



99TH GENERAL ASSEMBLY

State of Illinois

2015 and 2016

HB4263

by Rep. Jack D. Franks

SYNOPSIS AS INTRODUCED:

35 ILCS 200/18-185
35 ILCS 200/18-205
35 ILCS 200/18-213
35 ILCS 200/18-214
35 ILCS 200/18-242 new
105 ILCS 5/18-21 new
30 ILCS 805/8.39 new

Amends the Property Tax Code. Provides that, for the 2016 and 2017 levy years, the Property Tax Extension Limitation Law applies to all taxing districts, including home rule units and school districts. Provides that, for the 2016 and 2017 levy years, the extension limitation under the Property Tax Extension Limitation Law is 0% or the rate of increase approved by the voters. Preempts home rule. Amends the State Mandates Act to require implementation without reimbursement. Amends the School Code. Creates a General State Aid Committee to propose a revised school funding formula for Illinois schools. Effective immediately.

LRB099 13256 HLH 37358 b

FISCAL NOTE ACT
MAY APPLY

HOUSING
AFFORDABILITY
IMPACT NOTE ACT
MAY APPLY

1 AN ACT concerning revenue.

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

4 Section 5. The Property Tax Code is amended by changing
5 Sections 18-185, 18-205, 18-213, and 18-214 and by adding
6 Section 18-242 as follows:

7 (35 ILCS 200/18-185)

8 Sec. 18-185. Short title; definitions. This Division 5 may
9 be cited as the Property Tax Extension Limitation Law. As used
10 in this Division 5:

11 "Consumer Price Index" means the Consumer Price Index for
12 All Urban Consumers for all items published by the United
13 States Department of Labor.

14 "Extension limitation", for levy years other than 2016 and
15 2017, means (a) the lesser of 5% or the percentage increase in
16 the Consumer Price Index during the 12-month calendar year
17 preceding the levy year or (b) the rate of increase approved by
18 voters under Section 18-205.

19 "Extension limitation", for levy years 2016 and 2017, means
20 0% or the rate of increase approved by the voters under Section
21 18-205.

22 "Affected county" means a county of 3,000,000 or more
23 inhabitants or a county contiguous to a county of 3,000,000 or

1 more inhabitants.

2 "Taxing district" has the same meaning provided in Section
3 1-150, except as otherwise provided in this Section. For the
4 1991 through 1994 levy years only, "taxing district" includes
5 only each non-home rule taxing district having the majority of
6 its 1990 equalized assessed value within any county or counties
7 contiguous to a county with 3,000,000 or more inhabitants.
8 Beginning with the 1995 levy year and through the 2015 levy
9 year, and beginning again with the 2018 levy year, "taxing
10 district" includes only each non-home rule taxing district
11 subject to this Law before the 1995 levy year and each non-home
12 rule taxing district not subject to this Law before the 1995
13 levy year having the majority of its 1994 equalized assessed
14 value in an affected county or counties. Beginning with the
15 levy year in which this Law becomes applicable to a taxing
16 district as provided in Section 18-213, "taxing district" also
17 includes those taxing districts made subject to this Law as
18 provided in Section 18-213. For levy years 2016 and 2017,
19 "taxing district" means each unit of local government, school
20 district, or community college district in the State with the
21 power to levy taxes, including, but not limited to, home rule
22 units and taxing districts that were not subject to this Law
23 prior to the effective date of this amendatory Act of the 99th
24 General Assembly.

25 "Aggregate extension" for taxing districts to which this
26 Law applied before the 1995 levy year means the annual

1 corporate extension for the taxing district and those special
2 purpose extensions that are made annually for the taxing
3 district, excluding special purpose extensions: (a) made for
4 the taxing district to pay interest or principal on general
5 obligation bonds that were approved by referendum; (b) made for
6 any taxing district to pay interest or principal on general
7 obligation bonds issued before October 1, 1991; (c) made for
8 any taxing district to pay interest or principal on bonds
9 issued to refund or continue to refund those bonds issued
10 before October 1, 1991; (d) made for any taxing district to pay
11 interest or principal on bonds issued to refund or continue to
12 refund bonds issued after October 1, 1991 that were approved by
13 referendum; (e) made for any taxing district to pay interest or
14 principal on revenue bonds issued before October 1, 1991 for
15 payment of which a property tax levy or the full faith and
16 credit of the unit of local government is pledged; however, a
17 tax for the payment of interest or principal on those bonds
18 shall be made only after the governing body of the unit of
19 local government finds that all other sources for payment are
20 insufficient to make those payments; (f) made for payments
21 under a building commission lease when the lease payments are
22 for the retirement of bonds issued by the commission before
23 October 1, 1991, to pay for the building project; (g) made for
24 payments due under installment contracts entered into before
25 October 1, 1991; (h) made for payments of principal and
26 interest on bonds issued under the Metropolitan Water

1 Reclamation District Act to finance construction projects
2 initiated before October 1, 1991; (i) made for payments of
3 principal and interest on limited bonds, as defined in Section
4 3 of the Local Government Debt Reform Act, in an amount not to
5 exceed the debt service extension base less the amount in items
6 (b), (c), (e), and (h) of this definition for non-referendum
7 obligations, except obligations initially issued pursuant to
8 referendum; (j) made for payments of principal and interest on
9 bonds issued under Section 15 of the Local Government Debt
10 Reform Act; (k) made by a school district that participates in
11 the Special Education District of Lake County, created by
12 special education joint agreement under Section 10-22.31 of the
13 School Code, for payment of the school district's share of the
14 amounts required to be contributed by the Special Education
15 District of Lake County to the Illinois Municipal Retirement
16 Fund under Article 7 of the Illinois Pension Code; the amount
17 of any extension under this item (k) shall be certified by the
18 school district to the county clerk; (l) made to fund expenses
19 of providing joint recreational programs for the handicapped
20 under Section 5-8 of the Park District Code or Section 11-95-14
21 of the Illinois Municipal Code; (m) made for temporary
22 relocation loan repayment purposes pursuant to Sections 2-3.77
23 and 17-2.2d of the School Code; (n) made for payment of
24 principal and interest on any bonds issued under the authority
25 of Section 17-2.2d of the School Code; (o) made for
26 contributions to a firefighter's pension fund created under

