

**STATE OF ILLINOIS**



# **HOUSE JOURNAL**

**HOUSE OF REPRESENTATIVES**

**NINETY-FIFTH GENERAL ASSEMBLY**

**104TH LEGISLATIVE DAY**

**REGULAR SESSION**

**MONDAY, JULY 30, 2007**

**5:22 O'CLOCK P.M.**

NO. 104

**HOUSE OF REPRESENTATIVES  
Daily Journal Index  
104th Legislative Day**

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The House met pursuant to adjournment.  
Representative Hannig in the chair.  
Representative Hannig asked for leave to use the Quorum Roll Call from the First Special Session to convene the One Hundred Fourth Legislative Day Regular Session.  
Leave was granted.

### LETTER OF TRANSMITTAL

July 30, 2007

Mark Mahoney  
Chief Clerk of the House  
402 State House  
Springfield, IL 62706

Dear Clerk Mahoney:

Please be advised that I am extending the Final Action Deadline to July 31, 2007 for the following Bill:

**House Bill: 1664.**

If you have questions, please contact my Chief of Staff, Tim Mapes, at 782-6360.

With kindest personal regards, I remain.

Sincerely yours,  
s/Michael J. Madigan  
Speaker of the House

### TEMPORARY COMMITTEE ASSIGNMENTS

Representative Arroyo replaced Representative Richard Bradley in the Committee on Telecommunications on July 30, 2007.

Representative Berrios replaced Representative Dunkin in the Committee on Telecommunications on July 30, 2007.

Representative Turner replaced Representative Hamos in the Committee on Telecommunications on July 30, 2007.

Representative Flowers replaced Representative Acevedo in the Committee on Telecommunications on July 30, 2007.

Representative Reitz replaced Representative Granberg in the Committee on Telecommunications on July 30, 2007.

Representative Hannig replaced Representative Fritchey in the Committee on Telecommunications on July 30, 2007.

Representative Beiser replaced Representative Lyons in the Committee on Telecommunications on July 30, 2007.

Representative Harris replaced Representative Colvin in the Committee on Telecommunications on July 30, 2007.

Representative Verschoore replaced Representative May in the Committee on Telecommunications on July 30, 2007.

Representative Lang replaced Representative Boland in the Committee on Telecommunications on July 30, 2007.

**REPORT FROM THE COMMITTEE ON RULES**

Representative Currie, Chairperson, from the Committee on Rules to which the following were referred, action taken on July 30, 2007, reported the same back with the following recommendations:

**LEGISLATIVE MEASURES ASSIGNED TO COMMITTEE:**

Telecommunications: SENATE BILL 766.

The committee roll call vote on the foregoing Legislative Measure is as follows:

3, Yeas; 0, Nay; 0, Answering Present.

Y Currie(D), Chairperson	A Black(R), Republican Spokesperson
Y Hannig(D)	Y Hassert(R)
A Turner(D)	

**REPORT FROM STANDING COMMITTEES**

Representative Brosnahan, Chairperson, from the Committee on Telecommunications to which the following were referred, action taken on July 30, 2007, reported the same back with the following recommendations:

That the bill be reported "do pass as amended" and be placed on the order of Second Reading-- Short Debate: SENATE BILL 837.

The committee roll call vote on Senate Bill 837 is as follows:

16, Yeas; 1, Nay; 0, Answering Present.

Y Brosnahan(D), Chairperson	Y McCarthy(D), Vice-Chairperson
A Meyer(R), Republican Spokesperson	Y Flowers(D) (replacing Acevedo)
Y Lang(D) (replacing Boland)	Y Bost(R)
Y Arroyo(D) (replacing Bradley,R)	Y Harris(D) (replacing Colvin)
Y Berrios(D) (replacing Dunkin)	Y Hannig(D) (replacing Fritchey)
Y Reitz(D) (replacing Granberg)	Y Turner(D) (replacing Hamos)
Y Holbrook(D)	Y Krause(R)
Y Beiser(D) (replacing Lyons)	A Mathias(R)
Y Verschoore(D) (replacing May)	A McAuliffe(R)
A Mitchell, Bill(R)	N Osmond(R)
A Ramey(R)	A Schmitz(R)
Y Smith(D)	A Watson(R)
A Winters(R)	

**CORRECTIONAL NOTE SUPPLIED**

A Correctional Note has been supplied for SENATE BILL 572, as amended.

**JUDICIAL NOTE SUPPLIED**

A Judicial Note has been supplied for SENATE BILL 572, as amended.

**PENSION NOTE SUPPLIED**

A Pension Note has been supplied for SENATE BILL 572, as amended.

**STATE DEBT IMPACT NOTE SUPPLIED**

A State Debt Impact Note has been supplied for SENATE BILL 572, as amended.

**MESSAGES FROM THE SENATE**

A message from the Senate by  
Ms. Shipley, Secretary:

Mr. Speaker -- I am directed to inform the House of Representatives that the Senate has concurred with the House of Representatives in the passage of a bill of the following title to-wit:

HOUSE BILL 1664

A bill for AN ACT concerning local government.

Together with the attached amendment thereto (which amendment has been printed by the Senate), in the adoption of which I am instructed to ask the concurrence of the House, to-wit:

Senate Amendment No. 1 to HOUSE BILL NO. 1664

Passed the Senate, as amended, July 30, 2007.

Deborah Shipley, Secretary of the Senate

AMENDMENT NO. 1. Amend House Bill 1664 by replacing everything after the enacting clause with the following:

"Section 5. The Illinois Municipal Code is amended by changing Sections 11-15.1-2.1, 11-74.4-3, and 11-74.4-7 as follows:

(65 ILCS 5/11-15.1-2.1) (from Ch. 24, par. 11-15.1-2.1)

Sec. 11-15.1-2.1. Annexation agreement; municipal jurisdiction.

(a) Property that is the subject of an annexation agreement adopted under this Division is subject to the ordinances, control, and jurisdiction of the annexing municipality in all respects the same as property that lies within the annexing municipality's corporate limits.

(b) This Section shall not apply in (i) a county with a population of more than 3,000,000, (ii) a county that borders a county with a population of more than 3,000,000 or (iii) a county with a population of more than 246,000 according to the 1990 federal census and bordered by the Mississippi River, unless the parties to the annexation agreement have, at the time the agreement is signed, ownership or control of all property that would make the property that is the subject of the agreement contiguous to the annexing municipality, in which case the property that is the subject of the annexation agreement is subject to the ordinances, control, and jurisdiction of the municipality in all respects the same as property owned by the municipality that lies within its corporate limits.

(c) The limitations of item (iii) of subsection (b) do not apply to property that is the subject of an annexation agreement adopted under this Division within one year after the effective date of this amendatory Act of the 95th General Assembly with a coterminous home rule municipality, as of June 1, 2007, that borders the Mississippi River, in a county with a population in excess of 258,000, according to the 2000 federal census, if all such agreements entered into by the municipality pertain to parcels that comprise a contiguous area of not more than 120 acres in the aggregate.

(Source: P.A. 87-1137.)

(65 ILCS 5/11-74.4-3) (from Ch. 24, par. 11-74.4-3)

Sec. 11-74.4-3. Definitions. The following terms, wherever used or referred to in this Division 74.4 shall have the following respective meanings, unless in any case a different meaning clearly appears from the context.

(a) For any redevelopment project area that has been designated pursuant to this Section by an ordinance

adopted prior to November 1, 1999 (the effective date of Public Act 91-478), "blighted area" shall have the meaning set forth in this Section prior to that date.

On and after November 1, 1999, "blighted area" means any improved or vacant area within the boundaries of a redevelopment project area located within the territorial limits of the municipality where:

(1) If improved, industrial, commercial, and residential buildings or improvements are detrimental to the public safety, health, or welfare because of a combination of 5 or more of the following factors, each of which is (i) present, with that presence documented, to a meaningful extent so that a municipality may reasonably find that the factor is clearly present within the intent of the Act and (ii) reasonably distributed throughout the improved part of the redevelopment project area:

(A) Dilapidation. An advanced state of disrepair or neglect of necessary repairs to the primary structural components of buildings or improvements in such a combination that a documented building condition analysis determines that major repair is required or the defects are so serious and so extensive that the buildings must be removed.

(B) Obsolescence. The condition or process of falling into disuse. Structures have become ill-suited for the original use.

(C) Deterioration. With respect to buildings, defects including, but not limited to, major defects in the secondary building components such as doors, windows, porches, gutters and downspouts, and fascia. With respect to surface improvements, that the condition of roadways, alleys, curbs, gutters, sidewalks, off-street parking, and surface storage areas evidence deterioration, including, but not limited to, surface cracking, crumbling, potholes, depressions, loose paving material, and weeds protruding through paved surfaces.

(D) Presence of structures below minimum code standards. All structures that do not meet the standards of zoning, subdivision, building, fire, and other governmental codes applicable to property, but not including housing and property maintenance codes.

(E) Illegal use of individual structures. The use of structures in violation of applicable federal, State, or local laws, exclusive of those applicable to the presence of structures below minimum code standards.

(F) Excessive vacancies. The presence of buildings that are unoccupied or under-utilized and that represent an adverse influence on the area because of the frequency, extent, or duration of the vacancies.

(G) Lack of ventilation, light, or sanitary facilities. The absence of adequate ventilation for light or air circulation in spaces or rooms without windows, or that require the removal of dust, odor, gas, smoke, or other noxious airborne materials. Inadequate natural light and ventilation means the absence of skylights or windows for interior spaces or rooms and improper window sizes and amounts by room area to window area ratios. Inadequate sanitary facilities refers to the absence or inadequacy of garbage storage and enclosure, bathroom facilities, hot water and kitchens, and structural inadequacies preventing ingress and egress to and from all rooms and units within a building.

(H) Inadequate utilities. Underground and overhead utilities such as storm sewers and storm drainage, sanitary sewers, water lines, and gas, telephone, and electrical services that are shown to be inadequate. Inadequate utilities are those that are: (i) of insufficient capacity to serve the uses in the redevelopment project area, (ii) deteriorated, antiquated, obsolete, or in disrepair, or (iii) lacking within the redevelopment project area.

(I) Excessive land coverage and overcrowding of structures and community facilities. The over-intensive use of property and the crowding of buildings and accessory facilities onto a site. Examples of problem conditions warranting the designation of an area as one exhibiting excessive land coverage are: (i) the presence of buildings either improperly situated on parcels or located on parcels of inadequate size and shape in relation to present-day standards of development for health and safety and (ii) the presence of multiple buildings on a single parcel. For there to be a finding of excessive land coverage, these parcels must exhibit one or more of the following conditions: insufficient provision for light and air within or around buildings, increased threat of spread of fire due to the close proximity of buildings, lack of adequate or proper access to a public right-of-way, lack of reasonably required off-street parking, or inadequate provision for loading and service.

(J) Deleterious land use or layout. The existence of incompatible land-use relationships, buildings occupied by inappropriate mixed-uses, or uses considered to be noxious, offensive, or unsuitable for the surrounding area.

(K) Environmental clean-up. The proposed redevelopment project area has incurred Illinois Environmental Protection Agency or United States Environmental Protection Agency remediation costs for, or a study conducted by an independent consultant recognized as having expertise in environmental remediation has determined a need for, the clean-up of hazardous waste, hazardous substances, or underground storage tanks required by State or federal law, provided that the remediation costs constitute a material impediment to the development or redevelopment of the redevelopment project area.

(L) Lack of community planning. The proposed redevelopment project area was developed prior to or without the benefit or guidance of a community plan. This means that the development occurred prior to the adoption by the municipality of a comprehensive or other community plan or that the plan was not followed at the time of the area's development. This factor must be documented by evidence of adverse or incompatible land-use relationships, inadequate street layout, improper subdivision, parcels of inadequate shape and size to meet contemporary development standards, or other evidence demonstrating an absence of effective community planning.

(M) The total equalized assessed value of the proposed redevelopment project area has declined for 3 of the last 5 calendar years prior to the year in which the redevelopment project area is designated or is increasing at an annual rate that is less than the balance of the municipality for 3 of the last 5 calendar years for which information is available or is increasing at an annual rate that is less than the Consumer Price Index for All Urban Consumers published by the United States Department of Labor or successor agency for 3 of the last 5 calendar years prior to the year in which the redevelopment project area is designated.

(2) If vacant, the sound growth of the redevelopment project area is impaired by a combination of 2 or more of the following factors, each of which is (i) present, with that presence documented, to a meaningful extent so that a municipality may reasonably find that the factor is clearly present within the intent of the Act and (ii) reasonably distributed throughout the vacant part of the redevelopment project area to which it pertains:

(A) Obsolete platting of vacant land that results in parcels of limited or narrow size or configurations of parcels of irregular size or shape that would be difficult to develop on a planned basis and in a manner compatible with contemporary standards and requirements, or platting that failed to create rights-of-ways for streets or alleys or that created inadequate right-of-way widths for streets, alleys, or other public rights-of-way or that omitted easements for public utilities.

(B) Diversity of ownership of parcels of vacant land sufficient in number to retard or impede the ability to assemble the land for development.

(C) Tax and special assessment delinquencies exist or the property has been the subject of tax sales under the Property Tax Code within the last 5 years.

(D) Deterioration of structures or site improvements in neighboring areas adjacent to the vacant land.

(E) The area has incurred Illinois Environmental Protection Agency or United States Environmental Protection Agency remediation costs for, or a study conducted by an independent consultant recognized as having expertise in environmental remediation has determined a need for, the clean-up of hazardous waste, hazardous substances, or underground storage tanks required by State or federal law, provided that the remediation costs constitute a material impediment to the development or redevelopment of the redevelopment project area.

(F) The total equalized assessed value of the proposed redevelopment project area has declined for 3 of the last 5 calendar years prior to the year in which the redevelopment project area is designated or is increasing at an annual rate that is less than the balance of the municipality for 3 of the last 5 calendar years for which information is available or is increasing at an annual rate that is less than the Consumer Price Index for All Urban Consumers published by the United States Department of Labor or successor agency for 3 of the last 5 calendar years prior to the year in which the redevelopment project area is designated.

