

## 96TH GENERAL ASSEMBLY State of Illinois 2009 and 2010 SB2647

Introduced 1/28/2010, by Sen. David Koehler

## SYNOPSIS AS INTRODUCED:

105 ILCS 5/17-2.11

from Ch. 122, par. 17-2.11

105 ILCS 5/19-1

105 ILCS 230/5-25

105 ILCS 230/5-35

Amends the School Code and the School Construction Law. In a Section concerning a school board's power to levy a tax or borrow money and issue bonds for fire prevention, safety, energy conservation, disabled accessibility, school security, and specified repair purposes, makes changes concerning a school district's authority to replace a school building or build additions to replace portions of a building. With respect to one of the exceptions to a school district's debt limitation, allows additional indebtedness by the execution of a lease with a public building commission; makes related changes. Removes references that limit provisions to just the Chicago school district with respect to (i) the prohibition on the State Board of Education and the Capital Development Board establishing standards that disapprove or otherwise establishing limitations that restrict the eligibility of a school district for a school construction project grant based on certain facts (including based on the fact that all or a part of the school construction project is owned by a public building commission and leased to the school) and (ii) the authority of a school district to use school construction project grants for certain purposes. Effective immediately.

LRB096 19695 NHT 35098 b

FISCAL NOTE ACT MAY APPLY

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 Code is amended by changing Sections
- 5 17-2.11 and 19-1 as follows:
- 6 (105 ILCS 5/17-2.11) (from Ch. 122, par. 17-2.11)
- 7 Sec. 17-2.11. School board power to levy a tax or to borrow
- 8 money and issue bonds for fire prevention, safety, energy
- 9 conservation, disabled accessibility, school security, and
- 10 specified repair purposes.
- 11 (a) Whenever, as a result of any lawful order of any
- 12 agency, other than a school board, having authority to enforce
- any school building code applicable to any facility that houses
- 14 students, or any law or regulation for the protection and
- 15 safety of the environment, pursuant to the Environmental
- 16 Protection Act, any school district having a population of less
- than 500,000 inhabitants is required to alter or reconstruct
- any school building or permanent, fixed equipment; the district
- may, by proper resolution, levy a tax for the purpose of making
- such alteration or reconstruction, based on a survey report by
- 21 an architect or engineer licensed in this State, upon all of
- 22 the taxable property of the district at the value as assessed
- by the Department of Revenue and at a rate not to exceed 0.05%

per year for a period sufficient to finance such alteration or
reconstruction, upon the following conditions:

- (1) When there are not sufficient funds available in the operations and maintenance fund of the school district, the school facility occupation tax fund of the district, or the fire prevention and safety fund of the district, as determined by the district on the basis of rules adopted by the State Board of Education, to make such alteration or reconstruction or to purchase and install such permanent, fixed equipment so ordered or determined as necessary. Appropriate school district records must be made available to the State Superintendent of Education, upon request, to confirm this insufficiency.
- engineer licensed in this State stating the estimated amount necessary to make the alteration or reconstruction or to purchase and install the equipment so ordered has been secured by the school district, and the estimate has been approved by the regional superintendent of schools having jurisdiction over the district and the State Superintendent of Education. Approval must not be granted for any work that has already started without the prior express authorization of the State Superintendent of Education. If the estimate is not approved or is denied approval by the regional superintendent of schools within 3 months after the date on which it is submitted to him or

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her, the school board of the district may submit the estimate directly to the State Superintendent of Education for approval or denial.

In the case of an emergency situation, where the estimated cost to effectuate emergency repairs is less than the amount specified in Section 10-20.21 of this Code, the school district may proceed with such repairs prior to approval by the State Superintendent of Education, but shall comply with the provisions of subdivision (2) of this subsection (a) as soon thereafter as may be as well as Section 10-20.21 of this Code. If the estimated cost to effectuate emergency repairs is greater than the amount specified in Section 10-20.21 of this Code, then the school district shall proceed in conformity with Section 10-20.21 of this Code and with rules established by the State Board of Education to address such situations. The rules adopted by the State Board of Education to deal with these situations shall stipulate that emergency situations must be expedited and given priority consideration. For purposes of this paragraph, an emergency is a situation that presents an imminent and continuing threat to the health and safety of students or other occupants of a facility, requires complete or partial evacuation of a building or part of a building, or consumes one or more of the 5 emergency days built into the adopted calendar of the school or schools or would otherwise be expected to cause such school or schools to fall short of the minimum school calendar requirements.

- (b) Whenever any such district determines that it is necessary for energy conservation purposes that any school building or permanent, fixed equipment should be altered or reconstructed and that such alterations or reconstruction will be made with funds not necessary for the completion of approved and recommended projects contained in any safety survey report or amendments thereto authorized by Section 2-3.12 of this Act; the district may levy a tax or issue bonds as provided in subsection (a) of this Section.
- (c) Whenever any such district determines that it is necessary for disabled accessibility purposes and to comply with the school building code that any school building or equipment should be altered or reconstructed and that such alterations or reconstruction will be made with funds not necessary for the completion of approved and recommended projects contained in any safety survey report or amendments thereto authorized under Section 2-3.12 of this Act, the district may levy a tax or issue bonds as provided in subsection (a) of this Section.
- (d) Whenever any such district determines that it is necessary for school security purposes and the related protection and safety of pupils and school personnel that any school building or property should be altered or reconstructed or that security systems and equipment (including but not limited to intercom, early detection and warning, access control and television monitoring systems) should be purchased

and installed, and that such alterations, reconstruction or purchase and installation of equipment will be made with funds not necessary for the completion of approved and recommended projects contained in any safety survey report or amendment thereto authorized by Section 2-3.12 of this Act and will deter and prevent unauthorized entry or activities upon school property by unknown or dangerous persons, assure early detection and advance warning of any such actual or attempted unauthorized entry or activities and help assure the continued safety of pupils and school staff if any such unauthorized entry or activity is attempted or occurs; the district may levy a tax or issue bonds as provided in subsection (a) of this Section.

