

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 State Auditing Act is amended by  
5 changing Section 3-1 as follows:

6 (30 ILCS 5/3-1) (from Ch. 15, par. 303-1)

7 Sec. 3-1. Jurisdiction of Auditor General. The Auditor  
8 General has jurisdiction over all State agencies to make post  
9 audits and investigations authorized by or under this Act or  
10 the Constitution.

11 The Auditor General has jurisdiction over local  
12 government agencies and private agencies only:

13 (a) to make such post audits authorized by or under  
14 this Act as are necessary and incidental to a post audit  
15 of a State agency or of a program administered by a State  
16 agency involving public funds of the State, but this  
17 jurisdiction does not include any authority to review  
18 local governmental agencies in the obligation, receipt,  
19 expenditure or use of public funds of the State that are  
20 granted without limitation or condition imposed by law,  
21 other than the general limitation that such funds be used  
22 for public purposes;

23 (b) to make investigations authorized by or under  
24 this Act or the Constitution; and

25 (c) to make audits of the records of local  
26 government agencies to verify actual costs of  
27 state-mandated programs when directed to do so by the  
28 Legislative Audit Commission at the request of the State  
29 Board of Appeals under the State Mandates Act.

30 In addition to the foregoing, the Auditor General may  
31 conduct an audit of the Metropolitan Pier and Exposition

1 Authority, the Regional Transportation Authority, the  
2 Suburban Bus Division, the Commuter Rail Division and the  
3 Chicago Transit Authority and any other subsidized carrier  
4 when authorized by the Legislative Audit Commission. Such  
5 audit may be a financial, management or program audit, or any  
6 combination thereof.

7 The audit shall determine whether they are operating in  
8 accordance with all applicable laws and regulations. Subject  
9 to the limitations of this Act, the Legislative Audit  
10 Commission may by resolution specify additional  
11 determinations to be included in the scope of the audit.

12 In addition to the foregoing, the Auditor General must  
13 also conduct a financial audit of the Illinois Sports  
14 Facilities Authority's expenditures of public funds in  
15 connection with the reconstruction, renovation, remodeling,  
16 extension, or improvement of all or substantially all of any  
17 existing "facility", as that term is defined in the Illinois  
18 Sports Facilities Authority Act.

19 The Auditor General may also conduct an audit, when  
20 authorized by the Legislative Audit Commission, of any  
21 hospital which receives 10% or more of its gross revenues  
22 from payments from the State of Illinois, Department of  
23 Public Aid, Medical Assistance Program.

24 The Auditor General is authorized to conduct financial  
25 and compliance audits of the Illinois Distance Learning  
26 Foundation and the Illinois Conservation Foundation.

27 As soon as practical after the effective date of this  
28 amendatory Act of 1995, the Auditor General shall conduct a  
29 compliance and management audit of the City of Chicago and  
30 any other entity with regard to the operation of Chicago  
31 O'Hare International Airport, Chicago Midway Airport and  
32 Merrill C. Meigs Field. The audit shall include, but not be  
33 limited to, an examination of revenues, expenses, and  
34 transfers of funds; purchasing and contracting policies and

1 practices; staffing levels; and hiring practices and  
2 procedures. When completed, the audit required by this  
3 paragraph shall be distributed in accordance with Section  
4 3-14.

5 The Auditor General shall conduct a financial and  
6 compliance and program audit of distributions from the  
7 Municipal Economic Development Fund during the immediately  
8 preceding calendar year pursuant to Section 8-403.1 of the  
9 Public Utilities Act at no cost to the city, village, or  
10 incorporated town that received the distributions.

11 The Auditor General must conduct an audit of the Health  
12 Facilities Planning Board pursuant to Section 19.5 of the  
13 Illinois Health Facilities Planning Act.

14 The Auditor General must conduct an annual audit of the  
15 water fund of a county water commission organized pursuant to  
16 the Water Commission Act of 1985.

17 (Source: P.A. 90-813, eff. 1-29-99; 91-782, eff. 6-9-00;  
18 91-935, eff. 6-1-01.)

