

SB3597



103RD GENERAL ASSEMBLY

State of Illinois

2023 and 2024

SB3597

Introduced 2/9/2024, by Sen. Rachel Ventura

SYNOPSIS AS INTRODUCED:

55 ILCS 5/5-1135

Amends the Counties Code. In provisions allowing a county board to borrow money for any corporate purpose from any bank or other financial institution under specified conditions, modifies the definition of "financial institution" to include the Illinois Finance Authority.

LRB103 38800 AWJ 68937 b

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 Counties Code is amended by changing
5 Section 5-1135 as follows:

6 (55 ILCS 5/5-1135)

7 Sec. 5-1135. Borrowing from financial institutions. The
8 county board of a county may borrow money for any corporate
9 purpose from any bank or other financial institution provided
10 such money shall be repaid within 2 years from the time the
11 money is borrowed. The county board chairman or county
12 executive, as the case may be, shall execute a promissory note
13 or similar debt instrument, but not a bond, to evidence the
14 indebtedness incurred by the borrowing. The obligation to make
15 the payments due under the promissory note or other debt
16 instrument shall be a lawful direct general obligation of the
17 county payable from the general funds of the county and such
18 other sources of payment as are otherwise lawfully available.
19 The promissory note or other debt instrument shall be
20 authorized by an ordinance passed by the county board and
21 shall be valid whether or not an appropriation with respect to
22 that ordinance is included in any annual or supplemental
23 appropriation adopted by the county board. The indebtedness

1 incurred under this Section, when aggregated with the existing
2 indebtedness of the county, may not exceed any debt limitation
3 otherwise provided for by law. "Financial institution" means
4 any bank subject to the Illinois Banking Act, any savings and
5 loan association subject to the Illinois Savings and Loan Act
6 of 1985, any savings bank subject to the Savings Bank Act, any
7 credit union subject to the Illinois Credit Union Act, ~~and~~ any
8 federally chartered commercial bank, savings and loan
9 association, savings bank, or credit union organized and
10 operated in this State pursuant to the laws of the United
11 States, and the Illinois Finance Authority.

12 (Source: P.A. 98-525, eff. 8-23-13; 98-756, eff. 7-16-14.)