



95TH GENERAL ASSEMBLY

State of Illinois

2007 and 2008

SB2071

Introduced 2/14/2008, by Sen. David Koehler

SYNOPSIS AS INTRODUCED:

105 ILCS 5/17-2.11	from Ch. 122, par. 17-2.11
105 ILCS 5/19-1	from Ch. 122, par. 19-1
105 ILCS 230/5-25	
105 ILCS 230/5-35	

Amends the School Code and the School Construction Law. In a Section concerning a school board's power to levy a tax or borrow money and issue bonds for fire prevention, safety, energy conservation, disabled accessibility, school security, and specified repair purposes, makes changes concerning a school district's authority to replace a school building or build additions to replace portions of a building. With respect to one of the exceptions to a school district's debt limitation, allows additional indebtedness by the execution of a lease with a public building commission; makes related changes. Removes references that limit provisions to just the Chicago school district with respect to (i) the prohibition on the State Board of Education and the Capital Development Board establishing standards that disapprove or otherwise establishing limitations that restrict the eligibility of a school district for a school construction project grant based on certain facts and (ii) the authority of a school district to use school construction project grants for certain purposes.

LRB095 17117 NHT 45405 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

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 changing Sections
5 17-2.11 and 19-1 as follows:

6 (105 ILCS 5/17-2.11) (from Ch. 122, par. 17-2.11)

7 Sec. 17-2.11. School board power to levy a tax or to borrow
8 money and issue bonds for fire prevention, safety, energy
9 conservation, disabled accessibility, school security, and
10 specified repair purposes. Whenever, as a result of any lawful
11 order of any agency, other than a school board, having
12 authority to enforce any school building code applicable to any
13 facility that houses students, or any law or regulation for the
14 protection and safety of the environment, pursuant to the
15 Environmental Protection Act, any school district having a
16 population of less than 500,000 inhabitants is required to
17 alter or reconstruct any school building or permanent, fixed
18 equipment; or whenever any such district determines that it is
19 necessary for energy conservation purposes that any school
20 building or permanent, fixed equipment should be altered or
21 reconstructed and that such alterations or reconstruction will
22 be made with funds not necessary for the completion of approved
23 and recommended projects contained in any safety survey report

1 or amendments thereto authorized by Section 2-3.12 of this Act;
2 or whenever any such district determines that it is necessary
3 for disabled accessibility purposes and to comply with the
4 school building code that any school building or equipment
5 should be altered or reconstructed and that such alterations or
6 reconstruction will be made with funds not necessary for the
7 completion of approved and recommended projects contained in
8 any safety survey report or amendments thereto authorized under
9 Section 2-3.12 of this Act; or whenever any such district
10 determines that it is necessary for school security purposes
11 and the related protection and safety of pupils and school
12 personnel that any school building or property should be
13 altered or reconstructed or that security systems and equipment
14 (including but not limited to intercom, early detection and
15 warning, access control and television monitoring systems)
16 should be purchased and installed, and that such alterations,
17 reconstruction or purchase and installation of equipment will
18 be made with funds not necessary for the completion of approved
19 and recommended projects contained in any safety survey report
20 or amendment thereto authorized by Section 2-3.12 of this Act
21 and will deter and prevent unauthorized entry or activities
22 upon school property by unknown or dangerous persons, assure
23 early detection and advance warning of any such actual or
24 attempted unauthorized entry or activities and help assure the
25 continued safety of pupils and school staff if any such
26 unauthorized entry or activity is attempted or occurs; or if a

1 school district does not need funds for other fire prevention
2 and safety projects, including the completion of approved and
3 recommended projects contained in any safety survey report or
4 amendments thereto authorized by Section 2-3.12 of this Act,
5 and it is determined after a public hearing (which is preceded
6 by at least one published notice (i) occurring at least 7 days
7 prior to the hearing in a newspaper of general circulation
8 within the school district and (ii) setting forth the time,
9 date, place, and general subject matter of the hearing) that
10 there is a substantial, immediate, and otherwise unavoidable
11 threat to the health, safety, or welfare of pupils due to
12 disrepair of school sidewalks, playgrounds, parking lots, or
13 school bus turnarounds and repairs must be made: then in any
14 such event, such district may, by proper resolution, levy a tax
15 for the purpose of making such alteration or reconstruction,
16 based on a survey report by an architect or engineer licensed
17 in the State of Illinois, upon all the taxable property of the
18 district at the value as assessed by the Department of Revenue
19 at a rate not to exceed .05% per year for a period sufficient
20 to finance such alterations, repairs, or reconstruction, upon
21 the following conditions:

22 (a) When there are not sufficient funds available in
23 the operations and maintenance fund of the district, the
24 school facility occupation tax fund of the district, or the
25 fire prevention and safety fund of the district as
26 determined by the district on the basis of regulations

1 adopted by the State Board of Education to make such
2 alterations, repairs, or reconstruction, or to purchase
3 and install such permanent fixed equipment so ordered or
4 determined as necessary. Appropriate school district
5 records shall be made available to the State Superintendent
6 of Education upon request to confirm such insufficiency.

7 (b) When a certified estimate of an architect or
8 engineer licensed in the State of Illinois stating the
9 estimated amount necessary to make the alterations or
10 repairs, or to purchase and install such equipment so
11 ordered has been secured by the district, and the estimate
12 has been approved by the regional superintendent of
13 schools, having jurisdiction of the district, and the State
14 Superintendent of Education. Approval shall not be granted
15 for any work that has already started without the prior
16 express authorization of the State Superintendent of
17 Education. If such estimate is not approved or denied
18 approval by the regional superintendent of schools within 3
19 months after the date on which it is submitted to him or
20 her, the school board of the district may submit such
21 estimate directly to the State Superintendent of Education
22 for approval or denial.