1 Article 4 of the Illinois Pension Code, to the extent of the
2 amount certified under item (5) of Section 4-134 of the
3 Illinois Pension Code; and (p) made for road purposes in the
4 first year after a township assumes the rights, powers, duties,
5 assets, property, liabilities, obligations, and
6 responsibilities of a road district abolished under the
7 provisions of Section 6-133 of the Illinois Highway Code.

8 "Aggregate extension" for the taxing districts to which
9 this Law did not apply before the 1995 levy year (except taxing
10 districts subject to this Law in accordance with Section 18-213
11 or this amendatory Act of the 99th General Assembly) means the
12 annual corporate extension for the taxing district and those
13 special purpose extensions that are made annually for the
14 taxing district, excluding special purpose extensions: (a)
15 made for the taxing district to pay interest or principal on
16 general obligation bonds that were approved by referendum; (b)
17 made for any taxing district to pay interest or principal on
18 general obligation bonds issued before March 1, 1995; (c) made
19 for any taxing district to pay interest or principal on bonds
20 issued to refund or continue to refund those bonds issued
21 before March 1, 1995; (d) made for any taxing district to pay
22 interest or principal on bonds issued to refund or continue to
23 refund bonds issued after March 1, 1995 that were approved by
24 referendum; (e) made for any taxing district to pay interest or
25 principal on revenue bonds issued before March 1, 1995 for
26 payment of which a property tax levy or the full faith and

1 credit of the unit of local government is pledged; however, a
2 tax for the payment of interest or principal on those bonds
3 shall be made only after the governing body of the unit of
4 local government finds that all other sources for payment are
5 insufficient to make those payments; (f) made for payments
6 under a building commission lease when the lease payments are
7 for the retirement of bonds issued by the commission before
8 March 1, 1995 to pay for the building project; (g) made for
9 payments due under installment contracts entered into before
10 March 1, 1995; (h) made for payments of principal and interest
11 on bonds issued under the Metropolitan Water Reclamation
12 District Act to finance construction projects initiated before
13 October 1, 1991; (h-4) made for stormwater management purposes
14 by the Metropolitan Water Reclamation District of Greater
15 Chicago under Section 12 of the Metropolitan Water Reclamation
16 District Act; (i) made for payments of principal and interest
17 on limited bonds, as defined in Section 3 of the Local
18 Government Debt Reform Act, in an amount not to exceed the debt
19 service extension base less the amount in items (b), (c), and
20 (e) of this definition for non-referendum obligations, except
21 obligations initially issued pursuant to referendum and bonds
22 described in subsection (h) of this definition; (j) made for
23 payments of principal and interest on bonds issued under
24 Section 15 of the Local Government Debt Reform Act; (k) made
25 for payments of principal and interest on bonds authorized by
26 Public Act 88-503 and issued under Section 20a of the Chicago

1 Park District Act for aquarium or museum projects; (l) made for
2 payments of principal and interest on bonds authorized by
3 Public Act 87-1191 or 93-601 and (i) issued pursuant to Section
4 21.2 of the Cook County Forest Preserve District Act, (ii)
5 issued under Section 42 of the Cook County Forest Preserve
6 District Act for zoological park projects, or (iii) issued
7 under Section 44.1 of the Cook County Forest Preserve District
8 Act for botanical gardens projects; (m) made pursuant to
9 Section 34-53.5 of the School Code, whether levied annually or
10 not; (n) made to fund expenses of providing joint recreational
11 programs for the handicapped under Section 5-8 of the Park
12 District Code or Section 11-95-14 of the Illinois Municipal
13 Code; (o) made by the Chicago Park District for recreational
14 programs for the handicapped under subsection (c) of Section
15 7.06 of the Chicago Park District Act; (p) made for
16 contributions to a firefighter's pension fund created under
17 Article 4 of the Illinois Pension Code, to the extent of the
18 amount certified under item (5) of Section 4-134 of the
19 Illinois Pension Code; and (q) made by Ford Heights School
20 District 169 under Section 17-9.02 of the School Code.

21 "Aggregate extension" for all taxing districts to which
22 this Law applies in accordance with Section 18-213, except for
23 those taxing districts subject to paragraph (2) of subsection
24 (e) of Section 18-213, means the annual corporate extension for
25 the taxing district and those special purpose extensions that
26 are made annually for the taxing district, excluding special

1 purpose extensions: (a) made for the taxing district to pay
2 interest or principal on general obligation bonds that were
3 approved by referendum; (b) made for any taxing district to pay
4 interest or principal on general obligation bonds issued before
5 the date on which the referendum making this Law applicable to
6 the taxing district is held; (c) made for any taxing district
7 to pay interest or principal on bonds issued to refund or
8 continue to refund those bonds issued before the date on which
9 the referendum making this Law applicable to the taxing
10 district is held; (d) made for any taxing district to pay
11 interest or principal on bonds issued to refund or continue to
12 refund bonds issued after the date on which the referendum
13 making this Law applicable to the taxing district is held if
14 the bonds were approved by referendum after the date on which
15 the referendum making this Law applicable to the taxing
16 district is held; (e) made for any taxing district to pay
17 interest or principal on revenue bonds issued before the date
18 on which the referendum making this Law applicable to the
19 taxing district is held for payment of which a property tax
20 levy or the full faith and credit of the unit of local
21 government is pledged; however, a tax for the payment of
22 interest or principal on those bonds shall be made only after
23 the governing body of the unit of local government finds that
24 all other sources for payment are insufficient to make those
25 payments; (f) made for payments under a building commission
26 lease when the lease payments are for the retirement of bonds

