



Rep. Steven A. Andersson

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09900HB4371ham001

LRB099 13772 AWJ 46059 a

1 AMENDMENT TO HOUSE BILL 4371

2 AMENDMENT NO. \_\_\_\_\_. Amend House Bill 4371 by replacing  
3 everything after the enacting clause with the following:

4 "Section 5. The Water Authorities Act is amended by  
5 changing 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

1 authorities of the governmental unit assuming the functions of  
2 the former authority agree by resolution to accept the  
3 functions (and jurisdiction over the territory, if applicable)  
4 of the consolidated or annexed authority, then the authority  
5 shall cease. On the effective date of the annexation or  
6 consolidation, all the rights, powers, duties, assets,  
7 property, liabilities, indebtedness, obligations, bonding  
8 authority, taxing authority, and responsibilities of the  
9 authority shall vest in and be assumed by the governmental unit  
10 assuming the functions of the former authority.

11 The employees of the former authority shall be transferred  
12 to the governmental unit assuming the functions of the former  
13 authority. The governmental unit assuming the functions of the  
14 former authority shall exercise the rights and  
15 responsibilities of the former authority with respect to those  
16 employees. The status and rights of the employees of the former  
17 authority under any applicable contracts or collective  
18 bargaining agreements, historical representation rights under  
19 the Illinois Public Labor Relations Act, or under any pension,  
20 retirement, or annuity plan shall not be affected by this  
21 amendatory Act.

22 (b) Any authority created under this Act, other than an  
23 authority servicing any part of the City of Chicago, which does  
24 not have outstanding and unpaid any revenue bonds issued under  
25 this Act may be dissolved any time after a date which is 4  
26 years after the date of its creation as follows:

1        Any 500 electors residing within the area of the authority  
2        may petition the circuit court to order submitted to referendum  
3        the question whether the authority should be dissolved. Upon  
4        the filing of the petition, and the determination that it is in  
5        accordance with the general election law, the circuit court  
6        shall: designate the election at which this question is to be  
7        submitted; order notice of the referendum in the manner  
8        provided by the general election law; and certify the  
9        proposition to the proper election officials for submission in  
10       accordance with the general election law.

11       The proposition shall be in substantially the following  
12       form:

|                             |            |
|-----------------------------|------------|
| -----                       |            |
| " <u>Shall the (name of</u> | <u>YES</u> |
| <u>water authority)</u>     | -----      |
| <u>be dissolved?"</u>       | <u>NO</u>  |
| -----                       |            |

18       If a majority of the votes cast on this question are in  
19       favor of dissolution of the authority under this subsection,  
20       then such organization shall cease, the authority is dissolved,  
21       and the circuit court shall direct the discharge of all  
22       outstanding obligations.

23       If the vote is in favor of dissolution of the authority  
24       under this subsection, there shall be no further appointments

1 or elections for trustees. Except as otherwise provided for in  
2 this subsection, the trustees acting at the time of this vote  
3 shall close up the business affairs of the district and make  
4 the necessary conveyances of the title to the district  
5 property. The terms of the trustees acting at the time of a  
6 vote in favor of dissolution are extended until the business  
7 affairs are closed up and conveyances of title are completed.

8 To the extent that the authority has entered into a  
9 multiyear lease on a real property asset (including, but not  
10 limited to, surface water property) that it possesses, the  
11 court, upon application of the trustees, may order the trustees  
12 to arrange the transfer of such real property asset, instead of  
13 liquidating the real property asset, to a unit of local  
14 government with legal authority to operate the real property  
15 asset. Such transfer may be made with or without compensation  
16 in the discretion of the court in accordance with this  
17 paragraph. In determining whether compensation shall be paid,  
18 the court shall determine if the same or substantially similar  
19 groups of citizens will benefit from the real property asset  
20 after transfer. To the extent that the same or substantially  
21 similar groups of citizens will continue to benefit from the  
22 real property asset, the court is not required to order  
23 compensation paid by the receiving unit of local government to  
24 the authority. To the extent that a substantial change occurs  
25 to the groups of citizens that will benefit from the real  
26 property asset after the transfer, the court shall determine,

1 after receiving input from the trustees and the unit of local  
2 government, an equitable method of compensation, after  
3 receiving input from the trustees and the unit of local  
4 government, to be received from the unit of local government to  
5 whom the real property asset is being transferred. The court  
6 shall liberally construe this provision to provide for an  
7 equitable determination of relative benefit.

8 If the vote is against dissolution of the authority, no  
9 petition for a referendum under this subsection may be filed  
10 within 4 years of the previous referendum.

11 The dissolution of any authority under this subsection does  
12 not affect the obligation of any bonds issued or contracts  
13 entered into by such authority, nor invalidate the levy,  
14 extension or collection of any taxes upon the property in the  
15 debtor authority, but all such bonds and contracts shall be  
16 fulfilled or repaid as required under the terms of the bonds or  
17 contracts.

18 All money remaining after the business affairs of the  
19 authority have been closed up and all the debts and obligations  
20 of the authority have been paid under this subsection, shall be  
21 paid to the county or counties in which such authority is  
22 situated in the proportion that the taxable value the real  
23 property in the authority situated in each county bears to the  
24 taxable value of all the real property in the authority.

25 All courts shall take judicial notice of the dissolution of  
26 such authority.

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

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