23 For purposes of this Section a school district may replace
24 a school building or build additions to replace portions of a
25 building when it is determined that the effectuation of the
26 recommendations for the existing building will cost more than

1 the replacement costs to be paid for from the proceeds of bonds
2 issued pursuant to this Section. Such determination shall be
3 based on a comparison of estimated costs made by an architect
4 or engineer licensed in the State of Illinois. The portion of
5 the new building or addition paid for from the proceeds of
6 bonds issued pursuant to this Section shall not exceed the ~~be~~
7 ~~equivalent in~~ area (square feet) of the buildings or additions
8 being replaced, shall be ~~and~~ comparable in purpose and grades
9 served, and may be on the same site or another site. Such
10 replacement may only be done upon order of the regional
11 superintendent of schools and the approval of the State
12 Superintendent of Education.

13 The filing of a certified copy of the resolution levying
14 the tax when accompanied by the certificates of the regional
15 superintendent of schools and State Superintendent of
16 Education shall be the authority of the county clerk to extend
17 such tax.

18 The county clerk of the county in which any school district
19 levying a tax under the authority of this Section is located,
20 in reducing raised levies, shall not consider any such tax as a
21 part of the general levy for school purposes and shall not
22 include the same in the limitation of any other tax rate which
23 may be extended.

24 Such tax shall be levied and collected in like manner as
25 all other taxes of school districts, subject to the provisions
26 contained in this Section.

1 The tax rate limit specified in this Section may be
2 increased to .10% upon the approval of a proposition to effect
3 such increase by a majority of the electors voting on that
4 proposition at a regular scheduled election. Such proposition
5 may be initiated by resolution of the school board and shall be
6 certified by the secretary to the proper election authorities
7 for submission in accordance with the general election law.

8 When taxes are levied by any school district for fire
9 prevention, safety, energy conservation, and school security
10 purposes as specified in this Section, and the purposes for
11 which the taxes have been levied are accomplished and paid in
12 full, and there remain funds on hand in the Fire Prevention and
13 Safety Fund from the proceeds of the taxes levied, including
14 interest earnings thereon, the school board by resolution shall
15 use such excess and other board restricted funds excluding bond
16 proceeds and earnings from such proceeds (1) for other
17 authorized fire prevention, safety, energy conservation, and
18 school security purposes or (2) for transfer to the Operations
19 and Maintenance Fund for the purpose of abating an equal amount
20 of operations and maintenance purposes taxes. If any transfer
21 is made to the Operation and Maintenance Fund, the secretary of
22 the school board shall within 30 days notify the county clerk
23 of the amount of that transfer and direct the clerk to abate
24 the taxes to be extended for the purposes of operations and
25 maintenance authorized under Section 17-2 of this Act by an
26 amount equal to such transfer.

1 If the proceeds from the tax levy authorized by this
2 Section are insufficient to complete the work approved under
3 this Section, the school board is authorized to sell bonds
4 without referendum under the provisions of this Section in an
5 amount that, when added to the proceeds of the tax levy
6 authorized by this Section, will allow completion of the
7 approved work.

8 Such bonds shall bear interest at a rate not to exceed the
9 maximum rate authorized by law at the time of the making of the
10 contract, shall mature within 20 years from date, and shall be
11 signed by the president of the school board and the treasurer
12 of the school district.

13 In order to authorize and issue such bonds, the school
14 board shall adopt a resolution fixing the amount of bonds, the
15 date thereof, the maturities thereof, rates of interest
16 thereof, place of payment and denomination, which shall be in
17 denominations of not less than \$100 and not more than \$5,000,
18 and provide for the levy and collection of a direct annual tax
19 upon all the taxable property in the school district sufficient
20 to pay the principal and interest on such bonds to maturity.
21 Upon the filing in the office of the county clerk of the county
22 in which the school district is located of a certified copy of
23 the resolution, it is the duty of the county clerk to extend
24 the tax therefor in addition to and in excess of all other
25 taxes heretofore or hereafter authorized to be levied by such
26 school district.

1 After the time such bonds are issued as provided for by
2 this Section, if additional alterations or reconstructions are
3 required to be made because of surveys conducted by an
4 architect or engineer licensed in the State of Illinois, the
5 district may levy a tax at a rate not to exceed .05% per year
6 upon all the taxable property of the district or issue
7 additional bonds, whichever action shall be the most feasible.

8 This Section is cumulative and constitutes complete
9 authority for the issuance of bonds as provided in this Section
10 notwithstanding any other statute or law to the contrary.

11 With respect to instruments for the payment of money issued
12 under this Section either before, on, or after the effective
13 date of Public Act 86-004 (June 6, 1989), it is, and always has
14 been, the intention of the General Assembly (i) that the
15 Omnibus Bond Acts are, and always have been, supplementary
16 grants of power to issue instruments in accordance with the
17 Omnibus Bond Acts, regardless of any provision of this Act that
18 may appear to be or to have been more restrictive than those
19 Acts, (ii) that the provisions of this Section are not a
20 limitation on the supplementary authority granted by the
21 Omnibus Bond Acts, and (iii) that instruments issued under this
22 Section within the supplementary authority granted by the
23 Omnibus Bond Acts are not invalid because of any provision of
24 this Act that may appear to be or to have been more restrictive
25 than those Acts.

26 When the purposes for which the bonds are issued have been

1 accomplished and paid for in full and there remain funds on
2 hand from the proceeds of the bond sale and interest earnings
3 therefrom, the board shall, by resolution, use such excess
4 funds in accordance with the provisions of Section 10-22.14 of
5 this Act.