(e) If a school district does not need funds for other fire prevention and safety projects, including the completion of approved and recommended projects contained in any safety survey report or amendments thereto authorized by Section 2-3.12 of this Act, and it is determined after a public hearing (which is preceded by at least one published notice (i) occurring at least 7 days prior to the hearing in a newspaper of general circulation within the school district and (ii) setting forth the time, date, place, and general subject matter of the hearing) that there is a substantial, immediate, and otherwise unavoidable threat to the health, safety, or welfare of pupils due to disrepair of school sidewalks, playgrounds, parking lots, or school bus turnarounds and repairs must be

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- 1 made; then the district may levy a tax or issue bonds as 2 provided in subsection (a) of this Section.
  - (f) For purposes of this Section a school district may replace a school building or build additions to replace portions of a building when it is determined that the effectuation of the recommendations for the existing building will cost more than the replacement costs to be paid for from the proceeds of bonds issued pursuant to this Section. Such determination shall be based on a comparison of estimated costs made by an architect or engineer licensed in the State of Illinois. The portion of the new building or addition paid for from the proceeds of bonds issued pursuant to this Section shall not exceed the be equivalent in area (square feet) of the buildings or additions being replaced, shall be and comparable in purpose and grades served, and may be on the same site or another site. Such replacement may only be done upon order of the regional superintendent of schools and the approval of the State Superintendent of Education.
    - (g) The filing of a certified copy of the resolution levying the tax when accompanied by the certificates of the regional superintendent of schools and State Superintendent of Education shall be the authority of the county clerk to extend such tax.
  - (h) The county clerk of the county in which any school district levying a tax under the authority of this Section is located, in reducing raised levies, shall not consider any such

tax as a part of the general levy for school purposes and shall not include the same in the limitation of any other tax rate which may be extended.

Such tax shall be levied and collected in like manner as all other taxes of school districts, subject to the provisions contained in this Section.

- (i) The tax rate limit specified in this Section may be increased to .10% upon the approval of a proposition to effect such increase by a majority of the electors voting on that proposition at a regular scheduled election. Such proposition may be initiated by resolution of the school board and shall be certified by the secretary to the proper election authorities for submission in accordance with the general election law.
- (j) When taxes are levied by any school district for fire prevention, safety, energy conservation, and school security purposes as specified in this Section, and the purposes for which the taxes have been levied are accomplished and paid in full, and there remain funds on hand in the Fire Prevention and Safety Fund from the proceeds of the taxes levied, including interest earnings thereon, the school board by resolution shall use such excess and other board restricted funds, excluding bond proceeds and earnings from such proceeds, as follows:
  - (1) for other authorized fire prevention, safety, energy conservation, and school security purposes; or
  - (2) for transfer to the Operations and Maintenance Fund for the purpose of abating an equal amount of operations

- 1 and maintenance purposes taxes.
  - (k) If any transfer is made to the Operation and Maintenance Fund, the secretary of the school board shall within 30 days notify the county clerk of the amount of that transfer and direct the clerk to abate the taxes to be extended for the purposes of operations and maintenance authorized under Section 17-2 of this Act by an amount equal to such transfer.
  - (1) If the proceeds from the tax levy authorized by this Section are insufficient to complete the work approved under this Section, the school board is authorized to sell bonds without referendum under the provisions of this Section in an amount that, when added to the proceeds of the tax levy authorized by this Section, will allow completion of the approved work.
  - (m) Any bonds issued pursuant to this Section shall bear interest at a rate not to exceed the maximum rate authorized by law at the time of the making of the contract, shall mature within 20 years from date, and shall be signed by the president of the school board and the treasurer of the school district.
  - (n) In order to authorize and issue such bonds, the school board shall adopt a resolution fixing the amount of bonds, the date thereof, the maturities thereof, rates of interest thereof, place of payment and denomination, which shall be in denominations of not less than \$100 and not more than \$5,000, and provide for the levy and collection of a direct annual tax upon all the taxable property in the school district sufficient

- 1 to pay the principal and interest on such bonds to maturity.
- 2 Upon the filing in the office of the county clerk of the county
- 3 in which the school district is located of a certified copy of
- 4 the resolution, it is the duty of the county clerk to extend
- 5 the tax therefor in addition to and in excess of all other
- 6 taxes heretofore or hereafter authorized to be levied by such
- 7 school district.
- 8 (o) After the time such bonds are issued as provided for by
- 9 this Section, if additional alterations or reconstructions are
- 10 required to be made because of surveys conducted by an
- 11 architect or engineer licensed in the State of Illinois, the
- district may levy a tax at a rate not to exceed .05% per year
- 13 upon all the taxable property of the district or issue
- additional bonds, whichever action shall be the most feasible.
- 15 (p) This Section is cumulative and constitutes complete
- authority for the issuance of bonds as provided in this Section
- 17 notwithstanding any other statute or law to the contrary.
- 18 (g) With respect to instruments for the payment of money
- issued under this Section either before, on, or after the
- 20 effective date of Public Act 86-004 (June 6, 1989), it is, and
- 21 always has been, the intention of the General Assembly (i) that
- the Omnibus Bond Acts are, and always have been, supplementary
- 23 grants of power to issue instruments in accordance with the
- Omnibus Bond Acts, regardless of any provision of this Act that
- 25 may appear to be or to have been more restrictive than those
- 26 Acts, (ii) that the provisions of this Section are not a

- 1 limitation on the supplementary authority granted by the
- 2 Omnibus Bond Acts, and (iii) that instruments issued under this
- 3 Section within the supplementary authority granted by the
- 4 Omnibus Bond Acts are not invalid because of any provision of
- 5 this Act that may appear to be or to have been more restrictive
- 6 than those Acts.
- 7 (r) When the purposes for which the bonds are issued have
- 8 been accomplished and paid for in full and there remain funds
- 9 on hand from the proceeds of the bond sale and interest
- 10 earnings therefrom, the board shall, by resolution, use such
- 11 excess funds in accordance with the provisions of Section
- 12 10-22.14 of this Act.
- 13 (s) Whenever any tax is levied or bonds issued for fire
- 14 prevention, safety, energy conservation, and school security
- purposes, such proceeds shall be deposited and accounted for
- separately within the Fire Prevention and Safety Fund.
- 17 (Source: P.A. 95-675, eff. 10-11-07; 95-793, eff. 1-1-09;
- 18 96-252, eff. 8-11-09.)
- 19 (105 ILCS 5/19-1)
- 20 Sec. 19-1. Debt limitations of school districts.
- 21 (a) School districts shall not be subject to the provisions
- 22 limiting their indebtedness prescribed in "An Act to limit the
- 23 indebtedness of counties having a population of less than
- 500,000 and townships, school districts and other municipal
- corporations having a population of less than 300,000",

1 approved February 15, 1928, as amended.

