



## 99TH GENERAL ASSEMBLY

### State of Illinois

2015 and 2016

**HB4298**

by Rep. Jay Hoffman

#### SYNOPSIS AS INTRODUCED:

60 ILCS 1/205-140

Amends the Township Code. Provides that no township may increase or create water main, sewer, or water main and sewer connection charges without first conducting a cost study, the results of which justify the charge. Provides that a township shall not be required to conduct more than one cost study in a 60 month period and specified units or persons requesting a cost study after the first cost study will be required to pay for the cost study. Further provides that if the connection charge that the township charges is greater than is justified by the cost study, the township must reduce its connection charge.

LRB099 14423 AWJ 38521 b

FISCAL NOTE ACT  
MAY APPLY

A BILL FOR

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 Township Code is amended by changing Section  
5 205-140 and by adding Section 200-14c as follows:

6 (60 ILCS 1/205-140)

7 Sec. 205-140. Initiating proceedings for particular  
8 locality; rates and charges; lien.

9 (a) A township board may initiate proceedings under  
10 Sections 205-130 through 205-150 in the manner provided by  
11 Section 205-20.

12 (b) The township board may establish the rate or charge to  
13 each user of the waterworks system or sewerage system, or  
14 combined waterworks and sewerage system, or improvement or  
15 extension at a rate that will be sufficient to pay the  
16 principal and interest of any bonds issued to pay the cost of  
17 the system, improvement, or extension and the maintenance and  
18 operation of the system, improvement, or extension and may  
19 provide an adequate depreciation fund for the bonds. Charges or  
20 rates shall be established, revised, and maintained by  
21 ordinance and become payable as the township board determines  
22 by ordinance.

23 (c) The charges or rates are liens upon the real estate

1 upon or for which sewerage service is supplied whenever the  
2 charges or rates become delinquent as provided by the ordinance  
3 of the board fixing a delinquency date.

4 (d) Notwithstanding any provision of law to the contrary,  
5 the township shall conduct a cost study regarding the  
6 connection charge of the township:

7 (1) before the township increases or creates a  
8 connection charge;

9 (2) upon the request of the supervisor or a majority of  
10 the township board of the township;

11 (3) upon the request of a majority of the mayors or  
12 village presidents of the municipalities located within or  
13 substantially within the township or township's facility  
14 planning area; or

15 (4) upon the filing with the township board of a  
16 petition signed by 10% or more of the customers who have  
17 paid connection charges to the township in the previous 5  
18 calendar years.

19 The cost study shall be conducted by an independent entity  
20 within 6 months of an action taken under paragraphs (1), (2),  
21 (3), or (4) of this subsection (d). After performing a cost  
22 study under this subsection (d), an independent entity may not  
23 contract with any State agency, unit of local government, or  
24 non-governmental entity for goods or services within the  
25 township or township service area in the 24 months after  
26 completion of the cost study other than to perform further cost

1 studies under this subsection (d). A township shall not conduct  
2 more than one cost study under this subsection (d) in a 60  
3 month period. The cost study must include, at a minimum, an  
4 examination of similar water main and sewer connection charges  
5 in neighboring units of local government or units of local  
6 government similar in size or population. Following the  
7 completion of the cost study, no increase or new connection  
8 charge may be imposed unless the increase or new charge is  
9 justified by the cost study. If the connection charge the  
10 township charged prior to completion of the cost study is  
11 higher than is justified by the cost study, the township shall  
12 reduce its connection charge to the amount justified by the  
13 cost study.

14 (e) If a cost study has been conducted pursuant to  
15 subsection (d) of this Section and a new cost study is  
16 requested under paragraph (3) or (4) of subsection (d), the  
17 township shall obtain a written quote from an independent  
18 entity detailing the cost of the requested cost study and the  
19 following shall occur prior to a new cost study beginning:

20 (1) each township, village, and municipality whose  
21 mayor or president requested the cost study under paragraph  
22 (3) of subsection (d) shall pay a proportionate share of  
23 the cost of the written quote required under this  
24 subsection (e); or

25 (2) the customers who signed the petition under  
26 paragraph (4) of subsection (d) shall pay to the township

1       the entire cost of the written quote required under this  
2       subsection (e).

3       (f) For purposes of this Section only:

4       "Connection charge" means any charge or fee, by whatever  
5       name, assessed to recover the cost of connecting the customer's  
6       water main, sewer, or water main and sewer service line to the  
7       township's facilities, and includes only the direct and  
8       indirect costs of physically tying the service line into the  
9       township's main.

10       "Independent entity" means an engineering firm that has not  
11       entered into a contract with any State agency, unit of local  
12       government, or non-governmental entity for goods or services  
13       within the township or township service area in the 24 months  
14       prior to being contracted to perform the cost study.

15       (Source: P.A. 82-783; 88-62.)