

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 Code is amended by changing
5 Section 29-18 as follows:

6 (105 ILCS 5/29-18)

7 Sec. 29-18. Loan program for first-time transportation
8 costs.

9 (a) To assist school districts that are not providing
10 free pupil transportation on the effective date of this
11 amendatory Act of 1998, there is created a new pupil
12 transportation interest-free start-up loan program. This
13 loan program shall be administered by the State Board of
14 Education and shall be funded from appropriations made
15 expressly for that purpose.

16 (b) A school district providing free transportation
17 services for the first time during fiscal year 1999, 2000, or
18 2001 may receive a loan during the first year of operation
19 from an appropriation designated for such initial services.
20 To qualify for that funding, the district shall file a notice
21 of intent to provide free transportation indicating the
22 number of students to be transported no later than August 15
23 of the first year of operation. From the appropriation for
24 such initial services, the district shall receive 4 quarterly
25 payments based upon the number of students to be transported
26 multiplied by the average State reimbursement per pupil
27 transported paid to school districts under Section 29-5 for
28 the prior year's regular transportation services. However,
29 if the amount appropriated for such initial services is
30 insufficient to fund total loan amounts for any fiscal year,
31 the State Board of Education shall reduce each district's

1 allowable loan amount proportionately to make total adjusted
2 loan amounts equal to the total amount appropriated. Vouchers
3 for the quarterly payments shall be prepared and transmitted
4 by the State Board of Education to the State Comptroller for
5 payment on October 15, January 15, April 15, and July 15.

6 (c) A school district that obtains a start-up loan under
7 this Section shall be allowed to claim reimbursement under
8 Section 29-5 for transportation costs associated with
9 students who are transported using this start-up loan.

10 (d) (Blank). ~~To repay the funds received under this~~
11 ~~start-up loan, the State Superintendent of Education shall~~
12 ~~subtract one-tenth of the amount of the loan from the amount~~
13 ~~due for the school district's reimbursement claim under~~
14 ~~Section 29-5 each year until the loan is repaid. The~~
15 ~~difference shall be the new amount due for the district's~~
16 ~~reimbursement claim under Section 29-5.~~

17 (Source: P.A. 90-756, eff. 8-14-98.)

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