



Sen. James F. Clayborne, Jr.

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LRB096 10435 PJG 44189 a

1 AMENDMENT TO HOUSE BILL 2376

2 AMENDMENT NO. _____. Amend House Bill 2376 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Local Government Debt Reform Act is amended
5 by changing Section 15 as follows:

6 (30 ILCS 350/15) (from Ch. 17, par. 6915)

7 Sec. 15. Double-barrelled bonds. Whenever revenue bonds
8 have been authorized to be issued pursuant to applicable law or
9 whenever there exists for a governmental unit a revenue source,
10 the procedures set forth in this Section may be used by a
11 governing body. General obligation bonds may be issued in lieu
12 of such revenue bonds as authorized, and general obligation
13 bonds may be issued payable from any revenue source. Such
14 general obligation bonds may be referred to as "alternate
15 bonds". Alternate bonds may be issued without any referendum or
16 backdoor referendum except as provided in this Section, upon

1 the terms provided in Section 10 of this Act without reference
2 to other provisions of law, but only upon the conditions
3 provided in this Section. Alternate bonds shall not be regarded
4 as or included in any computation of indebtedness for the
5 purpose of any statutory provision or limitation except as
6 expressly provided in this Section.

7 Such conditions are:

8 (a) Alternate bonds shall be issued for a lawful corporate
9 purpose. If issued in lieu of revenue bonds, alternate bonds
10 shall be issued for the purposes for which such revenue bonds
11 shall have been authorized. If issued payable from a revenue
12 source in the manner hereinafter provided, which revenue source
13 is limited in its purposes or applications, then the alternate
14 bonds shall be issued only for such limited purposes or
15 applications. Alternate bonds may be issued payable from either
16 enterprise revenues or revenue sources, or both.

17 (b) Alternate bonds shall be subject to backdoor
18 referendum. The provisions of Section 5 of this Act shall apply
19 to such backdoor referendum, together with the provisions
20 hereof. The authorizing ordinance shall be published in a
21 newspaper of general circulation in the governmental unit.
22 Along with or as part of the authorizing ordinance, there shall
23 be published a notice of (1) the specific number of voters
24 required to sign a petition requesting that the issuance of the
25 alternate bonds be submitted to referendum, (2) the time when
26 such petition must be filed, (3) the date of the prospective

1 referendum, and (4), with respect to authorizing ordinances
2 adopted on or after January 1, 1991, a statement that
3 identifies any revenue source that will be used to pay debt
4 service on the alternate bonds. The clerk or secretary of the
5 governmental unit shall make a petition form available to
6 anyone requesting one. If no petition is filed with the clerk
7 or secretary within 30 days of publication of the authorizing
8 ordinance and notice, the alternate bonds shall be authorized
9 to be issued. But if within this 30 days period, a petition is
10 filed with such clerk or secretary signed by electors numbering
11 the greater of (i) 7.5% of the registered voters in the
12 governmental unit or (ii) 200 of those registered voters or 15%
13 of those registered voters, whichever is less, asking that the
14 issuance of such alternate bonds be submitted to referendum,
15 the clerk or secretary shall certify such question for
16 submission at an election held in accordance with the general
17 election law. The question on the ballot shall include a
18 statement of any revenue source that will be used to pay debt
19 service on the alternate bonds. The alternate bonds shall be
20 authorized to be issued if a majority of the votes cast on the
21 question at such election are in favor thereof provided that
22 notice of the bond referendum, if held before July 1, 1999, has
23 been given in accordance with the provisions of Section 12-5 of
24 the Election Code in effect at the time of the bond referendum,
25 at least 10 and not more than 45 days before the date of the
26 election, notwithstanding the time for publication otherwise

1 imposed by Section 12-5. Notices required in connection with
2 the submission of public questions on or after July 1, 1999
3 shall be as set forth in Section 12-5 of the Election Code.
4 Backdoor referendum proceedings for bonds and alternate bonds
5 to be issued in lieu of such bonds may be conducted at the same
6 time. Notwithstanding any other provision of this Section, a
7 backdoor referendum is not required if at least 90% of the
8 revenue source pledged to the payment of the alternate bonds as
9 determined by the audit or feasibility report is expected to be
10 obtained from the County School Facility Occupation Tax Law
11 under Section 5-1006.7 of the Counties Code.

