

1 AN ACT concerning schools.

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
17 equal to one minus the ratio of the district's equalized
18 assessed valuation per pupil in average daily attendance to
19 the 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
23 into 2 categories, Category I and Category II. Category I
24 consists of elementary and unit school districts. The
25 equalized assessed valuation per pupil in average daily
26 attendance of each school district in Category I shall be
27 computed using its grades kindergarten through 8 average
28 daily attendance figure. A unit school district's Category I
29 grant index shall be used for projects or portions of
30 projects constructed for elementary school pupils. Category
31 II consists of high school and unit school districts. The

1 equalized assessed valuation per pupil in average daily
2 attendance of each school district in Category II shall be
3 computed using its grades 9 through 12 average daily
4 attendance figure. A unit school district's Category II
5 grant index shall be used for projects or portions of
6 projects constructed for high school pupils. The changes
7 made by this amendatory Act of the 92nd General Assembly
8 apply to all grants made on or after the effective date of
9 this amendatory Act, provided that for grants not yet made on
10 the effective date of this amendatory Act but made in fiscal
11 year 2001 and for grants made in fiscal year 2002, the grant
12 index for a school district shall be the greater of (i) the
13 grant index as calculated under this Law on or after the
14 effective date of this amendatory Act or (ii) the grant index
15 as calculated under this Law before the effective date of
16 this amendatory Act. The grant index shall be no less than
17 0.35 and no greater than 0.75 for each district; provided
18 that the grant index for districts whose equalized assessed
19 valuation per pupil in average daily attendance is at the
20 99th percentile and above for all districts of the same type
21 shall be 0.00.

22 "School construction project" means the acquisition,
23 development, construction, reconstruction, rehabilitation,
24 improvement, architectural planning, and installation of
25 capital facilities consisting of buildings, structures,
26 durable equipment, and land for educational purposes.

27 "School district" means any school district or special
28 charter district as defined in Section 1-3 of the School Code
29 or any administrative district, or governing board, of a
30 joint agreement organized under Section 10-22.31 of the
31 School Code.

32 "School maintenance project" means a project, other than
33 a school construction project, intended to provide for the
34 maintenance or upkeep of buildings or structures for

1 educational purposes, but does not include ongoing
2 operational costs.

3 (Source: P.A. 91-38, eff. 6-15-99; 92-168, eff. 7-26-01.)

4 (105 ILCS 230/5-25)

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

6 (a) The State Board of Education shall establish
7 eligibility standards for school construction project grants
8 and debt service grants. These standards shall include
9 minimum enrollment requirements for eligibility for school
10 construction project grants of 200 students for elementary
11 districts, 200 students for high school districts, and 400
12 students for unit districts. The State Board of Education
13 shall approve a district's eligibility for a school
14 construction project grant or a debt service grant pursuant
15 to the established standards. For purposes of determining a
16 joint agreement's eligibility for a school construction
17 project grant or a debt service grant, a joint agreement
18 shall be deemed eligible if one or more of its member
19 districts satisfies the grant index criteria set forth in
20 this Law.

21 (b) The Capital Development Board shall establish
22 project standards for all school construction project grants
23 provided pursuant to this Article. These standards shall
24 include space and capacity standards as well as the
25 determination of recognized project costs that shall be
26 eligible for State financial assistance and enrichment costs
27 that shall not be eligible for State financial assistance.

28 (c) The State Board of Education and the Capital
29 Development Board shall not establish standards that
30 disapprove or otherwise establish limitations that restrict
31 the eligibility of a school district with a population
32 exceeding 500,000 for a school construction project grant
33 based on the fact that any or all of the school construction

1 project grant will be used to pay debt service or to make
2 lease payments, as authorized by subsection (b) of Section
3 5-35 of this Law.

4 (Source: P.A. 90-548, eff. 1-1-98; 91-38, eff. 6-15-99.)

5 (105 ILCS 230/5-35)

6 Sec. 5-35. School construction project grant amounts;
7 permitted use; prohibited use.

8 (a) The product of the district's grant index and the
9 recognized project cost, as determined by the Capital
10 Development Board, for an approved school construction
11 project shall equal the amount of the grant the Capital
12 Development Board shall provide to the eligible district.
13 The grant index shall not be used in cases where the General
14 Assembly and the Governor approve appropriations designated
15 for specifically identified school district construction
16 projects, nor shall it be used to calculate the amount of the
17 grant the Capital Development Board provides to an eligible
18 joint agreement. In those instances where a joint agreement
19 is determined eligible for a school construction project
20 grant, the amount of the grant shall be determined on a
21 case-by-case basis, based on the needs of the joint agreement
22 in its entirety.

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

28 In addition to the uses otherwise authorized by this Law,
29 any school district with a population exceeding 500,000 is
30 authorized to use any or all of the school construction
31 project grants (i) to pay debt service, as defined in the
32 Local Government Debt Reform Act, on bonds, as defined in the
33 Local Government Debt Reform Act, issued to finance one or

1 more school construction projects and (ii) to the extent that
2 any such bond is a lease or other installment or financing
3 contract between the school district and a public building
4 commission that has issued bonds to finance one or more
5 qualifying school construction projects, to make lease
6 payments under the lease.

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

10 (Source: P.A. 90-548, eff. 1-1-98; 91-38, eff. 6-15-99.)

11 Section 99. Effective date. This Act takes effect on
12 July 1, 2003.