No school districts maintaining grades K through 8 or 9 through 12 shall become indebted in any manner or for any purpose to an amount, including existing indebtedness, in the aggregate exceeding 6.9% on the value of the taxable property therein to be ascertained by the last assessment for State and county taxes or, until January 1, 1983, if greater, the sum that is produced by multiplying the school district's 1978 equalized assessed valuation by the debt limitation percentage in effect on January 1, 1979, previous to the incurring of such indebtedness.

No school districts maintaining grades K through 12 shall become indebted in any manner or for any purpose to an amount, including existing indebtedness, in the aggregate exceeding 13.8% on the value of the taxable property therein to be ascertained by the last assessment for State and county taxes or, until January 1, 1983, if greater, the sum that is produced by multiplying the school district's 1978 equalized assessed valuation by the debt limitation percentage in effect on January 1, 1979, previous to the incurring of such indebtedness.

No partial elementary unit district, as defined in Article 11E of this Code, shall become indebted in any manner or for any purpose in an amount, including existing indebtedness, in the aggregate exceeding 6.9% of the value of the taxable property of the entire district, to be ascertained by the last

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assessment for State and county taxes, plus an amount, including existing indebtedness, in the aggregate exceeding 6.9% of the value of the taxable property of that portion of the district included in the elementary and high school classification, to be ascertained by the last assessment for State and county taxes. Moreover, no partial elementary unit district, as defined in Article 11E of this Code, shall become indebted on account of bonds issued by the district for high school purposes in the aggregate exceeding 6.9% of the value of the taxable property of the entire district, to be ascertained by the last assessment for State and county taxes, nor shall the district become indebted on account of bonds issued by the district for elementary purposes in the aggregate exceeding 6.9% of the value of the taxable property for that portion of the district included in the elementary and high school classification, to be ascertained by the last assessment for State and county taxes.

Notwithstanding the provisions of any other law to the contrary, in any case in which the voters of a school district have approved a proposition for the issuance of bonds of such school district at an election held prior to January 1, 1979, and all of the bonds approved at such election have not been issued, the debt limitation applicable to such school district during the calendar year 1979 shall be computed by multiplying the value of taxable property therein, including personal property, as ascertained by the last assessment for State and

- county taxes, previous to the incurring of such indebtedness, by the percentage limitation applicable to such school district under the provisions of this subsection (a).
  - (b) Notwithstanding the debt limitation prescribed in subsection (a) of this Section, additional indebtedness may be incurred in an amount not to exceed the estimated cost of acquiring or improving school sites or constructing and equipping additional building facilities under the following conditions:
    - (1) Whenever the enrollment of students for the next school year is estimated by the board of education to increase over the actual present enrollment by not less than 35% or by not less than 200 students or the actual present enrollment of students has increased over the previous school year by not less than 35% or by not less than 200 students and the board of education determines that additional school sites or building facilities are required as a result of such increase in enrollment; and
    - (2) When the Regional Superintendent of Schools having jurisdiction over the school district and the State Superintendent of Education concur in such enrollment projection or increase and approve the need for such additional school sites or building facilities and the estimated cost thereof; and
    - (3) When the voters in the school district approve a proposition for the issuance of bonds for the purpose of

acquiring or improving such needed school sites or constructing and equipping such needed additional building facilities at an election called and held for that purpose. Notice of such an election shall state that the amount of indebtedness proposed to be incurred would exceed the debt limitation otherwise applicable to the school district. The ballot for such proposition shall state what percentage of the equalized assessed valuation will be outstanding in bonds if the proposed issuance of bonds is approved by the voters; or

- (4) Notwithstanding the provisions of paragraphs (1) through (3) of this subsection (b), if the school board determines that additional facilities are needed to provide a quality educational program and not less than 2/3 of those voting in an election called by the school board on the question approve the issuance of bonds for the construction of such facilities, the school district may issue bonds for this purpose; or
- (5) Notwithstanding the provisions of paragraphs (1) through (3) of this subsection (b), if (i) the school district has previously availed itself of the provisions of paragraph (4) of this subsection (b) to enable it to issue bonds, (ii) the voters of the school district have not defeated a proposition for the issuance of bonds since the referendum described in paragraph (4) of this subsection (b) was held, (iii) the school board determines that

additional facilities are needed to provide a quality educational program, and (iv) a majority of those voting in an election called by the school board on the question approve the issuance of bonds for the construction of such facilities, the school district may issue bonds for this purpose.

In no event shall the indebtedness incurred pursuant to this subsection (b) and the existing indebtedness of the school district exceed 15% of the value of the taxable property therein to be ascertained by the last assessment for State and county taxes, previous to the incurring of such indebtedness or, until January 1, 1983, if greater, the sum that is produced by multiplying the school district's 1978 equalized assessed valuation by the debt limitation percentage in effect on January 1, 1979.

The indebtedness provided for by this subsection (b) shall be in addition to and in excess of any other debt limitation.

