

1 AN ACT regarding 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 2-3.117a as follows:

6 (105 ILCS 5/2-3.117a)

7 Sec. 2-3.117a. School Technology Revolving Loan Program.

8 (a) The State Board of Education is authorized to
9 administer a School Technology Revolving Loan Program from
10 funds appropriated from the School Technology Revolving Loan
11 Fund for the purpose of making the financing of school
12 technology hardware improvements affordable and making the
13 integration of technology in the classroom possible. School
14 technology loans shall be made available to public school
15 districts, charter schools, area vocational centers, and
16 laboratory schools to purchase technology hardware for
17 eligible grade levels on a 2-year rotating basis: grades 9
18 through 12 in fiscal year 2004 and each second year
19 thereafter and grades K through 8 in fiscal year 2005 and
20 each second year thereafter ~~school--districts--to--purchase~~
21 ~~technology--hardware--for--eligible--grade--levels--on--a--3--year~~
22 ~~rotating--basis:--grades--K--4--in--year--one--and--each--third--year~~
23 ~~thereafter,--grades--5--8--in--year--2--and--each--third--year~~
24 ~~thereafter,--grades--9--12--in--year--3--and--each--third--year~~
25 ~~thereafter.~~

26 The State Board of Education shall determine the interest
27 rate the loans shall bear which shall not be greater than 50%
28 of the rate for the most recent date shown in the 20 G.O.
29 Bonds Index of average municipal bond yields as published in
30 the most recent edition of The Bond Buyer, published in New
31 York, New York. The repayment period for School Technology

1 Revolving Loans shall not exceed 3 years. Participants
2 ~~Participating--school-districts~~ shall use at least 90% of the
3 loan proceeds for technology hardware investments for
4 students and staff (~~including computer hardware, technology~~
5 ~~networks, related wiring, and other items~~ as defined in rules
6 adopted by the State Board of Education) and up to 10% of the
7 loan proceeds for computer furniture. No participant school
8 ~~district~~ whose equalized assessed valuation per pupil in
9 average daily attendance is at the 99th percentile and above
10 for all districts of the same type shall be eligible to
11 receive a School Technology Revolving Loan under the
12 provisions of this Section for that year.

13 The State Board of Education shall have the authority to
14 adopt all rules necessary for the implementation and
15 administration of the School Technology Revolving Loan
16 Program, including, but not limited to, rules defining
17 application procedures, prescribing a maximum amount per
18 pupil that may be requested annually by districts, requiring
19 appropriate local commitments for technology investments,
20 prescribing a mechanism for disbursing loan funds in the
21 event requests exceed available funds, specifying collateral,
22 and prescribing actions necessary to protect the State's
23 interest in the event of default, foreclosure, or
24 noncompliance with the terms and conditions of the loans.

25 (b) There is created in the State treasury the School
26 Technology Revolving Loan Fund. The State Board shall have
27 the authority to make expenditures from the Fund pursuant to
28 appropriations made for the purposes of this Section. There
29 shall be deposited into the Fund such amounts, including but
30 not limited to:

- 31 (1) Transfers from the School Infrastructure Fund;
- 32 (2) All receipts, including principal and interest
33 payments, from any loan made from the Fund;
- 34 (3) All proceeds of assets of whatever nature

1 received by the State Board as a result of default or
2 delinquency with respect to loans made from the Fund;

3 (4) Any appropriations, grants, or gifts made to
4 the Fund; and

5 (5) Any income received from interest on
6 investments of money in the Fund.

7 (Source: P.A. 90-548, eff. 1-1-98.)

8 Section 99. Effective date. This Act takes effect on
9 July 1, 2003.