

SB0004



94TH GENERAL ASSEMBLY
State of Illinois
2005 and 2006
SB0004

Introduced 1/26/2005, by Sen. Miguel del Valle

SYNOPSIS AS INTRODUCED:

30 ILCS 330/2
30 ILCS 330/5

from Ch. 127, par. 652
from Ch. 127, par. 655

Amends the General Obligation Bond Act. Increases by \$1,000,000,000 the amount of General Obligation Bonds authorized to be sold for grants to school districts for school improvement projects authorized by the School Construction Law. Distributes the increased authorization in year 9 of the schedule. Effective immediately.

LRB094 04303 MKM 34329 b

FISCAL NOTE ACT
MAY APPLY

STATE DEBT
IMPACT NOTE ACT
MAY APPLY

A BILL FOR

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 General Obligation Bond Act is amended by
5 changing Sections 2 and 5 as follows:

6 (30 ILCS 330/2) (from Ch. 127, par. 652)

7 Sec. 2. Authorization for Bonds. The State of Illinois is
8 authorized to issue, sell and provide for the retirement of
9 General Obligation Bonds of the State of Illinois for the
10 categories and specific purposes expressed in Sections 2
11 through 8 of this Act, in the total amount of \$28,658,149,369
12 ~~\$27,658,149,369~~.

13 The bonds authorized in this Section 2 and in Section 16 of
14 this Act are herein called "Bonds".

15 Of the total amount of Bonds authorized in this Act, up to
16 \$2,200,000,000 in aggregate original principal amount may be
17 issued and sold in accordance with the Baccalaureate Savings
18 Act in the form of General Obligation College Savings Bonds.

19 Of the total amount of Bonds authorized in this Act, up to
20 \$300,000,000 in aggregate original principal amount may be
21 issued and sold in accordance with the Retirement Savings Act
22 in the form of General Obligation Retirement Savings Bonds.

23 Of the total amount of Bonds authorized in this Act, the
24 additional \$10,000,000,000 authorized by this amendatory Act
25 of the 93rd General Assembly shall be used solely as provided
26 in Section 7.2.

27 The issuance and sale of Bonds pursuant to the General
28 Obligation Bond Act is an economical and efficient method of
29 financing the long-term capital needs of the State. This Act
30 will permit the issuance of a multi-purpose General Obligation
31 Bond with uniform terms and features. This will not only lower
32 the cost of registration but also reduce the overall cost of

1 issuing debt by improving the marketability of Illinois General
2 Obligation Bonds.

3 (Source: P.A. 92-13, eff. 6-22-01; 92-596, eff. 6-28-02;
4 92-598, eff. 6-28-02; 93-2, eff. 4-7-03; 93-839, eff. 7-30-04.)

5 (30 ILCS 330/5) (from Ch. 127, par. 655)

6 Sec. 5. School Construction.

7 (a) The amount of \$58,450,000 is authorized to make grants
8 to local school districts for the acquisition, development,
9 construction, reconstruction, rehabilitation, improvement,
10 financing, architectural planning and installation of capital
11 facilities, including but not limited to those required for
12 special education building projects provided for in Article 14
13 of The School Code, consisting of buildings, structures, and
14 durable equipment, and for the acquisition and improvement of
15 real property and interests in real property required, or
16 expected to be required, in connection therewith.

17 (b) \$22,550,000, or so much thereof as may be necessary,
18 for grants to school districts for the making of principal and
19 interest payments, required to be made, on bonds issued by such
20 school districts after January 1, 1969, pursuant to any
21 indenture, ordinance, resolution, agreement or contract to
22 provide funds for the acquisition, development, construction,
23 reconstruction, rehabilitation, improvement, architectural
24 planning and installation of capital facilities consisting of
25 buildings, structures, durable equipment and land for
26 educational purposes or for lease payments required to be made
27 by a school district for principal and interest payments on
28 bonds issued by a Public Building Commission after January 1,
29 1969.

30 (c) \$10,000,000 for grants to school districts for the
31 acquisition, development, construction, reconstruction,
32 rehabilitation, improvement, architectural planning and
33 installation of capital facilities consisting of buildings
34 structures, durable equipment and land for special education
35 building projects.

1 (d) \$9,000,000 for grants to school districts for the
 2 reconstruction, rehabilitation, improvement, financing and
 3 architectural planning of capital facilities, including
 4 construction at another location to replace such capital
 5 facilities, consisting of those public school buildings and
 6 temporary school facilities which, prior to January 1, 1984,
 7 were condemned by the regional superintendent under Section
 8 3-14.22 of The School Code or by any State official having
 9 jurisdiction over building safety.

10 (e) \$4,050,000,000 ~~\$3,050,000,000~~ for grants to school
 11 districts for school improvement projects authorized by the
 12 School Construction Law. The bonds shall be sold in amounts not
 13 to exceed the following schedule, except any bonds not sold
 14 during one year shall be added to the bonds to be sold during
 15 the remainder of the schedule:

16	First year	\$200,000,000
17	Second year	\$450,000,000
18	Third year	\$500,000,000
19	Fourth year	\$500,000,000
20	Fifth year	\$800,000,000
21	<u>Sixth, seventh, and eighth year</u> and thereafter	\$600,000,000
22	<u>Ninth year and thereafter</u>	<u>\$1,000,000,000</u>

23 (Source: P.A. 91-39, eff. 6-15-99; 92-598, eff. 6-28-02.)

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