SB3237 Enrolled

1 AN ACT concerning education.

Be it enacted by the People of the State of Illinois, represented in the General Assembly:

4 Section 5. The School Construction Law is amended by 5 changing Sections 5-5 and 5-15 as follows:

6 (105 ILCS 230/5-5)

7 Sec. 5-5. Definitions. As used in this Article:

8 "Conditional grant award" means the formal notification by 9 the Capital Development Board to a school district of its 10 conditional intent to award a grant to a school district to pay 11 a portion of the recognized project cost for a school 12 construction project. The grant award is conditioned upon 13 receiving proof from the school district that it has funds 14 available to cover the cost of the required local match.

"Grant award amount" means an amount equal to the recognized project cost determined by the Capital Development Board for a school construction project multiplied by the grant award percentage and then adjusted as may be required pursuant to subsection (d) of Section 5-15.

20 "Grant award percentage" means a percentage equal to one 21 minus the required local match percentage.

22 "Grant index" means a figure for each school district23 equal to one minus the ratio of the district's equalized

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assessed valuation per pupil in average daily attendance to 1 2 the equalized assessed valuation per pupil in average daily attendance of the district located at the 90th percentile for 3 all districts of the same category. This definition applies 4 5 only to completed or partially completed, as determined by the Capital Development Board, school construction projects for 6 7 which a grant application was filed for the 2004, 2005, or 2006 application cycle by a school district included on the State 8 Board of Education's 2004, 2005, or 2006 School Construction 9 10 Project Application Cycle listing and only for the purpose of 11 determining the amount of any adjustment pursuant to 12 subsection (d) of Section 5-15 to a grant award amount for a project funded during the first application cycle opened after 13 June 30, 2022. For the purpose of calculating the grant index, 14 15 school districts are grouped into 2 categories, Category I and 16 Category II. Category I consists of elementary and unit school 17 districts. The equalized assessed valuation per pupil in average daily attendance of each school district in Category I 18 shall be computed using its grades kindergarten through 8 19 average daily attendance figure. A unit school district's 20 Category I grant index shall be used for projects or portions 21 22 of projects constructed for elementary school pupils. Category 23 II consists of high school and unit school districts. The equalized assessed valuation per pupil in average daily 24 attendance of each school district in Category II shall be 25 26 computed using its grades 9 through 12 average daily

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attendance figure. A unit school district's Category II grant 1 2 index shall be used for projects or portions of projects 3 constructed for high school pupils. The changes made by this amendatory Act of the 92nd General Assembly apply to all 4 5 grants made on or after the effective date of this amendatory Act, provided that for grants not yet made on the effective 6 7 date of this amendatory Act but made in fiscal year 2001 and 8 for grants made in fiscal year 2002, the grant index for a 9 school district shall be the greater of (i) the grant index as calculated under this Law on or after the effective date of 10 11 this amendatory Act or (ii) the grant index as calculated 12 under this Law before the effective date of this amendatory Act. The grant index shall be no less than 0.35 and no greater 13 14 than 0.75 for each district; provided that the grant index for 15 districts whose equalized assessed valuation per pupil in 16 average daily attendance is at the 99th percentile and above 17 for all districts of the same type shall be 0.00.

18 The grant index shall be calculated for each of those 19 school districts forming a reorganized school district or 20 cooperative high school if one or more of the following happen 21 within the current or prior 2 fiscal years:

(1) a new school district is created in accordancewith Article 11E of the School Code;

(2) an existing school district annexes all of the
 territory of one or more entire other school districts in
 accordance with Article 7 of the School Code; or

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(3) a cooperative high school is formed in accordance with Section 10-22.22c of the School Code.

3 The average grant index of those school districts shall be 4 used as the grant index for the newly reorganized district or 5 cooperative high school.

6 "Recognized project cost" means the total project cost for 7 a school construction project determined by the Capital 8 Development Board to be taken into account in calculating the 9 grant award amount and the required local match for a school 10 construction project.

"Required local match" means an amount equal to the product of the recognized project cost determined by the Capital Development Board multiplied by a school district's required local match percentage, and then adjusted as may be required pursuant to Section 5-15.

16 "Required local match percentage" means a percentage equal 17 to a school district's Local Capacity Percentage, as defined in Section 18-8.15 of the School Code, and as calculated by the 18 State Superintendent of Education in the fiscal year in which 19 20 the school district applies for a grant to be awarded pursuant to this Article, provided that the required local match 21 22 percentage shall be no less than 10% and no greater than 90% 23 for any district. With respect to a Type 40 area vocational center cooperative, a special education cooperative, or a 24 25 cooperative high school, the required local match percentage is calculated by first multiplying each cooperative member 26

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district's average student enrollment utilized to calculate 1 2 its latest Evidence-Based Funding, as defined in Section 18-8.15 of the School Code, by the respective district's 3 latest Local Capacity Percentage, as defined in Section 4 5 18-8.15 of the School Code, to obtain a weighted average student enrollment. Then, the required local match percentage 6 7 is calculated by taking the sum of all the member districts' 8 weighted average student enrollment and dividing that sum by the sum of all the member districts' average student 9 10 enrollment utilized to calculate the latest Evidence-Based 11 Funding.