1 issued by the commission before the date on which the
2 referendum making this Law applicable to the taxing district is
3 held to pay for the building project; (g) made for payments due
4 under installment contracts entered into before the date on
5 which the referendum making this Law applicable to the taxing
6 district is held; (h) made for payments of principal and
7 interest on limited bonds, as defined in Section 3 of the Local
8 Government Debt Reform Act, in an amount not to exceed the debt
9 service extension base less the amount in items (b), (c), and
10 (e) of this definition for non-referendum obligations, except
11 obligations initially issued pursuant to referendum; (i) made
12 for payments of principal and interest on bonds issued under
13 Section 15 of the Local Government Debt Reform Act; (j) made
14 for a qualified airport authority to pay interest or principal
15 on general obligation bonds issued for the purpose of paying
16 obligations due under, or financing airport facilities
17 required to be acquired, constructed, installed or equipped
18 pursuant to, contracts entered into before March 1, 1996 (but
19 not including any amendments to such a contract taking effect
20 on or after that date); (k) made to fund expenses of providing
21 joint recreational programs for the handicapped under Section
22 5-8 of the Park District Code or Section 11-95-14 of the
23 Illinois Municipal Code; (l) made for contributions to a
24 firefighter's pension fund created under Article 4 of the
25 Illinois Pension Code, to the extent of the amount certified
26 under item (5) of Section 4-134 of the Illinois Pension Code;

1 and (m) made for the taxing district to pay interest or
2 principal on general obligation bonds issued pursuant to
3 Section 19-3.10 of the School Code.

4 "Aggregate extension" for all taxing districts to which
5 this Law applies in accordance with paragraph (2) of subsection
6 (e) of Section 18-213 or this amendatory Act of the 99th
7 General Assembly means the annual corporate extension for the
8 taxing district and those special purpose extensions that are
9 made annually for the taxing district, excluding special
10 purpose extensions: (a) made for the taxing district to pay
11 interest or principal on general obligation bonds that were
12 approved by referendum; (b) made for any taxing district to pay
13 interest or principal on general obligation bonds issued before
14 the effective date of this amendatory Act of 1997; (c) made for
15 any taxing district to pay interest or principal on bonds
16 issued to refund or continue to refund those bonds issued
17 before the effective date of this amendatory Act of 1997; (d)
18 made for any taxing district to pay interest or principal on
19 bonds issued to refund or continue to refund bonds issued after
20 the effective date of this amendatory Act of 1997 if the bonds
21 were approved by referendum after the effective date of this
22 amendatory Act of 1997; (e) made for any taxing district to pay
23 interest or principal on revenue bonds issued before the
24 effective date of this amendatory Act of 1997 for payment of
25 which a property tax levy or the full faith and credit of the
26 unit of local government is pledged; however, a tax for the

1 payment of interest or principal on those bonds shall be made
2 only after the governing body of the unit of local government
3 finds that all other sources for payment are insufficient to
4 make those payments; (f) made for payments under a building
5 commission lease when the lease payments are for the retirement
6 of bonds issued by the commission before the effective date of
7 this amendatory Act of 1997 to pay for the building project;
8 (g) made for payments due under installment contracts entered
9 into before the effective date of this amendatory Act of 1997;
10 (h) made for payments of principal and interest on limited
11 bonds, as defined in Section 3 of the Local Government Debt
12 Reform Act, in an amount not to exceed the debt service
13 extension base less the amount in items (b), (c), and (e) of
14 this definition for non-referendum obligations, except
15 obligations initially issued pursuant to referendum; (i) made
16 for payments of principal and interest on bonds issued under
17 Section 15 of the Local Government Debt Reform Act; (j) made
18 for a qualified airport authority to pay interest or principal
19 on general obligation bonds issued for the purpose of paying
20 obligations due under, or financing airport facilities
21 required to be acquired, constructed, installed or equipped
22 pursuant to, contracts entered into before March 1, 1996 (but
23 not including any amendments to such a contract taking effect
24 on or after that date); (k) made to fund expenses of providing
25 joint recreational programs for the handicapped under Section
26 5-8 of the Park District Code or Section 11-95-14 of the

1 Illinois Municipal Code; and (1) made for contributions to a
2 firefighter's pension fund created under Article 4 of the
3 Illinois Pension Code, to the extent of the amount certified
4 under item (5) of Section 4-134 of the Illinois Pension Code.