12 (c) To the extent payable from enterprise revenues, such
13 revenues shall have been determined by the governing body to be
14 sufficient to provide for or pay in each year to final maturity
15 of such alternate bonds all of the following: (1) costs of
16 operation and maintenance of the utility or enterprise, but not
17 including depreciation, (2) debt service on all outstanding
18 revenue bonds payable from such enterprise revenues, (3) all
19 amounts required to meet any fund or account requirements with
20 respect to such outstanding revenue bonds, (4) other
21 contractual or tort liability obligations, if any, payable from
22 such enterprise revenues, and (5) in each year, an amount not
23 less than 1.25 times debt service of all (i) alternate bonds
24 payable from such enterprise revenues previously issued and
25 outstanding and (ii) alternate bonds proposed to be issued. To
26 the extent payable from one or more revenue sources, such

1 sources shall have been determined by the governing body to
2 provide in each year, an amount not less than 1.25 times debt
3 service of all alternate bonds payable from such revenue
4 sources previously issued and outstanding and alternate bonds
5 proposed to be issued. The 1.25 figure in the preceding
6 sentence shall be reduced to 1.10 if the revenue source is a
7 governmental revenue source. The conditions enumerated in this
8 subsection (c) need not be met for that amount of debt service
9 provided for by the setting aside of proceeds of bonds or other
10 moneys at the time of the delivery of such bonds.
11 ~~Notwithstanding any other provision of this Section, a backdoor~~
12 ~~referendum is not required if the proceeds backing the debt are~~
13 ~~realized from revenues obtained from the County School Facility~~
14 ~~Occupation Tax Law under Section 5-1006.7 of the Counties Code.~~

15 (c-1) In the case of alternate bonds issued as variable
16 rate bonds (including refunding bonds), debt service shall be
17 projected based on the rate for the most recent date shown in
18 the 20 G.O. Bond Index of average municipal bond yields as
19 published in the most recent edition of The Bond Buyer
20 published in New York, New York (or any successor publication
21 or index, or if such publication or index is no longer
22 published, then any index of long-term municipal tax-exempt
23 bond yields selected by the governmental unit), as of the date
24 of determination referred to in subsection (c) of this Section.
25 Any interest or fees that may be payable to the provider of a
26 letter of credit, line of credit, surety bond, bond insurance,

1 or other credit enhancement relating to such alternate bonds
2 and any fees that may be payable to any remarketing agent need
3 not be taken into account for purposes of such projection. If
4 the governmental unit enters into an agreement in connection
5 with such alternate bonds at the time of issuance thereof
6 pursuant to which the governmental unit agrees for a specified
7 period of time to pay an amount calculated at an agreed-upon
8 rate or index based on a notional amount and the other party
9 agrees to pay the governmental unit an amount calculated at an
10 agreed-upon rate or index based on such notional amount,
11 interest shall be projected for such specified period of time
12 on the basis of the agreed-upon rate payable by the
13 governmental unit.

14 (d) The determination of the sufficiency of enterprise
15 revenues or a revenue source, as applicable, shall be supported
16 by reference to the most recent audit of the governmental unit,
17 which shall be for a fiscal year ending not earlier than 18
18 months previous to the time of issuance of the alternate bonds.
19 If such audit does not adequately show such enterprise revenues
20 or revenue source, as applicable, or if such enterprise
21 revenues or revenue source, as applicable, are shown to be
22 insufficient, then the determination of sufficiency shall be
23 supported by the report of an independent accountant or
24 feasibility analyst, the latter having a national reputation
25 for expertise in such matters, demonstrating the sufficiency of
26 such revenues and explaining, if appropriate, by what means the

1 revenues will be greater than as shown in the audit. Whenever
2 such sufficiency is demonstrated by reference to a schedule of
3 higher rates or charges for enterprise revenues or a higher tax
4 imposition for a revenue source, such higher rates, charges or
5 taxes shall have been properly imposed by an ordinance adopted
6 prior to the time of delivery of alternate bonds. The reference
7 to and acceptance of an audit or report, as the case may be,
8 and the determination of the governing body as to sufficiency
9 of enterprise revenues or a revenue source shall be conclusive
10 evidence that the conditions of this Section have been met and
11 that the alternate bonds are valid.

