



99TH GENERAL ASSEMBLY

State of Illinois

2015 and 2016

HB0174

by Rep. David McSweeney

SYNOPSIS AS INTRODUCED:

New Act
10 ILCS 5/28-7

from Ch. 46, par. 28-7

Creates the Local Government Dissolution Act. Provides that electors may petition for a referendum at the next general election to dissolve a non-home rule unit of local government. Sets forth the requirements for the petition, together with the form and requirements for the ballot referendum. Provides for the transfer of all real and personal property, and any other assets, together with all personnel, contractual obligations, and liabilities of the dissolving unit of local government to the receiving unit of local government. Amends the Election Code to provide exceptions for the Local Government Dissolution Act. Effective immediately.

LRB099 02873 AWJ 22881 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 1. Short title. This Act may be cited as the Local
5 Government Dissolution Act.

6 Section 5. Scope. The method of dissolution of a unit of
7 local government under this Act shall be in addition to any
8 other method of dissolving a unit of local government provided
9 by law or otherwise.

10 Section 10. Definitions. As used in this Act:

11 "Dissolving unit of local government" means the unit of
12 local government proposed to be dissolved by referendum under
13 this Act.

14 "Electors" means the registered voters of the dissolving
15 unit of local government and the registered voters of the
16 receiving unit of local government.

17 "Receiving unit of local government" means the unit of
18 local government receiving the rights, duties and liabilities
19 of the unit of local government proposed be dissolved by
20 referendum under this Act.

21 Section 15. Petitions requirements; notice.

1 (a) Subject to the petition requirements of Section 28-3 of
2 the Election Code, petitions for a referendum to dissolve any
3 unit of local government must be filed both with the governing
4 board of the dissolving unit of local governmental and the
5 governing board of the receiving unit of local government not
6 less than 122 days prior to a general election. Petitions must
7 include:

8 (1) the dissolving unit of local government;

9 (2) the receiving unit of local government;

10 (3) the date of dissolution;

11 (4) signatures of a number of electors equal to or
12 greater than 5% of the total votes cast in the preceding
13 general election; and

14 (5) an affidavit of publication, attesting that notice
15 of the petition to dissolve a local unit of government was
16 published in a newspaper of general circulation within the
17 territory of the dissolving unit of local government and
18 the receiving unit of local government at least 122 days
19 and no more than 152 days prior to the general election at
20 which the referendum is to be voted upon.

21 (b) The proposed date of dissolution shall be at least 90
22 days after the date of the election at which the referendum is
23 to be voted upon.

24 (c) The parties filing a petition under this Section shall
25 give notice in substantially the following form:

1 NOTICE OF PETITION TO DISSOLVE [dissolving unit of local
2 government] .

3 Residents of [dissolving unit of local government] and
4 [receiving unit of local government] are notified that a
5 petition will be filed with [dissolving unit of local
6 government] and [receiving unit of local government]
7 requesting a referendum to dissolve [dissolving unit of
8 local government] on [date of dissolution] with all real
9 and personal property, and any other assets, together with
10 all personnel, contractual obligations, and liabilities
11 being transferred to [receiving unit of local government] .

12 Section 20. Ballot placement. A petition that meets the
13 requirements of Section 15 shall be placed on the ballot in the
14 form provided for in Section 25 at the general election next
15 following. Failure to publish the required notice of petition
16 shall render the petition, and the results of any referendum
17 held on the petition, null and void.

18 Section 25. Referendum; voting.

19 (a) Subject to the requirements of Section 16-7 of the
20 Election Code, the referendum described in Section 20 shall be
21 in substantially the following form on the ballot:

22 -----

23 Shall the [dissolving
24 unit of local government] be

1 dissolved on [date of dissolution] YES
 2 with all of its property,
 3 assets, personnel, obligations, and -----
 4 liabilities being transferred to
 5 [receiving unit of local government]? NO

6 -----

- 7 (b) The referendum is approved when:
- 8 (1) three-fifths of the electors of the dissolving unit
 - 9 of local government approve the referendum; and
 - 10 (2) three-fifths of the electors of the receiving unit
 - 11 of local government approve the referendum.

12 Section 30. Dissolution; transfer of rights and duties.
 13 When the dissolution of a unit of local government has been
 14 approved under Section 25:

15 (a) On or before the date of dissolution, all real and
 16 personal property, and any other assets, together with all
 17 personnel, contractual obligations, and liabilities of the
 18 dissolving unit of local government shall be transferred to the
 19 receiving unit of local government.

20 (b) On the date of dissolution, the dissolving unit of
 21 local government is dissolved.

22 (c) On and after the date of dissolution, all rights and
 23 duties of the dissolved unit of local government, including,
 24 but not limited to, the authority to tax (if any), may be
 25 exercised by the governing board of the receiving unit of local

1 government.

2 Section 98. Applicability. This Act does not apply to home
3 rule units of government.

4 Section 100. The Election Code is amended by changing
5 Section 28-7 as follows:

6 (10 ILCS 5/28-7) (from Ch. 46, par. 28-7)

7 Sec. 28-7. Except as provided in the Local Government
8 Dissolution Act, in ~~in~~ any case in which Article VII or
9 paragraph (a) of Section 5 of the Transition Schedule of the
10 Constitution authorizes any action to be taken by or with
11 respect to any unit of local government, as defined in Section
12 1 of Article VII of the Constitution, by or subject to approval
13 by referendum, any such public question shall be initiated in
14 accordance with this Section.

15 Any such public question may be initiated by the governing
16 body of the unit of local government by resolution or by the
17 filing with the clerk or secretary of the governmental unit of
18 a petition signed by a number of qualified electors equal to or
19 greater than at least 8% of the total votes cast for candidates
20 for Governor in the preceding gubernatorial election,
21 requesting the submission of the proposal for such action to
22 the voters of the governmental unit at a regular election.

23 If the action to be taken requires a referendum involving 2

1 or more units of local government, the proposal shall be
2 submitted to the voters of such governmental units by the
3 election authorities with jurisdiction over the territory of
4 the governmental units. Such multi-unit proposals may be
5 initiated by appropriate resolutions by the respective
6 governing bodies or by petitions of the voters of the several
7 governmental units filed with the respective clerks or
8 secretaries.

9 This Section is intended to provide a method of submission
10 to referendum in all cases of proposals for actions which are
11 authorized by Article VII of the Constitution by or subject to
12 approval by referendum and supersedes any conflicting
13 statutory provisions except those contained in the "County
14 Executive Act" or the Local Government Dissolution Act.

15 Referenda provided for in this Section may not be held more
16 than once in any 23-month period on the same proposition,
17 provided that in any municipality a referendum to elect not to
18 be a home rule unit may be held only once within any 47-month
19 period.

20 (Source: P.A. 97-81, eff. 7-5-11.)

21 Section 999. Effective date. This Act takes effect upon
22 becoming law.