



Illinois Municipal Utilities Association

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Memo

From: Ronald D. Earl, General Manager & CEO

To: IMUA members

Date: 5/9/2005

RE: General Assembly Update #8 – Non telecommunications issues

We should be moving into the final weeks of the session, but that seems unlikely, according to our legislative contacts, given the slow pace of budget discussions. Deadline for House bills to clear Senate committees was May 5. Deadline for Senate bills to clear the House is this Friday, May 13. The Senate is in this week from Tuesday through Thursday, while the House will be in from Tuesday through Friday. Deadline for bills to pass on 3rd reading in both chambers is May 20. The current date for adjournment is May 27.

As we have in the past, we list below bills you may wish to review. Some are new to our list and we note changes to all as they occur. Please let us know if you have concerns about these or other bills.

HB 1633 – Personal Information Protection Act – This is new to the list. This bill would require notification to the people whose personal information is stored in a data base if that data based is breeched in some way. It is primarily aimed at large insurance companies and financial institutions, but covers anyone who has a data base of personal information. Therefore, a city or village with a data base of utility customers would be required to notify those in its data base under this law if their data base was breeched. While the bill is problematic for many, it is clear that it will pass in some form. The bill is currently being amended in response to a number of concerns. The link to the bill is here:

<http://www.ilga.gov/legislation/billstatus.asp?DocNum=1633&GAID=8&GA=94&DocTypeID=HB&LegID=16440&SessionID=50>

SB 16 – Business Economic Development Assistance via Utility Rate Cut- As noted in our last report, the bill was written by the Department of Commerce and Economic Development (DCEO) as Floor Amendment 1 to SB 16 Its intent, as we have been able to determine it, is to develop a pilot program that would allow DCEO to determine businesses that are either considering coming into the state or threatening to leave, have their host electric utility provide a cut in the businesses' electric costs, and reimburse that cut to the host utility through an income tax credit. It is written to include all segments of the industry, including municipal and cooperative systems. The problem is this - since municipal systems and rural cooperatives don't pay income taxes, the bill has no benefits for them. We have been in contact with the House sponsor and believe that our concerns about the bill will be addressed, although we continue to watch this closely. It is our suggestion that the tax credits be given directly to the businesses in question, not filtered through the utilities. The bill is currently in the House Executive Committee.

<http://www.ilga.gov/legislation/billstatus.asp?DocNum=0016&GAID=8&GA=94&DocTypeID=SB&LegID=14830&SessionID=50>

HB 112 and SB 474 – Use of Biodiesel Fuel - These bills would require units of government, under some circumstance, to fuel their diesel vehicles with so-called B2 diesel fuel (a 2% blench of biodiesel) if their trucks refuel from a bulk central refueling facility. The House version has passed and moved to the Senate, where it is on third reading. The links to the bills are:

<http://www.ilga.gov/legislation/BillStatus.asp?DocNum=112&GAID=8&DocTypeID=HB&LegId=14255&SessionID=50&GA=94>

<http://www.ilga.gov/legislation/BillStatus.asp?DocTypeID=SB&DocNum=474&GAID=8&SessionID=50&LegID=17261>

SB 90 – Synthetic natural gas act – This bill would allow contracts between natural gas public utilities and plants that manufacture synthetic natural gas from coal and allow the cost to be included in rates under some circumstances. It cleared the Senate is now in the House assigned to the Executive Committee. The link is below:

<http://www.ilga.gov/legislation/BillStatus.asp?DocNum=90&GAID=8&DocTypeID=SB&LegId=14731&SessionID=50&GA=94>

SB 566 – Illinois Transmission Authority - This bill would create a state authority with the power to finance and build new transmission facilities. It is opposed by the state's investor-owned electric utilities through their trade association (the Illinois Energy Association) and is supported by the coal industry, in particular by representatives of the Peabody Coal Company. It is believed that the bill is intended to finance transmission needed for the eventual operation of Peabody's Prairie State plant in southern Illinois. The bill was placed in a subcommittee created by the Environment and Energy Committee and it is expected that negotiation sessions between proponents and opponents will take place over the summer. The bill is now held in the Senate Chemical and Coal Subcommittee. The link is below:

<http://www.ilga.gov/legislation/billstatus.asp?DocNum=566&GAID=8&GA=94&DocTypeID=SB&LegID=17467&SessionID=50>

HB 1364 – Petroleum Storage - This bill would have placed new requirements on the owners of above ground petroleum storage tanks including unspecified fees and potential fines. It was opposed by a wide variety of groups and was killed in the State Government Administration Committee March 9. The link is below:

