

1 AMENDMENT TO SENATE BILL 22

2 AMENDMENT NO. _____. Amend Senate Bill 22 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Property Tax Code is amended by changing
5 Section 18-185 and by adding Sections 18-190.5 and 18-201 as
6 follows:

7 (35 ILCS 200/18-185)

8 Sec. 18-185. Short title; definitions. This Division 5
9 may be cited as the Property Tax Extension Limitation Law.
10 As used in this Division 5:

11 "Consumer Price Index" means the Consumer Price Index for
12 All Urban Consumers for all items published by the United
13 States Department of Labor.

14 "Extension limitation" means (a) the lesser of 5% or the
15 percentage increase in the Consumer Price Index during the
16 12-month calendar year preceding the levy year or (b) the
17 rate of increase approved by voters under Section 18-205.

18 "Affected county" means a county of 3,000,000 or more
19 inhabitants or a county contiguous to a county of 3,000,000
20 or more inhabitants.

21 "Taxing district" has the same meaning provided in
22 Section 1-150, except as otherwise provided in this Section.

1 For the 1991 through 1994 levy years only, "taxing district"
2 includes only each non-home rule taxing district having the
3 majority of its 1990 equalized assessed value within any
4 county or counties contiguous to a county with 3,000,000 or
5 more inhabitants. Beginning with the 1995 levy year, "taxing
6 district" includes only each non-home rule taxing district
7 subject to this Law before the 1995 levy year and each
8 non-home rule taxing district not subject to this Law before
9 the 1995 levy year having the majority of its 1994 equalized
10 assessed value in an affected county or counties. Beginning
11 with the levy year in which this Law becomes applicable to a
12 taxing district as provided in Section 18-213, "taxing
13 district" also includes those taxing districts made subject
14 to this Law as provided in Section 18-213.

15 "Aggregate extension" for taxing districts to which this
16 Law applied before the 1995 levy year means the annual
17 corporate extension for the taxing district and those special
18 purpose extensions that are made annually for the taxing
19 district, excluding special purpose extensions: (a) made for
20 the taxing district to pay interest or principal on general
21 obligation bonds that were approved by referendum; (b) made
22 for any taxing district to pay interest or principal on
23 general obligation bonds issued before October 1, 1991; (c)
24 made for any taxing district to pay interest or principal on
25 bonds issued to refund or continue to refund those bonds
26 issued before October 1, 1991; (d) made for any taxing
27 district to pay interest or principal on bonds issued to
28 refund or continue to refund bonds issued after October 1,
29 1991 that were approved by referendum; (e) made for any
30 taxing district to pay interest or principal on revenue bonds
31 issued before October 1, 1991 for payment of which a property
32 tax levy or the full faith and credit of the unit of local
33 government is pledged; however, a tax for the payment of
34 interest or principal on those bonds shall be made only after

1 the governing body of the unit of local government finds that
2 all other sources for payment are insufficient to make those
3 payments; (f) made for payments under a building commission
4 lease when the lease payments are for the retirement of bonds
5 issued by the commission before October 1, 1991, to pay for
6 the building project; (g) made for payments due under
7 installment contracts entered into before October 1, 1991;
8 (h) made for payments of principal and interest on bonds
9 issued under the Metropolitan Water Reclamation District Act
10 to finance construction projects initiated before October 1,
11 1991; (i) made for payments of principal and interest on
12 limited bonds, as defined in Section 3 of the Local
13 Government Debt Reform Act, in an amount not to exceed the
14 debt service extension base less the amount in items (b),
15 (c), (e), and (h) of this definition for non-referendum
16 obligations, except obligations initially issued pursuant to
17 referendum; (j) made for payments of principal and interest
18 on bonds issued under Section 15 of the Local Government Debt
19 Reform Act; and (k) made by a school district that
20 participates in the Special Education District of Lake
21 County, created by special education joint agreement under
22 Section 10-22.31 of the School Code, for payment of the
23 school district's share of the amounts required to be
24 contributed by the Special Education District of Lake County
25 to the Illinois Municipal Retirement Fund under Article 7 of
26 the Illinois Pension Code; the amount of any extension under
27 this item (k) shall be certified by the school district to
28 the county clerk.

29 "Aggregate extension" for the taxing districts to which
30 this Law did not apply before the 1995 levy year (except
31 taxing districts subject to this Law in accordance with
32 Section 18-213) means the annual corporate extension for the
33 taxing district and those special purpose extensions that are
34 made annually for the taxing district, excluding special

1 purpose extensions: (a) made for the taxing district to pay
2 interest or principal on general obligation bonds that were
3 approved by referendum; (b) made for any taxing district to
4 pay interest or principal on general obligation bonds issued
5 before March 1, 1995; (c) made for any taxing district to pay
6 interest or principal on bonds issued to refund or continue
7 to refund those bonds issued before March 1, 1995; (d) made
8 for any taxing district to pay interest or principal on bonds
9 issued to refund or continue to refund bonds issued after
10 March 1, 1995 that were approved by referendum; (e) made for
11 any taxing district to pay interest or principal on revenue
12 bonds issued before March 1, 1995 for payment of which a
13 property tax levy or the full faith and credit of the unit of
14 local government is pledged; however, a tax for the payment
15 of interest or principal on those bonds shall be made only
16 after the governing body of the unit of local government
17 finds that all other sources for payment are insufficient to
18 make those payments; (f) made for payments under a building
19 commission lease when the lease payments are for the
20 retirement of bonds issued by the commission before March 1,
21 1995 to pay for the building project; (g) made for payments
22 due under installment contracts entered into before March 1,
23 1995; (h) made for payments of principal and interest on
24 bonds issued under the Metropolitan Water Reclamation
25 District Act to finance construction projects initiated
26 before October 1, 1991; (i) made for payments of principal
27 and interest on limited bonds, as defined in Section 3 of the
28 Local Government Debt Reform Act, in an amount not to exceed
29 the debt service extension base less the amount in items (b),
30 (c), and (e) of this definition for non-referendum
31 obligations, except obligations initially issued pursuant to
32 referendum and bonds described in subsection (h) of this
33 definition; (j) made for payments of principal and interest
34 on bonds issued under Section 15 of the Local Government Debt

1 Reform Act; (k) made for payments of principal and interest
2 on bonds authorized by Public Act 88-503 and issued under
3 Section 20a of the Chicago Park District Act for aquarium or
4 museum projects; and (l) made for payments of principal and
5 interest on bonds authorized by Public Act 87-1191 and issued
6 under Section 42 of the Cook County Forest Preserve District
7 Act for zoological park projects; and (m) made pursuant to
8 Section 34-53.5 of the School Code, whether levied annually
9 or not.

10 "Aggregate extension" for all taxing districts to which
11 this Law applies in accordance with Section 18-213, except
12 for those taxing districts subject to paragraph (2) of
13 subsection (e) of Section 18-213, means the annual corporate
14 extension for the taxing district and those special purpose
15 extensions that are made annually for the taxing district,
16 excluding special purpose extensions: (a) made for the taxing
17 district to pay interest or principal on general obligation
18 bonds that were approved by referendum; (b) made for any
19 taxing district to pay interest or principal on general
20 obligation bonds issued before the date on which the
21 referendum making this Law applicable to the taxing district
22 is held; (c) made for any taxing district to pay interest or
23 principal on bonds issued to refund or continue to refund
24 those bonds issued before the date on which the referendum
25 making this Law applicable to the taxing district is held;
26 (d) made for any taxing district to pay interest or principal
27 on bonds issued to refund or continue to refund bonds issued
28 after the date on which the referendum making this Law
29 applicable to the taxing district is held if the bonds were
30 approved by referendum after the date on which the referendum
31 making this Law applicable to the taxing district is held;
32 (e) made for any taxing district to pay interest or principal
33 on revenue bonds issued before the date on which the
34 referendum making this Law applicable to the taxing district

1 is held for payment of which a property tax levy or the full
2 faith and credit of the unit of local government is pledged;
3 however, a tax for the payment of interest or principal on
4 those bonds shall be made only after the governing body of
5 the unit of local government finds that all other sources for
6 payment are insufficient to make those payments; (f) made for
7 payments under a building commission lease when the lease
8 payments are for the retirement of bonds issued by the
9 commission before the date on which the referendum making
10 this Law applicable to the taxing district is held to pay for
11 the building project; (g) made for payments due under
12 installment contracts entered into before the date on which
13 the referendum making this Law applicable to the taxing
14 district is held; (h) made for payments of principal and
15 interest on limited bonds, as defined in Section 3 of the
16 Local Government Debt Reform Act, in an amount not to exceed
17 the debt service extension base less the amount in items (b),
18 (c), and (e) of this definition for non-referendum
19 obligations, except obligations initially issued pursuant to
20 referendum; (i) made for payments of principal and interest
21 on bonds issued under Section 15 of the Local Government Debt
22 Reform Act; and (j) made for a qualified airport authority to
23 pay interest or principal on general obligation bonds issued
24 for the purpose of paying obligations due under, or financing
25 airport facilities required to be acquired, constructed,
26 installed or equipped pursuant to, contracts entered into
27 before March 1, 1996 (but not including any amendments to
28 such a contract taking effect on or after that date).

