

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 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
12 project shall equal the amount of the grant the Capital
13 Development Board shall provide to the eligible district.
14 The grant index shall not be used in cases where the General
15 Assembly and the Governor approve appropriations designated
16 for specifically identified school district construction
17 projects.

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

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

1 commission that has issued bonds to finance one or more
2 qualifying school construction projects, to make lease
3 payments under the lease.

4 (b-5) Any school district that leases a school building
5 from a municipality under an agreement involving the sale of
6 certificates of participation is eligible to receive a grant
7 under this Law, provided that the term of the lease is
8 sufficient to cover the estimated life of the building and
9 the lease is not subject to forfeiture or termination.

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

14 Section 99. Effective date. This Act takes effect on
15 July 1, 2001.