(3) If vacant, the sound growth of the redevelopment project area is impaired by one of the following factors that (i) is present, with that presence documented, to a meaningful extent so that a municipality may reasonably find that the factor is clearly present within the intent of the Act and (ii) is reasonably distributed throughout the vacant part of the redevelopment project area to which it pertains:

(A) The area consists of one or more unused quarries, mines, or strip mine ponds.

(B) The area consists of unused rail yards, rail tracks, or railroad rights-of-way.

(C) The area, prior to its designation, is subject to (i) chronic flooding that

adversely impacts on real property in the area as certified by a registered professional engineer or appropriate regulatory agency or (ii) surface water that discharges from all or a part of the area and contributes to flooding within the same watershed, but only if the redevelopment project provides for facilities or improvements to contribute to the alleviation of all or part of the flooding.

(D) The area consists of an unused or illegal disposal site containing earth, stone, building debris, or similar materials that were removed from construction, demolition, excavation, or dredge sites.

(E) Prior to November 1, 1999, the area is not less than 50 nor more than 100 acres and 75% of which is vacant (notwithstanding that the area has been used for commercial agricultural purposes within 5 years prior to the designation of the redevelopment project area), and the area meets at least one of the factors itemized in paragraph (1) of this subsection, the area has been designated as a town or village center by ordinance or comprehensive plan adopted prior to January 1, 1982, and the area has not been developed for that designated purpose.

(F) The area qualified as a blighted improved area immediately prior to becoming vacant, unless there has been substantial private investment in the immediately surrounding area.

(b) For any redevelopment project area that has been designated pursuant to this Section by an ordinance adopted prior to November 1, 1999 (the effective date of Public Act 91-478), "conservation area" shall have the meaning set forth in this Section prior to that date.

On and after November 1, 1999, "conservation area" means any improved area within the boundaries of a redevelopment project area located within the territorial limits of the municipality in which 50% or more of the structures in the area have an age of 35 years or more. Such an area is not yet a blighted area but because of a combination of 3 or more of the following factors is detrimental to the public safety, health, morals or welfare and such an area may become a blighted area:

(1) Dilapidation. An advanced state of disrepair or neglect of necessary repairs to the primary structural components of buildings or improvements in such a combination that a documented building condition analysis determines that major repair is required or the defects are so serious and so extensive that the buildings must be removed.

(2) Obsolescence. The condition or process of falling into disuse. Structures have become ill-suited for the original use.

(3) Deterioration. With respect to buildings, defects including, but not limited to, major defects in the secondary building components such as doors, windows, porches, gutters and downspouts, and fascia. With respect to surface improvements, that the condition of roadways, alleys, curbs, gutters, sidewalks, off-street parking, and surface storage areas evidence deterioration, including, but not limited to, surface cracking, crumbling, potholes, depressions, loose paving material, and weeds protruding through paved surfaces.

(4) Presence of structures below minimum code standards. All structures that do not meet the standards of zoning, subdivision, building, fire, and other governmental codes applicable to property, but not including housing and property maintenance codes.

(5) Illegal use of individual structures. The use of structures in violation of applicable federal, State, or local laws, exclusive of those applicable to the presence of structures below minimum code standards.

(6) Excessive vacancies. The presence of buildings that are unoccupied or under-utilized and that represent an adverse influence on the area because of the frequency, extent, or duration of the vacancies.

(7) Lack of ventilation, light, or sanitary facilities. The absence of adequate ventilation for light or air circulation in spaces or rooms without windows, or that require the removal of dust, odor, gas, smoke, or other noxious airborne materials. Inadequate natural light and ventilation means the absence or inadequacy of skylights or windows for interior spaces or rooms and improper window sizes and amounts by room area to window area ratios. Inadequate sanitary facilities refers to the absence or inadequacy of garbage storage and enclosure, bathroom facilities, hot water and kitchens, and structural inadequacies preventing ingress and egress to and from all rooms and units within a building.

(8) Inadequate utilities. Underground and overhead utilities such as storm sewers and storm drainage, sanitary sewers, water lines, and gas, telephone, and electrical services that are shown to be inadequate. Inadequate utilities are those that are: (i) of insufficient capacity to serve the uses in the redevelopment project area, (ii) deteriorated, antiquated, obsolete, or in disrepair, or (iii) lacking within the redevelopment project area.

(9) Excessive land coverage and overcrowding of structures and community facilities.



The over-intensive use of property and the crowding of buildings and accessory facilities onto a site. Examples of problem conditions warranting the designation of an area as one exhibiting excessive land coverage are: the presence of buildings either improperly situated on parcels or located on parcels of inadequate size and shape in relation to present-day standards of development for health and safety and the presence of multiple buildings on a single parcel. For there to be a finding of excessive land coverage, these parcels must exhibit one or more of the following conditions: insufficient provision for light and air within or around buildings, increased threat of spread of fire due to the close proximity of buildings, lack of adequate or proper access to a public right-of-way, lack of reasonably required off-street parking, or inadequate provision for loading and service.

(10) Deleterious land use or layout. The existence of incompatible land-use relationships, buildings occupied by inappropriate mixed-uses, or uses considered to be noxious, offensive, or unsuitable for the surrounding area.

(11) Lack of community planning. The proposed redevelopment project area was developed prior to or without the benefit or guidance of a community plan. This means that the development occurred prior to the adoption by the municipality of a comprehensive or other community plan or that the plan was not followed at the time of the area's development. This factor must be documented by evidence of adverse or incompatible land-use relationships, inadequate street layout, improper subdivision, parcels of inadequate shape and size to meet contemporary development standards, or other evidence demonstrating an absence of effective community planning.

(12) The area has incurred Illinois Environmental Protection Agency or United States Environmental Protection Agency remediation costs for, or a study conducted by an independent consultant recognized as having expertise in environmental remediation has determined a need for, the clean-up of hazardous waste, hazardous substances, or underground storage tanks required by State or federal law, provided that the remediation costs constitute a material impediment to the development or redevelopment of the redevelopment project area.

(13) The total equalized assessed value of the proposed redevelopment project area has declined for 3 of the last 5 calendar years for which information is available or is increasing at an annual rate that is less than the balance of the municipality for 3 of the last 5 calendar years for which information is available or is increasing at an annual rate that is less than the Consumer Price Index for All Urban Consumers published by the United States Department of Labor or successor agency for 3 of the last 5 calendar years for which information is available.

(c) "Industrial park" means an area in a blighted or conservation area suitable for use by any manufacturing, industrial, research or transportation enterprise, of facilities to include but not be limited to factories, mills, processing plants, assembly plants, packing plants, fabricating plants, industrial distribution centers, warehouses, repair overhaul or service facilities, freight terminals, research facilities, test facilities or railroad facilities.

(d) "Industrial park conservation area" means an area within the boundaries of a redevelopment project area located within the territorial limits of a municipality that is a labor surplus municipality or within 1 1/2 miles of the territorial limits of a municipality that is a labor surplus municipality if the area is annexed to the municipality; which area is zoned as industrial no later than at the time the municipality by ordinance designates the redevelopment project area, and which area includes both vacant land suitable for use as an industrial park and a blighted area or conservation area contiguous to such vacant land.

(e) "Labor surplus municipality" means a municipality in which, at any time during the 6 months before the municipality by ordinance designates an industrial park conservation area, the unemployment rate was over 6% and was also 100% or more of the national average unemployment rate for that same time as published in the United States Department of Labor Bureau of Labor Statistics publication entitled "The Employment Situation" or its successor publication. For the purpose of this subsection, if unemployment rate statistics for the municipality are not available, the unemployment rate in the municipality shall be deemed to be the same as the unemployment rate in the principal county in which the municipality is located.

(f) "Municipality" shall mean a city, village, incorporated town, or a township that is located in the unincorporated portion of a county with 3 million or more inhabitants, if the county adopted an ordinance that approved the township's redevelopment plan.

(g) "Initial Sales Tax Amounts" means the amount of taxes paid under the Retailers' Occupation Tax Act, Use Tax Act, Service Use Tax Act, the Service Occupation Tax Act, the Municipal Retailers' Occupation Tax Act, and the Municipal Service Occupation Tax Act by retailers and servicemen on transactions at places located in a State Sales Tax Boundary during the calendar year 1985.

(g-1) "Revised Initial Sales Tax Amounts" means the amount of taxes paid under the Retailers' Occupation Tax Act, Use Tax Act, Service Use Tax Act, the Service Occupation Tax Act, the Municipal Retailers' Occupation Tax Act, and the Municipal Service Occupation Tax Act by retailers and servicemen on transactions at places located within the State Sales Tax Boundary revised pursuant to Section 11-74.4-8a(9) of this Act.

(h) "Municipal Sales Tax Increment" means an amount equal to the increase in the aggregate amount of taxes paid to a municipality from the Local Government Tax Fund arising from sales by retailers and servicemen within the redevelopment project area or State Sales Tax Boundary, as the case may be, for as long as the redevelopment project area or State Sales Tax Boundary, as the case may be, exist over and above the aggregate amount of taxes as certified by the Illinois Department of Revenue and paid under the Municipal Retailers' Occupation Tax Act and the Municipal Service Occupation Tax Act by retailers and servicemen, on transactions at places of business located in the redevelopment project area or State Sales Tax Boundary, as the case may be, during the base year which shall be the calendar year immediately prior to the year in which the municipality adopted tax increment allocation financing. For purposes of computing the aggregate amount of such taxes for base years occurring prior to 1985, the Department of Revenue shall determine the Initial Sales Tax Amounts for such taxes and deduct therefrom an amount equal to 4% of the aggregate amount of taxes per year for each year the base year is prior to 1985, but not to exceed a total deduction of 12%. The amount so determined shall be known as the "Adjusted Initial Sales Tax Amounts". For purposes of determining the Municipal Sales Tax Increment, the Department of Revenue shall for each period subtract from the amount paid to the municipality from the Local Government Tax Fund arising from sales by retailers and servicemen on transactions located in the redevelopment project area or the State Sales Tax Boundary, as the case may be, the certified Initial Sales Tax Amounts, the Adjusted Initial Sales Tax Amounts or the Revised Initial Sales Tax Amounts for the Municipal Retailers' Occupation Tax Act and the Municipal Service Occupation Tax Act. For the State Fiscal Year 1989, this calculation shall be made by utilizing the calendar year 1987 to determine the tax amounts received. For the State Fiscal Year 1990, this calculation shall be made by utilizing the period from January 1, 1988, until September 30, 1988, to determine the tax amounts received from retailers and servicemen pursuant to the Municipal Retailers' Occupation Tax and the Municipal Service Occupation Tax Act, which shall have deducted therefrom nine-twelfths of the certified Initial Sales Tax Amounts, the Adjusted Initial Sales Tax Amounts or the Revised Initial Sales Tax Amounts as appropriate. For the State Fiscal Year 1991, this calculation shall be made by utilizing the period from October 1, 1988, to June 30, 1989, to determine the tax amounts received from retailers and servicemen pursuant to the Municipal Retailers' Occupation Tax and the Municipal Service Occupation Tax Act which shall have deducted therefrom nine-twelfths of the certified Initial Sales Tax Amounts, Adjusted Initial Sales Tax Amounts or the Revised Initial Sales Tax Amounts as appropriate. For every State Fiscal Year thereafter, the applicable period shall be the 12 months beginning July 1 and ending June 30 to determine the tax amounts received which shall have deducted therefrom the certified Initial Sales Tax Amounts, the Adjusted Initial Sales Tax Amounts or the Revised Initial Sales Tax Amounts, as the case may be.

(i) "Net State Sales Tax Increment" means the sum of the following: (a) 80% of the first \$100,000 of State Sales Tax Increment annually generated within a State Sales Tax Boundary; (b) 60% of the amount in excess of \$100,000 but not exceeding \$500,000 of State Sales Tax Increment annually generated within a State Sales Tax Boundary; and (c) 40% of all amounts in excess of \$500,000 of State Sales Tax Increment annually generated within a State Sales Tax Boundary. If, however, a municipality established a tax increment financing district in a county with a population in excess of 3,000,000 before January 1, 1986, and the municipality entered into a contract or issued bonds after January 1, 1986, but before December 31, 1986, to finance redevelopment project costs within a State Sales Tax Boundary, then the Net State Sales Tax Increment means, for the fiscal years beginning July 1, 1990, and July 1, 1991, 100% of the State Sales Tax Increment annually generated within a State Sales Tax Boundary; and notwithstanding any other provision of this Act, for those fiscal years the Department of Revenue shall distribute to those municipalities 100% of their Net State Sales Tax Increment before any distribution to any other municipality and regardless of whether or not those other municipalities will receive 100% of their Net State Sales Tax Increment. For Fiscal Year 1999, and every year thereafter until the year 2007, for any municipality that has not entered into a contract or has not issued bonds prior to June 1, 1988 to finance redevelopment project costs within a State Sales Tax Boundary, the Net State Sales Tax Increment shall be calculated as follows: By multiplying the Net State Sales Tax Increment by 90% in the State Fiscal Year 1999; 80% in the State Fiscal Year 2000; 70% in the State Fiscal Year 2001; 60% in the State Fiscal Year 2002; 50% in the State Fiscal Year 2003; 40% in the State Fiscal Year 2004; 30% in the State Fiscal Year

2005; 20% in the State Fiscal Year 2006; and 10% in the State Fiscal Year 2007. No payment shall be made for State Fiscal Year 2008 and thereafter.