5 "Debt service extension base" means an amount equal to that
6 portion of the extension for a taxing district for the 1994
7 levy year, or for those taxing districts subject to this Law in
8 accordance with Section 18-213, except for those subject to
9 paragraph (2) of subsection (e) of Section 18-213, for the levy
10 year in which the referendum making this Law applicable to the
11 taxing district is held, or for those taxing districts subject
12 to this Law in accordance with paragraph (2) of subsection (e)
13 of Section 18-213 for the 1996 levy year, constituting an
14 extension for payment of principal and interest on bonds issued
15 by the taxing district without referendum, but not including
16 excluded non-referendum bonds. For park districts (i) that were
17 first subject to this Law in 1991 or 1995 and (ii) whose
18 extension for the 1994 levy year for the payment of principal
19 and interest on bonds issued by the park district without
20 referendum (but not including excluded non-referendum bonds)
21 was less than 51% of the amount for the 1991 levy year
22 constituting an extension for payment of principal and interest
23 on bonds issued by the park district without referendum (but
24 not including excluded non-referendum bonds), "debt service
25 extension base" means an amount equal to that portion of the
26 extension for the 1991 levy year constituting an extension for

1 payment of principal and interest on bonds issued by the park
2 district without referendum (but not including excluded
3 non-referendum bonds). A debt service extension base
4 established or increased at any time pursuant to any provision
5 of this Law, except Section 18-212, shall be increased each
6 year commencing with the later of (i) the 2009 levy year or
7 (ii) the first levy year in which this Law becomes applicable
8 to the taxing district, by the lesser of 5% or the percentage
9 increase in the Consumer Price Index during the 12-month
10 calendar year preceding the levy year. The debt service
11 extension base may be established or increased as provided
12 under Section 18-212. "Excluded non-referendum bonds" means
13 (i) bonds authorized by Public Act 88-503 and issued under
14 Section 20a of the Chicago Park District Act for aquarium and
15 museum projects; (ii) bonds issued under Section 15 of the
16 Local Government Debt Reform Act; or (iii) refunding
17 obligations issued to refund or to continue to refund
18 obligations initially issued pursuant to referendum.

19 "Special purpose extensions" include, but are not limited
20 to, extensions for levies made on an annual basis for
21 unemployment and workers' compensation, self-insurance,
22 contributions to pension plans, and extensions made pursuant to
23 Section 6-601 of the Illinois Highway Code for a road
24 district's permanent road fund whether levied annually or not.
25 The extension for a special service area is not included in the
26 aggregate extension.

1 "Aggregate extension base" means the taxing district's
2 last preceding aggregate extension as adjusted under Sections
3 18-135, 18-215, and 18-230. An adjustment under Section 18-135
4 shall be made for the 2007 levy year and all subsequent levy
5 years whenever one or more counties within which a taxing
6 district is located (i) used estimated valuations or rates when
7 extending taxes in the taxing district for the last preceding
8 levy year that resulted in the over or under extension of
9 taxes, or (ii) increased or decreased the tax extension for the
10 last preceding levy year as required by Section 18-135(c).
11 Whenever an adjustment is required under Section 18-135, the
12 aggregate extension base of the taxing district shall be equal
13 to the amount that the aggregate extension of the taxing
14 district would have been for the last preceding levy year if
15 either or both (i) actual, rather than estimated, valuations or
16 rates had been used to calculate the extension of taxes for the
17 last levy year, or (ii) the tax extension for the last
18 preceding levy year had not been adjusted as required by
19 subsection (c) of Section 18-135.

20 Notwithstanding any other provision of law, for levy year
21 2012, the aggregate extension base for West Northfield School
22 District No. 31 in Cook County shall be \$12,654,592.

23 "Levy year" has the same meaning as "year" under Section
24 1-155.

25 "New property" means (i) the assessed value, after final
26 board of review or board of appeals action, of new improvements

1 or additions to existing improvements on any parcel of real
2 property that increase the assessed value of that real property
3 during the levy year multiplied by the equalization factor
4 issued by the Department under Section 17-30, (ii) the assessed
5 value, after final board of review or board of appeals action,
6 of real property not exempt from real estate taxation, which
7 real property was exempt from real estate taxation for any
8 portion of the immediately preceding levy year, multiplied by
9 the equalization factor issued by the Department under Section
10 17-30, including the assessed value, upon final stabilization
11 of occupancy after new construction is complete, of any real
12 property located within the boundaries of an otherwise or
13 previously exempt military reservation that is intended for
14 residential use and owned by or leased to a private corporation
15 or other entity, (iii) in counties that classify in accordance
16 with Section 4 of Article IX of the Illinois Constitution, an
17 incentive property's additional assessed value resulting from
18 a scheduled increase in the level of assessment as applied to
19 the first year final board of review market value, and (iv) any
20 increase in assessed value due to oil or gas production from an
21 oil or gas well required to be permitted under the Hydraulic
22 Fracturing Regulatory Act that was not produced in or accounted
23 for during the previous levy year. In addition, the county
24 clerk in a county containing a population of 3,000,000 or more
25 shall include in the 1997 recovered tax increment value for any
26 school district, any recovered tax increment value that was

1 applicable to the 1995 tax year calculations.

2 "Qualified airport authority" means an airport authority
3 organized under the Airport Authorities Act and located in a
4 county bordering on the State of Wisconsin and having a
5 population in excess of 200,000 and not greater than 500,000.

6 "Recovered tax increment value" means, except as otherwise
7 provided in this paragraph, the amount of the current year's
8 equalized assessed value, in the first year after a
9 municipality terminates the designation of an area as a
10 redevelopment project area previously established under the
11 Tax Increment Allocation Development Act in the Illinois
12 Municipal Code, previously established under the Industrial
13 Jobs Recovery Law in the Illinois Municipal Code, previously
14 established under the Economic Development Project Area Tax
15 Increment Act of 1995, or previously established under the
16 Economic Development Area Tax Increment Allocation Act, of each
17 taxable lot, block, tract, or parcel of real property in the
18 redevelopment project area over and above the initial equalized
19 assessed value of each property in the redevelopment project
20 area. For the taxes which are extended for the 1997 levy year,
21 the recovered tax increment value for a non-home rule taxing
22 district that first became subject to this Law for the 1995
23 levy year because a majority of its 1994 equalized assessed
24 value was in an affected county or counties shall be increased
25 if a municipality terminated the designation of an area in 1993
26 as a redevelopment project area previously established under