<http://www.ilga.gov/legislation/BillStatus.asp?DocNum=1364&GAID=8&DocTypeID=HB&LegId=16130&SessionID=50&GA=94>

HB 2347 – Truck Idling Bill - This bill restricts the amount of time a diesel truck of greater than 8,000 lbs. can idle, with some exceptions. The sponsor, Rep. Nekritz, drafted changes at the request of a number of entities. The new amendment now allows for up to 10 minutes of idling per hour, allows for exceeding those limits if the temperature is under 32 degrees Fahrenheit, and limits the authority of the bill to non-attainment areas in the state, specifically Cook, Dupage, Lake, Kane, McHenry, Will, Madison, St. Clair, and Monroe counties, and parts of Grundy, Kendall and Randolph counties. The bill has cleared the House and been sent to the Senate where it is on second reading. The link is below:

<http://www.ilga.gov/legislation/billstatus.asp?DocNum=2347&GAID=8&GA=94&DocTypeID=HB&LegID=17340&SessionID=50>

HB 1434 – Electrician’s Licensing Act - This is a reintroduction of the Electricians’ Licensing Act. It contains the exemptions we sought for municipal systems. It remains in the Rules Committee. The link is below:

<http://www.ilga.gov/legislation/billstatus.asp?DocNum=1434&GAID=8&GA=94&DocTypeID=SB&LegID=18588&SessionID=50>

SB 2060 – Military Personnel Non-utility Shut Offs - This bill would not allow the shut off of a number of services, including electric and gas utilities, of active duty military personnel for non-payment. It covers all utility providers, including municipal and cooperatives. It also deals with many other services from insurance to cell phones. An amendment (#1) requires the service personnel to show his or her orders to active duty to receive benefits under the law. That amendment was adopted and the bill has cleared the Senate and is now on second reading in the House. The link is below:

<http://www.ilga.gov/legislation/billstatus.asp?DocNum=2060&GAID=8&GA=94&DocTypeID=SB&LegID=20493&SessionID=50>

HB 3694 and SB 2085 – Water and Sewer Extensions - These bills as originally drafted would not allow a municipality that has extended sewer or water service to another body politic in the state to subsequently require that body to annex into the municipality. They apparently stem from a dispute between the village of Bensenville and a park district in its vicinity. Thanks in great part to the efforts of the City of Springfield, amendments have been negotiated to the bills that narrow their effect. Under the amendments (which are identical in both the Senate and House versions) the bill now applies only to non-home rule communities. Also only the land actually owned by the unit of local government (formerly body politic) taking the water or sewer service is now able to avoid the annexation requirement. Both bills have passed in their original chambers and moved to the opposite chamber where they are on second reading. The links are below:

<http://www.ilga.gov/legislation/billstatus.asp?DocNum=3694&GAID=8&GA=94&DocTypeID=HB&LegID=20175&SessionID=50>

<http://www.ilga.gov/legislation/billstatus.asp?DocNum=2085&GAID=8&GA=94&DocTypeID=SB&LegID=20526&SessionID=50>

HB 634 – Scenic Rivers - This bill would create a designation of Scenic River under the Department of Natural Resources. Only one segment of the rivers seems to impact our members, which is the portion of the Illinois River from Ottawa to Havana. This bill was widely opposed by a variety of interests. It did not clear committee and was sent back to the Rules Committee, essentially dead for the session. The link to the bill is below:

<http://www.ilga.gov/legislation/BillStatus.asp?DocNum=634&GAID=8&DocTypeID=HB&LegID=15047&SessionID=50&GA=94>

SB 109 – NPDES fees - This bill would eliminate the annual fees related to discharges under NPDES permits for units of local government. The bill did not clear committee. The link is below:

<http://www.ilga.gov/legislation/billstatus.asp?DocNum=0109&GAID=8&GA=94&DocTypeID=SB&LegID=15003&SessionID=50>

SB 761 – Wetland Preservation - This is the industry preferred bill dealing with preservation of wetlands in Illinois. It cleared the Senate and has been sent to the House. The bill is up before the House Environment and Energy Committee this week. The link is below:

<http://www.ilga.gov/legislation/billstatus.asp?DocNum=0761&GAID=8&GA=94&DocTypeID=SB&LegID=17795&SessionID=50>

That's it for now. We will have additional updates for you as they become necessary.

Those of you who wish to have additional information on any bill can find it on the General Assembly's web site at <http://www.ilga.gov/legislation/default.asp>

And please feel free to call at any time.