



Sen. William R. Haine

**Filed: 10/25/2005**

09400SB0852sam001

LRB094 04501 NHT 49943 a

1 AMENDMENT TO SENATE BILL 852

2 AMENDMENT NO. \_\_\_\_\_. Amend Senate Bill 852 by replacing  
3 everything after the enacting clause with the following:

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.

1           No school districts maintaining grades K through 12 shall  
2 become indebted in any manner or for any purpose to an amount,  
3 including existing indebtedness, in the aggregate exceeding  
4 13.8% on the value of the taxable property therein to be  
5 ascertained by the last assessment for State and county taxes  
6 or, until January 1, 1983, if greater, the sum that is produced  
7 by multiplying the school district's 1978 equalized assessed  
8 valuation by the debt limitation percentage in effect on  
9 January 1, 1979, previous to the incurring of such  
10 indebtedness.

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

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

29           (1) Whenever the enrollment of students for the next  
30 school year is estimated by the board of education to  
31 increase over the actual present enrollment by not less  
32 than 35% or by not less than 200 students or the actual  
33 present enrollment of students has increased over the  
34 previous school year by not less than 35% or by not less

1 than 200 students and the board of education determines  
2 that additional school sites or building facilities are  
3 required as a result of such increase in enrollment; and

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

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

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

30 (5) Notwithstanding the provisions of paragraphs (1)  
31 through (3) of this subsection (b), if (i) the school  
32 district has previously availed itself of the provisions of  
33 paragraph (4) of this subsection (b) to enable it to issue  
34 bonds, (ii) the voters of the school district have not

1           defeated a proposition for the issuance of bonds since the  
2           referendum described in paragraph (4) of this subsection  
3           (b) was held, (iii) the school board determines that  
4           additional facilities are needed to provide a quality  
5           educational program, and (iv) a majority of those voting in  
6           an election called by the school board on the question  
7           approve the issuance of bonds for the construction of such  
8           facilities, the school district may issue bonds for this  
9           purpose.

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

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

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

31          (d) Notwithstanding the debt limitation prescribed in  
32          subsection (a) of this Section, a school district that meets  
33          all the criteria set forth in paragraphs (1) and (2) of this  
34          subsection (d) may incur an additional indebtedness in an

1 amount not to exceed \$4,500,000, even though the amount of the  
2 additional indebtedness authorized by this subsection (d),  
3 when incurred and added to the aggregate amount of indebtedness  
4 of the district existing immediately prior to the district  
5 incurring the additional indebtedness authorized by this  
6 subsection (d), causes the aggregate indebtedness of the  
7 district to exceed the debt limitation otherwise applicable to  
8 that district under subsection (a):

9 (1) The additional indebtedness authorized by this  
10 subsection (d) is incurred by the school district through  
11 the issuance of bonds under and in accordance with Section  
12 17-2.11a for the purpose of replacing a school building  
13 which, because of mine subsidence damage, has been closed  
14 as provided in paragraph (2) of this subsection (d) or  
15 through the issuance of bonds under and in accordance with  
16 Section 19-3 for the purpose of increasing the size of, or  
17 providing for additional functions in, such replacement  
18 school buildings, or both such purposes.

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

32 (e) Notwithstanding the debt limitation prescribed in  
33 subsection (a) of this Section, a school district that meets  
34 all the criteria set forth in paragraphs (1) through (5) of

1 this subsection (e) may, without referendum, incur an  
2 additional indebtedness in an amount not to exceed the lesser  
3 of \$5,000,000 or 1.5% of the value of the taxable property  
4 within the district even though the amount of the additional  
5 indebtedness authorized by this subsection (e), when incurred  
6 and added to the aggregate amount of indebtedness of the  
7 district existing immediately prior to the district incurring  
8 that additional indebtedness, causes the aggregate  
9 indebtedness of the district to exceed or increases the amount  
10 by which the aggregate indebtedness of the district already  
11 exceeds the debt limitation otherwise applicable to that  
12 district under subsection (a):

13 (1) The State Board of Education certifies the school  
14 district under Section 19-1.5 as a financially distressed  
15 district.