(c) Notwithstanding the debt limitation prescribed in subsection (a) of this Section, in any case in which a public question for the issuance of bonds of a proposed school district maintaining grades kindergarten through 12 received at least 60% of the valid ballots cast on the question at an election held on or prior to November 8, 1994, and in which the bonds approved at such election have not been issued, the school district pursuant to the requirements of Section 11A-10 (now repealed) may issue the total amount of bonds approved at

1 such election for the purpose stated in the question.

- (d) Notwithstanding the debt limitation prescribed in subsection (a) of this Section, a school district that meets all the criteria set forth in paragraphs (1) and (2) of this subsection (d) may incur an additional indebtedness in an amount not to exceed \$4,500,000, even though the amount of the additional indebtedness authorized by this subsection (d), when incurred and added to the aggregate amount of indebtedness of the district existing immediately prior to the district incurring the additional indebtedness authorized by this subsection (d), causes the aggregate indebtedness of the district to exceed the debt limitation otherwise applicable to that district under subsection (a):
  - (1) The additional indebtedness authorized by this subsection (d) is incurred by the school district through the issuance of bonds under and in accordance with Section 17-2.11a for the purpose of replacing a school building which, because of mine subsidence damage, has been closed as provided in paragraph (2) of this subsection (d) or through the issuance of bonds under and in accordance with Section 19-3 for the purpose of increasing the size of, or providing for additional functions in, such replacement school buildings, or both such purposes.
  - (2) The bonds issued by the school district as provided in paragraph (1) above are issued for the purposes of construction by the school district of a new school

building pursuant to Section 17-2.11, to replace an existing school building that, because of mine subsidence damage, is closed as of the end of the 1992-93 school year pursuant to action of the regional superintendent of schools of the educational service region in which the district is located under Section 3-14.22 or are issued for the purpose of increasing the size of, or providing for additional functions in, the new school building being constructed to replace a school building closed as the result of mine subsidence damage, or both such purposes.

- (e) (Blank).
- (f) Notwithstanding the provisions of subsection (a) of this Section or of any other law, bonds in not to exceed the aggregate amount of \$5,500,000 and issued by a school district meeting the following criteria shall not be considered indebtedness for purposes of any statutory limitation and may be issued in an amount or amounts, including existing indebtedness, in excess of any heretofore or hereafter imposed statutory limitation as to indebtedness:
  - (1) At the time of the sale of such bonds, the board of education of the district shall have determined by resolution that the enrollment of students in the district is projected to increase by not less than 7% during each of the next succeeding 2 school years.
  - (2) The board of education shall also determine by resolution that the improvements to be financed with the

proceeds of the bonds are needed because of the projected enrollment increases.

(3) The board of education shall also determine by resolution that the projected increases in enrollment are the result of improvements made or expected to be made to passenger rail facilities located in the school district.

Notwithstanding the provisions of subsection (a) of this Section or of any other law, a school district that has availed itself of the provisions of this subsection (f) prior to July 22, 2004 (the effective date of Public Act 93-799) may also issue bonds approved by referendum up to an amount, including existing indebtedness, not exceeding 25% of the equalized assessed value of the taxable property in the district if all of the conditions set forth in items (1), (2), and (3) of this subsection (f) are met.

- (g) Notwithstanding the provisions of subsection (a) of this Section or any other law, bonds in not to exceed an aggregate amount of 25% of the equalized assessed value of the taxable property of a school district and issued by a school district meeting the criteria in paragraphs (i) through (iv) of this subsection shall not be considered indebtedness for purposes of any statutory limitation and may be issued pursuant to resolution of the school board in an amount or amounts, including existing indebtedness, in excess of any statutory limitation of indebtedness heretofore or hereafter imposed:
  - (i) The bonds are issued for the purpose of

constructing a new high school building to replace two adjacent existing buildings which together house a single high school, each of which is more than 65 years old, and which together are located on more than 10 acres and less than 11 acres of property.

- (ii) At the time the resolution authorizing the issuance of the bonds is adopted, the cost of constructing a new school building to replace the existing school building is less than 60% of the cost of repairing the existing school building.
  - (iii) The sale of the bonds occurs before July 1, 1997.
- (iv) The school district issuing the bonds is a unit school district located in a county of less than 70,000 and more than 50,000 inhabitants, which has an average daily attendance of less than 1,500 and an equalized assessed valuation of less than \$29,000,000.
- (h) Notwithstanding any other provisions of this Section or the provisions of any other law, until January 1, 1998, a community unit school district maintaining grades K through 12 may issue bonds up to an amount, including existing indebtedness, not exceeding 27.6% of the equalized assessed value of the taxable property in the district, if all of the following conditions are met:
  - (i) The school district has an equalized assessed valuation for calendar year 1995 of less than \$24,000,000;
    - (ii) The bonds are issued for the capital improvement,

1	renovatio	on, rehal	bilitat	ion,	or 1	replac	emer	nt of	existing
2	school b	uildings	of the	distr	rict,	all	of	which	buildings
3	were orio	ginally co	onstruc	ted no	t les	ss tha	n 40	) vears	s ago;

- (iii) The voters of the district approve a proposition for the issuance of the bonds at a referendum held after March 19, 1996; and
- 7 (iv) The bonds are issued pursuant to Sections 19-2 8 through 19-7 of this Code.
  - (i) Notwithstanding any other provisions of this Section or the provisions of any other law, until January 1, 1998, a community unit school district maintaining grades K through 12 may issue bonds up to an amount, including existing indebtedness, not exceeding 27% of the equalized assessed value of the taxable property in the district, if all of the following conditions are met:
    - (i) The school district has an equalized assessed valuation for calendar year 1995 of less than \$44,600,000;
    - (ii) The bonds are issued for the capital improvement, renovation, rehabilitation, or replacement of existing school buildings of the district, all of which existing buildings were originally constructed not less than 80 years ago;
    - (iii) The voters of the district approve a proposition for the issuance of the bonds at a referendum held after December 31, 1996; and
      - (iv) The bonds are issued pursuant to Sections 19-2

1 through 19-7 of this Code.