Municipalities that issued bonds in connection with a redevelopment project in a redevelopment project area within the State Sales Tax Boundary prior to July 29, 1991, or that entered into contracts in connection with a redevelopment project in a redevelopment project area before June 1, 1988, shall continue to receive their proportional share of the Illinois Tax Increment Fund distribution until the date on which the redevelopment project is completed or terminated. If, however, a municipality that issued bonds in connection with a redevelopment project in a redevelopment project area within the State Sales Tax Boundary prior to July 29, 1991 retires the bonds prior to June 30, 2007 or a municipality that entered into contracts in connection with a redevelopment project in a redevelopment project area before June 1, 1988 completes the contracts prior to June 30, 2007, then so long as the redevelopment project is not completed or is not terminated, the Net State Sales Tax Increment shall be calculated, beginning on the date on which the bonds are retired or the contracts are completed, as follows: By multiplying the Net State Sales Tax Increment by 60% in the State Fiscal Year 2002; 50% in the State Fiscal Year 2003; 40% in the State Fiscal Year 2004; 30% in the State Fiscal Year 2005; 20% in the State Fiscal Year 2006; and 10% in the State Fiscal Year 2007. No payment shall be made for State Fiscal Year 2008 and thereafter. Refunding of any bonds issued prior to July 29, 1991, shall not alter the Net State Sales Tax Increment.

(j) "State Utility Tax Increment Amount" means an amount equal to the aggregate increase in State electric and gas tax charges imposed on owners and tenants, other than residential customers, of properties located within the redevelopment project area under Section 9-222 of the Public Utilities Act, over and above the aggregate of such charges as certified by the Department of Revenue and paid by owners and tenants, other than residential customers, of properties within the redevelopment project area during the base year, which shall be the calendar year immediately prior to the year of the adoption of the ordinance authorizing tax increment allocation financing.

(k) "Net State Utility Tax Increment" means the sum of the following: (a) 80% of the first \$100,000 of State Utility Tax Increment annually generated by a redevelopment project area; (b) 60% of the amount in excess of \$100,000 but not exceeding \$500,000 of the State Utility Tax Increment annually generated by a redevelopment project area; and (c) 40% of all amounts in excess of \$500,000 of State Utility Tax Increment annually generated by a redevelopment project area. For the State Fiscal Year 1999, and every year thereafter until the year 2007, for any municipality that has not entered into a contract or has not issued bonds prior to June 1, 1988 to finance redevelopment project costs within a redevelopment project area, the Net State Utility Tax Increment shall be calculated as follows: By multiplying the Net State Utility Tax Increment by 90% in the State Fiscal Year 1999; 80% in the State Fiscal Year 2000; 70% in the State Fiscal Year 2001; 60% in the State Fiscal Year 2002; 50% in the State Fiscal Year 2003; 40% in the State Fiscal Year 2004; 30% in the State Fiscal Year 2005; 20% in the State Fiscal Year 2006; and 10% in the State Fiscal Year 2007. No payment shall be made for the State Fiscal Year 2008 and thereafter.

Municipalities that issue bonds in connection with the redevelopment project during the period from June 1, 1988 until 3 years after the effective date of this Amendatory Act of 1988 shall receive the Net State Utility Tax Increment, subject to appropriation, for 15 State Fiscal Years after the issuance of such bonds. For the 16th through the 20th State Fiscal Years after issuance of the bonds, the Net State Utility Tax Increment shall be calculated as follows: By multiplying the Net State Utility Tax Increment by 90% in year 16; 80% in year 17; 70% in year 18; 60% in year 19; and 50% in year 20. Refunding of any bonds issued prior to June 1, 1988, shall not alter the revised Net State Utility Tax Increment payments set forth above.

(l) "Obligations" mean bonds, loans, debentures, notes, special certificates or other evidence of indebtedness issued by the municipality to carry out a redevelopment project or to refund outstanding obligations.

(m) "Payment in lieu of taxes" means those estimated tax revenues from real property in a redevelopment project area derived from real property that has been acquired by a municipality which according to the redevelopment project or plan is to be used for a private use which taxing districts would have received had a municipality not acquired the real property and adopted tax increment allocation financing and which would result from levies made after the time of the adoption of tax increment allocation financing to the time the current equalized value of real property in the redevelopment project area exceeds the total initial equalized value of real property in said area.

(n) "Redevelopment plan" means the comprehensive program of the municipality for development or redevelopment intended by the payment of redevelopment project costs to reduce or eliminate those conditions the existence of which qualified the redevelopment project area as a "blighted area" or

"conservation area" or combination thereof or "industrial park conservation area," and thereby to enhance the tax bases of the taxing districts which extend into the redevelopment project area. On and after November 1, 1999 (the effective date of Public Act 91-478), no redevelopment plan may be approved or amended that includes the development of vacant land (i) with a golf course and related clubhouse and other facilities or (ii) designated by federal, State, county, or municipal government as public land for outdoor recreational activities or for nature preserves and used for that purpose within 5 years prior to the adoption of the redevelopment plan. For the purpose of this subsection, "recreational activities" is limited to mean camping and hunting. Each redevelopment plan shall set forth in writing the program to be undertaken to accomplish the objectives and shall include but not be limited to:

- (A) an itemized list of estimated redevelopment project costs;
- (B) evidence indicating that the redevelopment project area on the whole has not been subject to growth and development through investment by private enterprise;
- (C) an assessment of any financial impact of the redevelopment project area on or any increased demand for services from any taxing district affected by the plan and any program to address such financial impact or increased demand;
- (D) the sources of funds to pay costs;
- (E) the nature and term of the obligations to be issued;
- (F) the most recent equalized assessed valuation of the redevelopment project area;
- (G) an estimate as to the equalized assessed valuation after redevelopment and the general land uses to apply in the redevelopment project area;
- (H) a commitment to fair employment practices and an affirmative action plan;
- (I) if it concerns an industrial park conservation area, the plan shall also include a general description of any proposed developer, user and tenant of any property, a description of the type, structure and general character of the facilities to be developed, a description of the type, class and number of new employees to be employed in the operation of the facilities to be developed; and
- (J) if property is to be annexed to the municipality, the plan shall include the terms of the annexation agreement.

The provisions of items (B) and (C) of this subsection (n) shall not apply to a municipality that before March 14, 1994 (the effective date of Public Act 88-537) had fixed, either by its corporate authorities or by a commission designated under subsection (k) of Section 11-74.4-4, a time and place for a public hearing as required by subsection (a) of Section 11-74.4-5. No redevelopment plan shall be adopted unless a municipality complies with all of the following requirements:

- (1) The municipality finds that the redevelopment project area on the whole has not been subject to growth and development through investment by private enterprise and would not reasonably be anticipated to be developed without the adoption of the redevelopment plan.
- (2) The municipality finds that the redevelopment plan and project conform to the comprehensive plan for the development of the municipality as a whole, or, for municipalities with a population of 100,000 or more, regardless of when the redevelopment plan and project was adopted, the redevelopment plan and project either: (i) conforms to the strategic economic development or redevelopment plan issued by the designated planning authority of the municipality, or (ii) includes land uses that have been approved by the planning commission of the municipality.
- (3) The redevelopment plan establishes the estimated dates of completion of the redevelopment project and retirement of obligations issued to finance redevelopment project costs. Those dates: shall not be later than December 31 of the year in which the payment to the municipal treasurer as provided in subsection (b) of Section 11-74.4-8 of this Act is to be made with respect to ad valorem taxes levied in the twenty-third calendar year after the year in which the ordinance approving the redevelopment project area is adopted if the ordinance was adopted on or after January 15, 1981; shall not be later than December 31 of the year in which the payment to the municipal treasurer as provided in subsection (b) of Section 11-74.4-8 of this Act is to be made with respect to ad valorem taxes levied in the thirtieth calendar year after the year in which the ordinance approving the redevelopment project area if the ordinance was adopted on December 31, 1986 by the Village of Milan; shall not be later than December 31 of the year in which the payment to the municipal treasurer as provided in subsection (b) of Section 11-74.4-8 of this Act is to be made with respect to ad valorem taxes levied in the thirty-third calendar year after the year in which the ordinance approving the redevelopment project area if the ordinance was adopted on May 20, 1985 by the Village of Wheeling; and shall not be later than December 31 of the year in which the payment to the municipal treasurer as provided in subsection (b) of Section 11-74.4-8 of this Act is to be made with respect to ad valorem taxes levied in the thirty-fifth

- calendar year after the year in which the ordinance approving the redevelopment project area is adopted:
- (A) if the ordinance was adopted before January 15, 1981, or
  - (B) if the ordinance was adopted in December 1983, April 1984, July 1985, or December 1989, or
  - (C) if the ordinance was adopted in December 1987 and the redevelopment project is located within one mile of Midway Airport, or
  - (D) if the ordinance was adopted before January 1, 1987 by a municipality in Mason County, or
  - (E) if the municipality is subject to the Local Government Financial Planning and Supervision Act or the Financially Distressed City Law, or
  - (F) if the ordinance was adopted in December 1984 by the Village of Rosemont, or
  - (G) if the ordinance was adopted on December 31, 1986 by a municipality located in Clinton County for which at least \$250,000 of tax increment bonds were authorized on June 17, 1997, or if the ordinance was adopted on December 31, 1986 by a municipality with a population in 1990 of less than 3,600 that is located in a county with a population in 1990 of less than 34,000 and for which at least \$250,000 of tax increment bonds were authorized on June 17, 1997, or
  - (H) if the ordinance was adopted on October 5, 1982 by the City of Kankakee, or if the ordinance was adopted on December 29, 1986 by East St. Louis, or
  - (I) if the ordinance was adopted on November 12, 1991 by the Village of Sauget, or
  - (J) if the ordinance was adopted on February 11, 1985 by the City of Rock Island, or
  - (K) if the ordinance was adopted before December 18, 1986 by the City of Moline, or
  - (L) if the ordinance was adopted in September 1988 by Sauk Village, or
  - (M) if the ordinance was adopted in October 1993 by Sauk Village, or
  - (N) if the ordinance was adopted on December 29, 1986 by the City of Galva, or
  - (O) if the ordinance was adopted in March 1991 by the City of Centreville, or
  - (P) if the ordinance was adopted on January 23, 1991 by the City of East St. Louis,  
or
  - (Q) if the ordinance was adopted on December 22, 1986 by the City of Aledo, or
  - (R) if the ordinance was adopted on February 5, 1990 by the City of Clinton, or
  - (S) if the ordinance was adopted on September 6, 1994 by the City of Freeport, or
  - (T) if the ordinance was adopted on December 22, 1986 by the City of Tuscola, or
  - (U) if the ordinance was adopted on December 23, 1986 by the City of Sparta, or
  - (V) if the ordinance was adopted on December 23, 1986 by the City of Beardstown, or
  - (W) if the ordinance was adopted on April 27, 1981, October 21, 1985, or December 30, 1986 by the City of Belleville, or
  - (X) if the ordinance was adopted on December 29, 1986 by the City of Collinsville,  
or
  - (Y) if the ordinance was adopted on September 14, 1994 by the City of Alton, or
  - (Z) if the ordinance was adopted on November 11, 1996 by the City of Lexington, or
  - (AA) if the ordinance was adopted on November 5, 1984 by the City of LeRoy, or
  - (BB) if the ordinance was adopted on April 3, 1991 or June 3, 1992 by the City of Markham, or
  - (CC) if the ordinance was adopted on November 11, 1986 by the City of Pekin, or
  - (DD) if the ordinance was adopted on December 15, 1981 by the City of Champaign, or
  - (EE) if the ordinance was adopted on December 15, 1986 by the City of Urbana, or
  - (FF) if the ordinance was adopted on December 15, 1986 by the Village of Heyworth, or
  - (GG) if the ordinance was adopted on February 24, 1992 by the Village of Heyworth, or
  - (HH) if the ordinance was adopted on March 16, 1995 by the Village of Heyworth, or
  - (II) if the ordinance was adopted on December 23, 1986 by the Town of Cicero, or
  - (JJ) if the ordinance was adopted on December 30, 1986 by the City of Effingham, or
  - (KK) if the ordinance was adopted on May 9, 1991 by the Village of Tilton, or
  - (LL) if the ordinance was adopted on October 20, 1986 by the City of Elmhurst, or
  - (MM) if the ordinance was adopted on January 19, 1988 by the City of Waukegan, or
  - (NN) if the ordinance was adopted on September 21, 1998 by the City of Waukegan, or
  - (OO) if the ordinance was adopted on December 31, 1986 by the City of Sullivan, or
  - (PP) if the ordinance was adopted on December 23, 1991 by the City of Sullivan, or
  - (QQ) if the ordinance was adopted on December 31, 1986 by the City of Oglesby, or

(RR) if the ordinance was adopted on July 28, 1987 by the City of Marion, or  
 (SS) if the ordinance was adopted on April 23, 1990 by the City of Marion, or  
 (TT) if the ordinance was adopted on August 20, 1985 by the Village of Mount  
 Prospect, or

(UU) if the ordinance was adopted on February 2, 1998 by the Village of Woodhull, or  
 (VV) if the ordinance was adopted on April 20, 1993 by the Village of Princeville, or -  
~~(WW) (VV)~~ if the ordinance was adopted on July 1, 1986 by the City of Granite City, or -  
~~(XX) (RR)~~ if the ordinance was adopted on February 2, 1989 by the Village of Lombard, or  
~~(YY) (VV)~~ if the ordinance was adopted on December 29, 1986 by the Village of Gardner, or  
~~(ZZ) (VV)~~ if the ordinance was adopted on July 14, 1999 by the Village of Paw Paw, or -  
~~(AAA) (VV)~~ if the ordinance was adopted on November 17, 1986 by the Village of Franklin Park, or -

or -

~~(BBB) (VV)~~ if the ordinance was adopted on November 20, 1989 by the Village of South Holland.

However, for redevelopment project areas for which bonds were issued before July 29, 1991, or for which contracts were entered into before June 1, 1988, in connection with a redevelopment project in the area within the State Sales Tax Boundary, the estimated dates of completion of the redevelopment project and retirement of obligations to finance redevelopment project costs may be extended by municipal ordinance to December 31, 2013. The termination procedures of subsection (b) of Section 11-74.4-8 are not required for these redevelopment project areas in 2009 but are required in 2013. The extension allowed by this amendatory Act of 1993 shall not apply to real property tax increment allocation financing under Section 11-74.4-8.