16 (2) The additional indebtedness authorized by this  
17 subsection (e) is incurred by the financially distressed  
18 district during the school year or school years in which  
19 the certification of the district as a financially  
20 distressed district continues in effect through the  
21 issuance of bonds for the lawful school purposes of the  
22 district, pursuant to resolution of the school board and  
23 without referendum, as provided in paragraph (5) of this  
24 subsection.

25 (3) The aggregate amount of bonds issued by the  
26 financially distressed district during a fiscal year in  
27 which it is authorized to issue bonds under this subsection  
28 does not exceed the amount by which the aggregate  
29 expenditures of the district for operational purposes  
30 during the immediately preceding fiscal year exceeds the  
31 amount appropriated for the operational purposes of the  
32 district in the annual school budget adopted by the school  
33 board of the district for the fiscal year in which the  
34 bonds are issued.

1           (4) Throughout each fiscal year in which certification  
2 of the district as a financially distressed district  
3 continues in effect, the district maintains in effect a  
4 gross salary expense and gross wage expense freeze policy  
5 under which the district expenditures for total employee  
6 salaries and wages do not exceed such expenditures for the  
7 immediately preceding fiscal year. Nothing in this  
8 paragraph, however, shall be deemed to impair or to require  
9 impairment of the contractual obligations, including  
10 collective bargaining agreements, of the district or to  
11 impair or require the impairment of the vested rights of  
12 any employee of the district under the terms of any  
13 contract or agreement in effect on the effective date of  
14 this amendatory Act of 1994.

15           (5) Bonds issued by the financially distressed  
16 district under this subsection shall bear interest at a  
17 rate not to exceed the maximum rate authorized by law at  
18 the time of the making of the contract, shall mature within  
19 40 years from their date of issue, and shall be signed by  
20 the president of the school board and treasurer of the  
21 school district. In order to issue bonds under this  
22 subsection, the school board shall adopt a resolution  
23 fixing the amount of the bonds, the date of the bonds, the  
24 maturities of the bonds, the rates of interest of the  
25 bonds, and their place of payment and denomination, and  
26 shall provide for the levy and collection of a direct  
27 annual tax upon all the taxable property in the district  
28 sufficient to pay the principal and interest on the bonds  
29 to maturity. Upon the filing in the office of the county  
30 clerk of the county in which the financially distressed  
31 district is located of a certified copy of the resolution,  
32 it is the duty of the county clerk to extend the tax  
33 therefor in addition to and in excess of all other taxes at  
34 any time authorized to be levied by the district. If bond

1 proceeds from the sale of bonds include a premium or if the  
2 proceeds of the bonds are invested as authorized by law,  
3 the school board shall determine by resolution whether the  
4 interest earned on the investment of bond proceeds or the  
5 premium realized on the sale of the bonds is to be used for  
6 any of the lawful school purposes for which the bonds were  
7 issued or for the payment of the principal indebtedness and  
8 interest on the bonds. The proceeds of the bond sale shall  
9 be deposited in the educational purposes fund of the  
10 district and shall be used to pay operational expenses of  
11 the district. This subsection is cumulative and  
12 constitutes complete authority for the issuance of bonds as  
13 provided in this subsection, notwithstanding any other law  
14 to the contrary.

15 (f) Notwithstanding the provisions of subsection (a) of  
16 this Section or of any other law, bonds in not to exceed the  
17 aggregate amount of \$5,500,000 and issued by a school district  
18 meeting the following criteria shall not be considered  
19 indebtedness for purposes of any statutory limitation and may  
20 be issued in an amount or amounts, including existing  
21 indebtedness, in excess of any heretofore or hereafter imposed  
22 statutory limitation as to indebtedness:

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

28 (2) The board of education shall also determine by  
29 resolution that the improvements to be financed with the  
30 proceeds of the bonds are needed because of the projected  
31 enrollment increases.

