



Rep. Sonya M. Harper

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1 AMENDMENT TO SENATE BILL 550

2 AMENDMENT NO. _____. Amend Senate Bill 550, AS AMENDED, by
3 replacing everything after the enacting clause with the
4 following:

5 "Section 5. The Illinois Municipal Code is amended by
6 adding Division 150.1 to Article 11 as follows:

7 (65 ILCS 5/Art. 11 Div. 150.1 heading new)

8 DIVISION 150.1. LEAD HAZARD COST RECOVERY FEE

9 (65 ILCS 5/11-150.1-1 new)

10 Sec. 11-150.1-1. Lead hazard cost recovery fee. The
11 corporate authorities of any municipality that operates a
12 waterworks system and that incurs reasonable costs to comply
13 with Section 35.5 of the Illinois Plumbing License Law shall
14 have the authority, by ordinance, to collect a fair and
15 reasonable fee from users of the system in order to recover

1 those reasonable costs. Fees collected pursuant to this Section
2 shall be used exclusively for the purpose of complying with
3 Section 35.5 of the Illinois Plumbing License Law.

4 Section 10. The School Code is amended by changing Sections
5 17-2.11 and 17-2A as follows:

6 (105 ILCS 5/17-2.11) (from Ch. 122, par. 17-2.11)

7 Sec. 17-2.11. School board power to levy a tax or to borrow
8 money and issue bonds for fire prevention, safety, energy
9 conservation, accessibility, school security, and specified
10 repair purposes.

11 (a) Whenever, as a result of any lawful order of any
12 agency, other than a school board, having authority to enforce
13 any school building code applicable to any facility that houses
14 students, or any law or regulation for the protection and
15 safety of the environment, pursuant to the Environmental
16 Protection Act, any school district having a population of less
17 than 500,000 inhabitants is required to alter or reconstruct
18 any school building or permanent, fixed equipment; the district
19 may, by proper resolution, levy a tax for the purpose of making
20 such alteration or reconstruction, based on a survey report by
21 an architect or engineer licensed in this State, upon all of
22 the taxable property of the district at the value as assessed
23 by the Department of Revenue and at a rate not to exceed 0.05%
24 per year for a period sufficient to finance such alteration or

1 reconstruction, upon the following conditions:

2 (1) When there are not sufficient funds available in
3 the operations and maintenance fund of the school district,
4 the school facility occupation tax fund of the district, or
5 the fire prevention and safety fund of the district, as
6 determined by the district on the basis of rules adopted by
7 the State Board of Education, to make such alteration or
8 reconstruction or to purchase and install such permanent,
9 fixed equipment so ordered or determined as necessary.
10 Appropriate school district records must be made available
11 to the State Superintendent of Education, upon request, to
12 confirm this insufficiency.

13 (2) When a certified estimate of an architect or
14 engineer licensed in this State stating the estimated
15 amount necessary to make the alteration or reconstruction
16 or to purchase and install the equipment so ordered has
17 been secured by the school district, and the estimate has
18 been approved by the regional superintendent of schools
19 having jurisdiction over the district and the State
20 Superintendent of Education. Approval must not be granted
21 for any work that has already started without the prior
22 express authorization of the State Superintendent of
23 Education. If the estimate is not approved or is denied
24 approval by the regional superintendent of schools within 3
25 months after the date on which it is submitted to him or
26 her, the school board of the district may submit the

1 estimate directly to the State Superintendent of Education
2 for approval or denial.

3 In the case of an emergency situation, where the estimated
4 cost to effectuate emergency repairs is less than the amount
5 specified in Section 10-20.21 of this Code, the school district
6 may proceed with such repairs prior to approval by the State
7 Superintendent of Education, but shall comply with the
8 provisions of subdivision (2) of this subsection (a) as soon
9 thereafter as may be as well as Section 10-20.21 of this Code.

10 If the estimated cost to effectuate emergency repairs is
11 greater than the amount specified in Section 10-20.21 of this
12 Code, then the school district shall proceed in conformity with
13 Section 10-20.21 of this Code and with rules established by the
14 State Board of Education to address such situations. The rules
15 adopted by the State Board of Education to deal with these
16 situations shall stipulate that emergency situations must be
17 expedited and given priority consideration. For purposes of
18 this paragraph, an emergency is a situation that presents an
19 imminent and continuing threat to the health and safety of
20 students or other occupants of a facility, requires complete or
21 partial evacuation of a building or part of a building, or
22 consumes one or more of the 5 emergency days built into the
23 adopted calendar of the school or schools or would otherwise be
24 expected to cause such school or schools to fall short of the
25 minimum school calendar requirements.

26 (b) Whenever any such district determines that it is

1 necessary for energy conservation purposes that any school
2 building or permanent, fixed equipment should be altered or
3 reconstructed and that such alterations or reconstruction will
4 be made with funds not necessary for the completion of approved
5 and recommended projects contained in any safety survey report
6 or amendments thereto authorized by Section 2-3.12 of this Act;
7 the district may levy a tax or issue bonds as provided in
8 subsection (a) of this Section.

9 (c) Whenever any such district determines that it is
10 necessary for accessibility purposes and to comply with the
11 school building code that any school building or equipment
12 should be altered or reconstructed and that such alterations or
13 reconstruction will be made with funds not necessary for the
14 completion of approved and recommended projects contained in
15 any safety survey report or amendments thereto authorized under
16 Section 2-3.12 of this Act, the district may levy a tax or
17 issue bonds as provided in subsection (a) of this Section.

