



Sen. William E. Peterson

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1 AMENDMENT TO HOUSE BILL 753

2 AMENDMENT NO. _____. Amend House Bill 753 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Property Tax Code is amended by changing
5 Section 18-185 as follows:

6 (35 ILCS 200/18-185)

7 Sec. 18-185. Short title; definitions. This Division 5 may
8 be cited as the Property Tax Extension Limitation Law. As used
9 in this Division 5:

10 "Consumer Price Index" means the Consumer Price Index for
11 All Urban Consumers for all items published by the United
12 States Department of Labor.

13 "Extension limitation" means (a) the lesser of 5% or the
14 percentage increase in the Consumer Price Index during the
15 12-month calendar year preceding the levy year or (b) the rate
16 of increase approved by voters under Section 18-205.

17 "Affected county" means a county of 3,000,000 or more
18 inhabitants or a county contiguous to a county of 3,000,000 or
19 more inhabitants.

20 "Taxing district" has the same meaning provided in Section
21 1-150, except as otherwise provided in this Section. For the
22 1991 through 1994 levy years only, "taxing district" includes
23 only each non-home rule taxing district having the majority of
24 its 1990 equalized assessed value within any county or counties

1 contiguous to a county with 3,000,000 or more inhabitants.
2 Beginning with the 1995 levy year, "taxing district" includes
3 only each non-home rule taxing district subject to this Law
4 before the 1995 levy year and each non-home rule taxing
5 district not subject to this Law before the 1995 levy year
6 having the majority of its 1994 equalized assessed value in an
7 affected county or counties. Beginning with the levy year in
8 which this Law becomes applicable to a taxing district as
9 provided in Section 18-213, "taxing district" also includes
10 those taxing districts made subject to this Law as provided in
11 Section 18-213.

12 "Aggregate extension" for taxing districts to which this
13 Law applied before the 1995 levy year means the annual
14 corporate extension for the taxing district and those special
15 purpose extensions that are made annually for the taxing
16 district, excluding special purpose extensions: (a) made for
17 the taxing district to pay interest or principal on general
18 obligation bonds that were approved by referendum; (b) made for
19 any taxing district to pay interest or principal on general
20 obligation bonds issued before October 1, 1991; (c) made for
21 any taxing district to pay interest or principal on bonds
22 issued to refund or continue to refund those bonds issued
23 before October 1, 1991; (d) made for any taxing district to pay
24 interest or principal on bonds issued to refund or continue to
25 refund bonds issued after October 1, 1991 that were approved by
26 referendum; (e) made for any taxing district to pay interest or
27 principal on revenue bonds issued before October 1, 1991 for
28 payment of which a property tax levy or the full faith and
29 credit of the unit of local government is pledged; however, a
30 tax for the payment of interest or principal on those bonds
31 shall be made only after the governing body of the unit of
32 local government finds that all other sources for payment are
33 insufficient to make those payments; (f) made for payments
34 under a building commission lease when the lease payments are

1 for the retirement of bonds issued by the commission before
2 October 1, 1991, to pay for the building project; (g) made for
3 payments due under installment contracts entered into before
4 October 1, 1991; (h) made for payments of principal and
5 interest on bonds issued under the Metropolitan Water
6 Reclamation District Act to finance construction projects
7 initiated before October 1, 1991; (i) made for payments of
8 principal and interest on limited bonds, as defined in Section
9 3 of the Local Government Debt Reform Act, in an amount not to
10 exceed the debt service extension base less the amount in items
11 (b), (c), (e), and (h) of this definition for non-referendum
12 obligations, except obligations initially issued pursuant to
13 referendum; (j) made for payments of principal and interest on
14 bonds issued under Section 15 of the Local Government Debt
15 Reform Act; (k) made by a school district that participates in
16 the Special Education District of Lake County, created by
17 special education joint agreement under Section 10-22.31 of the
18 School Code, for payment of the school district's share of the
19 amounts required to be contributed by the Special Education
20 District of Lake County to the Illinois Municipal Retirement
21 Fund under Article 7 of the Illinois Pension Code; the amount
22 of any extension under this item (k) shall be certified by the
23 school district to the county clerk; ~~and~~ (l) made to fund
24 expenses of providing joint recreational programs for the
25 handicapped under Section 5-8 of the Park District Code or
26 Section 11-95-14 of the Illinois Municipal Code; (m) made for
27 temporary relocation loan repayment purposes pursuant to
28 Sections 2-3.77 and 17-2.2d of the School Code, and (n) made
29 for payment of principal and interest on any bonds issued under
30 the authority of Section 17-2.2d of the School Code.