32 (3) The board of education shall also determine by  
33 resolution that the projected increases in enrollment are  
34 the result of improvements made or expected to be made to



1 passenger rail facilities located in the school district.

2 Notwithstanding the provisions of subsection (a) of this  
3 Section or of any other law, a school district that has availed  
4 itself of the provisions of this subsection (f) prior to July  
5 22, 2004 (the effective date of Public Act 93-799) ~~this~~  
6 ~~amendatory Act of the 93rd General Assembly~~ may also issue  
7 bonds approved by referendum up to an amount, including  
8 existing indebtedness, not exceeding 25% of the equalized  
9 assessed value of the taxable property in the district if all  
10 of the conditions set forth in items (1), (2), and (3) of this  
11 subsection (f) are met.

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

22 (i) The bonds are issued for the purpose of  
23 constructing a new high school building to replace two  
24 adjacent existing buildings which together house a single  
25 high school, each of which is more than 65 years old, and  
26 which together are located on more than 10 acres and less  
27 than 11 acres of property.

28 (ii) At the time the resolution authorizing the  
29 issuance of the bonds is adopted, the cost of constructing  
30 a new school building to replace the existing school  
31 building is less than 60% of the cost of repairing the  
32 existing school building.

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

34 (iv) The school district issuing the bonds is a unit

1 school district located in a county of less than 70,000 and  
2 more than 50,000 inhabitants, which has an average daily  
3 attendance of less than 1,500 and an equalized assessed  
4 valuation of less than \$29,000,000.

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

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

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

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

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

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

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

32 (ii) The bonds are issued for the capital improvement,  
33 renovation, rehabilitation, or replacement of existing  
34 school buildings of the district, all of which existing

1 buildings were originally constructed not less than 80  
2 years ago;

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

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

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

15 (i) The school district has an equalized assessed  
16 valuation for calendar year 1995 of less than \$140,000,000  
17 and a best 3 months average daily attendance for the  
18 1995-96 school year of at least 2,800;

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

23 (iii) At the time of the sale of the bonds, the board  
24 of education determines by resolution that a new high  
25 school is needed because of projected enrollment  
26 increases;

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

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

32 (k) Notwithstanding the debt limitation prescribed in  
33 subsection (a) of this Section, a school district that meets  
34 all the criteria set forth in paragraphs (1) through (4) of

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

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

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

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

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

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

34 (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

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

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

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

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

34 (iv) The bonds are issued for a "school construction

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

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

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

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

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

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

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

33 (iv) at least 57% of those voting in a general election  
34 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.



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

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

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

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

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

17 (Source: P.A. 93-13, eff. 6-9-03; 93-799, eff. 7-22-04;  
18 93-1045, eff. 10-15-04; revised 10-22-04.)

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

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

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

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

1 equalized assessed valuation by the debt limitation percentage  
2 in effect on January 1, 1979, previous to the incurring of such  
3 indebtedness.

4 No school districts maintaining grades K through 12 shall  
5 become indebted in any manner or for any purpose to an amount,  
6 including existing indebtedness, in the aggregate exceeding  
7 13.8% on the value of the taxable property therein to be  
8 ascertained by the last assessment for State and county taxes  
9 or, until January 1, 1983, if greater, the sum that is produced  
10 by multiplying the school district's 1978 equalized assessed  
11 valuation by the debt limitation percentage in effect on  
12 January 1, 1979, previous to the incurring of such  
13 indebtedness.

