



97TH GENERAL ASSEMBLY

State of Illinois

2011 and 2012

SB2144

Introduced 2/10/2011, by Sen. Michael W. Frerichs

SYNOPSIS AS INTRODUCED:

105 ILCS 230/5-5
105 ILCS 230/5-25
105 ILCS 230/5-35

Amends the School Construction Law. Provides that "school district" includes a public university laboratory school. Provides that the grant index for a university lab school shall be 100%. Provides that a university lab school that makes application for school construction funds shall be placed on the respective application cycle list, university lab schools must be placed following any Type 40 area vocational centers on the priority listing of eligible entities for the applicable fiscal year, and the grant amount for a university lab school shall be 100% of the recognized project cost, as determined by the Capital Development Board.

LRB097 10332 NHT 50540 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

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 School Construction Law is amended by
5 changing Sections 5-5, 5-25, and 5-35 as follows:

6 (105 ILCS 230/5-5)

7 Sec. 5-5. Definitions. As used in this Article:

8 "Approved school construction bonds" mean bonds that were
9 approved by referendum after January 1, 1996 but prior to
10 January 1, 1998 as provided in Sections 19-2 through 19-7 of
11 the School Code to provide funds for the acquisition,
12 development, construction, reconstruction, rehabilitation,
13 improvement, architectural planning, and installation of
14 capital facilities consisting of buildings, structures,
15 durable-equipment, and land for educational purposes.

16 "Grant index" means a figure for each school district equal
17 to one minus the ratio of the district's equalized assessed
18 valuation per pupil in average daily attendance to the
19 equalized assessed valuation per pupil in average daily
20 attendance of the district located at the 90th percentile for
21 all districts of the same category. For the purpose of
22 calculating the grant index, school districts are grouped into
23 2 categories, Category I and Category II. Category I consists

1 of elementary and unit school districts. The equalized assessed
2 valuation per pupil in average daily attendance of each school
3 district in Category I shall be computed using its grades
4 kindergarten through 8 average daily attendance figure. A unit
5 school district's Category I grant index shall be used for
6 projects or portions of projects constructed for elementary
7 school pupils. Category II consists of high school and unit
8 school districts. The equalized assessed valuation per pupil in
9 average daily attendance of each school district in Category II
10 shall be computed using its grades 9 through 12 average daily
11 attendance figure. A unit school district's Category II grant
12 index shall be used for projects or portions of projects
13 constructed for high school pupils. The changes made by this
14 amendatory Act of the 92nd General Assembly apply to all grants
15 made on or after the effective date of this amendatory Act,
16 provided that for grants not yet made on the effective date of
17 this amendatory Act but made in fiscal year 2001 and for grants
18 made in fiscal year 2002, the grant index for a school district
19 shall be the greater of (i) the grant index as calculated under
20 this Law on or after the effective date of this amendatory Act
21 or (ii) the grant index as calculated under this Law before the
22 effective date of this amendatory Act. The grant index shall be
23 no less than 0.35 and no greater than 0.75 for each district;
24 provided that the grant index for districts whose equalized
25 assessed valuation per pupil in average daily attendance is at
26 the 99th percentile and above for all districts of the same

1 type shall be 0.00.

2 The grant index shall be calculated for each of those
3 school districts forming a reorganized school district or
4 cooperative high school if one or more of the following happen
5 within the current or prior 2 fiscal years:

6 (1) a new school district is created in accordance with
7 Article 11E of the School Code;

8 (2) an existing school district annexes all of the
9 territory of one or more entire other school districts in
10 accordance with Article 7 of the School Code; or

11 (3) a cooperative high school is formed in accordance
12 with Section 10-22.22c of the School Code.

13 The average grant index of those school districts shall be used
14 as the grant index for the newly reorganized district or
15 cooperative high school.

16 The grant index for a university lab school shall be 100%.

17 "School construction project" means the acquisition,
18 development, construction, reconstruction, rehabilitation,
19 improvement, architectural planning, and installation of
20 capital facilities consisting of buildings, structures,
21 durable equipment, and land for educational purposes.