19 Section 10. The Illinois Municipal Code is amended by  
20 changing Section 11-124-1 as follows:

21 (65 ILCS 5/11-124-1) (from Ch. 24, par. 11-124-1)

22 Sec. 11-124-1. Contracts for supply of water.

23 (a) The corporate authorities of each municipality may  
24 contract with any person, corporation, municipal corporation,  
25 political subdivision, public water district or any other  
26 agency for a supply of water. Any such contract entered into  
27 by a municipality shall provide that payments to be made  
28 thereunder shall be solely from the revenues to be derived  
29 from the operation of the waterworks system of the  
30 municipality, and the contract shall be a continuing valid  
31 and binding obligation of the municipality payable from the  
32 revenues derived from the operation of the waterworks system

1 of the municipality for the period of years, not to exceed  
2 40, as may be provided in such contract. Any such contract  
3 shall not be a debt within the meaning of any constitutional  
4 or statutory limitation. No prior appropriation shall be  
5 required before entering into such a contract and no  
6 appropriation shall be required to authorize payments to be  
7 made under the terms of any such contract notwithstanding any  
8 provision in this Code to the contrary. (a) Payments to be  
9 made under any such contract shall be an operation and  
10 maintenance expense of the waterworks system of the  
11 municipality. Any such contract made by a municipality for a  
12 supply of water may contain provisions whereby the  
13 municipality is obligated to pay for such supply of water  
14 without setoff or counterclaim and irrespective of whether  
15 such supply of water is ever furnished, made available or  
16 delivered to the municipality or whether any project for the  
17 supply of water contemplated by any such contract is  
18 completed, operable or operating and notwithstanding any  
19 suspension, interruption, interference, reduction or  
20 curtailment of the supply of water from such project. Any  
21 such contract may provide that if one or more of the other  
22 purchasers of water defaults in the payment of its  
23 obligations under such contract or a similar contract made  
24 with the supplier of the water, one or more of the remaining  
25 purchasers party to such contract or such similar contract  
26 shall be required to pay for all or a portion of the  
27 obligations of the defaulting purchasers. (b) Payments to be  
28 made under any such contract with a municipal joint action  
29 water agency under the Intergovernmental Cooperation Act  
30 shall be an operation and maintenance expense of the  
31 waterworks system of the municipality. Any such contract  
32 made by a municipality for a supply of water with a municipal  
33 joint action water agency under the provisions of the  
34 Intergovernmental Cooperation Act may contain provisions

1     whereby the municipality is obligated to pay for such supply  
2     of water without setoff or counterclaim and irrespective of  
3     whether such supply of water is ever furnished, made  
4     available or delivered to the municipality or whether any  
5     project for the supply of water contemplated by any such  
6     contract is completed, operable or operating and  
7     notwithstanding any suspension, interruption, interference,  
8     reduction or curtailment of the supply of water from such  
9     project. Any such contract with a municipal joint action  
10    water agency may provide that if one or more of the other  
11    purchasers of water defaults in the payment of its  
12    obligations under such contract or a similar contract made  
13    with the supplier of the water, one or more of the remaining  
14    purchasers party to such contract or such similar contract  
15    shall be required to pay for all or a portion of the  
16    obligations of the defaulting purchasers.

17           The changes in this Section made by these amendatory Acts  
18    of 1984 are intended to be declarative of existing law.

19           (b) A municipality with a water supply contract with a  
20    county water commission organized pursuant to the Water  
21    Commission Act of 1985 shall provide water to unincorporated  
22    areas of that home county in accordance with the terms of  
23    this subsection. The provision of water by the municipality  
24    shall be in accordance with a mandate of the home county as  
25    provided in Section 0.01 of the Water Commission Act of 1985.  
26    A home rule unit may not provide water in a manner that is  
27    inconsistent with the provisions of this amendatory Act of  
28    the 93rd General Assembly. This subsection is a limitation  
29    under subsection (i) of Section 6 of Article VII of the  
30    Illinois Constitution on the concurrent exercise by home rule  
31    units of powers and functions exercised by the State.  
32    (Source: P.A. 83-1123; 83-1524.)

