



101ST GENERAL ASSEMBLY

State of Illinois

2019 and 2020

HB5322

by Rep. Mary E. Flowers

SYNOPSIS AS INTRODUCED:

105 ILCS 5/10-20.73 new
105 ILCS 5/34-18.66 new

Amends the School Code. Provides that if a school district has excess cash reserves, the school district must either: (i) reduce the amount of the tax levy for the following levy year by the amount of the excess cash reserves; or (ii) submit a report to the State Board of Education detailing the purpose and utilization timeline for those excess cash reserves. Provides that "excess cash reserves" means the amount of money in a working cash fund that exceeds 100% of the operating costs of the school district based on the preceding school year. Effective immediately.

LRB101 17459 CMG 66869 b

FISCAL NOTE ACT
MAY APPLY

HOUSING
AFFORDABILITY
IMPACT NOTE ACT
MAY APPLY

STATE MANDATES
ACT MAY REQUIRE
REIMBURSEMENT

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 Code is amended by adding Section
5 10-20.73 as follows:

6 (105 ILCS 5/10-20.73 new)

7 Sec. 10-20.73. Excess cash reserve abatement. If a school
8 district has excess cash reserves, the school district must
9 either: (i) reduce the amount of the tax levy for the following
10 levy year by the amount of the excess cash reserves; or (ii)
11 submit a report to the State Board of Education detailing the
12 purpose and utilization timeline for those excess cash
13 reserves.

14 In this Section, "excess cash reserves" means the amount of
15 money in a working cash fund that exceeds 100% of the operating
16 costs of the school district based on the preceding school
17 year.

18 Section 10. The School Code is amended by adding Section
19 34-18.66 as follows:

20 (105 ILCS 5/34-18.66 new)

21 Sec. 34-18.66. Excess cash reserve abatement. If the school

1 district has excess cash reserves, the school district must
2 either: (i) reduce the amount of the tax levy for the following
3 levy year by the amount of the excess cash reserves; or (ii)
4 submit a report to the State Board of Education detailing the
5 purpose and utilization timeline for those excess cash
6 reserves.

7 In this Section, "excess cash reserves" means the amount of
8 money in a working cash fund that exceeds 100% of the operating
9 costs of the school district based on the preceding school
10 year.

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