

AN ACT concerning local government.

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

Section 1. Short title. This Act may be cited as the Local Government Billing Act.

Section 5. Definitions. As used in this Act:

"Corporate authorities" includes, but is not limited to:

- (1) the county board of a county;
- (2) the corporate authorities of a municipality;
- (3) the township officials of a township; and
- (4) the board of trustees of a special district.

Section 10. Billing for services.

(a) Beginning on the effective date of this Act, the corporate authorities of any unit of local government operating a waterworks, sewerage system, combined waterworks and sewerage system, or electric utility:

- (1) shall bill for any utility service, including previously unbilled service: (A) within 12 months after the provision of that service to the customer if the service is supplied to a residential customer; or (B) within 24 months after the provision of that service to that customer if the service is supplied to a

non-residential customer; however, the corporate authorities of the unit of government may bill for unpaid amounts that were billed to a customer or if the customer was notified that there is an unpaid amount before the effective date of this Act for service that was supplied to the customer before January 1, 2026;

(2) shall not intentionally delay billing beyond the normal billing cycle;

(3) shall label any amount attributed to previously unbilled service as such on the customer's bill and include the beginning and ending dates for the period during which the previously unbilled amount accrued;

(4) shall issue the makeup billing amount calculated on a prorated basis to reflect the varying rates for previously unbilled service accrued over a period of time when the rates for service have varied; and

(5) shall provide the customer with the option of a payment arrangement to retire the makeup bill for previously unbilled service by periodic payments, without interest or late fees, over a time equal to the amount of time the billing was delayed.

(b) The time limit of paragraph (1) of subsection (a) shall not apply to previously unbilled service attributed to tampering, theft of service, fraud, or the customer preventing the utility's recorded efforts to obtain an accurate reading of the meter.

Section 15. Home rule. A home rule unit of local government may not regulate utilities in a manner inconsistent with this Act. This Section is a limitation under subsection (i) of Section 6 of Article VII of the Illinois Constitution on the concurrent exercise by home rule units of powers and functions exercised by the State.

(65 ILCS 5/11-150-2 rep.)

Section 75. The Illinois Municipal Code is amended by repealing Section 11-150-2.

(70 ILCS 3705/7.4 rep.)

Section 80. The Public Water District Act is amended by repealing Section 7.4.

(70 ILCS 3710/5.3 rep.)

Section 85. The Water Service District Act is amended by repealing Section 5.3.

Section 90. The Water Authorities Act is amended by changing Section 6 as follows:

(70 ILCS 3715/6) (from Ch. 111 2/3, par. 228)

Sec. 6. Such board of trustees shall have the following powers:

1. To make inspections of wells or other withdrawal facilities and to require information and data from the owners or operators thereof concerning the supply, withdrawal and use of water.

2. To require the registration with them of all wells or other withdrawal facilities in accordance with such form or forms as they deem advisable.

3. To require permits from them for all additional wells or withdrawal facilities or for the deepening, extending or enlarging existing wells or withdrawal facilities.

4. To require the plugging of abandoned wells or the repair of any well or withdrawal facility to prevent loss of water or contamination of supply.

5. To reasonably regulate the use of water and during any period of actual or threatened shortage to establish limits upon or priorities as to the use of water. In issuing any such regulation, limitation, or priority, such board shall seek to promote the common welfare by considering the public interest, the average amount of present withdrawals, relative benefits or importance of use, economy or efficiency of use and any other reasonable differentiation. Appropriate consideration shall also be given to any user, who has theretofore reduced the volume of ground water previously consumed by such user or who has taken care of increased requirements by installing and

using equipment and facilities permitting the use of surface water by such user.

6. To supplement the existing water supply or provide additional water supply by such means as may be practicable or feasible. They may acquire property or property rights either within or without the boundaries of the authority by purchase, lease, condemnation proceedings or otherwise, and they may construct, maintain and operate wells, reservoirs, pumping stations, purification plants, infiltration pits, recharging wells and such other facilities as may be necessary to insure an adequate supply of water for the present and future needs of the authority. They shall have the right to sell water to municipalities or public utilities operating water distribution systems either within or without the authority.