33           Section 15. The Water Commission Act of 1985 is amended

1 by changing Section 2 and by adding Sections 0.01, 0.02,  
2 0.03, 0.04, and 0.05 as follows:

3 (70 ILCS 3720/2) (from Ch. 111 2/3, par. 252)

4 Sec. 2. The General Assembly hereby finds and declares  
5 that it is necessary and in the public interest to help  
6 assure a sufficient and economic supply of a source of water  
7 within those county wide areas of this State where, because  
8 of a growth in population and proximity to large urban  
9 centers, the health, safety and welfare of the residents is  
10 threatened by an ever increasing shortage of a continuing,  
11 available and adequate source and supply of water on an  
12 economically reasonable basis; however, it is not the intent  
13 of the General Assembly to interfere with the power of  
14 municipalities to provide for the retail distribution of  
15 water to their residents or the customers of their water  
16 systems. Therefore, in order to provide for a sufficient and  
17 economic supply of water to such areas, it is hereby declared  
18 to be the law of this State that:

19 (a) With respect to any water commission constituted  
20 pursuant to Division 135 of the Illinois Municipal Code or  
21 established by operation of law under Public Act 83-1123, as  
22 amended, which water commission includes municipalities which  
23 in the aggregate have within their corporate limits more than  
24 50% of the population of a county (hereinafter referred to as  
25 a "home county"), and such county is contiguous to a county  
26 which has a population in excess of 1,000,000 inhabitants,  
27 the provisions of this Act shall apply. With respect to any  
28 such water commission (hereinafter referred to as a "county  
29 water commission"):

30 (i) the terms of all commissioners of such  
31 commission holding office at the time a water commission  
32 becomes a county water commission shall terminate 30 days  
33 after such time and new commissioners shall be appointed

1 as the governing board of the county water commission as  
2 hereinafter provided in subsection (c); and

3 (ii) the county water commission shall continue to  
4 be a body corporate and politic, and shall bear the name  
5 of the home county but shall be independent from and not  
6 a part of the county government and shall itself be a  
7 political subdivision and a unit of local government, and  
8 upon appointment of the new commissioners as the  
9 governing board of such water commission as provided in  
10 subsection (c), such water commission shall remain  
11 responsible for the full payment of, and shall by  
12 operation of law be deemed to have assumed and shall pay  
13 when due all debts and obligations of the commission as  
14 the same is constituted and as such debts and obligations  
15 existed on the date such water commission becomes a  
16 county water commission and such additional debts and  
17 obligations as are incurred by such commission after such  
18 date and prior to the appointment of the new  
19 commissioners as the governing board of such commission,  
20 and further shall continue to have and exercise all  
21 powers and functions and duties of a water commission  
22 created pursuant to Division 135 of the Illinois  
23 Municipal Code, as now or hereafter amended, and the  
24 county water commission may rely on that Division, as  
25 modified and supplemented by the provisions of this Act,  
26 as lawful authority under which it may act.

27 (b) Any county water commission shall have as its  
28 territory within its corporate limits, subject to taxation  
29 for its purposes, and subject to the powers and limitations  
30 as conferred by this Act, (i) all of the territory of the  
31 home county except that territory located within the  
32 corporate limits of excluded units as hereinafter defined and  
33 (ii) also all of the territory located outside the home  
34 county and included within the corporate limits of an

1 included unit as hereinafter defined. As used in this Act,  
2 "excluded unit" means a unit of local government having a  
3 waterworks system and having within its corporate limits  
4 territory within the home county and which, at the time any  
5 commission becomes a county water commission, receives, or  
6 has contracted at such time for the receipt of, more than 25%  
7 of the water distributed by such unit's water system from a  
8 source outside of the home county. As used in this Section,  
9 "included unit" means any unit of local government having a  
10 waterworks system and having within its corporate limits  
11 territory within the home county, which unit of local  
12 government is not an excluded unit. No other water  
13 commission shall be constituted under Division 135 of the  
14 Illinois Municipal Code in any home county after the  
15 effective date of this Act to provide water from any source  
16 located outside the home county. Except as authorized by a  
17 county water commission, no home county or included unit  
18 shall enter into any new or renew or extend any existing  
19 contract, agreement or other arrangement for the acquisition  
20 or sale of water from any source located outside a home  
21 county; provided, however, that any included unit may  
22 contract for a supply of water in case of a temporary  
23 emergency from any other unit of local government or any  
24 entity. In the event that any included unit elects to serve  
25 retail customers outside its corporate boundaries and to  
26 establish rates and charges for such water in excess of those  
27 charged within its corporate boundaries, such rates and  
28 charges shall have a reasonable relationship to the actual  
29 cost of providing and delivering the water; this provision is  
30 declarative of existing law. It is declared to be the law of  
31 this State pursuant to paragraphs (g) and (h) of Section 6 of  
32 Article VII of the Illinois Constitution that in any home  
33 county, the provisions of this Act and Division 135 of the  
34 Illinois Municipal Code, as modified and supplemented by this



