



94TH GENERAL ASSEMBLY
State of Illinois
2005 and 2006
HB0011

Introduced 12/3/2004, by Rep. David E. Miller

SYNOPSIS AS INTRODUCED:

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

Amends the School Construction Law. Defines "school district" to include an administrative district, or governing board, of a special education joint agreement. Provides that a joint agreement shall be deemed eligible for a school construction project grant or debt service grant if one or more of its member districts satisfies the grant index criteria. Provides that the grant index shall not be used to calculate the amount of the grant the Capital Development Board provides to an eligible joint agreement. Provides that the amount of a school construction project grant for an eligible joint agreement shall be determined on a case-by-case basis, based on the needs of the joint agreement in its entirety. Effective immediately.

LRB094 03521 RAS 33524 b

FISCAL NOTE ACT
MAY APPLY

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 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
24 of elementary and unit school districts. The equalized assessed
25 valuation per pupil in average daily attendance of each school
26 district in Category I shall be computed using its grades
27 kindergarten through 8 average daily attendance figure. A unit
28 school district's Category I grant index shall be used for
29 projects or portions of projects constructed for elementary
30 school pupils. Category II consists of high school and unit
31 school districts. The equalized assessed valuation per pupil in
32 average daily attendance of each school district in Category II

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

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

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

28 "School maintenance project" means a project, other than a
29 school construction project, intended to provide for the
30 maintenance or upkeep of buildings or structures for
31 educational purposes, but does not include ongoing operational
32 costs.

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

34 (105 ILCS 230/5-25)

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

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

15 (b) The Capital Development Board shall establish project
16 standards for all school construction project grants provided
17 pursuant to this Article. These standards shall include space
18 and capacity standards as well as the determination of
19 recognized project costs that shall be eligible for State
20 financial assistance and enrichment costs that shall not be
21 eligible for State financial assistance.

22 (c) The State Board of Education and the Capital
23 Development Board shall not establish standards that
24 disapprove or otherwise establish limitations that restrict
25 the eligibility of a school district with a population
26 exceeding 500,000 for a school construction project grant based
27 on the fact that any or all of the school construction project
28 grant will be used to pay debt service or to make lease
29 payments, as authorized by subsection (b) of Section 5-35 of
30 this Law.

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

32 (105 ILCS 230/5-35)

33 Sec. 5-35. School construction project grant amounts;
34 permitted use; prohibited use.

35 (a) The product of the district's grant index and the

1 recognized project cost, as determined by the Capital
2 Development Board, for an approved school construction project
3 shall equal the amount of the grant the Capital Development
4 Board shall provide to the eligible district. The grant index
5 shall not be used in cases where the General Assembly and the
6 Governor approve appropriations designated for specifically
7 identified school district construction projects, nor shall it
8 be used to calculate the amount of the grant the Capital
9 Development Board provides to an eligible joint agreement. In
10 those instances where a joint agreement is determined eligible
11 for a school construction project grant, the amount of the
12 grant shall be determined on a case-by-case basis, based on the
13 needs of the joint agreement in its entirety.

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

19 In addition to the uses otherwise authorized by this Law,
20 any school district with a population exceeding 500,000 is
21 authorized to use any or all of the school construction project
22 grants (i) to pay debt service, as defined in the Local
23 Government Debt Reform Act, on bonds, as defined in the Local
24 Government Debt Reform Act, issued to finance one or more
25 school construction projects and (ii) to the extent that any
26 such bond is a lease or other installment or financing contract
27 between the school district and a public building commission
28 that has issued bonds to finance one or more qualifying school
29 construction projects, to make lease payments under the lease.

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

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

34 Section 99. Effective date. This Act takes effect upon
35 becoming law.