7. To levy and collect a general tax on all of the taxable property within the corporate limits of the authority, the aggregate amount of which for one year, exclusive of the amount levied for bonded indebtedness or interest thereon, shall not exceed .08 per cent of the value as equalized or assessed by the Department of Revenue. For the purpose of acquiring necessary property or facilities, to issue general obligation bonds bearing interest at the rate of not to exceed the maximum rate authorized by the Bond Authorization Act, as amended at

the time of the making of the contract, and payable over a period of not to exceed 20 years, the aggregate principal amount of which at any one time outstanding shall not exceed one-half of 1% of the value as equalized or assessed by the Department of Revenue of all taxable property located within the corporate limits of the authority and to levy and collect a further or additional direct annual tax upon all the taxable property within the corporate limits of such authority sufficient to meet the principal and interest of such bonds as the same mature. They shall also have authority to issue revenue bonds payable solely out of anticipated revenues.

8. To consult with and receive available information concerning their duties and responsibilities from the State Water Survey, the State Geological Survey, the Board of Natural Resources and Conservation, the Water Resources and Flood Control Board and any other board or commission of the State. Before constructing any facility for providing additional water supply, the plans therefor shall be submitted to and approved by the Environmental Protection Agency or its successor and all operations of such facilities shall be conducted in accordance with such rules and regulations as may from time to time be prescribed by the Pollution Control Board.

9. To have the right by appropriate action in the circuit court of any county in which such authority, or

any part thereof, is located to restrain any violation or threatened violation of any of their orders, rules, regulations or ordinances.

10. To provide by ordinance that the violation of any provision of any rule, regulation or ordinance adopted by them shall constitute a misdemeanor subject to a fine by the circuit court of not to exceed \$50 for each act of violation and that each day's violation shall constitute a separate offense.

11. (Blank). ~~On or after the effective date of this amendatory Act of the 100th General Assembly, to bill for any utility service, including previously unbilled service, supplied to a residential customer within 12 months, or a non-residential customer within 24 months, after the provision of that service to the customer; however, the water authority may bill for unpaid amounts that were billed to a customer or if the customer was notified that there is an unpaid amount before the effective date of this amendatory Act of the 100th General Assembly for service that was supplied to the customer before January 1, 2016. The time limit of this paragraph shall not apply to previously unbilled service attributed to tampering, theft of service, fraud, or the customer preventing the utility's recorded efforts to obtain an accurate reading of the meter. The trustees shall: (i) label any amount attributed to previously unbilled service~~

~~as such on the customer's bill and include the beginning and ending dates for the period during which the previously unbilled amount accrued; (ii) issue the makeup billing amount calculated on a prorated basis to reflect the varying rates for previously unbilled service accrued over a period of time when the rates for service have varied; and (iii) provide the customer with the option of a payment arrangement to retire the makeup bill for previously unbilled service by periodic payments, without interest or late fees, over a time equal to the amount of time the billing was delayed. The trustees shall not intentionally delay billing beyond the normal bill cycle.~~

With respect to instruments for the payment of money issued under this Section either before, on, or after the effective date of this amendatory Act of 1989, it is and always has been the intention of the General Assembly (i) that the Omnibus Bond Acts are and always have been supplementary grants of power to issue instruments in accordance with the Omnibus Bond Acts, regardless of any provision of this Act that may appear to be or to have been more restrictive than those Acts, (ii) that the provisions of this Section are not a limitation on the supplementary authority granted by the Omnibus Bond Acts, and (iii) that instruments issued under this Section within the supplementary authority granted by the Omnibus Bond Acts are not invalid because of any provision of this Act that may appear to be or to have been more restrictive

than those Acts.