1 Act and this amendatory Act of the 93rd General Assembly,  
2 constitute a limitation upon the power of any such county and  
3 upon all units of local government (except excluded units)  
4 within such county, including home rule units, limiting to  
5 such county, units of local government and home rule units  
6 the power to acquire, supply or distribute water or to  
7 establish any water commission for such purposes involving  
8 water from any source located outside the home county in a  
9 manner other than as provided or permitted by this Act and  
10 Division 135, as modified and supplemented by this Act, and  
11 further constitute an exercise of exclusive State power with  
12 respect to the acquisition, supply and distribution of water  
13 from any source located outside the home county by any such  
14 county and by units of local government (except excluded  
15 units), including home rule units, within such county and  
16 with respect to the establishment for such purposes of any  
17 water commission therein, which power may not be exercised  
18 concurrently by any unit of local government or home rule  
19 unit. Upon the request of any included unit, a county water  
20 commission shall provide such included unit Lake Michigan  
21 water in an amount up to the then current Department of  
22 Transportation allocation of Lake Michigan water for such  
23 included unit.

24 With respect to a water commission to which the  
25 provisions of subsection (a) apply, all uninhabited territory  
26 that is owned and solely occupied by such a commission and is  
27 located not within its home county but within a non-home rule  
28 municipality adjacent to its home county shall,  
29 notwithstanding any other provision of law, be disconnected  
30 from that municipality by operation of this Act on the  
31 effective date of this amendatory Act of 1991, and shall  
32 thereafter no longer be within the territory of the  
33 municipality for any purpose; except that for the purposes of  
34 any statute that requires contiguity of territory, the

1 territory of the water commission shall be disregarded and  
2 the municipality shall not be deemed to be noncontiguous by  
3 virtue of the disconnection of the water commission  
4 territory.

5 (c) The governing body of any water commission to which  
6 the provisions of subsection (a) apply shall be a board of  
7 commissioners, each to be appointed within 30 days after the  
8 water commission becomes a county water commission to a term  
9 commencing on such date, as follows:

10 (i) one commissioner, who shall serve as chairman,  
11 who shall be a resident of the home county, to be  
12 appointed by the chairman of the county board of such  
13 county with the advice and consent of the county board,  
14 provided that following the expiration of the term or  
15 vacancy of the current chairman serving on the effective  
16 date of this amendatory Act of the 93rd General Assembly,  
17 any subsequent appointment as chairman shall also be  
18 subject to the advice and consent of the county water  
19 commission;

20 (ii) one commissioner from each county board  
21 district within the home county, to be appointed by the  
22 chairman of the county board of the home county with the  
23 advice and consent of the county board; and

24 (iii) one commissioner from each county board  
25 district within the home county, to be appointed by the  
26 majority vote of the mayors of those included units which  
27 are municipalities and which have the greatest percentage  
28 of their respective populations residing within such  
29 county board district of the home county.

30 The mayors of the respective county board districts shall  
31 meet for the purpose of making said respective appointments  
32 at a time and place designated by that mayor in each county  
33 board district of the included unit with the largest  
34 population voting for a commissioner upon not less than 10

1 days' written notice to each other mayor entitled to vote.

