HB5529 Enrolled

1 AN ACT concerning education.

2 Be it enacted by the People of the State of Illinois, 3 represented in the General Assembly:

Section 5. The School Code is amended by changing Sections
17-2.11 and 17-2A as follows:

6 (105 ILCS 5/17-2.11) (from Ch. 122, par. 17-2.11)

Sec. 17-2.11. School board power to levy a tax or to borrow money and issue bonds for fire prevention, safety, energy conservation, accessibility, school security, and specified repair purposes.

(a) Whenever, as a result of any lawful order of any 11 agency, other than a school board, having authority to enforce 12 13 any school building code applicable to any facility that houses 14 students, or any law or regulation for the protection and safety of the environment, pursuant to the Environmental 15 16 Protection Act, any school district having a population of less 17 than 500,000 inhabitants is required to alter or reconstruct any school building or permanent, fixed equipment; the district 18 19 may, by proper resolution, levy a tax for the purpose of making 20 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% 23

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1 per year for a period sufficient to finance such alteration or 2 reconstruction, upon the following conditions:

(1) When there are not sufficient funds available in 3 the operations and maintenance fund of the school district, 4 5 the school facility occupation tax fund of the district, or 6 the fire prevention and safety fund of the district, as 7 determined by the district on the basis of rules adopted by 8 the State Board of Education, to make such alteration or 9 reconstruction or to purchase and install such permanent, 10 fixed equipment so ordered or determined as necessary. 11 Appropriate school district records must be made available 12 to the State Superintendent of Education, upon request, to 13 confirm this insufficiency.

When a certified estimate of an architect or 14 (2) 15 engineer licensed in this State stating the estimated 16 amount necessary to make the alteration or reconstruction 17 or to purchase and install the equipment so ordered has been secured by the school district, and the estimate has 18 19 been approved by the regional superintendent of schools 20 having jurisdiction over the district and the State 21 Superintendent of Education. Approval must not be granted 22 for any work that has already started without the prior 23 express authorization of the State Superintendent of 24 Education. If the estimate is not approved or is denied 25 approval by the regional superintendent of schools within 3 months after the date on which it is submitted to him or 26

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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 4 5 cost to effectuate emergency repairs is less than the amount specified in Section 10-20.21 of this Code, the school district 6 7 may proceed with such repairs prior to approval by the State 8 Superintendent of Education, but shall comply with the 9 provisions of subdivision (2) of this subsection (a) as soon thereafter as may be as well as Section 10-20.21 of this Code. 10 11 If the estimated cost to effectuate emergency repairs is 12 greater than the amount specified in Section 10-20.21 of this 13 Code, then the school district shall proceed in conformity with Section 10-20.21 of this Code and with rules established by the 14 State Board of Education to address such situations. The rules 15 16 adopted by the State Board of Education to deal with these 17 situations shall stipulate that emergency situations must be expedited and given priority consideration. For purposes of 18 19 this paragraph, an emergency is a situation that presents an 20 imminent and continuing threat to the health and safety of students or other occupants of a facility, requires complete or 21 22 partial evacuation of a building or part of a building, or 23 consumes one or more of the 5 emergency days built into the adopted calendar of the school or schools or would otherwise be 24 25 expected to cause such school or schools to fall short of the 26 minimum school calendar requirements.

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(b) Whenever any such district determines that it is 1 2 necessary for energy conservation purposes that any school building or permanent, fixed equipment should be altered or 3 reconstructed and that such alterations or reconstruction will 4 5 be made with funds not necessary for the completion of approved and recommended projects contained in any safety survey report 6 7 or amendments thereto authorized by Section 2-3.12 of this Act; 8 the district may levy a tax or issue bonds as provided in 9 subsection (a) of this Section.

10 (c) Whenever any such district determines that it is 11 necessary for accessibility purposes and to comply with the 12 school building code that any school building or equipment 13 should be altered or reconstructed and that such alterations or reconstruction will be made with funds not necessary for the 14 15 completion of approved and recommended projects contained in 16 any safety survey report or amendments thereto authorized under 17 Section 2-3.12 of this Act, the district may levy a tax or issue bonds as provided in subsection (a) of this Section. 18

(d) Whenever any such district determines that it is 19 necessary for school security purposes and the related 20 21 protection and safety of pupils and school personnel that any 22 school building or property should be altered or reconstructed 23 or that security systems and equipment (including but not limited to intercom, early detection and warning, access 24 25 control and television monitoring systems) should be purchased 26 and installed, and that such alterations, reconstruction or

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purchase and installation of equipment will be made with funds 1 not necessary for the completion of approved and recommended 2 3 projects contained in any safety survey report or amendment thereto authorized by Section 2-3.12 of this Act and will deter 4 5 and prevent unauthorized entry or activities upon school 6 property by unknown or dangerous persons, assure early 7 detection and advance warning of any such actual or attempted 8 unauthorized entry or activities and help assure the continued 9 safety of pupils and school staff if any such unauthorized 10 entry or activity is attempted or occurs; the district may levy 11 a tax or issue bonds as provided in subsection (a) of this 12 Section.