18 (d) Whenever any such district determines that it is
19 necessary for school security purposes and the related
20 protection and safety of pupils and school personnel that any
21 school building or property should be altered or reconstructed
22 or that security systems and equipment (including but not
23 limited to intercom, early detection and warning, access
24 control and television monitoring systems) should be purchased
25 and installed, and that such alterations, reconstruction or
26 purchase and installation of equipment will be made with funds

1 not necessary for the completion of approved and recommended
2 projects contained in any safety survey report or amendment
3 thereto authorized by Section 2-3.12 of this Act and will deter
4 and prevent unauthorized entry or activities upon school
5 property by unknown or dangerous persons, assure early
6 detection and advance warning of any such actual or attempted
7 unauthorized entry or activities and help assure the continued
8 safety of pupils and school staff if any such unauthorized
9 entry or activity is attempted or occurs; the district may levy
10 a tax or issue bonds as provided in subsection (a) of this
11 Section.

12 (e) If a school district does not need funds for other fire
13 prevention and safety projects, including the completion of
14 approved and recommended projects contained in any safety
15 survey report or amendments thereto authorized by Section
16 2-3.12 of this Act, and it is determined after a public hearing
17 (which is preceded by at least one published notice (i)
18 occurring at least 7 days prior to the hearing in a newspaper
19 of general circulation within the school district and (ii)
20 setting forth the time, date, place, and general subject matter
21 of the hearing) that there is a substantial, immediate, and
22 otherwise unavoidable threat to the health, safety, or welfare
23 of pupils due to disrepair of school sidewalks, playgrounds,
24 parking lots, or school bus turnarounds and repairs must be
25 made; then the district may levy a tax or issue bonds as
26 provided in subsection (a) of this Section.

1 (f) For purposes of this Section a school district may
2 replace a school building or build additions to replace
3 portions of a building when it is determined that the
4 effectuation of the recommendations for the existing building
5 will cost more than the replacement costs. Such determination
6 shall be based on a comparison of estimated costs made by an
7 architect or engineer licensed in the State of Illinois. The
8 new building or addition shall be equivalent in area (square
9 feet) and comparable in purpose and grades served and may be on
10 the same site or another site. Such replacement may only be
11 done upon order of the regional superintendent of schools and
12 the approval of the State Superintendent of Education.

13 (g) The filing of a certified copy of the resolution
14 levying the tax when accompanied by the certificates of the
15 regional superintendent of schools and State Superintendent of
16 Education shall be the authority of the county clerk to extend
17 such tax.

18 (h) The county clerk of the county in which any school
19 district levying a tax under the authority of this Section is
20 located, in reducing raised levies, shall not consider any such
21 tax as a part of the general levy for school purposes and shall
22 not include the same in the limitation of any other tax rate
23 which may be extended.

24 Such tax shall be levied and collected in like manner as
25 all other taxes of school districts, subject to the provisions
26 contained in this Section.

1 (i) The tax rate limit specified in this Section may be
2 increased to .10% upon the approval of a proposition to effect
3 such increase by a majority of the electors voting on that
4 proposition at a regular scheduled election. Such proposition
5 may be initiated by resolution of the school board and shall be
6 certified by the secretary to the proper election authorities
7 for submission in accordance with the general election law.

8 (j) When taxes are levied by any school district for fire
9 prevention, safety, energy conservation, and school security
10 purposes as specified in this Section, and the purposes for
11 which the taxes have been levied are accomplished and paid in
12 full, and there remain funds on hand in the Fire Prevention and
13 Safety Fund from the proceeds of the taxes levied, including
14 interest earnings thereon, the school board by resolution shall
15 use such excess and other board restricted funds, excluding
16 bond proceeds and earnings from such proceeds, as follows:

17 (1) for other authorized fire prevention, safety,
18 energy conservation, required safety inspections, and
19 school security purposes, sampling for lead in drinking
20 water in schools, and for repair and mitigation due to lead
21 levels in the drinking water supply and for required safety
22 inspections; or

23 (2) for transfer to the Operations and Maintenance Fund
24 for the purpose of abating an equal amount of operations
25 and maintenance purposes taxes.

26 Notwithstanding subdivision (2) of this subsection (j) and

1 subsection (k) of this Section, through June 30, 2019, the
2 school board may, by proper resolution following a public
3 hearing set by the school board or the president of the school
4 board (that is preceded (i) by at least one published notice
5 over the name of the clerk or secretary of the board, occurring
6 at least 7 days and not more than 30 days prior to the hearing,
7 in a newspaper of general circulation within the school
8 district and (ii) by posted notice over the name of the clerk
9 or secretary of the board, at least 48 hours before the
10 hearing, at the principal office of the school board or at the
11 building where the hearing is to be held if a principal office
12 does not exist, with both notices setting forth the time, date,
13 place, and subject matter of the hearing), transfer surplus
14 life safety taxes and interest earnings thereon to the
15 Operations and Maintenance Fund for building repair work.

16 (k) If any transfer is made to the Operation and
17 Maintenance Fund, the secretary of the school board shall
18 within 30 days notify the county clerk of the amount of that
19 transfer and direct the clerk to abate the taxes to be extended
20 for the purposes of operations and maintenance authorized under
21 Section 17-2 of this Act by an amount equal to such transfer.

22 (l) If the proceeds from the tax levy authorized by this
23 Section are insufficient to complete the work approved under
24 this Section, the school board is authorized to sell bonds
25 without referendum under the provisions of this Section in an
26 amount that, when added to the proceeds of the tax levy

1 authorized by this Section, will allow completion of the
2 approved work.

3 (m) Any bonds issued pursuant to this Section shall bear
4 interest at a rate not to exceed the maximum rate authorized by
5 law at the time of the making of the contract, shall mature
6 within 20 years from date, and shall be signed by the president
7 of the school board and the treasurer of the school district.

8 (n) In order to authorize and issue such bonds, the school
9 board shall adopt a resolution fixing the amount of bonds, the
10 date thereof, the maturities thereof, rates of interest
11 thereof, place of payment and denomination, which shall be in
12 denominations of not less than \$100 and not more than \$5,000,
13 and provide for the levy and collection of a direct annual tax
14 upon all the taxable property in the school district sufficient
15 to pay the principal and interest on such bonds to maturity.
16 Upon the filing in the office of the county clerk of the county
17 in which the school district is located of a certified copy of
18 the resolution, it is the duty of the county clerk to extend
19 the tax therefor in addition to and in excess of all other
20 taxes heretofore or hereafter authorized to be levied by such
21 school district.

