

1 AN ACT concerning education.

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

4 Section 5. The School Code is amended by changing Section  
5 19-1 as follows:

6 (105 ILCS 5/19-1) (from Ch. 122, par. 19-1)

7 (Text of Section before amendment by P.A. 94-234)

8 Sec. 19-1. Debt limitations of school districts.

9 (a) School districts shall not be subject to the provisions  
10 limiting their indebtedness prescribed in "An Act to limit the  
11 indebtedness of counties having a population of less than  
12 500,000 and townships, school districts and other municipal  
13 corporations having a population of less than 300,000",  
14 approved February 15, 1928, as amended.

15 No school districts maintaining grades K through 8 or 9  
16 through 12 shall become indebted in any manner or for any  
17 purpose to an amount, including existing indebtedness, in the  
18 aggregate exceeding 6.9% on the value of the taxable property  
19 therein to be ascertained by the last assessment for State and  
20 county taxes or, until January 1, 1983, if greater, the sum  
21 that is produced by multiplying the school district's 1978  
22 equalized assessed valuation by the debt limitation percentage  
23 in effect on January 1, 1979, previous to the incurring of such  
24 indebtedness.

25 No school districts maintaining grades K through 12 shall  
26 become indebted in any manner or for any purpose to an amount,  
27 including existing indebtedness, in the aggregate exceeding  
28 13.8% on the value of the taxable property therein to be  
29 ascertained by the last assessment for State and county taxes  
30 or, until January 1, 1983, if greater, the sum that is produced  
31 by multiplying the school district's 1978 equalized assessed  
32 valuation by the debt limitation percentage in effect on

1 January 1, 1979, previous to the incurring of such  
2 indebtedness.

3 Notwithstanding the provisions of any other law to the  
4 contrary, in any case in which the voters of a school district  
5 have approved a proposition for the issuance of bonds of such  
6 school district at an election held prior to January 1, 1979,  
7 and all of the bonds approved at such election have not been  
8 issued, the debt limitation applicable to such school district  
9 during the calendar year 1979 shall be computed by multiplying  
10 the value of taxable property therein, including personal  
11 property, as ascertained by the last assessment for State and  
12 county taxes, previous to the incurring of such indebtedness,  
13 by the percentage limitation applicable to such school district  
14 under the provisions of this subsection (a).

15 (b) Notwithstanding the debt limitation prescribed in  
16 subsection (a) of this Section, additional indebtedness may be  
17 incurred in an amount not to exceed the estimated cost of  
18 acquiring or improving school sites or constructing and  
19 equipping additional building facilities under the following  
20 conditions:

21 (1) Whenever the enrollment of students for the next  
22 school year is estimated by the board of education to  
23 increase over the actual present enrollment by not less  
24 than 35% or by not less than 200 students or the actual  
25 present enrollment of students has increased over the  
26 previous school year by not less than 35% or by not less  
27 than 200 students and the board of education determines  
28 that additional school sites or building facilities are  
29 required as a result of such increase in enrollment; and

30 (2) When the Regional Superintendent of Schools having  
31 jurisdiction over the school district and the State  
32 Superintendent of Education concur in such enrollment  
33 projection or increase and approve the need for such  
34 additional school sites or building facilities and the  
35 estimated cost thereof; and

36 (3) When the voters in the school district approve a

1 proposition for the issuance of bonds for the purpose of  
2 acquiring or improving such needed school sites or  
3 constructing and equipping such needed additional building  
4 facilities at an election called and held for that purpose.  
5 Notice of such an election shall state that the amount of  
6 indebtedness proposed to be incurred would exceed the debt  
7 limitation otherwise applicable to the school district.  
8 The ballot for such proposition shall state what percentage  
9 of the equalized assessed valuation will be outstanding in  
10 bonds if the proposed issuance of bonds is approved by the  
11 voters; or

12 (4) Notwithstanding the provisions of paragraphs (1)  
13 through (3) of this subsection (b), if the school board  
14 determines that additional facilities are needed to  
15 provide a quality educational program and not less than 2/3  
16 of those voting in an election called by the school board  
17 on the question approve the issuance of bonds for the  
18 construction of such facilities, the school district may  
19 issue bonds for this purpose; or

20 (5) Notwithstanding the provisions of paragraphs (1)  
21 through (3) of this subsection (b), if (i) the school  
22 district has previously availed itself of the provisions of  
23 paragraph (4) of this subsection (b) to enable it to issue  
24 bonds, (ii) the voters of the school district have not  
25 defeated a proposition for the issuance of bonds since the  
26 referendum described in paragraph (4) of this subsection  
27 (b) was held, (iii) the school board determines that  
28 additional facilities are needed to provide a quality  
29 educational program, and (iv) a majority of those voting in  
30 an election called by the school board on the question  
31 approve the issuance of bonds for the construction of such  
32 facilities, the school district may issue bonds for this  
33 purpose.

34 In no event shall the indebtedness incurred pursuant to  
35 this subsection (b) and the existing indebtedness of the school  
36 district exceed 15% of the value of the taxable property

1 therein to be ascertained by the last assessment for State and  
2 county taxes, previous to the incurring of such indebtedness  
3 or, until January 1, 1983, if greater, the sum that is produced  
4 by multiplying the school district's 1978 equalized assessed  
5 valuation by the debt limitation percentage in effect on  
6 January 1, 1979.

7 The indebtedness provided for by this subsection (b) shall  
8 be in addition to and in excess of any other debt limitation.

9 (c) Notwithstanding the debt limitation prescribed in  
10 subsection (a) of this Section, in any case in which a public  
11 question for the issuance of bonds of a proposed school  
12 district maintaining grades kindergarten through 12 received  
13 at least 60% of the valid ballots cast on the question at an  
14 election held on or prior to November 8, 1994, and in which the  
15 bonds approved at such election have not been issued, the  
16 school district pursuant to the requirements of Section 11A-10  
17 may issue the total amount of bonds approved at such election  
18 for the purpose stated in the question.

