



## 99TH GENERAL ASSEMBLY

### State of Illinois

### 2015 and 2016

### SB1627

Introduced 2/20/2015, by Sen. William E. Brady

#### SYNOPSIS AS INTRODUCED:

20 ILCS 3305/9.5 new

30 ILCS 115/2

30 ILCS 805/8.39 new

from Ch. 85, par. 612

Amends the Illinois Emergency Management Agency Act and the State Revenue Sharing Act. Provides that certain units of local government may apply to the Illinois Emergency Management Agency to receive distributions directly from the Local Government Distributive Fund and the Income Tax Surcharge Local Government Distributive Fund for the purpose of reimbursing the unit of local government for eligible costs incurred as a result of a disaster when the Federal Emergency Management Agency has denied a request for financial assistance for that eligible applicant. Provides that, if an application is approved, distributions to other municipalities and counties from the Local Government Distributive Fund and the Income Tax Surcharge Local Government Distributive Fund shall be reduced accordingly. Effective immediately.

LRB099 08778 HLH 28947 b

FISCAL NOTE ACT  
MAY APPLY

HOUSING  
AFFORDABILITY  
IMPACT NOTE ACT  
MAY APPLY

STATE MANDATES  
ACT MAY REQUIRE  
REIMBURSEMENT

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 Illinois Emergency Management Agency Act is  
5 amended by adding Section 9.5 as follows:

6 (20 ILCS 3305/9.5 new)

7 Sec. 9.5. Local Government Distributive Fund; Income Tax  
8 Surcharge Local Government Distributive Fund.

9 (a) Notwithstanding any other provision of law, eligible  
10 applicants may apply to the Illinois Emergency Management  
11 Agency to receive distributions from the Local Government  
12 Distributive Fund and the Income Tax Surcharge Local Government  
13 Distributive Fund as provided in subsection (c) of Section 2 of  
14 the State Revenue Sharing Act. Those distributions shall be  
15 used to reimburse the eligible applicant for eligible costs  
16 incurred as a result of a disaster when the Federal Emergency  
17 Management Agency has denied a request for financial assistance  
18 for that eligible applicant. Upon approval of an application,  
19 the Director of the Illinois Emergency Management Agency shall  
20 certify the amount of the distributions to the State  
21 Comptroller for payment in accordance with subsection (c) of  
22 Section 2 of the State Revenue Sharing Act. Eligible applicants  
23 shall provide the Illinois Emergency Management Agency with any

1 information the Illinois Emergency Management Agency may  
2 reasonably require with respect to those eligible costs.

3 (b) As used in this Section:

4 "Eligible applicant" means: (1) a county that has been  
5 designated as a disaster area by the Governor of the State of  
6 Illinois and (A) has eligible costs of at least \$100 per capita  
7 or (B) has eligible costs that meet or exceed the county per  
8 capita threshold set forth by the Federal Emergency Management  
9 Agency if the statewide total of eligible costs associated with  
10 the disaster is at least \$5,000,000; (2) a township,  
11 municipality, school district, or special district located  
12 within such a county; or (3) a municipality that does not  
13 qualify under item (1) or (2) that has eligible costs of at  
14 least \$100 per capita.

15 "Eligible costs" means costs associated with any of the  
16 following:

17 (1) debris removal, including clearance of trees and  
18 woody debris, building wreckage, damaged or destroyed  
19 building contents, sand, mud, silt, gravel, vehicles, and  
20 other disaster-related material deposited on public land;

21 (2) emergency protective measures taken before,  
22 during, or after the disaster to eliminate or reduce an  
23 immediate threat to life, public health, or safety, or to  
24 eliminate or reduce an immediate threat of significant  
25 damage to improved public or private property through cost  
26 effective measures;

1           (3) restoration of roads, bridges, and associated  
2           features, such as shoulders, culverts, lighting, and  
3           signs;

4           (4) restoration of water control facilities, including  
5           drainage channels, pumping facilities, and irrigation  
6           facilities; this item (4) does not apply to water control  
7           facilities under the authority of a federal agency;

8           (5) restoration or replacement of heavy equipment,  
9           vehicles, and buildings, including the contents and  
10           systems of the buildings;

11           (6) restoration of water treatment and delivery  
12           systems, power generation facilities, and distribution  
13           facilities, sewage collection and treatment facilities,  
14           and communications; or

15           (7) restoration of parks, playgrounds, pools,  
16           cemeteries, mass transit facilities, and beaches.

17           Snow removal costs are not considered "eligible costs".

18           Section 10. The State Revenue Sharing Act is amended by  
19           changing Section 2 as follows:

20           (30 ILCS 115/2) (from Ch. 85, par. 612)

21           Sec. 2. Allocation and Disbursement.

22           (a) As soon as may be after the first day of each month,  
23           the Department of Revenue shall allocate among the several  
24           municipalities and counties of this State the amount available

1 in the Local Government Distributive Fund and in the Income Tax  
2 Surcharge Local Government Distributive Fund, determined as  
3 provided in Sections 1 and 1a above. Except as provided in  
4 Sections 13 and 13.1 of this Act, the Department shall then  
5 certify such allocations to the State Comptroller, who shall  
6 pay over to the several municipalities and counties the  
7 respective amounts allocated to them. Except as provided in  
8 subsection (c), the ~~The~~ amount of such Funds allocable to each  
9 such municipality and county shall be in proportion to the  
10 number of individual residents of such municipality or county  
11 to the total population of the State, determined in each case  
12 on the basis of the latest census of the State, municipality or  
13 county conducted by the Federal government and certified by the  
14 Secretary of State and for annexations to municipalities, the  
15 latest Federal, State or municipal census of the annexed area  
16 which has been certified by the Department of Revenue.  
17 Allocations to the City of Chicago under this Section are  
18 subject to Section 6 of the Hotel Operators' Occupation Tax  
19 Act. For the purpose of this Section, the number of individual  
20 residents of a county shall be reduced by the number of  
21 individuals residing therein in municipalities, but the number  
22 of individual residents of the State, county and municipality  
23 shall reflect the latest census of any of them. The amounts  
24 transferred into the Local Government Distributive Fund  
25 pursuant to Section 9 of the Use Tax Act, Section 9 of the  
26 Service Use Tax Act, Section 9 of the Service Occupation Tax

1 Act, and Section 3 of the Retailers' Occupation Tax Act, each  
2 as now or hereafter amended, pursuant to the amendments of such  
3 Sections by Public Act 85-1135, shall be distributed as  
4 provided in said Sections.

