



## 100TH GENERAL ASSEMBLY

### State of Illinois

2017 and 2018

HB2808

by Rep. William Davis

#### SYNOPSIS AS INTRODUCED:

See Index

Provides that the Act may be referred to as the Evidence-Based Funding for Student Success Act. Amends the Economic Development Area Tax Increment Allocation Act, State Finance Act, Property Tax Code, Innovation Development and Economy Act, County Economic Development Project Area Property Tax Allocation Act, County Economic Development Project Area Tax Increment Allocation Act of 1991, Illinois Municipal Code, Economic Development Project Area Tax Increment Allocation Act of 1995, School Code, and Educational Opportunity for Military Children Act. Provides that the State aid formula provisions of the School Code apply through the 2016-2017 school year. Provides for an evidence-based funding formula beginning with the 2017-2018 school year. Sets forth provisions concerning an adequacy target calculation, a local capacity calculation, a base funding minimum calculation, a percent of adequacy and final resources calculation, an evidence-based funding formula distribution system, State Superintendent of Education administration of funding and school district submission requirements, and a Professional Judgment Panel. Makes other changes. Effective immediately.

LRB100 11017 NHT 21256 b

FISCAL NOTE ACT  
MAY APPLY

A BILL FOR

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 1. This Act may be referred to as the  
5 Evidence-Based Funding for Student Success Act.

6 Section 5. The Economic Development Area Tax Increment  
7 Allocation Act is amended by changing Section 7 as follows:

8 (20 ILCS 620/7) (from Ch. 67 1/2, par. 1007)

9 Sec. 7. Creation of special tax allocation fund. If a  
10 municipality has adopted tax increment allocation financing  
11 for an economic development project area by ordinance, the  
12 county clerk has thereafter certified the "total initial  
13 equalized assessed value" of the taxable real property within  
14 such economic development project area in the manner provided  
15 in Section 6 of this Act, and the Department has approved and  
16 certified the economic development project area, each year  
17 after the date of the certification by the county clerk of the  
18 "total initial equalized assessed value" until economic  
19 development project costs and all municipal obligations  
20 financing economic development project costs have been paid,  
21 the ad valorem taxes, if any, arising from the levies upon the  
22 taxable real property in the economic development project area

1 by taxing districts and tax rates determined in the manner  
2 provided in subsection (b) of Section 6 of this Act shall be  
3 divided as follows:

4 (1) That portion of the taxes levied upon each taxable lot,  
5 block, tract or parcel of real property which is attributable  
6 to the lower of the current equalized assessed value or the  
7 initial equalized assessed value of each such taxable lot,  
8 block, tract, or parcel of real property existing at the time  
9 tax increment allocation financing was adopted, shall be  
10 allocated to and when collected shall be paid by the county  
11 collector to the respective affected taxing districts in the  
12 manner required by law in the absence of the adoption of tax  
13 increment allocation financing.

14 (2) That portion, if any, of those taxes which is  
15 attributable to the increase in the current equalized assessed  
16 valuation of each taxable lot, block, tract, or parcel of real  
17 property in the economic development project area, over and  
18 above the initial equalized assessed value of each property  
19 existing at the time tax increment allocation financing was  
20 adopted, shall be allocated to and when collected shall be paid  
21 to the municipal treasurer, who shall deposit those taxes into  
22 a special fund called the special tax allocation fund of the  
23 municipality for the purpose of paying economic development  
24 project costs and obligations incurred in the payment thereof.

25 The municipality, by an ordinance adopting tax increment  
26 allocation financing, may pledge the funds in and to be

1 deposited in the special tax allocation fund for the payment of  
2 obligations issued under this Act and for the payment of  
3 economic development project costs. No part of the current  
4 equalized assessed valuation of each property in the economic  
5 development project area attributable to any increase above the  
6 total initial equalized assessed value, of such properties  
7 shall be used in calculating the general State school aid  
8 formula, provided for in Section 18-8 of the School Code, or  
9 the evidence-based funding formula, provided for in Section  
10 18-8.15 of the School Code, until such time as all economic  
11 development projects costs have been paid as provided for in  
12 this Section.

13 When the economic development project costs, including  
14 without limitation all municipal obligations financing  
15 economic development project costs incurred under this Act,  
16 have been paid, all surplus funds then remaining in the special  
17 tax allocation fund shall be distributed by being paid by the  
18 municipal treasurer to the county collector, who shall  
19 immediately thereafter pay those funds to the taxing districts  
20 having taxable property in the economic development project  
21 area in the same manner and proportion as the most recent  
22 distribution by the county collector to those taxing districts  
23 of real property taxes from real property in the economic  
24 development project area.

25 Upon the payment of all economic development project costs,  
26 retirement of obligations and the distribution of any excess

1 monies pursuant to this Section the municipality shall adopt an  
2 ordinance dissolving the special tax allocation fund for the  
3 economic development project area, terminating the economic  
4 development project area, and terminating the use of tax  
5 increment allocation financing for the economic development  
6 project area. Thereafter the rates of the taxing districts  
7 shall be extended and taxes levied, collected and distributed  
8 in the manner applicable in the absence of the adoption of tax  
9 increment allocation financing.

10 Nothing in this Section shall be construed as relieving  
11 property in economic development project areas from being  
12 assessed as provided in the Property Tax Code, or as relieving  
13 owners of that property from paying a uniform rate of taxes, as  
14 required by Section 4 of Article IX of the Illinois  
15 Constitution.

16 (Source: P.A. 98-463, eff. 8-16-13.)

17 Section 10. The State Finance Act is amended by changing  
18 Section 13.2 as follows:

19 (30 ILCS 105/13.2) (from Ch. 127, par. 149.2)

20 Sec. 13.2. Transfers among line item appropriations.

21 (a) Transfers among line item appropriations from the same  
22 treasury fund for the objects specified in this Section may be  
23 made in the manner provided in this Section when the balance  
24 remaining in one or more such line item appropriations is

1 insufficient for the purpose for which the appropriation was  
2 made.

3 (a-1) No transfers may be made from one agency to another  
4 agency, nor may transfers be made from one institution of  
5 higher education to another institution of higher education  
6 except as provided by subsection (a-4).

7 (a-2) Except as otherwise provided in this Section,  
8 transfers may be made only among the objects of expenditure  
9 enumerated in this Section, except that no funds may be  
10 transferred from any appropriation for personal services, from  
11 any appropriation for State contributions to the State  
12 Employees' Retirement System, from any separate appropriation  
13 for employee retirement contributions paid by the employer, nor  
14 from any appropriation for State contribution for employee  
15 group insurance. During State fiscal year 2005, an agency may  
16 transfer amounts among its appropriations within the same  
17 treasury fund for personal services, employee retirement  
18 contributions paid by employer, and State Contributions to  
19 retirement systems; notwithstanding and in addition to the  
20 transfers authorized in subsection (c) of this Section, the  
21 fiscal year 2005 transfers authorized in this sentence may be  
22 made in an amount not to exceed 2% of the aggregate amount  
23 appropriated to an agency within the same treasury fund. During  
24 State fiscal year 2007, the Departments of Children and Family  
25 Services, Corrections, Human Services, and Juvenile Justice  
26 may transfer amounts among their respective appropriations

1 within the same treasury fund for personal services, employee  
2 retirement contributions paid by employer, and State  
3 contributions to retirement systems. During State fiscal year  
4 2010, the Department of Transportation may transfer amounts  
5 among their respective appropriations within the same treasury  
6 fund for personal services, employee retirement contributions  
7 paid by employer, and State contributions to retirement  
8 systems. During State fiscal years 2010 and 2014 only, an  
9 agency may transfer amounts among its respective  
10 appropriations within the same treasury fund for personal  
11 services, employee retirement contributions paid by employer,  
12 and State contributions to retirement systems.  
13 Notwithstanding, and in addition to, the transfers authorized  
14 in subsection (c) of this Section, these transfers may be made  
15 in an amount not to exceed 2% of the aggregate amount  
16 appropriated to an agency within the same treasury fund.

17 (a-2.5) During State fiscal year 2015 only, the State's  
18 Attorneys Appellate Prosecutor may transfer amounts among its  
19 respective appropriations contained in operational line items  
20 within the same treasury fund. Notwithstanding, and in addition  
21 to, the transfers authorized in subsection (c) of this Section,  
22 these transfers may be made in an amount not to exceed 4% of  
23 the aggregate amount appropriated to the State's Attorneys  
24 Appellate Prosecutor within the same treasury fund.

25 (a-3) Further, if an agency receives a separate  
26 appropriation for employee retirement contributions paid by

1 the employer, any transfer by that agency into an appropriation  
2 for personal services must be accompanied by a corresponding  
3 transfer into the appropriation for employee retirement  
4 contributions paid by the employer, in an amount sufficient to  
5 meet the employer share of the employee contributions required  
6 to be remitted to the retirement system.

7 (a-4) Long-Term Care Rebalancing. The Governor may  
8 designate amounts set aside for institutional services  
9 appropriated from the General Revenue Fund or any other State  
10 fund that receives monies for long-term care services to be  
11 transferred to all State agencies responsible for the  
12 administration of community-based long-term care programs,  
13 including, but not limited to, community-based long-term care  
14 programs administered by the Department of Healthcare and  
15 Family Services, the Department of Human Services, and the  
16 Department on Aging, provided that the Director of Healthcare  
17 and Family Services first certifies that the amounts being  
18 transferred are necessary for the purpose of assisting persons  
19 in or at risk of being in institutional care to transition to  
20 community-based settings, including the financial data needed  
21 to prove the need for the transfer of funds. The total amounts  
22 transferred shall not exceed 4% in total of the amounts  
23 appropriated from the General Revenue Fund or any other State  
24 fund that receives monies for long-term care services for each  
25 fiscal year. A notice of the fund transfer must be made to the  
26 General Assembly and posted at a minimum on the Department of



1 Healthcare and Family Services website, the Governor's Office  
2 of Management and Budget website, and any other website the  
3 Governor sees fit. These postings shall serve as notice to the  
4 General Assembly of the amounts to be transferred. Notice shall  
5 be given at least 30 days prior to transfer.

6 (b) In addition to the general transfer authority provided  
7 under subsection (c), the following agencies have the specific  
8 transfer authority granted in this subsection:

9 The Department of Healthcare and Family Services is  
10 authorized to make transfers representing savings attributable  
11 to not increasing grants due to the births of additional  
12 children from line items for payments of cash grants to line  
13 items for payments for employment and social services for the  
14 purposes outlined in subsection (f) of Section 4-2 of the  
15 Illinois Public Aid Code.

16 The Department of Children and Family Services is  
17 authorized to make transfers not exceeding 2% of the aggregate  
18 amount appropriated to it within the same treasury fund for the  
19 following line items among these same line items: Foster Home  
20 and Specialized Foster Care and Prevention, Institutions and  
21 Group Homes and Prevention, and Purchase of Adoption and  
22 Guardianship Services.

23 The Department on Aging is authorized to make transfers not  
24 exceeding 2% of the aggregate amount appropriated to it within  
25 the same treasury fund for the following Community Care Program  
26 line items among these same line items: purchase of services

1 covered by the Community Care Program and Comprehensive Case  
2 Coordination.

