

1 AN ACT concerning finance.

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

4 Section 5. The Local Government Debt Reform Act is amended
5 by changing Section 10 as follows:

6 (30 ILCS 350/10) (from Ch. 17, par. 6910)

7 Sec. 10. General provisions. Bonds authorized by
8 applicable law may be issued in one or more series, bear such
9 date or dates, become due at such time or times within 40
10 years, except as expressly limited by applicable law, provided
11 that notwithstanding any such express limitation bonds issued
12 by Lockport High School or Elgin Community College District No.
13 509 for the purpose of purchasing, constructing, or improving
14 real property may become due within 25 years, bear interest
15 payable at such intervals and at such rate or rates as
16 authorized under applicable law, which rates may be fixed or
17 variable, be in such denominations, be in such form, either
18 coupon, registered or book-entry, carry such conversion,
19 registration, and exchange privileges, be subject to
20 defeasance upon such terms, have such rank or priority, be
21 executed in such manner, be payable in such medium of payment
22 at such place or places within or without the State of
23 Illinois, make provision for a corporate trustee within or

1 without the State with respect to such bonds, prescribe the
2 rights, powers and duties thereof to be exercised for the
3 benefit of the governmental unit and the protection of the
4 bondholders, provide for the holding in trust, investment and
5 use of moneys, funds and accounts held under an ordinance,
6 provide for assignment of and direct payment of the moneys to
7 pay such bonds or to be deposited into such funds or accounts
8 directly to such trustee, be subject to such terms of
9 redemption with or without premium, and be sold in such manner
10 at private or public sale and at such price, all as the
11 governing body shall determine. Whenever such bonds are sold at
12 price less than par, they shall be sold at such price and bear
13 interest at such rate or rates such that either the true
14 interest cost (yield) or the net interest rate, as may be
15 selected by the governing body, received upon the sale of such
16 bonds does not exceed the maximum rate otherwise authorized by
17 applicable law. Except for an ordinance required to be
18 published by applicable law in connection with a backdoor
19 referendum, any bond ordinance adopted by a governing body
20 under applicable law shall, in all instances, become effective
21 immediately without publication or posting or any further act
22 or requirement.

23 (Source: P.A. 90-306, eff. 8-1-97.)

24 Section 10. The School Code is amended by changing Section
25 19-3 as follows:

1 (105 ILCS 5/19-3) (from Ch. 122, par. 19-3)

2 Sec. 19-3. Boards of education. Any school district
3 governed by a board of education and having a population of not
4 more than 500,000 inhabitants, and not governed by a special
5 Act may borrow money for the purpose of building, equipping,
6 altering or repairing school buildings or purchasing or
7 improving school sites, or acquiring and equipping
8 playgrounds, recreation grounds, athletic fields, and other
9 buildings or land used or useful for school purposes or for the
10 purpose of purchasing a site, with or without a building or
11 buildings thereon, or for the building of a house or houses on
12 such site, or for the building of a house or houses on the
13 school site of the school district, for residential purposes of
14 the superintendent, principal, or teachers of the school
15 district, and issue its negotiable coupon bonds therefor signed
16 by the president and secretary of the board, in denominations
17 of not less than \$100 nor more than \$5,000, payable at such
18 place and at such time or times, not exceeding 20 years, with
19 the exception of Lockport High School not exceeding 25 years,
20 from date of issuance, as the board of education may prescribe,
21 and bearing interest at a rate not to exceed the maximum rate
22 authorized by the Bond Authorization Act, as amended at the
23 time of the making of the contract, payable annually,
24 semiannually or quarterly, but no such bonds shall be issued
25 unless the proposition to issue them is submitted to the voters

1 of the district at a referendum held at a regularly scheduled
2 election after the board has certified the proposition to the
3 proper election authorities in accordance with the general
4 election law, a majority of all the votes cast on the
5 proposition is in favor of the proposition, and notice of such
6 bond referendum has been given either (i) in accordance with
7 the second paragraph of Section 12-1 of the Election Code
8 irrespective of whether such notice included any reference to
9 the public question as it appeared on the ballot, or (ii) for
10 an election held on or after November 1, 1998, in accordance
11 with Section 12-5 of the Election Code, or (iii) by publication
12 of a true and legible copy of the specimen ballot label
13 containing the proposition in the form in which it appeared or
14 will appear on the official ballot label on the day of the
15 election at least 5 days before the day of the election in at
16 least one newspaper published in and having a general
17 circulation in the district, irrespective of any other
18 requirements of Article 12 or Section 24A-18 of the Election
19 Code, nor shall any residential site be acquired unless such
20 proposition to acquire a site is submitted to the voters of the
21 district at a referendum held at a regularly scheduled election
22 after the board has certified the proposition to the proper
23 election authorities in accordance with the general election
24 law and a majority of all the votes cast on the proposition is
25 in favor of the proposition. Nothing in this Act or in any
26 other law shall be construed to require the notice of the bond

1 referendum to be published over the name or title of the
2 election authority or the listing of maturity dates of any
3 bonds either in the notice of bond election or ballot used in
4 the bond election. The provisions of this Section concerning
5 notice of the bond referendum apply only to (i) consolidated
6 primary elections held prior to January 1, 2002 and the
7 consolidated election held on April 17, 2007 at which not less
8 than 60% of the voters voting on the bond proposition voted in
9 favor of the bond proposition, and (ii) other elections held
10 before July 1, 1999; otherwise, notices required in connection
11 with the submission of public questions shall be as set forth
12 in Section 12-5 of the Election Code. Such proposition may be
13 initiated by resolution of the school board.