- (j) Notwithstanding any other provisions of this Section or the provisions of any other law, until January 1, 1999, a community unit school district maintaining grades K through 12 may issue bonds up to an amount, including existing indebtedness, not exceeding 27% of the equalized assessed value of the taxable property in the district if all of the following conditions are met:
  - (i) The school district has an equalized assessed valuation for calendar year 1995 of less than \$140,000,000 and a best 3 months average daily attendance for the 1995-96 school year of at least 2,800;
  - (ii) The bonds are issued to purchase a site and build and equip a new high school, and the school district's existing high school was originally constructed not less than 35 years prior to the sale of the bonds;
  - (iii) At the time of the sale of the bonds, the board of education determines by resolution that a new high school is needed because of projected enrollment increases;
  - (iv) At least 60% of those voting in an election held after December 31, 1996 approve a proposition for the issuance of the bonds; and
- (v) The bonds are issued pursuant to Sections 19-2 through 19-7 of this Code.
  - (k) Notwithstanding the debt limitation prescribed in

subsection (a) of this Section, a school district that meets all the criteria set forth in paragraphs (1) through (4) of this subsection (k) may issue bonds to incur an additional indebtedness in an amount not to exceed \$4,000,000 even though the amount of the additional indebtedness authorized by this subsection (k), when incurred and added to the aggregate amount of indebtedness of the school district existing immediately prior to the school district incurring such additional indebtedness, causes the aggregate indebtedness of the school district to exceed or increases the amount by which the aggregate indebtedness of the district already exceeds the debt limitation otherwise applicable to that school district under subsection (a):

- (1) the school district is located in 2 counties, and a referendum to authorize the additional indebtedness was approved by a majority of the voters of the school district voting on the proposition to authorize that indebtedness;
- (2) the additional indebtedness is for the purpose of financing a multi-purpose room addition to the existing high school;
- (3) the additional indebtedness, together with the existing indebtedness of the school district, shall not exceed 17.4% of the value of the taxable property in the school district, to be ascertained by the last assessment for State and county taxes; and
  - (4) the bonds evidencing the additional indebtedness

are issued, if at all, within 120 days of the effective date of this amendatory Act of 1998.

- (1) Notwithstanding any other provisions of this Section or the provisions of any other law, until January 1, 2000, a school district maintaining grades kindergarten through 8 may issue bonds up to an amount, including existing indebtedness, not exceeding 15% of the equalized assessed value of the taxable property in the district if all of the following conditions are met:
  - (i) the district has an equalized assessed valuation for calendar year 1996 of less than \$10,000,000;
    - (ii) the bonds are issued for capital improvement, renovation, rehabilitation, or replacement of one or more school buildings of the district, which buildings were originally constructed not less than 70 years ago;
    - (iii) the voters of the district approve a proposition for the issuance of the bonds at a referendum held on or after March 17, 1998; and
  - (iv) the bonds are issued pursuant to Sections 19-2 through 19-7 of this Code.
- (m) Notwithstanding any other provisions of this Section or the provisions of any other law, until January 1, 1999, an elementary school district maintaining grades K through 8 may issue bonds up to an amount, excluding existing indebtedness, not exceeding 18% of the equalized assessed value of the taxable property in the district, if all of the following

conditions are met:

- (i) The school district has an equalized assessed valuation for calendar year 1995 or less than \$7,700,000;
- (ii) The school district operates 2 elementary attendance centers that until 1976 were operated as the attendance centers of 2 separate and distinct school districts;
- (iii) The bonds are issued for the construction of a new elementary school building to replace an existing multi-level elementary school building of the school district that is not handicapped accessible at all levels and parts of which were constructed more than 75 years ago;
- (iv) The voters of the school district approve a proposition for the issuance of the bonds at a referendum held after July 1, 1998; and
- (v) The bonds are issued pursuant to Sections 19-2 through 19-7 of this Code.
- (n) Notwithstanding the debt limitation prescribed in subsection (a) of this Section or any other provisions of this Section or of any other law, a school district that meets all of the criteria set forth in paragraphs (i) through (vi) or paragraphs (i), (ii), and (iv) of this subsection (n) may incur additional indebtedness by the issuance of bonds or the execution of a lease with a public commission in an amount not exceeding the amount certified by the Capital Development Board to the school district as provided in paragraph (iii) of this

- subsection (n), even though the amount of the additional indebtedness so authorized, when incurred and added to the aggregate amount of indebtedness of the district existing immediately prior to the district incurring the additional indebtedness authorized by this subsection (n), causes the aggregate indebtedness of the district to exceed the debt limitation otherwise applicable by law to that district:
  - (i) The school district applies to the State Board of Education for a school construction project grant and submits a district facilities plan in support of its application pursuant to Section 5-20 of the School Construction Law.
  - (ii) The school district's application and facilities plan are approved by, and the district receives a grant entitlement for a school construction project issued by, the State Board of Education under the School Construction Law.
  - (iii) The school district has exhausted its bonding capacity or the unused bonding capacity of the district is less than the amount certified by the Capital Development Board to the district under Section 5-15 of the School Construction Law as the dollar amount of the school construction project's cost that the district will be required to finance with non-grant funds in order to receive a school construction project grant under the School Construction Law.

(iv) The bonds are issued for a "school construction
project", as that term is defined in Section 5-5 of the
School Construction Law, in an amount that does not exceed
the dollar amount certified, as provided in paragraph (iii)
of this subsection (n), by the Capital Development Board to
the school district under Section 5-15 of the School
Construction Law.

