

AN ACT concerning local government.

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

Section 5. The Park District Code is amended by changing Section 6-4 and by adding Section 6-7 as follows:

(70 ILCS 1205/6-4) (from Ch. 105, par. 6-4)

Sec. 6-4. The issue of bonds or notes by any park district shall be authorized by ordinance, and a copy of that ordinance properly certified by the secretary shall be filed in the office of the clerk in each of the counties wherein such district lies. Except as otherwise provided in this Section, bonds and notes the aggregate outstanding unpaid principal balance of which exceeds 0.575% of the total assessed valuation of all taxable property in the district may not be issued by any park district, until the proposition to issue the same has been certified by the secretary to the proper election officials who shall submit the proposition at an election in accordance with the general election law. Notice of the referendum shall be given and the referendum shall be conducted in the manner provided by the general election law.

Submission of any proposition of issuing bonds or notes shall be authorized by resolution to be adopted by the board which shall designate the election at which the proposition is

to be submitted and designate the amount of bonds and purpose for which the bonds are to be issued.

Any proposition to issue bonds shall be in substantially the following form:

Shall bonds or notes of the
..... Park District (name it) to YES
the amount of..... Dollars
(\$.....) be issued for the -----
purpose of.....? (Here insert
any one or more of the NO
purposes authorized in
Section 6-2 hereof)

This Section shall not be construed to require a referendum for bonds issued under Section 9-2b nor for bonds to refund any maturing bond issues as provided in the Park District Refunding Bond Act, or to refund any judgment indebtedness including any unpaid public benefits and amounts assessed against any park district, whether due or not due under Division 2 of Article 9 of the Illinois Municipal Code, but bonds may be issued for such purposes without referendum.

Bonds heretofore or hereafter issued and outstanding that are approved by referendum, refunding bonds issued under the Park District Refunding Bond Act (70 ILCS 1270/) that refund or continue to refund bonds approved by referendum, bonds issued

under this Section that have been paid in full or for which provisions for payment have been made by an irrevocable deposit of funds in an amount sufficient to pay the principal and interest on those bonds to their respective maturity date, non-referendum bonds issued under any other provision of this Act, promissory notes or similar debt instruments issued under Section 6-7, and bonded indebtedness assumed from another park district do not limit in any way the right of a park district to issue non-referendum bonds in accordance with this Section.

This Section shall not be construed to permit issuance of bonds for the purpose of refunding revenue bonds as provided in Section 6-2 until the proposition to issue the same has been submitted as herein provided at an election in accordance with the general election law.

(Source: P.A. 94-628, eff. 1-1-06.)

(70 ILCS 1205/6-7 new)

Sec. 6-7. Borrowing from financial institutions. The board may borrow money for any corporate purpose from any bank or other financial institution provided such money shall be repaid within 2 years from the time the money is borrowed. The president and secretary shall execute a promissory note or similar debt instrument to evidence the indebtedness incurred by the borrowing. The obligation to make the payments due under the promissory note or other debt instrument shall be a lawful direct general obligation of the park district payable from the

general funds of that district and such other sources of payment as are otherwise lawfully available. The promissory note or other debt instrument shall be authorized by an ordinance passed by the board and shall be valid whether or not an appropriation with respect to that ordinance is included in any annual or supplemental appropriation adopted by the board. The indebtedness incurred under this Section, when aggregated with the existing indebtedness of the park district, may not exceed any debt limitation otherwise provided for by law. "Financial institution" means any bank subject to the Illinois Banking Act, any savings and loan association subject to the Illinois Savings and Loan Act of 1985, any savings bank subject to the Savings Bank Act, any credit union subject to the Illinois Credit Union Act, and any federally chartered commercial bank, savings and loan association, savings bank, or credit union organized and operated in this State pursuant to the laws of the United States.

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