1 the Tax Increment Allocation Development Act in the Illinois
2 Municipal Code, previously established under the Industrial
3 Jobs Recovery Law in the Illinois Municipal Code, or previously
4 established under the Economic Development Area Tax Increment
5 Allocation Act, by an amount equal to the 1994 equalized
6 assessed value of each taxable lot, block, tract, or parcel of
7 real property in the redevelopment project area over and above
8 the initial equalized assessed value of each property in the
9 redevelopment project area. In the first year after a
10 municipality removes a taxable lot, block, tract, or parcel of
11 real property from a redevelopment project area established
12 under the Tax Increment Allocation Development Act in the
13 Illinois Municipal Code, the Industrial Jobs Recovery Law in
14 the Illinois Municipal Code, or the Economic Development Area
15 Tax Increment Allocation Act, "recovered tax increment value"
16 means the amount of the current year's equalized assessed value
17 of each taxable lot, block, tract, or parcel of real property
18 removed from the redevelopment project area over and above the
19 initial equalized assessed value of that real property before
20 removal from the redevelopment project area.

21 Except as otherwise provided in this Section, "limiting
22 rate" means a fraction the numerator of which is the last
23 preceding aggregate extension base times an amount equal to one
24 plus the extension limitation defined in this Section and the
25 denominator of which is the current year's equalized assessed
26 value of all real property in the territory under the

1 jurisdiction of the taxing district during the prior levy year.
2 For those taxing districts that reduced their aggregate
3 extension for the last preceding levy year, the highest
4 aggregate extension in any of the last 3 preceding levy years
5 shall be used for the purpose of computing the limiting rate.
6 The denominator shall not include new property or the recovered
7 tax increment value. If a new rate, a rate decrease, or a
8 limiting rate increase has been approved at an election held
9 after March 21, 2006, then (i) the otherwise applicable
10 limiting rate shall be increased by the amount of the new rate
11 or shall be reduced by the amount of the rate decrease, as the
12 case may be, or (ii) in the case of a limiting rate increase,
13 the limiting rate shall be equal to the rate set forth in the
14 proposition approved by the voters for each of the years
15 specified in the proposition, after which the limiting rate of
16 the taxing district shall be calculated as otherwise provided.
17 In the case of a taxing district that obtained referendum
18 approval for an increased limiting rate on March 20, 2012, the
19 limiting rate for tax year 2012 shall be the rate that
20 generates the approximate total amount of taxes extendable for
21 that tax year, as set forth in the proposition approved by the
22 voters; this rate shall be the final rate applied by the county
23 clerk for the aggregate of all capped funds of the district for
24 tax year 2012.

25 (Source: P.A. 97-611, eff. 1-1-12; 97-1154, eff. 1-25-13; 98-6,
26 eff. 3-29-13; 98-23, eff. 6-17-13.)

1 (35 ILCS 200/18-205)

2 Sec. 18-205. Referendum to increase the extension
3 limitation. A taxing district is limited to an extension
4 limitation as defined in Section 18-185 ~~of 5% or the percentage~~
5 ~~increase in the Consumer Price Index during the 12 month~~
6 ~~calendar year preceding the levy year, whichever is less.~~ A
7 taxing district may increase its extension limitation for one
8 or more levy years if that taxing district holds a referendum
9 before the levy date for the first levy year at which a
10 majority of voters voting on the issue approves adoption of a
11 higher extension limitation. Referenda shall be conducted at a
12 regularly scheduled election in accordance with the Election
13 Code. For referenda to increase the extension limitation for
14 levy years other than 2016 and 2017, the ~~The~~ question shall be
15 presented in substantially the following manner ~~for all~~
16 ~~elections held after March 21, 2006:~~

17 Shall the extension limitation under the Property Tax
18 Extension Limitation Law for (insert the legal name,
19 number, if any, and county or counties of the taxing
20 district and geographic or other common name by which a
21 school or community college district is known and referred
22 to), Illinois, be increased from the lesser of 5% or the
23 percentage increase in the Consumer Price Index over the
24 prior levy year to (insert the percentage of the proposed
25 increase)% per year for (insert each levy year for which

1 the increased extension limitation will apply)?

2 For referenda to increase the extension limitation for levy
3 years 2016 and 2017, the question shall be presented in
4 substantially the following manner:

5 Shall the extension limitation under the Property Tax
6 Extension Limitation Law for (insert the legal name,
7 number, if any, and county or counties of the taxing
8 district and geographic or other common name by which a
9 school or community college district is known and referred
10 to), Illinois, be increased from 0% to (insert the
11 percentage of the proposed increase)% per year for (insert
12 each levy year for which the increased extension limitation
13 will apply)?

14 The votes must be recorded as "Yes" or "No".

15 If a majority of voters voting on the issue approves the
16 adoption of the increase, the increase shall be applicable for
17 each levy year specified.

18 The ballot for any question submitted pursuant to this
19 Section shall have printed thereon, but not as a part of the
20 question submitted, only the following supplemental
21 information (which shall be supplied to the election authority
22 by the taxing district) in substantially the following form:

23 (1) For the (insert the first levy year for which the
24 increased extension limitation will be applicable) levy
25 year the approximate amount of the additional tax
26 extendable against property containing a single family

1 residence and having a fair market value at the time of the
2 referendum of \$100,000 is estimated to be \$....