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

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

32 (1) Whenever the enrollment of students for the next  
33 school year is estimated by the board of education to  
34 increase over the actual present enrollment by not less

1 than 35% or by not less than 200 students or the actual  
2 present enrollment of students has increased over the  
3 previous school year by not less than 35% or by not less  
4 than 200 students and the board of education determines  
5 that additional school sites or building facilities are  
6 required as a result of such increase in enrollment; and

7 (2) When the Regional Superintendent of Schools having  
8 jurisdiction over the school district and the State  
9 Superintendent of Education concur in such enrollment  
10 projection or increase and approve the need for such  
11 additional school sites or building facilities and the  
12 estimated cost thereof; and

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

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

33 (5) Notwithstanding the provisions of paragraphs (1)  
34 through (3) of this subsection (b), if (i) the school

1 district has previously availed itself of the provisions of  
2 paragraph (4) of this subsection (b) to enable it to issue  
3 bonds, (ii) the voters of the school district have not  
4 defeated a proposition for the issuance of bonds since the  
5 referendum described in paragraph (4) of this subsection  
6 (b) was held, (iii) the school board determines that  
7 additional facilities are needed to provide a quality  
8 educational program, and (iv) a majority of those voting in  
9 an election called by the school board on the question  
10 approve the issuance of bonds for the construction of such  
11 facilities, the school district may issue bonds for this  
12 purpose.

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

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

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

34 (d) 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) and (2) of this  
3 subsection (d) may incur an additional indebtedness in an  
4 amount not to exceed \$4,500,000, even though the amount of the  
5 additional indebtedness authorized by this subsection (d),  
6 when incurred and added to the aggregate amount of indebtedness  
7 of the district existing immediately prior to the district  
8 incurring the additional indebtedness authorized by this  
9 subsection (d), causes the aggregate indebtedness of the  
10 district to exceed the debt limitation otherwise applicable to  
11 that district under subsection (a):

12 (1) The additional indebtedness authorized by this  
13 subsection (d) is incurred by the school district through  
14 the issuance of bonds under and in accordance with Section  
15 17-2.11a for the purpose of replacing a school building  
16 which, because of mine subsidence damage, has been closed  
17 as provided in paragraph (2) of this subsection (d) or  
18 through the issuance of bonds under and in accordance with  
19 Section 19-3 for the purpose of increasing the size of, or  
20 providing for additional functions in, such replacement  
21 school buildings, or both such purposes.

22 (2) The bonds issued by the school district as provided  
23 in paragraph (1) above are issued for the purposes of  
24 construction by the school district of a new school  
25 building pursuant to Section 17-2.11, to replace an  
26 existing school building that, because of mine subsidence  
27 damage, is closed as of the end of the 1992-93 school year  
28 pursuant to action of the regional superintendent of  
29 schools of the educational service region in which the  
30 district is located under Section 3-14.22 or are issued for  
31 the purpose of increasing the size of, or providing for  
32 additional functions in, the new school building being  
33 constructed to replace a school building closed as the  
34 result of mine subsidence damage, or both such purposes.

1 (e) (Blank).

2 (f) Notwithstanding the provisions of subsection (a) of  
3 this Section or of any other law, bonds in not to exceed the  
4 aggregate amount of \$5,500,000 and issued by a school district  
5 meeting the following criteria shall not be considered  
6 indebtedness for purposes of any statutory limitation and may  
7 be issued in an amount or amounts, including existing  
8 indebtedness, in excess of any heretofore or hereafter imposed  
9 statutory limitation as to indebtedness:

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

15 (2) The board of education shall also determine by  
16 resolution that the improvements to be financed with the  
17 proceeds of the bonds are needed because of the projected  
18 enrollment increases.

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

23 Notwithstanding the provisions of subsection (a) of this  
24 Section or of any other law, a school district that has availed  
25 itself of the provisions of this subsection (f) prior to July  
26 22, 2004 (the effective date of Public Act 93-799) may also  
27 issue bonds approved by referendum up to an amount, including  
28 existing indebtedness, not exceeding 25% of the equalized  
29 assessed value of the taxable property in the district if all  
30 of the conditions set forth in items (1), (2), and (3) of this  
31 subsection (f) are met.

