

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) may also
20 issue bonds approved by referendum up to an amount, including
21 existing indebtedness, not exceeding 25% of the equalized
22 assessed value of the taxable property in the district if all
23 of the conditions set forth in items (1), (2), and (3) of this
24 subsection (f) are met.

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

35 (i) The bonds are issued for the purpose of
36 constructing a new high school building to replace two

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

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

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

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

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

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

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

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

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

34 (i) Notwithstanding any other provisions of this Section or
35 the provisions of any other law, until January 1, 1998, a
36 community unit school district maintaining grades K through 12

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

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

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

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

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

17 (j) Notwithstanding any other provisions of this Section or
18 the provisions of any other law, until January 1, 1999, 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% of the equalized assessed value
22 of the 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 of less than \$140,000,000
26 and a best 3 months average daily attendance for the
27 1995-96 school year of at least 2,800;

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

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

36 (iv) At least 60% of those voting in an election held

1 after December 31, 1996 approve a proposition for the
2 issuance of the bonds; and

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

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

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

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

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

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

34 (l) Notwithstanding any other provisions of this Section or
35 the provisions of any other law, until January 1, 2000, a
36 school district maintaining grades kindergarten through 8 may

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 additions to one or more existing buildings.

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

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

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

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

14 (p-10) Notwithstanding any other provisions of this
15 Section or the provisions of any other law, bonds issued by a
16 community consolidated school district maintaining grades K
17 through 8 shall not be considered indebtedness for purposes of
18 any statutory limitation and may be issued in an amount or
19 amounts, including existing indebtedness, in excess of any
20 heretofore or hereafter imposed statutory limitation as to
21 indebtedness, if all of the following conditions are met:

22 (i) For each of the 4 most recent years, residential
23 and farm property comprises more than 80% of the equalized
24 assessed valuation of the district.

25 (ii) The bond proceeds are to be used to acquire and
26 improve school sites and build and equip a school building.

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

30 (iv) At the time of the sale of the bonds, the school
31 board determines by resolution that the school sites and
32 building additions are needed because of an increase in
33 enrollment projected by the school board.

34 (v) The principal amount of the bonds, including
35 existing indebtedness, does not exceed 20% of the equalized
36 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 (Source: P.A. 93-13, eff. 6-9-03; 93-799, eff. 7-22-04;
4 93-1045, eff. 10-15-04; 94-721, eff. 1-6-06.)

5 (Text of Section after amendment by P.A. 94-234)
6 Sec. 19-1. Debt limitations of school districts.

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

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

23 No school districts maintaining grades K through 12 shall
24 become indebted in any manner or for any purpose to an amount,
25 including existing indebtedness, in the aggregate exceeding
26 13.8% on the value of the taxable property therein to be
27 ascertained by the last assessment for State and county taxes
28 or, until January 1, 1983, if greater, the sum that is produced
29 by multiplying the school district's 1978 equalized assessed
30 valuation by the debt limitation percentage in effect on
31 January 1, 1979, previous to the incurring of such
32 indebtedness.

33 Notwithstanding the provisions of any other law to the
34 contrary, in any case in which the voters of a school district
35 have approved a proposition for the issuance of bonds of such

1 school district at an election held prior to January 1, 1979,
2 and all of the bonds approved at such election have not been
3 issued, the debt limitation applicable to such school district
4 during the calendar year 1979 shall be computed by multiplying
5 the value of taxable property therein, including personal
6 property, as ascertained by the last assessment for State and
7 county taxes, previous to the incurring of such indebtedness,
8 by the percentage limitation applicable to such school district
9 under the provisions of this subsection (a).

