



96TH GENERAL ASSEMBLY

State of Illinois

2009 and 2010

HB4639

by Rep. JoAnn D. Osmond

SYNOPSIS AS INTRODUCED:

70 ILCS 410/15
70 ILCS 805/13

from Ch. 96 1/2, par. 7116
from Ch. 96 1/2, par. 6323

Amends the Conservation District Act and the Downstate Forest Preserve District Act. Provides that "Build America Bonds" issued by a District prior to January 1, 2011 shall mature not later than 30 years after the date of issue. Effective immediately.

LRB096 14919 HLH 29807 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

1 AN ACT concerning local government.

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

4 Section 5. The Conservation District Act is amended by
5 changing Section 15 as follows:

6 (70 ILCS 410/15) (from Ch. 96 1/2, par. 7116)

7 Sec. 15. (a) Whenever a district does not have sufficient
8 money in its treasury to meet all necessary expenses and
9 liabilities thereof, it may issue tax anticipation warrants.
10 Such issue of tax anticipation warrants shall be subject to the
11 provisions of Section 2 of "An Act to provide for the manner of
12 issuing warrants upon the treasurer of the State or of any
13 county, township, or other municipal corporation or quasi
14 municipal corporation, or of any farm drainage district, river
15 district, drainage and levee district, fire protection
16 district and jurors' certificates", approved June 27, 1913, as
17 now and hereafter amended.

18 (b) For the purpose of acquisition of real property, or
19 rights thereto, a district may incur indebtedness and, as
20 evidence of the indebtedness thus created, may issue and sell
21 bonds without first obtaining the consent of the legal voters
22 of the district.

23 (c) For the purpose of development of real property, a

1 district may incur indebtedness and, as evidence of the
2 indebtedness thus created, may issue and sell bonds only after
3 the proposition to issue bonds has been submitted to the legal
4 voters of the district at an election and has been approved by
5 a majority of those voting on the proposition. Such election is
6 subject to Section 15.1 of this Act.

7 (d) No district shall become indebted in any manner or for
8 any purpose, to any amount including existing indebtedness in
9 the aggregate exceeding 0.575% of the value, as equalized or
10 assessed by the Department of Revenue, of the taxable property
11 therein; except that a district entirely within a county of
12 under 750,000 inhabitants and contiguous to a county of more
13 than 2,000,000 inhabitants may incur indebtedness, including
14 existing indebtedness, in the aggregate not exceeding 1.725% of
15 that value if the aggregate indebtedness over 0.575% is
16 submitted to the legal voters of the district at an election
17 and is approved by a majority of those voting on the
18 proposition as provided in Section 15.1.

19 (e) Before or at the time of issuing bonds for acquisition
20 or development of real property, the district shall provide by
21 ordinance for the collection of an annual tax, in addition to
22 all other taxes authorized by this act, sufficient to pay such
23 bonds and the interest thereon as the same respectively become
24 due. Such bonds shall be divided into series, the first of
25 which shall mature not later than 5 years after the date of
26 issue and the last of which shall mature not later than 20

1 years after the date of issue, or for bonds issued prior to
2 January 1, 2011, commonly known as "Build America Bonds", as
3 authorized by Section 54AA of the Internal Revenue Code of
4 1986, as amended, and for bonds issued from time to time to
5 refund or continue to refund those "Build America Bonds", not
6 later than 30 years after the date of issue; shall bear
7 interest at a rate or rates not exceeding the maximum rate
8 permitted in "An Act to authorize public corporations to issue
9 bonds, other evidences of indebtedness and tax anticipation
10 warrants subject to interest rate limitations set forth
11 therein", approved May 26, 1970, as now or hereafter amended;
12 shall be in such form as the district shall by resolution
13 provide and shall be payable as to both principal and interest
14 from the proceeds of the annual levy of taxes authorized to be
15 levied by this Section, or so much thereof as will be
16 sufficient to pay the principal thereof and the interest
17 thereon. Prior to the authorization and issuance of such bonds
18 the district may, with or without notice, negotiate and enter
19 into an agreement or agreements with any bank, investment
20 banker, trust company or insurance company or group thereof
21 whereunder the marketing of such bonds may be assured and
22 consummated. The proceeds of such bonds shall be deposited in a
23 special fund, to be kept separate and apart from all other
24 funds of the conservation district.

25 (Source: P.A. 94-617, eff. 8-18-05.)

1 Section 10. The Downstate Forest Preserve District Act is
2 amended by changing Section 13 as follows:

3 (70 ILCS 805/13) (from Ch. 96 1/2, par. 6323)

4 Sec. 13. Bonds; limitation on indebtedness. The board of
5 any forest preserve district organized hereunder may, for any
6 of the purposes enumerated in this Act, borrow money upon the
7 faith and credit of such district, and may issue bonds
8 therefor. However, a district with a population of less than
9 3,000,000 may not become indebted in any manner or for any
10 purpose to an amount including existing indebtedness in the
11 aggregate exceeding 2.3% of the assessed value of the taxable
12 property therein, as ascertained by the last equalized
13 assessment for State and county purposes. No district may incur
14 (i) indebtedness in excess of .3% of the assessed value of
15 taxable property in the district, as ascertained by the last
16 equalized assessment for State and county purposes, for the
17 development of forest preserve lands held by the district, or
18 (ii) indebtedness for any other purpose except the acquisition
19 of land including acquiring lands in fee simple along or
20 enclosing water courses, drainage ways, lakes, ponds, planned
21 impoundments or elsewhere which are required to store flood
22 waters or control other drainage and water conditions necessary
23 for the preservation and management of the water resources of
24 the District, unless the proposition to issue bonds or
25 otherwise incur indebtedness is certified by the board to the

1 proper election officials who shall submit the proposition at
2 an election in accordance with the general election law, and
3 approved by a majority of those voting upon the proposition. No
4 district containing fewer than 3,000,000 inhabitants may incur
5 indebtedness for the acquisition of land or lands for any
6 purpose in excess of 55,000 acres, including all lands
7 theretofore acquired, unless the proposition to issue bonds or
8 otherwise incur indebtedness is first submitted to the voters
9 of the district at a referendum in accordance with the general
10 election law and approved by a majority of those voting upon
11 the proposition. Before or at the time of issuing bonds, the
12 board shall provide by ordinance for the collection of an
13 annual tax sufficient to pay the interest on the bonds as it
14 falls due, and to pay the bonds as they mature. All bonds
15 issued by any forest preserve district must be divided into
16 series, the first of which matures not later than 5 years after
17 the date of issue and the last of which matures not later than
18 20 years after the date of issue, or for bonds issued prior to
19 January 1, 2011, commonly known as "Build America Bonds", as
20 authorized by Section 54AA of the Internal Revenue Code of
21 1986, as amended, and for bonds issued from time to time to
22 refund or continue to refund those "Build America Bonds", not
23 later than 30 years after the date of issue.

24 This Section does not apply to a forest preserve district
25 created under Section 18.5 of the Conservation District Act.

26 (Source: P.A. 94-617, eff. 8-18-05.)

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