32 (g) Notwithstanding the provisions of subsection (a) of  
33 this Section or any other law, bonds in not to exceed an  
34 aggregate amount of 25% of the equalized assessed value of the

1 taxable property of a school district and issued by a school  
2 district meeting the criteria in paragraphs (i) through (iv) of  
3 this subsection shall not be considered indebtedness for  
4 purposes of any statutory limitation and may be issued pursuant  
5 to resolution of the school board in an amount or amounts,  
6 including existing indebtedness, in excess of any statutory  
7 limitation of indebtedness heretofore or hereafter imposed:

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

14 (ii) At the time the resolution authorizing the  
15 issuance of the bonds is adopted, the cost of constructing  
16 a new school building to replace the existing school  
17 building is less than 60% of the cost of repairing the  
18 existing school building.

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

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

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

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

34 (ii) The bonds are issued for the capital improvement,

1 renovation, rehabilitation, or replacement of existing  
2 school buildings of the district, all of which buildings  
3 were originally constructed not less than 40 years ago;

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

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

9 (i) Notwithstanding any other provisions of this Section or  
10 the provisions of any other law, until January 1, 1998, 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 27% of the equalized assessed value  
14 of the taxable property in the district, if all of the  
15 following conditions are met:

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

18 (ii) The bonds are issued for the capital improvement,  
19 renovation, rehabilitation, or replacement of existing  
20 school buildings of the district, all of which existing  
21 buildings were originally constructed not less than 80  
22 years ago;

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

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

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



1           (i) The school district has an equalized assessed  
2 valuation for calendar year 1995 of less than \$140,000,000  
3 and a best 3 months average daily attendance for the  
4 1995-96 school year of at least 2,800;

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

9           (iii) At the time of the sale of the bonds, the board  
10 of education determines by resolution that a new high  
11 school is needed because of projected enrollment  
12 increases;

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

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

18           (k) 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 (4) of  
21 this subsection (k) may issue bonds to incur an additional  
22 indebtedness in an amount not to exceed \$4,000,000 even though  
23 the amount of the additional indebtedness authorized by this  
24 subsection (k), when incurred and added to the aggregate amount  
25 of indebtedness of the school district existing immediately  
26 prior to the school district incurring such additional  
27 indebtedness, causes the aggregate indebtedness of the school  
28 district to exceed or increases the amount by which the  
29 aggregate indebtedness of the district already exceeds the debt  
30 limitation otherwise applicable to that school district under  
31 subsection (a):

32           (1) the school district is located in 2 counties, and a  
33 referendum to authorize the additional indebtedness was  
34 approved by a majority of the voters of the school district

1 voting on the proposition to authorize that indebtedness;

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

5 (3) the additional indebtedness, together with the  
6 existing indebtedness of the school district, shall not  
7 exceed 17.4% of the value of the taxable property in the  
8 school district, to be ascertained by the last assessment  
9 for State and county taxes; and

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

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

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

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

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

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

31 (m) Notwithstanding any other provisions of this Section or  
32 the provisions of any other law, until January 1, 1999, an  
33 elementary school district maintaining grades K through 8 may  
34 issue bonds up to an amount, excluding existing indebtedness,

1 not exceeding 18% of the equalized assessed value of the  
2 taxable property in the district, if all of the following  
3 conditions are met:

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

6 (ii) The school district operates 2 elementary  
7 attendance centers that until 1976 were operated as the  
8 attendance centers of 2 separate and distinct school  
9 districts;

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

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

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

20 (n) Notwithstanding the debt limitation prescribed in  
21 subsection (a) of this Section or any other provisions of this  
22 Section or of any other law, a school district that meets all  
23 of the criteria set forth in paragraphs (i) through (vi) of  
24 this subsection (n) may incur additional indebtedness by the  
25 issuance of bonds in an amount not exceeding the amount  
26 certified by the Capital Development Board to the school  
27 district as provided in paragraph (iii) of this subsection (n),  
28 even though the amount of the additional indebtedness so  
29 authorized, when incurred and added to the aggregate amount of  
30 indebtedness of the district existing immediately prior to the  
31 district incurring the additional indebtedness authorized by  
32 this subsection (n), causes the aggregate indebtedness of the  
33 district to exceed the debt limitation otherwise applicable by  
34 law to that district:

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

6           (ii) The school district's application and facilities  
7 plan are approved by, and the district receives a grant  
8 entitlement for a school construction project issued by,  
9 the State Board of Education under the School Construction  
10 Law.