19 (d) Notwithstanding the debt limitation prescribed in  
20 subsection (a) of this Section, a school district that meets  
21 all the criteria set forth in paragraphs (1) and (2) of this  
22 subsection (d) may incur an additional indebtedness in an  
23 amount not to exceed \$4,500,000, even though the amount of the  
24 additional indebtedness authorized by this subsection (d),  
25 when incurred and added to the aggregate amount of indebtedness  
26 of the district existing immediately prior to the district  
27 incurring the additional indebtedness authorized by this  
28 subsection (d), causes the aggregate indebtedness of the  
29 district to exceed the debt limitation otherwise applicable to  
30 that district under subsection (a):

31 (1) The additional indebtedness authorized by this  
32 subsection (d) is incurred by the school district through  
33 the issuance of bonds under and in accordance with Section  
34 17-2.11a for the purpose of replacing a school building  
35 which, because of mine subsidence damage, has been closed  
36 as provided in paragraph (2) of this subsection (d) or

1 through the issuance of bonds under and in accordance with  
2 Section 19-3 for the purpose of increasing the size of, or  
3 providing for additional functions in, such replacement  
4 school buildings, or both such purposes.

5 (2) The bonds issued by the school district as provided  
6 in paragraph (1) above are issued for the purposes of  
7 construction by the school district of a new school  
8 building pursuant to Section 17-2.11, to replace an  
9 existing school building that, because of mine subsidence  
10 damage, is closed as of the end of the 1992-93 school year  
11 pursuant to action of the regional superintendent of  
12 schools of the educational service region in which the  
13 district is located under Section 3-14.22 or are issued for  
14 the purpose of increasing the size of, or providing for  
15 additional functions in, the new school building being  
16 constructed to replace a school building closed as the  
17 result of mine subsidence damage, or both such purposes.

18 (e) Notwithstanding the debt limitation prescribed in  
19 subsection (a) of this Section, a school district that meets  
20 all the criteria set forth in paragraphs (1) through (5) of  
21 this subsection (e) may, without referendum, incur an  
22 additional indebtedness in an amount not to exceed the lesser  
23 of \$5,000,000 or 1.5% of the value of the taxable property  
24 within the district even though the amount of the additional  
25 indebtedness authorized by this subsection (e), when incurred  
26 and added to the aggregate amount of indebtedness of the  
27 district existing immediately prior to the district incurring  
28 that additional indebtedness, causes the aggregate  
29 indebtedness of the district to exceed or increases the amount  
30 by which the aggregate indebtedness of the district already  
31 exceeds the debt limitation otherwise applicable to that  
32 district under subsection (a):

33 (1) The State Board of Education certifies the school  
34 district under Section 19-1.5 as a financially distressed  
35 district.

36 (2) The additional indebtedness authorized by this

1 subsection (e) is incurred by the financially distressed  
2 district during the school year or school years in which  
3 the certification of the district as a financially  
4 distressed district continues in effect through the  
5 issuance of bonds for the lawful school purposes of the  
6 district, pursuant to resolution of the school board and  
7 without referendum, as provided in paragraph (5) of this  
8 subsection.

9 (3) The aggregate amount of bonds issued by the  
10 financially distressed district during a fiscal year in  
11 which it is authorized to issue bonds under this subsection  
12 does not exceed the amount by which the aggregate  
13 expenditures of the district for operational purposes  
14 during the immediately preceding fiscal year exceeds the  
15 amount appropriated for the operational purposes of the  
16 district in the annual school budget adopted by the school  
17 board of the district for the fiscal year in which the  
18 bonds are issued.

19 (4) Throughout each fiscal year in which certification  
20 of the district as a financially distressed district  
21 continues in effect, the district maintains in effect a  
22 gross salary expense and gross wage expense freeze policy  
23 under which the district expenditures for total employee  
24 salaries and wages do not exceed such expenditures for the  
25 immediately preceding fiscal year. Nothing in this  
26 paragraph, however, shall be deemed to impair or to require  
27 impairment of the contractual obligations, including  
28 collective bargaining agreements, of the district or to  
29 impair or require the impairment of the vested rights of  
30 any employee of the district under the terms of any  
31 contract or agreement in effect on the effective date of  
32 this amendatory Act of 1994.

33 (5) Bonds issued by the financially distressed  
34 district under this subsection shall bear interest at a  
35 rate not to exceed the maximum rate authorized by law at  
36 the time of the making of the contract, shall mature within

1 40 years from their date of issue, and shall be signed by  
2 the president of the school board and treasurer of the  
3 school district. In order to issue bonds under this  
4 subsection, the school board shall adopt a resolution  
5 fixing the amount of the bonds, the date of the bonds, the  
6 maturities of the bonds, the rates of interest of the  
7 bonds, and their place of payment and denomination, and  
8 shall provide for the levy and collection of a direct  
9 annual tax upon all the taxable property in the district  
10 sufficient to pay the principal and interest on the bonds  
11 to maturity. Upon the filing in the office of the county  
12 clerk of the county in which the financially distressed  
13 district is located of a certified copy of the resolution,  
14 it is the duty of the county clerk to extend the tax  
15 therefor in addition to and in excess of all other taxes at  
16 any time authorized to be levied by the district. If bond  
17 proceeds from the sale of bonds include a premium or if the  
18 proceeds of the bonds are invested as authorized by law,  
19 the school board shall determine by resolution whether the  
20 interest earned on the investment of bond proceeds or the  
21 premium realized on the sale of the bonds is to be used for  
22 any of the lawful school purposes for which the bonds were  
23 issued or for the payment of the principal indebtedness and  
24 interest on the bonds. The proceeds of the bond sale shall  
25 be deposited in the educational purposes fund of the  
26 district and shall be used to pay operational expenses of  
27 the district. This subsection is cumulative and  
28 constitutes complete authority for the issuance of bonds as  
29 provided in this subsection, notwithstanding any other law  
30 to the contrary.

31 (f) Notwithstanding the provisions of subsection (a) of  
32 this Section or of any other law, bonds in not to exceed the  
33 aggregate amount of \$5,500,000 and issued by a school district  
34 meeting the following criteria shall not be considered  
35 indebtedness for purposes of any statutory limitation and may  
36 be issued in an amount or amounts, including existing

1 indebtedness, in excess of any heretofore or hereafter imposed  
2 statutory limitation as to indebtedness:

3 (1) At the time of the sale of such bonds, the board of  
4 education of the district shall have determined by  
5 resolution that the enrollment of students in the district  
6 is projected to increase by not less than 7% during each of  
7 the next succeeding 2 school years.