12 (e) The enterprise revenues or revenue source, as
13 applicable, shall be in fact pledged to the payment of the
14 alternate bonds; and the governing body shall covenant, to the
15 extent it is empowered to do so, to provide for, collect and
16 apply such enterprise revenues or revenue source, as
17 applicable, to the payment of the alternate bonds and the
18 provision of not less than an additional .25 (or .10 for
19 governmental revenue sources) times debt service. The pledge
20 and establishment of rates or charges for enterprise revenues,
21 or the imposition of taxes in a given rate or amount, as
22 provided in this Section for alternate bonds, shall constitute
23 a continuing obligation of the governmental unit with respect
24 to such establishment or imposition and a continuing
25 appropriation of the amounts received. All covenants relating
26 to alternate bonds and the conditions and obligations imposed

1 by this Section are enforceable by any bondholder of alternate
2 bonds affected, any taxpayer of the governmental unit, and the
3 People of the State of Illinois acting through the Attorney
4 General or any designee, and in the event that any such action
5 results in an order finding that the governmental unit has not
6 properly set rates or charges or imposed taxes to the extent it
7 is empowered to do so or collected and applied enterprise
8 revenues or any revenue source, as applicable, as required by
9 this Act, the plaintiff in any such action shall be awarded
10 reasonable attorney's fees. The intent is that such enterprise
11 revenues or revenue source, as applicable, shall be sufficient
12 and shall be applied to the payment of debt service on such
13 alternate bonds so that taxes need not be levied, or if levied
14 need not be extended, for such payment. Nothing in this Section
15 shall inhibit or restrict the authority of a governing body to
16 determine the lien priority of any bonds, including alternate
17 bonds, which may be issued with respect to any enterprise
18 revenues or revenue source.

19 In the event that alternate bonds shall have been issued
20 and taxes, other than a designated revenue source, shall have
21 been extended pursuant to the general obligation, full faith
22 and credit promise supporting such alternate bonds, then the
23 amount of such alternate bonds then outstanding shall be
24 included in the computation of indebtedness of the governmental
25 unit for purposes of all statutory provisions or limitations
26 until such time as an audit of the governmental unit shall show

1 that the alternate bonds have been paid from the enterprise
2 revenues or revenue source, as applicable, pledged thereto for
3 a complete fiscal year.

4 Alternate bonds may be issued to refund or advance refund
5 alternate bonds without meeting any of the conditions set forth
6 in this Section, except that the term of the refunding bonds
7 shall not be longer than the term of the refunded bonds and
8 that the debt service payable in any year on the refunding
9 bonds shall not exceed the debt service payable in such year on
10 the refunded bonds.

11 Once issued, alternate bonds shall be and forever remain
12 until paid or defeased the general obligation of the
13 governmental unit, for the payment of which its full faith and
14 credit are pledged, and shall be payable from the levy of taxes
15 as is provided in this Act for general obligation bonds.

16 The changes made by this amendatory Act of 1990 do not
17 affect the validity of bonds authorized before September 1,
18 1990.

19 (Source: P.A. 95-675, eff. 10-11-07.)

20 Section 10. The Counties Code is amended by changing
21 Section 5-1006.7 as follows:

22 (55 ILCS 5/5-1006.7)

23 Sec. 5-1006.7. School facility occupation taxes.

24 (a) A tax shall be imposed in any county ~~The county board~~

1 ~~of any county may impose a tax~~ upon all persons engaged in the
2 business of selling tangible personal property, other than
3 personal property titled or registered with an agency of this
4 State's government, at retail in the county on the gross
5 receipts from the sales made in the course of business to
6 provide revenue to be used exclusively for school facility
7 purposes if a proposition for the tax has been submitted to the
8 electors of that county and approved by a majority of those
9 voting on the question as provided in subsection (c). The tax
10 under this Section shall ~~may~~ be imposed only in one-quarter
11 percent increments and may not exceed 1%.