22 (o) After the time such bonds are issued as provided for by
23 this Section, if additional alterations or reconstructions are
24 required to be made because of surveys conducted by an
25 architect or engineer licensed in the State of Illinois, the
26 district may levy a tax at a rate not to exceed .05% per year

1 upon all the taxable property of the district or issue
2 additional bonds, whichever action shall be the most feasible.

3 (p) This Section is cumulative and constitutes complete
4 authority for the issuance of bonds as provided in this Section
5 notwithstanding any other statute or law to the contrary.

6 (q) With respect to instruments for the payment of money
7 issued under this Section either before, on, or after the
8 effective date of Public Act 86-004 (June 6, 1989), it is, and
9 always has been, the intention of the General Assembly (i) that
10 the Omnibus Bond Acts are, and always have been, supplementary
11 grants of power to issue instruments in accordance with the
12 Omnibus Bond Acts, regardless of any provision of this Act that
13 may appear to be or to have been more restrictive than those
14 Acts, (ii) that the provisions of this Section are not a
15 limitation on the supplementary authority granted by the
16 Omnibus Bond Acts, and (iii) that instruments issued under this
17 Section within the supplementary authority granted by the
18 Omnibus Bond Acts are not invalid because of any provision of
19 this Act that may appear to be or to have been more restrictive
20 than those Acts.

21 (r) When the purposes for which the bonds are issued have
22 been accomplished and paid for in full and there remain funds
23 on hand from the proceeds of the bond sale and interest
24 earnings therefrom, the board shall, by resolution, use such
25 excess funds in accordance with the provisions of Section
26 10-22.14 of this Act.

1 (s) Whenever any tax is levied or bonds issued for fire
2 prevention, safety, energy conservation, and school security
3 purposes, such proceeds shall be deposited and accounted for
4 separately within the Fire Prevention and Safety Fund.

5 (Source: P.A. 98-26, eff. 6-21-13; 98-1066, eff. 8-26-14;
6 99-143, eff. 7-27-15; 99-713, eff. 8-5-16.)

7 (105 ILCS 5/17-2A) (from Ch. 122, par. 17-2A)

8 Sec. 17-2A. Interfund transfers.

9 (a) The school board of any district having a population of
10 less than 500,000 inhabitants may, by proper resolution
11 following a public hearing set by the school board or the
12 president of the school board (that is preceded (i) by at least
13 one published notice over the name of the clerk or secretary of
14 the board, occurring at least 7 days and not more than 30 days
15 prior to the hearing, in a newspaper of general circulation
16 within the school district and (ii) by posted notice over the
17 name of the clerk or secretary of the board, at least 48 hours
18 before the hearing, at the principal office of the school board
19 or at the building where the hearing is to be held if a
20 principal office does not exist, with both notices setting
21 forth the time, date, place, and subject matter of the
22 hearing), transfer money from (1) the Educational Fund to the
23 Operations and Maintenance Fund or the Transportation Fund, (2)
24 the Operations and Maintenance Fund to the Educational Fund or
25 the Transportation Fund, ~~or~~ (3) the Transportation Fund to the

1 Educational Fund or the Operations and Maintenance Fund, or (4)
2 the Tort Immunity Fund to the Operations and Maintenance Fund
3 of said district, provided that, except during the period from
4 July 1, 2003 through June 30, 2019, such transfer is made
5 solely for the purpose of meeting one-time, non-recurring
6 expenses. Except during the period from July 1, 2003 through
7 June 30, 2019 and except as otherwise provided in subsection
8 (b) of this Section, any other permanent interfund transfers
9 authorized by any provision or judicial interpretation of this
10 Code for which the transferee fund is not precisely and
11 specifically set forth in the provision of this Code
12 authorizing such transfer shall be made to the fund of the
13 school district most in need of the funds being transferred, as
14 determined by resolution of the school board.

15 (b) (Blank). ~~Notwithstanding subsection (a) of this~~
16 ~~Section or any other provision of this Code to the contrary,~~
17 ~~the school board of any school district (i) that is subject to~~
18 ~~the Property Tax Extension Limitation Law, (ii) that has a~~
19 ~~population of less than 500,000 inhabitants, (iii) that is~~
20 ~~levying at its maximum tax rate, (iv) whose total equalized~~
21 ~~assessed valuation has declined 20% in the prior 2 years, (v)~~
22 ~~in which 80% or more of its students receive free or~~
23 ~~reduced-price lunch, and (vi) that had an equalized assessed~~
24 ~~valuation of less than \$207 million but more than \$203 million~~
25 ~~in the 2011 levy year may annually, until July 1, 2016,~~
26 ~~transfer money from any fund of the district, other than the~~

1 ~~Illinois Municipal Retirement Fund and the Bonds and Interest~~
2 ~~Fund, to the educational fund, the operations and maintenance~~
3 ~~fund, or the transportation fund of the district by proper~~
4 ~~resolution following a public hearing set by the school board~~
5 ~~or the president of the school board, with notice as provided~~
6 ~~in subsection (a) of this Section, so long as the district~~
7 ~~meets the qualifications set forth in this subsection (b) on~~
8 ~~the effective date of this amendatory Act of the 98th General~~
9 ~~Assembly even if the district does not meet those~~
10 ~~qualifications at the time a given transfer is made.~~

11 (Source: P.A. 98-26, eff. 6-21-13; 98-131, eff. 1-1-14; 99-713,
12 eff. 8-5-16.)

13 Section 15. The Public Utilities Act is amended by adding
14 Section 9-246 as follows:

15 (220 ILCS 5/9-246 new)

16 Sec. 9-246. Rates; lead hazard cost recovery by
17 investor-owned water utilities. In determining the rates for an
18 investor-owned public utility engaged in providing water
19 service, the Commission shall allow the utility to recover
20 annually any reasonable costs incurred by the utility to comply
21 with Section 35.5 of the Illinois Plumbing License Law.

