

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 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, and State-recognized, non-public schools  
17 to purchase technology hardware for eligible grade levels on a  
18 2-year rotating basis: grades 9 through 12 in fiscal year 2004  
19 and each second year thereafter and grades K through 8 in  
20 fiscal year 2005 and each second year thereafter. However,  
21 priority shall be given to public school districts, charter  
22 schools, area vocational centers, and laboratory schools that  
23 apply prior to October 1 of each year.

1           The State Board of Education shall determine the interest  
2 rate the loans shall bear which shall not be greater than 50%  
3 of the rate for the most recent date shown in the 20 G.O. Bonds  
4 Index of average municipal bond yields as published in the most  
5 recent edition of The Bond Buyer, published in New York, New  
6 York. The repayment period for School Technology Revolving  
7 Loans shall not exceed 3 years. Participants shall use at least  
8 90% of the loan proceeds for technology hardware investments  
9 for students and staff (including computer hardware,  
10 technology networks, related wiring, and other items as defined  
11 in rules adopted by the State Board of Education) and up to 10%  
12 of the loan proceeds for computer furniture. No participant  
13 whose equalized assessed valuation per pupil in average daily  
14 attendance is at the 99th percentile and above for all  
15 districts of the same type shall be eligible to receive a  
16 School Technology Revolving Loan under the provisions of this  
17 Section for that year.

18           The State Board of Education shall have the authority to  
19 adopt all rules necessary for the implementation and  
20 administration of the School Technology Revolving Loan  
21 Program, including, but not limited to, rules defining  
22 application procedures, prescribing a maximum amount per pupil  
23 that may be requested annually ~~by districts~~, requiring  
24 appropriate local commitments for technology investments,  
25 prescribing a mechanism for disbursing loan funds in the event  
26 requests exceed available funds, specifying collateral, ~~and~~

1 prescribing actions necessary to protect the State's interest  
2 in the event of default, foreclosure, or noncompliance with the  
3 terms and conditions of the loans, and prescribing a mechanism  
4 for reclaiming any items or equipment purchased with the loan  
5 funds in the case of the closure of a non-public school.

6 (b) There is created in the State treasury the School  
7 Technology Revolving Loan Fund. The State Board shall have the  
8 authority to make expenditures from the Fund pursuant to  
9 appropriations made for the purposes of this Section. There  
10 shall be deposited into the Fund such amounts, including but  
11 not limited to:

12 (1) Transfers from the School Infrastructure Fund;

13 (2) All receipts, including principal and interest  
14 payments, from any loan made from the Fund;

15 (3) All proceeds of assets of whatever nature received  
16 by the State Board as a result of default or delinquency  
17 with respect to loans made from the Fund;

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

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

22 (Source: P.A. 93-368, eff. 7-24-03.)

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