6 Whenever any tax is levied or bonds issued for fire
7 prevention, safety, energy conservation, and school security
8 purposes, such proceeds shall be deposited and accounted for
9 separately within the Fire Prevention and Safety Fund.

10 (Source: P.A. 95-675, eff. 10-11-07.)

11 (105 ILCS 5/19-1) (from Ch. 122, par. 19-1)

12 Sec. 19-1. Debt limitations of school districts.

13 (a) School districts shall not be subject to the provisions
14 limiting their indebtedness prescribed in "An Act to limit the
15 indebtedness of counties having a population of less than
16 500,000 and townships, school districts and other municipal
17 corporations having a population of less than 300,000",
18 approved February 15, 1928, as amended.

19 No school districts maintaining grades K through 8 or 9
20 through 12 shall become indebted in any manner or for any
21 purpose to an amount, including existing indebtedness, in the
22 aggregate exceeding 6.9% on the value of the taxable property
23 therein to be ascertained by the last assessment for State and
24 county taxes or, until January 1, 1983, if greater, the sum
25 that is produced by multiplying the school district's 1978

1 equalized assessed valuation by the debt limitation percentage
2 in effect on January 1, 1979, previous to the incurring of such
3 indebtedness.

4 No school districts maintaining grades K through 12 shall
5 become indebted in any manner or for any purpose to an amount,
6 including existing indebtedness, in the aggregate exceeding
7 13.8% on the value of the taxable property therein to be
8 ascertained by the last assessment for State and county taxes
9 or, until January 1, 1983, if greater, the sum that is produced
10 by multiplying the school district's 1978 equalized assessed
11 valuation by the debt limitation percentage in effect on
12 January 1, 1979, previous to the incurring of such
13 indebtedness.

14 No partial elementary unit district, as defined in Article
15 11E of this Code, shall become indebted in any manner or for
16 any purpose in an amount, including existing indebtedness, in
17 the aggregate exceeding 6.9% of the value of the taxable
18 property of the entire district, to be ascertained by the last
19 assessment for State and county taxes, plus an amount,
20 including existing indebtedness, in the aggregate exceeding
21 6.9% of the value of the taxable property of that portion of
22 the district included in the elementary and high school
23 classification, to be ascertained by the last assessment for
24 State and county taxes. Moreover, no partial elementary unit
25 district, as defined in Article 11E of this Code, shall become
26 indebted on account of bonds issued by the district for high

1 school purposes in the aggregate exceeding 6.9% of the value of
2 the taxable property of the entire district, to be ascertained
3 by the last assessment for State and county taxes, nor shall
4 the district become indebted on account of bonds issued by the
5 district for elementary purposes in the aggregate exceeding
6 6.9% of the value of the taxable property for that portion of
7 the district included in the elementary and high school
8 classification, to be ascertained by the last assessment for
9 State and county taxes.

10 Notwithstanding the provisions of any other law to the
11 contrary, in any case in which the voters of a school district
12 have approved a proposition for the issuance of bonds of such
13 school district at an election held prior to January 1, 1979,
14 and all of the bonds approved at such election have not been
15 issued, the debt limitation applicable to such school district
16 during the calendar year 1979 shall be computed by multiplying
17 the value of taxable property therein, including personal
18 property, as ascertained by the last assessment for State and
19 county taxes, previous to the incurring of such indebtedness,
20 by the percentage limitation applicable to such school district
21 under the provisions of this subsection (a).

22 (b) Notwithstanding the debt limitation prescribed in
23 subsection (a) of this Section, additional indebtedness may be
24 incurred in an amount not to exceed the estimated cost of
25 acquiring or improving school sites or constructing and
26 equipping additional building facilities under the following

1 conditions:

2 (1) Whenever the enrollment of students for the next
3 school year is estimated by the board of education to
4 increase over the actual present enrollment by not less
5 than 35% or by not less than 200 students or the actual
6 present enrollment of students has increased over the
7 previous school year by not less than 35% or by not less
8 than 200 students and the board of education determines
9 that additional school sites or building facilities are
10 required as a result of such increase in enrollment; and

11 (2) When the Regional Superintendent of Schools having
12 jurisdiction over the school district and the State
13 Superintendent of Education concur in such enrollment
14 projection or increase and approve the need for such
15 additional school sites or building facilities and the
16 estimated cost thereof; and

17 (3) When the voters in the school district approve a
18 proposition for the issuance of bonds for the purpose of
19 acquiring or improving such needed school sites or
20 constructing and equipping such needed additional building
21 facilities at an election called and held for that purpose.
22 Notice of such an election shall state that the amount of
23 indebtedness proposed to be incurred would exceed the debt
24 limitation otherwise applicable to the school district.
25 The ballot for such proposition shall state what percentage
26 of the equalized assessed valuation will be outstanding in

1 bonds if the proposed issuance of bonds is approved by the
2 voters; or

3 (4) Notwithstanding the provisions of paragraphs (1)
4 through (3) of this subsection (b), if the school board
5 determines that additional facilities are needed to
6 provide a quality educational program and not less than 2/3
7 of those voting in an election called by the school board
8 on the question approve the issuance of bonds for the
9 construction of such facilities, the school district may
10 issue bonds for this purpose; or

11 (5) Notwithstanding the provisions of paragraphs (1)
12 through (3) of this subsection (b), if (i) the school
13 district has previously availed itself of the provisions of
14 paragraph (4) of this subsection (b) to enable it to issue
15 bonds, (ii) the voters of the school district have not
16 defeated a proposition for the issuance of bonds since the
17 referendum described in paragraph (4) of this subsection
18 (b) was held, (iii) the school board determines that
19 additional facilities are needed to provide a quality
20 educational program, and (iv) a majority of those voting in
21 an election called by the school board on the question
22 approve the issuance of bonds for the construction of such
23 facilities, the school district may issue bonds for this
24 purpose.