2 The commissioners so appointed shall serve for a term of  
3 6 years, or until their successors have been appointed and  
4 have qualified in the same manner as the original  
5 appointments, except that at the first meeting of such  
6 commissioners, (A) the commissioners first appointed pursuant  
7 to paragraph (ii) of this subsection shall determine publicly  
8 by lot 1/3 of their number to serve for terms of 2 years, 1/3  
9 of their number to serve for terms of 4 years and 1/3 of  
10 their number to serve for terms of 6 years, any odd number of  
11 commissioners so determined by dividing into thirds to serve  
12 6 year terms, and (B) the commissioners first appointed  
13 pursuant to paragraph (iii) of this subsection shall  
14 determine publicly by lot 1/3 of their number to serve for  
15 terms of 2 years, 1/3 of their number to serve for terms of 4  
16 years and 1/3 of their number to serve for terms of 6 years,  
17 any odd number of commissioners so determined by dividing  
18 into thirds to serve 6 year terms. The commissioner first  
19 appointed pursuant to paragraph (i) of this subsection, who  
20 shall serve as chairman, shall serve for a term of 6 years.  
21 Any commissioner may be a member of the governing board or an  
22 officer or employee of such county or any unit of local  
23 government within such county. A commissioner is eligible  
24 for reappointment upon the expiration of his term. A vacancy  
25 in the office of a commissioner shall be filled for the  
26 balance of the unexpired term by appointment and  
27 qualification as to residency in the same manner as the  
28 original appointment was made. Each commissioner shall  
29 receive the same compensation which shall not be more than  
30 \$600 per year, except that no such commissioner who is a  
31 member of the governing board or an officer or employee of  
32 such county or any unit of local government within such  
33 county may receive any compensation for serving as a  
34 commissioner. Each commissioner may be removed by the

1 appointing authority for any cause for which any other county  
2 or municipal officer may be removed. The county water  
3 commission shall determine its own rules of proceeding. A  
4 quorum shall be a majority of the commissioners then in  
5 office. All ordinances or resolutions shall be passed by not  
6 less than a majority of a quorum. No commissioner or  
7 employee of the commission, no member of the county board or  
8 other official elected within such county, no mayor or  
9 president or other member of the corporate authorities of any  
10 unit of local government within such county, and no employee  
11 of such county or any such unit of local government, shall be  
12 interested directly or indirectly in any contract or job of  
13 work or materials, or the profits thereof, or services to be  
14 performed for or by the commission. A violation of any of  
15 the foregoing provisions of this subsection is a Class C  
16 misdemeanor. A conviction is cause for the removal of a  
17 person from his office or employment.

18 (d) Except as provided in subsection (g), subject to the  
19 referendum provided for in subsection (e), a county water  
20 commission may borrow money for corporate purposes on the  
21 credit of the commission, and issue general obligation bonds  
22 therefor, in such amounts and form and on such conditions as  
23 it shall prescribe, but shall not become indebted in any  
24 manner or for any purpose in an amount including existing  
25 indebtedness in the aggregate to exceed 5.75% of the  
26 aggregate value of the taxable property within the  
27 territorial boundaries of the county water commission, as  
28 equalized and assessed by the Department of Revenue and as  
29 most recently available at the time of the issue of said  
30 bonds. Before or at the time of incurring any indebtedness,  
31 except as provided in subsection (g), the commission shall  
32 provide for the collection of a direct annual tax, which  
33 shall be unlimited as to rate or amount, sufficient to pay  
34 the interest on such debt as it falls due and also to pay and

1 discharge the principal thereof at maturity, which shall be  
2 within 40 years after the date of issue thereof. Such tax  
3 shall be levied upon and collected from all of the taxable  
4 property within the territory of the county water commission.  
5 Dissolution of the county water commission for any reason  
6 shall not relieve the taxable property within such territory  
7 of the county water commission from liability for such tax.  
8 The clerk of the commission shall file a certified copy of  
9 the resolution or ordinance by which such bonds are  
10 authorized to be issued and such tax is levied with the  
11 County Clerk of each county in which any of the territory of  
12 the county water commission is located and such filing shall  
13 constitute, without the doing of any other act, full and  
14 complete authority for each such County Clerk to extend such  
15 tax for collection upon all the taxable property within the  
16 territory of the county water commission subject to such tax  
17 in each and every year required sufficient to pay the  
18 principal of and interest on such bonds, as aforesaid,  
19 without limit as to rate or amount, and shall be in addition  
20 to and in excess of all other taxes authorized to be levied  
21 by the commission or any included unit. The general  
22 obligation bonds shall be issued pursuant to an ordinance or  
23 resolution and may be issued in one or more series, and shall  
24 bear such date or dates, mature at such time or times and in  
25 any event not more than 40 years from the date thereof, be  
26 sold at such price at private or public sale as determined by  
27 a county water commission, bear interest at such rate or  
28 rates such that the net effective interest rate received upon  
29 the sale of such bonds does not exceed the maximum rate  
30 determined under Section 2 of the Bond Authorization Act,  
31 which rates may be fixed or variable, be in such  
32 denominations, be in such form, either coupon or registered,  
33 carry such conversion, registration, and exchange privileges,  
34 be executed in such manner, be payable in such medium of

1 payment at such place or places within or without the State  
 2 of Illinois, be subject to such terms of redemption, and  
 3 contain or be subject to such other terms as the ordinance or  
 4 resolution may provide, and shall not be restricted by the  
 5 provisions of any other terms of obligations of public  
 6 agencies or private persons.