- (v) The voters of the district approve a proposition for the issuance of the bonds at a referendum held after the criteria specified in paragraphs (i) and (iii) of this subsection (n) are met.
- (vi) The bonds are issued pursuant to Sections 19-2 through 19-7 of the School Code.
- (vii) The school district will lease the school construction project from a public building commission pursuant to the Public Building Commission Act.
- The indebtedness incurred on any lease under this subsection (n) shall not be indebtedness for purposes of any statutory debt limitation.
- (o) Notwithstanding any other provisions of this Section or the provisions of any other law, until November 1, 2007, a community unit school district maintaining grades K through 12 may issue bonds up to an amount, including existing indebtedness, not exceeding 20% of the equalized assessed value of the taxable property in the district if all of the following conditions are met:

(i) the school district has an equalized assessed
valuation for calendar year 2001 of at least \$737,000,000
and an enrollment for the 2002-2003 school year of at least
8,500;

- (ii) the bonds are issued to purchase school sites, build and equip a new high school, build and equip a new junior high school, build and equip 5 new elementary schools, and make technology and other improvements and additions to existing schools;
- (iii) at the time of the sale of the bonds, the board of education determines by resolution that the sites and new or improved facilities are needed because of projected enrollment increases;
- (iv) at least 57% of those voting in a general election held prior to January 1, 2003 approved a proposition for the issuance of the bonds; and
- (v) the bonds are issued pursuant to Sections 19-2 through 19-7 of this Code.
- (p) Notwithstanding any other provisions of this Section or the provisions of any other law, a community unit school district maintaining grades K through 12 may issue bonds up to an amount, including indebtedness, not exceeding 27% of the equalized assessed value of the taxable property in the district if all of the following conditions are met:
  - (i) The school district has an equalized assessed valuation for calendar year 2001 of at least \$295,741,187

- and a best 3 months' average daily attendance for the 2 2002-2003 school year of at least 2,394.
  - (ii) The bonds are issued to build and equip 3 elementary school buildings; build and equip one middle school building; and alter, repair, improve, and equip all existing school buildings in the district.
  - (iii) At the time of the sale of the bonds, the board of education determines by resolution that the project is needed because of expanding growth in the school district and a projected enrollment increase.
  - (iv) The bonds are issued pursuant to Sections 19-2 through 19-7 of this Code.
  - (p-5) Notwithstanding any other provisions of this Section or the provisions of any other law, bonds issued by a community unit school district maintaining grades K through 12 shall not be considered indebtedness for purposes of any statutory limitation and may be issued in an amount or amounts, including existing indebtedness, in excess of any heretofore or hereafter imposed statutory limitation as to indebtedness, if all of the following conditions are met:
    - (i) For each of the 4 most recent years, residential property comprises more than 80% of the equalized assessed valuation of the district.
    - (ii) At least 2 school buildings that were constructed 40 or more years prior to the issuance of the bonds will be demolished and will be replaced by new buildings or

- 1 additions to one or more existing buildings.
  - (iii) Voters of the district approve a proposition for the issuance of the bonds at a regularly scheduled election.
    - (iv) At the time of the sale of the bonds, the school board determines by resolution that the new buildings or building additions are needed because of an increase in enrollment projected by the school board.
    - (v) The principal amount of the bonds, including existing indebtedness, does not exceed 25% of the equalized assessed value of the taxable property in the district.
    - (vi) The bonds are issued prior to January 1, 2007, pursuant to Sections 19-2 through 19-7 of this Code.
    - (p-10) Notwithstanding any other provisions of this Section or the provisions of any other law, bonds issued by a community consolidated school district maintaining grades K through 8 shall not be considered indebtedness for purposes of any statutory limitation and may be issued in an amount or amounts, including existing indebtedness, in excess of any heretofore or hereafter imposed statutory limitation as to indebtedness, if all of the following conditions are met:
      - (i) For each of the 4 most recent years, residential and farm property comprises more than 80% of the equalized assessed valuation of the district.
      - (ii) The bond proceeds are to be used to acquire and improve school sites and build and equip a school building.

- 1 (iii) Voters of the district approve a proposition for 2 the issuance of the bonds at a regularly scheduled 3 election.
  - (iv) At the time of the sale of the bonds, the school board determines by resolution that the school sites and building additions are needed because of an increase in enrollment projected by the school board.
  - (v) The principal amount of the bonds, including existing indebtedness, does not exceed 20% of the equalized assessed value of the taxable property in the district.
  - (vi) The bonds are issued prior to January 1, 2007, pursuant to Sections 19-2 through 19-7 of this Code.
  - (p-15) In addition to all other authority to issue bonds, the Oswego Community Unit School District Number 308 may issue bonds with an aggregate principal amount not to exceed \$450,000,000, but only if all of the following conditions are met:
    - (i) The voters of the district have approved a proposition for the bond issue at the general election held on November 7, 2006.
    - (ii) At the time of the sale of the bonds, the school board determines, by resolution, that: (A) the building and equipping of the new high school building, new junior high school buildings, new elementary school buildings, early childhood building, maintenance building, transportation facility, and additions to existing school buildings, the

altering, repairing, equipping, and provision of technology improvements to existing school buildings, and the acquisition and improvement of school sites, as the case may be, are required as a result of a projected increase in the enrollment of students in the district; and (B) the sale of bonds for these purposes is authorized by legislation that exempts the debt incurred on the bonds from the district's statutory debt limitation.

- (iii) The bonds are issued, in one or more bond issues, on or before November 7, 2011, but the aggregate principal amount issued in all such bond issues combined must not exceed \$450,000,000.
- 13 (iv) The bonds are issued in accordance with this
  14 Article 19.
  - (v) The proceeds of the bonds are used only to accomplish those projects approved by the voters at the general election held on November 7, 2006.
  - The debt incurred on any bonds issued under this subsection (p-15) shall not be considered indebtedness for purposes of any statutory debt limitation.
  - (p-20) In addition to all other authority to issue bonds, the Lincoln-Way Community High School District Number 210 may issue bonds with an aggregate principal amount not to exceed \$225,000,000, but only if all of the following conditions are met:
- 26 (i) The voters of the district have approved a

proposition for the bond issue at the general primary election held on March 21, 2006.