25 In no event shall the indebtedness incurred pursuant to
26 this subsection (b) and the existing indebtedness of the school

1 district exceed 15% of the value of the taxable property
2 therein to be ascertained by the last assessment for State and
3 county taxes, previous to the incurring of such indebtedness
4 or, until January 1, 1983, if greater, the sum that is produced
5 by multiplying the school district's 1978 equalized assessed
6 valuation by the debt limitation percentage in effect on
7 January 1, 1979.

8 The indebtedness provided for by this subsection (b) shall
9 be in addition to and in excess of any other debt limitation.

10 (c) Notwithstanding the debt limitation prescribed in
11 subsection (a) of this Section, in any case in which a public
12 question for the issuance of bonds of a proposed school
13 district maintaining grades kindergarten through 12 received
14 at least 60% of the valid ballots cast on the question at an
15 election held on or prior to November 8, 1994, and in which the
16 bonds approved at such election have not been issued, the
17 school district pursuant to the requirements of Section 11A-10
18 (now repealed) may issue the total amount of bonds approved at
19 such election for the purpose stated in the question.

20 (d) Notwithstanding the debt limitation prescribed in
21 subsection (a) of this Section, a school district that meets
22 all the criteria set forth in paragraphs (1) and (2) of this
23 subsection (d) may incur an additional indebtedness in an
24 amount not to exceed \$4,500,000, even though the amount of the
25 additional indebtedness authorized by this subsection (d),
26 when incurred and added to the aggregate amount of indebtedness

1 of the district existing immediately prior to the district
2 incurring the additional indebtedness authorized by this
3 subsection (d), causes the aggregate indebtedness of the
4 district to exceed the debt limitation otherwise applicable to
5 that district under subsection (a):

6 (1) The additional indebtedness authorized by this
7 subsection (d) is incurred by the school district through
8 the issuance of bonds under and in accordance with Section
9 17-2.11a for the purpose of replacing a school building
10 which, because of mine subsidence damage, has been closed
11 as provided in paragraph (2) of this subsection (d) or
12 through the issuance of bonds under and in accordance with
13 Section 19-3 for the purpose of increasing the size of, or
14 providing for additional functions in, such replacement
15 school buildings, or both such purposes.

16 (2) The bonds issued by the school district as provided
17 in paragraph (1) above are issued for the purposes of
18 construction by the school district of a new school
19 building pursuant to Section 17-2.11, to replace an
20 existing school building that, because of mine subsidence
21 damage, is closed as of the end of the 1992-93 school year
22 pursuant to action of the regional superintendent of
23 schools of the educational service region in which the
24 district is located under Section 3-14.22 or are issued for
25 the purpose of increasing the size of, or providing for
26 additional functions in, the new school building being

1 constructed to replace a school building closed as the
2 result of mine subsidence damage, or both such purposes.

3 (e) (Blank).

4 (f) Notwithstanding the provisions of subsection (a) of
5 this Section or of any other law, bonds in not to exceed the
6 aggregate amount of \$5,500,000 and issued by a school district
7 meeting the following criteria shall not be considered
8 indebtedness for purposes of any statutory limitation and may
9 be issued in an amount or amounts, including existing
10 indebtedness, in excess of any heretofore or hereafter imposed
11 statutory limitation as to indebtedness:

12 (1) At the time of the sale of such bonds, the board of
13 education of the district shall have determined by
14 resolution that the enrollment of students in the district
15 is projected to increase by not less than 7% during each of
16 the next succeeding 2 school years.

17 (2) The board of education shall also determine by
18 resolution that the improvements to be financed with the
19 proceeds of the bonds are needed because of the projected
20 enrollment increases.

21 (3) The board of education shall also determine by
22 resolution that the projected increases in enrollment are
23 the result of improvements made or expected to be made to
24 passenger rail facilities located in the school district.

25 Notwithstanding the provisions of subsection (a) of this
26 Section or of any other law, a school district that has availed

1 itself of the provisions of this subsection (f) prior to July
2 22, 2004 (the effective date of Public Act 93-799) may also
3 issue bonds approved by referendum up to an amount, including
4 existing indebtedness, not exceeding 25% of the equalized
5 assessed value of the taxable property in the district if all
6 of the conditions set forth in items (1), (2), and (3) of this
7 subsection (f) are met.

8 (g) Notwithstanding the provisions of subsection (a) of
9 this Section or any other law, bonds in not to exceed an
10 aggregate amount of 25% of the equalized assessed value of the
11 taxable property of a school district and issued by a school
12 district meeting the criteria in paragraphs (i) through (iv) of
13 this subsection shall not be considered indebtedness for
14 purposes of any statutory limitation and may be issued pursuant
15 to resolution of the school board in an amount or amounts,
16 including existing indebtedness, in excess of any statutory
17 limitation of indebtedness heretofore or hereafter imposed:

18 (i) The bonds are issued for the purpose of
19 constructing a new high school building to replace two
20 adjacent existing buildings which together house a single
21 high school, each of which is more than 65 years old, and
22 which together are located on more than 10 acres and less
23 than 11 acres of property.

24 (ii) At the time the resolution authorizing the
25 issuance of the bonds is adopted, the cost of constructing
26 a new school building to replace the existing school

1 building is less than 60% of the cost of repairing the
2 existing school building.

3 (iii) The sale of the bonds occurs before July 1, 1997.