13 (e) If a school district does not need funds for other fire 14 prevention and safety projects, including the completion of 15 approved and recommended projects contained in any safety 16 survey report or amendments thereto authorized by Section 17 2-3.12 of this Act, and it is determined after a public hearing (which is preceded by at least one published notice (i) 18 19 occurring at least 7 days prior to the hearing in a newspaper 20 of general circulation within the school district and (ii) setting forth the time, date, place, and general subject matter 21 22 of the hearing) that there is a substantial, immediate, and 23 otherwise unavoidable threat to the health, safety, or welfare of pupils due to disrepair of school sidewalks, playgrounds, 24 25 parking lots, or school bus turnarounds and repairs must be 26 made; then the district may levy a tax or issue bonds as

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1 provided in subsection (a) of this Section.

2 (f) For purposes of this Section a school district may replace a school building or build additions to replace 3 portions of a building when it is determined that the 4 5 effectuation of the recommendations for the existing building will cost more than the replacement costs. Such determination 6 7 shall be based on a comparison of estimated costs made by an 8 architect or engineer licensed in the State of Illinois. The 9 new building or addition shall be equivalent in area (square 10 feet) and comparable in purpose and grades served and may be on 11 the same site or another site. Such replacement may only be 12 done upon order of the regional superintendent of schools and 13 the approval of the State Superintendent of Education.

14 (g) The filing of a certified copy of the resolution 15 levying the tax when accompanied by the certificates of the 16 regional superintendent of schools and State Superintendent of 17 Education shall be the authority of the county clerk to extend 18 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.

25 Such tax shall be levied and collected in like manner as 26 all other taxes of school districts, subject to the provisions HB5529 Enrolled - 7 - LRB099 20159 NHT 44602 b

1 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.

9 (j) When taxes are levied by any school district for fire 10 prevention, safety, energy conservation, and school security 11 purposes as specified in this Section, and the purposes for 12 which the taxes have been levied are accomplished and paid in 13 full, and there remain funds on hand in the Fire Prevention and 14 Safety Fund from the proceeds of the taxes levied, including 15 interest earnings thereon, the school board by resolution shall 16 use such excess and other board restricted funds, excluding 17 bond proceeds and earnings from such proceeds, as follows:

(1) for other authorized fire prevention, safety,
energy conservation, and school security purposes and for
required safety inspections; or

(2) for transfer to the Operations and Maintenance Fund
for the purpose of abating an equal amount of operations
and maintenance purposes taxes.

Notwithstanding subdivision (2) of this subsection (j) and subsection (k) of this Section, through June 30, <u>2019</u> 2016, the school board may, by proper resolution following a public HB5529 Enrolled - 8 - LRB099 20159 NHT 44602 b

hearing set by the school board or the president of the school 1 2 board (that is preceded (i) by at least one published notice over the name of the clerk or secretary of the board, occurring 3 at least 7 days and not more than 30 days prior to the hearing, 4 5 in a newspaper of general circulation within the school 6 district and (ii) by posted notice over the name of the clerk 7 or secretary of the board, at least 48 hours before the 8 hearing, at the principal office of the school board or at the 9 building where the hearing is to be held if a principal office 10 does not exist, with both notices setting forth the time, date, 11 place, and subject matter of the hearing), transfer surplus 12 life safety taxes and interest earnings thereon to the Operations and Maintenance Fund for building repair work. 13

14 (k) If any transfer is made to the Operation and 15 Maintenance Fund, the secretary of the school board shall 16 within 30 days notify the county clerk of the amount of that 17 transfer and direct the clerk to abate the taxes to be extended 18 for the purposes of operations and maintenance authorized under 19 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. HB5529 Enrolled - 9 - LRB099 20159 NHT 44602 b

1 (m) Any bonds issued pursuant to this Section shall bear 2 interest at a rate not to exceed the maximum rate authorized by 3 law at the time of the making of the contract, shall mature 4 within 20 years from date, and shall be signed by the president 5 of the school board and the treasurer of the school district.

(n) In order to authorize and issue such bonds, the school 6 7 board shall adopt a resolution fixing the amount of bonds, the date thereof, the maturities thereof, rates of interest 8 9 thereof, place of payment and denomination, which shall be in 10 denominations of not less than \$100 and not more than \$5,000, 11 and provide for the levy and collection of a direct annual tax 12 upon all the taxable property in the school district sufficient to pay the principal and interest on such bonds to maturity. 13 14 Upon the filing in the office of the county clerk of the county 15 in which the school district is located of a certified copy of 16 the resolution, it is the duty of the county clerk to extend 17 the tax therefor in addition to and in excess of all other taxes heretofore or hereafter authorized to be levied by such 18 school district. 19

(o) After the time such bonds are issued as provided for by this Section, if additional alterations or reconstructions are required to be made because of surveys conducted by an architect or engineer licensed in the State of Illinois, the district may levy a tax at a rate not to exceed .05% per year upon all the taxable property of the district or issue additional bonds, whichever action shall be the most feasible. HB5529 Enrolled - 10 - LRB099 20159 NHT 44602 b

1 (p) This Section is cumulative and constitutes complete 2 authority for the issuance of bonds as provided in this Section 3 notwithstanding any other statute or law to the contrary.

