

## Rep. Thaddeus Jones

## Filed: 5/30/2017

	10000HB3052ham004 LRB100 09495 MLM 27375 a
1	AMENDMENT TO HOUSE BILL 3052
2	AMENDMENT NO Amend House Bill 3052, AS AMENDED, by
3	replacing everything after the enacting clause with the
4	following:
5	"Section 5. The School Code is amended by adding Section
6	19-1.2 as follows:
7	(105 ILCS 5/19-1.2 new)
8	Sec. 19-1.2. Limiting tax rate for multiple school district
9	municipalities.
10	(a) As used in this Section:
11	"Debt rate" means the aggregate tax rate levied for capital
12	improvements and bond and interest purposes, to the extent not
13	included in the limiting tax rate.
14	"Limiting tax rate" means the tax rate levied to produce an
15	elementary school district's maximum aggregate extension under
16	the Property Tax Extension Limitation Law.

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"Major district" means an elementary school district whose boundaries are wholly or partially within a multiple school district municipality and in which the percentage of its equalized assessed value within the multiple school district municipality is at least 70% of its entire equalized assessed value.

"Minor district" means an elementary school district whose boundaries are wholly or partially within a multiple school district municipality and in which (i) the percentage of its equalized assessed value within the multiple school district municipality is at least 30% of its entire equalized assessed value and (ii) the school district has exceeded its debt limitation provided for by referendum in accordance with Section 19-1 of this Code by at least 400% or the school district's limiting tax rate exceeds the limiting tax rate of the major district in a multiple school district municipality by at least 200%.

"Multiple school district municipality" means a municipality that contains parts of at least 4 elementary school districts within its corporate boundaries.

- (b) A minor district shall not have an annual tax rate, for properties located within the corporate limits of a multiple school district municipality, that exceeds the sum of its debt rate and the major district's limiting tax rate.
- (c) A minor district is prohibited from borrowing any additional funds, including the refunding of debt, in excess of

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1 400% of the debt limitation provided by Section 19-1 of this Code. Notwithstanding the preceding sentence, a minor district 2 that has exceeded 400% of the debt limitation provided by 3 4 Section 19-1 of this Code as of the effective date of this 5 amendatory Act of the 100th General Assembly shall be

prohibited from borrowing any additional funds.

- (d) For tax levy year 2017, a minor district is prohibited from extending a tax rate, for properties located within the corporate limits of a multiple school district municipality, that exceeds the total of the minor district's debt rate and 175% of the total of the major district's limiting tax rate.
  - (e) For tax levy year 2018, a minor district is prohibited from extending a tax rate, for properties located within the corporate limits of a multiple school district municipality, that exceeds the total of the minor district's debt rate and 150% of the total of the major district's limiting tax rate.
  - (f) For all tax levy years after 2018, a minor district is prohibited from extending a tax rate, for properties located within the corporate limits of a multiple school district municipality, that exceeds the total of the minor district's debt rate and the major district's limiting tax rate.
- (g) The Department of Revenue shall certify to the State Board of Education the school districts that meet the definitions of "minor district" and "major district", as applicable.
  - (h) A minor district shall use debt rate collections only

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- for the purpose of retiring debt.
- 2 (i) The State Board of Education shall annually monitor the finances and educational performance of a minor district, as 3 4 reported to the State Board of Education, for the purposes of 5 including the financial and educational performance 6 information on the school district's report card under Section 10-17a of this Code. The State Board of Education shall provide 7 an annual report to the General Assembly on the financial and 8 9 educational performance of the minor district. If the State 10 Board of Education finds that the minor district is on track to 11 become or is a priority or focus school district or is on track to become or is on the <u>financial watch list or the financial</u> 12 13 early warning list, the State Board of Education shall make 14 recommendations to the General Assembly in the State Board of 15 Education's annual report on how to address the minor district's financial and educational performance, including 16 amending or repealing this Section. 17
- (j) This Section is repealed 5 years after the effective 18 19 date of this amendatory Act of the 100th General Assembly.
- Section 99. Effective date. This Act takes effect upon 20 21 becoming law.".