4 (iv) The school district issuing the bonds is a unit
5 school district located in a county of less than 70,000 and
6 more than 50,000 inhabitants, which has an average daily
7 attendance of less than 1,500 and an equalized assessed
8 valuation of less than \$29,000,000.

9 (h) Notwithstanding any other provisions of this Section or
10 the provisions of any other law, until January 1, 1998, a
11 community unit school district maintaining grades K through 12
12 may issue bonds up to an amount, including existing
13 indebtedness, not exceeding 27.6% of the equalized assessed
14 value of the taxable property in the district, if all of the
15 following conditions are met:

16 (i) The school district has an equalized assessed
17 valuation for calendar year 1995 of less than \$24,000,000;

18 (ii) The bonds are issued for the capital improvement,
19 renovation, rehabilitation, or replacement of existing
20 school buildings of the district, all of which buildings
21 were originally constructed not less than 40 years ago;

22 (iii) The voters of the district approve a proposition
23 for the issuance of the bonds at a referendum held after
24 March 19, 1996; and

25 (iv) The bonds are issued pursuant to Sections 19-2
26 through 19-7 of this Code.

1 (i) Notwithstanding any other provisions of this Section or
2 the provisions of any other law, until January 1, 1998, a
3 community unit school district maintaining grades K through 12
4 may issue bonds up to an amount, including existing
5 indebtedness, not exceeding 27% of the equalized assessed value
6 of the taxable property in the district, if all of the
7 following conditions are met:

8 (i) The school district has an equalized assessed
9 valuation for calendar year 1995 of less than \$44,600,000;

10 (ii) The bonds are issued for the capital improvement,
11 renovation, rehabilitation, or replacement of existing
12 school buildings of the district, all of which existing
13 buildings were originally constructed not less than 80
14 years ago;

15 (iii) The voters of the district approve a proposition
16 for the issuance of the bonds at a referendum held after
17 December 31, 1996; and

18 (iv) The bonds are issued pursuant to Sections 19-2
19 through 19-7 of this Code.

20 (j) Notwithstanding any other provisions of this Section or
21 the provisions of any other law, until January 1, 1999, a
22 community unit school district maintaining grades K through 12
23 may issue bonds up to an amount, including existing
24 indebtedness, not exceeding 27% of the equalized assessed value
25 of the taxable property in the district if all of the following
26 conditions are met:

1 (i) The school district has an equalized assessed
2 valuation for calendar year 1995 of less than \$140,000,000
3 and a best 3 months average daily attendance for the
4 1995-96 school year of at least 2,800;

5 (ii) The bonds are issued to purchase a site and build
6 and equip a new high school, and the school district's
7 existing high school was originally constructed not less
8 than 35 years prior to the sale of the bonds;

9 (iii) At the time of the sale of the bonds, the board
10 of education determines by resolution that a new high
11 school is needed because of projected enrollment
12 increases;

13 (iv) At least 60% of those voting in an election held
14 after December 31, 1996 approve a proposition for the
15 issuance of the bonds; and

16 (v) The bonds are issued pursuant to Sections 19-2
17 through 19-7 of this Code.

18 (k) Notwithstanding the debt limitation prescribed in
19 subsection (a) of this Section, a school district that meets
20 all the criteria set forth in paragraphs (1) through (4) of
21 this subsection (k) may issue bonds to incur an additional
22 indebtedness in an amount not to exceed \$4,000,000 even though
23 the amount of the additional indebtedness authorized by this
24 subsection (k), when incurred and added to the aggregate amount
25 of indebtedness of the school district existing immediately
26 prior to the school district incurring such additional

1 indebtedness, causes the aggregate indebtedness of the school
2 district to exceed or increases the amount by which the
3 aggregate indebtedness of the district already exceeds the debt
4 limitation otherwise applicable to that school district under
5 subsection (a):

6 (1) the school district is located in 2 counties, and a
7 referendum to authorize the additional indebtedness was
8 approved by a majority of the voters of the school district
9 voting on the proposition to authorize that indebtedness;

10 (2) the additional indebtedness is for the purpose of
11 financing a multi-purpose room addition to the existing
12 high school;

13 (3) the additional indebtedness, together with the
14 existing indebtedness of the school district, shall not
15 exceed 17.4% of the value of the taxable property in the
16 school district, to be ascertained by the last assessment
17 for State and county taxes; and

18 (4) the bonds evidencing the additional indebtedness
19 are issued, if at all, within 120 days of the effective
20 date of this amendatory Act of 1998.

21 (1) Notwithstanding any other provisions of this Section or
22 the provisions of any other law, until January 1, 2000, a
23 school district maintaining grades kindergarten through 8 may
24 issue bonds up to an amount, including existing indebtedness,
25 not exceeding 15% of the equalized assessed value of the
26 taxable property in the district if all of the following

1 conditions are met:

2 (i) the district has an equalized assessed valuation
3 for calendar year 1996 of less than \$10,000,000;

4 (ii) the bonds are issued for capital improvement,
5 renovation, rehabilitation, or replacement of one or more
6 school buildings of the district, which buildings were
7 originally constructed not less than 70 years ago;

8 (iii) the voters of the district approve a proposition
9 for the issuance of the bonds at a referendum held on or
10 after March 17, 1998; and

11 (iv) the bonds are issued pursuant to Sections 19-2
12 through 19-7 of this Code.