12 "School construction project" means the acquisition, 13 development, construction, reconstruction, rehabilitation, 14 improvement, architectural planning, and installation of 15 capital facilities consisting of buildings, structures, 16 durable equipment, and land for educational purposes.

"School district" means a school district or a Type 40 area vocational center or special education cooperative that is jointly owned, if the joint agreement includes language that specifies how the debt obligation is to be paid, including in the event that an entity withdraws from the joint agreement.

"School district" includes a cooperative high school, if the cooperative agreement includes language that specifies how the debt obligation is to be paid, including if an entity withdraws from the cooperative agreement or the cooperative SB3237 Enrolled - 6 - LRB103 37777 RJT 67906 b

1 agreement is terminated.

2 "School maintenance project" means a project, other than a 3 school construction project, intended to provide for the 4 maintenance or upkeep of buildings or structures for 5 educational purposes, but does not include ongoing operational 6 costs.

7 (Source: P.A. 102-723, eff. 5-6-22.)

8 (105 ILCS 230/5-15)

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Sec. 5-15. Grant award amounts and required local match.

10 After June 30, 2022, any time there is (a) an 11 appropriation of funds by the General Assembly from the School 12 Infrastructure Fund or School Construction Fund and a release 13 of the appropriated funds to the Capital Development Board for 14 expenditure on grant awards pursuant to the provisions of this 15 Article, the State Board of Education is authorized to open an 16 application cycle to receive grant applications from school 17 for school construction projects. districts No grant application filed before the start of the first application 18 cycle after June 30, 2022 may be considered. After the close of 19 20 each application cycle, the State Board of Education shall 21 determine the approval of applications, the required local 22 match percentage for each approved application, and the priority order for school construction project grants to be 23 made by the Capital Development Board and shall then notify 24 25 all applicants regarding their eligibility for a grant. Such SB3237 Enrolled - 7 - LRB103 37777 RJT 67906 b

notification shall include an estimate of the required local match. The State Board of Education shall publish a list of applicants eligible for grants and forward it to the Capital Development Board.

5 (b) The Capital Development Board, to the extent that 6 appropriated funds have been released and proceeding through 7 the list of eligible applicants in the order of priority 8 determined by the State Board of Education, shall issue 9 conditional grant awards to eligible school districts. An 10 applicant that does not receive a conditional grant award 11 notification must submit a new application during another 12 application cycle in order to receive future consideration for 13 a grant award.

(c) The conditional grant award certifies to a school 14 15 district the recognized project costs for its school 16 construction project determined by the Capital Development 17 Board, the applicable required local match percentage and grant award percentage, the required local match and grant 18 19 award amount calculated by multiplying the required local 20 match percentage and the grant award percentage by the recognized project cost, and the required local match and 21 22 grant award amount as those amounts may be adjusted as 23 required in subsection (d).

(d) The required local match and grant award amount are
 calculated by multiplying the required local match percentage
 and the grant award percentage by the recognized project cost,

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provided that, for the first application in which an applicant 1 2 is funded only during the first application cycle after June 3 30, 2022, these amounts may be adjusted if the applicant had previously expended funds on a school construction project on 4 5 the 2004, 2005, or 2006 School Construction Grant List. In that case, the required local match shall be reduced (but not 6 below zero) and the grant award amount shall be increased (to 7 8 an amount no greater than the recognized project cost) by an 9 amount determined by the Capital Development Board to be equal 10 to the amount of the grant the applicant would have received 11 pursuant to Section 5-35 had it been awarded a grant in 2004, 12 2005, or 2006 based on the 2004, 2005, or 2006 School Construction Grant List and the year in which the school 13 14 district applied for the grant. To receive an adjustment under this subsection (d), a school district on the 2004, 2005, or 15 16 2006 School Construction Grant List must initially apply and 17 be approved during the first 3 application cycles after June 18 30, 2024.

(e) A school district shall have 2 years from the date the 19 20 school district was issued a conditional grant award from the Capital Development Board to obtain the school district's 21 22 required local match and receive a final grant award from the 23 Capital Development Board. If the required local match is not 24 obtained within the 2-year time frame, the school district 25 shall be required to reapply in another application cycle, after the 2-year time frame, to be considered for a grant 26

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1 award. The State share of the grant amount in a conditional 2 grant award that is not claimed by a school district within the 3 2-year time frame shall be reallocated to future application 4 cycles after the 2-year time frame expires.

5 (Source: P.A. 102-723, eff. 5-6-22; 103-154, eff. 6-30-23.)

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