to subsection (a) of this Section, the chairman of the
13 county board shall cause an audit of all claims against the
14 unit, all receipts of the unit, the inventory of all real and
15 personal property owned by the unit or under its control or
16 management, and any debts owed by the unit. The chairman may,
17 at his or her discretion, undertake any other audit or
18 financial review of the affairs of the unit. The person or
19 entity conducting such audit shall report the findings of the
20 audit to the county board and to the chairman of the county
21 board within 30 days.

22 (c) Following the return of the audit report required by
23 subsection (b) of this Section, the county board may adopt an
24 ordinance dissolving the unit 150 days following the effective
25 date of the ordinance. Upon adoption of the ordinance, but

1 prior to its effective date, the chairman of the county board
2 shall petition the circuit court for an order designating a
3 trustee-in-dissolution for the unit, immediately terminating
4 the terms of the members of the governing board of the unit of
5 local government on the effective date of the ordinance, and
6 providing for the compensation of the trustee, which shall be
7 paid from the corporate funds of the unit.

8 (d) Upon the effective date of an ordinance enacted under
9 subsection (c) of this Section, and notwithstanding any other
10 provision of law, the State's attorney, or his or her designee,
11 shall become the exclusive legal representative of the
12 dissolving unit of local government. The county treasurer shall
13 become the treasurer of the unit of local government and the
14 county clerk shall become the secretary of the unit of local
15 government.

16 (55 ILCS 5/5-44030 new)

17 Sec. 5-44030. Trustee-in-dissolution; powers and duties.
18 The trustee-in-dissolution shall have the following powers and
19 duties:

20 (a) to execute all of the powers and duties of the previous
21 board;

22 (b) to levy and rebate taxes, subject to the approval of
23 the county board, for the purpose of paying the debts,
24 obligations, and liabilities of the unit that are outstanding
25 on the date of the dissolution and the necessary expenses of

1 closing up the affairs of the district if these funds are not
2 available from the unit of local government's general fund;

3 (c) to present, within 30 days of his or her appointment, a
4 plan for the consolidation and dissolution of the unit of local
5 government to the county board for its approval. The plan shall
6 identify what functions, if any, of the unit of local
7 government shall be undertaken by the county upon dissolution
8 and whether any taxes previously levied for the provision of
9 these functions shall be maintained;

10 (d) to enter into an intergovernmental agreement with one
11 or more governmental entities to utilize existing resources
12 including, but not limited to, labor, materials, and property,
13 as may be needed to carry out the foregoing duties;

14 (e) to enter into an intergovernmental agreement with the
15 county to combine or transfer any of the powers, privileges,
16 functions, or authority of the unit of local government to the
17 county as may be required to facilitate the transition; and

18 (f) to sell the property of the unit and, in case any
19 excess remains after all liabilities of the unit are paid, the
20 excess shall be transferred to a special fund created and
21 maintained by the county treasurer to be expended solely to
22 defer the costs incurred by the county in performing the duties
23 of the unit, subject to the requirements of Section 5-44035 of
24 this Division. Nothing in this Section shall prohibit the
25 county from acquiring any or all real or personal property of
26 the district.

1 (55 ILCS 5/5-44035 new)

2 Sec. 5-44035. Outstanding indebtedness.

3 (a) In case any unit dissolved pursuant to this Division
4 has bonds or notes outstanding that are a lien on funds
5 available in the treasury at the time of consolidation, such
6 lien shall be unimpaired by such dissolution and the lien shall
7 continue in favor of the bond or note holders. The funds
8 available subject to such a lien shall be set apart and held
9 for the purpose of retiring such secured debt and no such funds
10 shall be transferred into the general funds of the county.

11 (b) In case any unit dissolved pursuant to this Division
12 has unsecured debts outstanding at the time of dissolution, any
13 funds in the treasury of such unit or otherwise available and
14 not committed shall, to the extent necessary, be applied to the
15 payment of such debts.

16 (c) All property in the territory served by the dissolved
17 unit of government shall be subject to taxation to pay the
18 debts, bonds, and obligations of the dissolved district. The
19 county board shall abate this taxation upon the discharge of
20 all outstanding obligations.

21 (55 ILCS 5/5-44040 new)

22 Sec. 5-44040. Effect of dissolution. Immediately upon the
23 dissolution of a unit of local government pursuant to this
24 Division:

1 (a) Notwithstanding the provisions of the Special Service
2 Area Tax Law of the Property Tax Code that pertain to the
3 establishment of special service areas, all or part of the
4 territory formerly served by the dissolved unit of local
5 government may be established as a special service area or
6 areas of the county if the county board by resolution
7 determines that this designation is necessary for it to provide
8 services. The special service area, if created, shall include
9 all territory formerly served by the dissolved unit of local
10 government if the dissolved unit has outstanding indebtedness.
11 If the boundaries of a special service area created under this
12 subsection include territory within a municipality, the
13 corporate authorities of that municipality may, with the
14 consent of the county, assume responsibility for the special
15 service area and become its governing body.

16 (b) In addition to any other powers provided by law, the
17 governing body of a special service area created pursuant to
18 this subsection shall assume and is authorized to exercise all
19 the powers and duties of the dissolved unit with respect to the
20 special service area. The governing body is also authorized to
21 continue to levy any tax previously imposed by the unit of
22 local government within the special service area.

23 (c) Subsequent increases of the current tax levy within the
24 special service area or areas shall be made in accordance with
25 the provisions of the Special Service Area Tax Law of the
26 Property Tax Code.

1 (55 ILCS 5/5-44045 new)

2 Sec. 5-44045. Abatement of levy. Whenever a county has
3 dissolved a unit of local government pursuant to this Division,
4 the county or municipality shall, within 6 months of the
5 effective date of the dissolution and every year thereafter,
6 evaluate the need to continue any existing tax levy until the
7 county or municipality abates the levy in the manner set forth
8 by the Special Service Area Tax Law of the Property Tax Code.

9 (55 ILCS 5/5-44050 new)

10 Sec. 5-44050. Tax collection and enforcement. The
11 dissolution of a unit of government pursuant to this Division
12 shall not adversely affect proceedings for the collection or
13 enforcement of any tax. Those proceedings shall continue to
14 finality as though no dissolution had taken place. The proceeds
15 thereof shall be paid over to the treasurer of the county to be
16 used for the purpose for which the tax was levied or assessed.
17 Proceedings to collect and enforce such taxes may be instituted
18 and carried on in the name of the unit.

19 (55 ILCS 5/5-44055 new)

20 Sec. 5-44055. Litigation. All suits pending in any court on
21 behalf of or against a unit dissolved pursuant to this Division
22 may be prosecuted or defended in the name of the county by the
23 state's attorney. All judgments obtained for a unit dissolved

1 pursuant to this Division shall be collected and enforced by
2 the county for its benefit.

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