8 (2) The board of education shall also determine by  
9 resolution that the improvements to be financed with the  
10 proceeds of the bonds are needed because of the projected  
11 enrollment increases.

12 (3) The board of education shall also determine by  
13 resolution that the projected increases in enrollment are  
14 the result of improvements made or expected to be made to  
15 passenger rail facilities located in the school district.

16 Notwithstanding the provisions of subsection (a) of this  
17 Section or of any other law, a school district that has availed  
18 itself of the provisions of this subsection (f) prior to July  
19 22, 2004 (the effective date of Public Act 93-799) ~~this~~  
20 ~~amendatory Act of the 93rd General Assembly~~ may also issue  
21 bonds approved by referendum up to an amount, including  
22 existing indebtedness, not exceeding 25% of the equalized  
23 assessed value of the taxable property in the district if all  
24 of the conditions set forth in items (1), (2), and (3) of this  
25 subsection (f) are met.

26 (g) Notwithstanding the provisions of subsection (a) of  
27 this Section or any other law, bonds in not to exceed an  
28 aggregate amount of 25% of the equalized assessed value of the  
29 taxable property of a school district and issued by a school  
30 district meeting the criteria in paragraphs (i) through (iv) of  
31 this subsection shall not be considered indebtedness for  
32 purposes of any statutory limitation and may be issued pursuant  
33 to resolution of the school board in an amount or amounts,  
34 including existing indebtedness, in excess of any statutory  
35 limitation of indebtedness heretofore or hereafter imposed:

36 (i) The bonds are issued for the purpose of



1 constructing a new high school building to replace two  
2 adjacent existing buildings which together house a single  
3 high school, each of which is more than 65 years old, and  
4 which together are located on more than 10 acres and less  
5 than 11 acres of property.

6 (ii) At the time the resolution authorizing the  
7 issuance of the bonds is adopted, the cost of constructing  
8 a new school building to replace the existing school  
9 building is less than 60% of the cost of repairing the  
10 existing school building.

11 (iii) The sale of the bonds occurs before July 1, 1997.

12 (iv) The school district issuing the bonds is a unit  
13 school district located in a county of less than 70,000 and  
14 more than 50,000 inhabitants, which has an average daily  
15 attendance of less than 1,500 and an equalized assessed  
16 valuation of less than \$29,000,000.

17 (h) Notwithstanding any other provisions of this Section or  
18 the provisions of any other law, until January 1, 1998, a  
19 community unit school district maintaining grades K through 12  
20 may issue bonds up to an amount, including existing  
21 indebtedness, not exceeding 27.6% of the equalized assessed  
22 value of the taxable property in the district, if all of the  
23 following conditions are met:

24 (i) The school district has an equalized assessed  
25 valuation for calendar year 1995 of less than \$24,000,000;

26 (ii) The bonds are issued for the capital improvement,  
27 renovation, rehabilitation, or replacement of existing  
28 school buildings of the district, all of which buildings  
29 were originally constructed not less than 40 years ago;

30 (iii) The voters of the district approve a proposition  
31 for the issuance of the bonds at a referendum held after  
32 March 19, 1996; and

33 (iv) The bonds are issued pursuant to Sections 19-2  
34 through 19-7 of this Code.

35 (i) Notwithstanding any other provisions of this Section or  
36 the provisions of any other law, until January 1, 1998, a

1 community unit school district maintaining grades K through 12  
2 may issue bonds up to an amount, including existing  
3 indebtedness, not exceeding 27% of the equalized assessed value  
4 of the taxable property in the district, if all of the  
5 following conditions are met:

6 (i) The school district has an equalized assessed  
7 valuation for calendar year 1995 of less than \$44,600,000;

8 (ii) The bonds are issued for the capital improvement,  
9 renovation, rehabilitation, or replacement of existing  
10 school buildings of the district, all of which existing  
11 buildings were originally constructed not less than 80  
12 years ago;

13 (iii) The voters of the district approve a proposition  
14 for the issuance of the bonds at a referendum held after  
15 December 31, 1996; and

16 (iv) The bonds are issued pursuant to Sections 19-2  
17 through 19-7 of this Code.

18 (j) Notwithstanding any other provisions of this Section or  
19 the provisions of any other law, until January 1, 1999, a  
20 community unit school district maintaining grades K through 12  
21 may issue bonds up to an amount, including existing  
22 indebtedness, not exceeding 27% of the equalized assessed value  
23 of the taxable property in the district if all of the following  
24 conditions are met:

25 (i) The school district has an equalized assessed  
26 valuation for calendar year 1995 of less than \$140,000,000  
27 and a best 3 months average daily attendance for the  
28 1995-96 school year of at least 2,800;

29 (ii) The bonds are issued to purchase a site and build  
30 and equip a new high school, and the school district's  
31 existing high school was originally constructed not less  
32 than 35 years prior to the sale of the bonds;

33 (iii) At the time of the sale of the bonds, the board  
34 of education determines by resolution that a new high  
35 school is needed because of projected enrollment  
36 increases;

1 (iv) At least 60% of those voting in an election held  
2 after December 31, 1996 approve a proposition for the  
3 issuance of the bonds; and

4 (v) The bonds are issued pursuant to Sections 19-2  
5 through 19-7 of this Code.

6 (k) Notwithstanding the debt limitation prescribed in  
7 subsection (a) of this Section, a school district that meets  
8 all the criteria set forth in paragraphs (1) through (4) of  
9 this subsection (k) may issue bonds to incur an additional  
10 indebtedness in an amount not to exceed \$4,000,000 even though  
11 the amount of the additional indebtedness authorized by this  
12 subsection (k), when incurred and added to the aggregate amount  
13 of indebtedness of the school district existing immediately  
14 prior to the school district incurring such additional  
15 indebtedness, causes the aggregate indebtedness of the school  
16 district to exceed or increases the amount by which the  
17 aggregate indebtedness of the district already exceeds the debt  
18 limitation otherwise applicable to that school district under  
19 subsection (a):

20 (1) the school district is located in 2 counties, and a  
21 referendum to authorize the additional indebtedness was  
22 approved by a majority of the voters of the school district  
23 voting on the proposition to authorize that indebtedness;

24 (2) the additional indebtedness is for the purpose of  
25 financing a multi-purpose room addition to the existing  
26 high school;

27 (3) the additional indebtedness, together with the  
28 existing indebtedness of the school district, shall not  
29 exceed 17.4% of the value of the taxable property in the  
30 school district, to be ascertained by the last assessment  
31 for State and county taxes; and

32 (4) the bonds evidencing the additional indebtedness  
33 are issued, if at all, within 120 days of the effective  
34 date of this amendatory Act of 1998.