3 (2) Based upon an average annual percentage increase
4 (or decrease) in the market value of such property of ...%
5 (insert percentage equal to the average annual percentage
6 increase or decrease for the prior 3 levy years, at the
7 time the submission of the question is initiated by the
8 taxing district, in the amount of (A) the equalized
9 assessed value of the taxable property in the taxing
10 district less (B) the new property included in the
11 equalized assessed value), the approximate amount of the
12 additional tax extendable against such property for the ...
13 levy year is estimated to be \$... and for the ... levy year
14 is estimated to be \$....

15 Paragraph (2) shall be included only if the increased
16 extension limitation will be applicable for more than one year
17 and shall list each levy year for which the increased extension
18 limitation will be applicable. The additional tax shown for
19 each levy year shall be the approximate dollar amount of the
20 increase over the amount of the most recently completed
21 extension at the time the submission of the question is
22 initiated by the taxing district. The approximate amount of the
23 additional tax extendable shown in paragraphs (1) and (2) shall
24 be calculated by multiplying \$100,000 (the fair market value of
25 the property without regard to any property tax exemptions) by
26 (i) the percentage level of assessment prescribed for that

1 property by statute, or by ordinance of the county board in
2 counties that classify property for purposes of taxation in
3 accordance with Section 4 of Article IX of the Illinois
4 Constitution; (ii) the most recent final equalization factor
5 certified to the county clerk by the Department of Revenue at
6 the time the taxing district initiates the submission of the
7 proposition to the electors; (iii) the last known aggregate
8 extension base of the taxing district at the time the
9 submission of the question is initiated by the taxing district;
10 and (iv) the difference between the percentage increase
11 proposed in the question and (A) the lesser of 5% or the
12 percentage increase in the Consumer Price Index for the prior
13 levy year (or an estimate of the percentage increase for the
14 prior levy year if the increase is unavailable at the time the
15 submission of the question is initiated by the taxing district)
16 or (B) 0%, as applicable; and dividing the result by the last
17 known equalized assessed value of the taxing district at the
18 time the submission of the question is initiated by the taxing
19 district. This amendatory Act of the 97th General Assembly is
20 intended to clarify the existing requirements of this Section,
21 and shall not be construed to validate any prior non-compliant
22 referendum language. Any notice required to be published in
23 connection with the submission of the question shall also
24 contain this supplemental information and shall not contain any
25 other supplemental information. Any error, miscalculation, or
26 inaccuracy in computing any amount set forth on the ballot or

1 in the notice that is not deliberate shall not invalidate or
2 affect the validity of any proposition approved. Notice of the
3 referendum shall be published and posted as otherwise required
4 by law, and the submission of the question shall be initiated
5 as provided by law.

6 (Source: P.A. 97-1087, eff. 8-24-12.)

7 (35 ILCS 200/18-213)

8 Sec. 18-213. Referenda on applicability of the Property Tax
9 Extension Limitation Law.

10 (a) The provisions of this Section do not apply to a taxing
11 district subject to this Law because a majority of its 1990
12 equalized assessed value is in a county or counties contiguous
13 to a county of 3,000,000 or more inhabitants, or because a
14 majority of its 1994 equalized assessed value is in an affected
15 county and the taxing district was not subject to this Law
16 before the 1995 levy year.

17 (b) Except with respect to the 2016 and 2017 levy years,
18 the ~~The~~ county board of a county that is not subject to this
19 Law may, by ordinance or resolution, submit to the voters of
20 the county the question of whether to make all non-home rule
21 taxing districts that have all or a portion of their equalized
22 assessed valuation situated in the county subject to this Law
23 in the manner set forth in this Section.

24 For purposes of this Section only:

25 "Taxing district" has the same meaning provided in Section

1 1-150.

2 "Equalized assessed valuation" means the equalized
3 assessed valuation for a taxing district for the immediately
4 preceding levy year.

5 (c) The ordinance or resolution shall request the
6 submission of the proposition at any election, except a
7 consolidated primary election, for the purpose of voting for or
8 against making the Property Tax Extension Limitation Law
9 applicable to all non-home rule taxing districts that have all
10 or a portion of their equalized assessed valuation situated in
11 the county.

12 The question shall be placed on a separate ballot and shall
13 be in substantially the following form:

14 Shall the Property Tax Extension Limitation Law (35
15 ILCS 200/18-185 through 18-245), which limits annual
16 property tax extension increases, apply to non-home rule
17 taxing districts with all or a portion of their equalized
18 assessed valuation located in (name of county)?

19 Votes on the question shall be recorded as "yes" or "no".

20 (d) The county clerk shall order the proposition submitted
21 to the electors of the county at the election specified in the
22 ordinance or resolution. If part of the county is under the
23 jurisdiction of a board or boards of election commissioners,
24 the county clerk shall submit a certified copy of the ordinance
25 or resolution to each board of election commissioners, which
26 shall order the proposition submitted to the electors of the

1 taxing district within its jurisdiction at the election
2 specified in the ordinance or resolution.

3 (e) (1) With respect to taxing districts having all of
4 their equalized assessed valuation located in the county,
5 if a majority of the votes cast on the proposition are in
6 favor of the proposition, then this Law becomes applicable
7 to the taxing district beginning on January 1 of the year
8 following the date of the referendum.