- (ii) At the time of the sale of the bonds, the school board determines, by resolution, that: (A) the building and equipping of the new high school buildings, the altering, repairing, and equipping of existing school buildings, and the improvement of school sites, as the case may be, are required as a result of a projected increase in the enrollment of students in the district; and (B) the sale of bonds for these purposes is authorized by legislation that exempts the debt incurred on the bonds from the district's statutory debt limitation.
- (iii) The bonds are issued, in one or more bond issues, on or before March 21, 2011, but the aggregate principal amount issued in all such bond issues combined must not exceed \$225,000,000.
- (iv) The bonds are issued in accordance with this Article 19.
- (v) The proceeds of the bonds are used only to accomplish those projects approved by the voters at the primary election held on March 21, 2006.
- The debt incurred on any bonds issued under this subsection (p-20) shall not be considered indebtedness for purposes of any statutory debt limitation.
- (p-25) In addition to all other authority to issue bonds, Rochester Community Unit School District 3A may issue bonds

- with an aggregate principal amount not to exceed \$18,500,000, but only if all of the following conditions are met:
  - (i) The voters of the district approve a proposition for the bond issuance at the general primary election held in 2008.
  - (ii) At the time of the sale of the bonds, the school board determines, by resolution, that: (A) the building and equipping of a new high school building; the addition of classrooms and support facilities at the high school, middle school, and elementary school; the altering, repairing, and equipping of existing school buildings; and the improvement of school sites, as the case may be, are required as a result of a projected increase in the enrollment of students in the district; and (B) the sale of bonds for these purposes is authorized by a law that exempts the debt incurred on the bonds from the district's statutory debt limitation.
  - (iii) The bonds are issued, in one or more bond issues, on or before December 31, 2012, but the aggregate principal amount issued in all such bond issues combined must not exceed \$18,500,000.
  - (iv) The bonds are issued in accordance with this Article 19.
  - (v) The proceeds of the bonds are used to accomplish only those projects approved by the voters at the primary election held in 2008.

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- 1 The debt incurred on any bonds issued under this subsection
- 2 (p-25) shall not be considered indebtedness for purposes of any
- 3 statutory debt limitation.
- 4 (p-30) In addition to all other authority to issue bonds,
- 5 Prairie Grove Consolidated School District 46 may issue bonds
- 6 with an aggregate principal amount not to exceed \$30,000,000,
- 7 but only if all of the following conditions are met:
  - (i) The voters of the district approve a proposition for the bond issuance at an election held in 2008.
    - (ii) At the time of the sale of the bonds, the school board determines, by resolution, that (A) the building and equipping of a new school building and additions to existing school buildings are required as a result of a projected increase in the enrollment of students in the district and (B) the altering, repairing, and equipping of existing school buildings are required because of the age of the existing school buildings.
    - (iii) The bonds are issued, in one or more bond issuances, on or before December 31, 2012; however, the aggregate principal amount issued in all such bond issuances combined must not exceed \$30,000,000.
    - (iv) The bonds are issued in accordance with this Article.
      - (v) The proceeds of the bonds are used to accomplish only those projects approved by the voters at an election held in 2008.

- 1 The debt incurred on any bonds issued under this subsection
- 2 (p-30) shall not be considered indebtedness for purposes of any
- 3 statutory debt limitation.
- 4 (p-35) In addition to all other authority to issue bonds,
- 5 Prairie Hill Community Consolidated School District 133 may
- 6 issue bonds with an aggregate principal amount not to exceed
- 7 \$13,900,000, but only if all of the following conditions are
- 8 met:
- 9 (i) The voters of the district approved a proposition
- for the bond issuance at an election held on April 17,
- 11 2007.
- 12 (ii) At the time of the sale of the bonds, the school
- board determines, by resolution, that (A) the improvement
- of the site of and the building and equipping of a school
- 15 building are required as a result of a projected increase
- in the enrollment of students in the district and (B) the
- 17 repairing and equipping of the Prairie Hill Elementary
- School building is required because of the age of that
- 19 school building.
- 20 (iii) The bonds are issued, in one or more bond
- issuances, on or before December 31, 2011, but the
- 22 aggregate principal amount issued in all such bond
- issuances combined must not exceed \$13,900,000.
- 24 (iv) The bonds are issued in accordance with this
- 25 Article.
- 26 (v) The proceeds of the bonds are used to accomplish

- only those projects approved by the voters at an election held on April 17, 2007.
- The debt incurred on any bonds issued under this subsection (p-35) shall not be considered indebtedness for purposes of any statutory debt limitation.
  - (p-40) In addition to all other authority to issue bonds, Mascoutah Community Unit District 19 may issue bonds with an aggregate principal amount not to exceed \$55,000,000, but only if all of the following conditions are met:
    - (1) The voters of the district approve a proposition for the bond issuance at a regular election held on or after November 4, 2008.
    - (2) At the time of the sale of the bonds, the school board determines, by resolution, that (i) the building and equipping of a new high school building is required as a result of a projected increase in the enrollment of students in the district and the age and condition of the existing high school building, (ii) the existing high school building will be demolished, and (iii) the sale of bonds is authorized by statute that exempts the debt incurred on the bonds from the district's statutory debt limitation.
    - (3) The bonds are issued, in one or more bond issuances, on or before December 31, 2011, but the aggregate principal amount issued in all such bond issuances combined must not exceed \$55,000,000.

- 1 (4) The bonds are issued in accordance with this 2 Article.
  - (5) The proceeds of the bonds are used to accomplish only those projects approved by the voters at a regular election held on or after November 4, 2008.

The debt incurred on any bonds issued under this subsection (p-40) shall not be considered indebtedness for purposes of any statutory debt limitation.

(p-45) Notwithstanding the provisions of subsection (a) of this Section or of any other law, bonds issued pursuant to Section 19-3.5 of this Code shall not be considered indebtedness for purposes of any statutory limitation if the bonds are issued in an amount or amounts, including existing indebtedness of the school district, not in excess of 18.5% of the value of the taxable property in the district to be ascertained by the last assessment for State and county taxes.

(p-50) Notwithstanding the provisions of subsection (a) of this Section or of any other law, bonds issued pursuant to Section 19-3.10 of this Code shall not be considered indebtedness for purposes of any statutory limitation if the bonds are issued in an amount or amounts, including existing indebtedness of the school district, not in excess of 43% of the value of the taxable property in the district to be ascertained by the last assessment for State and county taxes.