22 "School district" means a school district or a Type 40 area
23 vocational center that is jointly owned if the joint agreement
24 includes language that specifies how the debt obligation is to
25 be paid, including in the event that an entity withdraws from
26 the joint agreement.

1 "School district" includes a cooperative high school,
2 which shall be considered a high school district for the
3 purpose of calculating its grant index. "School district" also
4 includes a university lab school, which shall have a grant
5 index of 100%.

6 "School maintenance project" means a project, other than a
7 school construction project, intended to provide for the
8 maintenance or upkeep of buildings or structures for
9 educational purposes, but does not include ongoing operational
10 costs.

11 "University lab school" means a "laboratory school" as that
12 term is defined in subsection (K) of Section 18-8.05 of the
13 School Code.

14 (Source: P.A. 96-731, eff. 8-25-09; 96-1381, eff. 1-1-11.)

15 (105 ILCS 230/5-25)

16 Sec. 5-25. Eligibility and project standards.

17 (a) The State Board of Education shall establish
18 eligibility standards for school construction project grants
19 and debt service grants. These standards shall include minimum
20 enrollment requirements for eligibility for school
21 construction project grants of 200 students for elementary
22 districts, 200 students for high school districts, and 400
23 students for unit districts. The total enrollment of member
24 districts forming a cooperative high school in accordance with
25 subsection (c) of Section 10-22.22 of the School Code shall

1 meet the minimum enrollment requirements specified in this
2 subsection (a). The State Board of Education shall approve a
3 district's eligibility for a school construction project grant
4 or a debt service grant pursuant to the established standards.

5 For purposes only of determining a Type 40 area vocational
6 center's eligibility for an entity included in a school
7 construction project grant or a school maintenance project
8 grant, an area vocational center shall be deemed eligible if
9 one or more of its member school districts satisfy the grant
10 index criteria set forth in this Law. A Type 40 area vocational
11 center that makes application for school construction funds
12 after August 25, 2009 (the effective date of Public Act 96-731)
13 shall be placed on the respective application cycle list. Type
14 40 area vocational centers must be placed last on the priority
15 listing of eligible entities for the applicable fiscal year.

16 A university lab school that makes application for school
17 construction funds after the effective date of this amendatory
18 Act of the 97th General Assembly shall be placed on the
19 respective application cycle list. University lab schools must
20 be placed following any Type 40 area vocational centers on the
21 priority listing of eligible entities for the applicable fiscal
22 year. If there are no Type 40 area vocational centers on the
23 priority listing of eligible entities for the applicable fiscal
24 year, then the university lab schools must be placed last on
25 the priority listing of eligible entities for the applicable
26 fiscal year.

1 (b) The Capital Development Board shall establish project
2 standards for all school construction project grants provided
3 pursuant to this Article. These standards shall include space
4 and capacity standards as well as the determination of
5 recognized project costs that shall be eligible for State
6 financial assistance and enrichment costs that shall not be
7 eligible for State financial assistance.

8 (c) The State Board of Education and the Capital
9 Development Board shall not establish standards that
10 disapprove or otherwise establish limitations that restrict
11 the eligibility of (i) a school district with a population
12 exceeding 500,000 for a school construction project grant based
13 on the fact that any or all of the school construction project
14 grant will be used to pay debt service or to make lease
15 payments, as authorized by subsection (b) of Section 5-35 of
16 this Law, (ii) a school district located in whole or in part in
17 a county that imposes a tax for school facility purposes
18 pursuant to Section 5-1006.7 of the Counties Code, or (iii) a
19 school district that (1) was organized prior to 1860 and (2) is
20 located in part in a city originally incorporated prior to
21 1840, based on the fact that all or a part of the school
22 construction project is owned by a public building commission
23 and leased to the school district or the fact that any or all
24 of the school construction project grant will be used to pay
25 debt service or to make lease payments.