13 (m) Notwithstanding any other provisions of this Section or
14 the provisions of any other law, until January 1, 1999, an
15 elementary school district maintaining grades K through 8 may
16 issue bonds up to an amount, excluding existing indebtedness,
17 not exceeding 18% of the equalized assessed value of the
18 taxable property in the district, if all of the following
19 conditions are met:

20 (i) The school district has an equalized assessed
21 valuation for calendar year 1995 or less than \$7,700,000;

22 (ii) The school district operates 2 elementary
23 attendance centers that until 1976 were operated as the
24 attendance centers of 2 separate and distinct school
25 districts;

26 (iii) The bonds are issued for the construction of a

1 new elementary school building to replace an existing
2 multi-level elementary school building of the school
3 district that is not handicapped accessible at all levels
4 and parts of which were constructed more than 75 years ago;

5 (iv) The voters of the school district approve a
6 proposition for the issuance of the bonds at a referendum
7 held after July 1, 1998; and

8 (v) The bonds are issued pursuant to Sections 19-2
9 through 19-7 of this Code.

10 (n) Notwithstanding the debt limitation prescribed in
11 subsection (a) of this Section or any other provisions of this
12 Section or of any other law, a school district that meets all
13 of the criteria set forth in paragraphs (i) through (vi) or
14 paragraphs (i), (ii), and (vii) of this subsection (n) may
15 incur additional indebtedness by the issuance of bonds or the
16 execution of a lease with a public building commission in an
17 amount not exceeding the amount certified by the Capital
18 Development Board to the school district as provided in
19 paragraph (iii) of this subsection (n), even though the amount
20 of the additional indebtedness so authorized, when incurred and
21 added to the aggregate amount of indebtedness of the district
22 existing immediately prior to the district incurring the
23 additional indebtedness authorized by this subsection (n),
24 causes the aggregate indebtedness of the district to exceed the
25 debt limitation otherwise applicable by law to that district:

26 (i) The school district applies to the State Board of

1 Education for a school construction project grant and
2 submits a district facilities plan in support of its
3 application pursuant to Section 5-20 of the School
4 Construction Law.

5 (ii) The school district's application and facilities
6 plan are approved by, and the district receives a grant
7 entitlement for a school construction project issued by,
8 the State Board of Education under the School Construction
9 Law.

10 (iii) The school district has exhausted its bonding
11 capacity or the unused bonding capacity of the district is
12 less than the amount certified by the Capital Development
13 Board to the district under Section 5-15 of the School
14 Construction Law as the dollar amount of the school
15 construction project's cost that the district will be
16 required to finance with non-grant funds in order to
17 receive a school construction project grant under the
18 School Construction Law.

19 (iv) The bonds are issued for a "school construction
20 project", as that term is defined in Section 5-5 of the
21 School Construction Law, in an amount that does not exceed
22 the dollar amount certified, as provided in paragraph (iii)
23 of this subsection (n), by the Capital Development Board to
24 the school district under Section 5-15 of the School
25 Construction Law.

26 (v) The voters of the district approve a proposition

1 for the issuance of the bonds at a referendum held after
2 the criteria specified in paragraphs (i) and (iii) of this
3 subsection (n) are met.

4 (vi) The bonds are issued pursuant to Sections 19-2
5 through 19-7 of the School Code.

6 (vii) The school district will lease the school
7 construction project from a public building commission
8 pursuant to the Public Building Commission Act.

9 The indebtedness incurred on any lease under this
10 subsection (n) shall not be considered indebtedness for
11 purposes of any statutory debt limitation.

12 (o) Notwithstanding any other provisions of this Section or
13 the provisions of any other law, until November 1, 2007, a
14 community unit school district maintaining grades K through 12
15 may issue bonds up to an amount, including existing
16 indebtedness, not exceeding 20% of the equalized assessed value
17 of the taxable property in the district if all of the following
18 conditions are met:

19 (i) the school district has an equalized assessed
20 valuation for calendar year 2001 of at least \$737,000,000
21 and an enrollment for the 2002-2003 school year of at least
22 8,500;

23 (ii) the bonds are issued to purchase school sites,
24 build and equip a new high school, build and equip a new
25 junior high school, build and equip 5 new elementary
26 schools, and make technology and other improvements and

1 additions to existing schools;

2 (iii) at the time of the sale of the bonds, the board
3 of education determines by resolution that the sites and
4 new or improved facilities are needed because of projected
5 enrollment increases;

6 (iv) at least 57% of those voting in a general election
7 held prior to January 1, 2003 approved a proposition for
8 the issuance of the bonds; and

9 (v) the bonds are issued pursuant to Sections 19-2
10 through 19-7 of this Code.

11 (p) Notwithstanding any other provisions of this Section or
12 the provisions of any other law, a community unit school
13 district maintaining grades K through 12 may issue bonds up to
14 an amount, including indebtedness, not exceeding 27% of the
15 equalized assessed value of the taxable property in the
16 district if all of the following conditions are met:

17 (i) The school district has an equalized assessed
18 valuation for calendar year 2001 of at least \$295,741,187
19 and a best 3 months' average daily attendance for the
20 2002-2003 school year of at least 2,394.

21 (ii) The bonds are issued to build and equip 3
22 elementary school buildings; build and equip one middle
23 school building; and alter, repair, improve, and equip all
24 existing school buildings in the district.

25 (iii) At the time of the sale of the bonds, the board
26 of education determines by resolution that the project is

1 needed because of expanding growth in the school district
2 and a projected enrollment increase.

3 (iv) The bonds are issued pursuant to Sections 19-2
4 through 19-7 of this Code.

5 (p-5) Notwithstanding any other provisions of this Section
6 or the provisions of any other law, bonds issued by a community
7 unit school district maintaining grades K through 12 shall not
8 be considered indebtedness for purposes of any statutory
9 limitation and may be issued in an amount or amounts, including
10 existing indebtedness, in excess of any heretofore or hereafter
11 imposed statutory limitation as to indebtedness, if all of the
12 following conditions are met:

13 (i) For each of the 4 most recent years, residential
14 property comprises more than 80% of the equalized assessed
15 valuation of the district.