12 This additional tax may not be imposed on the sale of food
13 for human consumption that is to be consumed off the premises
14 where it is sold (other than alcoholic beverages, soft drinks,
15 and food that has been prepared for immediate consumption) and
16 prescription and non-prescription medicines, drugs, medical
17 appliances and insulin, urine testing materials, syringes and
18 needles used by diabetics. The Department of Revenue has full
19 power to administer and enforce this subsection, to collect all
20 taxes and penalties due under this subsection, to dispose of
21 taxes and penalties so collected in the manner provided in this
22 subsection, and to determine all rights to credit memoranda
23 arising on account of the erroneous payment of a tax or penalty
24 under this subsection. The Department shall deposit all taxes
25 and penalties collected under this subsection into a special
26 fund created for that purpose.

1 In the administration of and compliance with this
2 subsection, the Department and persons who are subject to this
3 subsection (i) have the same rights, remedies, privileges,
4 immunities, powers, and duties, (ii) are subject to the same
5 conditions, restrictions, limitations, penalties, and
6 definitions of terms, and (iii) shall employ the same modes of
7 procedure as are set forth in Sections 1 through 1o, 2 through
8 2-70 (in respect to all provisions contained in those Sections
9 other than the State rate of tax), 2a through 2h, 3 (except as
10 to the disposition of taxes and penalties collected), 4, 5, 5a,
11 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 7, 8,
12 9, 10, 11, 11a, 12, and 13 of the Retailers' Occupation Tax Act
13 and all provisions of the Uniform Penalty and Interest Act as
14 if those provisions were set forth in this subsection.

15 The certificate of registration that is issued by the
16 Department to a retailer under the Retailers' Occupation Tax
17 Act permits the retailer to engage in a business that is
18 taxable without registering separately with the Department
19 under an ordinance or resolution under this subsection.

20 Persons subject to any tax imposed under the authority
21 granted in this subsection may reimburse themselves for their
22 seller's tax liability by separately stating that tax as an
23 additional charge, which may be stated in combination, in a
24 single amount, with State tax that sellers are required to
25 collect under the Use Tax Act, pursuant to any bracketed
26 schedules set forth by the Department.

1 (b) If a tax has been imposed under subsection (a), then a
2 service occupation tax must also be imposed at the same rate
3 upon all persons engaged, in the county, in the business of
4 making sales of service, who, as an incident to making those
5 sales of service, transfer tangible personal property within
6 the county as an incident to a sale of service.

7 This tax may not be imposed on sales of food for human
8 consumption that is to be consumed off the premises where it is
9 sold (other than alcoholic beverages, soft drinks, and food
10 prepared for immediate consumption) and prescription and
11 non-prescription medicines, drugs, medical appliances and
12 insulin, urine testing materials, syringes, and needles used by
13 diabetics.

14 The tax imposed under this subsection and all civil
15 penalties that may be assessed as an incident thereof shall be
16 collected and enforced by the Department and deposited into a
17 special fund created for that purpose. The Department has full
18 power to administer and enforce this subsection, to collect all
19 taxes and penalties due under this subsection, to dispose of
20 taxes and penalties so collected in the manner provided in this
21 subsection, and to determine all rights to credit memoranda
22 arising on account of the erroneous payment of a tax or penalty
23 under this subsection.

24 In the administration of and compliance with this
25 subsection, the Department and persons who are subject to this
26 subsection shall (i) have the same rights, remedies,

1 privileges, immunities, powers and duties, (ii) be subject to
2 the same conditions, restrictions, limitations, penalties and
3 definition of terms, and (iii) employ the same modes of
4 procedure as are set forth in Sections 2 (except that that
5 reference to State in the definition of supplier maintaining a
6 place of business in this State means the county), 2a through
7 2d, 3 through 3-50 (in respect to all provisions contained in
8 those Sections other than the State rate of tax), 4 (except
9 that the reference to the State shall be to the county), 5, 7,
10 8 (except that the jurisdiction to which the tax is a debt to
11 the extent indicated in that Section 8 is the county), 9
12 (except as to the disposition of taxes and penalties
13 collected), 10, 11, 12 (except the reference therein to Section
14 2b of the Retailers' Occupation Tax Act), 13 (except that any
15 reference to the State means the county), Section 15, 16, 17,
16 18, 19, and 20 of the Service Occupation Tax Act and all
17 provisions of the Uniform Penalty and Interest Act, as fully as
18 if those provisions were set forth herein.