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

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

25 (2) When the Regional Superintendent of Schools having
26 jurisdiction over the school district and the State
27 Superintendent of Education concur in such enrollment
28 projection or increase and approve the need for such
29 additional school sites or building facilities and the
30 estimated cost thereof; and

31 (3) When the voters in the school district approve a
32 proposition for the issuance of bonds for the purpose of
33 acquiring or improving such needed school sites or
34 constructing and equipping such needed additional building
35 facilities at an election called and held for that purpose.
36 Notice of such an election shall state that the amount of

1 indebtedness proposed to be incurred would exceed the debt
2 limitation otherwise applicable to the school district.
3 The ballot for such proposition shall state what percentage
4 of the equalized assessed valuation will be outstanding in
5 bonds if the proposed issuance of bonds is approved by the
6 voters; or

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

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

29 In no event shall the indebtedness incurred pursuant to
30 this subsection (b) and the existing indebtedness of the school
31 district exceed 15% of the value of the taxable property
32 therein to be ascertained by the last assessment for State and
33 county taxes, previous to the incurring of such indebtedness
34 or, until January 1, 1983, if greater, the sum that is produced
35 by multiplying the school district's 1978 equalized assessed
36 valuation by the debt limitation percentage in effect on

1 January 1, 1979.

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

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

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

26 (1) The additional indebtedness authorized by this
27 subsection (d) is incurred by the school district through
28 the issuance of bonds under and in accordance with Section
29 17-2.11a for the purpose of replacing a school building
30 which, because of mine subsidence damage, has been closed
31 as provided in paragraph (2) of this subsection (d) or
32 through the issuance of bonds under and in accordance with
33 Section 19-3 for the purpose of increasing the size of, or
34 providing for additional functions in, such replacement
35 school buildings, or both such purposes.

36 (2) The bonds issued by the school district as provided

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

13 (e) (Blank).

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

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

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

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

35 Notwithstanding the provisions of subsection (a) of this
36 Section or of any other law, a school district that has availed

1 itself of the provisions of this subsection (f) prior to July
2 22, 2004 (the effective date of Public Act 93-799) may also
3 issue bonds approved by referendum up to an amount, including
4 existing indebtedness, not exceeding 25% of the equalized
5 assessed value of the taxable property in the district if all
6 of the conditions set forth in items (1), (2), and (3) of this
7 subsection (f) are met.

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

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

24 (ii) At the time the resolution authorizing the
25 issuance of the bonds is adopted, the cost of constructing
26 a new school building to replace the existing school
27 building is less than 60% of the cost of repairing the
28 existing school building.

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

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

35 (h) 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 27.6% of the equalized assessed
4 value 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 \$24,000,000;

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 buildings
11 were originally constructed not less than 40 years ago;

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

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

17 (i) 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% of the equalized assessed value
22 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 \$44,600,000;

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 existing
29 buildings were originally constructed not less than 80
30 years ago;

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

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

36 (j) Notwithstanding any other provisions of this Section or

1 the provisions of any other law, until January 1, 1999, a
2 community unit school district maintaining grades K through 12
3 may issue bonds up to an amount, including existing
4 indebtedness, not exceeding 27% of the equalized assessed value
5 of the taxable property in the district if all of the following
6 conditions are met:

7 (i) The school district has an equalized assessed
8 valuation for calendar year 1995 of less than \$140,000,000
9 and a best 3 months average daily attendance for the
10 1995-96 school year of at least 2,800;

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

15 (iii) At the time of the sale of the bonds, the board
16 of education determines by resolution that a new high
17 school is needed because of projected enrollment
18 increases;

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

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

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

1 subsection (a):

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

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

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

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

17 (1) Notwithstanding any other provisions of this Section or
18 the provisions of any other law, until January 1, 2000, a
19 school district maintaining grades kindergarten through 8 may
20 issue bonds up to an amount, including existing indebtedness,
21 not exceeding 15% 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 district has an equalized assessed valuation
25 for calendar year 1996 of less than \$10,000,000;

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

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

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

35 (m) Notwithstanding any other provisions of this Section or
36 the provisions of any other law, until January 1, 1999, an