31 "Aggregate extension" for the taxing districts to which
32 this Law did not apply before the 1995 levy year (except taxing
33 districts subject to this Law in accordance with Section
34 18-213) means the annual corporate extension for the taxing

1 district and those special purpose extensions that are made
2 annually for the taxing district, excluding special purpose
3 extensions: (a) made for the taxing district to pay interest or
4 principal on general obligation bonds that were approved by
5 referendum; (b) made for any taxing district to pay interest or
6 principal on general obligation bonds issued before March 1,
7 1995; (c) made for any taxing district to pay interest or
8 principal on bonds issued to refund or continue to refund those
9 bonds issued before March 1, 1995; (d) made for any taxing
10 district to pay interest or principal on bonds issued to refund
11 or continue to refund bonds issued after March 1, 1995 that
12 were approved by referendum; (e) made for any taxing district
13 to pay interest or principal on revenue bonds issued before
14 March 1, 1995 for payment of which a property tax levy or the
15 full faith and credit of the unit of local government is
16 pledged; however, a tax for the payment of interest or
17 principal on those bonds shall be made only after the governing
18 body of the unit of local government finds that all other
19 sources for payment are insufficient to make those payments;
20 (f) made for payments under a building commission lease when
21 the lease payments are for the retirement of bonds issued by
22 the commission before March 1, 1995 to pay for the building
23 project; (g) made for payments due under installment contracts
24 entered into before March 1, 1995; (h) made for payments of
25 principal and interest on bonds issued under the Metropolitan
26 Water Reclamation District Act to finance construction
27 projects initiated before October 1, 1991; (i) made for
28 payments of principal and interest on limited bonds, as defined
29 in Section 3 of the Local Government Debt Reform Act, in an
30 amount not to exceed the debt service extension base less the
31 amount in items (b), (c), and (e) of this definition for
32 non-referendum obligations, except obligations initially
33 issued pursuant to referendum and bonds described in subsection
34 (h) of this definition; (j) made for payments of principal and

1 interest on bonds issued under Section 15 of the Local
2 Government Debt Reform Act; (k) made for payments of principal
3 and interest on bonds authorized by Public Act 88-503 and
4 issued under Section 20a of the Chicago Park District Act for
5 aquarium or museum projects; (l) made for payments of principal
6 and interest on bonds authorized by Public Act 87-1191 or
7 93-601 ~~this amendatory Act of the 93rd General Assembly~~ and (i)
8 issued pursuant to Section 21.2 of the Cook County Forest
9 Preserve District Act, (ii) issued under Section 42 of the Cook
10 County Forest Preserve District Act for zoological park
11 projects, or (iii) issued under Section 44.1 of the Cook County
12 Forest Preserve District Act for botanical gardens projects;
13 (m) made pursuant to Section 34-53.5 of the School Code,
14 whether levied annually or not; (n) made to fund expenses of
15 providing joint recreational programs for the handicapped
16 under Section 5-8 of the Park District Code or Section 11-95-14
17 of the Illinois Municipal Code; and (o) made by the Chicago
18 Park District for recreational programs for the handicapped
19 under subsection (c) of Section 7.06 of the Chicago Park
20 District Act.