14 With respect to instruments for the payment of money issued
15 under this Section either before, on, or after the effective
16 date of this amendatory Act of 1989, it is and always has been
17 the intention of the General Assembly (i) that the Omnibus Bond
18 Acts are and always have been supplementary grants of power to
19 issue instruments in accordance with the Omnibus Bond Acts,
20 regardless of any provision of this Act that may appear to be
21 or to have been more restrictive than those Acts, (ii) that the
22 provisions of this Section are not a limitation on the
23 supplementary authority granted by the Omnibus Bond Acts, and
24 (iii) that instruments issued under this Section within the
25 supplementary authority granted by the Omnibus Bond Acts are
26 not invalid because of any provision of this Act that may

1 appear to be or to have been more restrictive than those Acts.

2 The proceeds of any bonds issued under authority of this
3 Section shall be deposited and accounted for separately within
4 the Site and Construction/Capital Improvements Fund.

5 (Source: P.A. 95-30, eff. 8-7-07.)

6 Section 15. The Public Community College Act is amended by
7 changing Section 3A-1 as follows:

8 (110 ILCS 805/3A-1) (from Ch. 122, par. 103A-1)

9 Sec. 3A-1. Any community college district may borrow money
10 for the purpose of building, equipping, altering or repairing
11 community college buildings or purchasing or improving
12 community college sites, or acquiring and equipping recreation
13 grounds, athletic fields, and other buildings or land used or
14 useful for community college purposes or for the purpose of
15 purchasing a site, with or without a building or buildings
16 thereon, or for the building of a house or houses on such site,
17 or for the building of a house or houses on the site of the
18 community college district, for residential purposes of the
19 administrators or faculty of the community college district,
20 and issue its negotiable coupon bonds therefor signed by the
21 chairman and secretary of the board, in denominations of not
22 less than \$100 nor more than \$5,000, payable at such place and
23 at such time or times, not exceeding 20 years from date of
24 issuance, as the board may prescribe, and bearing interest at a

1 rate not to exceed the maximum rate authorized by the Bond
2 Authorization Act, as amended at the time of the making of the
3 contract, payable annually, semiannually or quarterly, but no
4 such bonds shall be issued unless the proposition to issue them
5 is submitted to the voters of the community college district at
6 a regular scheduled election in such district and the board
7 shall certify the proposition to the proper election
8 authorities for submission in accordance with the general
9 election law and a majority of all the votes cast on the
10 proposition is in favor of the proposition, nor shall any
11 residential site be acquired unless such proposition to acquire
12 a site is submitted to the voters of the district at a regular
13 scheduled election and the board shall certify the proposition
14 to the proper election authorities for submission to the
15 electors in accordance with the general election law and a
16 majority of all the votes cast on the proposition is in favor
17 of the proposition. Nothing in this Act shall be construed as
18 to require the listing of maturity dates of any bonds either in
19 the notice of bond election or ballot used in the bond
20 election.

21 Bonds issued in accordance with this Section for Elgin
22 Community College District No. 509 may be payable at such time
23 or times, not exceeding 25 years from date of issuance, as the
24 board may prescribe, if the following conditions are met:

25 (i) The voters of the district approve a proposition
26 for the bond issuance at an election held in 2009.

1 (ii) Prior to the issuance of the bonds, the board
2 determines, by resolution, that the projects built,
3 acquired, altered, renovated, repaired, purchased,
4 improved, installed, or equipped with the proceeds of the
5 bonds are required as a result of a projected increase in
6 the enrollment of students in the district, to meet demand
7 in the fields of health care or public safety, to meet
8 accreditation standards, or to maintain campus safety and
9 security.

10 (iii) The bonds are issued, in one more more bond
11 issuances, on or before April 7, 2014.

12 (iv) The proceeds of the bonds are used to accomplish
13 only those purposes approved by the voters at an election
14 held in 2009.

15 With respect to instruments for the payment of money issued
16 under this Section either before, on, or after the effective
17 date of this amendatory Act of 1989, it is and always has been
18 the intention of the General Assembly (i) that the Omnibus Bond
19 Acts are and always have been supplementary grants of power to
20 issue instruments in accordance with the Omnibus Bond Acts,
21 regardless of any provision of this Act that may appear to be
22 or to have been more restrictive than those Acts, (ii) that the
23 provisions of this Section are not a limitation on the
24 supplementary authority granted by the Omnibus Bond Acts, and
25 (iii) that instruments issued under this Section within the
26 supplementary authority granted by the Omnibus Bond Acts are

1 not invalid because of any provision of this Act that may
2 appear to be or to have been more restrictive than those Acts.

3 (Source: P.A. 86-4.)

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