35 (l) Notwithstanding any other provisions of this Section or  
36 the provisions of any other law, until January 1, 2000, a

1 school district maintaining grades kindergarten through 8 may  
2 issue bonds up to an amount, including existing indebtedness,  
3 not exceeding 15% of the equalized assessed value of the  
4 taxable property in the district if all of the following  
5 conditions are met:

6 (i) the district has an equalized assessed valuation  
7 for calendar year 1996 of less than \$10,000,000;

8 (ii) the bonds are issued for capital improvement,  
9 renovation, rehabilitation, or replacement of one or more  
10 school buildings of the district, which buildings were  
11 originally constructed not less than 70 years ago;

12 (iii) the voters of the district approve a proposition  
13 for the issuance of the bonds at a referendum held on or  
14 after March 17, 1998; and

15 (iv) the bonds are issued pursuant to Sections 19-2  
16 through 19-7 of this Code.

17 (m) Notwithstanding any other provisions of this Section or  
18 the provisions of any other law, until January 1, 1999, an  
19 elementary school district maintaining grades K through 8 may  
20 issue bonds up to an amount, excluding existing indebtedness,  
21 not exceeding 18% of the equalized assessed value of the  
22 taxable property in the district, if all of the following  
23 conditions are met:

24 (i) The school district has an equalized assessed  
25 valuation for calendar year 1995 or less than \$7,700,000;

26 (ii) The school district operates 2 elementary  
27 attendance centers that until 1976 were operated as the  
28 attendance centers of 2 separate and distinct school  
29 districts;

30 (iii) The bonds are issued for the construction of a  
31 new elementary school building to replace an existing  
32 multi-level elementary school building of the school  
33 district that is not handicapped accessible at all levels  
34 and parts of which were constructed more than 75 years ago;

35 (iv) The voters of the school district approve a  
36 proposition for the issuance of the bonds at a referendum

1 held after July 1, 1998; and

2 (v) The bonds are issued pursuant to Sections 19-2  
3 through 19-7 of this Code.

4 (n) Notwithstanding the debt limitation prescribed in  
5 subsection (a) of this Section or any other provisions of this  
6 Section or of any other law, a school district that meets all  
7 of the criteria set forth in paragraphs (i) through (vi) of  
8 this subsection (n) may incur additional indebtedness by the  
9 issuance of bonds in an amount not exceeding the amount  
10 certified by the Capital Development Board to the school  
11 district as provided in paragraph (iii) of this subsection (n),  
12 even though the amount of the additional indebtedness so  
13 authorized, when incurred and added to the aggregate amount of  
14 indebtedness of the district existing immediately prior to the  
15 district incurring the additional indebtedness authorized by  
16 this subsection (n), causes the aggregate indebtedness of the  
17 district to exceed the debt limitation otherwise applicable by  
18 law to that district:

19 (i) The school district applies to the State Board of  
20 Education for a school construction project grant and  
21 submits a district facilities plan in support of its  
22 application pursuant to Section 5-20 of the School  
23 Construction Law.

24 (ii) The school district's application and facilities  
25 plan are approved by, and the district receives a grant  
26 entitlement for a school construction project issued by,  
27 the State Board of Education under the School Construction  
28 Law.

29 (iii) The school district has exhausted its bonding  
30 capacity or the unused bonding capacity of the district is  
31 less than the amount certified by the Capital Development  
32 Board to the district under Section 5-15 of the School  
33 Construction Law as the dollar amount of the school  
34 construction project's cost that the district will be  
35 required to finance with non-grant funds in order to  
36 receive a school construction project grant under the

1 School Construction Law.

2 (iv) The bonds are issued for a "school construction  
3 project", as that term is defined in Section 5-5 of the  
4 School Construction Law, in an amount that does not exceed  
5 the dollar amount certified, as provided in paragraph (iii)  
6 of this subsection (n), by the Capital Development Board to  
7 the school district under Section 5-15 of the School  
8 Construction Law.

9 (v) The voters of the district approve a proposition  
10 for the issuance of the bonds at a referendum held after  
11 the criteria specified in paragraphs (i) and (iii) of this  
12 subsection (n) are met.

13 (vi) The bonds are issued pursuant to Sections 19-2  
14 through 19-7 of the School Code.

15 (o) Notwithstanding any other provisions of this Section or  
16 the provisions of any other law, until November 1, 2007, a  
17 community unit school district maintaining grades K through 12  
18 may issue bonds up to an amount, including existing  
19 indebtedness, not exceeding 20% of the equalized assessed value  
20 of the taxable property in the district if all of the following  
21 conditions are met:

22 (i) the school district has an equalized assessed  
23 valuation for calendar year 2001 of at least \$737,000,000  
24 and an enrollment for the 2002-2003 school year of at least  
25 8,500;

26 (ii) the bonds are issued to purchase school sites,  
27 build and equip a new high school, build and equip a new  
28 junior high school, build and equip 5 new elementary  
29 schools, and make technology and other improvements and  
30 additions to existing schools;

31 (iii) at the time of the sale of the bonds, the board  
32 of education determines by resolution that the sites and  
33 new or improved facilities are needed because of projected  
34 enrollment increases;

35 (iv) at least 57% of those voting in a general election  
36 held prior to January 1, 2003 approved a proposition for

1 the issuance of the bonds; and

2 (v) the bonds are issued pursuant to Sections 19-2  
3 through 19-7 of this Code.

4 (p) Notwithstanding any other provisions of this Section or  
5 the provisions of any other law, a community unit school  
6 district maintaining grades K through 12 may issue bonds up to  
7 an amount, including indebtedness, not exceeding 27% of the  
8 equalized assessed value of the taxable property in the  
9 district if all of the following conditions are met:

10 (i) The school district has an equalized assessed  
11 valuation for calendar year 2001 of at least \$295,741,187  
12 and a best 3 months' average daily attendance for the  
13 2002-2003 school year of at least 2,394.

14 (ii) The bonds are issued to build and equip 3  
15 elementary school buildings; build and equip one middle  
16 school building; and alter, repair, improve, and equip all  
17 existing school buildings in the district.

