

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 Official Bond Payment Act is amended by
5 changing Section 1 as follows:

6 (5 ILCS 270/1) (from Ch. 103, par. 16)

7 Sec. 1. The State or any county, township, municipality,
8 or public board or body, whether organized under general or
9 special Act, shall pay out of its funds the cost of any
10 official bond furnished by any officer of the State, county,
11 township, municipality, or public board or body required by
12 its laws, rules, or regulations to execute the bond if the
13 officer furnishes the bond with a surety company or companies
14 authorized to do business in this State under the laws of
15 this State and, if the surety on any official bond is not
16 such a surety company or companies, the State, county,
17 township, municipality, or public board or body shall pay out
18 of its funds the cost of any bond or bonds indemnifying the
19 surety against liability on the official bond. The total
20 amount of the indemnity, however, must correspond to the
21 total obligation of the surety on the official bond, and the
22 indemnitor or indemnitors must be a company or companies
23 authorized by the laws of this State to execute the
24 indemnifying bond or bonds. A county that has elected to
25 self-insure under Section 9-103 of the Local Governmental and
26 Governmental Employees Tort Immunity Act may also elect to
27 self-insure with respect to official bonds and shall, thus,
28 satisfy the requirements of this Section. A township located
29 in a county with the township form of government and a road
30 district comprised of that township may jointly obtain, from
31 a risk management pool of townships, any official bonds

1 required by law to be furnished by officers of the township
2 or road district. A road district located in a county without
3 the township form of government may obtain, from a risk
4 management pool of townships and road districts, any official
5 bonds required by law to be furnished by officers of the road
6 district. A municipality may obtain, from a risk management
7 pool of municipalities, any official bonds required by law to
8 be furnished by officers of the municipality.

9 (Source: P.A. 87-738; 88-360.)

10 Section 99. Effective date. This Act takes effect on
11 January 1, 2004.