19 Persons subject to any tax imposed under the authority
20 granted in this subsection may reimburse themselves for their
21 serviceman's tax liability by separately stating the tax as an
22 additional charge, which may be stated in combination, in a
23 single amount, with State tax that servicemen are authorized to
24 collect under the Service Use Tax Act, pursuant to any
25 bracketed schedules set forth by the Department.

26 (c) The tax under this Section may not be imposed until, ~~by~~

1 ~~ordinance or resolution of the county board,~~ the question of
2 imposing the tax has been submitted to the electors of the
3 county at a regular election and approved by a majority of the
4 electors voting on the question. Upon receipt of a resolution
5 ~~by the county board or~~ a resolution or resolutions by school
6 district boards that represent more than 50% ~~at least 51%~~ of
7 the student enrollment within the county, the regional
8 superintendent of schools of the county or the county board
9 must certify the question to the proper election authority for
10 submission to the electors of the county at the next regular
11 election at which the question lawfully may be submitted to the
12 electors, all in accordance with the Election Code.

13 The election authority must submit the question in
14 substantially the following form:

15 Shall ~~(name of county)~~ be authorized to impose a
16 retailers' occupation tax and a service occupation tax
17 (commonly referred to as a "sales tax") be imposed in (name
18 of county) at a rate of (insert rate) to be used
19 exclusively for school facility purposes?

20 The election authority must record the votes as "Yes" or "No".

21 If a majority of the electors voting on the question vote
22 in the affirmative, then the tax shall be imposed at the rate
23 set forth in the question ~~the county may, thereafter, impose~~
24 ~~the tax.~~

25 For the purposes of this subsection (c), "enrollment" means
26 the head count of the students residing in the county on the

1 last school day of September of each year, which must be
2 reported on the Illinois State Board of Education Public School
3 Fall Enrollment/Housing Report.

4 (d) The Department shall immediately pay over to the State
5 Treasurer, ex officio, as trustee, all taxes and penalties
6 collected under this Section to be deposited into the School
7 Facility Occupation Tax Fund, which shall be an unappropriated
8 trust fund held outside the State treasury.

9 On or before the 25th day of each calendar month, the
10 Department shall prepare and certify to the Comptroller the
11 disbursement of stated sums of money to the regional
12 superintendents of schools in counties from which retailers or
13 servicemen have paid taxes or penalties to the Department
14 during the second preceding calendar month. The amount to be
15 paid to each regional superintendent of schools and disbursed
16 to him or her in accordance with 3-14.31 of the School Code, is
17 equal to the amount (not including credit memoranda) collected
18 from the county under this Section during the second preceding
19 calendar month by the Department, (i) less 2% of that amount,
20 which shall be deposited into the Tax Compliance and
21 Administration Fund and shall be used by the Department,
22 subject to appropriation, to cover the costs of the Department
23 in administering and enforcing the provisions of this Section,
24 on behalf of the county, (ii) plus an amount that the
25 Department determines is necessary to offset any amounts that
26 were erroneously paid to a different taxing body; (iii) less an

1 amount equal to the amount of refunds made during the second
2 preceding calendar month by the Department on behalf of the
3 county; and (iv) less any amount that the Department determines
4 is necessary to offset any amounts that were payable to a
5 different taxing body but were erroneously paid to the county.
6 When certifying the amount of a monthly disbursement to a
7 regional superintendent of schools under this Section, the
8 Department shall increase or decrease the amounts by an amount
9 necessary to offset any miscalculation of previous
10 disbursements within the previous 6 months from the time a
11 miscalculation is discovered.

12 Within 10 days after receipt by the Comptroller from the
13 Department of the disbursement certification to the regional
14 superintendents of the schools provided for in this Section,
15 the Comptroller shall cause the orders to be drawn for the
16 respective amounts in accordance with directions contained in
17 the certification.