(p-55) (p-45) In addition to all other authority to issue bonds, Belle Valley School District 119 may issue bonds with an

- aggregate principal amount not to exceed \$47,500,000, but only if all of the following conditions are met:
  - (1) The voters of the district approve a proposition for the bond issuance at an election held on or after April 7, 2009.
    - (2) Prior to the issuance of the bonds, the school board determines, by resolution, that (i) the building and equipping of a new school building is required as a result of mine subsidence in an existing school building and because of the age and condition of another existing school building and (ii) the issuance of bonds is authorized by statute that exempts the debt incurred on the bonds from the district's statutory debt limitation.
    - (3) The bonds are issued, in one or more bond issuances, on or before March 31, 2014, but the aggregate principal amount issued in all such bond issuances combined must not exceed \$47,500,000.
    - (4) The bonds are issued in accordance with this Article.
    - (5) The proceeds of the bonds are used to accomplish only those projects approved by the voters at an election held on or after April 7, 2009.

The debt incurred on any bonds issued under this subsection (p-55) (p-45) shall not be considered indebtedness for purposes of any statutory debt limitation. Bonds issued under this subsection (p-55) (p-45) must mature within not to exceed 30

- 1 years from their date, notwithstanding any other law to the
- 2 contrary.
- 3 (q) A school district must notify the State Board of
- 4 Education prior to issuing any form of long-term or short-term
- 5 debt that will result in outstanding debt that exceeds 75% of
- 6 the debt limit specified in this Section or any other provision
- 7 of law.
- 8 (Source: P.A. 95-331, eff. 8-21-07; 95-594, eff. 9-10-07;
- 9 95-792, eff. 1-1-09; 96-63, eff. 7-23-09; 96-273, eff. 8-11-09;
- 10 96-517, eff. 8-14-09; revised 9-15-09.)
- 11 Section 10. The School Construction Law is amended by
- 12 changing Sections 5-25 and 5-35 as follows:
- 13 (105 ILCS 230/5-25)
- 14 Sec. 5-25. Eligibility and project standards.
- 15 (a) The State Board of Education shall establish
- 16 eligibility standards for school construction project grants
- 17 and debt service grants. These standards shall include minimum
- 18 enrollment requirements for eligibility for school
- 19 construction project grants of 200 students for elementary
- 20 districts, 200 students for high school districts, and 400
- 21 students for unit districts. The State Board of Education shall
- 22 approve a district's eligibility for a school construction
- 23 project grant or a debt service grant pursuant to the
- established standards.

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For purposes only of determining a Type 40 area vocational center's eligibility for an entity included in a school construction project grant or a school maintenance project grant, an area vocational center shall be deemed eliqible if one or more of its member school districts satisfy the grant index criteria set forth in this Law. A Type 40 area vocational center that makes application for school construction funds after August 25, 2009 (the effective date of Public Act 96-731) this amendatory Act of the 96th General Assembly shall be placed on the respective application cycle list. Type 40 area vocational centers must be placed last on the priority listing of eligible entities for the applicable fiscal year.

- (b) The Capital Development Board shall establish project standards for all school construction project grants provided pursuant to this Article. These standards shall include space and capacity standards as well as the determination of recognized project costs that shall be eligible for State financial assistance and enrichment costs that shall not be eligible for State financial assistance.
- State (C) The Board of Education and the Development Board shall not establish standards that disapprove or otherwise establish limitations that restrict the eligibility of (i) a school district with a population exceeding 500,000 for a school construction project grant based on the fact that any or all of the school construction project grant will be used to pay debt service or to make lease

- 1 payments, as authorized by subsection (b) of Section 5-35 of
- 2 this Law, or based on the fact that all or a part of the school
- 3 construction project is owned by a public building commission
- 4 and leased to the school, or (ii) a school district located in
- 5 whole or in part in a county that imposes a tax for school
- 6 facility purposes pursuant to Section 5-1006.7 of the Counties
- 7 Code.
- 8 (Source: P.A. 96-37, eff. 7-13-09; 96-731, eff. 8-25-09;
- 9 revised 9-15-09.)
- 10 (105 ILCS 230/5-35)
- 11 Sec. 5-35. School construction project grant amounts;
- 12 permitted use; prohibited use.
- 13 (a) The product of the district's grant index and the
- 14 recognized project cost, as determined by the Capital
- Development Board, for an approved school construction project
- shall equal the amount of the grant the Capital Development
- 17 Board shall provide to the eligible district. The grant index
- shall not be used in cases where the General Assembly and the
- 19 Governor approve appropriations designated for specifically
- 20 identified school district construction projects.
- 21 The average of the grant indexes of the member districts in
- 22 a joint agreement shall be used to calculate the amount of a
- 23 school construction project grant awarded to an eligible Type
- 40 area vocational center.
- 25 (b) In each fiscal year in which school construction

- project grants are awarded, 20% of the total amount awarded statewide shall be awarded to a school district with a
- 3 population exceeding 500,000, provided such district complies
- 4 with the provisions of this Article.
- 5 In addition to the uses otherwise authorized by this Law,
- 6 any school district with a population exceeding 500,000 is
- 7 authorized to use any or all of the school construction project
- 8 grants (i) to pay debt service, as defined in the Local
- 9 Government Debt Reform Act, on bonds, as defined in the Local
- 10 Government Debt Reform Act, issued to finance one or more
- 11 school construction projects and (ii) to the extent that any
- such bond is a lease or other installment or financing contract
- between the school district and a public building commission
- that has issued bonds to finance one or more qualifying school
- 15 construction projects, to make lease payments under the lease.
- 16 (c) No portion of a school construction project grant
- awarded by the Capital Development Board shall be used by a
- 18 school district for any on-going operational costs.
- 19 (Source: P.A. 96-731, eff. 8-25-09.)
- 20 Section 99. Effective date. This Act takes effect upon
- 21 becoming law.