A municipality may by municipal ordinance amend an existing redevelopment plan to conform to this paragraph (3) as amended by Public Act 91-478, which municipal ordinance may be adopted without further hearing or notice and without complying with the procedures provided in this Act pertaining to an amendment to or the initial approval of a redevelopment plan and project and designation of a redevelopment project area.

Those dates, for purposes of real property tax increment allocation financing pursuant to Section 11-74.4-8 only, shall be not more than 35 years for redevelopment project areas that were adopted on or after December 16, 1986 and for which at least \$8 million worth of municipal bonds were authorized on or after December 19, 1989 but before January 1, 1990; provided that the municipality elects to extend the life of the redevelopment project area to 35 years by the adoption of an ordinance after at least 14 but not more than 30 days' written notice to the taxing bodies, that would otherwise constitute the joint review board for the redevelopment project area, before the adoption of the ordinance.

Those dates, for purposes of real property tax increment allocation financing pursuant to Section 11-74.4-8 only, shall be not more than 35 years for redevelopment project areas that were established on or after December 1, 1981 but before January 1, 1982 and for which at least \$1,500,000 worth of tax increment revenue bonds were authorized on or after September 30, 1990 but before July 1, 1991; provided that the municipality elects to extend the life of the redevelopment project area to 35 years by the adoption of an ordinance after at least 14 but not more than 30 days' written notice to the taxing bodies, that would otherwise constitute the joint review board for the redevelopment project area, before the adoption of the ordinance.

(3.5) The municipality finds, in the case of an industrial park conservation area, also that the municipality is a labor surplus municipality and that the implementation of the redevelopment plan will reduce unemployment, create new jobs and by the provision of new facilities enhance the tax base of the taxing districts that extend into the redevelopment project area.

(4) If any incremental revenues are being utilized under Section 8(a)(1) or 8(a)(2) of this Act in redevelopment project areas approved by ordinance after January 1, 1986, the municipality finds: (a) that the redevelopment project area would not reasonably be developed without the use of such incremental revenues, and (b) that such incremental revenues will be exclusively utilized for the development of the redevelopment project area.

(5) If the redevelopment plan will not result in displacement of residents from 10 or more inhabited residential units, and the municipality certifies in the plan that such displacement will not result from the plan, a housing impact study need not be performed. If, however, the redevelopment plan would result in the displacement of residents from 10 or more inhabited residential units, or if the redevelopment project area contains 75 or more inhabited residential units and no certification is made, then the municipality shall prepare, as part of the separate feasibility report required by subsection (a) of

Section 11-74.4-5, a housing impact study.

Part I of the housing impact study shall include (i) data as to whether the residential units are single family or multi-family units, (ii) the number and type of rooms within the units, if that information is available, (iii) whether the units are inhabited or uninhabited, as determined not less than 45 days before the date that the ordinance or resolution required by subsection (a) of Section 11-74.4-5 is passed, and (iv) data as to the racial and ethnic composition of the residents in the inhabited residential units. The data requirement as to the racial and ethnic composition of the residents in the inhabited residential units shall be deemed to be fully satisfied by data from the most recent federal census.

Part II of the housing impact study shall identify the inhabited residential units in the proposed redevelopment project area that are to be or may be removed. If inhabited residential units are to be removed, then the housing impact study shall identify (i) the number and location of those units that will or may be removed, (ii) the municipality's plans for relocation assistance for those residents in the proposed redevelopment project area whose residences are to be removed, (iii) the availability of replacement housing for those residents whose residences are to be removed, and shall identify the type, location, and cost of the housing, and (iv) the type and extent of relocation assistance to be provided.

(6) On and after November 1, 1999, the housing impact study required by paragraph (5) shall be incorporated in the redevelopment plan for the redevelopment project area.

(7) On and after November 1, 1999, no redevelopment plan shall be adopted, nor an existing plan amended, nor shall residential housing that is occupied by households of low-income and very low-income persons in currently existing redevelopment project areas be removed after November 1, 1999 unless the redevelopment plan provides, with respect to inhabited housing units that are to be removed for households of low-income and very low-income persons, affordable housing and relocation assistance not less than that which would be provided under the federal Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 and the regulations under that Act, including the eligibility criteria. Affordable housing may be either existing or newly constructed housing. For purposes of this paragraph (7), "low-income households", "very low-income households", and "affordable housing" have the meanings set forth in the Illinois Affordable Housing Act. The municipality shall make a good faith effort to ensure that this affordable housing is located in or near the redevelopment project area within the municipality.

(8) On and after November 1, 1999, if, after the adoption of the redevelopment plan for the redevelopment project area, any municipality desires to amend its redevelopment plan to remove more inhabited residential units than specified in its original redevelopment plan, that change shall be made in accordance with the procedures in subsection (c) of Section 11-74.4-5.

(9) For redevelopment project areas designated prior to November 1, 1999, the redevelopment plan may be amended without further joint review board meeting or hearing, provided that the municipality shall give notice of any such changes by mail to each affected taxing district and registrant on the interested party registry, to authorize the municipality to expend tax increment revenues for redevelopment project costs defined by paragraphs (5) and (7.5), subparagraphs (E) and (F) of paragraph (11), and paragraph (11.5) of subsection (q) of Section 11-74.4-3, so long as the changes do not increase the total estimated redevelopment project costs set out in the redevelopment plan by more than 5% after adjustment for inflation from the date the plan was adopted.

(o) "Redevelopment project" means any public and private development project in furtherance of the objectives of a redevelopment plan. On and after November 1, 1999 (the effective date of Public Act 91-478), no redevelopment plan may be approved or amended that includes the development of vacant land (i) with a golf course and related clubhouse and other facilities or (ii) designated by federal, State, county, or municipal government as public land for outdoor recreational activities or for nature preserves and used for that purpose within 5 years prior to the adoption of the redevelopment plan. For the purpose of this subsection, "recreational activities" is limited to mean camping and hunting.

(p) "Redevelopment project area" means an area designated by the municipality, which is not less in the aggregate than 1 1/2 acres and in respect to which the municipality has made a finding that there exist conditions which cause the area to be classified as an industrial park conservation area or a blighted area or a conservation area, or a combination of both blighted areas and conservation areas.

(q) "Redevelopment project costs" mean and include the sum total of all reasonable or necessary costs incurred or estimated to be incurred, and any such costs incidental to a redevelopment plan and a redevelopment project. Such costs include, without limitation, the following:

(1) Costs of studies, surveys, development of plans, and specifications, implementation and administration of the redevelopment plan including but not limited to staff and professional service

costs for architectural, engineering, legal, financial, planning or other services, provided however that no charges for professional services may be based on a percentage of the tax increment collected; except that on and after November 1, 1999 (the effective date of Public Act 91-478), no contracts for professional services, excluding architectural and engineering services, may be entered into if the terms of the contract extend beyond a period of 3 years. In addition, "redevelopment project costs" shall not include lobbying expenses. After consultation with the municipality, each tax increment consultant or advisor to a municipality that plans to designate or has designated a redevelopment project area shall inform the municipality in writing of any contracts that the consultant or advisor has entered into with entities or individuals that have received, or are receiving, payments financed by tax increment revenues produced by the redevelopment project area with respect to which the consultant or advisor has performed, or will be performing, service for the municipality. This requirement shall be satisfied by the consultant or advisor before the commencement of services for the municipality and thereafter whenever any other contracts with those individuals or entities are executed by the consultant or advisor;

(1.5) After July 1, 1999, annual administrative costs shall not include general overhead or administrative costs of the municipality that would still have been incurred by the municipality if the municipality had not designated a redevelopment project area or approved a redevelopment plan;

(1.6) The cost of marketing sites within the redevelopment project area to prospective businesses, developers, and investors;

(2) Property assembly costs, including but not limited to acquisition of land and other property, real or personal, or rights or interests therein, demolition of buildings, site preparation, site improvements that serve as an engineered barrier addressing ground level or below ground environmental contamination, including, but not limited to parking lots and other concrete or asphalt barriers, and the clearing and grading of land;

(3) Costs of rehabilitation, reconstruction or repair or remodeling of existing public or private buildings, fixtures, and leasehold improvements; and the cost of replacing an existing public building if pursuant to the implementation of a redevelopment project the existing public building is to be demolished to use the site for private investment or devoted to a different use requiring private investment;

(4) Costs of the construction of public works or improvements, except that on and after November 1, 1999, redevelopment project costs shall not include the cost of constructing a new municipal public building principally used to provide offices, storage space, or conference facilities or vehicle storage, maintenance, or repair for administrative, public safety, or public works personnel and that is not intended to replace an existing public building as provided under paragraph (3) of subsection (q) of Section 11-74.4-3 unless either (i) the construction of the new municipal building implements a redevelopment project that was included in a redevelopment plan that was adopted by the municipality prior to November 1, 1999 or (ii) the municipality makes a reasonable determination in the redevelopment plan, supported by information that provides the basis for that determination, that the new municipal building is required to meet an increase in the need for public safety purposes anticipated to result from the implementation of the redevelopment plan;

(5) Costs of job training and retraining projects, including the cost of "welfare to work" programs implemented by businesses located within the redevelopment project area;

(6) Financing costs, including but not limited to all necessary and incidental expenses related to the issuance of obligations and which may include payment of interest on any obligations issued hereunder including interest accruing during the estimated period of construction of any redevelopment project for which such obligations are issued and for not exceeding 36 months thereafter and including reasonable reserves related thereto;

(7) To the extent the municipality by written agreement accepts and approves the same, all or a portion of a taxing district's capital costs resulting from the redevelopment project necessarily incurred or to be incurred within a taxing district in furtherance of the objectives of the redevelopment plan and project.

(7.5) For redevelopment project areas designated (or redevelopment project areas amended to add or increase the number of tax-increment-financing assisted housing units) on or after November 1, 1999, an elementary, secondary, or unit school district's increased costs attributable to assisted housing units located within the redevelopment project area for which the developer or redeveloper receives financial assistance through an agreement with the municipality or because the municipality incurs the cost of necessary infrastructure improvements within the boundaries of the



assisted housing sites necessary for the completion of that housing as authorized by this Act, and which costs shall be paid by the municipality from the Special Tax Allocation Fund when the tax increment revenue is received as a result of the assisted housing units and shall be calculated annually as follows:

(A) for foundation districts, excluding any school district in a municipality with a population in excess of 1,000,000, by multiplying the district's increase in attendance resulting from the net increase in new students enrolled in that school district who reside in housing units within the redevelopment project area that have received financial assistance through an agreement with the municipality or because the municipality incurs the cost of necessary infrastructure improvements within the boundaries of the housing sites necessary for the completion of that housing as authorized by this Act since the designation of the redevelopment project area by the most recently available per capita tuition cost as defined in Section 10-20.12a of the School Code less any increase in general State aid as defined in Section 18-8.05 of the School Code attributable to these added new students subject to the following annual limitations:

(i) for unit school districts with a district average 1995-96 Per Capita

Tuition Charge of less than \$5,900, no more than 25% of the total amount of property tax increment revenue produced by those housing units that have received tax increment finance assistance under this Act;

(ii) for elementary school districts with a district average 1995-96 Per Capita

Tuition Charge of less than \$5,900, no more than 17% of the total amount of property tax increment revenue produced by those housing units that have received tax increment finance assistance under this Act; and

(iii) for secondary school districts with a district average 1995-96 Per Capita

Tuition Charge of less than \$5,900, no more than 8% of the total amount of property tax increment revenue produced by those housing units that have received tax increment finance assistance under this Act.

(B) For alternate method districts, flat grant districts, and foundation districts with a district average 1995-96 Per Capita Tuition Charge equal to or more than \$5,900, excluding any school district with a population in excess of 1,000,000, by multiplying the district's increase in attendance resulting from the net increase in new students enrolled in that school district who reside in housing units within the redevelopment project area that have received financial assistance through an agreement with the municipality or because the municipality incurs the cost of necessary infrastructure improvements within the boundaries of the housing sites necessary for the completion of that housing as authorized by this Act since the designation of the redevelopment project area by the most recently available per capita tuition cost as defined in Section 10-20.12a of the School Code less any increase in general state aid as defined in Section 18-8.05 of the School Code attributable to these added new students subject to the following annual limitations:

(i) for unit school districts, no more than 40% of the total amount of property tax increment revenue produced by those housing units that have received tax increment finance assistance under this Act;

(ii) for elementary school districts, no more than 27% of the total amount of property tax increment revenue produced by those housing units that have received tax increment finance assistance under this Act; and

(iii) for secondary school districts, no more than 13% of the total amount of property tax increment revenue produced by those housing units that have received tax increment finance assistance under this Act.

(C) For any school district in a municipality with a population in excess of 1,000,000, the following restrictions shall apply to the reimbursement of increased costs under this paragraph (7.5):

(i) no increased costs shall be reimbursed unless the school district certifies that each of the schools affected by the assisted housing project is at or over its student capacity;

(ii) the amount reimbursable shall be reduced by the value of any land donated to the school district by the municipality or developer, and by the value of any physical improvements made to the schools by the municipality or developer; and

(iii) the amount reimbursed may not affect amounts otherwise obligated by the terms of any bonds, notes, or other funding instruments, or the terms of any redevelopment agreement.