3 The State Treasurer is authorized to make transfers among  
4 line item appropriations from the Capital Litigation Trust  
5 Fund, with respect to costs incurred in fiscal years 2002 and  
6 2003 only, when the balance remaining in one or more such line  
7 item appropriations is insufficient for the purpose for which  
8 the appropriation was made, provided that no such transfer may  
9 be made unless the amount transferred is no longer required for  
10 the purpose for which that appropriation was made.

11 The State Board of Education is authorized to make  
12 transfers from line item appropriations within the same  
13 treasury fund for General State Aid, ~~and~~ General State Aid -  
14 Hold Harmless, Evidence-Based Funding, provided that no such  
15 transfer may be made unless the amount transferred is no longer  
16 required for the purpose for which that appropriation was made,  
17 to the line item appropriation for Transitional Assistance when  
18 the balance remaining in such line item appropriation is  
19 insufficient for the purpose for which the appropriation was  
20 made.

21 The State Board of Education is authorized to make  
22 transfers between the following line item appropriations  
23 within the same treasury fund: Disabled Student  
24 Services/Materials (Section 14-13.01 of the School Code),  
25 Disabled Student Transportation Reimbursement (Section  
26 14-13.01 of the School Code), Disabled Student Tuition -

1 Private Tuition (Section 14-7.02 of the School Code),  
2 Extraordinary Special Education (Section 14-7.02b of the  
3 School Code), Reimbursement for Free Lunch/Breakfast Program,  
4 Summer School Payments (Section 18-4.3 of the School Code), and  
5 Transportation - Regular/Vocational Reimbursement (Section  
6 29-5 of the School Code). Such transfers shall be made only  
7 when the balance remaining in one or more such line item  
8 appropriations is insufficient for the purpose for which the  
9 appropriation was made and provided that no such transfer may  
10 be made unless the amount transferred is no longer required for  
11 the purpose for which that appropriation was made.

12 The Department of Healthcare and Family Services is  
13 authorized to make transfers not exceeding 4% of the aggregate  
14 amount appropriated to it, within the same treasury fund, among  
15 the various line items appropriated for Medical Assistance.

16 (c) The sum of such transfers for an agency in a fiscal  
17 year shall not exceed 2% of the aggregate amount appropriated  
18 to it within the same treasury fund for the following objects:  
19 Personal Services; Extra Help; Student and Inmate  
20 Compensation; State Contributions to Retirement Systems; State  
21 Contributions to Social Security; State Contribution for  
22 Employee Group Insurance; Contractual Services; Travel;  
23 Commodities; Printing; Equipment; Electronic Data Processing;  
24 Operation of Automotive Equipment; Telecommunications  
25 Services; Travel and Allowance for Committed, Paroled and  
26 Discharged Prisoners; Library Books; Federal Matching Grants

1 for Student Loans; Refunds; Workers' Compensation,  
2 Occupational Disease, and Tort Claims; and, in appropriations  
3 to institutions of higher education, Awards and Grants.  
4 Notwithstanding the above, any amounts appropriated for  
5 payment of workers' compensation claims to an agency to which  
6 the authority to evaluate, administer and pay such claims has  
7 been delegated by the Department of Central Management Services  
8 may be transferred to any other expenditure object where such  
9 amounts exceed the amount necessary for the payment of such  
10 claims.

11 (c-1) Special provisions for State fiscal year 2003.  
12 Notwithstanding any other provision of this Section to the  
13 contrary, for State fiscal year 2003 only, transfers among line  
14 item appropriations to an agency from the same treasury fund  
15 may be made provided that the sum of such transfers for an  
16 agency in State fiscal year 2003 shall not exceed 3% of the  
17 aggregate amount appropriated to that State agency for State  
18 fiscal year 2003 for the following objects: personal services,  
19 except that no transfer may be approved which reduces the  
20 aggregate appropriations for personal services within an  
21 agency; extra help; student and inmate compensation; State  
22 contributions to retirement systems; State contributions to  
23 social security; State contributions for employee group  
24 insurance; contractual services; travel; commodities;  
25 printing; equipment; electronic data processing; operation of  
26 automotive equipment; telecommunications services; travel and

1 allowance for committed, paroled, and discharged prisoners;  
2 library books; federal matching grants for student loans;  
3 refunds; workers' compensation, occupational disease, and tort  
4 claims; and, in appropriations to institutions of higher  
5 education, awards and grants.

6 (c-2) Special provisions for State fiscal year 2005.  
7 Notwithstanding subsections (a), (a-2), and (c), for State  
8 fiscal year 2005 only, transfers may be made among any line  
9 item appropriations from the same or any other treasury fund  
10 for any objects or purposes, without limitation, when the  
11 balance remaining in one or more such line item appropriations  
12 is insufficient for the purpose for which the appropriation was  
13 made, provided that the sum of those transfers by a State  
14 agency shall not exceed 4% of the aggregate amount appropriated  
15 to that State agency for fiscal year 2005.

16 (c-3) Special provisions for State fiscal year 2015.  
17 Notwithstanding any other provision of this Section, for State  
18 fiscal year 2015, transfers among line item appropriations to a  
19 State agency from the same State treasury fund may be made for  
20 operational or lump sum expenses only, provided that the sum of  
21 such transfers for a State agency in State fiscal year 2015  
22 shall not exceed 4% of the aggregate amount appropriated to  
23 that State agency for operational or lump sum expenses for  
24 State fiscal year 2015. For the purpose of this subsection,  
25 "operational or lump sum expenses" includes the following  
26 objects: personal services; extra help; student and inmate

1 compensation; State contributions to retirement systems; State  
2 contributions to social security; State contributions for  
3 employee group insurance; contractual services; travel;  
4 commodities; printing; equipment; electronic data processing;  
5 operation of automotive equipment; telecommunications  
6 services; travel and allowance for committed, paroled, and  
7 discharged prisoners; library books; federal matching grants  
8 for student loans; refunds; workers' compensation,  
9 occupational disease, and tort claims; lump sum and other  
10 purposes; and lump sum operations. For the purpose of this  
11 subsection (c-3), "State agency" does not include the Attorney  
12 General, the Secretary of State, the Comptroller, the  
13 Treasurer, or the legislative or judicial branches.

14 (d) Transfers among appropriations made to agencies of the  
15 Legislative and Judicial departments and to the  
16 constitutionally elected officers in the Executive branch  
17 require the approval of the officer authorized in Section 10 of  
18 this Act to approve and certify vouchers. Transfers among  
19 appropriations made to the University of Illinois, Southern  
20 Illinois University, Chicago State University, Eastern  
21 Illinois University, Governors State University, Illinois  
22 State University, Northeastern Illinois University, Northern  
23 Illinois University, Western Illinois University, the Illinois  
24 Mathematics and Science Academy and the Board of Higher  
25 Education require the approval of the Board of Higher Education  
26 and the Governor. Transfers among appropriations to all other

1 agencies require the approval of the Governor.

2 The officer responsible for approval shall certify that the  
3 transfer is necessary to carry out the programs and purposes  
4 for which the appropriations were made by the General Assembly  
5 and shall transmit to the State Comptroller a certified copy of  
6 the approval which shall set forth the specific amounts  
7 transferred so that the Comptroller may change his records  
8 accordingly. The Comptroller shall furnish the Governor with  
9 information copies of all transfers approved for agencies of  
10 the Legislative and Judicial departments and transfers  
11 approved by the constitutionally elected officials of the  
12 Executive branch other than the Governor, showing the amounts  
13 transferred and indicating the dates such changes were entered  
14 on the Comptroller's records.

15 (e) The State Board of Education, in consultation with the  
16 State Comptroller, may transfer line item appropriations for  
17 General State Aid or Evidence-Based Funding between the Common  
18 School Fund and the Education Assistance Fund. With the advice  
19 and consent of the Governor's Office of Management and Budget,  
20 the State Board of Education, in consultation with the State  
21 Comptroller, may transfer line item appropriations between the  
22 General Revenue Fund and the Education Assistance Fund for the  
23 following programs:

24 (1) Disabled Student Personnel Reimbursement (Section  
25 14-13.01 of the School Code);

26 (2) Disabled Student Transportation Reimbursement

1 (subsection (b) of Section 14-13.01 of the School Code);

2 (3) Disabled Student Tuition - Private Tuition  
3 (Section 14-7.02 of the School Code);

4 (4) Extraordinary Special Education (Section 14-7.02b  
5 of the School Code);

6 (5) Reimbursement for Free Lunch/Breakfast Programs;

7 (6) Summer School Payments (Section 18-4.3 of the  
8 School Code);

9 (7) Transportation - Regular/Vocational Reimbursement  
10 (Section 29-5 of the School Code);

11 (8) Regular Education Reimbursement (Section 18-3 of  
12 the School Code); and

13 (9) Special Education Reimbursement (Section 14-7.03  
14 of the School Code).

15 (Source: P.A. 98-24, eff. 6-19-13; 98-674, eff. 6-30-14; 99-2,  
16 eff. 3-26-15.)

17 Section 15. The Property Tax Code is amended by changing  
18 Sections 18-200 and 18-249 as follows:

19 (35 ILCS 200/18-200)

20 Sec. 18-200. School Code. A school district's State aid  
21 shall not be reduced under the computation under subsections  
22 5(a) through 5(h) of Part A of Section 18-8 of the School Code  
23 or under Section 18-8.15 of the School Code due to the  
24 operating tax rate falling from above the minimum requirement



1 of that Section of the School Code to below the minimum  
2 requirement of that Section of the School Code due to the  
3 operation of this Law.

4 (Source: P.A. 87-17; 88-455.)

5 (35 ILCS 200/18-249)

6 Sec. 18-249. Miscellaneous provisions.

7 (a) Certification of new property. For the 1994 levy year,  
8 the chief county assessment officer shall certify to the county  
9 clerk, after all changes by the board of review or board of  
10 appeals, as the case may be, the assessed value of new property  
11 by taxing district for the 1994 levy year under rules  
12 promulgated by the Department.

13 (b) School Code. A school district's State aid shall not be  
14 reduced under the computation under subsections 5(a) through  
15 5(h) of Part A of Section 18-8 of the School Code or under  
16 Section 18-8.15 of the School Code due to the operating tax  
17 rate falling from above the minimum requirement of that Section  
18 of the School Code to below the minimum requirement of that  
19 Section of the School Code due to the operation of this Law.

20 (c) Rules. The Department shall make and promulgate  
21 reasonable rules relating to the administration of the purposes  
22 and provisions of Sections 18-246 through 18-249 as may be  
23 necessary or appropriate.

24 (Source: P.A. 89-1, eff. 2-12-95.)

1 Section 20. The Innovation Development and Economy Act is  
2 amended by changing Section 33 as follows:

3 (50 ILCS 470/33)

4 Sec. 33. STAR Bonds School Improvement and Operations Trust  
5 Fund.

6 (a) The STAR Bonds School Improvement and Operations Trust  
7 Fund is created as a trust fund in the State treasury. Deposits  
8 into the Trust Fund shall be made as provided under this  
9 Section. Moneys in the Trust Fund shall be used by the  
10 Department of Revenue only for the purpose of making payments  
11 to school districts in educational service regions that include  
12 or are adjacent to the STAR bond district. Moneys in the Trust  
13 Fund are not subject to appropriation and shall be used solely  
14 as provided in this Section. All deposits into the Trust Fund  
15 shall be held in the Trust Fund by the State Treasurer as ex  
16 officio custodian separate and apart from all public moneys or  
17 funds of this State and shall be administered by the Department  
18 exclusively for the purposes set forth in this Section. All  
19 moneys in the Trust Fund shall be invested and reinvested by  
20 the State Treasurer. All interest accruing from these  
21 investments shall be deposited in the Trust Fund.