29 "Aggregate extension" for all taxing districts to which
30 this Law applies in accordance with paragraph (2) of
31 subsection (e) of Section 18-213 means the annual corporate
32 extension for the taxing district and those special purpose
33 extensions that are made annually for the taxing district,
34 excluding special purpose extensions: (a) made for the taxing

1 district to pay interest or principal on general obligation
2 bonds that were approved by referendum; (b) made for any
3 taxing district to pay interest or principal on general
4 obligation bonds issued before the effective date of this
5 amendatory Act of 1997; (c) made for any taxing district to
6 pay interest or principal on bonds issued to refund or
7 continue to refund those bonds issued before the effective
8 date of this amendatory Act of 1997; (d) made for any taxing
9 district to pay interest or principal on bonds issued to
10 refund or continue to refund bonds issued after the effective
11 date of this amendatory Act of 1997 if the bonds were
12 approved by referendum after the effective date of this
13 amendatory Act of 1997; (e) made for any taxing district to
14 pay interest or principal on revenue bonds issued before the
15 effective date of this amendatory Act of 1997 for payment of
16 which a property tax levy or the full faith and credit of the
17 unit of local government is pledged; however, a tax for the
18 payment of interest or principal on those bonds shall be made
19 only after the governing body of the unit of local government
20 finds that all other sources for payment are insufficient to
21 make those payments; (f) made for payments under a building
22 commission lease when the lease payments are for the
23 retirement of bonds issued by the commission before the
24 effective date of this amendatory Act of 1997 to pay for the
25 building project; (g) made for payments due under installment
26 contracts entered into before the effective date of this
27 amendatory Act of 1997; (h) made for payments of principal
28 and interest on limited bonds, as defined in Section 3 of the
29 Local Government Debt Reform Act, in an amount not to exceed
30 the debt service extension base less the amount in items (b),
31 (c), and (e) of this definition for non-referendum
32 obligations, except obligations initially issued pursuant to
33 referendum; (i) made for payments of principal and interest
34 on bonds issued under Section 15 of the Local Government Debt

1 Reform Act; and (j) made for a qualified airport authority to
2 pay interest or principal on general obligation bonds issued
3 for the purpose of paying obligations due under, or financing
4 airport facilities required to be acquired, constructed,
5 installed or equipped pursuant to, contracts entered into
6 before March 1, 1996 (but not including any amendments to
7 such a contract taking effect on or after that date).

8 "Debt service extension base" means an amount equal to
9 that portion of the extension for a taxing district for the
10 1994 levy year, or for those taxing districts subject to this
11 Law in accordance with Section 18-213, except for those
12 subject to paragraph (2) of subsection (e) of Section 18-213,
13 for the levy year in which the referendum making this Law
14 applicable to the taxing district is held, or for those
15 taxing districts subject to this Law in accordance with
16 paragraph (2) of subsection (e) of Section 18-213 for the
17 1996 levy year, constituting an extension for payment of
18 principal and interest on bonds issued by the taxing district
19 without referendum, but not including (i) bonds authorized by
20 Public Act 88-503 and issued under Section 20a of the Chicago
21 Park District Act for aquarium and museum projects; (ii)
22 bonds issued under Section 15 of the Local Government Debt
23 Reform Act; ~~or~~ (iii) refunding obligations issued to refund
24 or to continue to refund obligations initially issued
25 pursuant to referendum; or (iv) bonds issued for fire
26 prevention and safety purposes under Section 17-2.11 of the
27 School Code after the effective date of this amendatory Act
28 of the 92nd General Assembly and bonds issued to refund the
29 fire prevention and safety bonds issued after the effective
30 date of this amendatory Act of the 92nd General Assembly. The
31 debt service extension base may be established or increased
32 as provided under Section 18-212.

33 "Special purpose extensions" include, but are not limited
34 to, extensions for levies made on an annual basis for

1 unemployment and workers' compensation, self-insurance,
2 contributions to pension plans, and extensions made pursuant
3 to Section 6-601 of the Illinois Highway Code for a road
4 district's permanent road fund whether levied annually or
5 not. The extension for a special service area is not
6 included in the aggregate extension.

7 "Aggregate extension base" means the taxing district's
8 last preceding aggregate extension as adjusted under Sections
9 18-215 through 18-230.

10 "Levy year" has the same meaning as "year" under Section
11 1-155.

12 "New property" means (i) the assessed value, after final
13 board of review or board of appeals action, of new
14 improvements or additions to existing improvements on any
15 parcel of real property that increase the assessed value of
16 that real property during the levy year multiplied by the
17 equalization factor issued by the Department under Section
18 17-30 and (ii) the assessed value, after final board of
19 review or board of appeals action, of real property not
20 exempt from real estate taxation, which real property was
21 exempt from real estate taxation for any portion of the
22 immediately preceding levy year, multiplied by the
23 equalization factor issued by the Department under Section
24 17-30. In addition, the county clerk in a county containing
25 a population of 3,000,000 or more shall include in the 1997
26 recovered tax increment value for any school district, any
27 recovered tax increment value that was applicable to the 1995
28 tax year calculations.

29 "Qualified airport authority" means an airport authority
30 organized under the Airport Authorities Act and located in a
31 county bordering on the State of Wisconsin and having a
32 population in excess of 200,000 and not greater than 500,000.

33 "Recovered tax increment value" means, except as
34 otherwise provided in this paragraph, the amount of the

1 current year's equalized assessed value, in the first year
2 after a municipality terminates the designation of an area as
3 a redevelopment project area previously established under the
4 Tax Increment Allocation Development Act in the Illinois
5 Municipal Code, previously established under the Industrial
6 Jobs Recovery Law in the Illinois Municipal Code, or
7 previously established under the Economic Development Area
8 Tax Increment Allocation Act, of each taxable lot, block,
9 tract, or parcel of real property in the redevelopment
10 project area over and above the initial equalized assessed
11 value of each property in the redevelopment project area.
12 For the taxes which are extended for the 1997 levy year, the
13 recovered tax increment value for a non-home rule taxing
14 district that first became subject to this Law for the 1995
15 levy year because a majority of its 1994 equalized assessed
16 value was in an affected county or counties shall be
17 increased if a municipality terminated the designation of an
18 area in 1993 as a redevelopment project area previously
19 established under the Tax Increment Allocation Development
20 Act in the Illinois Municipal Code, previously established
21 under the Industrial Jobs Recovery Law in the Illinois
22 Municipal Code, or previously established under the Economic
23 Development Area Tax Increment Allocation Act, by an amount
24 equal to the 1994 equalized assessed value of each taxable
25 lot, block, tract, or parcel of real property in the
26 redevelopment project area over and above the initial
27 equalized assessed value of each property in the
28 redevelopment project area. In the first year after a
29 municipality removes a taxable lot, block, tract, or parcel
30 of real property from a redevelopment project area
31 established under the Tax Increment Allocation Development
32 Act in the Illinois Municipal Code, the Industrial Jobs
33 Recovery Law in the Illinois Municipal Code, or the Economic
34 Development Area Tax Increment Allocation Act, "recovered tax

1 increment value" means the amount of the current year's
 2 equalized assessed value of each taxable lot, block, tract,
 3 or parcel of real property removed from the redevelopment
 4 project area over and above the initial equalized assessed
 5 value of that real property before removal from the
 6 redevelopment project area.

7 Except as otherwise provided in this Section, "limiting
 8 rate" means a fraction the numerator of which is the last
 9 preceding aggregate extension base times an amount equal to
 10 one plus the extension limitation defined in this Section and
 11 the denominator of which is the current year's equalized
 12 assessed value of all real property in the territory under
 13 the jurisdiction of the taxing district during the prior levy
 14 year. For those taxing districts that reduced their
 15 aggregate extension for the last preceding levy year, the
 16 highest aggregate extension in any of the last 3 preceding
 17 levy years shall be used for the purpose of computing the
 18 limiting rate. The denominator shall not include new
 19 property. The denominator shall not include the recovered
 20 tax increment value.

21 (Source: P.A. 90-485, eff. 1-1-98; 90-511, eff. 8-22-97;
 22 90-568, eff. 1-1-99; 90-616, eff. 7-10-98; 90-655, eff.
 23 7-30-98; 91-357, eff. 7-29-99; 91-478, eff. 11-1-99.)

24 (35 ILCS 200/18-190.5 new)

25 Sec. 18-190.5. School districts. The requirements of
 26 Section 18-190 of this Code for a direct referendum on the
 27 imposition of a new or increased tax rate do not apply to tax
 28 levies that are not included in the aggregate extension
 29 pursuant to clause (m) of Section 18-185 of this Code.

30 (35 ILCS 200/18-201 new)

31 Sec. 18-201. School districts.

32 (a) The aggregate extension for a school district shall

1 not include any extension (i) made for fire prevention and
 2 safety purposes under Section 17-2.11 of the School Code
 3 produced by that portion of the rate for that purpose in
 4 excess of the district's maximum permissible rate for that
 5 purpose immediately prior to the effective date of this
 6 amendatory Act of the 92nd General Assembly or (ii) made for
 7 payments of principal and interest on fire prevention and
 8 safety bonds issued under Section 17-2.11 of the School Code
 9 after the effective date of this amendatory Act of the 92nd
 10 General Assembly or on bonds issued to refund the fire
 11 prevention and safety bonds issued after the effective date
 12 of this amendatory Act of the 92nd General Assembly.

13 (b) The requirements of Section 18-190 of this Code for
 14 a direct referendum on the imposition of a new or increased
 15 tax rate shall not apply to the tax levies that are not
 16 included in the aggregate extension pursuant to this Section.

17 (35 ILCS 200/18-200 rep.)

18 Section 10. The Property Tax Code is amended by
 19 repealing Section 18-200.

20 Section 15. The School Code is amended by changing
 21 Sections 1B-4, 1B-5, 1B-8, 2-3.12, 10-22.14, 17-2.2, 17-2.11,
 22 and 19-1 and adding Section 34-53.5 as follows:

23 (105 ILCS 5/1B-4) (from Ch. 122, par. 1B-4)

24 Sec. 1B-4. Establishment of Emergency Financial
 25 Assistance and Financial Oversight Panel. When approved by
 26 the State Board under this Article there is established a
 27 body both corporate and politic to be known as the "(Name of
 28 School District) Financial Oversight Panel" which, in such
 29 name, shall exercise all authority vested in such Panels by
 30 this Article.

31 Upon the affirmative vote of not less than a majority of

1 its full membership, a local board of education of a school
2 district that has been certified to be in financial
3 difficulty under Section 1A-8 may petition the State Board of
4 Education for emergency financial assistance and the
5 establishment of a Financial Oversight Panel for the district
6 as provided under this Article. In addition, the State
7 Superintendent of Education may petition the State Board of
8 Education for the establishment of a Financial Oversight
9 Panel, with or without emergency financial assistance, for
10 any district that has failed to comply with its financial
11 plan and has had the plan rescinded by the State Board as
12 provided in Section 1A-8. No petition for emergency
13 financial assistance shall be approved by the State Board
14 unless there is also established a Financial Oversight Panel.

15 In determining whether to allow the petition the State
16 Board shall consider the following factors among others that
17 it deems relevant:

18 (a) whether the petition is in the best educational
19 interests of the pupils of the district;

20 (b) whether the petition is in the near and long term
21 best financial interests of the district;

22 (c) whether the district has sufficient pupil enrollment
23 and assessed valuation to provide and maintain recognized
24 schools;

25 (d) whether the petition is in the best interests of the
26 other schools of the area and the educational welfare of all
27 of the pupils therein; and

28 (e) whether the board of education has complied with the
29 requirements of Section 1A-8.