22 Section 20. The Child Care Act of 1969 is amended by adding
23 Section 5.9 as follows:

1 (225 ILCS 10/5.9 new)

2 Sec. 5.9. Lead testing of water in licensed day care
3 centers, day care homes and group day care homes.

4 (a) On or before January 1, 2018, the Department, in
5 consultation with the Department of Public Health, shall adopt
6 rules that prescribe the procedures and standards to be used by
7 the Department in assessing levels of lead in water in licensed
8 day care centers, day care homes, and group day care homes
9 constructed on or before January 1, 2000 that serve children
10 under the age of 6. Such rules shall, at a minimum, include
11 provisions regarding testing parameters, the notification of
12 sampling results, training requirements for lead exposure and
13 mitigation.

14 (b) After adoption of the rules required by subsection (a),
15 and as part of an initial application or application for
16 renewal of a license for day care centers, day care homes, and
17 group day care homes, the Department shall require proof that
18 the applicant has complied with all such rules.

19 Section 25. The Illinois Plumbing License Law is amended by
20 adding Section 35.5 as follows:

21 (225 ILCS 320/35.5 new)

22 Sec. 35.5. Lead in drinking water prevention.

23 (a) The General Assembly finds that lead has been detected

1 in the drinking water of schools in this State. The General
2 Assembly also finds that infants and young children may suffer
3 adverse health effects and developmental delays as a result of
4 exposure to even low levels of lead. The General Assembly
5 further finds that it is in the best interests of the people of
6 the State to require school districts or chief school
7 administrators, or the designee of the school district or chief
8 school administrator, to test for lead in drinking water in
9 school buildings and provide written notification of the test
10 results.

11 The purpose of this Section is to require (i) school
12 districts or chief school administrators, or the designees of
13 the school districts or chief school administrators, to test
14 for lead with the goal of providing school building occupants
15 with an adequate supply of safe, potable water; and (ii) school
16 districts or chief school administrators, or the designees of
17 the school districts or chief school administrators, to notify
18 the parents and legal guardians of enrolled students of the
19 sampling results from their respective school buildings.

20 (b) For the purposes of this Section:

21 "Community water system" has the meaning provided in 35
22 Ill. Adm. Code 611.101.

23 "School building" means any facility or portion thereof
24 that was constructed on or before January 1, 2000 and may be
25 occupied by more than 10 children or students, pre-kindergarten
26 through grade 5, under the control of (a) a school district or

1 (b) a public, private, charter, or nonpublic day or residential
2 educational institution.

3 "Source of potable water" means the point at which
4 non-bottled water that may be ingested by children or used for
5 food preparation exits any tap, faucet, drinking fountain, wash
6 basin in a classroom occupied by children or students under
7 grade 1, or similar point of use; provided, however, that all
8 (a) bathroom sinks and (b) wash basins used by janitorial staff
9 are excluded from this definition.

10 (c) Each school district or chief school administrator, or
11 the designee of each school district or chief school
12 administrator, shall test each source of potable water in a
13 school building for lead contamination as required in this
14 subsection.

15 (1) Each school district or chief school
16 administrator, or the designee of each school district or
17 chief school administrator, shall (a) collect a first-draw
18 250 milliliter sample of water, (b) flush for 30 seconds,
19 and (c) collect a second draw 250 milliliter sample from
20 each source of potable water located at each corresponding
21 school building; provided, however, that to the extent that
22 multiple sources of potable water utilize the same drain,
23 (i) the foregoing collection protocol is required for one
24 such source of potable water, and (ii) only a first-draw
25 250 milliliter sample of water is required from the
26 remaining such sources of potable water. The water

1 corresponding to the first-draw 250 milliliter sample from
2 each source of potable water shall have been standing in
3 the plumbing pipes for at least 8 hours, but not more than
4 18 hours, without any flushing of the source of potable
5 water before sample collection.

6 (2) Each school district or chief school
7 administrator, or the designee of each school district or
8 chief school administrator, shall submit or cause to be
9 submitted (A) the samples to an Illinois Environmental
10 Protection Agency-accredited laboratory for analysis for
11 lead in accordance with the instructions supplied by an
12 Illinois Environmental Protection Agency-accredited
13 laboratory and (B) the written sampling results to the
14 Department within 7 business days of receipt of the
15 results.

16 (3) If any of the samples taken in the school exceed 5
17 parts per billion, the school district or chief school
18 administrator, or the designee of the school district or
19 chief school administrator, shall promptly provide an
20 individual notification of the sampling results, via
21 written or electronic communication, to the parents or
22 legal guardians of all enrolled students and include the
23 following information: the corresponding sampling location
24 within the school building and the United States
25 Environmental Protection Agency's website for information
26 about lead in drinking water. If any of the samples taken

1 at the school are at or below 5 parts per billion,
2 notification may be made as provided in this paragraph or
3 by posting on the school's website.

4 (4) Sampling and analysis required under this Section
5 shall be completed by the following applicable deadlines:
6 for school buildings constructed prior to January 1, 1987,
7 by December 31, 2017; and for school buildings constructed
8 between January 2, 1987 and January 1, 2000, by December
9 31, 2018.

10 (5) A school district or chief school administrator, or
11 the designee of the school district or chief school
12 administrator, may seek a waiver of the requirements of
13 this subsection from the Department, if (A) the school
14 district or chief school administrator, or the designee of
15 the school district or chief school administrator,
16 collected at least one 250 milliliter or greater sample of
17 water from each source of potable water that had been
18 standing in the plumbing pipes for at least 6 hours and
19 that was collected without flushing the source of potable
20 water before collection, (B) an Illinois Environmental
21 Protection Agency-accredited laboratory analyzed the
22 samples, (C) test results were obtained prior to the
23 effective date of this amendatory Act of the 99th General
24 Assembly, but after January 1, 2013, and (D) test results
25 were submitted to the Department within 120 days of the
26 effective date of this amendatory Act of the 99th General

1 Assembly.

2 (6) The owner or operator of a community water system
3 may agree to pay for the cost of the laboratory analysis of
4 the samples required under this Section and may utilize the
5 lead hazard cost recovery fee under Section 11-150.1-1 of
6 the Illinois Municipal Code or other available funds to
7 defray said costs.

