

1 AN ACT concerning local government.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Counties Code is amended by adding Section
5 5-1134 as follows:

6 (55 ILCS 5/5-1134 new)

7 Sec. 5-1134. Borrowing from financial institutions. The
8 county board of a county may borrow money from any bank or
9 other financial institution provided such money shall be repaid
10 within 2 years from the time the money is borrowed. The County
11 Board Chairman, County Executive, or County Board President, as
12 the case may be, shall execute a promissory note or similar
13 debt instrument, but not a bond, to evidence the indebtedness
14 incurred by the borrowing. The obligation to make the payments
15 due under the promissory note or other debt instrument shall be
16 a lawful direct general obligation of the county payable from
17 the general funds of the county and such other sources of
18 payment as are otherwise lawfully available. The promissory
19 note or other debt instrument shall be authorized by an
20 ordinance passed by the county board and shall be valid whether
21 or not an appropriation with respect to that ordinance is
22 included in any annual or supplemental appropriation adopted by
23 the county board. The indebtedness incurred under this Section,

1 when aggregated with the existing indebtedness of the county,
2 may not exceed any debt limitation otherwise provided for by
3 law. This Section shall not be construed to grant any
4 additional authority to a county to borrow money or to remove
5 any referendum approval required of a county to borrow money.
6 "Financial institution" means any bank subject to the Illinois
7 Banking Act, any savings and loan association subject to the
8 Illinois Savings and Loan Act of 1985, any savings bank subject
9 to the Savings Bank Act, any credit union subject to the
10 Illinois Credit Union Act, and any federally chartered
11 commercial bank, savings and loan association, savings bank, or
12 credit union organized and operated in this State pursuant to
13 the laws of the United States.

14 Section 99. Effective date. This Act takes effect upon
15 becoming law.