21 "Aggregate extension" for all taxing districts to which
22 this Law applies in accordance with Section 18-213, except for
23 those taxing districts subject to paragraph (2) of subsection
24 (e) of Section 18-213, means the annual corporate extension for
25 the taxing district and those special purpose extensions that
26 are made annually for the taxing district, excluding special
27 purpose extensions: (a) made for the taxing district to pay
28 interest or principal on general obligation bonds that were
29 approved by referendum; (b) made for any taxing district to pay
30 interest or principal on general obligation bonds issued before
31 the date on which the referendum making this Law applicable to
32 the taxing district is held; (c) made for any taxing district
33 to pay interest or principal on bonds issued to refund or
34 continue to refund those bonds issued before the date on which

1 the referendum making this Law applicable to the taxing
2 district is held; (d) made for any taxing district to pay
3 interest or principal on bonds issued to refund or continue to
4 refund bonds issued after the date on which the referendum
5 making this Law applicable to the taxing district is held if
6 the bonds were approved by referendum after the date on which
7 the referendum making this Law applicable to the taxing
8 district is held; (e) made for any taxing district to pay
9 interest or principal on revenue bonds issued before the date
10 on which the referendum making this Law applicable to the
11 taxing district is held for payment of which a property tax
12 levy or the full faith and credit of the unit of local
13 government is pledged; however, a tax for the payment of
14 interest or principal on those bonds shall be made only after
15 the governing body of the unit of local government finds that
16 all other sources for payment are insufficient to make those
17 payments; (f) made for payments under a building commission
18 lease when the lease payments are for the retirement of bonds
19 issued by the commission before the date on which the
20 referendum making this Law applicable to the taxing district is
21 held to pay for the building project; (g) made for payments due
22 under installment contracts entered into before the date on
23 which the referendum making this Law applicable to the taxing
24 district is held; (h) made for payments of principal and
25 interest on limited bonds, as defined in Section 3 of the Local
26 Government Debt Reform Act, in an amount not to exceed the debt
27 service extension base less the amount in items (b), (c), and
28 (e) of this definition for non-referendum obligations, except
29 obligations initially issued pursuant to referendum; (i) made
30 for payments of principal and interest on bonds issued under
31 Section 15 of the Local Government Debt Reform Act; (j) made
32 for a qualified airport authority to pay interest or principal
33 on general obligation bonds issued for the purpose of paying
34 obligations due under, or financing airport facilities

1 required to be acquired, constructed, installed or equipped
2 pursuant to, contracts entered into before March 1, 1996 (but
3 not including any amendments to such a contract taking effect
4 on or after that date); and (k) made to fund expenses of
5 providing joint recreational programs for the handicapped
6 under Section 5-8 of the Park District Code or Section 11-95-14
7 of the Illinois Municipal Code.

8 "Aggregate extension" for all taxing districts to which
9 this Law applies in accordance with paragraph (2) of subsection
10 (e) of Section 18-213 means the annual corporate extension for
11 the taxing district and those special purpose extensions that
12 are made annually for the taxing district, excluding special
13 purpose extensions: (a) made for the taxing district to pay
14 interest or principal on general obligation bonds that were
15 approved by referendum; (b) made for any taxing district to pay
16 interest or principal on general obligation bonds issued before
17 the effective date of this amendatory Act of 1997; (c) made for
18 any taxing district to pay interest or principal on bonds
19 issued to refund or continue to refund those bonds issued
20 before the effective date of this amendatory Act of 1997; (d)
21 made for any taxing district to pay interest or principal on
22 bonds issued to refund or continue to refund bonds issued after
23 the effective date of this amendatory Act of 1997 if the bonds
24 were approved by referendum after the effective date of this
25 amendatory Act of 1997; (e) made for any taxing district to pay
26 interest or principal on revenue bonds issued before the
27 effective date of this amendatory Act of 1997 for payment of
28 which a property tax levy or the full faith and credit of the
29 unit of local government is pledged; however, a tax for the
30 payment of interest or principal on those bonds shall be made
31 only after the governing body of the unit of local government
32 finds that all other sources for payment are insufficient to
33 make those payments; (f) made for payments under a building
34 commission lease when the lease payments are for the retirement

1 of bonds issued by the commission before the effective date of
2 this amendatory Act of 1997 to pay for the building project;
3 (g) made for payments due under installment contracts entered
4 into before the effective date of this amendatory Act of 1997;
5 (h) made for payments of principal and interest on limited
6 bonds, as defined in Section 3 of the Local Government Debt
7 Reform Act, in an amount not to exceed the debt service
8 extension base less the amount in items (b), (c), and (e) of
9 this definition for non-referendum obligations, except
10 obligations initially issued pursuant to referendum; (i) made
11 for payments of principal and interest on bonds issued under
12 Section 15 of the Local Government Debt Reform Act; (j) made
13 for a qualified airport authority to pay interest or principal
14 on general obligation bonds issued for the purpose of paying
15 obligations due under, or financing airport facilities
16 required to be acquired, constructed, installed or equipped
17 pursuant to, contracts entered into before March 1, 1996 (but
18 not including any amendments to such a contract taking effect
19 on or after that date); and (k) made to fund expenses of
20 providing joint recreational programs for the handicapped
21 under Section 5-8 of the Park District Code or Section 11-95-14
22 of the Illinois Municipal Code.

