



Rep. Sara Feigenholtz

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LRB099 18639 HLH 51780 a

1 AMENDMENT TO SENATE BILL 3337

2 AMENDMENT NO. _____. Amend Senate Bill 3337, AS AMENDED,
3 by replacing everything after the enacting clause with the
4 following:

5 "Section 5. The Property Tax Code is amended by changing
6 Sections 27-5 and 27-25 and by adding Sections 27-100, 27-105,
7 27-110, 27-115, 27-120, and 27-125 as follows:

8 (35 ILCS 200/27-5)

9 Sec. 27-5. Short title; definitions. This Article may be
10 cited as the Special Service Area Tax Law.

11 When used in this Article:

12 "Services contract" means an agreement between a service
13 provider agency and a municipality or county for the purpose of
14 providing special services in and for a special service area.

15 "Service provider agency" means an entity that enters into
16 a services contract with a municipality or county for the

1 purpose of providing special services in and for a special
2 service area.

3 "Special Service Area" means a contiguous area within a
4 municipality or county in which special governmental services
5 are provided in addition to those services provided generally
6 throughout the municipality or county, the cost of the special
7 services to be paid from revenues collected from taxes levied
8 or imposed upon property within that area. Territory shall be
9 considered contiguous for purposes of this Article even though
10 certain completely surrounded portions of the territory are
11 excluded from the special service area. A county may create a
12 special service area within a municipality or municipalities
13 when the municipality or municipalities consent to the creation
14 of the special service area. A municipality may create a
15 special service area within a municipality and the
16 unincorporated area of a county or within another municipality
17 when the county or other municipality consents to the creation
18 of the special service area.

19 "Special service area commission" means a local board
20 established by the corporate authorities of a municipality or
21 county for the purpose of managing a particular special service
22 area.

23 "Special Services" means all forms of services pertaining
24 to the government and affairs of the municipality or county,
25 including but not limited to weather modification and
26 improvements permissible under Article 9 of the Illinois

1 Municipal Code, and contracts for the supply of water as
2 described in Section 11-124-1 of the Illinois Municipal Code
3 which may be entered into by the municipality or by the county
4 on behalf of a county service area.

5 (Source: P.A. 86-1324; 88-445.)

6 (35 ILCS 200/27-25)

7 Sec. 27-25. Form of hearing notice. Taxes may be levied or
8 imposed by the municipality or county in the special service
9 area at a rate or amount of tax sufficient to produce revenues
10 required to provide the special services. Prior to the first
11 levy of taxes in the special service area, notice shall be
12 given and a hearing shall be held under the provisions of
13 Sections 27-30 and 27-35. For purposes of this Section the
14 notice shall include:

15 (a) The time and place of hearing;

16 (b) The boundaries of the area by legal description
17 and, where possible, by street location;

18 (c) The permanent tax index number of each parcel
19 located within the area;

20 (d) The nature of the proposed special services to be
21 provided within the special service area and a statement as
22 to whether the proposed special services are for new
23 construction, maintenance, or other purposes;

24 (d-5) The proposed amount of the tax levy for special
25 services for the initial year for which taxes will be

1 levied within the special service area;

2 (e) A notification that all interested persons,
3 including all persons owning taxable real property located
4 within the special service area, will be given an
5 opportunity to be heard at the hearing regarding the tax
6 levy and an opportunity to file objections to the amount of
7 the tax levy if the tax is a tax upon property; ~~and~~

8 (f) The maximum rate of taxes to be extended within the
9 special service area in any year and the maximum number of
10 years taxes will be levied if a maximum number of years is
11 to be established; and -

12 (g) If funds received through the special service area
13 are going to be used by a person or entity other than the
14 municipality or county, then a statement to that effect.

15 After the first levy of taxes within the special service
16 area, taxes may continue to be levied in subsequent years
17 without the requirement of an additional public hearing if the
18 tax rate does not exceed the rate specified in the notice for
19 the original public hearing and the taxes are not extended for
20 a longer period than the number of years specified in the
21 notice if a number of years is specified. Tax rates may be
22 increased and the period specified may be extended, if notice
23 is given and new public hearings are held in accordance with
24 Sections 27-30 and 27-35.

25 (Source: P.A. 97-1053, eff. 1-1-13.)

1 (35 ILCS 200/27-100 new)

2 Sec. 27-100. Special service area commissions.

3 (a) Notwithstanding any other provision of law, no member
4 of a special service area commission may be an executive
5 officer, owner, or member of the board of directors of the
6 service provider agency selected for a services contract for
7 that special service area.

8 (b) Notwithstanding any other provision of law, no business
9 owned by a member of a special service area commission may, for
10 valuable consideration, provide goods or services as a
11 subcontractor of a service provider agency pursuant to a
12 services contract for the special service area that is the
13 subject of that special service area commission. No business
14 owned by an employee or elected official of a municipality may,
15 for valuable consideration, provide goods or services as a
16 subcontractor of a service provider agency pursuant to a
17 services contract for any special service area located within
18 that municipality.

19 (c) At least one membership position for a special service
20 area commission in a special service area which contains one or
21 more homestead properties, as defined in Section 15-175, shall
22 be reserved as a first priority membership position for any
23 owner of homestead property located within such special service
24 area.

25 (35 ILCS 200/27-105 new)

1 Sec. 27-105. Lines of credit. Special service area
2 commissions may not establish a loan or line of credit in
3 connection with the special service area. Service provider
4 agencies in those municipalities may establish a loan or line
5 of credit in connection with the special service area; however,
6 financing under this Section may not be secured by future tax
7 revenue generated by the special service area.

8 (35 ILCS 200/27-110 new)

9 Sec. 27-110. Special service area moneys used in the next
10 fiscal year. Notwithstanding any other provision of law, if
11 there is excess money remaining in a special service area fund
12 at the end of a fiscal year, then the corporate authorities may
13 authorize the use of that excess money to provide special
14 services within the special service area in the next fiscal
15 year, provided that the total amount used for purposes other
16 than capital expenditures may not exceed 25% of the previous
17 fiscal year's budget for the special service area.

18 (35 ILCS 200/27-115 new)

19 Sec. 27-115. Special service area audits. Each special
20 service area commission shall cause an audit of the funds and
21 accounts of the special service area to be submitted to the
22 corporate authorities of the municipality at least annually.
23 The audit shall be made in accordance with generally accepted
24 auditing standards.

1 (35 ILCS 200/27-120 new)

2 Sec. 27-120. Exclusion of erroneously included property.
3 If a property is determined by the corporate authorities of the
4 municipality to be erroneously included in a special service
5 area, the corporate authorities of the municipality may
6 disconnect that property from the special service area solely
7 by municipal action without regard to Section 27-60 or Section
8 27-65 of this Act.

9 (35 ILCS 200/27-125 new)

10 Sec. 27-125. Administrative fees. Notwithstanding any
11 other provision of law, an annual administrative fee may be
12 charged for the administration of a special service area. Such
13 annual administrative fee may be derived from the annual tax
14 levy for each special service area. Any amount recommended by a
15 special service area commission and approved as an
16 administrative expense which may be paid to the service
17 provider agency pursuant to the budget included in a services
18 contract shall not exceed 30% of the annual tax levy for the
19 special service area that is the subject of such services
20 contract and is separate from any municipal administrative fee.

21 Section 99. Effective date. This Act takes effect upon
22 becoming law.".