18 (iii) At the time of the sale of the bonds, the board  
19 of education determines by resolution that the project is  
20 needed because of expanding growth in the school district  
21 and a projected enrollment increase.

22 (iv) The bonds are issued pursuant to Sections 19-2  
23 through 19-7 of this Code.

24 (p-5) Notwithstanding any other provisions of this Section  
25 or the provisions of any other law, bonds issued by a community  
26 unit school district maintaining grades K through 12 shall not  
27 be considered indebtedness for purposes of any statutory  
28 limitation and may be issued in an amount or amounts, including  
29 existing indebtedness, in excess of any heretofore or hereafter  
30 imposed statutory limitation as to indebtedness, if all of the  
31 following conditions are met:

32 (i) For each of the 4 most recent years, residential  
33 property comprises more than 80% of the equalized assessed  
34 valuation of the district.

35 (ii) At least 2 school buildings that were constructed  
36 40 or more years prior to the issuance of the bonds will be

1 demolished and will be replaced by new buildings or  
2 additions to one or more existing buildings.

3 (iii) Voters of the district approve a proposition for  
4 the issuance of the bonds at a regularly scheduled  
5 election.

6 (iv) At the time of the sale of the bonds, the school  
7 board determines by resolution that the new buildings or  
8 building additions are needed because of an increase in  
9 enrollment projected by the school board.

10 (v) The principal amount of the bonds, including  
11 existing indebtedness, does not exceed 25% of the equalized  
12 assessed value of the taxable property in the district.

13 (vi) The bonds are issued prior to January 1, 2007,  
14 pursuant to Sections 19-2 through 19-7 of this Code.

15 (Source: P.A. 93-13, eff. 6-9-03; 93-799, eff. 7-22-04;  
16 93-1045, eff. 10-15-04; revised 10-22-04.)

17 (Text of Section after amendment by P.A. 94-234)

18 Sec. 19-1. Debt limitations of school districts.

19 (a) School districts shall not be subject to the provisions  
20 limiting their indebtedness prescribed in "An Act to limit the  
21 indebtedness of counties having a population of less than  
22 500,000 and townships, school districts and other municipal  
23 corporations having a population of less than 300,000",  
24 approved February 15, 1928, as amended.

25 No school districts maintaining grades K through 8 or 9  
26 through 12 shall become indebted in any manner or for any  
27 purpose to an amount, including existing indebtedness, in the  
28 aggregate exceeding 6.9% on the value of the taxable property  
29 therein to be ascertained by the last assessment for State and  
30 county taxes or, until January 1, 1983, if greater, the sum  
31 that is produced by multiplying the school district's 1978  
32 equalized assessed valuation by the debt limitation percentage  
33 in effect on January 1, 1979, previous to the incurring of such  
34 indebtedness.

35 No school districts maintaining grades K through 12 shall



1 become indebted in any manner or for any purpose to an amount,  
2 including existing indebtedness, in the aggregate exceeding  
3 13.8% on the value of the taxable property therein to be  
4 ascertained by the last assessment for State and county taxes  
5 or, until January 1, 1983, if greater, the sum that is produced  
6 by multiplying the school district's 1978 equalized assessed  
7 valuation by the debt limitation percentage in effect on  
8 January 1, 1979, previous to the incurring of such  
9 indebtedness.

10 Notwithstanding the provisions of any other law to the  
11 contrary, in any case in which the voters of a school district  
12 have approved a proposition for the issuance of bonds of such  
13 school district at an election held prior to January 1, 1979,  
14 and all of the bonds approved at such election have not been  
15 issued, the debt limitation applicable to such school district  
16 during the calendar year 1979 shall be computed by multiplying  
17 the value of taxable property therein, including personal  
18 property, as ascertained by the last assessment for State and  
19 county taxes, previous to the incurring of such indebtedness,  
20 by the percentage limitation applicable to such school district  
21 under the provisions of this subsection (a).

22 (b) Notwithstanding the debt limitation prescribed in  
23 subsection (a) of this Section, additional indebtedness may be  
24 incurred in an amount not to exceed the estimated cost of  
25 acquiring or improving school sites or constructing and  
26 equipping additional building facilities under the following  
27 conditions:

28 (1) Whenever the enrollment of students for the next  
29 school year is estimated by the board of education to  
30 increase over the actual present enrollment by not less  
31 than 35% or by not less than 200 students or the actual  
32 present enrollment of students has increased over the  
33 previous school year by not less than 35% or by not less  
34 than 200 students and the board of education determines  
35 that additional school sites or building facilities are  
36 required as a result of such increase in enrollment; and

1           (2) When the Regional Superintendent of Schools having  
2 jurisdiction over the school district and the State  
3 Superintendent of Education concur in such enrollment  
4 projection or increase and approve the need for such  
5 additional school sites or building facilities and the  
6 estimated cost thereof; and

7           (3) When the voters in the school district approve a  
8 proposition for the issuance of bonds for the purpose of  
9 acquiring or improving such needed school sites or  
10 constructing and equipping such needed additional building  
11 facilities at an election called and held for that purpose.  
12 Notice of such an election shall state that the amount of  
13 indebtedness proposed to be incurred would exceed the debt  
14 limitation otherwise applicable to the school district.  
15 The ballot for such proposition shall state what percentage  
16 of the equalized assessed valuation will be outstanding in  
17 bonds if the proposed issuance of bonds is approved by the  
18 voters; or

19           (4) Notwithstanding the provisions of paragraphs (1)  
20 through (3) of this subsection (b), if the school board  
21 determines that additional facilities are needed to  
22 provide a quality educational program and not less than 2/3  
23 of those voting in an election called by the school board  
24 on the question approve the issuance of bonds for the  
25 construction of such facilities, the school district may  
26 issue bonds for this purpose; or

27           (5) Notwithstanding the provisions of paragraphs (1)  
28 through (3) of this subsection (b), if (i) the school  
29 district has previously availed itself of the provisions of  
30 paragraph (4) of this subsection (b) to enable it to issue  
31 bonds, (ii) the voters of the school district have not  
32 defeated a proposition for the issuance of bonds since the  
33 referendum described in paragraph (4) of this subsection  
34 (b) was held, (iii) the school board determines that  
35 additional facilities are needed to provide a quality  
36 educational program, and (iv) a majority of those voting in

1 an election called by the school board on the question  
2 approve the issuance of bonds for the construction of such  
3 facilities, the school district may issue bonds for this  
4 purpose.