9 (2) With respect to taxing districts that meet all the
10 following conditions this Law shall become applicable to
11 the taxing district beginning on January 1, 1997. The
12 districts to which this paragraph (2) is applicable

13 (A) do not have all of their equalized assessed
14 valuation located in a single county,

15 (B) have equalized assessed valuation in an
16 affected county,

17 (C) meet the condition that each county, other than
18 an affected county, in which any of the equalized
19 assessed valuation of the taxing district is located
20 has held a referendum under this Section at any
21 election, except a consolidated primary election, held
22 prior to the effective date of this amendatory Act of
23 1997, and

24 (D) have a majority of the district's equalized
25 assessed valuation located in one or more counties in
26 each of which the voters have approved a referendum

1 under this Section prior to the effective date of this
2 amendatory Act of 1997. For purposes of this Section,
3 in determining whether a majority of the equalized
4 assessed valuation of the taxing district is located in
5 one or more counties in which the voters have approved
6 a referendum under this Section, the equalized
7 assessed valuation of the taxing district in any
8 affected county shall be included with the equalized
9 assessed value of the taxing district in counties in
10 which the voters have approved the referendum.

11 (3) With respect to taxing districts that do not have
12 all of their equalized assessed valuation located in a
13 single county and to which paragraph (2) of subsection (e)
14 is not applicable, if each county other than an affected
15 county in which any of the equalized assessed valuation of
16 the taxing district is located has held a referendum under
17 this Section at any election, except a consolidated primary
18 election, held in any year and if a majority of the
19 equalized assessed valuation of the taxing district is
20 located in one or more counties that have each approved a
21 referendum under this Section, then this Law shall become
22 applicable to the taxing district on January 1 of the year
23 following the year in which the last referendum in a county
24 in which the taxing district has any equalized assessed
25 valuation is held. For the purposes of this Law, the last
26 referendum shall be deemed to be the referendum making this

1 Law applicable to the taxing district. For purposes of this
2 Section, in determining whether a majority of the equalized
3 assessed valuation of the taxing district is located in one
4 or more counties that have approved a referendum under this
5 Section, the equalized assessed valuation of the taxing
6 district in any affected county shall be included with the
7 equalized assessed value of the taxing district in counties
8 that have approved the referendum.

9 (f) Immediately after a referendum is held under this
10 Section, the county clerk of the county holding the referendum
11 shall give notice of the referendum having been held and its
12 results to all taxing districts that have all or a portion of
13 their equalized assessed valuation located in the county, the
14 county clerk of any other county in which any of the equalized
15 assessed valuation of any taxing district is located, and the
16 Department of Revenue. After the last referendum affecting a
17 multi-county taxing district is held, the Department of Revenue
18 shall determine whether the taxing district is subject to this
19 Law and, if so, shall notify the taxing district and the county
20 clerks of all of the counties in which a portion of the
21 equalized assessed valuation of the taxing district is located
22 that, beginning the following January 1, the taxing district is
23 subject to this Law. For each taxing district subject to
24 paragraph (2) of subsection (e) of this Section, the Department
25 of Revenue shall notify the taxing district and the county
26 clerks of all of the counties in which a portion of the

1 equalized assessed valuation of the taxing district is located
2 that, beginning January 1, 1997, the taxing district is subject
3 to this Law.

4 (g) Referenda held under this Section shall be conducted in
5 accordance with the Election Code.

6 (Source: P.A. 89-510, eff. 7-11-96; 89-718, eff. 3-7-97.)

7 (35 ILCS 200/18-214)

8 Sec. 18-214. Referenda on removal of the applicability of
9 the Property Tax Extension Limitation Law to non-home rule
10 taxing districts.

11 (a) The provisions of this Section do not apply to a taxing
12 district that is subject to this Law because a majority of its
13 1990 equalized assessed value is in a county or counties
14 contiguous to a county of 3,000,000 or more inhabitants, or
15 because a majority of its 1994 equalized assessed value is in
16 an affected county and the taxing district was not subject to
17 this Law before the 1995 levy year.

18 (b) For purposes of this Section only:

19 "Taxing district" means any non-home rule taxing district
20 that became subject to this Law under Section 18-213 of this
21 Law.

22 "Equalized assessed valuation" means the equalized
23 assessed valuation for a taxing district for the immediately
24 preceding levy year.

25 (c) The county board of a county that became subject to

1 this Law by a referendum approved by the voters of the county
2 under Section 18-213 may, by ordinance or resolution, in the
3 manner set forth in this Section, submit to the voters of the
4 county the question of whether this Law applies to all non-home
5 rule taxing districts that have all or a portion of their
6 equalized assessed valuation situated in the county in the
7 manner set forth in this Section.

8 (d) The ordinance or resolution shall request the
9 submission of the proposition at any election, except a
10 consolidated primary election, for the purpose of voting for or
11 against the continued application of the Property Tax Extension
12 Limitation Law to all non-home rule taxing districts that have
13 all or a portion of their equalized assessed valuation situated
14 in the county.

15 The question shall be placed on a separate ballot and shall
16 be in substantially the following form:

17 Shall the Property Tax Extension Limitation Law (35
18 ILCS 200/18-185 through 35 ILCS 200/18-245), which limits
19 annual property tax extension increases, apply to non-home
20 rule taxing districts with all or a portion of their
21 equalized assessed valuation located in (name of county)?

22 Votes on the question shall be recorded as "yes" or "no".

23 (e) The county clerk shall order the proposition submitted
24 to the electors of the county at the election specified in the
25 ordinance or resolution. If part of the county is under the
26 jurisdiction of a board or boards of election commissioners,

1 the county clerk shall submit a certified copy of the ordinance
2 or resolution to each board of election commissioners, which
3 shall order the proposition submitted to the electors of the
4 taxing district within its jurisdiction at the election
5 specified in the ordinance or resolution.

6 (f) With respect to taxing districts having all of their
7 equalized assessed valuation located in one county, if a
8 majority of the votes cast on the proposition are against the
9 proposition, then this Law shall not apply to the taxing
10 district beginning on January 1 of the year following the date
11 of the referendum.

