



**Am. H.B. 472**

124th General Assembly  
(As Passed by the House)

**Reps. Schmidt, Roman, Seitz, Carano, Webster, Clancy, Young, Schneider, Schaffer, Blasdel, Setzer, McGregor, Calvert, Jolivette, Seaver, Sulzer, Ogg, Flannery, Reidelbach**

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**BILL SUMMARY**

- Eliminates the ten-year limitation for township lighting contracts.
- Permits lighting district contracts to be "continually renewed."

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**CONTENT AND OPERATION**

**Current law**

Current law permits a board of township trustees to provide artificial lights in the unincorporated area of the township, either by having the township install a lighting system or by contracting with a person to furnish lights that will be owned by the township or that person. If the board decides to contract for the lights and estimates the total cost to exceed \$15,000, the board must bid the contract and award it to the lowest and best bidder. The contract cannot be for a period of more than ten years. (Sec. 515.01.)

Current law also provides for township property owners to petition for artificial lighting of streets that abut their property and, in doing so, for the creation of a lighting district in the unincorporated area of the township. If the board of township trustees, after following a specified procedure, approves the district, a lighting contract may be entered into. It must be competitively bid if the board estimates the cost for the lighting improvements for the area to be more than \$15,000. In that situation, the board may either award the contract to the lowest and best bidder or reject all bids. Any contract so awarded cannot be for a period of longer than ten years. (Secs. 515.02 to 515.06, not in the bill; secs. 515.07 and 515.08, in the bill.)

**Changes proposed by the bill**

The bill permits a board of township trustees to award these lighting contracts without any limitation on their length (secs. 515.01, 515.08, and 515.13(A)). It also permits a lighting district contract to be "continually renewed by the board" unless a proper petition is filed for discontinuing the lighting before the expiration of the existing contract. The board may do so in its discretion exercised "in the best interest of the lighting district." (Sec. 515.081.) (See COMMENT.)

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**COMMENT**

It appears that competitive bidding is *not* required under the bill when an existing lighting contract is "continually renewed" in the discretion of a board of township trustees. How a contract is to be "continually renewed" also is not specified in the bill. Thus, it is not clear how a "continually renewed" contract can be discontinued once the initial contract expires, a board decides to "continually renew" (perhaps, for an indefinite period of time) the initial contract, and a petition is not filed to discontinue lighting prior to the expiration of the initial contract. The petition procedure may only be available for the initial contract that was entered into under section 515.07, or "new contracts" entered into under that section (assuming the owners of abutting property have knowledge of an expiration date), but not for those contracts resulting from a "continual renewal."

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**HISTORY**

ACTION	DATE	JOURNAL ENTRY
Introduced	01-15-02	p. 1232
Reported, H. Local Gov't & Townships	03-07-02	pp. 1493-1495
Passed House (94-2)	03-20-02	pp. 1578-1579

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