22 (b) Upon approval of a STAR bond district, the political  
23 subdivision shall immediately transmit to the county clerk of  
24 the county in which the district is located a certified copy of  
25 the ordinance creating the district, a legal description of the

1 district, a map of the district, identification of the year  
2 that the county clerk shall use for determining the total  
3 initial equalized assessed value of the district consistent  
4 with subsection (c), and a list of the parcel or tax  
5 identification number of each parcel of property included in  
6 the district.

7 (c) Upon approval of a STAR bond district, the county clerk  
8 immediately thereafter shall determine (i) the most recently  
9 ascertained equalized assessed value of each lot, block, tract,  
10 or parcel of real property within the STAR bond district, from  
11 which shall be deducted the homestead exemptions under Article  
12 15 of the Property Tax Code, which value shall be the initial  
13 equalized assessed value of each such piece of property, and  
14 (ii) the total equalized assessed value of all taxable real  
15 property within the district by adding together the most  
16 recently ascertained equalized assessed value of each taxable  
17 lot, block, tract, or parcel of real property within the  
18 district, from which shall be deducted the homestead exemptions  
19 under Article 15 of the Property Tax Code, and shall certify  
20 that amount as the total initial equalized assessed value of  
21 the taxable real property within the STAR bond district.

22 (d) In reference to any STAR bond district created within  
23 any political subdivision, and in respect to which the county  
24 clerk has certified the total initial equalized assessed value  
25 of the property in the area, the political subdivision may  
26 thereafter request the clerk in writing to adjust the initial

1 equalized value of all taxable real property within the STAR  
2 bond district by deducting therefrom the exemptions under  
3 Article 15 of the Property Tax Code applicable to each lot,  
4 block, tract, or parcel of real property within the STAR bond  
5 district. The county clerk shall immediately, after the written  
6 request to adjust the total initial equalized value is  
7 received, determine the total homestead exemptions in the STAR  
8 bond district as provided under Article 15 of the Property Tax  
9 Code by adding together the homestead exemptions provided by  
10 said Article on each lot, block, tract, or parcel of real  
11 property within the STAR bond district and then shall deduct  
12 the total of said exemptions from the total initial equalized  
13 assessed value. The county clerk shall then promptly certify  
14 that amount as the total initial equalized assessed value as  
15 adjusted of the taxable real property within the STAR bond  
16 district.

17 (e) The county clerk or other person authorized by law  
18 shall compute the tax rates for each taxing district with all  
19 or a portion of its equalized assessed value located in the  
20 STAR bond district. The rate per cent of tax determined shall  
21 be extended to the current equalized assessed value of all  
22 property in the district in the same manner as the rate per  
23 cent of tax is extended to all other taxable property in the  
24 taxing district.

25 (f) Beginning with the assessment year in which the first  
26 destination user in the first STAR bond project in a STAR bond

1 district makes its first retail sales and for each assessment  
2 year thereafter until final maturity of the last STAR bonds  
3 issued in the district, the county clerk or other person  
4 authorized by law shall determine the increase in equalized  
5 assessed value of all real property within the STAR bond  
6 district by subtracting the initial equalized assessed value of  
7 all property in the district certified under subsection (c)  
8 from the current equalized assessed value of all property in  
9 the district. Each year, the property taxes arising from the  
10 increase in equalized assessed value in the STAR bond district  
11 shall be determined for each taxing district and shall be  
12 certified to the county collector.

13 (g) Beginning with the year in which taxes are collected  
14 based on the assessment year in which the first destination  
15 user in the first STAR bond project in a STAR bond district  
16 makes its first retail sales and for each year thereafter until  
17 final maturity of the last STAR bonds issued in the district,  
18 the county collector shall, within 30 days after receipt of  
19 property taxes, transmit to the Department to be deposited into  
20 the STAR Bonds School Improvement and Operations Trust Fund 15%  
21 of property taxes attributable to the increase in equalized  
22 assessed value within the STAR bond district from each taxing  
23 district as certified in subsection (f).

24 (h) The Department shall pay to the regional superintendent  
25 of schools whose educational service region includes Franklin  
26 and Williamson Counties, for each year for which money is

1 remitted to the Department and paid into the STAR Bonds School  
2 Improvement and Operations Trust Fund, the money in the Fund as  
3 provided in this Section. The amount paid to each school  
4 district shall be allocated proportionately, based on each  
5 qualifying school district's fall enrollment for the  
6 then-current school year, such that the school district with  
7 the largest fall enrollment receives the largest proportionate  
8 share of money paid out of the Fund or by any other method or  
9 formula that the regional superintendent of schools deems fit,  
10 equitable, and in the public interest. The regional  
11 superintendent may allocate moneys to school districts that are  
12 outside of his or her educational service region or to other  
13 regional superintendents.

14 The Department shall determine the distributions under  
15 this Section using its best judgment and information. The  
16 Department shall be held harmless for the distributions made  
17 under this Section and all distributions shall be final.

18 (i) In any year that an assessment appeal is filed, the  
19 extension of taxes on any assessment so appealed shall not be  
20 delayed. In the case of an assessment that is altered, any  
21 taxes extended upon the unauthorized assessment or part thereof  
22 shall be abated, or, if already paid, shall be refunded with  
23 interest as provided in Section 23-20 of the Property Tax Code.  
24 In the case of an assessment appeal, the county collector shall  
25 notify the Department that an assessment appeal has been filed  
26 and the amount of the tax that would have been deposited in the

1 STAR Bonds School Improvement and Operations Trust Fund. The  
2 county collector shall hold that amount in a separate fund  
3 until the appeal process is final. After the appeal process is  
4 finalized, the county collector shall transmit to the  
5 Department the amount of tax that remains, if any, after all  
6 required refunds are made. The Department shall pay any amount  
7 deposited into the Trust Fund under this Section in the same  
8 proportion as determined for payments for that taxable year  
9 under subsection (h).

10 (j) In any year that ad valorem taxes are allocated to the  
11 STAR Bonds School Improvement and Operations Trust Fund, that  
12 allocation shall not reduce or otherwise impact the school aid  
13 provided to any school district under the general State school  
14 aid formula provided for in Section 18-8.05 of the School Code  
15 or the evidence-based funding formula provided for in Section  
16 18-8.15 of the School Code.

17 (Source: P.A. 96-939, eff. 6-24-10.)

18 Section 25. The County Economic Development Project Area  
19 Property Tax Allocation Act is amended by changing Section 7 as  
20 follows:

21 (55 ILCS 85/7) (from Ch. 34, par. 7007)

22 Sec. 7. Creation of special tax allocation fund. If a  
23 county has adopted property tax allocation financing by  
24 ordinance for an economic development project area, the

1 Department has approved and certified the economic development  
2 project area, and the county clerk has thereafter certified the  
3 "total initial equalized value" of the taxable real property  
4 within such economic development project area in the manner  
5 provided in subsection (b) of Section 6 of this Act, each year  
6 after the date of the certification by the county clerk of the  
7 "initial equalized assessed value" until economic development  
8 project costs and all county obligations financing economic  
9 development project costs have been paid, the ad valorem taxes,  
10 if any, arising from the levies upon the taxable real property  
11 in the economic development project area by taxing districts  
12 and tax rates determined in the manner provided in subsection  
13 (b) of Section 6 of this Act shall be divided as follows:

14 (1) That portion of the taxes levied upon each taxable  
15 lot, block, tract or parcel of real property which is  
16 attributable to the lower of the current equalized assessed  
17 value or the initial equalized assessed value of each such  
18 taxable lot, block, tract, or parcel of real property  
19 existing at the time property tax allocation financing was  
20 adopted shall be allocated and when collected shall be paid  
21 by the county collector to the respective affected taxing  
22 districts in the manner required by the law in the absence  
23 of the adoption of property tax allocation financing.

24 (2) That portion, if any, of those taxes which is  
25 attributable to the increase in the current equalized  
26 assessed valuation of each taxable lot, block, tract, or



1 parcel of real property in the economic development project  
2 are, over and above the initial equalized assessed value of  
3 each property existing at the time property tax allocation  
4 financing was adopted shall be allocated to and when  
5 collected shall be paid to the county treasurer, who shall  
6 deposit those taxes into a special fund called the special  
7 tax allocation fund of the county for the purpose of paying  
8 economic development project costs and obligations  
9 incurred in the payment thereof.

10 The county, by an ordinance adopting property tax  
11 allocation financing, may pledge the funds in and to be  
12 deposited in the special tax allocation fund for the payment of  
13 obligations issued under this Act and for the payment of  
14 economic development project costs. No part of the current  
15 equalized assessed valuation of each property in the economic  
16 development project area attributable to any increase above the  
17 total initial equalized assessed value of such properties shall  
18 be used in calculating the general State school aid formula,  
19 provided for in Section 18-8 of the School Code, or the  
20 evidence-based funding formula, provided for in Section  
21 18-8.15 of the School Code, until such time as all economic  
22 development projects costs have been paid as provided for in  
23 this Section.

24 Whenever a county issues bonds for the purpose of financing  
25 economic development project costs, the county may provide by  
26 ordinance for the appointment of a trustee, which may be any

1 trust company within the State, and for the establishment of  
2 the funds or accounts to be maintained by such trustee as the  
3 county shall deem necessary to provide for the security and  
4 payment of the bonds. If the county provides for the  
5 appointment of a trustee, the trustee shall be considered the  
6 assignee of any payments assigned by the county pursuant to the  
7 ordinance and this Section. Any amounts paid to the trustee as  
8 assignee shall be deposited in the funds or accounts  
9 established pursuant to the trust agreement, and shall be held  
10 by the trustee in trust for the benefit of the holders of the  
11 bonds, and the holders shall have a lien on and a security  
12 interest in those bonds or accounts so long as the bonds remain  
13 outstanding and unpaid. Upon retirement of the bonds, the  
14 trustee shall pay over any excess amounts held to the county  
15 for deposit in the special tax allocation fund.

16 When the economic development project costs, including  
17 without limitation all county obligations financing economic  
18 development project costs incurred under this Act, have been  
19 paid, all surplus funds then remaining in the special tax  
20 allocation funds shall be distributed by being paid by the  
21 county treasurer to the county collector, who shall immediately  
22 thereafter pay those funds to the taxing districts having  
23 taxable property in the economic development project area in  
24 the same manner and proportion as the most recent distribution  
25 by the county collector to those taxing districts of real  
26 property taxes from real property in the economic development

1 project area.