12 (g) With respect to taxing districts that do not have all
13 of their equalized assessed valuation located in a single
14 county, if both of the following conditions are met, then this
15 Law shall no longer apply to the taxing district beginning on
16 January 1 of the year following the date of the referendum.

17 (1) Each county in which the district has any equalized
18 assessed valuation must either, (i) have held a referendum
19 under this Section, (ii) be an affected county, or (iii)
20 have held a referendum under Section 18-213 at which the
21 voters rejected the proposition at the most recent election
22 at which the question was on the ballot in the county.

23 (2) The majority of the equalized assessed valuation of
24 the taxing district, other than any equalized assessed
25 valuation in an affected county, is in one or more counties
26 in which the voters rejected the proposition. For purposes

1 of this Section, in determining whether a majority of the
2 equalized assessed valuation of the taxing district is
3 located in one or more counties in which the voters have
4 rejected the proposition under this Section, the equalized
5 assessed valuation of any taxing district in a county which
6 has held a referendum under Section 18-213 at which the
7 voters rejected that proposition, at the most recent
8 election at which the question was on the ballot in the
9 county, will be included with the equalized assessed value
10 of the taxing district in counties in which the voters have
11 rejected the referendum held under this Section.

12 (h) Immediately after a referendum is held under this
13 Section, the county clerk of the county holding the referendum
14 shall give notice of the referendum having been held and its
15 results to all taxing districts that have all or a portion of
16 their equalized assessed valuation located in the county, the
17 county clerk of any other county in which any of the equalized
18 assessed valuation of any such taxing district is located, and
19 the Department of Revenue. After the last referendum affecting
20 a multi-county taxing district is held, the Department of
21 Revenue shall determine whether the taxing district is no
22 longer subject to this Law and, if the taxing district is no
23 longer subject to this Law, the Department of Revenue shall
24 notify the taxing district and the county clerks of all of the
25 counties in which a portion of the equalized assessed valuation
26 of the taxing district is located that, beginning on January 1

1 of the year following the date of the last referendum, the
2 taxing district is no longer subject to this Law.

3 (i) Notwithstanding any other provision of law, no
4 referendum may be submitted under this Section for levy years
5 2016 or 2017.

6 (Source: P.A. 89-718, eff. 3-7-97.)

7 (35 ILCS 200/18-242 new)

8 Sec. 18-242. Home rule. This Division 5 is a limitation,
9 under subsection (g) of Section 6 of Article VII of the
10 Illinois Constitution, on the power of home rule units to tax.

11 Section 10. The School Code is amended by adding Section
12 18-21 as follows:

13 (105 ILCS 5/18-21 new)

14 Sec. 18-21. General State Aid Committee.

15 (a) There is created a General State Aid Committee to
16 propose a revised school funding formula for Illinois schools.
17 The Committee shall consist of the following members, all of
18 whom shall serve without compensation but shall be reimbursed
19 for their travel expenses from appropriations to the State
20 Board of Education available for that purpose and subject to
21 the rules of the Legislative Travel Control Board:

22 (1) an expert knowledgeable in the comparison of
23 funding systems across states, appointed by the State

1 Superintendent;

2 (2) an expert knowledgeable in evidence-based
3 approaches to definitions of adequacy, appointed by the
4 State Superintendent;

5 (3) an expert knowledgeable in weighted student
6 funding systems, appointed by the State Superintendent;

7 (4) three individuals who have studied this State's
8 funding system in detail and have done analysis of
9 different funding options, appointed by the State
10 Superintendent;

11 (5) an individual representing a statewide school
12 alliance, appointed by the State Superintendent;

13 (6) an individual representing an organization that
14 represents large unit districts, appointed by the State
15 Superintendent;

16 (7) an individual representing a low-income large unit
17 district, appointed by the State Superintendent;

18 (8) an individual representing a low-income rural
19 district, appointed by the State Superintendent;

20 (9) an individual representing a statewide
21 professional teachers' organization, appointed by the
22 State Superintendent;

23 (10) an individual representing a different statewide
24 professional teachers' organization, appointed by the
25 State Superintendent;

26 (11) an individual representing a professional

1 teachers' organization in a city having a population
2 exceeding 500,000, appointed by the State Superintendent;
3 and

4 (12) an individual appointed by the Chicago Board of
5 Education.

6 (b) The General State Aid Committee shall meet within 30
7 days of the effective date of this amendatory Act of the 99th
8 General Assembly. Thereafter, the Committee shall meet at the
9 call of the co-chairpersons. The State Board of Education shall
10 provide administrative and other support to the Committee.

11 (c) The General State Aid Committee shall propose a new
12 school funding formula for public schools in this State. The
13 Committee must establish a school funding formula that provides
14 adequate, equitable, transparent, and accountable distribution
15 of funds to school districts that will prepare students for
16 success after high school.

17 (d) The Committee shall submit its proposed school funding
18 formula to the General Assembly for consideration on or before
19 July 1, 2016 by filing copies of its proposal as provided in
20 Section 3.1 of the General Assembly Organization Act. Upon
21 filing its proposal, the Committee is dissolved.

22 (e) This Section is repealed on December 31, 2017.

23 Section 90. The State Mandates Act is amended by adding
24 Section 8.39 as follows:

1 (30 ILCS 805/8.39 new)

2 Sec. 8.39. Exempt mandate. Notwithstanding Sections 6 and 8
3 of this Act, no reimbursement by the State is required for the
4 implementation of any mandate created by this amendatory Act of
5 the 99th General Assembly.

6 Section 99. Effective date. This Act takes effect upon
7 becoming law.