(q) With respect to instruments for the payment of money 4 5 issued under this Section either before, on, or after the effective date of Public Act 86-004 (June 6, 1989), it is, and 6 7 always has been, the intention of the General Assembly (i) that 8 the Omnibus Bond Acts are, and always have been, supplementary 9 grants of power to issue instruments in accordance with the 10 Omnibus Bond Acts, regardless of any provision of this Act that 11 may appear to be or to have been more restrictive than those 12 Acts, (ii) that the provisions of this Section are not a 13 limitation on the supplementary authority granted by the 14 Omnibus Bond Acts, and (iii) that instruments issued under this 15 Section within the supplementary authority granted by the 16 Omnibus Bond Acts are not invalid because of any provision of 17 this Act that may appear to be or to have been more restrictive than those Acts. 18

(r) When the purposes for which the bonds are issued have been accomplished and paid for in full and there remain funds on hand from the proceeds of the bond sale and interest earnings therefrom, the board shall, by resolution, use such excess funds in accordance with the provisions of Section 10-22.14 of this Act.

25 (s) Whenever any tax is levied or bonds issued for fire 26 prevention, safety, energy conservation, and school security HB5529 Enrolled - 11 - LRB099 20159 NHT 44602 b

purposes, such proceeds shall be deposited and accounted for
 separately within the Fire Prevention and Safety Fund.

3 (Source: P.A. 98-26, eff. 6-21-13; 98-1066, eff. 8-26-14; 4 99-143, eff. 7-27-15.)

5 (105 ILCS 5/17-2A) (from Ch. 122, par. 17-2A)

6 Sec. 17-2A. Interfund Transfers.

7 (a) The school board of any district having a population of 8 less than 500,000 inhabitants may, by proper resolution 9 following a public hearing set by the school board or the 10 president of the school board (that is preceded (i) by at least 11 one published notice over the name of the clerk or secretary of 12 the board, occurring at least 7 days and not more than 30 days 13 prior to the hearing, in a newspaper of general circulation 14 within the school district and (ii) by posted notice over the 15 name of the clerk or secretary of the board, at least 48 hours 16 before the hearing, at the principal office of the school board or at the building where the hearing is to be held if a 17 principal office does not exist, with both notices setting 18 forth the time, date, place, and subject matter of the 19 hearing), transfer money from (1) the Educational Fund to the 20 21 Operations and Maintenance Fund or the Transportation Fund, (2) 22 the Operations and Maintenance Fund to the Educational Fund or 23 the Transportation Fund, or (3) the Transportation Fund to the 24 Educational Fund or the Operations and Maintenance Fund of said 25 district, provided that, except during the period from July 1,

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2003 through June 30, 2019 2016, such transfer is made solely 1 2 for the purpose of meeting one-time, non-recurring expenses. Except during the period from July 1, 2003 through June 30, 3 2019 2016 and except as otherwise provided in subsection (b) of 4 5 this Section, any other permanent interfund transfers authorized by any provision or judicial interpretation of this 6 7 Code for which the transferee fund is not precisely and 8 specifically set forth in the provision of this Code 9 authorizing such transfer shall be made to the fund of the 10 school district most in need of the funds being transferred, as 11 determined by resolution of the school board.

12 (b) Notwithstanding subsection (a) of this Section or any 13 other provision of this Code to the contrary, the school board 14 of any school district (i) that is subject to the Property Tax Extension Limitation Law, (ii) that has a population of less 15 than 500,000 inhabitants, (iii) that is levying at its maximum 16 17 tax rate, (iv) whose total equalized assessed valuation has declined 20% in the prior 2 years, (v) in which 80% or more of 18 its students receive free or reduced-price lunch, and (vi) that 19 20 had an equalized assessed valuation of less than \$207 million but more than \$203 million in the 2011 levy year may annually, 21 22 until July 1, 2016, transfer money from any fund of the 23 district, other than the Illinois Municipal Retirement Fund and the Bonds and Interest Fund, to the educational fund, the 24 25 operations and maintenance fund, or the transportation fund of 26 the district by proper resolution following a public hearing

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set by the school board or the president of the school board, with notice as provided in subsection (a) of this Section, so long as the district meets the qualifications set forth in this subsection (b) on the effective date of this amendatory Act of the 98th General Assembly even if the district does not meet those qualifications at the time a given transfer is made. (Source: P.A. 98-26, eff. 6-21-13; 98-131, eff. 1-1-14.)

8 Section 99. Effective date. This Act takes effect upon9 becoming law.