30 The State Board may vote to either grant or deny the
31 petition based upon the recommendation of the State
32 Superintendent of Education and any other testimony or
33 documentary evidence the State Board deems relevant. The
34 decision of the State Board whether to grant or deny the

1 petition shall be final. If an approved petition requests
2 emergency financial assistance, the school district shall be
3 eligible for emergency State financial assistance, subject to
4 the other provisions of this Article.

5 A Financial Oversight Panel created pursuant to a
6 petition filed by a school district may petition the State
7 Board of Education to be reconstituted as a Panel having the
8 powers, duties, legal status, and privileges of a Panel
9 established by the State Board for a district that has had
10 its financial plan rescinded by the State Board for violating
11 that plan as provided in Section 1A-8. The State Board may
12 grant such petition upon determining that approval of the
13 petition is in the best financial interests of the district.
14 Upon approval of the petition, the Panel shall have the same
15 powers, duties, legal status, and privileges of a Panel
16 established for a district that has had its financial plan
17 rescinded by the State Board for violating that plan as
18 provided in Section 1A-8. The changes made to this Section
19 by this amendatory Act of the 92nd General Assembly apply to
20 all Financial Oversight Panels, whether created before, on,
21 or after the effective date of this amendatory Act.

22 (Source: P.A. 88-618, eff. 9-9-94.)

23 (105 ILCS 5/1B-5) (from Ch. 122, par. 1B-5)

24 Sec. 1B-5. Appointment of Panel; meetings; reports;
25 dissolution of Panel. When a petition establishing a
26 Financial Oversight Panel ~~for-emergency-financial--assistance~~
27 ~~for--a--school--district~~ is allowed by the State Board under
28 Section 1B-4, the State Superintendent shall within 10 days
29 thereafter appoint 5 3 members to serve at the State
30 Superintendent's pleasure on a Financial Oversight Panel for
31 the district, or for a Panel in which 3 members have been
32 appointed before the effective date of this amendatory Act of
33 the 92nd General Assembly, the State Superintendent shall

1 appoint 2 additional members. The State Superintendent shall
2 designate one of the members of the Panel to serve as its
3 Chairman. In the event of vacancy or resignation the State
4 Superintendent shall appoint a successor within 10 days of
5 receiving notice thereof.

6 Members of the Panel shall be selected primarily on the
7 basis of their experience and education in financial
8 management, with consideration given to persons knowledgeable
9 in education finance. A member of the Panel may not be a
10 board member or employee of the district for which the Panel
11 is constituted, nor may a member have a direct financial
12 interest in that district.

13 Panel members shall serve without compensation, but may
14 be reimbursed for travel and other necessary expenses
15 incurred in the performance of their official duties by the
16 State Board. The amount reimbursed Panel members for their
17 expenses shall be charged to the school district as part of
18 any emergency financial assistance and incorporated as a part
19 of the terms and conditions for repayment of such assistance
20 or shall be deducted from the district's general State aid as
21 provided in Section 1B-8.

22 The first meeting of the Panel shall be held at the call
23 of the Chairman. The Panel may elect such other officers as
24 it deems appropriate. The Panel shall prescribe the times
25 and places for its meetings and the manner in which regular
26 and special meetings may be called, and shall comply with the
27 Open Meetings Act.

28 Three ~~Two~~ members of the Panel shall constitute a quorum,
29 and the affirmative vote of 3 ~~2~~ members shall be necessary
30 for any decision or action to be taken by the Panel.

31 The Panel and the State Superintendent shall cooperate
32 with each other in the exercise of their respective powers.
33 The Panel shall report not later than September 1 annually to
34 the State Board and the State Superintendent with respect to

1 its activities and the condition of the school district for
2 the previous fiscal year.

3 Any Financial Oversight Panel established under this
4 Article shall remain in existence for not less than 3 years
5 nor more than 10 years from the date the State Board grants
6 the petition under Section 1B-4. If after 3 years the school
7 district has repaid all of its obligations resulting from
8 emergency State financial assistance provided under this
9 Article and has improved its financial situation, the board
10 of education may, not more frequently than once in any 12
11 month period, petition the State Board to dissolve the
12 Financial Oversight Panel, terminate the oversight
13 responsibility, and remove the district's certification under
14 Section 1A-8 as a district in financial difficulty. In
15 acting on such a petition the State Board shall give
16 additional weight to the recommendations of the State
17 Superintendent and the Financial Oversight Panel.

18 The changes made to this Section by this amendatory Act
19 of the 92nd General Assembly apply to all Financial Oversight
20 Panels, whether created before, on, or after the effective
21 date of this amendatory Act.

22 (Source: P.A. 88-618, eff. 9-9-94.)

23 (105 ILCS 5/1B-8) (from Ch. 122, par. 1B-8)

24 Sec. 1B-8. School District Emergency Financial Assistance
25 Fund; loans and grants. There is created in the State
26 Treasury a special fund to be known as the School District
27 Emergency Financial Assistance Fund (the "Fund"). The School
28 District Emergency Financial Assistance Fund shall consist of
29 appropriations, grants from the federal government and
30 donations from any public or private source. Moneys in the
31 Fund may be appropriated only to the State Board for the
32 purposes of this Article. The appropriation may be allocated
33 and expended by the State Board as grants or loans to school

1 districts which are the subject of an approved petition for
2 emergency financial assistance under Section 1B-4. From the
3 amount allocated to each such school district the State Board
4 shall identify a sum sufficient to cover all approved costs
5 of the Financial Oversight Panel established for the
6 respective school district. If the State Board and State
7 Superintendent of Education have not approved emergency
8 financial assistance in conjunction with the appointment of a
9 Financial Oversight Panel, the Panel's approved costs shall
10 be paid from deductions from the district's general State
11 aid.

12 The Financial Oversight Panel may prepare and file with
13 the State Superintendent a proposal for emergency financial
14 assistance for the school district and for the operations
15 budget of the Panel. No expenditures shall be authorized by
16 the State Superintendent until he has approved the proposal
17 of the Panel, either as submitted or in such lesser amount
18 determined by the State Superintendent.

19 The maximum amount of an emergency financial assistance
20 loan which may be allocated to any school district under this
21 Article, including moneys necessary for the operations of the
22 Panel, shall not exceed \$1000 times the number of pupils
23 enrolled in the school district during the school year ending
24 June 30 prior to the date of approval by the State Board of
25 the petition for emergency financial assistance, as certified
26 to the local board and the Panel by the State Superintendent.
27 An emergency financial assistance grant shall not exceed \$250
28 times the number of such pupils. A district may receive both
29 a loan and a grant. Any moneys provided to a local board of
30 education as a loan shall not be subject to any limitation on
31 debt established under Article 19 of this Code.

32 The payment of an emergency State financial assistance
33 grant or loan shall be subject to appropriation by the
34 General Assembly. Emergency State financial assistance

1 allocated and paid to a school district under this Article
2 may be applied to any fund or funds from which the local
3 board of education of that district is authorized to make
4 expenditures by law.

5 Any emergency financial assistance proposed by the
6 Financial Oversight Panel and approved by the State
7 Superintendent may be paid in its entirety during the initial
8 year of the Panel's existence or spread in equal or declining
9 amounts over a period of years not to exceed the period of
10 the Panel's existence. All loan payments made from the
11 School District Emergency Financial Assistance Fund for a
12 school district shall be required to be repaid, with simple
13 interest over the term of the loan at a rate equal to 50% of
14 the discount rate on one-year United States Treasury Bills as
15 determined by the last auction of those one-year bills that
16 precedes the date on which the district's loan is approved by
17 the State Board of Education, not later than the date the
18 Financial Oversight Panel ceases to exist. The Panel shall
19 establish and the State Superintendent shall approve the
20 terms and conditions, including the schedule, of repayments.
21 The schedule shall provide for repayments commencing July 1
22 of each year. Repayment shall be incorporated into the annual
23 budget of the school district and may be made from any fund
24 or funds of the district in which there are moneys available.
25 When moneys are repaid as provided herein they shall not be
26 made available to the local board for further use as
27 emergency financial assistance under this Article at any time
28 thereafter. All repayments required to be made by a school
29 district shall be received by the State Board and deposited
30 in the School District Emergency Financial Assistance Fund.

31 The board of any school district that receives a loan
32 authorized under this Section shall provide for a separate
33 tax for emergency financial assistance repayment purposes.
34 The separate tax levy shall be in an amount sufficient to

1 repay the emergency financial assistance under the terms and
 2 conditions set by the Panel and approved by the State
 3 Superintendent. Notwithstanding any law to the contrary, the
 4 separate tax levy for emergency financial assistance
 5 repayment shall not be subject to referendum approval.

6 The changes made to this Section by this amendatory Act
 7 of the 92nd General Assembly apply to all Financial Oversight
 8 Panels, whether created before, on, or after the effective
 9 date of this amendatory Act.

10 ~~In establishing the terms and conditions for the~~
 11 ~~repayment obligation of the school district the Panel shall~~
 12 ~~annually determine whether a separate local property tax levy~~
 13 ~~is required. The board of any school district with a tax~~
 14 ~~rate for educational purposes for the prior year of less than~~
 15 ~~120% of the maximum rate for educational purposes authorized~~
 16 ~~by Section 17-2 shall provide for a separate tax levy for~~
 17 ~~emergency financial assistance repayment purposes. Such tax~~
 18 ~~levy shall not be subject to referendum approval. The amount~~
 19 ~~of the levy shall be equal to the amount necessary to meet~~
 20 ~~the annual repayment obligations of the district as~~
 21 ~~established by the Panel, or 20% of the amount levied for~~
 22 ~~educational purposes for the prior year, whichever is less.~~
 23 ~~However, no district shall be required to levy the tax if the~~
 24 ~~district's operating tax rate as determined under Section~~
 25 ~~18-8 or 18-8.05 exceeds 200% of the district's tax rate for~~
 26 ~~educational purposes for the prior year.~~

27 (Source: P.A. 90-548, eff. 1-1-98; 90-802, eff. 12-15-98.)