Any school district seeking payment under this paragraph (7.5) shall, after July 1 and

before September 30 of each year, provide the municipality with reasonable evidence to support its claim for reimbursement before the municipality shall be required to approve or make the payment to the school district. If the school district fails to provide the information during this period in any year, it shall forfeit any claim to reimbursement for that year. School districts may adopt a resolution waiving the right to all or a portion of the reimbursement otherwise required by this paragraph (7.5). By acceptance of this reimbursement the school district waives the right to directly or indirectly set aside, modify, or contest in any manner the establishment of the redevelopment project area or projects;

(7.7) For redevelopment project areas designated (or redevelopment project areas amended to add or increase the number of tax-increment-financing assisted housing units) on or after January 1, 2005 (the effective date of Public Act 93-961), a public library district's increased costs attributable to assisted housing units located within the redevelopment project area for which the developer or redeveloper receives financial assistance through an agreement with the municipality or because the municipality incurs the cost of necessary infrastructure improvements within the boundaries of the assisted housing sites necessary for the completion of that housing as authorized by this Act shall be paid to the library district by the municipality from the Special Tax Allocation Fund when the tax increment revenue is received as a result of the assisted housing units. This paragraph (7.7) applies only if (i) the library district is located in a county that is subject to the Property Tax Extension Limitation Law or (ii) the library district is not located in a county that is subject to the Property Tax Extension Limitation Law but the district is prohibited by any other law from increasing its tax levy rate without a prior voter referendum.

The amount paid to a library district under this paragraph (7.7) shall be calculated by multiplying (i) the net increase in the number of persons eligible to obtain a library card in that district who reside in housing units within the redevelopment project area that have received financial assistance through an agreement with the municipality or because the municipality incurs the cost of necessary infrastructure improvements within the boundaries of the housing sites necessary for the completion of that housing as authorized by this Act since the designation of the redevelopment project area by (ii) the per-patron cost of providing library services so long as it does not exceed \$120. The per-patron cost shall be the Total Operating Expenditures Per Capita as stated in the most recent Illinois Public Library Statistics produced by the Library Research Center at the University of Illinois. The municipality may deduct from the amount that it must pay to a library district under this paragraph any amount that it has voluntarily paid to the library district from the tax increment revenue. The amount paid to a library district under this paragraph (7.7) shall be no more than 2% of the amount produced by the assisted housing units and deposited into the Special Tax Allocation Fund.

A library district is not eligible for any payment under this paragraph (7.7) unless the library district has experienced an increase in the number of patrons from the municipality that created the tax-increment-financing district since the designation of the redevelopment project area.

Any library district seeking payment under this paragraph (7.7) shall, after July 1 and before September 30 of each year, provide the municipality with convincing evidence to support its claim for reimbursement before the municipality shall be required to approve or make the payment to the library district. If the library district fails to provide the information during this period in any year, it shall forfeit any claim to reimbursement for that year. Library districts may adopt a resolution waiving the right to all or a portion of the reimbursement otherwise required by this paragraph (7.7). By acceptance of such reimbursement, the library district shall forfeit any right to directly or indirectly set aside, modify, or contest in any manner whatsoever the establishment of the redevelopment project area or projects;

(8) Relocation costs to the extent that a municipality determines that relocation costs shall be paid or is required to make payment of relocation costs by federal or State law or in order to satisfy subparagraph (7) of subsection (n);

(9) Payment in lieu of taxes;

(10) Costs of job training, retraining, advanced vocational education or career education, including but not limited to courses in occupational, semi-technical or technical fields leading directly to employment, incurred by one or more taxing districts, provided that such costs (i) are related to the establishment and maintenance of additional job training, advanced vocational education or career education programs for persons employed or to be employed by employers located in a redevelopment project area; and (ii) when incurred by a taxing district or taxing districts other than the municipality, are set forth in a written agreement by or among the municipality and the taxing district or taxing districts,

which agreement describes the program to be undertaken, including but not limited to the number of employees to be trained, a description of the training and services to be provided, the number and type of positions available or to be available, itemized costs of the program and sources of funds to pay for the same, and the term of the agreement. Such costs include, specifically, the payment by community college districts of costs pursuant to Sections 3-37, 3-38, 3-40 and 3-40.1 of the Public Community College Act and by school districts of costs pursuant to Sections 10-22.20a and 10-23.3a of The School Code;

(11) Interest cost incurred by a redeveloper related to the construction, renovation or rehabilitation of a redevelopment project provided that:

(A) such costs are to be paid directly from the special tax allocation fund established pursuant to this Act;

(B) such payments in any one year may not exceed 30% of the annual interest costs incurred by the redeveloper with regard to the redevelopment project during that year;

(C) if there are not sufficient funds available in the special tax allocation fund to make the payment pursuant to this paragraph (11) then the amounts so due shall accrue and be payable when sufficient funds are available in the special tax allocation fund;

(D) the total of such interest payments paid pursuant to this Act may not exceed 30% of the total (i) cost paid or incurred by the redeveloper for the redevelopment project plus (ii) redevelopment project costs excluding any property assembly costs and any relocation costs incurred by a municipality pursuant to this Act; and

(E) the cost limits set forth in subparagraphs (B) and (D) of paragraph (11) shall be modified for the financing of rehabilitated or new housing units for low-income households and very low-income households, as defined in Section 3 of the Illinois Affordable Housing Act. The percentage of 75% shall be substituted for 30% in subparagraphs (B) and (D) of paragraph (11).

(F) Instead of the eligible costs provided by subparagraphs (B) and (D) of paragraph (11), as modified by this subparagraph, and notwithstanding any other provisions of this Act to the contrary, the municipality may pay from tax increment revenues up to 50% of the cost of construction of new housing units to be occupied by low-income households and very low-income households as defined in Section 3 of the Illinois Affordable Housing Act. The cost of construction of those units may be derived from the proceeds of bonds issued by the municipality under this Act or other constitutional or statutory authority or from other sources of municipal revenue that may be reimbursed from tax increment revenues or the proceeds of bonds issued to finance the construction of that housing.

The eligible costs provided under this subparagraph (F) of paragraph (11) shall be an eligible cost for the construction, renovation, and rehabilitation of all low and very low-income housing units, as defined in Section 3 of the Illinois Affordable Housing Act, within the redevelopment project area. If the low and very low-income units are part of a residential redevelopment project that includes units not affordable to low and very low-income households, only the low and very low-income units shall be eligible for benefits under subparagraph (F) of paragraph (11). The standards for maintaining the occupancy by low-income households and very low-income households, as defined in Section 3 of the Illinois Affordable Housing Act, of those units constructed with eligible costs made available under the provisions of this subparagraph (F) of paragraph (11) shall be established by guidelines adopted by the municipality. The responsibility for annually documenting the initial occupancy of the units by low-income households and very low-income households, as defined in Section 3 of the Illinois Affordable Housing Act, shall be that of the then current owner of the property. For ownership units, the guidelines will provide, at a minimum, for a reasonable recapture of funds, or other appropriate methods designed to preserve the original affordability of the ownership units. For rental units, the guidelines will provide, at a minimum, for the affordability of rent to low and very low-income households. As units become available, they shall be rented to income-eligible tenants. The municipality may modify these guidelines from time to time; the guidelines, however, shall be in effect for as long as tax increment revenue is being used to pay for costs associated with the units or for the retirement of bonds issued to finance the units or for the life of the redevelopment project area, whichever is later.

(11.5) If the redevelopment project area is located within a municipality with a population of more than 100,000, the cost of day care services for children of employees from low-income families working for businesses located within the redevelopment project area and all or a portion of the cost of operation of day care centers established by redevelopment project area businesses to serve employees from low-income families working in businesses located in the redevelopment

project area. For the purposes of this paragraph, "low-income families" means families whose annual income does not exceed 80% of the municipal, county, or regional median income, adjusted for family size, as the annual income and municipal, county, or regional median income are determined from time to time by the United States Department of Housing and Urban Development.

(12) Unless explicitly stated herein the cost of construction of new privately-owned buildings shall not be an eligible redevelopment project cost.

(13) After November 1, 1999 (the effective date of Public Act 91-478), none of the redevelopment project costs enumerated in this subsection shall be eligible redevelopment project costs if those costs would provide direct financial support to a retail entity initiating operations in the redevelopment project area while terminating operations at another Illinois location within 10 miles of the redevelopment project area but outside the boundaries of the redevelopment project area municipality. For purposes of this paragraph, termination means a closing of a retail operation that is directly related to the opening of the same operation or like retail entity owned or operated by more than 50% of the original ownership in a redevelopment project area, but it does not mean closing an operation for reasons beyond the control of the retail entity, as documented by the retail entity, subject to a reasonable finding by the municipality that the current location contained inadequate space, had become economically obsolete, or was no longer a viable location for the retailer or serviceman.

If a special service area has been established pursuant to the Special Service Area Tax Act or Special Service Area Tax Law, then any tax increment revenues derived from the tax imposed pursuant to the Special Service Area Tax Act or Special Service Area Tax Law may be used within the redevelopment project area for the purposes permitted by that Act or Law as well as the purposes permitted by this Act.

(r) "State Sales Tax Boundary" means the redevelopment project area or the amended redevelopment project area boundaries which are determined pursuant to subsection (9) of Section 11-74.4-8a of this Act. The Department of Revenue shall certify pursuant to subsection (9) of Section 11-74.4-8a the appropriate boundaries eligible for the determination of State Sales Tax Increment.

(s) "State Sales Tax Increment" means an amount equal to the increase in the aggregate amount of taxes paid by retailers and servicemen, other than retailers and servicemen subject to the Public Utilities Act, on transactions at places of business located within a State Sales Tax Boundary pursuant to the Retailers' Occupation Tax Act, the Use Tax Act, the Service Use Tax Act, and the Service Occupation Tax Act, except such portion of such increase that is paid into the State and Local Sales Tax Reform Fund, the Local Government Distributive Fund, the Local Government Tax Fund and the County and Mass Transit District Fund, for as long as State participation exists, over and above the Initial Sales Tax Amounts, Adjusted Initial Sales Tax Amounts or the Revised Initial Sales Tax Amounts for such taxes as certified by the Department of Revenue and paid under those Acts by retailers and servicemen on transactions at places of business located within the State Sales Tax Boundary during the base year which shall be the calendar year immediately prior to the year in which the municipality adopted tax increment allocation financing, less 3.0% of such amounts generated under the Retailers' Occupation Tax Act, Use Tax Act and Service Use Tax Act and the Service Occupation Tax Act, which sum shall be appropriated to the Department of Revenue to cover its costs of administering and enforcing this Section. For purposes of computing the aggregate amount of such taxes for base years occurring prior to 1985, the Department of Revenue shall compute the Initial Sales Tax Amount for such taxes and deduct therefrom an amount equal to 4% of the aggregate amount of taxes per year for each year the base year is prior to 1985, but not to exceed a total deduction of 12%. The amount so determined shall be known as the "Adjusted Initial Sales Tax Amount". For purposes of determining the State Sales Tax Increment the Department of Revenue shall for each period subtract from the tax amounts received from retailers and servicemen on transactions located in the State Sales Tax Boundary, the certified Initial Sales Tax Amounts, Adjusted Initial Sales Tax Amounts or Revised Initial Sales Tax Amounts for the Retailers' Occupation Tax Act, the Use Tax Act, the Service Use Tax Act and the Service Occupation Tax Act. For the State Fiscal Year 1989 this calculation shall be made by utilizing the calendar year 1987 to determine the tax amounts received. For the State Fiscal Year 1990, this calculation shall be made by utilizing the period from January 1, 1988, until September 30, 1988, to determine the tax amounts received from retailers and servicemen, which shall have deducted therefrom nine-twelfths of the certified Initial Sales Tax Amounts, Adjusted Initial Sales Tax Amounts or the Revised Initial Sales Tax Amounts as appropriate. For the State Fiscal Year 1991, this calculation shall be made by utilizing the period from October 1, 1988, until June 30, 1989, to determine the tax amounts received from retailers and servicemen, which shall have deducted therefrom nine-twelfths of the certified Initial State Sales Tax Amounts, Adjusted Initial Sales Tax Amounts or the Revised Initial Sales Tax Amounts as appropriate. For every State Fiscal Year thereafter, the applicable period shall be the 12 months beginning

July 1 and ending on June 30, to determine the tax amounts received which shall have deducted therefrom the certified Initial Sales Tax Amounts, Adjusted Initial Sales Tax Amounts or the Revised Initial Sales Tax Amounts. Municipalities intending to receive a distribution of State Sales Tax Increment must report a list of retailers to the Department of Revenue by October 31, 1988 and by July 31, of each year thereafter.

(t) "Taxing districts" means counties, townships, cities and incorporated towns and villages, school, road, park, sanitary, mosquito abatement, forest preserve, public health, fire protection, river conservancy, tuberculosis sanitarium and any other municipal corporations or districts with the power to levy taxes.

(u) "Taxing districts' capital costs" means those costs of taxing districts for capital improvements that are found by the municipal corporate authorities to be necessary and directly result from the redevelopment project.

(v) As used in subsection (a) of Section 11-74.4-3 of this Act, "vacant land" means any parcel or combination of parcels of real property without industrial, commercial, and residential buildings which has not been used for commercial agricultural purposes within 5 years prior to the designation of the redevelopment project area, unless the parcel is included in an industrial park conservation area or the parcel has been subdivided; provided that if the parcel was part of a larger tract that has been divided into 3 or more smaller tracts that were accepted for recording during the period from 1950 to 1990, then the parcel shall be deemed to have been subdivided, and all proceedings and actions of the municipality taken in that connection with respect to any previously approved or designated redevelopment project area or amended redevelopment project area are hereby validated and hereby declared to be legally sufficient for all purposes of this Act. For purposes of this Section and only for land subject to the subdivision requirements of the Plat Act, land is subdivided when the original plat of the proposed Redevelopment Project Area or relevant portion thereof has been properly certified, acknowledged, approved, and recorded or filed in accordance with the Plat Act and a preliminary plat, if any, for any subsequent phases of the proposed Redevelopment Project Area or relevant portion thereof has been properly approved and filed in accordance with the applicable ordinance of the municipality.

(w) "Annual Total Increment" means the sum of each municipality's annual Net Sales Tax Increment and each municipality's annual Net Utility Tax Increment. The ratio of the Annual Total Increment of each municipality to the Annual Total Increment for all municipalities, as most recently calculated by the Department, shall determine the proportional shares of the Illinois Tax Increment Fund to be distributed to each municipality.