2       Upon the payment of all economic development project costs,  
3 retirement of obligations and the distribution of any excess  
4 monies pursuant to this Section and not later than 23 years  
5 from the date of adoption of the ordinance adopting property  
6 tax allocation financing, the county shall adopt an ordinance  
7 dissolving the special tax allocation fund for the economic  
8 development project area and terminating the designation of the  
9 economic development project area as an economic development  
10 project area; however, in relation to one or more contiguous  
11 parcels not exceeding a total area of 120 acres within which an  
12 electric generating facility is intended to be constructed, and  
13 with respect to which the owner of that proposed electric  
14 generating facility has entered into a redevelopment agreement  
15 with Grundy County on or before July 25, 2017, the ordinance of  
16 the county required in this paragraph shall not dissolve the  
17 special tax allocation fund for the existing economic  
18 development project area and shall only terminate the  
19 designation of the economic development project area as to  
20 those portions of the economic development project area  
21 excluding the area covered by the redevelopment agreement  
22 between the owner of the proposed electric generating facility  
23 and Grundy County; the county shall adopt an ordinance  
24 dissolving the special tax allocation fund for the economic  
25 development project area and terminating the designation of the  
26 economic development project area as an economic development

1 project area with regard to the electric generating facility  
2 property not later than 35 years from the date of adoption of  
3 the ordinance adopting property tax allocation financing.  
4 Thereafter the rates of the taxing districts shall be extended  
5 and taxes levied, collected and distributed in the manner  
6 applicable in the absence of the adoption of property tax  
7 allocation financing.

8 Nothing in this Section shall be construed as relieving  
9 property in economic development project areas from being  
10 assessed as provided in the Property Tax Code or as relieving  
11 owners of that property from paying a uniform rate of taxes, as  
12 required by Section 4 of Article IX of the Illinois  
13 Constitution of 1970.

14 (Source: P.A. 98-463, eff. 8-16-13; 99-513, eff. 6-30-16.)

15 Section 30. The County Economic Development Project Area  
16 Tax Increment Allocation Act of 1991 is amended by changing  
17 Section 50 as follows:

18 (55 ILCS 90/50) (from Ch. 34, par. 8050)

19 Sec. 50. Special tax allocation fund.

20 (a) If a county clerk has certified the "total initial  
21 equalized assessed value" of the taxable real property within  
22 an economic development project area in the manner provided in  
23 Section 45, each year after the date of the certification by  
24 the county clerk of the "total initial equalized assessed

1 value", until economic development project costs and all county  
2 obligations financing economic development project costs have  
3 been paid, the ad valorem taxes, if any, arising from the  
4 levies upon the taxable real property in the economic  
5 development project area by taxing districts and tax rates  
6 determined in the manner provided in subsection (b) of Section  
7 45 shall be divided as follows:

8 (1) That portion of the taxes levied upon each taxable  
9 lot, block, tract, or parcel of real property that is  
10 attributable to the lower of the current equalized assessed  
11 value or the initial equalized assessed value of each  
12 taxable lot, block, tract, or parcel of real property  
13 existing at the time tax increment financing was adopted  
14 shall be allocated to (and when collected shall be paid by  
15 the county collector to) the respective affected taxing  
16 districts in the manner required by law in the absence of  
17 the adoption of tax increment allocation financing.

18 (2) That portion, if any, of the taxes that is  
19 attributable to the increase in the current equalized  
20 assessed valuation of each taxable lot, block, tract, or  
21 parcel of real property in the economic development project  
22 area, over and above the initial equalized assessed value  
23 of each property existing at the time tax increment  
24 financing was adopted, shall be allocated to (and when  
25 collected shall be paid to) the county treasurer, who shall  
26 deposit the taxes into a special fund (called the special

1 tax allocation fund of the county) for the purpose of  
2 paying economic development project costs and obligations  
3 incurred in the payment of those costs.

4 (b) The county, by an ordinance adopting tax increment  
5 allocation financing, may pledge the monies in and to be  
6 deposited into the special tax allocation fund for the payment  
7 of obligations issued under this Act and for the payment of  
8 economic development project costs. No part of the current  
9 equalized assessed valuation of each property in the economic  
10 development project area attributable to any increase above the  
11 total initial equalized assessed value of those properties  
12 shall be used in calculating the general State ~~school~~ aid  
13 formula under Section 18-8 of the School Code or the  
14 evidence-based funding formula under Section 18-8.15 of the  
15 School Code until all economic development projects costs have  
16 been paid as provided for in this Section.

17 (c) When the economic development projects costs,  
18 including without limitation all county obligations financing  
19 economic development project costs incurred under this Act,  
20 have been paid, all surplus monies then remaining in the  
21 special tax allocation fund shall be distributed by being paid  
22 by the county treasurer to the county collector, who shall  
23 immediately pay the monies to the taxing districts having  
24 taxable property in the economic development project area in  
25 the same manner and proportion as the most recent distribution  
26 by the county collector to those taxing districts of real

1 property taxes from real property in the economic development  
2 project area.

3 (d) Upon the payment of all economic development project  
4 costs, retirement of obligations, and distribution of any  
5 excess monies under this Section, the county shall adopt an  
6 ordinance dissolving the special tax allocation fund for the  
7 economic development project area and terminating the  
8 designation of the economic development project area as an  
9 economic development project area. Thereafter, the rates of the  
10 taxing districts shall be extended and taxes shall be levied,  
11 collected, and distributed in the manner applicable in the  
12 absence of the adoption of tax increment allocation financing.

13 (e) Nothing in this Section shall be construed as relieving  
14 property in the economic development project areas from being  
15 assessed as provided in the Property Tax Code or as relieving  
16 owners of that property from paying a uniform rate of taxes as  
17 required by Section 4 of Article IX of the Illinois  
18 Constitution.

19 (Source: P.A. 98-463, eff. 8-16-13.)

20 Section 35. The Illinois Municipal Code is amended by  
21 changing Sections 11-74.4-3, 11-74.4-8, and 11-74.6-35 as  
22 follows:

23 (65 ILCS 5/11-74.4-3) (from Ch. 24, par. 11-74.4-3)

24 Sec. 11-74.4-3. Definitions. The following terms, wherever

1 used or referred to in this Division 74.4 shall have the  
2 following respective meanings, unless in any case a different  
3 meaning clearly appears from the context.

4 (a) For any redevelopment project area that has been  
5 designated pursuant to this Section by an ordinance adopted  
6 prior to November 1, 1999 (the effective date of Public Act  
7 91-478), "blighted area" shall have the meaning set forth in  
8 this Section prior to that date.

9 On and after November 1, 1999, "blighted area" means any  
10 improved or vacant area within the boundaries of a  
11 redevelopment project area located within the territorial  
12 limits of the municipality where:

13 (1) If improved, industrial, commercial, and  
14 residential buildings or improvements are detrimental to  
15 the public safety, health, or welfare because of a  
16 combination of 5 or more of the following factors, each of  
17 which is (i) present, with that presence documented, to a  
18 meaningful extent so that a municipality may reasonably  
19 find that the factor is clearly present within the intent  
20 of the Act and (ii) reasonably distributed throughout the  
21 improved part of the redevelopment project area:

22 (A) Dilapidation. An advanced state of disrepair  
23 or neglect of necessary repairs to the primary  
24 structural components of buildings or improvements in  
25 such a combination that a documented building  
26 condition analysis determines that major repair is



1 required or the defects are so serious and so extensive  
2 that the buildings must be removed.

3 (B) Obsolescence. The condition or process of  
4 falling into disuse. Structures have become ill-suited  
5 for the original use.

6 (C) Deterioration. With respect to buildings,  
7 defects including, but not limited to, major defects in  
8 the secondary building components such as doors,  
9 windows, porches, gutters and downspouts, and fascia.  
10 With respect to surface improvements, that the  
11 condition of roadways, alleys, curbs, gutters,  
12 sidewalks, off-street parking, and surface storage  
13 areas evidence deterioration, including, but not  
14 limited to, surface cracking, crumbling, potholes,  
15 depressions, loose paving material, and weeds  
16 protruding through paved surfaces.

17 (D) Presence of structures below minimum code  
18 standards. All structures that do not meet the  
19 standards of zoning, subdivision, building, fire, and  
20 other governmental codes applicable to property, but  
21 not including housing and property maintenance codes.

22 (E) Illegal use of individual structures. The use  
23 of structures in violation of applicable federal,  
24 State, or local laws, exclusive of those applicable to  
25 the presence of structures below minimum code  
26 standards.

1           (F) Excessive vacancies. The presence of buildings  
2 that are unoccupied or under-utilized and that  
3 represent an adverse influence on the area because of  
4 the frequency, extent, or duration of the vacancies.

5           (G) Lack of ventilation, light, or sanitary  
6 facilities. The absence of adequate ventilation for  
7 light or air circulation in spaces or rooms without  
8 windows, or that require the removal of dust, odor,  
9 gas, smoke, or other noxious airborne materials.  
10 Inadequate natural light and ventilation means the  
11 absence of skylights or windows for interior spaces or  
12 rooms and improper window sizes and amounts by room  
13 area to window area ratios. Inadequate sanitary  
14 facilities refers to the absence or inadequacy of  
15 garbage storage and enclosure, bathroom facilities,  
16 hot water and kitchens, and structural inadequacies  
17 preventing ingress and egress to and from all rooms and  
18 units within a building.

19           (H) Inadequate utilities. Underground and overhead  
20 utilities such as storm sewers and storm drainage,  
21 sanitary sewers, water lines, and gas, telephone, and  
22 electrical services that are shown to be inadequate.  
23 Inadequate utilities are those that are: (i) of  
24 insufficient capacity to serve the uses in the  
25 redevelopment project area, (ii) deteriorated,  
26 antiquated, obsolete, or in disrepair, or (iii)

1           lacking within the redevelopment project area.

2           (I) Excessive land coverage and overcrowding of  
3           structures and community facilities. The  
4           over-intensive use of property and the crowding of  
5           buildings and accessory facilities onto a site.  
6           Examples of problem conditions warranting the  
7           designation of an area as one exhibiting excessive land  
8           coverage are: (i) the presence of buildings either  
9           improperly situated on parcels or located on parcels of  
10          inadequate size and shape in relation to present-day  
11          standards of development for health and safety and (ii)  
12          the presence of multiple buildings on a single parcel.  
13          For there to be a finding of excessive land coverage,  
14          these parcels must exhibit one or more of the following  
15          conditions: insufficient provision for light and air  
16          within or around buildings, increased threat of spread  
17          of fire due to the close proximity of buildings, lack  
18          of adequate or proper access to a public right-of-way,  
19          lack of reasonably required off-street parking, or  
20          inadequate provision for loading and service.

21          (J) Deleterious land use or layout. The existence  
22          of incompatible land-use relationships, buildings  
23          occupied by inappropriate mixed-uses, or uses  
24          considered to be noxious, offensive, or unsuitable for  
25          the surrounding area.

26          (K) Environmental clean-up. The proposed

1 redevelopment project area has incurred Illinois  
2 Environmental Protection Agency or United States  
3 Environmental Protection Agency remediation costs for,  
4 or a study conducted by an independent consultant  
5 recognized as having expertise in environmental  
6 remediation has determined a need for, the clean-up of  
7 hazardous waste, hazardous substances, or underground  
8 storage tanks required by State or federal law,  
9 provided that the remediation costs constitute a  
10 material impediment to the development or  
11 redevelopment of the redevelopment project area.