(Source: P.A. 100-178, eff. 8-18-17.)

Section 95. The Water Commission Act of 1985 is amended by changing Section 0.001b as follows:

(70 ILCS 3720/0.001b)

Sec. 0.001b. Powers and duties. A water commission has the power and duty to:

(1) establish and define the responsibilities of the commission and its committees;

(2) establish and define the responsibilities of the commission's management and staff;

(3) establish a finance committee to conduct monthly meetings to supervise staff's handling of financial matters and budgeting;

(4) require the finance director and treasurer to report to the finance committee the status of all commission funds and obligations;

(5) require the treasurer to report to the commission any improper or unnecessary expenditures, budgetary errors, or accounting irregularities;

(6) require commission staff to document and comply with standard accounting policies, procedures, and controls to ensure accurate reporting to the finance committee and commission and to identify improper or

unnecessary expenditures, budgetary errors, or accounting irregularities;

(7) require the commission's finance director to provide monthly reports regarding the commission's cash and investment position including whether the commission has sufficient cash and investments to pay its debt service, operating expenses, and capital expenditures and maintain required reserve levels. The information shall include the required funding levels for restricted funds and unrestricted cash and investment balances with comparisons to unrestricted reserves. The information shall also include the type and performance of the commission's investments and description as to whether those investments are in compliance with the commission's investment policies;

(8) require the commission's finance director to provide the commission with detailed information concerning the commission's operating performance including the budgeted and actual monthly amounts for water sales, water costs, and other operating expenses;

(9) require commission staff to provide the commission with detailed information regarding the progress of capital projects including whether the percentage of completion and costs incurred are timely;

(10) require the commission's staff accountant to perform bank reconciliations and general ledger account

reconciliations on a monthly basis; the finance director shall review these reconciliations and provide them to the treasurer and the finance committee on a monthly basis;

(11) establish policies to ensure the proper segregation of the financial duties performed by employees;

(12) restrict access to the established accounting systems and general ledger systems and provide for adequate segregation of duties so that no single person has sole access and control over the accounting system or the general ledger system;

(13) require that the finance director review and approve all manual journal entries and supporting documentation; the treasurer shall review and approve the finance director's review and approval of manual journal entries and supporting documentation;

(14) require that the finance director closely monitor the progress of construction projects;

(15) require that the finance director carefully document any GAAP analysis or communications with GASB and provide full and timely reports for the same to the finance committee;

(16) retain an outside independent auditor to perform a comprehensive audit of the water commission's financial activities for each fiscal year in conformance with the standard practices of the Association of Governmental

Auditors; within 30 days after the independent audit is completed, the results of the audit must be sent to the county auditor; and

(17) (blank). ~~on or after the effective date of this amendatory Act of the 100th General Assembly, bill for any utility service, including previously unbilled service, supplied to a residential customer within 12 months, or a non-residential customer within 24 months, after the provision of that service to the customer; however, the water commission may bill for unpaid amounts that were billed to a customer or if the customer was notified that there is an unpaid amount before the effective date of this amendatory Act of the 100th General Assembly for service that was supplied to the customer before January 1, 2016. The time limit of this paragraph shall not apply to previously unbilled service attributed to tampering, theft of service, fraud, or the customer preventing the utility's recorded efforts to obtain an accurate reading of the meter. The commission shall: (i) label any amount attributed to previously unbilled service as such on the customer's bill and include the beginning and ending dates for the period during which the previously unbilled amount accrued; (ii) issue the makeup billing amount calculated on a prorated basis to reflect the varying rates for previously unbilled service accrued over a period of time when the rates for service have varied; and (iii) provide~~

~~the customer with the option of a payment arrangement to retire the makeup bill for previously unbilled service by periodic payments, without interest or late fees, over a time equal to the amount of time the billing was delayed. The commission shall not intentionally delay billing beyond the normal bill cycle.~~

(Source: P.A. 100-178, eff. 8-18-17.)