11           (iii) The school district has exhausted its bonding  
12 capacity or the unused bonding capacity of the district is  
13 less than the amount certified by the Capital Development  
14 Board to the district under Section 5-15 of the School  
15 Construction Law as the dollar amount of the school  
16 construction project's cost that the district will be  
17 required to finance with non-grant funds in order to  
18 receive a school construction project grant under the  
19 School Construction Law.

20           (iv) The bonds are issued for a "school construction  
21 project", as that term is defined in Section 5-5 of the  
22 School Construction Law, in an amount that does not exceed  
23 the dollar amount certified, as provided in paragraph (iii)  
24 of this subsection (n), by the Capital Development Board to  
25 the school district under Section 5-15 of the School  
26 Construction Law.

27           (v) The voters of the district approve a proposition  
28 for the issuance of the bonds at a referendum held after  
29 the criteria specified in paragraphs (i) and (iii) of this  
30 subsection (n) are met.

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

33           (o) Notwithstanding any other provisions of this Section or  
34 the provisions of any other law, until November 1, 2007, 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 20% of the equalized assessed value  
4 of the taxable property in the district if all of the following  
5 conditions are met:

6 (i) the school district has an equalized assessed  
7 valuation for calendar year 2001 of at least \$737,000,000  
8 and an enrollment for the 2002-2003 school year of at least  
9 8,500;

10 (ii) the bonds are issued to purchase school sites,  
11 build and equip a new high school, build and equip a new  
12 junior high school, build and equip 5 new elementary  
13 schools, and make technology and other improvements and  
14 additions to existing schools;

15 (iii) at the time of the sale of the bonds, the board  
16 of education determines by resolution that the sites and  
17 new or improved facilities are needed because of projected  
18 enrollment increases;

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

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

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

30 (i) The school district has an equalized assessed  
31 valuation for calendar year 2001 of at least \$295,741,187  
32 and a best 3 months' average daily attendance for the  
33 2002-2003 school year of at least 2,394.

34 (ii) The bonds are issued to build and equip 3

1 elementary school buildings; build and equip one middle  
2 school building; and alter, repair, improve, and equip all  
3 existing school buildings in the district.

4 (iii) At the time of the sale of the bonds, the board  
5 of education determines by resolution that the project is  
6 needed because of expanding growth in the school district  
7 and a projected enrollment increase.

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

10 (p-5) Notwithstanding any other provisions of this Section  
11 or the provisions of any other law, bonds issued by a community  
12 unit school district maintaining grades K through 12 shall not  
13 be considered indebtedness for purposes of any statutory  
14 limitation and may be issued in an amount or amounts, including  
15 existing indebtedness, in excess of any heretofore or hereafter  
16 imposed statutory limitation as to indebtedness, if all of the  
17 following conditions are met:

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

21 (ii) At least 2 school buildings that were constructed  
22 40 or more years prior to the issuance of the bonds will be  
23 demolished and will be replaced by new buildings or  
24 additions to one or more existing buildings.

25 (iii) Voters of the district approve a proposition for  
26 the issuance of the bonds at a regularly scheduled  
27 election.

28 (iv) At the time of the sale of the bonds, the school  
29 board determines by resolution that the new buildings or  
30 building additions are needed because of an increase in  
31 enrollment projected by the school board.

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

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

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

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

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

17           Section 99. Effective date. This Act takes effect upon  
18 becoming law."