7 (e) No issue of general obligation bonds by a county  
 8 water commission (except bonds to refund an existing bonded  
 9 indebtedness) shall be authorized unless the commission  
 10 certifies the proposition of issuing such bonds to the proper  
 11 election officials, who shall submit the proposition to the  
 12 voters at an election in accordance with the general election  
 13 law, and the proposition has been approved by a majority of  
 14 those voting on the proposition.

15 The proposition shall be in the form provided in Section  
 16 5 or shall be substantially in the following form:

17 -----  
 18 Shall general obligation  
 19 bonds for the purpose of  
 20 (state purpose), in the YES  
 21 sum of \$....(insert amount), -----  
 22 be issued by the ..... NO  
 23 (insert corporate name of  
 24 the county water commission)?  
 25 -----

26 (f) In order to carry out and perform its powers and  
 27 functions and duties under the provisions of this Act and  
 28 Division 135 of the Illinois Municipal Code, as modified and  
 29 supplemented by this Act, the governing body of any county  
 30 water commission may by ordinance levy annually upon all  
 31 taxable property within its territory a tax at a rate not to  
 32 exceed .005% of the value of such property, as equalized or  
 33 assessed by the Department of Revenue for the year in which  
 34 the levy is made. In addition, any county water commission

1 may by ordinance levy upon all taxable property within its  
2 territory, for one year only, an additional tax for such  
3 purposes at a rate not to exceed .20% of the value of such  
4 property, as equalized or assessed by the Department of  
5 Revenue for that year; provided, however, that such tax may  
6 not be levied more than once in any county water commission.

7 (g) Any county water commission shall have the power to  
8 borrow money, subject to the indebtedness limitation provided  
9 in subsection (d), from the home county or included units, in  
10 such amounts and in such terms as agreed by the governing  
11 bodies of the commission and the home county or included  
12 units.

13 (h) No county water commission constituted pursuant to  
14 the Act shall engage in the retail sale or distribution of  
15 water to residents or customers of any municipality.

16 (i) Nothing in the Section requires any municipality to  
17 contract with a county water commission for a supply of  
18 water.

19 (j) The State of Illinois recognizes that any such  
20 contract for the supply of water executed by a unit of local  
21 government and a county water commission may contain terms  
22 and conditions intended by the parties thereto to be absolute  
23 conditions thereof. The State of Illinois also recognizes  
24 that persons may loan funds to a county water commission  
25 (including, without limitation, the purchase of revenue or  
26 general obligation bonds of such commission) in reliance upon  
27 the terms and conditions of any such contract for the supply  
28 of water. Therefore, the State of Illinois pledges and  
29 agrees to those parties and persons which make loans of funds  
30 to a county water commission that it will not impair or limit  
31 the power or ability of a county water commission or a unit  
32 of local government fully to carry out the financial  
33 obligations and obligation to furnish water pursuant to the  
34 terms of any contract for the supply of water entered into by

1 such county water commission or unit of local government for  
2 the term of such contracts or loans. All other terms and  
3 conditions of such contracts and intergovernmental agreements  
4 shall be binding to the extent that they are not inconsistent  
5 with this amendatory Act of the 93rd General Assembly.

6 (Source: P.A. 87-145.)

7 (70 ILCS 3720/0.01 new)

8 Sec. 0.01. Service to areas with contaminated or tainted  
9 water.

10 (a) Notwithstanding the terms of a water supply contract  
11 existing on the effective date of this amendatory Act of the  
12 93rd General Assembly, a municipality with a water supply  
13 contract with a county water commission must provide water to  
14 territories outside that municipality, provided that the  
15 territory to be served currently receives well water that is  
16 tainted or contaminated. The home county board must find that  
17 the water supply in such territory is tainted or contaminated  
18 such that the health of persons served in that territory is  
19 likely to be adversely affected now or in the future. The  
20 county water commission shall determine which municipality in  
21 the home county is most appropriate for supplying water to  
22 the territory with the contaminated wells within 30 days of a  
23 county board finding that there is a tainted or contaminated  
24 water supply.