8 (7) Lead sampling results obtained shall not be used
9 for purposes of determining compliance with the Board's
10 rules that implement the national primary drinking water
11 regulations for lead and copper.

12 (d) By no later than June 30, 2019, the Department shall
13 determine whether it is necessary and appropriate to protect
14 public health to require schools constructed in whole or in
15 part after January 1, 2000 to conduct testing for lead from
16 sources of potable water, taking into account, among other
17 relevant information, the results of testing conducted
18 pursuant to this Section.

19 (e) Within 90 days of the effective date of this amendatory
20 Act of the 99th General Assembly, the Department shall post on
21 its website guidance on mitigation actions for lead in drinking
22 water, and ongoing water management practices, in schools. In
23 preparing such guidance, the Department may, in part, reference
24 the United States Environmental Protection Agency's 3Ts for
25 Reducing Lead in Drinking Water in Schools.

1 Section 30. The Environmental Protection Act is amended by
2 changing Section 19.3 and by adding Section 17.11 as follows:

3 (415 ILCS 5/17.11 new)

4 Sec. 17.11. Lead in drinking water notifications and
5 inventories.

6 (a) The purpose of this Section is to require the owners
7 and operators of community water systems to (i) create a
8 comprehensive lead service line inventory; and (ii) provide
9 notice to occupants of potentially affected residences of
10 construction or repair work on water mains, lead service lines,
11 or water meters.

12 (b) For the purposes of this Section:

13 "Community water system" has the meaning provided in 35
14 Ill. Adm. Code 611.101.

15 "Potentially affected residence" means any residence
16 where water service is or may be temporarily interrupted or
17 shut off by or on behalf of an owner or operator of a
18 community water system because construction or repair work
19 is to be performed by or on behalf of the owner or operator
20 of a community water system on or affecting a water main,
21 service line, or water meter.

22 "Small system" has the meaning provided in 35 Ill. Adm.
23 Code 611.350.

24 (c) The owner or operator of each community water system in
25 the State shall develop a water distribution system material

1 inventory that shall be submitted in written or electronic form
2 to the Agency on an annual basis commencing on April 15, 2018
3 and continuing on each April 15 thereafter until the water
4 distribution system material inventory is completed. In
5 addition to meeting the requirements for water distribution
6 system material inventories that are mandated by the United
7 States Environmental Protection Agency, each water
8 distribution system material inventory shall identify:

9 (1) the total number of service lines within or
10 connected to the distribution system, including privately
11 owned service lines;

12 (2) the number of all known lead service lines within
13 or connected to the distribution system, including
14 privately owned lead service lines; and

15 (3) the number of the lead service lines that were
16 added to the inventory after the previous year's
17 submission.

18 Nothing in this subsection shall be construed to require
19 that service lines be unearthed.

20 (d) Beginning on January 1, 2018, when conducting routine
21 inspections of community water systems as required under this
22 Act, the Agency may conduct a separate audit to identify
23 progress that the community water system has made toward
24 completing the water distribution system material inventories
25 required under subsection (c) of this Section.

26 (e) The owner or operator of the community water system

1 shall provide notice of construction or repair work on a water
2 main service line, or water meter in accordance with the
3 following requirements:

4 (1) At least 14 days prior to beginning planned work to
5 repair or replace any water mains or lead service lines,
6 the owner or operator of a community water system shall
7 notify, through an individual written notice, each
8 potentially affected residence of the planned work. In
9 cases where a community water system must perform
10 construction or repair work on an emergency basis or where
11 such work is not scheduled at least 14 days prior to work
12 taking place, the community water system shall notify each
13 potentially affected residence as soon as reasonably
14 possible. When work is to repair or replace a water meter,
15 the notification shall be provided at the time the work is
16 initiated.

17 (2) Such notification shall include, at a minimum:

18 (A) a warning that the work may result in sediment,
19 possibly containing lead, in the residence's water
20 supply; and

21 (B) information concerning best practices for
22 preventing the consumption of any lead in drinking
23 water, including a recommendation to flush water lines
24 during and after the completion of the repair or
25 replacement work and to clean faucet aerator screens;
26 and

1 (C) information regarding the dangers of lead in
2 young children.

3 (3) To the extent that the owner or operator of a
4 community water system serves a significant proportion of
5 non-English speaking consumers, the notification must
6 contain information in the appropriate languages regarding
7 the importance of the notice, and it must contain a
8 telephone number or address where a person served may
9 contact the owner or operator of the community water system
10 to obtain a translated copy of the notification or to
11 request assistance in the appropriate language.

12 (4) Notwithstanding anything to the contrary set forth
13 in this Section, to the extent that (a) notification is
14 required for the entire community served by a community
15 water system, (b) notification is required for
16 construction or repairs occurring on an emergency basis, or
17 (c) the community water system is a small system,
18 publication notification, through a local media, social
19 media or other similar means, may be utilized in lieu of an
20 individual written notification.

21 (5) If an owner or operator is required to provide an
22 individual written notification to a residence that is a
23 multidwelling building, posting a written notification on
24 the primary entrance way to the building shall be
25 sufficient.

26 (6) The notification requirements in this subsection

1 (e) do not apply to work performed on water mains that are
2 used to transmit treated water between community water
3 systems and have no service connections.

4 (7) The owner or operator of a community water system
5 may seek a full or partial waiver of the requirements of
6 this subsection from the Agency if (i) the community water
7 system was originally constructed without lead, (ii) the
8 residential structures were constructed under local
9 building codes that categorically prohibited lead
10 construction materials or the owner or operator of a
11 community water system certifies that any residential
12 structures requiring notification were constructed without
13 lead, and (iii) no lead sediment is likely to be present
14 within the community water system or residential
15 structures. The owner or operator of a community water
16 system may seek a time-limited or permanent waiver.