(Source: P.A. 93-298, eff. 7-23-03; 93-708, eff. 1-1-05; 93-747, eff. 7-15-04; 93-924, eff. 8-12-04; 93-961, eff. 1-1-05; 93-983, eff. 8-23-04; 93-984, eff. 8-23-04; 93-985, eff. 8-23-04; 93-986, eff. 8-23-04; 93-987, eff. 8-23-04; 93-995, eff. 8-23-04; 93-1024, eff. 8-25-04; 93-1076, eff. 1-18-05; 94-260, eff. 7-19-05; 94-268, eff. 7-19-05; 94-297, eff. 7-21-05; 94-302, eff. 7-21-05; 94-702, eff. 6-1-06; 94-704, eff. 12-5-05; 94-711, eff. 6-1-06; 94-778, eff. 5-19-06; 94-782, eff. 5-19-06; 94-783, eff. 5-19-06; 94-810, eff. 5-26-06; 94-903, eff. 6-22-06; 94-1091, eff. 1-26-07; 94-1092, eff. 1-26-07; revised 1-30-07.)

(65 ILCS 5/11-74.4-7) (from Ch. 24, par. 11-74.4-7)

Sec. 11-74.4-7. Obligations secured by the special tax allocation fund set forth in Section 11-74.4-8 for the redevelopment project area may be issued to provide for redevelopment project costs. Such obligations, when so issued, shall be retired in the manner provided in the ordinance authorizing the issuance of such obligations by the receipts of taxes levied as specified in Section 11-74.4-9 against the taxable property included in the area, by revenues as specified by Section 11-74.4-8a and other revenue designated by the municipality. A municipality may in the ordinance pledge all or any part of the funds in and to be deposited in the special tax allocation fund created pursuant to Section 11-74.4-8 to the payment of the redevelopment project costs and obligations. Any pledge of funds in the special tax allocation fund shall provide for distribution to the taxing districts and to the Illinois Department of Revenue of moneys not required, pledged, earmarked, or otherwise designated for payment and securing of the obligations and anticipated redevelopment project costs and such excess funds shall be calculated annually and deemed to be "surplus" funds. In the event a municipality only applies or pledges a portion of the funds in the special tax allocation fund for the payment or securing of anticipated redevelopment project costs or of obligations, any such funds remaining in the special tax allocation fund after complying with the requirements of the application or pledge, shall also be calculated annually and deemed "surplus" funds. All surplus funds in the special tax allocation fund shall be distributed annually within 180 days after the close of the municipality's fiscal year by being paid by the municipal treasurer to the County Collector, to the Department of Revenue and to the municipality in direct proportion to the tax incremental revenue received as a result of an increase in the equalized assessed value of property in the redevelopment project area, tax incremental revenue received from the State and tax incremental revenue received from the municipality,

but not to exceed as to each such source the total incremental revenue received from that source. The County Collector shall thereafter make distribution to the respective taxing districts in the same manner and proportion as the most recent distribution by the county collector to the affected districts of real property taxes from real property in the redevelopment project area.

Without limiting the foregoing in this Section, the municipality may in addition to obligations secured by the special tax allocation fund pledge for a period not greater than the term of the obligations towards payment of such obligations any part or any combination of the following: (a) net revenues of all or part of any redevelopment project; (b) taxes levied and collected on any or all property in the municipality; (c) the full faith and credit of the municipality; (d) a mortgage on part or all of the redevelopment project; or (e) any other taxes or anticipated receipts that the municipality may lawfully pledge.

Such obligations may be issued in one or more series bearing interest at such rate or rates as the corporate authorities of the municipality shall determine by ordinance. Such obligations shall bear such date or dates, mature at such time or times not exceeding 20 years from their respective dates, be in such denomination, carry such registration privileges, be executed in such manner, be payable in such medium of payment at such place or places, contain such covenants, terms and conditions, and be subject to redemption as such ordinance shall provide. Obligations issued pursuant to this Act may be sold at public or private sale at such price as shall be determined by the corporate authorities of the municipalities. No referendum approval of the electors shall be required as a condition to the issuance of obligations pursuant to this Division except as provided in this Section.

In the event the municipality authorizes issuance of obligations pursuant to the authority of this Division secured by the full faith and credit of the municipality, which obligations are other than obligations which may be issued under home rule powers provided by Article VII, Section 6 of the Illinois Constitution, or pledges taxes pursuant to (b) or (c) of the second paragraph of this section, the ordinance authorizing the issuance of such obligations or pledging such taxes shall be published within 10 days after such ordinance has been passed in one or more newspapers, with general circulation within such municipality. The publication of the ordinance shall be accompanied by a notice of (1) the specific number of voters required to sign a petition requesting the question of the issuance of such obligations or pledging taxes to be submitted to the electors; (2) the time in which such petition must be filed; and (3) the date of the prospective referendum. The municipal clerk shall provide a petition form to any individual requesting one.

If no petition is filed with the municipal clerk, as hereinafter provided in this Section, within 30 days after the publication of the ordinance, the ordinance shall be in effect. But, if within that 30 day period a petition is filed with the municipal clerk, signed by electors in the municipality numbering 10% or more of the number of registered voters in the municipality, asking that the question of issuing obligations using full faith and credit of the municipality as security for the cost of paying for redevelopment project costs, or of pledging taxes for the payment of such obligations, or both, be submitted to the electors of the municipality, the corporate authorities of the municipality shall call a special election in the manner provided by law to vote upon that question, or, if a general, State or municipal election is to be held within a period of not less than 30 or more than 90 days from the date such petition is filed, shall submit the question at the next general, State or municipal election. If it appears upon the canvass of the election by the corporate authorities that a majority of electors voting upon the question voted in favor thereof, the ordinance shall be in effect, but if a majority of the electors voting upon the question are not in favor thereof, the ordinance shall not take effect.

The ordinance authorizing the obligations may provide that the obligations shall contain a recital that they are issued pursuant to this Division, which recital shall be conclusive evidence of their validity and of the regularity of their issuance.

In the event the municipality authorizes issuance of obligations pursuant to this Section secured by the full faith and credit of the municipality, the ordinance authorizing the obligations may provide for the levy and collection of a direct annual tax upon all taxable property within the municipality sufficient to pay the principal thereof and interest thereon as it matures, which levy may be in addition to and exclusive of the maximum of all other taxes authorized to be levied by the municipality, which levy, however, shall be abated to the extent that monies from other sources are available for payment of the obligations and the municipality certifies the amount of said monies available to the county clerk.

A certified copy of such ordinance shall be filed with the county clerk of each county in which any portion of the municipality is situated, and shall constitute the authority for the extension and collection of the taxes to be deposited in the special tax allocation fund.

A municipality may also issue its obligations to refund in whole or in part, obligations theretofore issued by such municipality under the authority of this Act, whether at or prior to maturity, provided however, that

the last maturity of the refunding obligations shall not be expressed to mature later than December 31 of the year in which the payment to the municipal treasurer as provided in subsection (b) of Section 11-74.4-8 of this Act is to be made with respect to ad valorem taxes levied in the twenty-third calendar year after the year in which the ordinance approving the redevelopment project area is adopted if the ordinance was adopted on or after January 15, 1981, not later than December 31 of the year in which the payment to the municipal treasurer as provided in subsection (b) of Section 11-74.4-8 of this Act is to be made with respect to ad valorem taxes levied in the thirtieth calendar year after the year in which the ordinance approving the redevelopment project area if the ordinance was adopted on December 31, 1986 by the Village of Milan, not later than December 31 of the year in which the payment to the municipal treasurer as provided in subsection (b) of Section 11-74.4-8 of this Act is to be made with respect to ad valorem taxes levied in the thirty-third calendar year after the year in which the ordinance approving the redevelopment project area if the ordinance was adopted on May 20, 1985 by the Village of Wheeling, and not later than December 31 of the year in which the payment to the municipal treasurer as provided in subsection (b) of Section 11-74.4-8 of this Act is to be made with respect to ad valorem taxes levied in the thirty-fifth calendar year after the year in which the ordinance approving the redevelopment project area is adopted (A) if the ordinance was adopted before January 15, 1981, or (B) if the ordinance was adopted in December 1983, April 1984, July 1985, or December 1989, or (C) if the ordinance was adopted in December, 1987 and the redevelopment project is located within one mile of Midway Airport, or (D) if the ordinance was adopted before January 1, 1987 by a municipality in Mason County, or (E) if the municipality is subject to the Local Government Financial Planning and Supervision Act or the Financially Distressed City Law, or (F) if the ordinance was adopted in December 1984 by the Village of Rosemont, or (G) if the ordinance was adopted on December 31, 1986 by a municipality located in Clinton County for which at least \$250,000 of tax increment bonds were authorized on June 17, 1997, or if the ordinance was adopted on December 31, 1986 by a municipality with a population in 1990 of less than 3,600 that is located in a county with a population in 1990 of less than 34,000 and for which at least \$250,000 of tax increment bonds were authorized on June 17, 1997, or (H) if the ordinance was adopted on October 5, 1982 by the City of Kankakee, or (I) if the ordinance was adopted on December 29, 1986 by East St. Louis, or if the ordinance was adopted on November 12, 1991 by the Village of Sauget, or (J) if the ordinance was adopted on February 11, 1985 by the City of Rock Island, or (K) if the ordinance was adopted before December 18, 1986 by the City of Moline, or (L) if the ordinance was adopted in September 1988 by Sauk Village, or (M) if the ordinance was adopted in October 1993 by Sauk Village, or (N) if the ordinance was adopted on December 29, 1986 by the City of Galva, or (O) if the ordinance was adopted in March 1991 by the City of Centreville, or (P) if the ordinance was adopted on January 23, 1991 by the City of East St. Louis, or (Q) if the ordinance was adopted on December 22, 1986 by the City of Aledo, or (R) if the ordinance was adopted on February 5, 1990 by the City of Clinton, or (S) if the ordinance was adopted on September 6, 1994 by the City of Freeport, or (T) if the ordinance was adopted on December 22, 1986 by the City of Tuscola, or (U) if the ordinance was adopted on December 23, 1986 by the City of Sparta, or (V) if the ordinance was adopted on December 23, 1986 by the City of Beardstown, or (W) if the ordinance was adopted on April 27, 1981, October 21, 1985, or December 30, 1986 by the City of Belleville, or (X) if the ordinance was adopted on December 29, 1986 by the City of Collinsville, or (Y) if the ordinance was adopted on September 14, 1994 by the City of Alton, or (Z) if the ordinance was adopted on November 11, 1996 by the City of Lexington, or (AA) if the ordinance was adopted on November 5, 1984 by the City of LeRoy, or (BB) if the ordinance was adopted on April 3, 1991 or June 3, 1992 by the City of Markham, or (CC) if the ordinance was adopted on November 11, 1986 by the City of Pekin, or (DD) if the ordinance was adopted on December 15, 1981 by the City of Champaign, or (EE) if the ordinance was adopted on December 15, 1986 by the City of Urbana, or (FF) if the ordinance was adopted on December 15, 1986 by the Village of Heyworth, or (GG) if the ordinance was adopted on February 24, 1992 by the Village of Heyworth, or (HH) if the ordinance was adopted on March 16, 1995 by the Village of Heyworth, or (II) if the ordinance was adopted on December 23, 1986 by the Town of Cicero, or (JJ) if the ordinance was adopted on December 30, 1986 by the City of Effingham, or (KK) if the ordinance was adopted on May 9, 1991 by the Village of Tilton, or (LL) if the ordinance was adopted on October 20, 1986 by the City of Elmhurst, or (MM) if the ordinance was adopted on January 19, 1988 by the City of Waukegan, or (NN) if the ordinance was adopted on September 21, 1998 by the City of Waukegan, or (OO) if the ordinance was adopted on December 31, 1986 by the City of Sullivan, or (PP) if the ordinance was adopted on December 23, 1991 by the City of Sullivan, or (QQ) if the ordinance was adopted on December 31, 1986 by the City of Oglesby, or (RR) if the ordinance was adopted on July 28, 1987 by the City of Marion, or (SS) if the ordinance was adopted on April 23, 1990 by the City of Marion, or (TT) if the ordinance was adopted on August 20, 1985 by the Village of Mount

Prospect, or (UU) if the ordinance was adopted on February 2, 1998 by the Village of Woodhull, or (VV) if the ordinance was adopted on April 20, 1993 by the Village of Princeville, or (~~WW~~) (~~VV~~) if the ordinance was adopted on July 1, 1986 by the City of Granite City, or (~~XX~~) (~~RR~~) if the ordinance was adopted on February 2, 1989 by the Village of Lombard, or (~~YY~~) (~~VV~~) if the ordinance was adopted on December 29, 1986 by the Village of Gardner, or (~~ZZ~~) (~~VV~~) if the ordinance was adopted on July 14, 1999 by the Village of Paw Paw, or (~~AAA~~) (~~VV~~) if the ordinance was adopted on November 17, 1986 by the Village of Franklin Park, or (~~BBB~~) (~~VV~~) if the ordinance was adopted on November 20, 1989 by the Village of South Holland and, for redevelopment project areas for which bonds were issued before July 29, 1991, in connection with a redevelopment project in the area within the State Sales Tax Boundary and which were extended by municipal ordinance under subsection (n) of Section 11-74.4-3, the last maturity of the refunding obligations shall not be expressed to mature later than the date on which the redevelopment project area is terminated or December 31, 2013, whichever date occurs first.

In the event a municipality issues obligations under home rule powers or other legislative authority the proceeds of which are pledged to pay for redevelopment project costs, the municipality may, if it has followed the procedures in conformance with this division, retire said obligations from funds in the special tax allocation fund in amounts and in such manner as if such obligations had been issued pursuant to the provisions of this division.

All obligations heretofore or hereafter issued pursuant to this Act shall not be regarded as indebtedness of the municipality issuing such obligations or any other taxing district for the purpose of any limitation imposed by law.