23 "Debt service extension base" means an amount equal to that
24 portion of the extension for a taxing district for the 1994
25 levy year, or for those taxing districts subject to this Law in
26 accordance with Section 18-213, except for those subject to
27 paragraph (2) of subsection (e) of Section 18-213, for the levy
28 year in which the referendum making this Law applicable to the
29 taxing district is held, or for those taxing districts subject
30 to this Law in accordance with paragraph (2) of subsection (e)
31 of Section 18-213 for the 1996 levy year, constituting an
32 extension for payment of principal and interest on bonds issued
33 by the taxing district without referendum, but not including
34 excluded non-referendum bonds. For park districts (i) that were

1 first subject to this Law in 1991 or 1995 and (ii) whose
2 extension for the 1994 levy year for the payment of principal
3 and interest on bonds issued by the park district without
4 referendum (but not including excluded non-referendum bonds)
5 was less than 51% of the amount for the 1991 levy year
6 constituting an extension for payment of principal and interest
7 on bonds issued by the park district without referendum (but
8 not including excluded non-referendum bonds), "debt service
9 extension base" means an amount equal to that portion of the
10 extension for the 1991 levy year constituting an extension for
11 payment of principal and interest on bonds issued by the park
12 district without referendum (but not including excluded
13 non-referendum bonds). The debt service extension base may be
14 established or increased as provided under Section 18-212.
15 "Excluded non-referendum bonds" means (i) bonds authorized by
16 Public Act 88-503 and issued under Section 20a of the Chicago
17 Park District Act for aquarium and museum projects; (ii) bonds
18 issued under Section 15 of the Local Government Debt Reform
19 Act; or (iii) refunding obligations issued to refund or to
20 continue to refund obligations initially issued pursuant to
21 referendum.

22 "Special purpose extensions" include, but are not limited
23 to, extensions for levies made on an annual basis for
24 unemployment and workers' compensation, self-insurance,
25 contributions to pension plans, and extensions made pursuant to
26 Section 6-601 of the Illinois Highway Code for a road
27 district's permanent road fund whether levied annually or not.
28 The extension for a special service area is not included in the
29 aggregate extension.

30 "Aggregate extension base" means the taxing district's
31 last preceding aggregate extension as adjusted under Sections
32 18-215 through 18-230.

33 "Levy year" has the same meaning as "year" under Section
34 1-155.

1 "New property" means (i) the assessed value, after final
2 board of review or board of appeals action, of new improvements
3 or additions to existing improvements on any parcel of real
4 property that increase the assessed value of that real property
5 during the levy year multiplied by the equalization factor
6 issued by the Department under Section 17-30, (ii) the assessed
7 value, after final board of review or board of appeals action,
8 of real property not exempt from real estate taxation, which
9 real property was exempt from real estate taxation for any
10 portion of the immediately preceding levy year, multiplied by
11 the equalization factor issued by the Department under Section
12 17-30, and (iii) in counties that classify in accordance with
13 Section 4 of Article IX of the Illinois Constitution, an
14 incentive property's additional assessed value resulting from
15 a scheduled increase in the level of assessment as applied to
16 the first year final board of review market value. In addition,
17 the county clerk in a county containing a population of
18 3,000,000 or more shall include in the 1997 recovered tax
19 increment value for any school district, any recovered tax
20 increment value that was applicable to the 1995 tax year
21 calculations.

22 "Qualified airport authority" means an airport authority
23 organized under the Airport Authorities Act and located in a
24 county bordering on the State of Wisconsin and having a
25 population in excess of 200,000 and not greater than 500,000.