28 (105 ILCS 5/2-3.12) (from Ch. 122, par. 2-3.12)
 29 Sec. 2-3.12. School building code. To prepare for school
 30 boards with the advice of the Department of Public Health,
 31 the Capital Development Board, and the State Fire Marshal a
 32 school building code that will conserve the health and safety
 33 and general welfare of the pupils and school personnel and

1 others who use public school facilities.

2 The document known as "Efficient and Adequate Standards
3 for the Construction of Schools" applies only to temporary
4 school facilities, new school buildings, and additions to
5 existing schools whose construction contracts are awarded
6 after July 1, 1965. On or before July 1, 1967, each school
7 board shall have its school district buildings that were
8 constructed prior to January 1, 1955, surveyed by an
9 architect or engineer licensed in the State of Illinois as to
10 minimum standards necessary to conserve the health and safety
11 of the pupils enrolled in the school buildings of the
12 district. Buildings constructed between January 1, 1955 and
13 July 1, 1965, not owned by the State of Illinois, shall be
14 surveyed by an architect or engineer licensed in the State of
15 Illinois beginning 10 years after acceptance of the completed
16 building by the school board. Buildings constructed between
17 January 1, 1955 and July 1, 1955 and previously exempt under
18 the provisions of Section 35-27 shall be surveyed prior to
19 July 1, 1977 by an architect or engineer licensed in the
20 State of Illinois. The architect or engineer, using the
21 document known as "Building Specifications for Health and
22 Safety in Public Schools" as a guide, shall make a report of
23 the findings of the survey to the school board, giving
24 priority in that report to fire safety problems and
25 recommendations thereon if any such problems exist. The
26 school board of each district so surveyed and receiving a
27 report of needed recommendations to be made to improve
28 standards of safety and health of the pupils enrolled has
29 until July 1, 1970, or in case of buildings not owned by the
30 State of Illinois and completed between January 1, 1955 and
31 July 1, 1965 or in the case of buildings previously exempt
32 under the provisions of Section 35-27 has a period of 3 years
33 after the survey is commenced, to effectuate those
34 recommendations, giving first attention to the

1 recommendations in the survey report having priority status,
2 and is authorized to levy the tax provided for in Section
3 17-2.11, according to the provisions of that Section, to make
4 such improvements. School boards unable to effectuate those
5 recommendations prior to July 1, 1970, on July 1, 1980 in the
6 case of buildings previously exempt under the provisions of
7 Section 35-27, may petition the State Superintendent of
8 Education upon the recommendation of the Regional
9 Superintendent for an extension of time. The extension of
10 time may be granted by the State Superintendent of Education
11 for a period of one year, but may be extended from year to
12 year provided substantial progress, in the opinion of the
13 State Superintendent of Education, is being made toward
14 compliance.

15 Within 2 years after the effective date of this
16 amendatory Act of 1983, and every 10 years thereafter, or at
17 such other times as the State Board of Education deems
18 necessary or the regional superintendent so orders, each
19 school board subject to the provisions of this Section shall
20 again survey its school buildings and effectuate any
21 recommendations in accordance with the procedures set forth
22 herein. An architect or engineer licensed in the State of
23 Illinois is required to conduct the surveys under the
24 provisions of this Section and shall make a report of the
25 findings of the survey titled "safety survey report" to the
26 school board. The school board shall approve the safety
27 survey report, including any recommendations to effectuate
28 compliance with the code, and submit it to the Regional
29 Superintendent. The Regional Superintendent shall render a
30 decision regarding approval or denial and submit the safety
31 survey report to the State Superintendent of Education. The
32 State Superintendent of Education shall approve or deny the
33 report including recommendations to effectuate compliance
34 with the code and, if approved, issue a certificate of

1 approval. Upon receipt of the certificate of approval, the
2 Regional Superintendent shall issue an order to effect any
3 approved recommendations included in the report. Items in
4 the report shall be prioritized. Urgent items shall be
5 considered as those items related to life safety problems
6 that present an immediate hazard to the safety of students.
7 Required items shall be considered as those items that are
8 necessary for a safe environment but present less of an
9 immediate hazard to the safety of students. Urgent and
10 required items shall be defined in rules adopted by the State
11 Board of Education. Urgent and required items shall reference
12 a specific rule in the code authorized by this Section that
13 is currently being violated or will be violated within the
14 next 12 months if the violation is not remedied. The school
15 board of each district so surveyed and receiving a report of
16 needed recommendations to be made to maintain standards of
17 safety and health of the pupils enrolled shall effectuate the
18 correction of urgent items as soon as achievable to ensure
19 the safety of the students, but in no case more than one year
20 after the date of the State Superintendent of Education's
21 approval of the recommendation. Required items shall be
22 corrected in a timely manner, but in no case more than 3 5
23 years from the date of the State Superintendent of
24 Education's approval of the recommendation. Once each year
25 the school board shall submit a report of progress on
26 completion of any recommendations to effectuate compliance
27 with the code. For each year that the school board does not
28 effectuate any or all approved recommendations, it shall
29 petition the Regional Superintendent and the State
30 Superintendent of Education detailing what work was completed
31 in the previous year and a work plan for completion of the
32 remaining work. If in the judgement of the Regional
33 Superintendent and the State Superintendent of Education
34 substantial progress has been made and just cause has been

1 shown by the school board, the petition for a one year
2 extension of time may be approved.

3 As soon as practicable, but not later than 2 years after
4 the effective date of this amendatory Act of 1992, the State
5 Board of Education shall combine the document known as
6 "Efficient and Adequate Standards for the Construction of
7 Schools" with the document known as "Building Specifications
8 for Health and Safety in Public Schools" together with any
9 modifications or additions that may be deemed necessary. The
10 combined document shall be known as the "Health/Life Safety
11 Code for Public Schools" and shall be the governing code for
12 all facilities that house public school students or are
13 otherwise used for public school purposes, whether such
14 facilities are permanent or temporary and whether they are
15 owned, leased, rented, or otherwise used by the district.
16 Facilities owned by a school district but that are not used
17 to house public school students or are not used for public
18 school purposes shall be governed by separate provisions
19 within the code authorized by this Section.

20 The 10 year survey cycle specified in this Section shall
21 continue to apply based upon the standards contained in the
22 "Health/Life Safety Code for Public Schools", which shall
23 specify building standards for buildings that are constructed
24 prior to the effective date of this amendatory Act of 1992
25 and for buildings that are constructed after that date.

26 The "Health/Life Safety Code for Public Schools" shall be
27 the governing code for public schools; however, the
28 provisions of this Section shall not preclude inspection of
29 school premises and buildings pursuant to Section 9 of the
30 Fire Investigation Act, provided that the provisions of the
31 "Health/Life Safety Code for Public Schools", or such
32 predecessor document authorized by this Section as may be
33 applicable are used, and provided that those inspections are
34 coordinated with the Regional Superintendent having

1 jurisdiction over the public school facility. Any agency
 2 having jurisdiction beyond the scope of the applicable
 3 document authorized by this Section may issue a lawful order
 4 to a school board to effectuate recommendations, and the
 5 school board receiving the order shall certify to the
 6 Regional Superintendent and the State Superintendent of
 7 Education when it has complied with the order.

8 The State Board of Education is authorized to adopt any
 9 rules that are necessary relating to the administration and
 10 enforcement of the provisions of this Section. The code
 11 authorized by this Section shall apply only to those school
 12 districts having a population of less than 500,000
 13 inhabitants.

14 (Source: P.A. 89-397, eff. 8-20-95; 90-811, eff. 1-26-99.)

15 (105 ILCS 5/10-22.14) (from Ch. 122, par. 10-22.14)

16 Sec. 10-22.14. Borrowing money and issuing bonds. To
 17 borrow money, and issue bonds for the purposes and in the
 18 manner provided by this Act.

19 When bond proceeds from the sale of bonds include a
 20 premium, or when the proceeds of bonds issued for the fire
 21 ~~prevention, safety, energy conservation, and school security~~
 22 purposes as specified in Section 17-2.11 are invested as
 23 authorized by law, the board shall determine by resolution
 24 whether the interest earned on the investment of bond
 25 proceeds authorized under Section 17-2.11 or the premium
 26 realized in the sale of bonds, as the case may be, is to be
 27 used for the purposes for which the bonds were issued or,
 28 instead, for payment of the principal indebtedness and
 29 interest on those bonds.

30 When bonds, other than bonds issued for the fire
 31 ~~prevention, safety, energy conservation, and school security~~
 32 purposes as specified in Section 17-2.11 are issued by any
 33 school district, and the purposes for which the bonds have

1 been issued are accomplished and paid for in full, and there
 2 remain funds on hand from the proceeds of the bonds so
 3 issued, the board by resolution may transfer those excess
 4 funds to the operations and maintenance fund.

5 When bonds are issued by any school district for the fire
 6 ~~prevention, safety, energy conservation, and school security~~
 7 purposes as specified in Section 17-2.11, and the purposes
 8 for which the bonds have been issued are accomplished and
 9 paid in full, and there remain funds on hand from the
 10 proceeds of the bonds issued, the board by resolution shall
 11 use those excess funds (1) for other authorized ~~fire~~
 12 ~~prevention, safety, energy conservation, and school security~~
 13 purposes as specified in Section 17-2.11 or (2) for transfer
 14 to the Bond and Interest Fund for payment of principal and
 15 interest on those bonds. If any transfer is made to the Bond
 16 and Interest Fund, the secretary of the school board shall
 17 within 30 days notify the county clerk of the amount of that
 18 transfer and direct the clerk to abate the taxes to be
 19 extended for the purposes of principal and interest payments
 20 on the respective bonds issued under Section 17-2.11 by an
 21 amount equal to such transfer.

22 (Source: P.A. 86-970; 87-984.)

