

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 Code is amended by changing Section
5 17-2.2d as follows:

6 (105 ILCS 5/17-2.2d)

7 Sec. 17-2.2d. Special taxing and bonding for temporary
8 relocation expense and emergency replacement purposes.

9 (a) In addition to any other taxes and notwithstanding any
10 limitation imposed by the Property Tax Extension Limitation Law
11 or any other limitations specified in this Code or any other
12 law, the school board of any district subject to this Code
13 ~~having a population of less than 500,000 inhabitants~~ that meets
14 the criteria specified in subsection (c) of this Section, may,
15 by proper resolution, levy an annual tax not to exceed 0.05%
16 upon the value of the taxable property as equalized or assessed
17 by the Department of Revenue for a period not to exceed 7 years
18 for the purpose of providing for the repayment of moneys paid
19 to the district ~~distributed~~ for temporary relocation expenses
20 of the district pursuant to Section 2-3.77 of this Code.

21 (b) The school board of any district that meets the
22 criteria specified in subsection (c) of this Section may
23 repair, reconstruct, or replace a condemned building without
24 seeking referendum approval for the repair, reconstruction, or
25 replacement.

26 (c) In order for this Section to apply, the school district
27 must (i) be located in a county subject to the Property Tax
28 Extension Limitation Law, ~~(ii) have had a total enrollment of~~
29 ~~at least 1,075 students as shown on the 2003 Illinois State~~
30 ~~Report Card,~~ and (ii) ~~(iii)~~ have had a school building
31 condemned within 10 years after the building's initial
32 occupancy ~~after January 1, 2004 and prior to June 30, 2004.~~

1 (d) Notwithstanding any limitation imposed by the Property
2 Tax Extension Limitation Law or any other limitations specified
3 in this Code or any other law, the school board of any district
4 that meets the criteria specified in subsection (c) of this
5 Section, may, by proper resolution, issue bonds, without
6 referendum, in an amount sufficient to finance the total cost
7 of repair, reconstruction, or replacement of the condemned
8 building, including the costs of providing for the payment of
9 any obligations heretofore or hereafter entered into for such
10 purposes. Any premium and all interest earnings on the proceeds
11 of the bonds so issued shall be used for the purposes for which
12 the bonds were issued. The proceeds of any bonds issued under
13 this Section shall be deposited and accounted for separately
14 within the district's site and construction/capital
15 improvements fund. The recording officer of the board shall
16 file in the office of the county clerk of each county in which
17 a portion of the district is situated a certified copy of the
18 resolution providing for the issuance of the bonds and levy of
19 a tax without limit as to rate or amount to pay the bonds.
20 Bonds issued under this Section and any bonds issued to refund
21 those ~~these~~ bonds are not subject to any debt limitation
22 imposed by this Code or any other law.

23 (e) The school board, as an express condition to receiving
24 a temporary relocation loan under Section 2-3.77 of this Code,
25 must agree to levy the tax provided in this Section at the
26 maximum rate permitted and to pay to the State of Illinois for
27 deposit into the Temporary Relocation Expenses Revolving Grant
28 Fund (i) all proceeds of the tax attributable to the first year
29 and succeeding years for which the tax is levied after moneys
30 appropriated for purposes of Section 2-3.77 have been
31 distributed to the school district and (ii) all insurance
32 proceeds that become payable to the district under those
33 provisions of any contract or policy of insurance that provide
34 reimbursement for or other coverage against loss with respect
35 to any temporary relocation expenses of the district or
36 proceeds of any legal judgment or settlement regarding the

1 temporary relocation expenses incurred by the district,
2 provided that the aggregate of any tax and insurance or other
3 proceeds paid by the district to the State pursuant to this
4 subsection (e) shall not exceed in amount the moneys
5 distributed to the district pursuant to Section 2-3.77 as a
6 loan or grant.

7 (f) If bonds under this Section have been issued by the
8 school district and the purposes for which the bonds have been
9 issued are accomplished and paid for in full and there remain
10 funds on hand from the proceeds of the bonds or interest
11 earnings or premiums, then the school board, by resolution,
12 shall transfer those excess funds to the district's bond and
13 interest fund for the purpose of abating taxes to pay debt
14 service on the bonds or for defeasance of the debt or both.

15 (g) If the school district receives a construction grant
16 under the School Construction Law or any other law and the
17 purposes for which the grant was issued are accomplished and
18 paid for in full and there remains funds on hand from the grant
19 or interest earnings thereon, then the excess funds shall be
20 paid to the State of Illinois for deposit into the School
21 Construction Fund or other State fund from which the
22 construction grant was paid.

23 (h) All insurance proceeds that become payable to the
24 school district under those provisions of a contract or policy
25 of insurance that provide reimbursement for or other coverage
26 against losses other than with respect to any temporary
27 relocation expenses of the district or proceeds of any legal
28 judgment or settlement regarding the repair, reconstruction,
29 or replacement of the condemned building shall be applied to
30 the repair, reconstruction, or replacement. If the project is
31 completed and, therefore, all costs have been paid for in full
32 and there remain funds on hand, including any interest earnings
33 thereon, from the insurance coverage, legal judgment, or
34 settlement, then a portion of those excess funds equal to the
35 State's share of the construction cost of the project shall be
36 paid to the State of Illinois for deposit into the School

1 Construction Fund or other State fund from which the
2 construction grant was paid, and the remainder of the excess
3 funds shall be transferred to the district's bond and interest
4 fund for the purpose of abating taxes to pay debt service on
5 the bonds or for defeasance of the debt or both. If no debt
6 service remains to be paid, then the excess may be transferred
7 to whichever fund that, as determined by the school board, is
8 most in need of the funds.

9 (Source: P.A. 93-690, eff. 7-1-04.)

10 Section 99. Effective date. This Act takes effect upon
11 becoming law.