12 (L) Lack of community planning. The proposed  
13 redevelopment project area was developed prior to or  
14 without the benefit or guidance of a community plan.  
15 This means that the development occurred prior to the  
16 adoption by the municipality of a comprehensive or  
17 other community plan or that the plan was not followed  
18 at the time of the area's development. This factor must  
19 be documented by evidence of adverse or incompatible  
20 land-use relationships, inadequate street layout,  
21 improper subdivision, parcels of inadequate shape and  
22 size to meet contemporary development standards, or  
23 other evidence demonstrating an absence of effective  
24 community planning.

25 (M) The total equalized assessed value of the  
26 proposed redevelopment project area has declined for 3

1 of the last 5 calendar years prior to the year in which  
2 the redevelopment project area is designated or is  
3 increasing at an annual rate that is less than the  
4 balance of the municipality for 3 of the last 5  
5 calendar years for which information is available or is  
6 increasing at an annual rate that is less than the  
7 Consumer Price Index for All Urban Consumers published  
8 by the United States Department of Labor or successor  
9 agency for 3 of the last 5 calendar years prior to the  
10 year in which the redevelopment project area is  
11 designated.

12 (2) If vacant, the sound growth of the redevelopment  
13 project area is impaired by a combination of 2 or more of  
14 the following factors, each of which is (i) present, with  
15 that presence documented, to a meaningful extent so that a  
16 municipality may reasonably find that the factor is clearly  
17 present within the intent of the Act and (ii) reasonably  
18 distributed throughout the vacant part of the  
19 redevelopment project area to which it pertains:

20 (A) Obsolete platting of vacant land that results  
21 in parcels of limited or narrow size or configurations  
22 of parcels of irregular size or shape that would be  
23 difficult to develop on a planned basis and in a manner  
24 compatible with contemporary standards and  
25 requirements, or platting that failed to create  
26 rights-of-ways for streets or alleys or that created

1 inadequate right-of-way widths for streets, alleys, or  
2 other public rights-of-way or that omitted easements  
3 for public utilities.

4 (B) Diversity of ownership of parcels of vacant  
5 land sufficient in number to retard or impede the  
6 ability to assemble the land for development.

7 (C) Tax and special assessment delinquencies exist  
8 or the property has been the subject of tax sales under  
9 the Property Tax Code within the last 5 years.

10 (D) Deterioration of structures or site  
11 improvements in neighboring areas adjacent to the  
12 vacant land.

13 (E) The area has incurred Illinois Environmental  
14 Protection Agency or United States Environmental  
15 Protection Agency remediation costs for, or a study  
16 conducted by an independent consultant recognized as  
17 having expertise in environmental remediation has  
18 determined a need for, the clean-up of hazardous waste,  
19 hazardous substances, or underground storage tanks  
20 required by State or federal law, provided that the  
21 remediation costs constitute a material impediment to  
22 the development or redevelopment of the redevelopment  
23 project area.

24 (F) The total equalized assessed value of the  
25 proposed redevelopment project area has declined for 3  
26 of the last 5 calendar years prior to the year in which

1 the redevelopment project area is designated or is  
2 increasing at an annual rate that is less than the  
3 balance of the municipality for 3 of the last 5  
4 calendar years for which information is available or is  
5 increasing at an annual rate that is less than the  
6 Consumer Price Index for All Urban Consumers published  
7 by the United States Department of Labor or successor  
8 agency for 3 of the last 5 calendar years prior to the  
9 year in which the redevelopment project area is  
10 designated.

11 (3) If vacant, the sound growth of the redevelopment  
12 project area is impaired by one of the following factors  
13 that (i) is present, with that presence documented, to a  
14 meaningful extent so that a municipality may reasonably  
15 find that the factor is clearly present within the intent  
16 of the Act and (ii) is reasonably distributed throughout  
17 the vacant part of the redevelopment project area to which  
18 it pertains:

19 (A) The area consists of one or more unused  
20 quarries, mines, or strip mine ponds.

21 (B) The area consists of unused rail yards, rail  
22 tracks, or railroad rights-of-way.

23 (C) The area, prior to its designation, is subject  
24 to (i) chronic flooding that adversely impacts on real  
25 property in the area as certified by a registered  
26 professional engineer or appropriate regulatory agency

1 or (ii) surface water that discharges from all or a  
2 part of the area and contributes to flooding within the  
3 same watershed, but only if the redevelopment project  
4 provides for facilities or improvements to contribute  
5 to the alleviation of all or part of the flooding.

6 (D) The area consists of an unused or illegal  
7 disposal site containing earth, stone, building  
8 debris, or similar materials that were removed from  
9 construction, demolition, excavation, or dredge sites.

10 (E) Prior to November 1, 1999, the area is not less  
11 than 50 nor more than 100 acres and 75% of which is  
12 vacant (notwithstanding that the area has been used for  
13 commercial agricultural purposes within 5 years prior  
14 to the designation of the redevelopment project area),  
15 and the area meets at least one of the factors itemized  
16 in paragraph (1) of this subsection, the area has been  
17 designated as a town or village center by ordinance or  
18 comprehensive plan adopted prior to January 1, 1982,  
19 and the area has not been developed for that designated  
20 purpose.

21 (F) The area qualified as a blighted improved area  
22 immediately prior to becoming vacant, unless there has  
23 been substantial private investment in the immediately  
24 surrounding area.

25 (b) For any redevelopment project area that has been  
26 designated pursuant to this Section by an ordinance adopted



1 prior to November 1, 1999 (the effective date of Public Act  
2 91-478), "conservation area" shall have the meaning set forth  
3 in this Section prior to that date.

4 On and after November 1, 1999, "conservation area" means  
5 any improved area within the boundaries of a redevelopment  
6 project area located within the territorial limits of the  
7 municipality in which 50% or more of the structures in the area  
8 have an age of 35 years or more. Such an area is not yet a  
9 blighted area but because of a combination of 3 or more of the  
10 following factors is detrimental to the public safety, health,  
11 morals or welfare and such an area may become a blighted area:

12 (1) Dilapidation. An advanced state of disrepair or  
13 neglect of necessary repairs to the primary structural  
14 components of buildings or improvements in such a  
15 combination that a documented building condition analysis  
16 determines that major repair is required or the defects are  
17 so serious and so extensive that the buildings must be  
18 removed.

19 (2) Obsolescence. The condition or process of falling  
20 into disuse. Structures have become ill-suited for the  
21 original use.

22 (3) Deterioration. With respect to buildings, defects  
23 including, but not limited to, major defects in the  
24 secondary building components such as doors, windows,  
25 porches, gutters and downspouts, and fascia. With respect  
26 to surface improvements, that the condition of roadways,

1 alleys, curbs, gutters, sidewalks, off-street parking, and  
2 surface storage areas evidence deterioration, including,  
3 but not limited to, surface cracking, crumbling, potholes,  
4 depressions, loose paving material, and weeds protruding  
5 through paved surfaces.

6 (4) Presence of structures below minimum code  
7 standards. All structures that do not meet the standards of  
8 zoning, subdivision, building, fire, and other  
9 governmental codes applicable to property, but not  
10 including housing and property maintenance codes.

11 (5) Illegal use of individual structures. The use of  
12 structures in violation of applicable federal, State, or  
13 local laws, exclusive of those applicable to the presence  
14 of structures below minimum code standards.

15 (6) Excessive vacancies. The presence of buildings  
16 that are unoccupied or under-utilized and that represent an  
17 adverse influence on the area because of the frequency,  
18 extent, or duration of the vacancies.

19 (7) Lack of ventilation, light, or sanitary  
20 facilities. The absence of adequate ventilation for light  
21 or air circulation in spaces or rooms without windows, or  
22 that require the removal of dust, odor, gas, smoke, or  
23 other noxious airborne materials. Inadequate natural light  
24 and ventilation means the absence or inadequacy of  
25 skylights or windows for interior spaces or rooms and  
26 improper window sizes and amounts by room area to window

1 area ratios. Inadequate sanitary facilities refers to the  
2 absence or inadequacy of garbage storage and enclosure,  
3 bathroom facilities, hot water and kitchens, and  
4 structural inadequacies preventing ingress and egress to  
5 and from all rooms and units within a building.

6 (8) Inadequate utilities. Underground and overhead  
7 utilities such as storm sewers and storm drainage, sanitary  
8 sewers, water lines, and gas, telephone, and electrical  
9 services that are shown to be inadequate. Inadequate  
10 utilities are those that are: (i) of insufficient capacity  
11 to serve the uses in the redevelopment project area, (ii)  
12 deteriorated, antiquated, obsolete, or in disrepair, or  
13 (iii) lacking within the redevelopment project area.

14 (9) Excessive land coverage and overcrowding of  
15 structures and community facilities. The over-intensive  
16 use of property and the crowding of buildings and accessory  
17 facilities onto a site. Examples of problem conditions  
18 warranting the designation of an area as one exhibiting  
19 excessive land coverage are: the presence of buildings  
20 either improperly situated on parcels or located on parcels  
21 of inadequate size and shape in relation to present-day  
22 standards of development for health and safety and the  
23 presence of multiple buildings on a single parcel. For  
24 there to be a finding of excessive land coverage, these  
25 parcels must exhibit one or more of the following  
26 conditions: insufficient provision for light and air

1 within or around buildings, increased threat of spread of  
2 fire due to the close proximity of buildings, lack of  
3 adequate or proper access to a public right-of-way, lack of  
4 reasonably required off-street parking, or inadequate  
5 provision for loading and service.

6 (10) Deleterious land use or layout. The existence of  
7 incompatible land-use relationships, buildings occupied by  
8 inappropriate mixed-uses, or uses considered to be  
9 noxious, offensive, or unsuitable for the surrounding  
10 area.

11 (11) Lack of community planning. The proposed  
12 redevelopment project area was developed prior to or  
13 without the benefit or guidance of a community plan. This  
14 means that the development occurred prior to the adoption  
15 by the municipality of a comprehensive or other community  
16 plan or that the plan was not followed at the time of the  
17 area's development. This factor must be documented by  
18 evidence of adverse or incompatible land-use  
19 relationships, inadequate street layout, improper  
20 subdivision, parcels of inadequate shape and size to meet  
21 contemporary development standards, or other evidence  
22 demonstrating an absence of effective community planning.

23 (12) The area has incurred Illinois Environmental  
24 Protection Agency or United States Environmental  
25 Protection Agency remediation costs for, or a study  
26 conducted by an independent consultant recognized as

1           having expertise in environmental remediation has  
2           determined a need for, the clean-up of hazardous waste,  
3           hazardous substances, or underground storage tanks  
4           required by State or federal law, provided that the  
5           remediation costs constitute a material impediment to the  
6           development or redevelopment of the redevelopment project  
7           area.

8           (13) The total equalized assessed value of the proposed  
9           redevelopment project area has declined for 3 of the last 5  
10          calendar years for which information is available or is  
11          increasing at an annual rate that is less than the balance  
12          of the municipality for 3 of the last 5 calendar years for  
13          which information is available or is increasing at an  
14          annual rate that is less than the Consumer Price Index for  
15          All Urban Consumers published by the United States  
16          Department of Labor or successor agency for 3 of the last 5  
17          calendar years for which information is available.

18          (c) "Industrial park" means an area in a blighted or  
19          conservation area suitable for use by any manufacturing,  
20          industrial, research or transportation enterprise, of  
21          facilities to include but not be limited to factories, mills,  
22          processing plants, assembly plants, packing plants,  
23          fabricating plants, industrial distribution centers,  
24          warehouses, repair overhaul or service facilities, freight  
25          terminals, research facilities, test facilities or railroad  
26          facilities.