17 (8) The owner and operator of a community water system
18 shall not be required to comply with this subsection (e) to
19 the extent that the corresponding water distribution
20 system material inventory has been completed that
21 demonstrates the water distribution system does not
22 contain any lead.

23 (415 ILCS 5/19.3) (from Ch. 111 1/2, par. 1019.3)

24 Sec. 19.3. Water Revolving Fund.

25 (a) There is hereby created within the State Treasury a

1 Water Revolving Fund, consisting of 3 interest-bearing special
2 programs to be known as the Water Pollution Control Loan
3 Program, the Public Water Supply Loan Program, and the Loan
4 Support Program, which shall be used and administered by the
5 Agency.

6 (b) The Water Pollution Control Loan Program shall be used
7 and administered by the Agency to provide assistance for the
8 following purposes:

9 (1) to accept and retain funds from grant awards,
10 appropriations, transfers, and payments of interest and
11 principal;

12 (2) to make direct loans at or below market interest
13 rates and to provide additional subsidization, including,
14 but not limited to, forgiveness of principal, negative
15 interest rates, and grants, to any eligible local
16 government unit to finance the construction of treatments
17 works, including storm water treatment systems that are
18 treatment works, and projects that fulfill federal State
19 Revolving Fund grant requirements for a green project
20 reserve;

21 (2.5) with respect to funds provided under the American
22 Recovery and Reinvestment Act of 2009:

23 (A) to make direct loans at or below market
24 interest rates to any eligible local government unit
25 and to provide additional subsidization to any
26 eligible local government unit, including, but not

1 limited to, forgiveness of principal, negative
2 interest rates, and grants;

3 (B) to make direct loans at or below market
4 interest rates to any eligible local government unit to
5 buy or refinance debt obligations for treatment works
6 incurred on or after October 1, 2008; and

7 (C) to provide additional subsidization,
8 including, but not limited to, forgiveness of
9 principal, negative interest rates, and grants for
10 treatment works incurred on or after October 1, 2008;

11 (3) to make direct loans at or below market interest
12 rates and to provide additional subsidization, including,
13 but not limited to, forgiveness of principal, negative
14 interest rates, and grants, to any eligible local
15 government unit to buy or refinance debt obligations for
16 costs incurred after March 7, 1985, for the construction of
17 treatment works, including storm water treatment systems
18 that are treatment works, and projects that fulfill federal
19 State Revolving Fund grant requirements for a green project
20 reserve;

21 (3.5) to make loans, including, but not limited to,
22 loans through a linked deposit program, at or below market
23 interest rates for the implementation of a management
24 program established under Section 319 of the Federal Water
25 Pollution Control Act, as amended;

26 (4) to guarantee or purchase insurance for local

1 obligations where such action would improve credit market
2 access or reduce interest rates;

3 (5) as a source of revenue or security for the payment
4 of principal and interest on revenue or general obligation
5 bonds issued by the State or any political subdivision or
6 instrumentality thereof, if the proceeds of such bonds will
7 be deposited in the Fund;

8 (6) to finance the reasonable costs incurred by the
9 Agency in the administration of the Fund;

10 (7) to transfer funds to the Public Water Supply Loan
11 Program; and

12 (8) notwithstanding any other provision of this
13 subsection (b), to provide, in accordance with rules
14 adopted under this Title, any other financial assistance
15 that may be provided under Section 603 of the Federal Water
16 Pollution Control Act for any other projects or activities
17 eligible for assistance under that Section or federal rules
18 adopted to implement that Section.

19 (c) The Loan Support Program shall be used and administered
20 by the Agency for the following purposes:

21 (1) to accept and retain funds from grant awards and
22 appropriations;

23 (2) to finance the reasonable costs incurred by the
24 Agency in the administration of the Fund, including
25 activities under Title III of this Act, including the
26 administration of the State construction grant program;

1 (3) to transfer funds to the Water Pollution Control
2 Loan Program and the Public Water Supply Loan Program;

3 (4) to accept and retain a portion of the loan
4 repayments;

5 (5) to finance the development of the low interest loan
6 programs for water pollution control and public water
7 supply projects;

8 (6) to finance the reasonable costs incurred by the
9 Agency to provide technical assistance for public water
10 supplies; and

11 (7) to finance the reasonable costs incurred by the
12 Agency for public water system supervision programs, to
13 administer or provide for technical assistance through
14 source water protection programs, to develop and implement
15 a capacity development strategy, to delineate and assess
16 source water protection areas, and for an operator
17 certification program in accordance with Section 1452 of
18 the federal Safe Drinking Water Act.

19 (d) The Public Water Supply Loan Program shall be used and
20 administered by the Agency to provide assistance to local
21 government units and privately owned community water supplies
22 for public water supplies for the following public purposes:

23 (1) to accept and retain funds from grant awards,
24 appropriations, transfers, and payments of interest and
25 principal;

26 (2) to make direct loans at or below market interest

1 rates and to provide additional subsidization, including,
2 but not limited to, forgiveness of principal, negative
3 interest rates, and grants, to any eligible local
4 government unit or to any eligible privately owned
5 community water supply to finance the construction of water
6 supplies and projects that fulfill federal State Revolving
7 Fund grant requirements for a green project reserve;

8 (2.5) with respect to funds provided under the American
9 Recovery and Reinvestment Act of 2009:

10 (A) to make direct loans at or below market
11 interest rates to any eligible local government unit or
12 to any eligible privately owned community water
13 supply, and to provide additional subsidization to any
14 eligible local government unit or to any eligible
15 privately owned community water supply, including, but
16 not limited to, forgiveness of principal, negative
17 interest rates, and grants;

