

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 Section 5-35 as follows:

6 (105 ILCS 230/5-35)

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

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

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

22 In addition to the uses otherwise authorized by this Law,
23 any school district with a population exceeding 500,000 is

1 authorized to use any or all of the school construction project
2 grants (i) to pay debt service, as defined in the Local
3 Government Debt Reform Act, on bonds, as defined in the Local
4 Government Debt Reform Act, issued to finance one or more
5 school construction projects and (ii) to the extent that any
6 such bond is a lease or other installment or financing contract
7 between the school district and a public building commission
8 that has issued bonds to finance one or more qualifying school
9 construction projects, to make lease payments under the lease.

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

13 (d) A grant index must not be recalculated when a school
14 district has received its entitlement, but the State has failed
15 to appropriate sufficient funding under this Section. This
16 subsection (d) applies to those entitlements obtained in fiscal
17 year 2002 or thereafter.

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

19 Section 99. Effective date. This Act takes effect upon
20 becoming law.