5 In no event shall the indebtedness incurred pursuant to  
6 this subsection (b) and the existing indebtedness of the school  
7 district exceed 15% of the value of the taxable property  
8 therein to be ascertained by the last assessment for State and  
9 county taxes, previous to the incurring of such indebtedness  
10 or, until January 1, 1983, if greater, the sum that is produced  
11 by multiplying the school district's 1978 equalized assessed  
12 valuation by the debt limitation percentage in effect on  
13 January 1, 1979.

14 The indebtedness provided for by this subsection (b) shall  
15 be in addition to and in excess of any other debt limitation.

16 (c) Notwithstanding the debt limitation prescribed in  
17 subsection (a) of this Section, in any case in which a public  
18 question for the issuance of bonds of a proposed school  
19 district maintaining grades kindergarten through 12 received  
20 at least 60% of the valid ballots cast on the question at an  
21 election held on or prior to November 8, 1994, and in which the  
22 bonds approved at such election have not been issued, the  
23 school district pursuant to the requirements of Section 11A-10  
24 may issue the total amount of bonds approved at such election  
25 for the purpose stated in the question.

26 (d) Notwithstanding the debt limitation prescribed in  
27 subsection (a) of this Section, a school district that meets  
28 all the criteria set forth in paragraphs (1) and (2) of this  
29 subsection (d) may incur an additional indebtedness in an  
30 amount not to exceed \$4,500,000, even though the amount of the  
31 additional indebtedness authorized by this subsection (d),  
32 when incurred and added to the aggregate amount of indebtedness  
33 of the district existing immediately prior to the district  
34 incurring the additional indebtedness authorized by this  
35 subsection (d), causes the aggregate indebtedness of the  
36 district to exceed the debt limitation otherwise applicable to

1 that district under subsection (a):

2 (1) The additional indebtedness authorized by this  
3 subsection (d) is incurred by the school district through  
4 the issuance of bonds under and in accordance with Section  
5 17-2.11a for the purpose of replacing a school building  
6 which, because of mine subsidence damage, has been closed  
7 as provided in paragraph (2) of this subsection (d) or  
8 through the issuance of bonds under and in accordance with  
9 Section 19-3 for the purpose of increasing the size of, or  
10 providing for additional functions in, such replacement  
11 school buildings, or both such purposes.

12 (2) The bonds issued by the school district as provided  
13 in paragraph (1) above are issued for the purposes of  
14 construction by the school district of a new school  
15 building pursuant to Section 17-2.11, to replace an  
16 existing school building that, because of mine subsidence  
17 damage, is closed as of the end of the 1992-93 school year  
18 pursuant to action of the regional superintendent of  
19 schools of the educational service region in which the  
20 district is located under Section 3-14.22 or are issued for  
21 the purpose of increasing the size of, or providing for  
22 additional functions in, the new school building being  
23 constructed to replace a school building closed as the  
24 result of mine subsidence damage, or both such purposes.

25 (e) (Blank).

26 (f) Notwithstanding the provisions of subsection (a) of  
27 this Section or of any other law, bonds in not to exceed the  
28 aggregate amount of \$5,500,000 and issued by a school district  
29 meeting the following criteria shall not be considered  
30 indebtedness for purposes of any statutory limitation and may  
31 be issued in an amount or amounts, including existing  
32 indebtedness, in excess of any heretofore or hereafter imposed  
33 statutory limitation as to indebtedness:

34 (1) At the time of the sale of such bonds, the board of  
35 education of the district shall have determined by  
36 resolution that the enrollment of students in the district

1 is projected to increase by not less than 7% during each of  
2 the next succeeding 2 school years.

3 (2) The board of education shall also determine by  
4 resolution that the improvements to be financed with the  
5 proceeds of the bonds are needed because of the projected  
6 enrollment increases.

7 (3) The board of education shall also determine by  
8 resolution that the projected increases in enrollment are  
9 the result of improvements made or expected to be made to  
10 passenger rail facilities located in the school district.

11 Notwithstanding the provisions of subsection (a) of this  
12 Section or of any other law, a school district that has availed  
13 itself of the provisions of this subsection (f) prior to July  
14 22, 2004 (the effective date of Public Act 93-799) may also  
15 issue bonds approved by referendum up to an amount, including  
16 existing indebtedness, not exceeding 25% of the equalized  
17 assessed value of the taxable property in the district if all  
18 of the conditions set forth in items (1), (2), and (3) of this  
19 subsection (f) are met.

20 (g) Notwithstanding the provisions of subsection (a) of  
21 this Section or any other law, bonds in not to exceed an  
22 aggregate amount of 25% of the equalized assessed value of the  
23 taxable property of a school district and issued by a school  
24 district meeting the criteria in paragraphs (i) through (iv) of  
25 this subsection shall not be considered indebtedness for  
26 purposes of any statutory limitation and may be issued pursuant  
27 to resolution of the school board in an amount or amounts,  
28 including existing indebtedness, in excess of any statutory  
29 limitation of indebtedness heretofore or hereafter imposed:

30 (i) The bonds are issued for the purpose of  
31 constructing a new high school building to replace two  
32 adjacent existing buildings which together house a single  
33 high school, each of which is more than 65 years old, and  
34 which together are located on more than 10 acres and less  
35 than 11 acres of property.

36 (ii) At the time the resolution authorizing the

1 issuance of the bonds is adopted, the cost of constructing  
2 a new school building to replace the existing school  
3 building is less than 60% of the cost of repairing the  
4 existing school building.

5 (iii) The sale of the bonds occurs before July 1, 1997.

6 (iv) The school district issuing the bonds is a unit  
7 school district located in a county of less than 70,000 and  
8 more than 50,000 inhabitants, which has an average daily  
9 attendance of less than 1,500 and an equalized assessed  
10 valuation of less than \$29,000,000.