26 "Recovered tax increment value" means, except as otherwise
27 provided in this paragraph, the amount of the current year's
28 equalized assessed value, in the first year after a
29 municipality terminates the designation of an area as a
30 redevelopment project area previously established under the
31 Tax Increment Allocation Development Act in the Illinois
32 Municipal Code, previously established under the Industrial
33 Jobs Recovery Law in the Illinois Municipal Code, or previously
34 established under the Economic Development Area Tax Increment

1 Allocation Act, of each taxable lot, block, tract, or parcel of
2 real property in the redevelopment project area over and above
3 the initial equalized assessed value of each property in the
4 redevelopment project area. For the taxes which are extended
5 for the 1997 levy year, the recovered tax increment value for a
6 non-home rule taxing district that first became subject to this
7 Law for the 1995 levy year because a majority of its 1994
8 equalized assessed value was in an affected county or counties
9 shall be increased if a municipality terminated the designation
10 of an area in 1993 as a redevelopment project area previously
11 established under the Tax Increment Allocation Development Act
12 in the Illinois Municipal Code, previously established under
13 the Industrial Jobs Recovery Law in the Illinois Municipal
14 Code, or previously established under the Economic Development
15 Area Tax Increment Allocation Act, by an amount equal to the
16 1994 equalized assessed value of each taxable lot, block,
17 tract, or parcel of real property in the redevelopment project
18 area over and above the initial equalized assessed value of
19 each property in the redevelopment project area. In the first
20 year after a municipality removes a taxable lot, block, tract,
21 or parcel of real property from a redevelopment project area
22 established under the Tax Increment Allocation Development Act
23 in the Illinois Municipal Code, the Industrial Jobs Recovery
24 Law in the Illinois Municipal Code, or the Economic Development
25 Area Tax Increment Allocation Act, "recovered tax increment
26 value" means the amount of the current year's equalized
27 assessed value of each taxable lot, block, tract, or parcel of
28 real property removed from the redevelopment project area over
29 and above the initial equalized assessed value of that real
30 property before removal from the redevelopment project area.

31 Except as otherwise provided in this Section, "limiting
32 rate" means a fraction the numerator of which is the last
33 preceding aggregate extension base times an amount equal to one
34 plus the extension limitation defined in this Section and the

1 denominator of which is the current year's equalized assessed
2 value of all real property in the territory under the
3 jurisdiction of the taxing district during the prior levy year.
4 For those taxing districts that reduced their aggregate
5 extension for the last preceding levy year, the highest
6 aggregate extension in any of the last 3 preceding levy years
7 shall be used for the purpose of computing the limiting rate.
8 The denominator shall not include new property. The denominator
9 shall not include the recovered tax increment value.

10 (Source: P.A. 92-547, eff. 6-13-02; 93-601, eff. 1-1-04;
11 93-606, eff. 11-18-03; 93-612, eff. 11-18-03; revised
12 12-10-03.)

13 Section 10. The School Code is amended by adding Section
14 17-2.2d as follows:

15 (105 ILCS 5/17-2.2d new)

16 Sec. 17-2.2d. Special taxing and bonding for temporary
17 relocation expense and emergency replacement purposes.

18 (a) In addition to any other taxes and notwithstanding any
19 limitation imposed by the Property Tax Extension Limitation Law
20 or any other limitations specified in this Code or any other
21 law, the school board of any district having a population of
22 less than 500,000 inhabitants that meets the criteria specified
23 in subsection (c) of this Section, may, by proper resolution,
24 levy an annual tax not to exceed 0.05% upon the value of the
25 taxable property as equalized or assessed by the Department of
26 Revenue for a period not to exceed 7 years for the purpose of
27 providing for the repayment of moneys distributed for temporary
28 relocation expenses of the district pursuant to Section 2-3.77
29 of this Code.

30 (b) The school board of any district that meets the
31 criteria specified in subsection (c) of this Section may
32 repair, reconstruct, or replace a condemned building without

1 seeking referendum approval for the repair, reconstruction, or
2 replacement.

3 (c) In order for this Section to apply, the school district
4 must (i) be located in a county subject to the Property Tax
5 Extension Limitation Law, (ii) have had a total enrollment of
6 at least 1,075 students as shown on the 2003 Illinois State
7 Report Card, and (iii) have had a school building condemned
8 after January 1, 2004 and prior to June 30, 2004.