25 The municipality shall provide access to water for such  
26 territory no later than 90 days after the county water  
27 commission has determined by resolution that the municipality  
28 is the most appropriate municipality for providing access to  
29 water for the territory. "Access to water" includes access  
30 through the municipal main, but the municipality need not  
31 otherwise provide infrastructure to deliver water from the  
32 municipal main. The municipality may sell water to such  
33 territory at a rate higher than the rate charged to municipal



1 customers, in accordance with existing law.

2 (b) Unless otherwise provided by law, property in  
3 unincorporated territory receiving water pursuant to  
4 subsection (a) of this Section shall not be annexed without  
5 consent of the owner of the property. A municipality's  
6 furnishing water pursuant to subsection (a) of this Section  
7 may not be conditioned on an agreement to annex. "Owner" for  
8 the purpose of this subsection is any person or persons in  
9 title, or in the case of property owned in trust, having the  
10 beneficial ownership of such property, who owned the property  
11 on the date water is first so received pursuant to subsection  
12 (a) of this Section. Upon transfer of ownership of such  
13 property, the municipality may annex it by ordinance.

14 (c) This amendatory Act of the 93rd General Assembly is  
15 a limitation under subsection (i) of Section 6 of Article VII  
16 of the Illinois Constitution on the concurrent exercise by  
17 home rule units of powers and functions exercised by the  
18 State.

19 (70 ILCS 3720/0.02 new)

20 Sec. 0.02. Rate equalization. Notwithstanding the terms  
21 of a water supply contract existing on the effective date of  
22 this amendatory Act of the 93rd General Assembly, all parties  
23 to a water supply contract with a county water commission,  
24 irrespective of whether such party is a charter member or  
25 subsequent entrant, shall pay rates equal to the rates paid  
26 by other parties to such water supply contract and shall not  
27 pay any additional fees, costs, or differentials as a  
28 condition of becoming a party to such water supply contract.  
29 Subsequent entrants to a water supply contract shall pay  
30 their pro-rata portion of the original capital costs less any  
31 rebates and the actual costs of connection to the water  
32 commission system.

1 (70 ILCS 3720/0.03 new)

2 Sec. 0.03. Water subsidy guaranty. Except to satisfy  
3 the obligations of persons who loaned funds to the county  
4 water commission, the water rates charged to municipalities  
5 that are in effect on the effective date of this amendatory  
6 Act of the 93rd General Assembly may not be increased for a  
7 period of 5 years.

8 (70 ILCS 3720/0.04 new)

9 Sec. 0.04. Five-year annual transfer of funds to home  
10 county. Beginning July 1, 2003 and prior to July 1 of each  
11 year through and including 2007, each county water commission  
12 shall from any legally available sources transfer the sum of  
13 \$15,000,000 to the county board of the home county to be used  
14 for county purposes. This amendatory Act of the 93rd General  
15 Assembly is subordinate to any legally required payment of  
16 principal, interest, or required reserve pursuant to the  
17 county water commission's debt obligations.

18 (70 ILCS 3720/0.05 new)

19 Sec. 0.05. Home rule. A municipality, including a home  
20 rule unit, must regulate its water systems and provide access  
21 to water as required under the provisions of this amendatory  
22 Act of the 93rd General Assembly. This Section is a denial  
23 and limitation under subsection (i) of Section 6 of Article  
24 VII of the Illinois Constitution on the concurrent exercise  
25 by home rule units of powers and functions exercised by the  
26 State.

27 Section 90. The State Mandates Act is amended by adding  
28 Section 8.27 as follows:

29 (30 ILCS 805/8.27 new)

30 Sec. 8.27. Exempt mandate. Notwithstanding Sections 6

1 and 8 of this Act, no reimbursement by the State is required  
2 for the implementation of any mandate created by this  
3 amendatory Act of the 93rd General Assembly.

4 Section 97. Severability. The provisions of this Act  
5 are severable under Section 1.31 of the Statute on Statutes.

6 Section 99. Effective date. This Act takes effect upon  
7 becoming law.