

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 Public Community College Act is amended by
5 changing Section 3-33.2 and by adding Section 3-33.7 as
6 follows:

7 (110 ILCS 805/3-33.2) (from Ch. 122, par. 103-33.2)

8 Sec. 3-33.2. Bonds for working cash fund.

9 (a) Except as provided in subsection (b) of this Section,
10 in ~~in~~ order to create, maintain or increase such a working cash
11 fund for the purposes mentioned in Section 3-33.1, the board
12 may incur an indebtedness for such purpose and issue bonds
13 therefor from time to time, in an amount or amounts not
14 exceeding in the aggregate at any one time outstanding 75% of
15 the taxes permitted to be levied for educational purposes and
16 for operations and maintenance of facilities purposes for the
17 then current year to be determined by multiplying the aggregate
18 of the authorized maximum educational tax rate and the maximum
19 operations and maintenance tax rate applicable to such district
20 by the last assessed valuation as determined at the time of the
21 issue of those bonds plus 75% of the last known entitlement of
22 such district to taxes as by law now or hereafter enacted or
23 amended, imposed by the General Assembly of the State of

1 Illinois to replace revenue lost by units of local government
2 and school districts as a result of the abolition of ad valorem
3 personal property taxes, pursuant to Article IX, Section 5(c)
4 of the Constitution of the State of Illinois.

5 (b) For a period of 3 years after the effective date of
6 this amendatory Act of the 96th General Assembly, in order to
7 create, maintain, or increase such a working cash fund for the
8 purposes mentioned in Section 3-33.1, the board may incur an
9 indebtedness for such purpose and issue bonds therefor from
10 time to time, in an amount or amounts not exceeding in the
11 aggregate at any one time outstanding 150% of the taxes
12 permitted to be levied for educational purposes and for
13 operations and maintenance of facilities purposes for the then
14 current year to be determined by multiplying the aggregate of
15 the authorized maximum educational tax rate and the maximum
16 operations and maintenance tax rate applicable to such district
17 by the last assessed valuation as determined at the time of the
18 issue of those bonds plus 150% of the last known entitlement of
19 such district to taxes as by law now or hereafter enacted or
20 amended, imposed by the General Assembly of the State of
21 Illinois to replace revenue lost by units of local government
22 and school districts as a result of the abolition of ad valorem
23 personal property taxes, pursuant to Article IX, Section 5(c)
24 of the Constitution of the State of Illinois.

25 (c) The bonds may be issued without submitting the question
26 of issuance thereof to the voters of the community college

1 district for approval. Any bonds issued under this Section
2 shall bear interest at a rate of not more the maximum rate
3 authorized by the Bond Authorization Act, as amended at the
4 time of the making of the contract, and shall mature within 20
5 years from the date of issue. Subject to the foregoing
6 limitations as to amount, the bonds may be issued in an amount
7 including existing indebtedness which will exceed any
8 statutory debt limitation.

9 (d) With respect to instruments for the payment of money
10 issued under this Section either before, on, or after the
11 effective date of this amendatory Act of 1989, it is and always
12 has been the intention of the General Assembly (i) that the
13 Omnibus Bond Acts are and always have been supplementary grants
14 of power to issue instruments in accordance with the Omnibus
15 Bond Acts, regardless of any provision of this Act that may
16 appear to be or to have been more restrictive than those Acts,
17 (ii) that the provisions of this Section are not a limitation
18 on the supplementary authority granted by the Omnibus Bond
19 Acts, and (iii) that instruments issued under this Section
20 within the supplementary authority granted by the Omnibus Bond
21 Acts are not invalid because of any provision of this Act that
22 may appear to be or to have been more restrictive than those
23 Acts.

24 (Source: P.A. 89-281, eff. 8-10-95.)

1 Sec. 3-33.7. Establishment of lines of credit. The board
2 may establish a line of credit with a bank or other financial
3 institution in an amount not to exceed the following:

4 (1) if anticipating State revenues due in the current
5 fiscal year, 85% of the amount or amounts of the revenues
6 due in the current fiscal year, as certified by the
7 President/CEO of the State Board or other official in a
8 position to provide assurances as to the amounts; and

9 (2) if anticipating State revenues expected to be due
10 in the next subsequent fiscal year, 50% of the amount or
11 amounts of the revenues due in the current fiscal year, as
12 certified by the President/CEO of the State Board or other
13 official in a position to provide assurances as to the
14 amounts.

15 All moneys so borrowed shall be repaid exclusively from the
16 anticipated revenues within 60 days after the revenues have
17 been received. Borrowing authorized under subdivisions (1) and
18 (2) of this Section shall bear interest at a rate not to exceed
19 the maximum rate authorized by the Bond Authorization Act, from
20 the date of issuance until paid.

21 Prior to establishing a line of credit under this Section,
22 the board shall authorize, by resolution, the line of credit.
23 The resolution shall set forth facts demonstrating the need for
24 the line of credit, state the amount to be borrowed, establish
25 a maximum interest rate limit not to exceed that set forth in
26 this Section, and provide a date by which the borrowed funds

1 must be repaid. The resolution shall direct the relevant
2 officials to make arrangements to set apart and hold the
3 revenue, as received, that will be used to repay the borrowing.
4 In addition, the resolution may authorize the relevant
5 officials to make partial repayments of the borrowing as the
6 revenues become available and may contain any other terms,
7 restrictions, or limitations not inconsistent with the
8 provisions of this Section.

9 Section 99. Effective date. This Act takes effect upon
10 becoming law.