1           (d) "Industrial park conservation area" means an area  
2 within the boundaries of a redevelopment project area located  
3 within the territorial limits of a municipality that is a labor  
4 surplus municipality or within 1 1/2 miles of the territorial  
5 limits of a municipality that is a labor surplus municipality  
6 if the area is annexed to the municipality; which area is zoned  
7 as industrial no later than at the time the municipality by  
8 ordinance designates the redevelopment project area, and which  
9 area includes both vacant land suitable for use as an  
10 industrial park and a blighted area or conservation area  
11 contiguous to such vacant land.

12           (e) "Labor surplus municipality" means a municipality in  
13 which, at any time during the 6 months before the municipality  
14 by ordinance designates an industrial park conservation area,  
15 the unemployment rate was over 6% and was also 100% or more of  
16 the national average unemployment rate for that same time as  
17 published in the United States Department of Labor Bureau of  
18 Labor Statistics publication entitled "The Employment  
19 Situation" or its successor publication. For the purpose of  
20 this subsection, if unemployment rate statistics for the  
21 municipality are not available, the unemployment rate in the  
22 municipality shall be deemed to be the same as the unemployment  
23 rate in the principal county in which the municipality is  
24 located.

25           (f) "Municipality" shall mean a city, village,  
26 incorporated town, or a township that is located in the

1 unincorporated portion of a county with 3 million or more  
2 inhabitants, if the county adopted an ordinance that approved  
3 the township's redevelopment plan.

4 (g) "Initial Sales Tax Amounts" means the amount of taxes  
5 paid under the Retailers' Occupation Tax Act, Use Tax Act,  
6 Service Use Tax Act, the Service Occupation Tax Act, the  
7 Municipal Retailers' Occupation Tax Act, and the Municipal  
8 Service Occupation Tax Act by retailers and servicemen on  
9 transactions at places located in a State Sales Tax Boundary  
10 during the calendar year 1985.

11 (g-1) "Revised Initial Sales Tax Amounts" means the amount  
12 of taxes paid under the Retailers' Occupation Tax Act, Use Tax  
13 Act, Service Use Tax Act, the Service Occupation Tax Act, the  
14 Municipal Retailers' Occupation Tax Act, and the Municipal  
15 Service Occupation Tax Act by retailers and servicemen on  
16 transactions at places located within the State Sales Tax  
17 Boundary revised pursuant to Section 11-74.4-8a(9) of this Act.

18 (h) "Municipal Sales Tax Increment" means an amount equal  
19 to the increase in the aggregate amount of taxes paid to a  
20 municipality from the Local Government Tax Fund arising from  
21 sales by retailers and servicemen within the redevelopment  
22 project area or State Sales Tax Boundary, as the case may be,  
23 for as long as the redevelopment project area or State Sales  
24 Tax Boundary, as the case may be, exist over and above the  
25 aggregate amount of taxes as certified by the Illinois  
26 Department of Revenue and paid under the Municipal Retailers'

1 Occupation Tax Act and the Municipal Service Occupation Tax Act  
2 by retailers and servicemen, on transactions at places of  
3 business located in the redevelopment project area or State  
4 Sales Tax Boundary, as the case may be, during the base year  
5 which shall be the calendar year immediately prior to the year  
6 in which the municipality adopted tax increment allocation  
7 financing. For purposes of computing the aggregate amount of  
8 such taxes for base years occurring prior to 1985, the  
9 Department of Revenue shall determine the Initial Sales Tax  
10 Amounts for such taxes and deduct therefrom an amount equal to  
11 4% of the aggregate amount of taxes per year for each year the  
12 base year is prior to 1985, but not to exceed a total deduction  
13 of 12%. The amount so determined shall be known as the  
14 "Adjusted Initial Sales Tax Amounts". For purposes of  
15 determining the Municipal Sales Tax Increment, the Department  
16 of Revenue shall for each period subtract from the amount paid  
17 to the municipality from the Local Government Tax Fund arising  
18 from sales by retailers and servicemen on transactions located  
19 in the redevelopment project area or the State Sales Tax  
20 Boundary, as the case may be, the certified Initial Sales Tax  
21 Amounts, the Adjusted Initial Sales Tax Amounts or the Revised  
22 Initial Sales Tax Amounts for the Municipal Retailers'  
23 Occupation Tax Act and the Municipal Service Occupation Tax  
24 Act. For the State Fiscal Year 1989, this calculation shall be  
25 made by utilizing the calendar year 1987 to determine the tax  
26 amounts received. For the State Fiscal Year 1990, this



1 calculation shall be made by utilizing the period from January  
2 1, 1988, until September 30, 1988, to determine the tax amounts  
3 received from retailers and servicemen pursuant to the  
4 Municipal Retailers' Occupation Tax and the Municipal Service  
5 Occupation Tax Act, which shall have deducted therefrom  
6 nine-twelfths of the certified Initial Sales Tax Amounts, the  
7 Adjusted Initial Sales Tax Amounts or the Revised Initial Sales  
8 Tax Amounts as appropriate. For the State Fiscal Year 1991,  
9 this calculation shall be made by utilizing the period from  
10 October 1, 1988, to June 30, 1989, to determine the tax amounts  
11 received from retailers and servicemen pursuant to the  
12 Municipal Retailers' Occupation Tax and the Municipal Service  
13 Occupation Tax Act which shall have deducted therefrom  
14 nine-twelfths of the certified Initial Sales Tax Amounts,  
15 Adjusted Initial Sales Tax Amounts or the Revised Initial Sales  
16 Tax Amounts as appropriate. For every State Fiscal Year  
17 thereafter, the applicable period shall be the 12 months  
18 beginning July 1 and ending June 30 to determine the tax  
19 amounts received which shall have deducted therefrom the  
20 certified Initial Sales Tax Amounts, the Adjusted Initial Sales  
21 Tax Amounts or the Revised Initial Sales Tax Amounts, as the  
22 case may be.

23 (i) "Net State Sales Tax Increment" means the sum of the  
24 following: (a) 80% of the first \$100,000 of State Sales Tax  
25 Increment annually generated within a State Sales Tax Boundary;  
26 (b) 60% of the amount in excess of \$100,000 but not exceeding

1 \$500,000 of State Sales Tax Increment annually generated within  
2 a State Sales Tax Boundary; and (c) 40% of all amounts in  
3 excess of \$500,000 of State Sales Tax Increment annually  
4 generated within a State Sales Tax Boundary. If, however, a  
5 municipality established a tax increment financing district in  
6 a county with a population in excess of 3,000,000 before  
7 January 1, 1986, and the municipality entered into a contract  
8 or issued bonds after January 1, 1986, but before December 31,  
9 1986, to finance redevelopment project costs within a State  
10 Sales Tax Boundary, then the Net State Sales Tax Increment  
11 means, for the fiscal years beginning July 1, 1990, and July 1,  
12 1991, 100% of the State Sales Tax Increment annually generated  
13 within a State Sales Tax Boundary; and notwithstanding any  
14 other provision of this Act, for those fiscal years the  
15 Department of Revenue shall distribute to those municipalities  
16 100% of their Net State Sales Tax Increment before any  
17 distribution to any other municipality and regardless of  
18 whether or not those other municipalities will receive 100% of  
19 their Net State Sales Tax Increment. For Fiscal Year 1999, and  
20 every year thereafter until the year 2007, for any municipality  
21 that has not entered into a contract or has not issued bonds  
22 prior to June 1, 1988 to finance redevelopment project costs  
23 within a State Sales Tax Boundary, the Net State Sales Tax  
24 Increment shall be calculated as follows: By multiplying the  
25 Net State Sales Tax Increment by 90% in the State Fiscal Year  
26 1999; 80% in the State Fiscal Year 2000; 70% in the State

1 Fiscal Year 2001; 60% in the State Fiscal Year 2002; 50% in the  
2 State Fiscal Year 2003; 40% in the State Fiscal Year 2004; 30%  
3 in the State Fiscal Year 2005; 20% in the State Fiscal Year  
4 2006; and 10% in the State Fiscal Year 2007. No payment shall  
5 be made for State Fiscal Year 2008 and thereafter.

6 Municipalities that issued bonds in connection with a  
7 redevelopment project in a redevelopment project area within  
8 the State Sales Tax Boundary prior to July 29, 1991, or that  
9 entered into contracts in connection with a redevelopment  
10 project in a redevelopment project area before June 1, 1988,  
11 shall continue to receive their proportional share of the  
12 Illinois Tax Increment Fund distribution until the date on  
13 which the redevelopment project is completed or terminated. If,  
14 however, a municipality that issued bonds in connection with a  
15 redevelopment project in a redevelopment project area within  
16 the State Sales Tax Boundary prior to July 29, 1991 retires the  
17 bonds prior to June 30, 2007 or a municipality that entered  
18 into contracts in connection with a redevelopment project in a  
19 redevelopment project area before June 1, 1988 completes the  
20 contracts prior to June 30, 2007, then so long as the  
21 redevelopment project is not completed or is not terminated,  
22 the Net State Sales Tax Increment shall be calculated,  
23 beginning on the date on which the bonds are retired or the  
24 contracts are completed, as follows: By multiplying the Net  
25 State Sales Tax Increment by 60% in the State Fiscal Year 2002;  
26 50% in the State Fiscal Year 2003; 40% in the State Fiscal Year

1 2004; 30% in the State Fiscal Year 2005; 20% in the State  
2 Fiscal Year 2006; and 10% in the State Fiscal Year 2007. No  
3 payment shall be made for State Fiscal Year 2008 and  
4 thereafter. Refunding of any bonds issued prior to July 29,  
5 1991, shall not alter the Net State Sales Tax Increment.

6 (j) "State Utility Tax Increment Amount" means an amount  
7 equal to the aggregate increase in State electric and gas tax  
8 charges imposed on owners and tenants, other than residential  
9 customers, of properties located within the redevelopment  
10 project area under Section 9-222 of the Public Utilities Act,  
11 over and above the aggregate of such charges as certified by  
12 the Department of Revenue and paid by owners and tenants, other  
13 than residential customers, of properties within the  
14 redevelopment project area during the base year, which shall be  
15 the calendar year immediately prior to the year of the adoption  
16 of the ordinance authorizing tax increment allocation  
17 financing.

18 (k) "Net State Utility Tax Increment" means the sum of the  
19 following: (a) 80% of the first \$100,000 of State Utility Tax  
20 Increment annually generated by a redevelopment project area;  
21 (b) 60% of the amount in excess of \$100,000 but not exceeding  
22 \$500,000 of the State Utility Tax Increment annually generated  
23 by a redevelopment project area; and (c) 40% of all amounts in  
24 excess of \$500,000 of State Utility Tax Increment annually  
25 generated by a redevelopment project area. For the State Fiscal  
26 Year 1999, and every year thereafter until the year 2007, for

1 any municipality that has not entered into a contract or has  
2 not issued bonds prior to June 1, 1988 to finance redevelopment  
3 project costs within a redevelopment project area, the Net  
4 State Utility Tax Increment shall be calculated as follows: By  
5 multiplying the Net State Utility Tax Increment by 90% in the  
6 State Fiscal Year 1999; 80% in the State Fiscal Year 2000; 70%  
7 in the State Fiscal Year 2001; 60% in the State Fiscal Year  
8 2002; 50% in the State Fiscal Year 2003; 40% in the State  
9 Fiscal Year 2004; 30% in the State Fiscal Year 2005; 20% in the  
10 State Fiscal Year 2006; and 10% in the State Fiscal Year 2007.  
11 No payment shall be made for the State Fiscal Year 2008 and  
12 thereafter.