18 (B) to buy or refinance the debt obligation of a
19 local government unit for costs incurred on or after
20 October 1, 2008; and

21 (C) to provide additional subsidization,
22 including, but not limited to, forgiveness of
23 principal, negative interest rates, and grants for a
24 local government unit for costs incurred on or after
25 October 1, 2008;

26 (3) to make direct loans at or below market interest

1 rates and to provide additional subsidization, including,
2 but not limited to, forgiveness of principal, negative
3 interest rates, and grants, to any eligible local
4 government unit or to any eligible privately owned
5 community water supply to buy or refinance debt obligations
6 for costs incurred on or after July 17, 1997, for the
7 construction of water supplies and projects that fulfill
8 federal State Revolving Fund requirements for a green
9 project reserve;

10 (4) to guarantee local obligations where such action
11 would improve credit market access or reduce interest
12 rates;

13 (5) as a source of revenue or security for the payment
14 of principal and interest on revenue or general obligation
15 bonds issued by the State or any political subdivision or
16 instrumentality thereof, if the proceeds of such bonds will
17 be deposited into the Fund; ~~and~~

18 (6) to transfer funds to the Water Pollution Control
19 Loan Program; and -

20 (7) notwithstanding any other provision of this
21 subsection (d), to provide to local government units and
22 privately owned community water supplies any other
23 financial assistance that may be provided under Section
24 1452 of the federal Safe Drinking Water Act for any
25 expenditures eligible for assistance under that Section or
26 federal rules adopted to implement that Section.

1 (e) The Agency is designated as the administering agency of
2 the Fund. The Agency shall submit to the Regional Administrator
3 of the United States Environmental Protection Agency an
4 intended use plan which outlines the proposed use of funds
5 available to the State. The Agency shall take all actions
6 necessary to secure to the State the benefits of the federal
7 Water Pollution Control Act and the federal Safe Drinking Water
8 Act, as now or hereafter amended.

9 (f) The Agency shall have the power to enter into
10 intergovernmental agreements with the federal government or
11 the State, or any instrumentality thereof, for purposes of
12 capitalizing the Water Revolving Fund. Moneys on deposit in the
13 Water Revolving Fund may be used for the creation of reserve
14 funds or pledged funds that secure the obligations of repayment
15 of loans made pursuant to this Section. For the purpose of
16 obtaining capital for deposit into the Water Revolving Fund,
17 the Agency may also enter into agreements with financial
18 institutions and other persons for the purpose of selling loans
19 and developing a secondary market for such loans. The Agency
20 shall have the power to create and establish such reserve funds
21 and accounts as may be necessary or desirable to accomplish its
22 purposes under this subsection and to allocate its available
23 moneys into such funds and accounts. Investment earnings on
24 moneys held in the Water Revolving Fund, including any reserve
25 fund or pledged fund, shall be deposited into the Water
26 Revolving Fund.

1 (Source: P.A. 98-782, eff. 7-23-14; 99-187, eff. 7-29-15.)

2 Section 35. The Local Governmental and Governmental
3 Employees Tort Immunity Act is amended by changing Section
4 9-107 as follows:

5 (745 ILCS 10/9-107) (from Ch. 85, par. 9-107)

6 Sec. 9-107. Policy; tax levy.

7 (a) The General Assembly finds that the purpose of this
8 Section is to provide an extraordinary tax for funding expenses
9 relating to (i) tort liability, (ii) liability relating to
10 actions brought under the federal Comprehensive Environmental
11 Response, Compensation, and Liability Act of 1980 or the
12 Environmental Protection Act, but only until December 31, 2010,
13 (iii) insurance, and (iv) risk management programs. Thus, the
14 tax has been excluded from various limitations otherwise
15 applicable to tax levies. Notwithstanding the extraordinary
16 nature of the tax authorized by this Section, however, it has
17 become apparent that some units of local government are using
18 the tax revenue to fund expenses more properly paid from
19 general operating funds. These uses of the revenue are
20 inconsistent with the limited purpose of the tax authorization.

21 Therefore, the General Assembly declares, as a matter of
22 policy, that (i) the use of the tax revenue authorized by this
23 Section for purposes not expressly authorized under this Act is
24 improper and (ii) the provisions of this Section shall be

1 strictly construed consistent with this declaration and the
2 Act's express purposes.

3 (b) A local public entity may annually levy or have levied
4 on its behalf taxes upon all taxable property within its
5 territory at a rate that will produce a sum that will be
6 sufficient to: (i) pay the cost of insurance, individual or
7 joint self-insurance (including reserves thereon), including
8 all operating and administrative costs and expenses directly
9 associated therewith, claims services and risk management
10 directly attributable to loss prevention and loss reduction,
11 legal services directly attributable to the insurance,
12 self-insurance, or joint self-insurance program, and
13 educational, inspectional, and supervisory services directly
14 relating to loss prevention and loss reduction, participation
15 in a reciprocal insurer as provided in Sections 72, 76, and 81
16 of the Illinois Insurance Code, or participation in a
17 reciprocal insurer, all as provided in settlements or judgments
18 under Section 9-102, including all costs and reserves directly
19 attributable to being a member of an insurance pool, under
20 Section 9-103; (ii) pay the costs of and principal and interest
21 on bonds issued under Section 9-105; (iii) pay judgments and
22 settlements under Section 9-104 of this Act; (iv) discharge
23 obligations under Section 34-18.1 of the School Code or make
24 transfers under Section 17-2A of the School Code; (v) pay
25 judgments and settlements under the federal Comprehensive
26 Environmental Response, Compensation, and Liability Act of

1 1980 and the Environmental Protection Act, but only until
2 December 31, 2010; (vi) pay the costs authorized by the
3 Metro-East Sanitary District Act of 1974 as provided in
4 subsection (a) of Section 5-1 of that Act ~~(70 ILCS 2905/5-1)~~;
5 and (vii) pay the cost of risk management programs. Provided it
6 complies with any other applicable statutory requirements, the
7 local public entity may self-insure and establish reserves for
8 expected losses for any property damage or for any liability or
9 loss for which the local public entity is authorized to levy or
10 have levied on its behalf taxes for the purchase of insurance
11 or the payment of judgments or settlements under this Section.
12 The decision of the board to establish a reserve shall be based
13 on reasonable actuarial or insurance underwriting evidence and
14 subject to the limits and reporting provisions in Section
15 9-103.