23 (105 ILCS 5/17-2.2) (from Ch. 122, par. 17-2.2)

24 Sec. 17-2.2. Backdoor ~~Back-door~~ referendum. Whenever any
 25 school district first levies a tax at a rate within the limit
 26 prescribed by paragraph (3) of Section 17-2 but in excess of
 27 the maximum permissible on July 9, 1957, or within the limit
 28 prescribed by paragraph (1) or (2) of Section 17-2 but in
 29 excess of the maximum permissible on June 30, 1965, ~~or~~
 30 whenever after August 3, 1989 any school district maintaining
 31 only grades kindergarten through 8 first levies a tax for
 32 transportation purposes for any school year which is within
 33 the limit prescribed for that school year by paragraph (5) of

1 Section 17-2 but in excess of the maximum authorized to be
 2 levied for such purposes for the 1988-89 school year, or
 3 whenever after August 3, 1989 any school district first
 4 levies a tax for operations and maintenance purposes for any
 5 school year which is within the limit prescribed for that
 6 school year by paragraph (3) of Section 17-2 but in excess of
 7 the maximum authorized to be levied for such purposes for the
 8 immediately preceding school year, or whenever a backdoor
 9 referendum is required under Section 17-2.11, the district
 10 shall cause to be published a notice of the proposed tax levy
 11 such---resolution in at least one newspaper of general
 12 circulation ~~or more newspapers--published~~ in the district,
 13 within 10 days after such levy is made. The notice
 14 ~~publication-of-the-resolution~~ shall include ~~a notice--of~~ (1)
 15 the specific number of voters required to sign a petition
 16 requesting that the question of the adoption of the tax levy
 17 be submitted to the voters of the district; (2) the time in
 18 which the petition must be filed; and (3) the date of the
 19 prospective referendum. The district Secretary shall provide
 20 a petition form to any individual requesting one. Any person
 21 ~~taxpayer~~ in such district may, within 30 days after such levy
 22 is made, file with the Secretary of the board of education a
 23 petition signed by the voters of the district equal to 10% or
 24 more of the registered voters of the district requesting the
 25 submission to a referendum of the following proposition:

26 "Shall school district No..... be authorized to levy a
 27 tax for (state purposes) (in excess of.... but not to
 28 exceed....) or (at a rate not to exceed...%) as authorized in
 29 Section.... 17-2 of the School Code?" The secretary of the
 30 board of education shall certify the proposition to the
 31 proper election authorities for submission to the electorate
 32 at a regular scheduled election in accordance with the
 33 general election law.

34 If a majority of the voters voting on the proposition

1 vote in favor thereof, such increased tax shall thereafter be
2 authorized; if a majority of the vote is against such
3 proposition, the previous maximum rate authorized, if any,
4 shall remain in effect until changed by law.

5 (Source: P.A. 86-128; 86-134; 86-1028; 86-1334; 87-767.)

6 (105 ILCS 5/17-2.11) (from Ch. 122, par. 17-2.11)

7 Sec. 17-2.11. School board power to levy a tax or to
8 borrow money and issue bonds for fire prevention, safety,
9 energy conservation, disabled accessibility, school security,
10 and specified repair purposes. Whenever, as a result of any
11 lawful order of any agency, other than a school board, having
12 authority to enforce any school building code applicable to
13 any facility that houses students, or any law or regulation
14 for the protection and safety of the environment, pursuant to
15 the Environmental Protection Act, any school district having
16 a population of less than 500,000 inhabitants is required to
17 alter, repair, or reconstruct any school building or
18 permanent, fixed equipment; or whenever any such district
19 determines that it is necessary for energy conservation
20 purposes that any school building or permanent, fixed
21 equipment should be altered or reconstructed and that such
22 alterations or reconstruction will be made with funds not
23 necessary for the completion of approved and recommended
24 projects contained in any safety survey report or amendments
25 thereto authorized by Section 2-3.12 of this Act; or whenever
26 any such district determines that it is necessary for
27 disabled accessibility purposes and to comply with the school
28 building code that any school building or equipment should be
29 altered or reconstructed and that such alterations or
30 reconstruction will be made with funds not necessary for the
31 completion of approved and recommended projects contained in
32 any safety survey report or amendments thereto authorized
33 under Section 2-3.12 of this Act; or whenever any such

1 district determines that it is necessary for school security
2 purposes and the related protection and safety of pupils and
3 school personnel that any school building or property should
4 be altered or reconstructed or that security systems and
5 equipment (including but not limited to intercom, early
6 detection and warning, access control and television
7 monitoring systems) should be purchased and installed, and
8 that such alterations, reconstruction or purchase and
9 installation of equipment will be made with funds not
10 necessary for the completion of approved and recommended
11 projects contained in any safety survey report or amendment
12 thereto authorized by Section 2-3.12 of this Act and will
13 deter and prevent unauthorized entry or activities upon
14 school property by unknown or dangerous persons, assure early
15 detection and advance warning of any such actual or attempted
16 unauthorized entry or activities and help assure the
17 continued safety of pupils and school staff if any such
18 unauthorized entry or activity is attempted or occurs; or if
19 a school district does not need funds for other fire
20 prevention and safety projects, including the completion of
21 approved and recommended projects contained in any safety
22 survey report or amendments thereto authorized by Section
23 2-3.12 of this Act, and it is determined after a public
24 hearing (which is preceded by at least one published notice
25 (i) occurring at least 7 days prior to the hearing in a
26 newspaper of general circulation within the school district
27 and (ii) setting forth the time, date, place, and general
28 subject matter of the hearing) that there is a substantial,
29 immediate, and otherwise unavoidable threat to the health,
30 safety, or welfare of pupils due to disrepair of school
31 sidewalks, playgrounds, parking lots, or school bus
32 turnarounds and repairs must be made: then in any such
33 event, such district may, by proper resolution, levy a tax
34 for the purpose of making such alteration, repair, or

1 reconstruction, based on a survey report by an architect or
2 engineer licensed in the State of Illinois, upon all the
3 taxable property of the district at the value as assessed by
4 the Department of Revenue at a rate not to exceed 0.15% for
5 elementary and high school districts and 0.30% for unit
6 districts .05% per year for a period sufficient to finance
7 such alterations, repairs, or reconstruction, upon the
8 following conditions:

9 (a) When there are not sufficient funds available
10 in either the operations and maintenance fund of the
11 district or the fire prevention and safety fund of the
12 district as determined by the district on the basis of
13 regulations adopted by the State Board of Education to
14 make such alterations, repairs, or reconstruction, or to
15 purchase and install such permanent fixed equipment so
16 ordered or determined as necessary. Appropriate school
17 district records shall be made available to the State
18 Superintendent of Education upon request to confirm such
19 insufficiency.

20 (b) When a certified estimate of an architect or
21 engineer licensed in the State of Illinois stating the
22 estimated amount necessary to make the alterations, ~~or~~
23 repairs, reconstruction or to purchase and install such
24 equipment so ordered has been secured by the district,
25 and the estimate has been approved by the regional
26 superintendent of schools, having jurisdiction of the
27 district, and the State Superintendent of Education.
28 Approval shall not be granted for any work that has
29 already started without the prior express authorization
30 of the State Superintendent of Education. If such
31 estimate is not approved or denied approval by the
32 regional superintendent of schools within 3 months after
33 the date on which it is submitted to him or her, the
34 school board of the district may submit such estimate

1 directly to the State Superintendent of Education for
2 approval or denial.

3 (c) Whenever a school district subject to the
4 Property Tax Extension Limitation Law first levies the
5 tax at a rate permitted by this amendatory Act of the
6 92nd General Assembly but in excess of its maximum
7 permissible rate for that purpose immediately prior to
8 the effective date of this amendatory Act of the 92nd
9 General Assembly, the rate increase shall be subject to a
10 backdoor referendum using the procedures provided in
11 Section 17-2.2 of this Code, except that the backdoor
12 referendum shall be required if the petition for the
13 backdoor referendum is signed by 5% or more of the
14 registered voters of the district.

15 For purposes of this Section a school district may
16 replace a school building or build additions to replace
17 portions of a building when it is determined that the
18 effectuation of the recommendations for the existing building
19 will cost more than the replacement costs. Such
20 determination shall be based on a comparison of estimated
21 costs made by an architect or engineer licensed in the State
22 of Illinois. The new building or addition shall be
23 equivalent in area (square feet) and comparable in purpose
24 and grades served and may be on the same site or another
25 site. Such replacement may only be done upon order of the
26 regional superintendent of schools and the approval of the
27 State Superintendent of Education.

28 The filing of a certified copy of the resolution levying
29 the tax when accompanied by the certificates of the regional
30 superintendent of schools and State Superintendent of
31 Education shall be the authority of the county clerk to
32 extend such tax.

33 The county clerk of the county in which any school
34 district levying a tax under the authority of this Section is

1 located, in reducing raised levies, shall not consider any
 2 such tax as a part of the general levy for school purposes
 3 and shall not include the same in the limitation of any other
 4 tax rate which may be extended.

5 Such tax shall be levied and collected in like manner as
 6 all other taxes of school districts, subject to the
 7 provisions contained in this Section.

8 ~~The tax rate limit specified in this Section may be~~
 9 ~~increased to .10% upon the approval of a proposition to~~
 10 ~~effect such increase by a majority of the electors voting on~~
 11 ~~that proposition at a regular scheduled election. Such~~
 12 ~~proposition may be initiated by resolution of the school~~
 13 ~~board and shall be certified by the secretary to the proper~~
 14 ~~election authorities for submission in accordance with the~~
 15 ~~general election law.~~

16 When taxes are levied by any school district for the fire
 17 prevention, safety, energy conservation, and school security
 18 purposes as specified in this Section, and the purposes for
 19 which the taxes have been levied are accomplished and paid in
 20 full, and there remain funds on hand in the Fire Prevention
 21 and Safety Fund from the proceeds of the taxes levied,
 22 including interest earnings thereon, the school board by
 23 resolution shall use such excess and other board restricted
 24 funds excluding bond proceeds and earnings from such proceeds
 25 (1) for other authorized fire prevention, safety, energy
 26 conservation, and school security purposes or (2) for
 27 transfer to the Operations and Maintenance Fund for the
 28 purpose of abating an equal amount of operations and
 29 maintenance purposes taxes. If any transfer is made to the
 30 Operation and Maintenance Fund, the secretary of the school
 31 board shall within 30 days notify the county clerk of the
 32 amount of that transfer and direct the clerk to abate the
 33 taxes to be extended for the purposes of operations and
 34 maintenance authorized under Section 17-2 of this Act by an

1 amount equal to such transfer.