13 Municipalities that issue bonds in connection with the  
14 redevelopment project during the period from June 1, 1988 until  
15 3 years after the effective date of this Amendatory Act of 1988  
16 shall receive the Net State Utility Tax Increment, subject to  
17 appropriation, for 15 State Fiscal Years after the issuance of  
18 such bonds. For the 16th through the 20th State Fiscal Years  
19 after issuance of the bonds, the Net State Utility Tax  
20 Increment shall be calculated as follows: By multiplying the  
21 Net State Utility Tax Increment by 90% in year 16; 80% in year  
22 17; 70% in year 18; 60% in year 19; and 50% in year 20.  
23 Refunding of any bonds issued prior to June 1, 1988, shall not  
24 alter the revised Net State Utility Tax Increment payments set  
25 forth above.

26 (1) "Obligations" mean bonds, loans, debentures, notes,

1 special certificates or other evidence of indebtedness issued  
2 by the municipality to carry out a redevelopment project or to  
3 refund outstanding obligations.

4 (m) "Payment in lieu of taxes" means those estimated tax  
5 revenues from real property in a redevelopment project area  
6 derived from real property that has been acquired by a  
7 municipality which according to the redevelopment project or  
8 plan is to be used for a private use which taxing districts  
9 would have received had a municipality not acquired the real  
10 property and adopted tax increment allocation financing and  
11 which would result from levies made after the time of the  
12 adoption of tax increment allocation financing to the time the  
13 current equalized value of real property in the redevelopment  
14 project area exceeds the total initial equalized value of real  
15 property in said area.

16 (n) "Redevelopment plan" means the comprehensive program  
17 of the municipality for development or redevelopment intended  
18 by the payment of redevelopment project costs to reduce or  
19 eliminate those conditions the existence of which qualified the  
20 redevelopment project area as a "blighted area" or  
21 "conservation area" or combination thereof or "industrial park  
22 conservation area," and thereby to enhance the tax bases of the  
23 taxing districts which extend into the redevelopment project  
24 area, provided that, with respect to redevelopment project  
25 areas described in subsections (p-1) and (p-2), "redemption  
26 plan" means the comprehensive program of the affected

1 municipality for the development of qualifying transit  
2 facilities. On and after November 1, 1999 (the effective date  
3 of Public Act 91-478), no redevelopment plan may be approved or  
4 amended that includes the development of vacant land (i) with a  
5 golf course and related clubhouse and other facilities or (ii)  
6 designated by federal, State, county, or municipal government  
7 as public land for outdoor recreational activities or for  
8 nature preserves and used for that purpose within 5 years prior  
9 to the adoption of the redevelopment plan. For the purpose of  
10 this subsection, "recreational activities" is limited to mean  
11 camping and hunting. Each redevelopment plan shall set forth in  
12 writing the program to be undertaken to accomplish the  
13 objectives and shall include but not be limited to:

14 (A) an itemized list of estimated redevelopment  
15 project costs;

16 (B) evidence indicating that the redevelopment project  
17 area on the whole has not been subject to growth and  
18 development through investment by private enterprise,  
19 provided that such evidence shall not be required for any  
20 redevelopment project area located within a transit  
21 facility improvement area established pursuant to Section  
22 11-74.4-3.3;

23 (C) an assessment of any financial impact of the  
24 redevelopment project area on or any increased demand for  
25 services from any taxing district affected by the plan and  
26 any program to address such financial impact or increased

1 demand;

2 (D) the sources of funds to pay costs;

3 (E) the nature and term of the obligations to be  
4 issued;

5 (F) the most recent equalized assessed valuation of the  
6 redevelopment project area;

7 (G) an estimate as to the equalized assessed valuation  
8 after redevelopment and the general land uses to apply in  
9 the redevelopment project area;

10 (H) a commitment to fair employment practices and an  
11 affirmative action plan;

12 (I) if it concerns an industrial park conservation  
13 area, the plan shall also include a general description of  
14 any proposed developer, user and tenant of any property, a  
15 description of the type, structure and general character of  
16 the facilities to be developed, a description of the type,  
17 class and number of new employees to be employed in the  
18 operation of the facilities to be developed; and

19 (J) if property is to be annexed to the municipality,  
20 the plan shall include the terms of the annexation  
21 agreement.

22 The provisions of items (B) and (C) of this subsection (n)  
23 shall not apply to a municipality that before March 14, 1994  
24 (the effective date of Public Act 88-537) had fixed, either by  
25 its corporate authorities or by a commission designated under  
26 subsection (k) of Section 11-74.4-4, a time and place for a



1 public hearing as required by subsection (a) of Section  
2 11-74.4-5. No redevelopment plan shall be adopted unless a  
3 municipality complies with all of the following requirements:

4 (1) The municipality finds that the redevelopment  
5 project area on the whole has not been subject to growth  
6 and development through investment by private enterprise  
7 and would not reasonably be anticipated to be developed  
8 without the adoption of the redevelopment plan, provided,  
9 however, that such a finding shall not be required with  
10 respect to any redevelopment project area located within a  
11 transit facility improvement area established pursuant to  
12 Section 11-74.4-3.3.

13 (2) The municipality finds that the redevelopment plan  
14 and project conform to the comprehensive plan for the  
15 development of the municipality as a whole, or, for  
16 municipalities with a population of 100,000 or more,  
17 regardless of when the redevelopment plan and project was  
18 adopted, the redevelopment plan and project either: (i)  
19 conforms to the strategic economic development or  
20 redevelopment plan issued by the designated planning  
21 authority of the municipality, or (ii) includes land uses  
22 that have been approved by the planning commission of the  
23 municipality.

24 (3) The redevelopment plan establishes the estimated  
25 dates of completion of the redevelopment project and  
26 retirement of obligations issued to finance redevelopment

1 project costs. Those dates may not be later than the dates  
2 set forth under Section 11-74.4-3.5.

3 A municipality may by municipal ordinance amend an  
4 existing redevelopment plan to conform to this paragraph  
5 (3) as amended by Public Act 91-478, which municipal  
6 ordinance may be adopted without further hearing or notice  
7 and without complying with the procedures provided in this  
8 Act pertaining to an amendment to or the initial approval  
9 of a redevelopment plan and project and designation of a  
10 redevelopment project area.

11 (3.5) The municipality finds, in the case of an  
12 industrial park conservation area, also that the  
13 municipality is a labor surplus municipality and that the  
14 implementation of the redevelopment plan will reduce  
15 unemployment, create new jobs and by the provision of new  
16 facilities enhance the tax base of the taxing districts  
17 that extend into the redevelopment project area.

18 (4) If any incremental revenues are being utilized  
19 under Section 8(a)(1) or 8(a)(2) of this Act in  
20 redevelopment project areas approved by ordinance after  
21 January 1, 1986, the municipality finds: (a) that the  
22 redevelopment project area would not reasonably be  
23 developed without the use of such incremental revenues, and  
24 (b) that such incremental revenues will be exclusively  
25 utilized for the development of the redevelopment project  
26 area.

1           (5) If: (a) the redevelopment plan will not result in  
2 displacement of residents from 10 or more inhabited  
3 residential units, and the municipality certifies in the  
4 plan that such displacement will not result from the plan;  
5 or (b) the redevelopment plan is for a redevelopment  
6 project area located within a transit facility improvement  
7 area established pursuant to Section 11-74.4-3.3, and the  
8 applicable project is subject to the process for evaluation  
9 of environmental effects under the National Environmental  
10 Policy Act of 1969, 42 U.S.C. § 4321 et seq., then a  
11 housing impact study need not be performed. If, however,  
12 the redevelopment plan would result in the displacement of  
13 residents from 10 or more inhabited residential units, or  
14 if the redevelopment project area contains 75 or more  
15 inhabited residential units and no certification is made,  
16 then the municipality shall prepare, as part of the  
17 separate feasibility report required by subsection (a) of  
18 Section 11-74.4-5, a housing impact study.

19           Part I of the housing impact study shall include (i)  
20 data as to whether the residential units are single family  
21 or multi-family units, (ii) the number and type of rooms  
22 within the units, if that information is available, (iii)  
23 whether the units are inhabited or uninhabited, as  
24 determined not less than 45 days before the date that the  
25 ordinance or resolution required by subsection (a) of  
26 Section 11-74.4-5 is passed, and (iv) data as to the racial

1 and ethnic composition of the residents in the inhabited  
2 residential units. The data requirement as to the racial  
3 and ethnic composition of the residents in the inhabited  
4 residential units shall be deemed to be fully satisfied by  
5 data from the most recent federal census.

6 Part II of the housing impact study shall identify the  
7 inhabited residential units in the proposed redevelopment  
8 project area that are to be or may be removed. If inhabited  
9 residential units are to be removed, then the housing  
10 impact study shall identify (i) the number and location of  
11 those units that will or may be removed, (ii) the  
12 municipality's plans for relocation assistance for those  
13 residents in the proposed redevelopment project area whose  
14 residences are to be removed, (iii) the availability of  
15 replacement housing for those residents whose residences  
16 are to be removed, and shall identify the type, location,  
17 and cost of the housing, and (iv) the type and extent of  
18 relocation assistance to be provided.

19 (6) On and after November 1, 1999, the housing impact  
20 study required by paragraph (5) shall be incorporated in  
21 the redevelopment plan for the redevelopment project area.

22 (7) On and after November 1, 1999, no redevelopment  
23 plan shall be adopted, nor an existing plan amended, nor  
24 shall residential housing that is occupied by households of  
25 low-income and very low-income persons in currently  
26 existing redevelopment project areas be removed after

1 November 1, 1999 unless the redevelopment plan provides,  
2 with respect to inhabited housing units that are to be  
3 removed for households of low-income and very low-income  
4 persons, affordable housing and relocation assistance not  
5 less than that which would be provided under the federal  
6 Uniform Relocation Assistance and Real Property  
7 Acquisition Policies Act of 1970 and the regulations under  
8 that Act, including the eligibility criteria. Affordable  
9 housing may be either existing or newly constructed  
10 housing. For purposes of this paragraph (7), "low-income  
11 households", "very low-income households", and "affordable  
12 housing" have the meanings set forth in the Illinois  
13 Affordable Housing Act. The municipality shall make a good  
14 faith effort to ensure that this affordable housing is  
15 located in or near the redevelopment project area within  
16 the municipality.

17 (8) On and after November 1, 1999, if, after the  
18 adoption of the redevelopment plan for the redevelopment  
19 project area, any municipality desires to amend its  
20 redevelopment plan to remove more inhabited residential  
21 units than specified in its original redevelopment plan,  
22 that change shall be made in accordance with the procedures  
23 in subsection (c) of Section 11-74.4-5.