26 (d) A reorganized school district or cooperative high

1 school may use a school construction application that was
2 submitted by a school district that formed the reorganized
3 school district or cooperative high school if that application
4 has not been entitled for a project by the State Board of
5 Education and any one or more of the following happen within
6 the current or prior 2 fiscal years:

7 (1) a new school district is created in accordance with
8 Article 11E of the School Code;

9 (2) an existing school district annexes all of the
10 territory of one or more other school districts in
11 accordance with Article 7 of the School Code; or

12 (3) a cooperative high school is formed in accordance
13 with subsection (c) of Section 10-22.22 of the School Code.

14 A new elementary district formed from a school district
15 conversion, as defined in Section 11E-15 of the School Code,
16 may use only the application of the dissolved district whose
17 territory is now included in the new elementary district and
18 must obtain the written approval of the local school board of
19 any other school district that includes territory from that
20 dissolved district. A new high school district formed from a
21 school district conversion, as defined in Section 11E-15 of the
22 School Code, may use only the application of any dissolved
23 district whose territory is now included in the new high school
24 district, but only after obtaining the written approval of the
25 local school board of any other school district that includes
26 territory from that dissolved district. A cooperative high

1 school using this Section must obtain the written approval of
2 the local school board of the member school district whose
3 application it is using. All other eligibility and project
4 standards apply to this Section.

5 (Source: P.A. 96-37, eff. 7-13-09; 96-731, eff. 8-25-09;
6 96-1000, eff. 7-2-10; 96-1381, eff. 1-1-11; 96-1467, eff.
7 8-20-10; revised 9-16-10.)

8 (105 ILCS 230/5-35)

9 Sec. 5-35. School construction project grant amounts;
10 permitted use; prohibited use.

11 (a) The product of the district's grant index and the
12 recognized project cost, as determined by the Capital
13 Development Board, for an approved school construction project
14 shall equal the amount of the grant the Capital Development
15 Board shall provide to the eligible district. The grant index
16 shall not be used in cases where the General Assembly and the
17 Governor approve appropriations designated for specifically
18 identified school district construction projects.

19 The average of the grant indexes of the member districts in
20 a joint agreement shall be used to calculate the amount of a
21 school construction project grant awarded to an eligible Type
22 40 area vocational center.

23 The grant amount for a university lab school shall be equal
24 to 100% of the recognized project cost, as determined by the
25 Capital Development Board.

1 (b) In each fiscal year in which school construction
2 project grants are awarded, 20% of the total amount awarded
3 statewide shall be awarded to a school district with a
4 population exceeding 500,000, provided such district complies
5 with the provisions of this Article.

6 In addition to the uses otherwise authorized by this Law,
7 any school district with a population exceeding 500,000 is
8 authorized to use any or all of the school construction project
9 grants (i) to pay debt service, as defined in the Local
10 Government Debt Reform Act, on bonds, as defined in the Local
11 Government Debt Reform Act, issued to finance one or more
12 school construction projects and (ii) to the extent that any
13 such bond is a lease or other installment or financing contract
14 between the school district and a public building commission
15 that has issued bonds to finance one or more qualifying school
16 construction projects, to make lease payments under the lease.

17 (b-5) In addition to the uses otherwise authorized by this
18 Law, any school district that (1) was organized prior to 1860
19 and (2) is located in part in a city originally incorporated
20 prior to 1840 is authorized to use any or all of the school
21 construction project grants (i) to pay debt service on bonds,
22 as those terms are defined in the Local Government Debt Reform
23 Act, that are issued to finance one or more school construction
24 projects and (ii) to the extent that any such bond is a lease
25 or other installment or financing contract between the school
26 district and a public building commission that has issued bonds

1 to finance one or more qualifying school construction projects,
2 to make lease payments under the lease.

3 (c) No portion of a school construction project grant
4 awarded by the Capital Development Board shall be used by a
5 school district for any on-going operational costs.

6 (Source: P.A. 96-731, eff. 8-25-09; 96-1467, eff. 8-20-10.)