9 (d) Notwithstanding any limitation imposed by the Property
10 Tax Extension Limitation Law or any other limitations specified
11 in this Code or any other law, the school board of any district
12 that meets the criteria specified in subsection (c) of this
13 Section, may, by proper resolution, issue bonds, without
14 referendum, in an amount sufficient to finance the total cost
15 of repair, reconstruction, or replacement of the condemned
16 building. Any premium and all interest earnings on the proceeds
17 of the bonds so issued shall be used for the purposes for which
18 the bonds were issued. The proceeds of any bonds issued under
19 this Section shall be deposited and accounted for separately
20 within the district's site and construction/capital
21 improvements fund. The recording officer of the board shall
22 file in the office of the county clerk of each county in which
23 a portion of the district is situated a certified copy of the
24 resolution providing for the issuance of the bonds and levy of
25 a tax without limit as to rate or amount to pay the bonds.
26 Bonds issued under this Section and any bonds issued to refund
27 these bonds are not subject to any debt limitation imposed by
28 this Code.

29 (e) The school board, as an express condition to receiving
30 a temporary relocation loan under Section 2-3.77 of this Code,
31 must agree to levy the tax provided in this Section at the
32 maximum rate permitted and to pay to the State of Illinois for
33 deposit into the Temporary Relocation Expenses Revolving Grant
34 Fund (i) all proceeds of the tax attributable to the first year

1 and succeeding years for which the tax is levied after moneys
2 appropriated for purposes of Section 2-3.77 have been
3 distributed to the school district and (ii) all insurance
4 proceeds that become payable to the district under those
5 provisions of any contract or policy of insurance that provide
6 reimbursement for or other coverage against loss with respect
7 to any temporary relocation expenses of the district or
8 proceeds of any legal judgment or settlement regarding the
9 temporary relocation expenses incurred by the district,
10 provided that the aggregate of any tax and insurance or other
11 proceeds paid by the district to the State pursuant to this
12 subsection (e) shall not exceed in amount the moneys
13 distributed to the district pursuant to Section 2-3.77 as a
14 loan or grant.

15 (f) If bonds under this Section have been issued by the
16 school district and the purposes for which the bonds have been
17 issued are accomplished and paid for in full and there remain
18 funds on hand from the proceeds of the bonds or interest
19 earnings or premiums, then the school board, by resolution,
20 shall transfer those excess funds to the district's bond and
21 interest fund for the purpose of abating taxes to pay debt
22 service on the bonds or for defeasance of the debt or both.

23 (g) If the school district receives a construction grant
24 under the School Construction Law or any other law and the
25 purposes for which the grant was issued are accomplished and
26 paid for in full and there remains funds on hand from the grant
27 or interest earnings thereon, then the excess funds shall be
28 paid to the State of Illinois for deposit into the School
29 Construction Fund or other State fund from which the
30 construction grant was paid.

31 (h) All insurance proceeds that become payable to the
32 school district under those provisions of a contract or policy
33 of insurance that provide reimbursement for or other coverage
34 against losses other than with respect to any temporary

1 relocation expenses of the district or proceeds of any legal
2 judgment or settlement regarding the repair, reconstruction,
3 or replacement of the condemned building shall be applied to
4 the repair, reconstruction, or replacement. If the project is
5 completed and, therefore, all costs have been paid for in full
6 and there remain funds on hand, including any interest earnings
7 thereon, from the insurance coverage, legal judgment, or
8 settlement, then a portion of those excess funds equal to the
9 State's share of the construction cost of the project shall be
10 paid to the State of Illinois for deposit into the School
11 Construction Fund or other State fund from which the
12 construction grant was paid, and the remainder of the excess
13 funds shall be transferred to the district's bond and interest
14 fund for the purpose of abating taxes to pay debt service on
15 the bonds or for defeasance of the debt or both. If no debt
16 service remains to be paid, then the excess may be transferred
17 to whichever fund that, as determined by the school board, is
18 most in need of the funds.

19 Section 99. Effective date. This Act takes effect upon
20 becoming law."