



Rep. Linda Chapa LaVia

**Filed: 5/29/2009**

09600SB1995ham004

LRB096 11419 RCE 27723 a

1 AMENDMENT TO SENATE BILL 1995

2 AMENDMENT NO. \_\_\_\_\_. Amend Senate Bill 1995, AS AMENDED,  
3 by replacing everything after the enacting clause with the  
4 following:

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

7 (30 ILCS 350/10) (from Ch. 17, par. 6910)

8 Sec. 10. General provisions. Bonds authorized by  
9 applicable law may be issued in one or more series, bear such  
10 date or dates, become due at such time or times within 40  
11 years, except as expressly limited by applicable law, provided  
12 that notwithstanding any such express limitation bonds issued  
13 by Lockport High School for the purpose of purchasing,  
14 constructing, or improving real property may become due within  
15 25 years, bear interest payable at such intervals and at such  
16 rate or rates as authorized under applicable law, which rates

1 may be fixed or variable, be in such denominations, be in such  
2 form, either coupon, registered or book-entry, carry such  
3 conversion, registration, and exchange privileges, be subject  
4 to defeasance upon such terms, have such rank or priority, be  
5 executed in such manner, be payable in such medium of payment  
6 at such place or places within or without the State of  
7 Illinois, make provision for a corporate trustee within or  
8 without the State with respect to such bonds, prescribe the  
9 rights, powers and duties thereof to be exercised for the  
10 benefit of the governmental unit and the protection of the  
11 bondholders, provide for the holding in trust, investment and  
12 use of moneys, funds and accounts held under an ordinance,  
13 provide for assignment of and direct payment of the moneys to  
14 pay such bonds or to be deposited into such funds or accounts  
15 directly to such trustee, be subject to such terms of  
16 redemption with or without premium, and be sold in such manner  
17 at private or public sale and at such price, all as the  
18 governing body shall determine. Whenever such bonds are sold at  
19 price less than par, they shall be sold at such price and bear  
20 interest at such rate or rates such that either the true  
21 interest cost (yield) or the net interest rate, as may be  
22 selected by the governing body, received upon the sale of such  
23 bonds does not exceed the maximum rate otherwise authorized by  
24 applicable law. Except for an ordinance required to be  
25 published by applicable law in connection with a backdoor  
26 referendum, any bond ordinance adopted by a governing body

1 under applicable law shall, in all instances, become effective  
2 immediately without publication or posting or any further act  
3 or requirement.

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

5 Section 10. The School Code is amended by changing Section  
6 19-3 as follows:

7 (105 ILCS 5/19-3) (from Ch. 122, par. 19-3)

8 Sec. 19-3. Boards of education. Any school district  
9 governed by a board of education and having a population of not  
10 more than 500,000 inhabitants, and not governed by a special  
11 Act may borrow money for the purpose of building, equipping,  
12 altering or repairing school buildings or purchasing or  
13 improving school sites, or acquiring and equipping  
14 playgrounds, recreation grounds, athletic fields, and other  
15 buildings or land used or useful for school purposes or for the  
16 purpose of purchasing a site, with or without a building or  
17 buildings thereon, or for the building of a house or houses on  
18 such site, or for the building of a house or houses on the  
19 school site of the school district, for residential purposes of  
20 the superintendent, principal, or teachers of the school  
21 district, and issue its negotiable coupon bonds therefor signed  
22 by the president and secretary of the board, in denominations  
23 of not less than \$100 nor more than \$5,000, payable at such  
24 place and at such time or times, not exceeding 20 years, with

1 the exception of Lockport High School not exceeding 25 years,  
2 from date of issuance, as the board of education may prescribe,  
3 and bearing interest at a rate not to exceed the maximum rate  
4 authorized by the Bond Authorization Act, as amended at the  
5 time of the making of the contract, payable annually,  
6 semiannually or quarterly, but no such bonds shall be issued  
7 unless the proposition to issue them is submitted to the voters  
8 of the district at a referendum held at a regularly scheduled  
9 election after the board has certified the proposition to the  
10 proper election authorities in accordance with the general  
11 election law, a majority of all the votes cast on the  
12 proposition is in favor of the proposition, and notice of such  
13 bond referendum has been given either (i) in accordance with  
14 the second paragraph of Section 12-1 of the Election Code  
15 irrespective of whether such notice included any reference to  
16 the public question as it appeared on the ballot, or (ii) for  
17 an election held on or after November 1, 1998, in accordance  
18 with Section 12-5 of the Election Code, or (iii) by publication  
19 of a true and legible copy of the specimen ballot label  
20 containing the proposition in the form in which it appeared or  
21 will appear on the official ballot label on the day of the  
22 election at least 5 days before the day of the election in at  
23 least one newspaper published in and having a general  
24 circulation in the district, irrespective of any other  
25 requirements of Article 12 or Section 24A-18 of the Election  
26 Code, nor shall any residential site be acquired unless such

1 proposition to acquire a site is submitted to the voters of the  
2 district at a referendum held at a regularly scheduled election  
3 after the board has certified the proposition to the proper  
4 election authorities in accordance with the general election  
5 law and a majority of all the votes cast on the proposition is  
6 in favor of the proposition. Nothing in this Act or in any  
7 other law shall be construed to require the notice of the bond  
8 referendum to be published over the name or title of the  
9 election authority or the listing of maturity dates of any  
10 bonds either in the notice of bond election or ballot used in  
11 the bond election. The provisions of this Section concerning  
12 notice of the bond referendum apply only to (i) consolidated  
13 primary elections held prior to January 1, 2002 and the  
14 consolidated election held on April 17, 2007 at which not less  
15 than 60% of the voters voting on the bond proposition voted in  
16 favor of the bond proposition, and (ii) other elections held  
17 before July 1, 1999; otherwise, notices required in connection  
18 with the submission of public questions shall be as set forth  
19 in Section 12-5 of the Election Code. Such proposition may be  
20 initiated by resolution of the school board.

21 With respect to instruments for the payment of money issued  
22 under this Section either before, on, or after the effective  
23 date of this amendatory Act of 1989, it is and always has been  
24 the intention of the General Assembly (i) that the Omnibus Bond  
25 Acts are and always have been supplementary grants of power to  
26 issue instruments in accordance with the Omnibus Bond Acts,

1 regardless of any provision of this Act that may appear to be  
2 or to have been more restrictive than those Acts, (ii) that the  
3 provisions of this Section are not a limitation on the  
4 supplementary authority granted by the Omnibus Bond Acts, and  
5 (iii) that instruments issued under this Section within the  
6 supplementary authority granted by the Omnibus Bond Acts are  
7 not invalid because of any provision of this Act that may  
8 appear to be or to have been more restrictive than those Acts.

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

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

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