

AN ACT concerning public bodies.

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

Section 5. The Home Equity Assurance Act is amended by changing Sections 4 and 9 as follows:

(65 ILCS 95/4) (from Ch. 24, par. 1604)

Sec. 4. Creation of Commission. (a) Whenever in a municipality with more than 1,000,000 inhabitants, the question of creating a home equity program within a contiguous territory included entirely within the municipality is initiated by resolution or ordinance of the corporate authorities of the municipality or by a petition signed by not less than 10% of the total number of registered voters of each precinct in the territory, the registered voters of which are eligible to sign the petition, it shall be the duty of the election authority having jurisdiction over such municipality to submit the question of creating a home equity program to the electors of each precinct within the territory at the regular election specified in the resolution, ordinance or petition initiating the question. If the question is initiated by petition and if the requisite number of signatures is not obtained in any precinct included within the territory described in the petition, then the petition shall be valid as to the territory encompassed by those precincts for which the requisite number of signatures is obtained and any such precinct for which the requisite number of signatures is not obtained shall be excluded from the territory. A petition initiating a question described in this Section shall be filed with the election authority having jurisdiction over the municipality. The petition shall be filed and objections thereto shall be made in the manner provided in the general election law. A resolution, ordinance, or petition initiating a

question described in this Section shall specify the election at which the question is to be submitted. The referendum on such question shall be held in accordance with general election law. Such question, and the resolution, ordinance, or petition initiating the question, shall include a description of the territory, the name of the proposed home equity program, and the maximum rate at which the home equity program shall be able to levy a property tax. All of that area within the geographic boundaries of the territory described in such question shall be included in the program, and no area outside the geographic boundaries of the territory described in such question shall be included in the program. If the election authority determines that the description cannot be included within the space limitations of the ballot, the election authority shall prepare large printed copies of a notice of the question, which shall be prominently displayed in the polling place of each precinct in which the question is to be submitted.

(b) Whenever a majority of the voters on such public question approve the creation of a home equity program as certified by the proper election authorities, the mayor of the municipality shall appoint, with the consent of the corporate authorities, 9 individuals, to be known as commissioners, to serve as the governing body of the home equity program. The mayor shall choose 7 of the 9 individuals to be appointed to the governing commission from nominees submitted by a community organization or community organizations as defined in this Act. A community organization may recommend up to 20 individuals to serve on a governing commission.

No fewer than 5 commissioners serving at any one time shall reside within the territory of the program.

Upon creation of a governing commission, the terms of the initial commissioners shall be as follows: 3 shall serve for one year, 3 shall serve for 2 years, and 3 shall serve for 3 years and until a successor is appointed and qualified. All succeeding terms shall be for 3 years, or until a successor is appointed or qualified, ~~and no commissioner may serve more than~~

~~2 consecutive terms.~~ Commissioners shall serve without compensation except for reimbursement for reasonable expenses incurred in the performance of duties as a commissioner. A vacancy in the office of a member of a commission shall be filled in like manner as an original appointment.

All proceedings and meetings of the governing commission shall be conducted in accordance with the provisions of the Open Meetings Act, as now or hereafter amended.

(Source: P.A. 86-684.)

(65 ILCS 95/9) (from Ch. 24, par. 1609)

Sec. 9. Establishing a new guaranteed value and registration date. (a) A member has the option of applying for a new program appraisal by a program appraiser in order to establish a new certificate of participation with a new registration date. The governing commission may exercise the right to require a second program appraisal in accordance with the procedures described in Section 6 of this Act. This new guaranteed value shall be subject to the following conditions:

(1) A new guaranteed value established solely for the purpose of determining a property's increased value due to inflation may not be requested by the member until 5 years have elapsed from the member's initial most recent registration date or 3 years have elapsed from the most recent new registration date under this item (1), whichever is later.

(2) A new guaranteed value established due to home improvements shall be granted only when the value of the home improvements exceed \$5,000.

(3) A member may not initiate a claim against the program based upon the new guaranteed value until 8 years after the member's initial registration date or 3 5 years after the new registration date, whichever is later. Until that time, coverage shall be based on the most recent certificate of participation that meets the time limitations ~~which is at least 5 years old~~ and the guaranteed value set forth in that certificate of participation.

(4) If the governing commission, by majority vote, determines that the application for a new appraisal is due to substantial property improvements on the guaranteed residence, then the application fee for the appraisal shall be one-half of the registration fee then being charged by the program.

(5) If the governing commission, by a majority vote, concludes that the application for a new appraisal is not due to substantial property improvements, the application fee for the new appraisal shall be the amount of the registration fee then being charged by the program.

(6) A new guaranteed value shall be subject to all of the conditions, stipulations, and provisions of this Act.

(b) After following the above procedures, the member shall be issued a new certificate of participation which shall state the new guaranteed value and registration date.

(c) A member may request a new guaranteed value and registration date only once per year.

(Source: P.A. 85-1044.)

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