

AN ACT concerning education.

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

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

(105 ILCS 5/17-2.2d)

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

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

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

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

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

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

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

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

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

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

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

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

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