1 elementary school district maintaining grades K through 8 may
2 issue bonds up to an amount, excluding existing indebtedness,
3 not exceeding 18% 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 school district has an equalized assessed
7 valuation for calendar year 1995 or less than \$7,700,000;

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

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

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

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

22 (n) Notwithstanding the debt limitation prescribed in
23 subsection (a) of this Section or any other provisions of this
24 Section or of any other law, a school district that meets all
25 of the criteria set forth in paragraphs (i) through (vi) of
26 this subsection (n) may incur additional indebtedness by the
27 issuance of bonds in an amount not exceeding the amount
28 certified by the Capital Development Board to the school
29 district as provided in paragraph (iii) of this subsection (n),
30 even though the amount of the additional indebtedness so
31 authorized, when incurred and added to the aggregate amount of
32 indebtedness of the district existing immediately prior to the
33 district incurring the additional indebtedness authorized by
34 this subsection (n), causes the aggregate indebtedness of the
35 district to exceed the debt limitation otherwise applicable by
36 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
35 community unit school district maintaining grades K through 12
36 may issue bonds up to an amount, including existing

1 indebtedness, not exceeding 20% of the equalized assessed value
2 of the 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 2001 of at least \$737,000,000
6 and an enrollment for the 2002-2003 school year of at least
7 8,500;

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

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

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

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

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

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

32 (ii) The bonds are issued to build and equip 3
33 elementary school buildings; build and equip one middle
34 school building; and alter, repair, improve, and equip all
35 existing school buildings in the district.

36 (iii) At the time of the sale of the bonds, the board

1 of education determines by resolution that the project is
2 needed because of expanding growth in the school district
3 and a projected enrollment increase.

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

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

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

17 (ii) At least 2 school buildings that were constructed
18 40 or more years prior to the issuance of the bonds will be
19 demolished and will be replaced by new buildings or
20 additions to one or more existing buildings.

21 (iii) Voters of the district approve a proposition for
22 the issuance of the bonds at a regularly scheduled
23 election.

24 (iv) At the time of the sale of the bonds, the school
25 board determines by resolution that the new buildings or
26 building additions are needed because of an increase in
27 enrollment projected by the school board.

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

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

33 (p-10) Notwithstanding any other provisions of this
34 Section or the provisions of any other law, bonds issued by a
35 community consolidated school district maintaining grades K
36 through 8 shall not be considered indebtedness for purposes of

1 any statutory limitation and may be issued in an amount or
2 amounts, including existing indebtedness, in excess of any
3 heretofore or hereafter imposed statutory limitation as to
4 indebtedness, if all of the following conditions are met:

5 (i) For each of the 4 most recent years, residential
6 and farm property comprises more than 80% of the equalized
7 assessed valuation of the district.

8 (ii) The bond proceeds are to be used to acquire and
9 improve school sites and build and equip a school building.

10 (iii) Voters of the district approve a proposition for
11 the issuance of the bonds at a regularly scheduled
12 election.

13 (iv) At the time of the sale of the bonds, the school
14 board determines by resolution that the school sites and
15 building additions are needed because of an increase in
16 enrollment projected by the school board.

17 (v) The principal amount of the bonds, including
18 existing indebtedness, does not exceed 20% of the equalized
19 assessed value of the taxable property in the district.

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

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

27 (Source: P.A. 93-13, eff. 6-9-03; 93-799, eff. 7-22-04;
28 93-1045, eff. 10-15-04; 94-234, eff. 7-1-06; 94-721, eff.
29 1-6-06.)

30 Section 95. No acceleration or delay. Where this Act makes
31 changes in a statute that is represented in this Act by text
32 that is not yet or no longer in effect (for example, a Section
33 represented by multiple versions), the use of that text does
34 not accelerate or delay the taking effect of (i) the changes
35 made by this Act or (ii) provisions derived from any other

1 Public Act.

2 Section 99. Effective date. This Act takes effect upon
3 becoming law.