5 (b) It is the intent of the General Assembly that  
6 allocations made under this Section shall be made in a fair and  
7 equitable manner. Accordingly, the clerk of any municipality to  
8 which territory has been annexed, or from which territory has  
9 been disconnected, shall notify the Department of Revenue in  
10 writing of that annexation or disconnection and shall (1) state  
11 the number of residents within the territory that was annexed  
12 or disconnected, based on the last census conducted by the  
13 federal, State, or municipal government and certified by the  
14 Illinois Secretary of State, and (2) furnish therewith a  
15 certified copy of the plat of annexation or, in the case of  
16 disconnection, the ordinance, final judgment, or resolution of  
17 disconnection together with an accurate depiction of the  
18 territory disconnected. The county in which the annexed or  
19 disconnected territory is located shall verify that the number  
20 of residents stated on the written notice that is to be sent to  
21 the Department of Revenue is true and accurate. The verified  
22 statement of the county shall accompany the written notice.  
23 However, if the county does not respond to the municipality's  
24 request for verification within 30 days, this verification  
25 requirement shall be waived. The written notice shall be  
26 provided to the Department of Revenue (1) within 30 days after

1 the effective date of this amendatory Act of the 96th General  
2 Assembly for disconnections occurring after January 1, 2007 and  
3 before the effective date of this amendatory Act of the 96th  
4 General Assembly or (2) within 30 days after the annexation or  
5 disconnection for annexations or disconnections occurring on  
6 or after the effective date of this amendatory Act of the 96th  
7 General Assembly. For purposes of this Section, a disconnection  
8 or annexation through court order is deemed to be effective 30  
9 days after the entry of a final judgment order, unless stayed  
10 pending appeal. Thereafter, the monthly allocation made to the  
11 municipality and to any other municipality or county affected  
12 by the annexation or disconnection shall be adjusted in  
13 accordance with this Section to reflect the change in residency  
14 of the residents of the territory that was annexed or  
15 disconnected. The adjustment shall be made no later than 30  
16 days after the Department of Revenue's receipt of the written  
17 notice of annexation or disconnection described in this  
18 Section.

19 (c) Notwithstanding any other provision of law, upon  
20 certification by the Director of the Illinois Emergency  
21 Management Agency, moneys in the Local Government Distributive  
22 Fund and the Income Tax Surcharge Local Government Distributive  
23 Fund shall also be used for the purpose of reimbursing eligible  
24 applicants for eligible costs incurred as a result of a  
25 disaster. Beginning with the first distribution to occur after  
26 the State Comptroller receives a certification from the

1 Director of the Illinois Emergency Management Agency under  
2 Section 9.5 of the Illinois Emergency Management Agency Act,  
3 the amount paid to each county and municipality under  
4 subsection (a) of this Section and Section 6z-17 of the State  
5 Finance Act, including amounts that would normally be paid  
6 directly into a designated escrow account under Section 13 of  
7 this Act, shall be reduced by an amount equal to the amount  
8 certified by the Director of the Illinois Emergency Management  
9 Agency multiplied by a fraction the numerator of which is the  
10 total amount that would otherwise be paid to that municipality  
11 or county from the Local Government Distributive Fund and the  
12 Income Tax Surcharge Local Government Distributive Fund during  
13 that month and the denominator of which is the total amount  
14 available in those funds for distribution to counties and  
15 municipalities during that month. The amount paid to each  
16 eligible applicant shall then be increased by the amount shown  
17 in the certification from the Director of the Illinois  
18 Emergency Management Agency for that eligible applicant. If in  
19 any calendar month the amount certified by the Director of the  
20 Illinois Emergency Management Agency exceeds the amount  
21 available in the Local Government Distributive Fund and the  
22 Income Tax Surcharge Local Government Distributive Fund for  
23 distribution to counties and municipalities, then the  
24 reductions and increases under this subsection (c) shall  
25 continue in subsequent months until all certified amounts are  
26 paid. Payments shall be made to eligible applicants based on



1 the order in which the applications are approved by the  
2 Illinois Emergency Management Agency.

3 For the purposes of this subsection (c), the term  
4 "disaster" has the meaning ascribed to that term in Section 4  
5 of the Illinois Emergency Management Agency Act, and the terms  
6 "eligible applicant" and "eligible costs" have the meanings  
7 ascribed to those terms in Section 9.5 of the Illinois  
8 Emergency Management Agency Act.

9 (Source: P.A. 96-1040, eff. 7-14-10.)

10 Section 90. The State Mandates Act is amended by adding  
11 Section 8.39 as follows:

12 (30 ILCS 805/8.39 new)

13 Sec. 8.39. Exempt mandate. Notwithstanding Sections 6 and 8  
14 of this Act, no reimbursement by the State is required for the  
15 implementation of any mandate created by this amendatory Act of  
16 the 99th General Assembly.

17 Section 99. Effective date. This Act takes effect upon  
18 becoming law.