(Source: P.A. 93-298, eff. 7-23-03; 93-708, eff. 1-1-05; 93-747, eff. 7-15-04; 93-924, eff. 8-12-04; 93-983, eff. 8-23-04; 93-984, eff. 8-23-04; 93-985, eff. 8-23-04; 93-986, eff. 8-23-04; 93-987, eff. 8-23-04; 93-995, eff. 8-23-04; 93-1024, eff. 8-25-04; 93-1076, eff. 1-18-05; 94-260, eff. 7-19-05; 94-297, eff. 7-21-05; 94-302, eff. 7-21-05; 94-702, eff. 6-1-06; 94-704, eff. 12-5-05; 94-711, eff. 6-1-06; 94-778, eff. 5-19-06; 94-782, eff. 5-19-06; 94-783, eff. 5-19-06; 94-810, eff. 5-26-06; 94-903, eff. 6-22-06; 94-1091, eff. 1-26-07; 94-1092, eff. 1-26-07; revised 1-30-07.)

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

The foregoing message from the Senate reporting Senate Amendment No. 1 to HOUSE BILL 1664 was placed on the Calendar on the order of Concurrence.

#### **CHANGE OF SPONSORSHIP**

With the consent of the affected members, Representative Dunn was removed as principal sponsor, and Representative Hannig became the new principal sponsor of HOUSE BILL 3388.

#### **DISTRIBUTION OF SUPPLEMENTAL CALENDAR**

Supplemental Calendar No. 1 was distributed to the Members at 5:21 o'clock p.m.

#### **SENATE BILLS ON SECOND READING**

SENATE BILL 837. Having been reproduced, was taken up and read by title a second time.

The following amendment was offered in the Committee on Telecommunications, adopted and reproduced:

AMENDMENT NO. 1. Amend Senate Bill 837 by replacing everything after the enacting clause with the following:

"Section 5. The Emergency Telephone System Act is amended by changing Sections 15.3 and 15.4 as follows:

(50 ILCS 750/15.3) (from Ch. 134, par. 45.3)

Sec. 15.3. Surcharge.

(a) The corporate authorities of any municipality or any county may, subject to the limitations of subsections (c), (d), and (h), and in addition to any tax levied pursuant to the Simplified Municipal



Telecommunications Tax Act, impose a monthly surcharge on billed subscribers of network connection provided by telecommunication carriers engaged in the business of transmitting messages by means of electricity originating within the corporate limits of the municipality or county imposing the surcharge at a rate per network connection determined in accordance with subsection (c). Provided, however, that where multiple voice grade communications channels are connected between the subscriber's premises and a public switched network through private branch exchange (PBX) or centrex type service, a municipality imposing a surcharge at a rate per network connection, as determined in accordance with this Act, shall impose 5 such surcharges per network connection, as determined in accordance with subsections (a) and (d) of Section 2.12 of this Act. For mobile telecommunications services, if a surcharge is imposed it shall be imposed based upon the municipality or county that encompasses the customer's place of primary use as defined in the Mobile Telecommunications Sourcing Conformity Act. A municipality may enter into an intergovernmental agreement with any county in which it is partially located, when the county has adopted an ordinance to impose a surcharge as provided in subsection (c), to include that portion of the municipality lying outside the county in that county's surcharge referendum. If the county's surcharge referendum is approved, the portion of the municipality identified in the intergovernmental agreement shall automatically be disconnected from the county in which it lies and connected to the county which approved the referendum for purposes of a surcharge on telecommunications carriers.

(b) For purposes of computing the surcharge imposed by subsection (a), the network connections to which the surcharge shall apply shall be those in-service network connections, other than those network connections assigned to the municipality or county, where the service address for each such network connection or connections is located within the corporate limits of the municipality or county levying the surcharge. Except for mobile telecommunication services, the "service address" shall mean the location of the primary use of the network connection or connections. For mobile telecommunication services, "service address" means the customer's place of primary use as defined in the Mobile Telecommunications Sourcing Conformity Act. With respect to network connections provided for use with pay telephone services for which there is no billed subscriber, the telecommunications carrier providing the network connection shall be deemed to be its own billed subscriber for purposes of applying the surcharge.

(c) Upon the passage of an ordinance to impose a surcharge under this Section the clerk of the municipality or county shall certify the question of whether the surcharge may be imposed to the proper election authority who shall submit the public question to the electors of the municipality or county in accordance with the general election law; provided that such question shall not be submitted at a consolidated primary election. The public question shall be in substantially the following form:

-----  
 Shall the county (or city, village  
 or incorporated town) of ..... impose                    YES  
 a surcharge of up to ...¢ per month per  
 network connection, which surcharge will  
 be added to the monthly bill you receive -----  
 for telephone or telecommunications  
 charges, for the purpose of installing  
 (or improving) a 9-1-1 Emergency                    NO  
 Telephone System?  
 -----

If a majority of the votes cast upon the public question are in favor thereof, the surcharge shall be imposed.

However, if a Joint Emergency Telephone System Board is to be created pursuant to an intergovernmental agreement under Section 15.4, the ordinance to impose the surcharge shall be subject to the approval of a majority of the total number of votes cast upon the public question by the electors of all of the municipalities or counties, or combination thereof, that are parties to the intergovernmental agreement.

The referendum requirement of this subsection (c) shall not apply to any municipality with a population over 500,000 or to any county in which a proposition as to whether a sophisticated 9-1-1 Emergency Telephone System should be installed in the county, at a cost not to exceed a specified monthly amount per network connection, has previously been approved by a majority of the electors of the county voting on the proposition at an election conducted before the effective date of this amendatory Act of 1987.

(d) A county may not impose a surcharge, unless requested by a municipality, in any incorporated area which has previously approved a surcharge as provided in subsection (c) or in any incorporated area where the corporate authorities of the municipality have previously entered into a binding contract or letter of

intent with a telecommunications carrier to provide sophisticated 9-1-1 service through municipal funds.

(e) A municipality or county may at any time by ordinance change the rate of the surcharge imposed under this Section if the new rate does not exceed the rate specified in the referendum held pursuant to subsection (c).

(f) The surcharge authorized by this Section shall be collected from the subscriber by the telecommunications carrier providing the subscriber the network connection as a separately stated item on the subscriber's bill.

(g) The amount of surcharge collected by the telecommunications carrier shall be paid to the particular municipality or county or Joint Emergency Telephone System Board not later than 30 days after the surcharge is collected, net of any network or other 9-1-1 or sophisticated 9-1-1 system charges then due the particular telecommunications carrier, as shown on an itemized bill. The telecommunications carrier collecting the surcharge shall also be entitled to deduct 3% of the gross amount of surcharge collected to reimburse the telecommunications carrier for the expense of accounting and collecting the surcharge.

(h) Except as expressly provided in subsection (a) of this Section, a municipality with a population over 500,000 may not impose a monthly surcharge in excess of \$2.50 ~~\$1.25~~ per network connection.

(i) Any municipality or county or joint emergency telephone system board that has imposed a surcharge pursuant to this Section prior to the effective date of this amendatory Act of 1990 shall hereafter impose the surcharge in accordance with subsection (b) of this Section.

(j) The corporate authorities of any municipality or county may issue, in accordance with Illinois law, bonds, notes or other obligations secured in whole or in part by the proceeds of the surcharge described in this Section. Notwithstanding any change in law subsequent to the issuance of any bonds, notes or other obligations secured by the surcharge, every municipality or county issuing such bonds, notes or other obligations shall be authorized to impose the surcharge as though the laws relating to the imposition of the surcharge in effect at the time of issuance of the bonds, notes or other obligations were in full force and effect until the bonds, notes or other obligations are paid in full. The State of Illinois pledges and agrees that it will not limit or alter the rights and powers vested in municipalities and counties by this Section to impose the surcharge so as to impair the terms of or affect the security for bonds, notes or other obligations secured in whole or in part with the proceeds of the surcharge described in this Section.

(k) Any surcharge collected by or imposed on a telecommunications carrier pursuant to this Section shall be held to be a special fund in trust for the municipality, county or Joint Emergency Telephone Board imposing the surcharge. Except for the 3% deduction provided in subsection (g) above, the special fund shall not be subject to the claims of creditors of the telecommunication carrier.

(Source: P.A. 92-474, eff. 8-1-02; 92-526, eff. 1-1-03; 92-557, eff. 1-1-03; revised 10-2-02.)

(50 ILCS 750/15.4) (from Ch. 134, par. 45.4)

Sec. 15.4. Emergency Telephone System Board; powers.

(a) The corporate authorities of any county or municipality that imposes a surcharge under Section 15.3 shall establish an Emergency Telephone System Board. The corporate authorities shall provide for the manner of appointment and the number of members of the Board, provided that the board shall consist of not fewer than 5 members, one of whom must be a public member who is a resident of the local exchange service territory included in the 9-1-1 coverage area, one of whom (in counties with a population less than 100,000) must be a member of the county board, and at least 3 of whom shall be representative of the 9-1-1 public safety agencies, including but not limited to police departments, fire departments, emergency medical services providers, and emergency services and disaster agencies, and appointed on the basis of their ability or experience. Elected officials are also eligible to serve on the board. Members of the board shall serve without compensation but shall be reimbursed for their actual and necessary expenses. Any 2 or more municipalities, counties, or combination thereof, that impose a surcharge under Section 15.3 may, instead of establishing individual boards, establish by intergovernmental agreement a Joint Emergency Telephone System Board pursuant to this Section. The manner of appointment of such a joint board shall be prescribed in the agreement.

(b) The powers and duties of the board shall be defined by ordinance of the municipality or county, or by intergovernmental agreement in the case of a joint board. The powers and duties shall include, but need not be limited to the following:

(1) Planning a 9-1-1 system.

(2) Coordinating and supervising the implementation, upgrading, or maintenance of the system, including the establishment of equipment specifications and coding systems.

(3) Receiving ~~monies monies~~ from the surcharge imposed under Section 15.3, and from any other source, for deposit into the Emergency Telephone System Fund.

(4) Authorizing all disbursements from the fund.

(5) Hiring any staff necessary for the implementation or upgrade of the system.

(c) All ~~moneys monies~~ received by a board pursuant to a surcharge imposed under Section 15.3 shall be deposited into a separate interest-bearing Emergency Telephone System Fund account. The treasurer of the municipality or county that has established the board or, in the case of a joint board, any municipal or county treasurer designated in the intergovernmental agreement, shall be custodian of the fund. All interest accruing on the fund shall remain in the fund. No expenditures may be made from such fund except upon the direction of the board by resolution passed by a majority of all members of the board. Expenditures may be made only to pay for the costs associated with the following:

(1) The design of the Emergency Telephone System.

(2) The coding of an initial Master Street Address Guide data base, and update and maintenance thereof.

(3) The repayment of any ~~moneys monies~~ advanced for the implementation of the system.

(4) The charges for Automatic Number Identification and Automatic Location Identification equipment, a computer aided dispatch system that records, maintains, and integrates information, mobile data transmitters equipped with automatic vehicle locators, and maintenance, replacement and update thereof to increase operational efficiency and improve the provision of emergency services.

(5) The non-recurring charges related to installation of the Emergency Telephone System and the ongoing network charges.

(6) The acquisition and installation, or the reimbursement of costs therefor to other governmental bodies that have incurred those costs, of road or street signs that are essential to the implementation of the emergency telephone system and that are not duplicative of signs that are the responsibility of the jurisdiction charged with maintaining road and street signs.

(7) Other products and services necessary for the implementation, upgrade, and maintenance of the system and any other purpose related to the operation of the system, including costs attributable directly to the construction, leasing, or maintenance of any buildings or facilities or costs of personnel attributable directly to the operation of the system. Costs attributable directly to the operation of an emergency telephone system do not include the costs of public safety agency personnel who are and equipment that is dispatched in response to an emergency call.

(8) In the case of a municipality that imposes a surcharge under subsection (h) of Section 15.3, moneys may also be used for any anti-terrorism or emergency preparedness measures, including, but not limited to, preparedness planning, providing local matching funds for federal or State grants, personnel training, and specialized equipment, including surveillance cameras as needed to deal with natural and terrorist-inspired emergency situations or events.

Moneys in the fund may also be transferred to a participating fire protection district to reimburse volunteer firefighters who man remote telephone switching facilities when dedicated 9-1-1 lines are down.

(d) The board shall complete the data base before implementation of the 9-1-1 system. The error ratio of the data base shall not at any time exceed 1% of the total data base.

(Source: P.A. 92-202, eff. 1-1-02.)

Section 10. The Wireless Emergency Telephone Safety Act is amended by changing Sections 15, 17, 25, 35, 45, and 70 as follows:

(50 ILCS 751/15)

(Section scheduled to be repealed on April 1, 2008)

Sec. 15. Wireless emergency 9-1-1 service. The digits "9-1-1" shall be the designated emergency telephone number within the wireless system.

(a) Standards. The Illinois Commerce Commission may set non-discriminatory, uniform technical and operational standards consistent with the rules of the Federal Communications Commission for directing calls to authorized public safety answering points. These standards shall not in any way prescribe the technology or manner a wireless carrier shall use to deliver wireless 9-1-1 or wireless E9-1-1 calls and these standards shall not exceed the requirements set by the Federal Communications Commission. However, standards for directing calls to the authorized public safety answering point shall be included. The authority given to the Illinois Commerce Commission in this Section is limited to setting standards as set forth herein and does not constitute authority to regulate wireless carriers.

(b) Wireless public safety answering points. For the purpose of providing wireless 9-1-1 emergency services, an emergency telephone system board or, in the absence of an emergency telephone system board, a qualified governmental entity may declare its intention for one or more of its public safety answering

points to serve as a primary wireless 9-1-1 public safety answering point for its jurisdiction by notifying the Chief Clerk of the Illinois Commerce Commission and the Director of State Police in writing within 6 months after the effective date of this Act or within 6 months after receiving its authority to operate a 9-1-1 system under the Emergency Telephone System Act, whichever is later. In addition, 2 or more emergency telephone system boards or qualified units of local government may, by virtue of an intergovernmental agreement, provide wireless 9-1-1 service. The Department of State Police shall be the primary wireless 9-1-1 public safety answering point for any jurisdiction not providing notice to the Commission and the Department of State Police. Nothing in this Act shall require the provision of wireless enhanced 9-1-1 services.

