

1 AMENDMENT TO HOUSE BILL 3729

2 AMENDMENT NO. \_\_\_\_\_. Amend House Bill 3729 on page 1,  
3 line 4, by replacing "adding Section" with "adding Sections  
4 17-17 and"; and

5 on page 1, immediately below line 5, by inserting the  
6 following:

7 "(105 ILCS 5/17-17 new)

8 Sec. 17-17. Issuance of notes, bonds, or other  
9 obligations in lieu of tax anticipation warrants.

10 (a) In lieu of issuing tax anticipation warrants in  
11 accordance with Section 17-16 of this Code, the school board  
12 of a school district having a population of 500,000 or less  
13 inhabitants may issue notes, bonds, or other obligations (and  
14 in connection with that issuance, establish a line of credit  
15 with a bank) in an amount not to exceed 85% of the amount of  
16 property taxes most recently levied for educational and  
17 building purposes. Moneys thus borrowed shall be applied to  
18 the purposes for which they were obtained and no other  
19 purpose. All moneys so borrowed shall be repaid exclusively  
20 from property tax revenues within 60 days after the property  
21 tax revenues have been received by the board.

22 (b) Borrowing authorized under subsection (a) of this

1 Section shall bear interest at a rate not to exceed the  
2 maximum rate authorized by the Bond Authorization Act, from  
3 the date of issuance until paid.

4 (c) Prior to the board borrowing or establishing a line  
5 of credit under this Section, the board shall authorize, by  
6 resolution, the borrowing or line of credit. The resolution  
7 shall set forth facts demonstrating the need for the  
8 borrowing or line of credit, state the amount to be borrowed,  
9 establish a maximum interest rate limit not to exceed that  
10 set forth in subsection (b) of this Section, and provide a  
11 date by which the borrowed funds shall be repaid. The  
12 resolution shall direct the relevant officials to make  
13 arrangements to set apart and hold the taxes, as received,  
14 that will be used to repay the borrowing. In addition, the  
15 resolution may authorize the relevant officials to make  
16 partial repayments of the borrowing as the taxes become  
17 available and may contain any other terms, restrictions, or  
18 limitations not inconsistent with the provisions of this  
19 Section."