16 If a school district was a member of a
17 joint-self-health-insurance cooperative that had more
18 liability in outstanding claims than revenue to pay those
19 claims, the school board of that district may by resolution
20 make a one-time transfer from any fund in which tort immunity
21 moneys are maintained to the fund or funds from which payments
22 to a joint-self-health-insurance cooperative can be or have
23 been made of an amount not to exceed the amount of the
24 liability claim that the school district owes to the
25 joint-self-health-insurance cooperative or that the school
26 district paid within the 2 years immediately preceding the

1 effective date of this amendatory Act of the 92nd General
2 Assembly.

3 Funds raised pursuant to this Section shall, unless
4 lawfully transferred as provided in Section 17-2A of the School
5 Code, only be used for the purposes specified in this Act,
6 including protection against and reduction of any liability or
7 loss described hereinabove and under Federal or State common or
8 statutory law, the Workers' Compensation Act, the Workers'
9 Occupational Diseases Act and the Unemployment Insurance Act.
10 Funds raised pursuant to this Section may be invested in any
11 manner in which other funds of local public entities may be
12 invested under Section 2 of the Public Funds Investment Act.
13 Interest on such funds shall be used only for purposes for
14 which the funds can be used or, if surplus, must be used for
15 abatement of property taxes levied by the local taxing entity.

16 A local public entity may enter into intergovernmental
17 contracts with a term of not to exceed 12 years for the
18 provision of joint self-insurance which contracts may include
19 an obligation to pay a proportional share of a general
20 obligation or revenue bond or other debt instrument issued by a
21 local public entity which is a party to the intergovernmental
22 contract and is authorized by the terms of the contract to
23 issue the bond or other debt instrument. Funds due under such
24 contracts shall not be considered debt under any constitutional
25 or statutory limitation and the local public entity may levy or
26 have levied on its behalf taxes to pay for its proportional

1 share under the contract. Funds raised pursuant to
2 intergovernmental contracts for the provision of joint
3 self-insurance may only be used for the payment of any cost,
4 liability or loss against which a local public entity may
5 protect itself or self-insure pursuant to Section 9-103 or for
6 the payment of which such entity may levy a tax pursuant to
7 this Section, including tort judgments or settlements, costs
8 associated with the issuance, retirement or refinancing of the
9 bonds or other debt instruments, the repayment of the principal
10 or interest of the bonds or other debt instruments, the costs
11 of the administration of the joint self-insurance fund,
12 consultant, and risk care management programs or the costs of
13 insurance. Any surplus returned to the local public entity
14 under the terms of the intergovernmental contract shall be used
15 only for purposes set forth in subsection (a) of Section 9-103
16 and Section 9-107 or for abatement of property taxes levied by
17 the local taxing entity.

18 Any tax levied under this Section shall be levied and
19 collected in like manner with the general taxes of the entity
20 and shall be exclusive of and in addition to the amount of tax
21 that entity is now or may hereafter be authorized to levy for
22 general purposes under any statute which may limit the amount
23 of tax which that entity may levy for general purposes. The
24 county clerk of the county in which any part of the territory
25 of the local taxing entity is located, in reducing tax levies
26 under the provisions of any Act concerning the levy and

1 extension of taxes, shall not consider any tax provided for by
2 this Section as a part of the general tax levy for the purposes
3 of the entity nor include such tax within any limitation of the
4 percent of the assessed valuation upon which taxes are required
5 to be extended for such entity.

6 With respect to taxes levied under this Section, either
7 before, on, or after the effective date of this amendatory Act
8 of 1994:

9 (1) Those taxes are excepted from and shall not be
10 included within the rate limitation imposed by law on taxes
11 levied for general corporate purposes by the local public
12 entity authorized to levy a tax under this Section.

13 (2) Those taxes that a local public entity has levied
14 in reliance on this Section and that are excepted under
15 paragraph (1) from the rate limitation imposed by law on
16 taxes levied for general corporate purposes by the local
17 public entity are not invalid because of any provision of
18 the law authorizing the local public entity's tax levy for
19 general corporate purposes that may be construed or may
20 have been construed to restrict or limit those taxes
21 levied, and those taxes are hereby validated. This
22 validation of taxes levied applies to all cases pending on
23 or after the effective date of this amendatory Act of 1994.

24 (3) Paragraphs (1) and (2) do not apply to a hospital
25 organized under Article 170 or 175 of the Township Code,
26 under the Town Hospital Act, or under the Township

1 Non-Sectarian Hospital Act and do not give any authority to
2 levy taxes on behalf of such a hospital in excess of the
3 rate limitation imposed by law on taxes levied for general
4 corporate purposes. A hospital organized under Article 170
5 or 175 of the Township Code, under the Town Hospital Act,
6 or under the Township Non-Sectarian Hospital Act is not
7 prohibited from levying taxes in support of tort liability
8 bonds if the taxes do not cause the hospital's aggregate
9 tax rate from exceeding the rate limitation imposed by law
10 on taxes levied for general corporate purposes.

11 Revenues derived from such tax shall be paid to the
12 treasurer of the local taxing entity as collected and used for
13 the purposes of this Section and of Section 9-102, 9-103, 9-104
14 or 9-105, as the case may be. If payments on account of such
15 taxes are insufficient during any year to meet such purposes,
16 the entity may issue tax anticipation warrants against the
17 current tax levy in the manner provided by statute.

18 (Source: P.A. 95-244, eff. 8-17-07; 95-723, eff. 6-23-08.)

19 Section 99. Effective date. This Act takes effect upon
20 becoming law."