



## 96TH GENERAL ASSEMBLY

### State of Illinois

2009 and 2010

HB6255

Introduced 2/11/2010, by Rep. Jehan A. Gordon

#### SYNOPSIS AS INTRODUCED:

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

Amends the School Construction Law. Prohibits the State Board of Education and the Capital Development Board from establishing standards that disapprove or otherwise establishing limitations that restrict the eligibility of a school district that (1) was organized prior to 1860 and (2) is located in part in a city originally incorporated prior to 1840, based on the fact that all or a part of the school construction project is owned by a public building commission and leased to the school district or the fact that any or all of the school construction project grant will be used to pay debt service or to make lease payments. Provides that such a school district is authorized to use any or all of the school construction project grants (i) to pay debt service on bonds that are issued to finance one or more school construction projects and (ii) to the extent that any such bond is a lease or other installment or financing contract between the school district and a public building commission that has issued bonds to finance one or more qualifying school construction projects, to make lease payments under the lease. Effective immediately.

LRB096 19400 MJR 36460 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 Construction Law is amended by  
5 changing Sections 5-25 and 5-35 as follows:

6 (105 ILCS 230/5-25)

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

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

18 For purposes only of determining a Type 40 area vocational  
19 center's eligibility for an entity included in a school  
20 construction project grant or a school maintenance project  
21 grant, an area vocational center shall be deemed eligible if  
22 one or more of its member school districts satisfy the grant  
23 index criteria set forth in this Law. A Type 40 area vocational

1 center that makes application for school construction funds  
2 after August 25, 2009 (the effective date of Public Act 96-731)  
3 ~~this amendatory Act of the 96th General Assembly~~ shall be  
4 placed on the respective application cycle list. Type 40 area  
5 vocational centers must be placed last on the priority listing  
6 of eligible entities for the applicable fiscal year.

7 (b) The Capital Development Board shall establish project  
8 standards for all school construction project grants provided  
9 pursuant to this Article. These standards shall include space  
10 and capacity standards as well as the determination of  
11 recognized project costs that shall be eligible for State  
12 financial assistance and enrichment costs that shall not be  
13 eligible for State financial assistance.

14 (c) The State Board of Education and the Capital  
15 Development Board shall not establish standards that  
16 disapprove or otherwise establish limitations that restrict  
17 the eligibility of (i) a school district with a population  
18 exceeding 500,000 for a school construction project grant based  
19 on the fact that any or all of the school construction project  
20 grant will be used to pay debt service or to make lease  
21 payments, as authorized by subsection (b) of Section 5-35 of  
22 this Law, ~~or~~ (ii) a school district located in whole or in part  
23 in a county that imposes a tax for school facility purposes  
24 pursuant to Section 5-1006.7 of the Counties Code, or (iii) a  
25 school district that (1) was organized prior to 1860 and (2) is  
26 located in part in a city originally incorporated prior to

1 1840, based on the fact that all or a part of the school  
2 construction project is owned by a public building commission  
3 and leased to the school district or the fact that any or all  
4 of the school construction project grant will be used to pay  
5 debt service or to make lease payments.

6 (Source: P.A. 96-37, eff. 7-13-09; 96-731, eff. 8-25-09;  
7 revised 9-15-09.)

8 (105 ILCS 230/5-35)

9 Sec. 5-35. School construction project grant amounts;  
10 permitted use; prohibited use.

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

19 The average of the grant indexes of the member districts in  
20 a joint agreement shall be used to calculate the amount of a  
21 school construction project grant awarded to an eligible Type  
22 40 area vocational center.

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

1 population exceeding 500,000, provided such district complies  
2 with the provisions of this Article.

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

14 (b-5) In addition to the uses otherwise authorized by this  
15 Law, any school district that (1) was organized prior to 1860  
16 and (2) is located in part in a city originally incorporated  
17 prior to 1840 is authorized to use any or all of the school  
18 construction project grants (i) to pay debt service on bonds,  
19 as those terms are defined in the Local Government Debt Reform  
20 Act, that are issued to finance one or more school construction  
21 projects and (ii) to the extent that any such bond is a lease  
22 or other installment or financing contract between the school  
23 district and a public building commission that has issued bonds  
24 to finance one or more qualifying school construction projects,  
25 to make lease payments under the lease.

26 (c) No portion of a school construction project grant

1 awarded by the Capital Development Board shall be used by a  
2 school district for any on-going operational costs.

3 (Source: P.A. 96-731, eff. 8-25-09.)

4 Section 99. Effective date. This Act takes effect upon  
5 becoming law.