



99TH GENERAL ASSEMBLY

State of Illinois

2015 and 2016

SB1605

Introduced 2/20/2015, by Sen. Christine Radogno

SYNOPSIS AS INTRODUCED:

105 ILCS 5/10-22.14

from Ch. 122, par. 10-22.14

Amends the School Code. Allows any high school district whose territory is in 2 counties and that is eligible for Section 8002 Federal Impact Aid to make a one-time declaration as to interest income not previously declared from 1998 through 2011 in the debt service fund, declaring said moneys as interest earnings on or before June 30, 2016. Requires any such earnings income to thereafter be considered interest earnings. Effective immediately.

LRB099 09381 NHT 29587 b

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 10-22.14 as follows:

6 (105 ILCS 5/10-22.14) (from Ch. 122, par. 10-22.14)

7 Sec. 10-22.14. Borrowing money and issuing bonds. To borrow
8 money, and issue bonds for the purposes and in the manner
9 provided by this Act.

10 When bond proceeds from the sale of bonds include a
11 premium, or when the proceeds of bonds issued for fire
12 prevention, safety, energy conservation, and school security
13 purposes as specified in Section 17-2.11 are invested as
14 authorized by law, the board shall determine by resolution
15 whether the interest earned on the investment of bond proceeds
16 authorized under Section 17-2.11 or the premium realized in the
17 sale of bonds, as the case may be, is to be used for the
18 purposes for which the bonds were issued or, instead, for
19 payment of the principal indebtedness and interest on those
20 bonds.

21 When bonds, other than bonds issued for fire prevention,
22 safety, energy conservation, and school security purposes as
23 specified in Section 17-2.11 are issued by any school district,

1 and the purposes for which the bonds have been issued are
2 accomplished and paid for in full, and there remain funds on
3 hand from the proceeds of the bonds so issued, the board by
4 resolution may transfer those excess funds to the operations
5 and maintenance fund.

6 When bonds are issued by any school district for fire
7 prevention, safety, energy conservation, and school security
8 purposes as specified in Section 17-2.11, and the purposes for
9 which the bonds have been issued are accomplished and paid in
10 full, and there remain funds on hand from the proceeds of the
11 bonds issued, the board by resolution shall use those excess
12 funds (1) for other authorized fire prevention, safety, energy
13 conservation, and school security purposes as specified in
14 Section 17-2.11 or (2) for transfer to the Bond and Interest
15 Fund for payment of principal and interest on those bonds. If
16 any transfer is made to the Bond and Interest Fund, the
17 secretary of the school board shall within 30 days notify the
18 county clerk of the amount of that transfer and direct the
19 clerk to abate the taxes to be extended for the purposes of
20 principal and interest payments on the respective bonds issued
21 under Section 17-2.11 by an amount equal to such transfer.

22 Any high school district whose territory is in 2 counties
23 and that is eligible for Section 8002 Federal Impact Aid may
24 make a one-time declaration as to interest income (earnings on
25 investments) not previously declared as such from 1998 through
26 2011 in the debt service fund, declaring said moneys as

1 interest earnings on or before June 30, 2016. Any such earnings
2 income so declared shall thereafter, for purposes of this Code,
3 be considered interest earnings and shall be subject to all
4 provisions of this Code related thereto.

5 (Source: P.A. 86-970; 87-984.)

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