



**What is Home Rule?**

In Illinois, Home Rule is the State constitutional authority of local governments to self-govern provided the General Assembly has not explicitly limited that power or maintained the exclusive exercise of authority in a specific area. Home Rule municipalities “may exercise any power and perform any function pertaining to its government and affairs including, but not limited to, the power to regulate for the protection of the public health, safety, morals and welfare; to license; to tax; and to incur debt” without specific statutory authority. ILL. CONST. art VII § 6(a). Having Home Rule authority results in shifting decision making from the state level to the local level and gives local authorities flexibility to tailor decisions to address local concerns.

**How did Batavia become Home Rule?**

A municipality can become a Home Rule unit of government in one of two ways. First, municipalities with certified populations over 25,000 are automatically granted Home Rule status. Otherwise, communities under this population threshold, can place a referendum question on a ballot and let the voters decide. Batavia became a Home Rule community in 2009 after a census concluded that the population exceeded 25,000.

**What nearby communities are Home Rule?**

St. Charles, Naperville, Oswego, Aurora, Carpentersville, DeKalb, Sycamore, Bloomingdale, Bartlett, Downers Grove, Carol Stream, Bolingbrook, Arlington Heights, Schaumburg, East Dundee, Elgin, Elk Grove Village, Hanover Park, Hoffman Estates, Lake in the Hills, Mount Prospect, Mundelein, Darien, Addison, Elmhurst, Glen Ellyn, Glendale Heights, Niles, Oakbrook Terrace, Palatine, Rolling Meadows, Rosemont, Skokie, Streamwood, Tinley Park, Warrenville, West Chicago, Wheaton, West Dundee, Wheeling, Woodridge, Joliet, Plainfield, and Shorewood are all Home Rule communities.

**What limitations do Home Rule municipalities have?**

One example of a limitation is that Home Rule municipalities cannot issue debt with a maturity period longer than 40 years. Further, the General Assembly has, and in the future may, impose additional limits on Home Rule units by preemption or declaration that certain actions are an exclusive power of the State. Preemption by the State includes certain licensing powers, pensions, the Open Meetings Act and the Public Labor Relations Act. In addition, any Home Rule action would still be subject to all of the restrictions in the federal and State constitutions such as due process requirements.

**What are the potential advantages of Home Rule?**

The City has more flexibility and authority to address local issues as they present themselves, including **greater control addressing its economic development needs and zoning**. As a result of its Home Rule authority, the City Council has implemented the following:

| <u>Tax</u>                                    | <u>Rate</u>   |
|---|---------------|
| Local Home Rule Sales Tax                     | 1.00%         |
| Municipal Retail Motor Fuel Tax (Eff. 1-1-18) | \$0.04/Gal    |
| Liquor Sales Tax (Eff. 2-1-16)                | 2%            |
| Natural Gas Use Tax                           | \$0.035/therm |



The revenue raised from these taxes and fees reduces the City's reliance on property taxes as a means for funding City services and operational needs. If the City were to lose its Home Rule status, it would lose the ability to impose these types of taxes or fees thus making it reliant on property taxes. The City would also become subject to the Property Tax Extension Limitation Law (PTELL) that would limit the ability to raise property taxes above the CPI so it is likely the City would need to cut existing services.

Another advantage of Home Rule is the ability to regulate matters that the State has not pre-empted. One example is the Crime Free Housing ordinance that the City adopted in 2011. Batavia's Crime Free Housing ordinance requires complexes of 10 or more units to register and attend training on how to prevent and reduce crime at their properties. It requires, among other things, that landlords provide notice in leases that residents may be kicked out for allowing or conducting criminal activity on their property. Batavia Police Department has received far fewer calls to previously problematic properties as a direct result of using Home Rule to implement the Crime Free Housing program.

Being a Home Rule jurisdiction also impacts our bond rating and the interest rate the City pays on its debt. Any new debt issued would result in higher repayment amounts for the same amount borrowed or bonded.

### **What are the potential disadvantages of Home Rule?**

Typically, Home Rule municipalities have broad taxing and regulation authority, including the ability to increase property taxes without a referendum, to issue an unlimited amount of debt, to create new taxes and fees, and to regulate property.

### **Do Home Rule Communities Pay Higher Property Taxes?**

Based on the research of Professor James Banovetz, a scholar of Home Rule in Illinois, there is no evidence that Home Rule municipalities have higher or faster growing property taxes than comparable non-Home Rule municipalities. In fact, Home Rule status is often used to shift the tax burden from property taxes to other revenue sources, such as licensing fees, sales tax, etc. This diversifies the revenue base and potentially reduces the burden on property owners. Communities that have adopted Home Rule status have seen their property taxes increase at a lower rate than non-Home Rule communities. Batavia is an excellent example where diversity of revenue has helped keep the City's portion of the tax bill low, around 8% of the total bill. For a home with an assessed value of \$300,000, this would equate to about \$698 paid to support City services in 2018 (2017 levy).

<http://ageconsearch.umn.edu/bitstream/132232/2/02-1-5.pdf>

### **How does Home Rule affect school district funding?**

Home Rule has no effect on the school districts in Batavia because school districts are independent governmental and funding bodies.

### **How do residents oversee the use of Home Rule?**

Residents oversee the use of Home Rule through the normal election process. Every two years, half of the aldermen are elected, and every four years the Mayor is elected. Additionally, participating in City Council and Committee meetings is another form of oversight. Citizens have the right to address the governing body at every meeting. Furthermore, all ordinances are published, discussed, and acted upon in open session, and all agendas and ordinances are posted on the City's website at least 48 hours before a vote. Finally, voters can file a petition to rescind Home Rule by referendum. Westmont was the last municipality to revoke Home Rule by referendum. Before Westmont, the last municipality to revoke Home Rule was Rockford in 1983.

### **How can I learn more about Home Rule?**

Official Information –CITY OF BATAVIA, ILLINOIS

In 2011, Northern Illinois University's Center for Governmental Studies published a Policy Profile about Home Rule which can be found at: [https://cgs.niu.edu/Policy\\_Profiles/policy\\_v10n1.pdf](https://cgs.niu.edu/Policy_Profiles/policy_v10n1.pdf)