16 (ii) At least 2 school buildings that were constructed
17 40 or more years prior to the issuance of the bonds will be
18 demolished and will be replaced by new buildings or
19 additions to one or more existing buildings.

20 (iii) Voters of the district approve a proposition for
21 the issuance of the bonds at a regularly scheduled
22 election.

23 (iv) At the time of the sale of the bonds, the school
24 board determines by resolution that the new buildings or
25 building additions are needed because of an increase in
26 enrollment projected by the school board.

1 (v) The principal amount of the bonds, including
2 existing indebtedness, does not exceed 25% of the equalized
3 assessed value of the taxable property in the district.

4 (vi) The bonds are issued prior to January 1, 2007,
5 pursuant to Sections 19-2 through 19-7 of this Code.

6 (p-10) Notwithstanding any other provisions of this
7 Section or the provisions of any other law, bonds issued by a
8 community consolidated school district maintaining grades K
9 through 8 shall not be considered indebtedness for purposes of
10 any statutory limitation and may be issued in an amount or
11 amounts, including existing indebtedness, in excess of any
12 heretofore or hereafter imposed statutory limitation as to
13 indebtedness, if all of the following conditions are met:

14 (i) For each of the 4 most recent years, residential
15 and farm property comprises more than 80% of the equalized
16 assessed valuation of the district.

17 (ii) The bond proceeds are to be used to acquire and
18 improve school sites and build and equip a school building.

19 (iii) Voters of the district approve a proposition for
20 the issuance of the bonds at a regularly scheduled
21 election.

22 (iv) At the time of the sale of the bonds, the school
23 board determines by resolution that the school sites and
24 building additions are needed because of an increase in
25 enrollment projected by the school board.

26 (v) The principal amount of the bonds, including

1 existing indebtedness, does not exceed 20% of the equalized
2 assessed value of the taxable property in the district.

3 (vi) The bonds are issued prior to January 1, 2007,
4 pursuant to Sections 19-2 through 19-7 of this Code.

5 (p-15) In addition to all other authority to issue bonds,
6 the Oswego Community Unit School District Number 308 may issue
7 bonds with an aggregate principal amount not to exceed
8 \$450,000,000, but only if all of the following conditions are
9 met:

10 (i) The voters of the district have approved a
11 proposition for the bond issue at the general election held
12 on November 7, 2006.

13 (ii) At the time of the sale of the bonds, the school
14 board determines, by resolution, that: (A) the building and
15 equipping of the new high school building, new junior high
16 school buildings, new elementary school buildings, early
17 childhood building, maintenance building, transportation
18 facility, and additions to existing school buildings, the
19 altering, repairing, equipping, and provision of
20 technology improvements to existing school buildings, and
21 the acquisition and improvement of school sites, as the
22 case may be, are required as a result of a projected
23 increase in the enrollment of students in the district; and
24 (B) the sale of bonds for these purposes is authorized by
25 legislation that exempts the debt incurred on the bonds
26 from the district's statutory debt limitation.

1 (iii) The bonds are issued, in one or more bond issues,
2 on or before November 7, 2011, but the aggregate principal
3 amount issued in all such bond issues combined must not
4 exceed \$450,000,000.

5 (iv) The bonds are issued in accordance with this
6 Article 19.

7 (v) The proceeds of the bonds are used only to
8 accomplish those projects approved by the voters at the
9 general election held on November 7, 2006.

10 The debt incurred on any bonds issued under this subsection
11 (p-15) shall not be considered indebtedness for purposes of any
12 statutory debt limitation.

13 (p-20) In addition to all other authority to issue bonds,
14 the Lincoln-Way Community High School District Number 210 may
15 issue bonds with an aggregate principal amount not to exceed
16 \$225,000,000, but only if all of the following conditions are
17 met:

18 (i) The voters of the district have approved a
19 proposition for the bond issue at the general primary
20 election held on March 21, 2006.

21 (ii) At the time of the sale of the bonds, the school
22 board determines, by resolution, that: (A) the building and
23 equipping of the new high school buildings, the altering,
24 repairing, and equipping of existing school buildings, and
25 the improvement of school sites, as the case may be, are
26 required as a result of a projected increase in the

1 enrollment of students in the district; and (B) the sale of
2 bonds for these purposes is authorized by legislation that
3 exempts the debt incurred on the bonds from the district's
4 statutory debt limitation.

5 (iii) The bonds are issued, in one or more bond issues,
6 on or before March 21, 2011, but the aggregate principal
7 amount issued in all such bond issues combined must not
8 exceed \$225,000,000.

9 (iv) The bonds are issued in accordance with this
10 Article 19.

11 (v) The proceeds of the bonds are used only to
12 accomplish those projects approved by the voters at the
13 primary election held on March 21, 2006.

14 The debt incurred on any bonds issued under this subsection
15 (p-20) shall not be considered indebtedness for purposes of any
16 statutory debt limitation.

17 (p-25) In addition to all other authority to issue bonds,
18 Rochester Community Unit School District 3A may issue bonds
19 with an aggregate principal amount not to exceed \$15,000,000,
20 but only if all of the following conditions are met:

21 (i) The voters of the district approve a proposition
22 for the bond issuance at the general primary election held
23 in 2008.

24 (ii) At the time of the sale of the bonds, the school
25 board determines, by resolution, that: (A) the building and
26 equipping of a new high school building; the addition of

1 classrooms and support facilities at the high school,
2 middle school, and elementary school; the altering,
3 repairing, and equipping of existing school buildings; and
4 the improvement of school sites, as the case may be, are
5 required as a result of a projected increase in the
6 enrollment of students in the district; and (B) the sale of
7 bonds for these purposes is authorized by a law that
8 exempts the debt incurred on the bonds from the district's
9 statutory debt limitation.