The Illinois Commerce Commission, upon a ~~joint~~ request from ~~the Department of State Police and~~ a qualified governmental entity or an emergency telephone system board, may grant authority to the emergency telephone system board or a qualified governmental entity to provide wireless 9-1-1 service in areas for which the Department of State Police has accepted wireless 9-1-1 responsibility. The Illinois Commerce Commission shall maintain a current list of all 9-1-1 systems and qualified governmental entities providing wireless 9-1-1 service under this Act.

Any emergency telephone system board or qualified governmental entity providing wireless 9-1-1 service prior to the effective date of this Act may continue to operate upon notification as previously described in this Section. An emergency telephone system board or a qualified governmental entity shall submit, with its notification, the date upon which it commenced operating.

(c) Wireless Enhanced 9-1-1 Board. The Wireless Enhanced 9-1-1 Board is created. The Board consists of 7 members appointed by the Governor with the advice and consent of the Senate. It is recommended that the Governor appoint members from the following: the Illinois Chapter of the National Emergency Numbers Association, the Illinois State Police, law enforcement agencies, the wireless telecommunications industry, an emergency telephone system board in Cook County (outside the City of Chicago), an emergency telephone system board in the Metro-east area, and an emergency telephone system board in the collar counties (Lake, McHenry, DuPage, Kane, and Will counties). Members of the Board may not receive any compensation but may, however, be reimbursed for any necessary expenditure in connection with their duties.

Except as provided in Section 45, the Wireless Enhanced 9-1-1 Board shall set the amount of the monthly wireless surcharge required to be imposed under Section 17 on all wireless subscribers in this State. Prior to the Wireless Enhanced 9-1-1 Board setting any surcharge, the Board shall publish the proposed surcharge in the Illinois Register, hold hearings on the surcharge and the requirements for an efficient wireless emergency number system, and elicit public comment. The Board shall determine the minimum cost necessary for implementation of this system and the amount of revenue produced based upon the number of wireless telephones in use. The Board shall set the surcharge at the minimum amount necessary to achieve the goals of the Act and shall, by July 1, 2000, file this information with the Governor, the Clerk of the House, and the Secretary of the Senate. The surcharge may not be more than \$0.75 per month per CMRS connection.

The Wireless Enhanced 9-1-1 Board shall report to the General Assembly by July 1, 2000 on implementing wireless non-emergency services for the purpose of public safety using the digits 3-1-1. The Board shall consider the delivery of 3-1-1 services in a 6 county area, including rural Cook County (outside of the City of Chicago), and DuPage, Lake, McHenry, Will, and Kane Counties, as well as counties outside of this area by an emergency telephone system board, a qualified governmental entity, or private industry. The Board, upon completion of all its duties required under this Act, is dissolved.

(Source: P.A. 91-660, eff. 12-22-99.)

(50 ILCS 751/17)

(Section scheduled to be repealed on April 1, 2008)

Sec. 17. Wireless carrier surcharge.

(a) Except as provided in Section 45, each wireless carrier shall impose a monthly wireless carrier surcharge per CMRS connection that either has a telephone number within an area code assigned to Illinois by the North American Numbering Plan Administrator or has a billing address in this State. In the case of prepaid wireless telephone service, this surcharge shall be remitted based upon the address associated with the point of purchase, the customer billing address, or the location associated with the MTN for each active prepaid wireless telephone that has a sufficient positive balance as of the last day of each month, if that information is available. No wireless carrier shall impose the surcharge authorized by this Section upon any subscriber who is subject to the surcharge imposed by a unit of local government pursuant to Section 45. Prior to the effective date of this amendatory Act of the 95th General Assembly, the surcharge amount shall

be the amount set by the Wireless Enhanced 9-1-1 Board. Beginning on the effective date of this amendatory Act of the 95th General Assembly, the monthly surcharge imposed under this Section shall be \$0.73 per CMRS connection. The wireless carrier that provides wireless service to the subscriber shall collect the surcharge ~~set by the Wireless Enhanced 9-1-1 Board~~ from the subscriber. For mobile telecommunications services provided on and after August 1, 2002, any surcharge imposed under this Act shall be imposed based upon the municipality or county that encompasses the customer's place of primary use as defined in the Mobile Telecommunications Sourcing Conformity Act. The surcharge shall be stated as a separate item on the subscriber's monthly bill. The wireless carrier shall begin collecting the surcharge on bills issued within 90 days after the Wireless Enhanced 9-1-1 Board sets the monthly wireless surcharge. State and local taxes shall not apply to the wireless carrier surcharge.

(b) Except as provided in Section 45, a wireless carrier shall, within 45 days of collection, remit, either by check or by electronic funds transfer, to the State Treasurer the amount of the wireless carrier surcharge collected from each subscriber. Of the amounts remitted under this subsection prior to the effective date of this amendatory Act of the 95th General Assembly, and for surcharges imposed before the effective date of this amendatory Act of the 95th General Assembly but remitted after its effective date, the State Treasurer shall deposit one-third into the Wireless Carrier Reimbursement Fund and two-thirds into the Wireless Service Emergency Fund. For surcharges collected and remitted on or after the effective date of this amendatory Act of the 95th General Assembly, \$0.1475 per surcharge collected shall be deposited into the Wireless Carrier Reimbursement Fund, and \$0.5825 per surcharge collected shall be deposited into the Wireless Service Emergency Fund. Of the amounts deposited into the Wireless Carrier Reimbursement Fund under this subsection, \$0.01 per surcharge collected may be distributed to the carriers to cover their administrative costs. Of the amounts deposited into the Wireless Service Emergency Fund under this subsection, \$0.01 per surcharge collected may be disbursed to the Illinois Commerce Commission to cover its administrative costs.

(c) The first such remittance by wireless carriers shall include the number of customers by zip code, and the 9-digit zip code if currently being used or later implemented by the carrier, that shall be the means by which the Illinois Commerce Commission shall determine distributions from the Wireless Service Emergency Fund. This information shall be updated no less often than every year. Wireless carriers are not required to remit surcharge moneys that are billed to subscribers but not yet collected.

(d) Notwithstanding any provision of law to the contrary, nothing shall impair the right of wireless carriers to recover compliance costs for all emergency communications services that are not reimbursed out of the Wireless Carrier Reimbursement Fund directly from their customers via line-item charges on the customer's bill. Those compliance costs include all costs incurred by wireless carriers in complying with local, State, and federal regulatory or legislative mandates that require the transmission and receipt of emergency communications to and from the general public, including, but not limited to, E-911.

(e) The Auditor General shall conduct, on an annual basis, an audit of the Wireless Service Emergency Fund and the Wireless Carrier Reimbursement Fund for compliance with the requirements of this Act. The audit shall include, but not be limited to, the following determinations:

(1) Whether the Commission is maintaining detailed records of all receipts and disbursements from the Wireless Carrier Emergency Fund and the Wireless Carrier Reimbursement Fund.

(2) Whether the Commission's administrative costs charged to the funds are adequately documented and are reasonable.

(3) Whether the Commission's procedures for making grants and providing reimbursements in accordance with the Act are adequate.

(4) The status of the implementation of wireless 9-1-1 and E9-1-1 services in Illinois.

The Commission, the Department of State Police, and any other entity or person that may have information relevant to the audit shall cooperate fully and promptly with the Office of the Auditor General in conducting the audit. The Auditor General shall commence the audit as soon as possible and distribute the report upon completion in accordance with Section 3-14 of the Illinois State Auditing Act.

(Source: P.A. 92-526, eff. 7-1-02; 93-507, eff. 1-1-04; 93-839, eff. 7-30-04.)

(50 ILCS 751/25)

(Section scheduled to be repealed on April 1, 2008)

Sec. 25. Wireless Service Emergency Fund; distribution of moneys. Within 60 days after the effective date of this Act, wireless carriers shall submit to the Illinois Commerce Commission the number of wireless subscribers by zip code and the 9-digit zip code of the wireless subscribers, if currently being used or later implemented by the carrier.

The Illinois Commerce Commission shall, subject to appropriation, make monthly proportional grants to

the appropriate emergency telephone system board or qualified governmental entity based upon the United States Postal Zip Code of the wireless subscriber's billing address. No matching funds shall be required from grant recipients.

If the Illinois Commerce Commission is notified of an area of overlapping jurisdiction, grants for that area shall be made based upon reference to an official Master Street Address Guide to the emergency telephone system board or qualified governmental entity whose public service answering points provide wireless 9-1-1 service in that area. The emergency telephone system board or qualified governmental entity shall provide the Illinois Commerce Commission with a valid copy of the appropriate Master Street Address Guide. The Illinois Commerce Commission does not have a duty to verify jurisdictional responsibility.

In the event of a subscriber billing address being matched to an incorrect jurisdiction by the Illinois Commerce Commission, the recipient, upon notification from the Illinois Commerce Commission, shall redirect the funds to the correct jurisdiction. The Illinois Commerce Commission shall not be held liable for any damages relating to an act or omission under this Act, unless the act or omission constitutes gross negligence, recklessness, or intentional misconduct.

In the event of a dispute between emergency telephone system boards or qualified governmental entities concerning a subscriber billing address, the Illinois Commerce Commission shall resolve the dispute.

The Illinois Commerce Commission shall maintain detailed records of all receipts and disbursements and shall provide an annual accounting of all receipts and disbursements to the Auditor General.

The Illinois Commerce Commission shall adopt rules to govern the grant process.

The Illinois Commerce Commission may also use moneys in the Wireless Service Emergency Fund for the purpose of conducting a study to determine the future technological and financial needs of the wireless 9-1-1 systems. A study shall include input from the telecommunications industry, the Illinois National Emergency Number Association, and the public safety community.

(Source: P.A. 93-839, eff. 7-30-04.)

(50 ILCS 751/35)

(Section scheduled to be repealed on April 1, 2008)

Sec. 35. Wireless Carrier Reimbursement Fund; reimbursement. To recover costs from the Wireless Carrier Reimbursement Fund, the wireless carrier shall submit sworn invoices to the Illinois Commerce Commission. In no event may any invoice for payment be approved for (i) costs that are not related to compliance with the requirements established by the wireless enhanced 9-1-1 mandates of the Federal Communications Commission, (ii) costs with respect to any wireless enhanced 9-1-1 service that is not operable at the time the invoice is submitted, or (iii) costs of any wireless carrier exceeding 100% of the wireless emergency services charges remitted to the Wireless Carrier Reimbursement Fund by the wireless carrier under Section 17(b) unless the wireless carrier received prior approval for the expenditures from the Illinois Commerce Commission.

If in any month the total amount of invoices submitted to the Illinois Commerce Commission and approved for payment exceeds the amount available in the Wireless Carrier Reimbursement Fund, wireless carriers that have invoices approved for payment shall receive a pro-rata share of the amount available in the Wireless Carrier Reimbursement Fund based on the relative amount of their approved invoices available that month, and the balance of the payments shall be carried into the following months until all of the approved payments are made.

A wireless carrier may not receive payment from the Wireless Carrier Reimbursement Fund for its costs of providing wireless enhanced 9-1-1 services in an area when a unit of local government or emergency telephone system board provides wireless 9-1-1 services in that area and was imposing and collecting a wireless carrier surcharge prior to July 1, 1998.

The Illinois Commerce Commission shall maintain detailed records of all receipts and disbursements and shall provide an annual accounting of all receipts and disbursements to the Auditor General.

The Illinois Commerce Commission shall adopt rules to govern the reimbursement process.

Upon the effective date of this amendatory Act of the 95th General Assembly, or as soon thereafter as practical, the State Comptroller shall order transferred and the State Treasurer shall transfer the sum of \$8,000,000 from the Wireless Carrier Reimbursement Fund to the Wireless Service Emergency Fund. That amount shall be used by the Illinois Commerce Commission to make grants in the manner described in Section 25 of this Act.

(Source: P.A. 93-507, eff. 1-1-04; 93-839, eff. 7-30-04.)

(50 ILCS 751/45)

(Section scheduled to be repealed on April 1, 2008)

Sec. 45. Continuation of current practices. Notwithstanding any other provision of this Act, a unit of local government or emergency telephone system board providing wireless 9-1-1 service and imposing and collecting a wireless carrier surcharge prior to July 1, 1998 may continue its practices of imposing and collecting its wireless carrier surcharge, but in no event shall that monthly surcharge exceed \$2.50 ~~\$1.25~~ per commercial mobile radio service (CMRS) connection or in-service telephone number billed on a monthly basis. For mobile telecommunications services provided on and after August 1, 2002, any surcharge imposed shall be imposed based upon the municipality or county that encompasses the customer's place of primary use as defined in the Mobile Telecommunications Sourcing Conformity Act.

In addition to any other lawful purpose, a municipality with a population over 500,000 may use the moneys collected under this Section for any anti-terrorism or emergency preparedness measures, including, but not limited to, preparedness planning, providing local matching funds for federal or State grants, personnel training, and specialized equipment, including surveillance cameras as needed to deal with natural and terrorist-inspired emergency situations or events.

(Source: P.A. 91-660, eff. 12-22-99; 92-526, eff. 7-1-02.)".

(50 ILCS 751/70)

(Section scheduled to be repealed on April 1, 2008)

Sec. 70. Repealer. This Act is repealed on April 1, 2013 ~~2008~~.

(Source: P.A. 93-507, eff. 1-1-04.)

Section 99. Effective date. This Act takes effect January 1, 2008."

There being no further amendments, the foregoing Amendment No. 1 was adopted and the bill, as amended, was held on the order of Second Reading.

At the hour of 5:27 o'clock p.m., Representative Currie moved that the House do now adjourn until Tuesday, July 31, 2007, at 1:00 o'clock p.m.

The motion prevailed.

And the House stood adjourned.