2 If the proceeds from the tax levy authorized by this
3 Section are insufficient to complete the work approved under
4 this Section, the school board is authorized to sell bonds
5 without referendum under the provisions of this Section in an
6 amount that, when added to the proceeds of the tax levy
7 authorized by this Section, will allow completion of the
8 approved work, provided that a district that is subject to
9 the Property Tax Extension Limitation Law shall submit the
10 authorization to a backdoor referendum as provided in this
11 Section. No school district that is subject to the Property
12 Tax Extension Limitation Law may issue bonds under this
13 Section unless it adopts a resolution declaring its intention
14 to issue bonds and directs that notice of this intention be
15 published at least once in a newspaper of general circulation
16 in the district. The notice shall set forth (i) the
17 intention of the district to issue bonds in accordance with
18 this Section, (ii) the time within which a petition may be
19 filed requesting the submission to the voters of the
20 proposition to issue the bonds, (iii) the specific number of
21 voters required to sign the petition, and (iv) the date of
22 the prospective referendum. At the time of publication of
23 the notice and for 30 days thereafter, the secretary of the
24 district shall provide a petition form to any individual
25 requesting one. If within 30 days after the publication a
26 petition is filed with the secretary of the district, signed
27 by the voters of the district equal to 5% or more of the
28 registered voters of the district requesting that the
29 proposition to issue bonds as authorized by this Section be
30 submitted to the voters thereof, then the district shall not
31 be authorized to issue the bonds until the proposition has
32 been certified to the proper election authorities and has
33 been submitted to and approved by a majority of the voters
34 voting on the proposition at a regular scheduled election in

1 accordance with the general election law. If no such
2 petition is filed, or if any and all petitions filed are
3 invalid, the district may issue the bonds.

4 Such bonds shall bear interest at a rate not to exceed
5 the maximum rate authorized by law at the time of the making
6 of the contract, shall mature within 20 years from date, and
7 shall be signed by the president of the school board and the
8 treasurer of the school district. Such bonds issued after the
9 effective date of this amendatory Act of the 92nd General
10 Assembly and any bonds issued to refund such bonds issued
11 after the effective date of this amendatory Act of the 92nd
12 General Assembly shall not be considered debt for purposes of
13 any statutory debt limitation.

14 In order to authorize and issue such bonds, the school
15 board shall adopt a resolution fixing the amount of bonds,
16 the date thereof, the maturities thereof, rates of interest
17 thereof, place of payment and denomination, ~~which shall be in~~
18 ~~denominations of not less than \$100 and not more than \$5,000,~~
19 and provide for the levy and collection of a direct annual
20 tax upon all the taxable property in the school district
21 sufficient to pay the principal and interest on such bonds to
22 maturity. Upon the filing in the office of the county clerk
23 of the county in which the school district is located of a
24 certified copy of the resolution, it is the duty of the
25 county clerk to extend the tax therefor in addition to and in
26 excess of all other taxes heretofore or hereafter authorized
27 to be levied by such school district.

28 After the time such bonds are issued as provided for by
29 this Section, if additional alterations, repairs, or
30 reconstructions are required to be made because of surveys
31 conducted by an architect or engineer licensed in the State
32 of Illinois, the district may levy a tax at a rate not to
33 exceed the rate permitted by this Section ~~.05% per year~~ upon
34 all the taxable property of the district or issue additional

1 bonds, whichever action shall be the most feasible.

2 This Section is cumulative and constitutes complete
3 authority for the issuance of bonds as provided in this
4 Section notwithstanding any other statute or law to the
5 contrary.

6 With respect to instruments for the payment of money
7 issued under this Section either before, on, or after the
8 effective date of Public Act 86-004 (June 6, 1989), it is,
9 and always has been, the intention of the General Assembly
10 (i) that the Omnibus Bond Acts are, and always have been,
11 supplementary grants of power to issue instruments in
12 accordance with the Omnibus Bond Acts, regardless of any
13 provision of this Act that may appear to be or to have been
14 more restrictive than those Acts, (ii) that the provisions of
15 this Section are not a limitation on the supplementary
16 authority granted by the Omnibus Bond Acts, and (iii) that
17 instruments issued under this Section within the
18 supplementary authority granted by the Omnibus Bond Acts are
19 not invalid because of any provision of this Act that may
20 appear to be or to have been more restrictive than those
21 Acts.

22 When the purposes for which the bonds are issued have
23 been accomplished and paid for in full and there remain funds
24 on hand from the proceeds of the bond sale and interest
25 earnings therefrom, the board shall, by resolution, use such
26 excess funds in accordance with the provisions of Section
27 10-22.14 of this Act.

28 Whenever any tax is levied or bonds issued under this
29 Section, the ~~for---fire---prevention,---safety,---energy~~
30 ~~conservation,--and--school--security--purposes,~~ such proceeds
31 shall be deposited and accounted for separately within the
32 Fire Prevention and Safety Fund.

33 (Source: P.A. 88-251; 88-508; 88-628, eff. 9-9-94; 88-670,
34 eff. 12-2-94; 89-235, eff. 8-4-95; 89-397, eff. 8-20-95.)

1 (105 ILCS 5/19-1) (from Ch. 122, par. 19-1)

2 Sec. 19-1. Debt limitations of school districts.

3 (a) School districts shall not be subject to the
4 provisions limiting their indebtedness prescribed in the
5 Local Government Debt Limitation Act "~~An Act to limit the~~
6 ~~indebtedness of counties having a population of less than~~
7 ~~500,000 and townships, school districts and other municipal~~
8 ~~corporations having a population of less than 300,000~~",
9 approved February 15, 1928, as amended.

10 No school districts maintaining grades K through 8 or 9
11 through 12 shall become indebted in any manner or for any
12 purpose to an amount, including existing indebtedness, in the
13 aggregate exceeding 9.0% of ~~6.9%~~ on the equalized assessed
14 value of the taxable property therein to be ascertained by
15 the last assessment for State and county taxes or, until
16 January 1, 1983, if greater, the sum that is produced by
17 multiplying the school district's 1978 equalized assessed
18 valuation by the debt limitation percentage in effect on
19 January 1, 1979, previous to the incurring of such
20 indebtedness.

21 No school districts maintaining grades K through 12 shall
22 become indebted in any manner or for any purpose to an
23 amount, including existing indebtedness, in the aggregate
24 exceeding 18.0% of ~~13.8%~~ on the equalized assessed value of
25 the taxable property therein to be ascertained by the last
26 assessment for State and county taxes or, until January 1,
27 1983, if greater, the sum that is produced by multiplying the
28 school district's 1978 equalized assessed valuation by the
29 debt limitation percentage in effect on January 1, 1979,
30 previous to the incurring of such indebtedness.

31 Notwithstanding the provisions of any other law to the
32 contrary, in any case in which the voters of a school
33 district have approved a proposition for the issuance of
34 bonds of such school district at an election held prior to

1 January 1, 1979, and all of the bonds approved at such
2 election have not been issued, the debt limitation applicable
3 to such school district during the calendar year 1979 shall
4 be computed by multiplying the value of taxable property
5 therein, including personal property, as ascertained by the
6 last assessment for State and county taxes, previous to the
7 incurring of such indebtedness, by the percentage limitation
8 applicable to such school district under the provisions of
9 this subsection (a).

10 (b) Notwithstanding the debt limitation prescribed in
11 subsection (a) of this Section, additional indebtedness may
12 be incurred in an amount not to exceed the estimated cost of
13 acquiring or improving school sites or constructing and
14 equipping additional building facilities under the following
15 conditions:

16 (1) Whenever the enrollment of students for the
17 next school year is estimated by the board of education
18 to increase over the actual present enrollment by not
19 less than 35% or by not less than 200 students or the
20 actual present enrollment of students has increased over
21 the previous school year by not less than 35% or by not
22 less than 200 students and the board of education
23 determines that additional school sites or building
24 facilities are required as a result of such increase in
25 enrollment; and

26 (2) When the Regional Superintendent of Schools
27 having jurisdiction over the school district and the
28 State Superintendent of Education concur in such
29 enrollment projection or increase and approve the need
30 for such additional school sites or building facilities
31 and the estimated cost thereof; and

32 (3) When the voters in the school district approve
33 a proposition for the issuance of bonds for the purpose
34 of acquiring or improving such needed school sites or

1 constructing and equipping such needed additional
 2 building facilities at an election called and held for
 3 that purpose. Notice of such an election shall state that
 4 the amount of indebtedness proposed to be incurred would
 5 exceed the debt limitation otherwise applicable to the
 6 school district. The ballot for such proposition shall
 7 state what percentage of the equalized assessed valuation
 8 will be outstanding in bonds if the proposed issuance of
 9 bonds is approved by the voters; or

10 (4) Notwithstanding the provisions of paragraphs
 11 (1) through (3) of this subsection (b), if the school
 12 board determines that additional facilities are needed to
 13 provide a quality educational program and not less than
 14 2/3 of those voting in an election called by the school
 15 board on the question approve the issuance of bonds for
 16 the construction of such facilities, the school district
 17 may issue bonds for this purpose; or

18 (5) Notwithstanding the provisions of paragraphs
 19 (1) through (3) of this subsection (b), if (i) the school
 20 district has previously availed itself of the provisions
 21 of paragraph (4) of this subsection (b) to enable it to
 22 issue bonds, (ii) the voters of the school district have
 23 not defeated a proposition for the issuance of bonds
 24 since the referendum described in paragraph (4) of this
 25 subsection (b) was held, (iii) the school board
 26 determines that additional facilities are needed to
 27 provide a quality educational program, and (iv) a
 28 majority of those voting in an election called by the
 29 school board on the question approve the issuance of
 30 bonds for the construction of such facilities, the school
 31 district may issue bonds for this purpose.

32 In no event shall the indebtedness incurred pursuant to
 33 this subsection (b) and the existing indebtedness of the
 34 school district exceed 20% ~~15%~~ of the equalized assessed

1 value of the taxable property therein to be ascertained by
2 the last assessment for State and county taxes, previous to
3 the incurring of such indebtedness or, until January 1, 1983,
4 if greater, the sum that is produced by multiplying the
5 school district's 1978 equalized assessed valuation by the
6 debt limitation percentage in effect on January 1, 1979.

7 The indebtedness provided for by this subsection (b)
8 shall be in addition to and in excess of any other debt
9 limitation.

10 (c) Notwithstanding the debt limitation prescribed in
11 subsection (a) of this Section, in any case in which a public
12 question for the issuance of bonds of a proposed school
13 district maintaining grades kindergarten through 12 received
14 at least 60% of the valid ballots cast on the question at an
15 election held on or prior to November 8, 1994, and in which
16 the bonds approved at such election have not been issued, the
17 school district pursuant to the requirements of Section
18 11A-10 may issue the total amount of bonds approved at such
19 election for the purpose stated in the question.

