

1 AN ACT in relation to municipalities.

2 Be it enacted by the People of the State of Illinois,
3 represented in the General Assembly:

4 Section 5. The Sanitary District Act of 1917 is amended
5 by changing Section 27 as follows:

6 (70 ILCS 2405/27) (from Ch. 42, par. 317i)

7 Sec. 27. Dissolution of sanitary district.

8 (a) Any sanitary district created under this Act which
9 does not have any outstanding and unpaid revenue bonds issued
10 under the provisions of this Act and which has a population
11 not in excess of 5000 persons and where that sanitary
12 district has entered into an intergovernmental agreement with
13 a municipality for the mutual expenditure of funds in joint
14 work and for the transfer of assets under the Municipality
15 and Sanitary District Mutual Expenditure Act may be dissolved
16 as follows:

17 The board of trustees of a sanitary district may petition
18 the circuit court to dissolve the district. Such petition
19 must show: (1) the reasons for dissolving the district; (2)
20 that there are no debts of the district outstanding or that
21 there are sufficient funds on hand or available to satisfy
22 such debts; (3) that no contract or federal or state permit
23 or grant will be impaired by the dissolution of the sanitary
24 district; (4) that all assets and responsibilities of the
25 sanitary district have been properly assigned to the
26 successor municipality; and (5) that the sanitary district
27 will pay any court costs incurred in connection with the
28 petition.

29 Upon adequate notice, including appropriate notice to the
30 Illinois Environmental Protection Agency, the circuit court
31 shall hold a hearing to determine whether there is good

1 reason for dissolving the district and whether the
2 allegations of the petition are true. If the court finds for
3 the petitioners it shall order the district dissolved but if
4 the court finds against the petitioners the petition shall be
5 dismissed. In either event, the costs shall be taxed against
6 the sanitary district. The order shall be final. Separate
7 or joint appeals may be taken by any of the parties affected
8 thereby or by the trustees of the sanitary district, as in
9 other civil cases.

10 (b) Any municipality located in a county with a
11 population not in excess of 1,000,000 persons that (i) has
12 formed a sanitary district located wholly within the county
13 within which the municipality is located and (ii) contains
14 within its municipal limits at least 90% of the area serviced
15 by the existing sanitary district has the power to dissolve
16 the district and acquire all assets and responsibilities of
17 the district. The corporate authorities of the municipality,
18 after providing at least 60 days' prior written notice to the
19 sanitary district, may vote to dissolve and acquire an
20 existing sanitary district formed pursuant to this Act upon
21 showing: (1) the reasons for dissolving the district; (2)
22 that there are no outstanding debts of the district or that
23 the municipality has sufficient funds on hand or available to
24 satisfy the debts; (3) that no federal or State permit or
25 grant will be impaired by dissolution of the existing
26 sanitary district; (4) that all assets and responsibilities
27 of the district have been properly assigned to the
28 municipality; and (5) that adequate notice has been given to
29 the Illinois Environmental Protection Agency regarding the
30 dissolution of the sanitary district. Any costs associated
31 with the dissolution of the existing sanitary district may be
32 taxed against the district, once the municipality has
33 acquired all of the assets and responsibilities of the
34 district. The sanitary district may file an appeal with the

1 circuit court, which shall hold a hearing to determine
2 whether the requirements of this Section have been met. If
3 the court finds that requirements of this Section have been
4 met, it shall uphold the action of the municipality to
5 dissolve the district. If the court finds that the
6 requirements have not been met, it shall order that the
7 sanitary district not be dissolved.

8 (Source: P.A. 88-572, eff. 8-11-94.)

9 Section 99. Effective date. This Act takes effect upon
10 becoming law.