18 If the Department determines that a refund should be made
19 under this Section to a claimant instead of issuing a credit
20 memorandum, then the Department shall notify the Comptroller,
21 who shall cause the order to be drawn for the amount specified
22 and to the person named in the notification from the
23 Department. The refund shall be paid by the Treasurer out of
24 the School Facility Occupation Tax Fund.

25 (e) For the purposes of determining the local governmental
26 unit whose tax is applicable, a retail sale by a producer of

1 coal or another mineral mined in Illinois is a sale at retail
2 at the place where the coal or other mineral mined in Illinois
3 is extracted from the earth. This subsection does not apply to
4 coal or another mineral when it is delivered or shipped by the
5 seller to the purchaser at a point outside Illinois so that the
6 sale is exempt under the United States Constitution as a sale
7 in interstate or foreign commerce.

8 (f) Nothing in this Section may be construed to authorize a
9 ~~county board to impose~~ a tax to be imposed upon the privilege
10 of engaging in any business that under the Constitution of the
11 United States may not be made the subject of taxation by this
12 State.

13 (g) If a county board imposes a tax under this Section
14 before the effective date of this amendatory Act of the 96th
15 General Assembly at a rate below the rate set forth in the
16 question approved by a majority of electors of that county
17 voting on the question, then the county board may, by
18 ordinance, increase the rate of the tax up to the rate set
19 forth in the question approved by a majority of electors of
20 that county voting on the question. If a county board imposes a
21 tax under this Section before the effective date of this
22 amendatory Act of the 96th General Assembly, then the board
23 may, by ordinance, discontinue or reduce the rate of the tax.
24 If a tax is otherwise imposed under this Section on or after
25 the effective date of this amendatory Act of the 96th General
26 Assembly, then the county board may reduce or discontinue the

1 tax, but only in accordance with subsection (h-5) of this
2 Section. If, however, a school board issues bonds that are
3 secured ~~backed~~ by the proceeds of the tax under this Section,
4 then the county board may not reduce the tax rate or
5 discontinue the tax if that rate reduction or discontinuance
6 would adversely affect ~~inhibit~~ the school board's ability to
7 pay the principal and interest on those bonds as they become
8 due. If the county board reduces the tax rate or discontinues
9 the tax, then a referendum must be held in accordance with
10 subsection (c) of this Section in order to increase the rate of
11 the tax or to reimpose the discontinued tax. The State of
12 Illinois pledges to and agrees with the holders of bonds
13 secured by proceeds of the tax imposed under this Section that
14 the State will not limit or alter the rights, powers, and
15 duties set forth in this Section so as to impair the terms of
16 any contract made by school districts with those holders or in
17 any way impair the rights and remedies of those holders until
18 the bonds, together with interest thereon, with interest on any
19 unpaid installments of interest, and all costs and expenses in
20 connection with any action or proceedings by or on behalf of
21 such holders, are fully met and discharged.

22 The results of any election that imposes, reduces, or
23 discontinues ~~authorizes a proposition to impose~~ a tax under
24 this Section must be certified by the election authority, and
25 ~~or to change the rate of the tax along with an ordinance~~
26 ~~imposing the tax, or~~ any ordinance that increases or lowers the

1 rate or discontinues the tax, must be certified by the county
2 clerk and, in each case, filed with the Illinois Department of
3 Revenue either (i) on or before the first day of April,
4 whereupon the Department shall proceed to administer and
5 enforce the tax or change in the rate as of the first day of
6 July next following the filing; or (ii) on or before the first
7 day of October, whereupon the Department shall proceed to
8 administer and enforce the tax or change in the rate as of the
9 first day of January next following the filing.

10 (h) For purposes of this Section, "school facility
11 purposes" means (i) the acquisition, development,
12 construction, reconstruction, rehabilitation, improvement,
13 financing, architectural planning, and installation of capital
14 facilities consisting of buildings, structures, and durable
15 equipment and for the acquisition and improvement of real
16 property and interest in real property required, or expected to
17 be required, in connection with the capital facilities and (ii)
18 the payment of bonds or other obligations heretofore or
19 hereafter issued, including bonds or other obligations
20 heretofore or hereafter issued to refund or to continue to
21 refund bonds or other obligations issued, for school facility
22 purposes, provided that the taxes levied to pay those bonds are
23 abated by the amount of the taxes imposed under this Section
24 that are used to pay those bonds. "School-facility purposes"
25 also includes fire prevention, safety, energy conservation,
26 disabled accessibility, school security, and specified repair

1 purposes set forth under Section 17-2.11 of the School Code.