20 (d) Notwithstanding the debt limitation prescribed in
21 subsection (a) of this Section, a school district that meets
22 all the criteria set forth in paragraphs (1) and (2) of this
23 subsection (d) may incur an additional indebtedness in an
24 amount not to exceed \$4,500,000, even though the amount of
25 the additional indebtedness authorized by this subsection
26 (d), when incurred and added to the aggregate amount of
27 indebtedness of the district existing immediately prior to
28 the district incurring the additional indebtedness authorized
29 by this subsection (d), causes the aggregate indebtedness of
30 the district to exceed the debt limitation otherwise
31 applicable to that district under subsection (a):

32 (1) The additional indebtedness authorized by this
33 subsection (d) is incurred by the school district through
34 the issuance of bonds under and in accordance with

1 Section 17-2.11a for the purpose of replacing a school
2 building which, because of mine subsidence damage, has
3 been closed as provided in paragraph (2) of this
4 subsection (d) or through the issuance of bonds under and
5 in accordance with Section 19-3 for the purpose of
6 increasing the size of, or providing for additional
7 functions in, such replacement school buildings, or both
8 such purposes.

9 (2) The bonds issued by the school district as
10 provided in paragraph (1) above are issued for the
11 purposes of construction by the school district of a new
12 school building pursuant to Section 17-2.11, to replace
13 an existing school building that, because of mine
14 subsidence damage, is closed as of the end of the 1992-93
15 school year pursuant to action of the regional
16 superintendent of schools of the educational service
17 region in which the district is located under Section
18 3-14.22 or are issued for the purpose of increasing the
19 size of, or providing for additional functions in, the
20 new school building being constructed to replace a school
21 building closed as the result of mine subsidence damage,
22 or both such purposes.

23 (e) Notwithstanding the debt limitation prescribed in
24 subsection (a) of this Section, a school district that meets
25 all the criteria set forth in paragraphs (1) through (5) of
26 this subsection (e) may, without referendum, incur an
27 additional indebtedness in an amount not to exceed the lesser
28 of \$5,000,000 or 1.5% of the equalized assessed value of the
29 taxable property within the district even though the amount
30 of the additional indebtedness authorized by this subsection
31 (e), when incurred and added to the aggregate amount of
32 indebtedness of the district existing immediately prior to
33 the district incurring that additional indebtedness, causes
34 the aggregate indebtedness of the district to exceed or

1 increases the amount by which the aggregate indebtedness of
2 the district already exceeds the debt limitation otherwise
3 applicable to that district under subsection (a):

4 (1) The State Board of Education certifies the
5 school district under Section 19-1.5 as a financially
6 distressed district.

7 (2) The additional indebtedness authorized by this
8 subsection (e) is incurred by the financially distressed
9 district during the school year or school years in which
10 the certification of the district as a financially
11 distressed district continues in effect through the
12 issuance of bonds for the lawful school purposes of the
13 district, pursuant to resolution of the school board and
14 without referendum, as provided in paragraph (5) of this
15 subsection.

16 (3) The aggregate amount of bonds issued by the
17 financially distressed district during a fiscal year in
18 which it is authorized to issue bonds under this
19 subsection does not exceed the amount by which the
20 aggregate expenditures of the district for operational
21 purposes during the immediately preceding fiscal year
22 exceeds the amount appropriated for the operational
23 purposes of the district in the annual school budget
24 adopted by the school board of the district for the
25 fiscal year in which the bonds are issued.

26 (4) Throughout each fiscal year in which
27 certification of the district as a financially distressed
28 district continues in effect, the district maintains in
29 effect a gross salary expense and gross wage expense
30 freeze policy under which the district expenditures for
31 total employee salaries and wages do not exceed such
32 expenditures for the immediately preceding fiscal year.
33 Nothing in this paragraph, however, shall be deemed to
34 impair or to require impairment of the contractual

1 obligations, including collective bargaining agreements,
2 of the district or to impair or require the impairment of
3 the vested rights of any employee of the district under
4 the terms of any contract or agreement in effect on the
5 effective date of this amendatory Act of 1994.

6 (5) Bonds issued by the financially distressed
7 district under this subsection shall bear interest at a
8 rate not to exceed the maximum rate authorized by law at
9 the time of the making of the contract, shall mature
10 within 40 years from their date of issue, and shall be
11 signed by the president of the school board and treasurer
12 of the school district. In order to issue bonds under
13 this subsection, the school board shall adopt a
14 resolution fixing the amount of the bonds, the date of
15 the bonds, the maturities of the bonds, the rates of
16 interest of the bonds, and their place of payment and
17 denomination, and shall provide for the levy and
18 collection of a direct annual tax upon all the taxable
19 property in the district sufficient to pay the principal
20 and interest on the bonds to maturity. Upon the filing
21 in the office of the county clerk of the county in which
22 the financially distressed district is located of a
23 certified copy of the resolution, it is the duty of the
24 county clerk to extend the tax therefor in addition to
25 and in excess of all other taxes at any time authorized
26 to be levied by the district. If bond proceeds from the
27 sale of bonds include a premium or if the proceeds of the
28 bonds are invested as authorized by law, the school board
29 shall determine by resolution whether the interest earned
30 on the investment of bond proceeds or the premium
31 realized on the sale of the bonds is to be used for any
32 of the lawful school purposes for which the bonds were
33 issued or for the payment of the principal indebtedness
34 and interest on the bonds. The proceeds of the bond sale

1 shall be deposited in the educational purposes fund of
2 the district and shall be used to pay operational
3 expenses of the district. This subsection is cumulative
4 and constitutes complete authority for the issuance of
5 bonds as provided in this subsection, notwithstanding any
6 other law to the contrary.

7 (f) Notwithstanding the provisions of subsection (a) of
8 this Section or of any other law, bonds in not to exceed the
9 aggregate amount of \$5,500,000 and issued by a school
10 district meeting the following criteria shall not be
11 considered indebtedness for purposes of any statutory
12 limitation and may be issued in an amount or amounts,
13 including existing indebtedness, in excess of any heretofore
14 or hereafter imposed statutory limitation as to indebtedness:

15 (1) At the time of the sale of such bonds, the
16 board of education of the district shall have determined
17 by resolution that the enrollment of students in the
18 district is projected to increase by not less than 7%
19 during each of the next succeeding 2 school years.

20 (2) The board of education shall also determine by
21 resolution that the improvements to be financed with the
22 proceeds of the bonds are needed because of the projected
23 enrollment increases.

24 (3) The board of education shall also determine by
25 resolution that the projected increases in enrollment are
26 the result of improvements made or expected to be made to
27 passenger rail facilities located in the school district.

28 (g) Notwithstanding the provisions of subsection (a) of
29 this Section or any other law, bonds in not to exceed an
30 aggregate amount of 25% of the equalized assessed value of
31 the taxable property of a school district and issued by a
32 school district meeting the criteria in paragraphs (i)
33 through (iv) of this subsection shall not be considered
34 indebtedness for purposes of any statutory limitation and may

1 be issued pursuant to resolution of the school board in an
2 amount or amounts, including existing indebtedness, in excess
3 of any statutory limitation of indebtedness heretofore or
4 hereafter imposed:

5 (i) The bonds are issued for the purpose of
6 constructing a new high school building to replace two
7 adjacent existing buildings which together house a single
8 high school, each of which is more than 65 years old, and
9 which together are located on more than 10 acres and less
10 than 11 acres of property.

11 (ii) At the time the resolution authorizing the
12 issuance of the bonds is adopted, the cost of
13 constructing a new school building to replace the
14 existing school building is less than 60% of the cost of
15 repairing the existing school building.

16 (iii) The sale of the bonds occurs before July 1,
17 1997.

18 (iv) The school district issuing the bonds is a
19 unit school district located in a county of less than
20 70,000 and more than 50,000 inhabitants, which has an
21 average daily attendance of less than 1,500 and an
22 equalized assessed valuation of less than \$29,000,000.

23 (h) Notwithstanding any other provisions of this Section
24 or the provisions of any other law, until January 1, 1998, a
25 community unit school district maintaining grades K through
26 12 may issue bonds up to an amount, including existing
27 indebtedness, not exceeding 27.6% of the equalized assessed
28 value of the taxable property in the district, if all of the
29 following conditions are met:

30 (i) The school district has an equalized assessed
31 valuation for calendar year 1995 of less than
32 \$24,000,000;

33 (ii) The bonds are issued for the capital
34 improvement, renovation, rehabilitation, or replacement

1 of existing school buildings of the district, all of
2 which buildings were originally constructed not less than
3 40 years ago;

4 (iii) The voters of the district approve a
5 proposition for the issuance of the bonds at a referendum
6 held after March 19, 1996; and

7 (iv) The bonds are issued pursuant to Sections 19-2
8 through 19-7 of this Code.

9 (i) Notwithstanding any other provisions of this Section
10 or the provisions of any other law, until January 1, 1998, a
11 community unit school district maintaining grades K through
12 12 may issue bonds up to an amount, including existing
13 indebtedness, not exceeding 27% of the equalized assessed
14 value of the taxable property in the district, if all of the
15 following conditions are met:

16 (i) The school district has an equalized assessed
17 valuation for calendar year 1995 of less than
18 \$44,600,000;

19 (ii) The bonds are issued for the capital
20 improvement, renovation, rehabilitation, or replacement
21 of existing school buildings of the district, all of
22 which existing buildings were originally constructed not
23 less than 80 years ago;

24 (iii) The voters of the district approve a
25 proposition for the issuance of the bonds at a referendum
26 held after December 31, 1996; and

27 (iv) The bonds are issued pursuant to Sections 19-2
28 through 19-7 of this Code.

