

HB4371



99TH GENERAL ASSEMBLY

State of Illinois

2015 and 2016

HB4371

by Rep. Steven Andersson

SYNOPSIS AS INTRODUCED:

70 ILCS 3715/28

Amends the Water Authorities Act. Provides that a water authority may be dissolved upon referendum of the electors of the water authority. Provides that the business affairs of the water authority shall be closed after approval of a referendum dissolving the water authority and for the disposition of property following dissolution. Further provides that any money remaining shall be paid to the school treasurer of the school district or districts in which the water authority was situated. Effective immediately.

LRB099 13772 AWJ 37740 b

FISCAL NOTE ACT
MAY APPLY

HOUSING
AFFORDABILITY
IMPACT 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 Water Authorities Act is amended by changing
5 Section 28 as follows:

6 (70 ILCS 3715/28)

7 Sec. 28. Cessation or dissolution of authority
8 organization.

9 (a) Notwithstanding any other provision of law, if a
10 majority vote of the board of trustees is in favor of the
11 proposition to annex the authority to another authority whose
12 boundaries are contiguous, or consolidate the authority into a
13 municipality with which the authority is coterminous or
14 substantially coterminous, or consolidate the authority into
15 the county in which the authority sits if the authority
16 contains territory within only one county, and if the governing
17 authorities of the governmental unit assuming the functions of
18 the former authority agree by resolution to accept the
19 functions (and jurisdiction over the territory, if applicable)
20 of the consolidated or annexed authority, then the authority
21 shall cease. On the effective date of the annexation or
22 consolidation, all the rights, powers, duties, assets,
23 property, liabilities, indebtedness, obligations, bonding

1 authority, taxing authority, and responsibilities of the
2 authority shall vest in and be assumed by the governmental unit
3 assuming the functions of the former authority.

4 The employees of the former authority shall be transferred
5 to the governmental unit assuming the functions of the former
6 authority. The governmental unit assuming the functions of the
7 former authority shall exercise the rights and
8 responsibilities of the former authority with respect to those
9 employees. The status and rights of the employees of the former
10 authority under any applicable contracts or collective
11 bargaining agreements, historical representation rights under
12 the Illinois Public Labor Relations Act, or under any pension,
13 retirement, or annuity plan shall not be affected by this
14 amendatory Act.

15 (b) Any authority created under this Act which does not
16 have outstanding and unpaid any revenue bonds issued under this
17 Act may be dissolved any time after a date which is 4 years
18 after the date of its creation as follows:

19 Any 100 electors residing within the area of the authority
20 may petition the circuit court to order submitted to referendum
21 the question whether the authority should be dissolved. Upon
22 the filing of the petition, and the determination that it is in
23 accordance with the general election law, the circuit court
24 shall: (1) designate the election at which this question is to
25 be submitted; (2) order notice of the referendum in the manner
26 provided by the general election law; and certify the

1 proposition to the proper election officials for submission in
2 accordance with the general election law.

3 The proposition shall be in substantially the following
4 form:

5	-----	
6	<u>"Shall the (name of</u>	<u>YES</u>
7	<u>water authority)</u>	-----
8	<u>be dissolved?"</u>	<u>NO</u>
9	-----	

10 If a majority of the votes cast on this question are in
11 favor of dissolution of the authority under this subsection,
12 then such organization shall cease, the authority is dissolved,
13 and the circuit court shall direct the discharge of all
14 outstanding obligations.

15 If the vote is in favor of dissolution of the authority
16 under this subsection, there shall be no further appointments
17 or elections for trustees. The trustees acting at the time of
18 this vote shall close up the business affairs of the district
19 and make the necessary conveyances of the title to the district
20 property. The terms of the trustees acting at the time of a
21 vote in favor of dissolution are extended until the business
22 affairs are closed up and conveyances of title are completed.

23 If the vote is against dissolution of the authority, no
24 petition for a referendum under this subsection may be filed

1 within 2 years of the previous referendum.

2 The dissolution of any authority under this subsection does
3 not affect the obligation of any bonds issued or contracts
4 entered into by such authority, nor invalidate the levy,
5 extension or collection of any taxes upon the property in the
6 debtor authority, but all such bonds and contracts shall be
7 discharged.

8 All money remaining after the business affairs of the
9 authority have been closed up and all the debts and obligations
10 of the authority have been paid under this subsection, shall be
11 paid to the school treasurer of the school district in which
12 the authority was situated, not including high school
13 districts. When the authority was situated in 2 or more such
14 school districts the money shall be divided between the
15 districts, each district to receive an amount based on the
16 ratio of assessed valuation of real estate of the school
17 district which was situated in the authority to the assessed
18 valuation of the real estate of all school districts which were
19 situated in the authority.

20 All courts shall take judicial notice of the dissolution of
21 such authority.

22 (Source: P.A. 98-1002, eff. 8-18-14.)

23 Section 99. Effective date. This Act takes effect upon
24 becoming law.