11 (h) Notwithstanding any other provisions of this Section or  
12 the provisions of any other law, until January 1, 1998, a  
13 community unit school district maintaining grades K through 12  
14 may issue bonds up to an amount, including existing  
15 indebtedness, not exceeding 27.6% of the equalized assessed  
16 value of the taxable property in the district, if all of the  
17 following conditions are met:

18 (i) The school district has an equalized assessed  
19 valuation for calendar year 1995 of less than \$24,000,000;

20 (ii) The bonds are issued for the capital improvement,  
21 renovation, rehabilitation, or replacement of existing  
22 school buildings of the district, all of which buildings  
23 were originally constructed not less than 40 years ago;

24 (iii) The voters of the district approve a proposition  
25 for the issuance of the bonds at a referendum held after  
26 March 19, 1996; and

27 (iv) The bonds are issued pursuant to Sections 19-2  
28 through 19-7 of this Code.

29 (i) Notwithstanding any other provisions of this Section or  
30 the provisions of any other law, until January 1, 1998, a  
31 community unit school district maintaining grades K through 12  
32 may issue bonds up to an amount, including existing  
33 indebtedness, not exceeding 27% of the equalized assessed value  
34 of the taxable property in the district, if all of the  
35 following conditions are met:

36 (i) The school district has an equalized assessed

1 valuation for calendar year 1995 of less than \$44,600,000;

2 (ii) The bonds are issued for the capital improvement,  
3 renovation, rehabilitation, or replacement of existing  
4 school buildings of the district, all of which existing  
5 buildings were originally constructed not less than 80  
6 years ago;

7 (iii) The voters of the district approve a proposition  
8 for the issuance of the bonds at a referendum held after  
9 December 31, 1996; and

10 (iv) The bonds are issued pursuant to Sections 19-2  
11 through 19-7 of this Code.

12 (j) Notwithstanding any other provisions of this Section or  
13 the provisions of any other law, until January 1, 1999, a  
14 community unit school district maintaining grades K through 12  
15 may issue bonds up to an amount, including existing  
16 indebtedness, not exceeding 27% of the equalized assessed value  
17 of the taxable property in the district if all of the following  
18 conditions are met:

19 (i) The school district has an equalized assessed  
20 valuation for calendar year 1995 of less than \$140,000,000  
21 and a best 3 months average daily attendance for the  
22 1995-96 school year of at least 2,800;

23 (ii) The bonds are issued to purchase a site and build  
24 and equip a new high school, and the school district's  
25 existing high school was originally constructed not less  
26 than 35 years prior to the sale of the bonds;

27 (iii) At the time of the sale of the bonds, the board  
28 of education determines by resolution that a new high  
29 school is needed because of projected enrollment  
30 increases;

31 (iv) At least 60% of those voting in an election held  
32 after December 31, 1996 approve a proposition for the  
33 issuance of the bonds; and

34 (v) The bonds are issued pursuant to Sections 19-2  
35 through 19-7 of this Code.

36 (k) Notwithstanding the debt limitation prescribed in

1 subsection (a) of this Section, a school district that meets  
2 all the criteria set forth in paragraphs (1) through (4) of  
3 this subsection (k) may issue bonds to incur an additional  
4 indebtedness in an amount not to exceed \$4,000,000 even though  
5 the amount of the additional indebtedness authorized by this  
6 subsection (k), when incurred and added to the aggregate amount  
7 of indebtedness of the school district existing immediately  
8 prior to the school district incurring such additional  
9 indebtedness, causes the aggregate indebtedness of the school  
10 district to exceed or increases the amount by which the  
11 aggregate indebtedness of the district already exceeds the debt  
12 limitation otherwise applicable to that school district under  
13 subsection (a):

14 (1) the school district is located in 2 counties, and a  
15 referendum to authorize the additional indebtedness was  
16 approved by a majority of the voters of the school district  
17 voting on the proposition to authorize that indebtedness;

18 (2) the additional indebtedness is for the purpose of  
19 financing a multi-purpose room addition to the existing  
20 high school;

21 (3) the additional indebtedness, together with the  
22 existing indebtedness of the school district, shall not  
23 exceed 17.4% of the value of the taxable property in the  
24 school district, to be ascertained by the last assessment  
25 for State and county taxes; and

26 (4) the bonds evidencing the additional indebtedness  
27 are issued, if at all, within 120 days of the effective  
28 date of this amendatory Act of 1998.

29 (1) Notwithstanding any other provisions of this Section or  
30 the provisions of any other law, until January 1, 2000, a  
31 school district maintaining grades kindergarten through 8 may  
32 issue bonds up to an amount, including existing indebtedness,  
33 not exceeding 15% of the equalized assessed value of the  
34 taxable property in the district if all of the following  
35 conditions are met:

36 (i) the district has an equalized assessed valuation



1 for calendar year 1996 of less than \$10,000,000;

2 (ii) the bonds are issued for capital improvement,  
3 renovation, rehabilitation, or replacement of one or more  
4 school buildings of the district, which buildings were  
5 originally constructed not less than 70 years ago;

6 (iii) the voters of the district approve a proposition  
7 for the issuance of the bonds at a referendum held on or  
8 after March 17, 1998; and

9 (iv) the bonds are issued pursuant to Sections 19-2  
10 through 19-7 of this Code.

11 (m) Notwithstanding any other provisions of this Section or  
12 the provisions of any other law, until January 1, 1999, an  
13 elementary school district maintaining grades K through 8 may  
14 issue bonds up to an amount, excluding existing indebtedness,  
15 not exceeding 18% of the equalized assessed value of the  
16 taxable property in the district, if all of the following  
17 conditions are met:

18 (i) The school district has an equalized assessed  
19 valuation for calendar year 1995 or less than \$7,700,000;

20 (ii) The school district operates 2 elementary  
21 attendance centers that until 1976 were operated as the  
22 attendance centers of 2 separate and distinct school  
23 districts;

24 (iii) The bonds are issued for the construction of a  
25 new elementary school building to replace an existing  
26 multi-level elementary school building of the school  
27 district that is not handicapped accessible at all levels  
28 and parts of which were constructed more than 75 years ago;

29 (iv) The voters of the school district approve a  
30 proposition for the issuance of the bonds at a referendum  
31 held after July 1, 1998; and

32 (v) The bonds are issued pursuant to Sections 19-2  
33 through 19-7 of this Code.