10 (iii) The bonds are issued, in one or more bond issues,
11 on or before December 31, 2012, but the aggregate principal
12 amount issued in all such bond issues combined must not
13 exceed \$15,000,000.

14 (iv) The bonds are issued in accordance with this
15 Article 19.

16 (v) The proceeds of the bonds are used to accomplish
17 only those projects approved by the voters at the primary
18 election held in 2008.

19 The debt incurred on any bonds issued under this subsection
20 (p-25) shall not be considered indebtedness for purposes of any
21 statutory debt limitation.

22 (p-30) In addition to all other authority to issue bonds,
23 Prairie Grove Consolidated School District 46 may issue bonds
24 with an aggregate principal amount not to exceed \$30,000,000,
25 but only if all of the following conditions are met:

26 (i) The voters of the district approve a proposition

1 for the bond issuance at an election held in 2008.

2 (ii) At the time of the sale of the bonds, the school
3 board determines, by resolution, that (A) the building and
4 equipping of a new school building and additions to
5 existing school buildings are required as a result of a
6 projected increase in the enrollment of students in the
7 district and (B) the altering, repairing, and equipping of
8 existing school buildings are required because of the age
9 of the existing school buildings.

10 (iii) The bonds are issued, in one or more bond
11 issuances, on or before December 31, 2012; however, the
12 aggregate principal amount issued in all such bond
13 issuances combined must not exceed \$30,000,000.

14 (iv) The bonds are issued in accordance with this
15 Article.

16 (v) The proceeds of the bonds are used to accomplish
17 only those projects approved by the voters at an election
18 held in 2008.

19 The debt incurred on any bonds issued under this subsection
20 (p-30) shall not be considered indebtedness for purposes of any
21 statutory debt limitation.

22 (p-35) In addition to all other authority to issue bonds,
23 Prairie Hill Community Consolidated School District 133 may
24 issue bonds with an aggregate principal amount not to exceed
25 \$13,900,000, but only if all of the following conditions are
26 met:

1 (i) The voters of the district approved a proposition
2 for the bond issuance at an election held on April 17,
3 2007.

4 (ii) At the time of the sale of the bonds, the school
5 board determines, by resolution, that (A) the improvement
6 of the site of and the building and equipping of a school
7 building are required as a result of a projected increase
8 in the enrollment of students in the district and (B) the
9 repairing and equipping of the Prairie Hill Elementary
10 School building is required because of the age of that
11 school building.

12 (iii) The bonds are issued, in one or more bond
13 issuances, on or before December 31, 2011, but the
14 aggregate principal amount issued in all such bond
15 issuances combined must not exceed \$13,900,000.

16 (iv) The bonds are issued in accordance with this
17 Article.

18 (v) The proceeds of the bonds are used to accomplish
19 only those projects approved by the voters at an election
20 held on April 17, 2007.

21 The debt incurred on any bonds issued under this subsection
22 (p-35) shall not be considered indebtedness for purposes of any
23 statutory debt limitation.

24 (q) A school district must notify the State Board of
25 Education prior to issuing any form of long-term or short-term
26 debt that will result in outstanding debt that exceeds 75% of

1 the debt limit specified in this Section or any other provision
2 of law.

3 (Source: P.A. 94-234, eff. 7-1-06; 94-721, eff. 1-6-06; 94-952,
4 eff. 6-27-06; 94-1019, eff. 7-10-06; 94-1078, eff. 1-9-07;
5 95-331, eff. 8-21-07; 95-594, eff. 9-10-07.)

6 Section 10. The School Construction Law is amended by
7 changing Sections 5-25 and 5-35 as follows:

8 (105 ILCS 230/5-25)

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

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

20 (b) The Capital Development Board shall establish project
21 standards for all school construction project grants provided
22 pursuant to this Article. These standards shall include space
23 and capacity standards as well as the determination of
24 recognized project costs that shall be eligible for State

1 financial assistance and enrichment costs that shall not be
2 eligible for State financial assistance.

3 (c) The State Board of Education and the Capital
4 Development Board shall not establish standards that
5 disapprove or otherwise establish limitations that restrict
6 the eligibility of a school district ~~with a population~~
7 ~~exceeding 500,000~~ for a school construction project grant based
8 on the fact that any or all of the school construction project
9 grant will be used to pay debt service or to make lease
10 payments, as authorized by subsection (b) of Section 5-35 of
11 this Law, or based on the fact that all or a part of the school
12 construction project is owned by a public building commission
13 and leased to the school district.

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

15 (105 ILCS 230/5-35)

16 Sec. 5-35. School construction project grant amounts;
17 permitted use; prohibited use.

18 (a) The product of the district's grant index and the
19 recognized project cost, as determined by the Capital
20 Development Board, for an approved school construction project
21 shall equal the amount of the grant the Capital Development
22 Board shall provide to the eligible district. The grant index
23 shall not be used in cases where the General Assembly and the
24 Governor approve appropriations designated for specifically
25 identified school district construction projects.

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

6 In addition to the uses otherwise authorized by this Law,
7 any school district ~~with a population exceeding 500,000~~ is
8 authorized to use any or all of the school construction project
9 grants (i) to pay debt service, as defined in the Local
10 Government Debt Reform Act, on bonds, as defined in the Local
11 Government Debt Reform Act, issued to finance one or more
12 school construction projects and (ii) to the extent that any
13 such bond is a lease or other installment or financing contract
14 between the school district and a public building commission
15 that has issued bonds to finance one or more qualifying school
16 construction projects, to make lease payments under the lease.

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

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