2 (h-5) A county board in a county where a tax has been
3 imposed under this Section on or after the effective date of
4 this amendatory Act of the 96th General Assembly may, by
5 ordinance or resolution, submit to the voters of the county the
6 question of reducing or discontinuing the tax. In the ordinance
7 or resolution, the county board shall certify the question to
8 the proper election authority in accordance with the Election
9 Code. The election authority must submit the question in
10 substantially the following form:

11 "Shall the school facility retailers' occupation tax
12 and service occupation tax (commonly referred to as the
13 "school facility sales tax") currently imposed in (name of
14 county) at a rate of (insert rate) be (reduced to (insert
15 rate))(discontinued)?"

16 If a majority of the electors voting on the question vote in
17 the affirmative, then, subject to the provisions of subsection
18 (g) of this Section, the tax shall be reduced or discontinued
19 as set forth in the question.

20 (i) This Section does not apply to Cook County.

21 (j) This Section may be cited as the County School Facility
22 Occupation Tax Law.

23 (Source: P.A. 95-675, eff. 10-11-07.)

24 Section 15. The School Code is amended by changing Section
25 10-22.36 as follows:

1 (105 ILCS 5/10-22.36) (from Ch. 122, par. 10-22.36)

2 Sec. 10-22.36. Buildings for school purposes. To build or
3 purchase a building for school classroom or instructional
4 purposes upon the approval of a majority of the voters upon the
5 proposition at a referendum held for such purpose or in
6 accordance with Section 17-2.11, 19-3.5, or 19-3.10. The board
7 may initiate such referendum by resolution. The board shall
8 certify the resolution and proposition to the proper election
9 authority for submission in accordance with the general
10 election law.

11 The questions of building one or more new buildings for
12 school purposes or office facilities, and issuing bonds for the
13 purpose of borrowing money to purchase one or more buildings or
14 sites for such buildings or office sites, to build one or more
15 new buildings for school purposes or office facilities or to
16 make additions and improvements to existing school buildings,
17 may be combined into one or more propositions on the ballot.

18 Before erecting, or purchasing or remodeling such a
19 building the board shall submit the plans and specifications
20 respecting heating, ventilating, lighting, seating, water
21 supply, toilets and safety against fire to the regional
22 superintendent of schools having supervision and control over
23 the district, for approval in accordance with Section 2-3.12.

24 Notwithstanding any of the foregoing, no referendum shall
25 be required if the purchase, construction, or building of any

1 such building ~~is completed~~ (1) occurs while the building is
2 being leased by the school district or (2) is paid with ~~with~~
3 ~~the expenditure of~~ (A) funds derived from the sale or
4 disposition of other buildings, land, or structures of the
5 school district or (B) funds received (i) as a grant under the
6 School Construction Law, or (ii) as gifts or donations,
7 provided that no funds to purchase, construct, or build
8 ~~complete~~ such building, other than lease payments, are derived
9 from the district's bonded indebtedness or the tax levy of the
10 district, ~~or (iii) from the County School Facility Occupation~~
11 ~~Tax Law under Section 5-1006.7 of the Counties Code.~~

12 Notwithstanding any of the foregoing, no referendum shall
13 be required if the purchase, construction, or building of any
14 such building is paid with funds received from the County
15 School Facility Occupation Tax Law under Section 5-1006.7 of
16 the Counties Code or from the proceeds of bonds or other debt
17 obligations secured by revenues obtained from that Law,
18 provided that no funds to purchase, construct, or build such
19 building are derived from the district's other bonded
20 indebtedness or the property tax levy of the district.

21 (Source: P.A. 95-675, eff. 10-11-07; 96-517, eff. 8-14-09.)

22 Section 97. Severability. The provisions of this Act are
23 severable under Section 1.31 of the Statute on Statutes.

24 Section 99. Effective date. This Act takes effect upon

1 becoming law.".