

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

1 incurred under this Section, when aggregated with the existing
2 indebtedness of the county, may not exceed any debt limitation
3 otherwise provided for by law. "Financial institution" means
4 any bank subject to the Illinois Banking Act, any savings and
5 loan association subject to the Illinois Savings and Loan Act
6 of 1985, any savings bank subject to the Savings Bank Act, any
7 credit union subject to the Illinois Credit Union Act, and any
8 federally chartered commercial bank, savings and loan
9 association, savings bank, or credit union organized and
10 operated in this State pursuant to the laws of the United
11 States.

12 Section 99. Effective date. This Act takes effect upon
13 becoming law.