34 (n) Notwithstanding the debt limitation prescribed in  
35 subsection (a) of this Section or any other provisions of this  
36 Section or of any other law, a school district that meets all

1 of the criteria set forth in paragraphs (i) through (vi) of  
2 this subsection (n) may incur additional indebtedness by the  
3 issuance of bonds in an amount not exceeding the amount  
4 certified by the Capital Development Board to the school  
5 district as provided in paragraph (iii) of this subsection (n),  
6 even though the amount of the additional indebtedness so  
7 authorized, when incurred and added to the aggregate amount of  
8 indebtedness of the district existing immediately prior to the  
9 district incurring the additional indebtedness authorized by  
10 this subsection (n), causes the aggregate indebtedness of the  
11 district to exceed the debt limitation otherwise applicable by  
12 law to that district:

13 (i) The school district applies to the State Board of  
14 Education for a school construction project grant and  
15 submits a district facilities plan in support of its  
16 application pursuant to Section 5-20 of the School  
17 Construction Law.

18 (ii) The school district's application and facilities  
19 plan are approved by, and the district receives a grant  
20 entitlement for a school construction project issued by,  
21 the State Board of Education under the School Construction  
22 Law.

23 (iii) The school district has exhausted its bonding  
24 capacity or the unused bonding capacity of the district is  
25 less than the amount certified by the Capital Development  
26 Board to the district under Section 5-15 of the School  
27 Construction Law as the dollar amount of the school  
28 construction project's cost that the district will be  
29 required to finance with non-grant funds in order to  
30 receive a school construction project grant under the  
31 School Construction Law.

32 (iv) The bonds are issued for a "school construction  
33 project", as that term is defined in Section 5-5 of the  
34 School Construction Law, in an amount that does not exceed  
35 the dollar amount certified, as provided in paragraph (iii)  
36 of this subsection (n), by the Capital Development Board to

1 the school district under Section 5-15 of the School  
2 Construction Law.

3 (v) The voters of the district approve a proposition  
4 for the issuance of the bonds at a referendum held after  
5 the criteria specified in paragraphs (i) and (iii) of this  
6 subsection (n) are met.

7 (vi) The bonds are issued pursuant to Sections 19-2  
8 through 19-7 of the School Code.

9 (o) Notwithstanding any other provisions of this Section or  
10 the provisions of any other law, until November 1, 2007, a  
11 community unit school district maintaining grades K through 12  
12 may issue bonds up to an amount, including existing  
13 indebtedness, not exceeding 20% of the equalized assessed value  
14 of the taxable property in the district if all of the following  
15 conditions are met:

16 (i) the school district has an equalized assessed  
17 valuation for calendar year 2001 of at least \$737,000,000  
18 and an enrollment for the 2002-2003 school year of at least  
19 8,500;

20 (ii) the bonds are issued to purchase school sites,  
21 build and equip a new high school, build and equip a new  
22 junior high school, build and equip 5 new elementary  
23 schools, and make technology and other improvements and  
24 additions to existing schools;

25 (iii) at the time of the sale of the bonds, the board  
26 of education determines by resolution that the sites and  
27 new or improved facilities are needed because of projected  
28 enrollment increases;

29 (iv) at least 57% of those voting in a general election  
30 held prior to January 1, 2003 approved a proposition for  
31 the issuance of the bonds; and

32 (v) the bonds are issued pursuant to Sections 19-2  
33 through 19-7 of this Code.

34 (p) Notwithstanding any other provisions of this Section or  
35 the provisions of any other law, a community unit school  
36 district maintaining grades K through 12 may issue bonds up to

1 an amount, including indebtedness, not exceeding 27% of the  
2 equalized assessed value of the taxable property in the  
3 district if all of the following conditions are met:

4 (i) The school district has an equalized assessed  
5 valuation for calendar year 2001 of at least \$295,741,187  
6 and a best 3 months' average daily attendance for the  
7 2002-2003 school year of at least 2,394.

8 (ii) The bonds are issued to build and equip 3  
9 elementary school buildings; build and equip one middle  
10 school building; and alter, repair, improve, and equip all  
11 existing school buildings in the district.

12 (iii) At the time of the sale of the bonds, the board  
13 of education determines by resolution that the project is  
14 needed because of expanding growth in the school district  
15 and a projected enrollment increase.

16 (iv) The bonds are issued pursuant to Sections 19-2  
17 through 19-7 of this Code.

18 (p-5) Notwithstanding any other provisions of this Section  
19 or the provisions of any other law, bonds issued by a community  
20 unit school district maintaining grades K through 12 shall not  
21 be considered indebtedness for purposes of any statutory  
22 limitation and may be issued in an amount or amounts, including  
23 existing indebtedness, in excess of any heretofore or hereafter  
24 imposed statutory limitation as to indebtedness, if all of the  
25 following conditions are met:

26 (i) For each of the 4 most recent years, residential  
27 property comprises more than 80% of the equalized assessed  
28 valuation of the district.

29 (ii) At least 2 school buildings that were constructed  
30 40 or more years prior to the issuance of the bonds will be  
31 demolished and will be replaced by new buildings or  
32 additions to one or more existing buildings.

33 (iii) Voters of the district approve a proposition for  
34 the issuance of the bonds at a regularly scheduled  
35 election.

36 (iv) At the time of the sale of the bonds, the school

1 board determines by resolution that the new buildings or  
2 building additions are needed because of an increase in  
3 enrollment projected by the school board.

4 (v) The principal amount of the bonds, including  
5 existing indebtedness, does not exceed 25% of the equalized  
6 assessed value of the taxable property in the district.

7 (vi) The bonds are issued prior to January 1, 2007,  
8 pursuant to Sections 19-2 through 19-7 of this Code.

9 (q) A school district must notify the State Board of  
10 Education prior to issuing any form of long-term or short-term  
11 debt that will result in outstanding debt that exceeds 75% of  
12 the debt limit specified in this Section or any other provision  
13 of law.

14 (Source: P.A. 93-13, eff. 6-9-03; 93-799, eff. 7-22-04;  
15 93-1045, eff. 10-15-04; 94-234, eff. 7-1-06.)

16 Section 95. No acceleration or delay. Where this Act makes  
17 changes in a statute that is represented in this Act by text  
18 that is not yet or no longer in effect (for example, a Section  
19 represented by multiple versions), the use of that text does  
20 not accelerate or delay the taking effect of (i) the changes  
21 made by this Act or (ii) provisions derived from any other  
22 Public Act.

23 Section 99. Effective date. This Act takes effect upon  
24 becoming law.