29 (j) Notwithstanding any other provisions of this Section
30 or the provisions of any other law, until January 1, 1999, a
31 community unit school district maintaining grades K through
32 12 may issue bonds up to an amount, including existing
33 indebtedness, not exceeding 27% of the equalized assessed
34 value of the taxable property in the district if all of the

1 following conditions are met:

2 (i) The school district has an equalized assessed
3 valuation for calendar year 1995 of less than
4 \$140,000,000 and a best 3 months average daily attendance
5 for the 1995-96 school year of at least 2,800;

6 (ii) The bonds are issued to purchase a site and
7 build and equip a new high school, and the school
8 district's existing high school was originally
9 constructed not less than 35 years prior to the sale of
10 the bonds;

11 (iii) At the time of the sale of the bonds, the
12 board of education determines by resolution that a new
13 high school is needed because of projected enrollment
14 increases;

15 (iv) At least 60% of those voting in an election
16 held after December 31, 1996 approve a proposition for
17 the issuance of the bonds; and

18 (v) The bonds are issued pursuant to Sections 19-2
19 through 19-7 of this Code.

20 (k) Notwithstanding the debt limitation prescribed in
21 subsection (a) of this Section, a school district that meets
22 all the criteria set forth in paragraphs (1) through (4) of
23 this subsection (k) may issue bonds to incur an additional
24 indebtedness in an amount not to exceed \$4,000,000 even
25 though the amount of the additional indebtedness authorized
26 by this subsection (k), when incurred and added to the
27 aggregate amount of indebtedness of the school district
28 existing immediately prior to the school district incurring
29 such additional indebtedness, causes the aggregate
30 indebtedness of the school district to exceed or increases
31 the amount by which the aggregate indebtedness of the
32 district already exceeds the debt limitation otherwise
33 applicable to that school district under subsection (a):

34 (1) the school district is located in 2 counties,

1 and a referendum to authorize the additional indebtedness
2 was approved by a majority of the voters of the school
3 district voting on the proposition to authorize that
4 indebtedness;

5 (2) the additional indebtedness is for the purpose
6 of financing a multi-purpose room addition to the
7 existing high school;

8 (3) the additional indebtedness, together with the
9 existing indebtedness of the school district, shall not
10 exceed 17.4% of the value of the taxable property in the
11 school district, to be ascertained by the last assessment
12 for State and county taxes; and

13 (4) the bonds evidencing the additional
14 indebtedness are issued, if at all, within 120 days of
15 the effective date of this amendatory Act of 1998.

16 (1) Notwithstanding any other provisions of this Section
17 or the provisions of any other law, until January 1, 2000, a
18 school district maintaining grades kindergarten through 8 may
19 issue bonds up to an amount, including existing indebtedness,
20 not exceeding 15% of the equalized assessed value of the
21 taxable property in the district if all of the following
22 conditions are met:

23 (i) the district has an equalized assessed
24 valuation for calendar year 1996 of less than
25 \$10,000,000;

26 (ii) the bonds are issued for capital improvement,
27 renovation, rehabilitation, or replacement of one or more
28 school buildings of the district, which buildings were
29 originally constructed not less than 70 years ago;

30 (iii) the voters of the district approve a
31 proposition for the issuance of the bonds at a referendum
32 held on or after March 17, 1998; and

33 (iv) the bonds are issued pursuant to Sections 19-2
34 through 19-7 of this Code.

1 (m) Notwithstanding any other provisions of this Section
2 or the provisions of any other law, until January 1, 1999, an
3 elementary school district maintaining grades K through 8 may
4 issue bonds up to an amount, excluding existing indebtedness,
5 not exceeding 18% of the equalized assessed value of the
6 taxable property in the district, if all of the following
7 conditions are met:

8 (i) The school district has an equalized assessed
9 valuation for calendar year 1995 or less than \$7,700,000;

10 (ii) The school district operates 2 elementary
11 attendance centers that until 1976 were operated as the
12 attendance centers of 2 separate and distinct school
13 districts;

14 (iii) The bonds are issued for the construction of
15 a new elementary school building to replace an existing
16 multi-level elementary school building of the school
17 district that is not handicapped accessible at all levels
18 and parts of which were constructed more than 75 years
19 ago;

20 (iv) The voters of the school district approve a
21 proposition for the issuance of the bonds at a referendum
22 held after July 1, 1998; and

23 (v) The bonds are issued pursuant to Sections 19-2
24 through 19-7 of this Code.

25 (n) Notwithstanding the debt limitation prescribed in
26 subsection (a) of this Section or any other provisions of
27 this Section or of any other law, a school district that
28 meets all of the criteria set forth in paragraphs (i) through
29 (vi) of this subsection (n) may incur additional indebtedness
30 by the issuance of bonds in an amount not exceeding the
31 amount certified by the Capital Development Board to the
32 school district as provided in paragraph (iii) of this
33 subsection (n), even though the amount of the additional
34 indebtedness so authorized, when incurred and added to the

1 aggregate amount of indebtedness of the district existing
2 immediately prior to the district incurring the additional
3 indebtedness authorized by this subsection (n), causes the
4 aggregate indebtedness of the district to exceed the debt
5 limitation otherwise applicable by law to that district:

6 (i) The school district applies to the State Board
7 of Education for a school construction project grant and
8 submits a district facilities plan in support of its
9 application pursuant to Section 5-20 of the School
10 Construction Law.

11 (ii) The school district's application and
12 facilities plan are approved by, and the district
13 receives a grant entitlement for a school construction
14 project issued by, the State Board of Education under the
15 School Construction Law.

16 (iii) The school district has exhausted its bonding
17 capacity or the unused bonding capacity of the district
18 is less than the amount certified by the Capital
19 Development Board to the district under Section 5-15 of
20 the School Construction Law as the dollar amount of the
21 school construction project's cost that the district will
22 be required to finance with non-grant funds in order to
23 receive a school construction project grant under the
24 School Construction Law.

25 (iv) The bonds are issued for a "school
26 construction project", as that term is defined in Section
27 5-5 of the School Construction Law, in an amount that
28 does not exceed the dollar amount certified, as provided
29 in paragraph (iii) of this subsection (n), by the Capital
30 Development Board to the school district under Section
31 5-15 of the School Construction Law.

32 (v) The voters of the district approve a
33 proposition for the issuance of the bonds at a referendum
34 held after the criteria specified in paragraphs (i) and

1 (iii) of this subsection (n) are met.

2 (vi) The bonds are issued pursuant to Sections 19-2
3 through 19-7 of the School Code.

4 (Source: P.A. 90-570, eff. 1-28-98; 90-757, eff. 8-14-98;
5 91-55, eff. 6-30-99.)

6 (105 ILCS 5/34-53.5 new)

7 Sec. 34-53.5. Capital improvement tax levy; purpose;
8 maximum amount.

9 (a) For the purpose of providing a reliable source of
10 revenue for capital improvement purposes, including without
11 limitation (i) the construction and equipping of a new school
12 building or buildings or an addition or additions to an
13 existing school building or buildings, (ii) the purchase of
14 school grounds on which any new school building or an
15 addition to an existing school building is to be constructed
16 or located, (iii) both items (i) and (ii) of this subsection
17 (a), or (iv) the rehabilitation, renovation, and equipping of
18 an existing school building or buildings, the board may levy,
19 upon all taxable property of the school district, in calendar
20 year 2001, a capital improvement tax to produce, when
21 extended, an amount not to exceed the product attained by
22 multiplying (1) the percentage increase, if any, in the
23 Consumer Price Index for All Urban Consumers for all items
24 published by the United States Department of Labor for the 12
25 months ending 2 months prior to the month in which the levy
26 is adopted by (2) \$142,500,000. For example, if the
27 percentage increase in the Consumer Price Index is 2.5%, then
28 the computation would be \$142,500,000 x 0.025 = \$3,562,500.

29 (b) In each calendar year from 2002 through 2030, the
30 board may levy a capital improvement tax to produce, when
31 extended, an amount not to exceed the sum of (1) the maximum
32 amount that could have been levied by the board in the
33 preceding calendar year pursuant to this Section and (2) the

1 product obtained by multiplying (A) the sum of (i) the
2 maximum amount that could have been levied by the board in
3 the preceding calendar year pursuant to this Section and (ii)
4 \$142,500,000 by (B) the percentage increase, if any, in the
5 Consumer Price Index for All Urban Consumers for all items
6 published by the United States Department of Labor for the 12
7 months ending 2 months prior to the month in which the levy
8 is adopted.

9 (c) In calendar year 2031, the board may levy a capital
10 improvement tax to produce, when extended, an amount not to
11 exceed the sum of (1) the maximum amount that could have been
12 levied by the board in calendar year 2030 pursuant to this
13 Section, (2) \$142,500,000, and (3) the product obtained by
14 multiplying (A) the sum of (i) the maximum amount that could
15 have been levied by the board in calendar year 2030 pursuant
16 to this Section and (ii) \$142,500,000 by (B) the percentage
17 increase, if any, in the Consumer Price Index for All Urban
18 Consumers for all items published by the United States
19 Department of Labor for the 12 months ending 2 months prior
20 to the month in which the levy is adopted.

21 (d) In calendar year 2032 and each calendar year
22 thereafter, the board may levy a capital improvement tax to
23 produce, when extended, an amount not to exceed the sum of
24 (1) the maximum amount that could have been levied by the
25 board in the preceding calendar year pursuant to this Section
26 and (2) the product obtained by multiplying (A) the maximum
27 amount that could have been levied by the board in the
28 preceding calendar year pursuant to this Section by (B) the
29 percentage increase, if any, in the Consumer Price Index for
30 All Urban Consumers for all items published by the United
31 States Department of Labor for the 12 months ending 2 months
32 prior to the month in which the levy is adopted.

33 (e) An initial tax levy made by the board under this
34 Section must have the approval of the Chicago City Council,

1 by resolution, before the levy may be extended. The board
2 shall communicate its adoption of the initial tax levy by
3 delivering a certified copy of the levy resolution to the
4 Clerk of the City of Chicago. The Chicago City Council shall
5 have 60 days after receipt, by the Clerk of the City of
6 Chicago, of the certified resolution to approve or disapprove
7 the levy. The failure of the Chicago City Council to take
8 action to approve or disapprove the initial tax levy within
9 the 60-day period shall be deemed disapproval of the initial
10 tax levy. Upon the adoption of each subsequent levy by the
11 board under this Section, the board must notify the Chicago
12 City Council that the board has adopted the levy.

13 (f) The board may issue bonds, in accordance with the
14 Local Government Debt Reform Act, including Section 15 of
15 that Act, against any revenues to be collected from the
16 capital improvement tax in any year or years and may pledge,
17 pursuant to Section 13 of the Local Government Debt Reform
18 Act, those revenues as security for the payment of any such
19 bonds.

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