



94TH GENERAL ASSEMBLY

State of Illinois

2005 and 2006

HB4661

Introduced 1/12/2006, by Rep. Careen M Gordon

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 mean a school district, special charter district, or joint agreement. Provides that, for purposes of determining a joint agreement's eligibility for an entity included in a school construction project grant or a school maintenance project grant, a joint agreement shall be deemed eligible if one or more of its member school districts satisfy the grant index criteria. Provides that the amount of a school construction project grant to an eligible joint agreement shall be determined on a case-by-case basis, based on the needs of the joint agreement in its entirety (instead of using the grant index to calculate the amount). Effective immediately.

LRB094 18155 NHT 53463 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 (i) a school district or special
25 charter district, as defined in Section 1-3 of the School Code,
26 or (ii) a joint agreement, including a cooperative, joint
27 agreement, or vocational education delivery system established
28 pursuant to Section 10-22.20a of the School Code or an
29 intergovernmental agreement entered into under Section 10 of
30 Article VII of the Illinois Constitution and the
31 Intergovernmental Cooperation Act.

32 "School district" includes a cooperative high school,
33 which shall be considered a high school district for the
34 purpose of calculating its grant index.

35 "School maintenance project" means a project, other than a
36 school construction project, intended to provide for the

1 maintenance or upkeep of buildings or structures for
2 educational purposes, but does not include ongoing operational
3 costs.

4 (Source: P.A. 92-168, eff. 7-26-01; 93-1094, eff. 3-29-05.)

5 (105 ILCS 230/5-25)

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

7 (a) The State Board of Education shall establish
8 eligibility standards for school construction project grants
9 and debt service grants. These standards shall include minimum
10 enrollment requirements for eligibility for school
11 construction project grants of 200 students for elementary
12 districts, 200 students for high school districts, and 400
13 students for unit districts. The State Board of Education shall
14 approve a district's eligibility for a school construction
15 project grant or a debt service grant pursuant to the
16 established standards.

17 For purposes of determining a joint agreement's
18 eligibility for an entity included in a school construction
19 project grant or a school maintenance project grant, a joint
20 agreement shall be deemed eligible if one or more of its member
21 school districts satisfy the grant index criteria set forth in
22 this Law.

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

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

1 grant will be used to pay debt service or to make lease
2 payments, as authorized by subsection (b) of Section 5-35 of
3 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 project
11 shall equal the amount of the grant the Capital Development
12 Board shall provide to the eligible district. The grant index
13 shall not be used in cases where the General Assembly and the
14 Governor approve appropriations designated for specifically
15 identified school district construction projects.

16 The grant index shall not be used to calculate the amount
17 of a school construction project grant awarded to an eligible
18 joint agreement. The amount of a school construction project
19 grant to an eligible joint agreement shall be determined on a
20 case-by-case basis, based on the needs of the joint agreement
21 in its entirety.

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

27 In addition to the uses otherwise authorized by this Law,
28 any school district with a population exceeding 500,000 is
29 authorized to use any or all of the school construction project
30 grants (i) to pay debt service, as defined in the Local
31 Government Debt Reform Act, on bonds, as defined in the Local
32 Government Debt Reform Act, issued to finance one or more
33 school construction projects and (ii) to the extent that any
34 such bond is a lease or other installment or financing contract
35 between the school district and a public building commission

1 that has issued bonds to finance one or more qualifying school
2 construction projects, 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. 90-548, eff. 1-1-98; 91-38, eff. 6-15-99.)

7 Section 99. Effective date. This Act takes effect upon
8 becoming law.