24 (9) For redevelopment project areas designated prior  
25 to November 1, 1999, the redevelopment plan may be amended  
26 without further joint review board meeting or hearing,

1 provided that the municipality shall give notice of any  
2 such changes by mail to each affected taxing district and  
3 registrant on the interested party registry, to authorize  
4 the municipality to expend tax increment revenues for  
5 redevelopment project costs defined by paragraphs (5) and  
6 (7.5), subparagraphs (E) and (F) of paragraph (11), and  
7 paragraph (11.5) of subsection (q) of Section 11-74.4-3, so  
8 long as the changes do not increase the total estimated  
9 redevelopment project costs set out in the redevelopment  
10 plan by more than 5% after adjustment for inflation from  
11 the date the plan was adopted.

12 (o) "Redevelopment project" means any public and private  
13 development project in furtherance of the objectives of a  
14 redevelopment plan. On and after November 1, 1999 (the  
15 effective date of Public Act 91-478), no redevelopment plan may  
16 be approved or amended that includes the development of vacant  
17 land (i) with a golf course and related clubhouse and other  
18 facilities or (ii) designated by federal, State, county, or  
19 municipal government as public land for outdoor recreational  
20 activities or for nature preserves and used for that purpose  
21 within 5 years prior to the adoption of the redevelopment plan.  
22 For the purpose of this subsection, "recreational activities"  
23 is limited to mean camping and hunting.

24 (p) "Redevelopment project area" means an area designated  
25 by the municipality, which is not less in the aggregate than 1  
26 1/2 acres and in respect to which the municipality has made a

1 finding that there exist conditions which cause the area to be  
2 classified as an industrial park conservation area or a  
3 blighted area or a conservation area, or a combination of both  
4 blighted areas and conservation areas.

5 (p-1) Notwithstanding any provision of this Act to the  
6 contrary, on and after August 25, 2009 (the effective date of  
7 Public Act 96-680), a redevelopment project area may include  
8 areas within a one-half mile radius of an existing or proposed  
9 Regional Transportation Authority Suburban Transit Access  
10 Route (STAR Line) station without a finding that the area is  
11 classified as an industrial park conservation area, a blighted  
12 area, a conservation area, or a combination thereof, but only  
13 if the municipality receives unanimous consent from the joint  
14 review board created to review the proposed redevelopment  
15 project area.

16 (p-2) Notwithstanding any provision of this Act to the  
17 contrary, on and after the effective date of this amendatory  
18 Act of the 99th General Assembly, a redevelopment project area  
19 may include areas within a transit facility improvement area  
20 that has been established pursuant to Section 11-74.4-3.3  
21 without a finding that the area is classified as an industrial  
22 park conservation area, a blighted area, a conservation area,  
23 or any combination thereof.

24 (q) "Redevelopment project costs", except for  
25 redevelopment project areas created pursuant to subsection  
26 ~~subsections~~ (p-1) or (p-2), means and includes the sum total of

1 all reasonable or necessary costs incurred or estimated to be  
2 incurred, and any such costs incidental to a redevelopment plan  
3 and a redevelopment project. Such costs include, without  
4 limitation, the following:

5 (1) Costs of studies, surveys, development of plans,  
6 and specifications, implementation and administration of  
7 the redevelopment plan including but not limited to staff  
8 and professional service costs for architectural,  
9 engineering, legal, financial, planning or other services,  
10 provided however that no charges for professional services  
11 may be based on a percentage of the tax increment  
12 collected; except that on and after November 1, 1999 (the  
13 effective date of Public Act 91-478), no contracts for  
14 professional services, excluding architectural and  
15 engineering services, may be entered into if the terms of  
16 the contract extend beyond a period of 3 years. In  
17 addition, "redevelopment project costs" shall not include  
18 lobbying expenses. After consultation with the  
19 municipality, each tax increment consultant or advisor to a  
20 municipality that plans to designate or has designated a  
21 redevelopment project area shall inform the municipality  
22 in writing of any contracts that the consultant or advisor  
23 has entered into with entities or individuals that have  
24 received, or are receiving, payments financed by tax  
25 increment revenues produced by the redevelopment project  
26 area with respect to which the consultant or advisor has



1 performed, or will be performing, service for the  
2 municipality. This requirement shall be satisfied by the  
3 consultant or advisor before the commencement of services  
4 for the municipality and thereafter whenever any other  
5 contracts with those individuals or entities are executed  
6 by the consultant or advisor;

7 (1.5) After July 1, 1999, annual administrative costs  
8 shall not include general overhead or administrative costs  
9 of the municipality that would still have been incurred by  
10 the municipality if the municipality had not designated a  
11 redevelopment project area or approved a redevelopment  
12 plan;

13 (1.6) The cost of marketing sites within the  
14 redevelopment project area to prospective businesses,  
15 developers, and investors;

16 (2) Property assembly costs, including but not limited  
17 to acquisition of land and other property, real or  
18 personal, or rights or interests therein, demolition of  
19 buildings, site preparation, site improvements that serve  
20 as an engineered barrier addressing ground level or below  
21 ground environmental contamination, including, but not  
22 limited to parking lots and other concrete or asphalt  
23 barriers, and the clearing and grading of land;

24 (3) Costs of rehabilitation, reconstruction or repair  
25 or remodeling of existing public or private buildings,  
26 fixtures, and leasehold improvements; and the cost of

1 replacing an existing public building if pursuant to the  
2 implementation of a redevelopment project the existing  
3 public building is to be demolished to use the site for  
4 private investment or devoted to a different use requiring  
5 private investment; including any direct or indirect costs  
6 relating to Green Globes or LEED certified construction  
7 elements or construction elements with an equivalent  
8 certification;

9 (4) Costs of the construction of public works or  
10 improvements, including any direct or indirect costs  
11 relating to Green Globes or LEED certified construction  
12 elements or construction elements with an equivalent  
13 certification, except that on and after November 1, 1999,  
14 redevelopment project costs shall not include the cost of  
15 constructing a new municipal public building principally  
16 used to provide offices, storage space, or conference  
17 facilities or vehicle storage, maintenance, or repair for  
18 administrative, public safety, or public works personnel  
19 and that is not intended to replace an existing public  
20 building as provided under paragraph (3) of subsection (q)  
21 of Section 11-74.4-3 unless either (i) the construction of  
22 the new municipal building implements a redevelopment  
23 project that was included in a redevelopment plan that was  
24 adopted by the municipality prior to November 1, 1999, (ii)  
25 the municipality makes a reasonable determination in the  
26 redevelopment plan, supported by information that provides

1 the basis for that determination, that the new municipal  
2 building is required to meet an increase in the need for  
3 public safety purposes anticipated to result from the  
4 implementation of the redevelopment plan, or (iii) the new  
5 municipal public building is for the storage, maintenance,  
6 or repair of transit vehicles and is located in a transit  
7 facility improvement area that has been established  
8 pursuant to Section 11-74.4-3.3;

9 (5) Costs of job training and retraining projects,  
10 including the cost of "welfare to work" programs  
11 implemented by businesses located within the redevelopment  
12 project area;

13 (6) Financing costs, including but not limited to all  
14 necessary and incidental expenses related to the issuance  
15 of obligations and which may include payment of interest on  
16 any obligations issued hereunder including interest  
17 accruing during the estimated period of construction of any  
18 redevelopment project for which such obligations are  
19 issued and for not exceeding 36 months thereafter and  
20 including reasonable reserves related thereto;

21 (7) To the extent the municipality by written agreement  
22 accepts and approves the same, all or a portion of a taxing  
23 district's capital costs resulting from the redevelopment  
24 project necessarily incurred or to be incurred within a  
25 taxing district in furtherance of the objectives of the  
26 redevelopment plan and project;

1           (7.5) For redevelopment project areas designated (or  
2           redevelopment project areas amended to add or increase the  
3           number of tax-increment-financing assisted housing units)  
4           on or after November 1, 1999, an elementary, secondary, or  
5           unit school district's increased costs attributable to  
6           assisted housing units located within the redevelopment  
7           project area for which the developer or redeveloper  
8           receives financial assistance through an agreement with  
9           the municipality or because the municipality incurs the  
10          cost of necessary infrastructure improvements within the  
11          boundaries of the assisted housing sites necessary for the  
12          completion of that housing as authorized by this Act, and  
13          which costs shall be paid by the municipality from the  
14          Special Tax Allocation Fund when the tax increment revenue  
15          is received as a result of the assisted housing units and  
16          shall be calculated annually as follows:

17                 (A) for foundation districts, excluding any school  
18                 district in a municipality with a population in excess  
19                 of 1,000,000, by multiplying the district's increase  
20                 in attendance resulting from the net increase in new  
21                 students enrolled in that school district who reside in  
22                 housing units within the redevelopment project area  
23                 that have received financial assistance through an  
24                 agreement with the municipality or because the  
25                 municipality incurs the cost of necessary  
26                 infrastructure improvements within the boundaries of

1 the housing sites necessary for the completion of that  
2 housing as authorized by this Act since the designation  
3 of the redevelopment project area by the most recently  
4 available per capita tuition cost as defined in Section  
5 10-20.12a of the School Code less any increase in  
6 general State aid as defined in Section 18-8.05 of the  
7 School Code or evidence-based funding as defined in  
8 Section 18-8.15 of the School Code attributable to  
9 these added new students subject to the following  
10 annual limitations:

11 (i) for unit school districts with a district  
12 average 1995-96 Per Capita Tuition Charge of less  
13 than \$5,900, no more than 25% of the total amount  
14 of property tax increment revenue produced by  
15 those housing units that have received tax  
16 increment finance assistance under this Act;

17 (ii) for elementary school districts with a  
18 district average 1995-96 Per Capita Tuition Charge  
19 of less than \$5,900, no more than 17% of the total  
20 amount of property tax increment revenue produced  
21 by those housing units that have received tax  
22 increment finance assistance under this Act; and

23 (iii) for secondary school districts with a  
24 district average 1995-96 Per Capita Tuition Charge  
25 of less than \$5,900, no more than 8% of the total  
26 amount of property tax increment revenue produced

1           by those housing units that have received tax  
2           increment finance assistance under this Act.

3           (B) For alternate method districts, flat grant  
4           districts, and foundation districts with a district  
5           average 1995-96 Per Capita Tuition Charge equal to or  
6           more than \$5,900, excluding any school district with a  
7           population in excess of 1,000,000, by multiplying the  
8           district's increase in attendance resulting from the  
9           net increase in new students enrolled in that school  
10          district who reside in housing units within the  
11          redevelopment project area that have received  
12          financial assistance through an agreement with the  
13          municipality or because the municipality incurs the  
14          cost of necessary infrastructure improvements within  
15          the boundaries of the housing sites necessary for the  
16          completion of that housing as authorized by this Act  
17          since the designation of the redevelopment project  
18          area by the most recently available per capita tuition  
19          cost as defined in Section 10-20.12a of the School Code  
20          less any increase in general state aid as defined in  
21          Section 18-8.05 of the School Code or evidence-based  
22          funding as defined in Section 18-8.15 of the School  
23          Code attributable to these added new students subject  
24          to the following annual limitations:

25                   (i) for unit school districts, no more than 40%  
26                   of the total amount of property tax increment

1 revenue produced by those housing units that have  
2 received tax increment finance assistance under  
3 this Act;

4 (ii) for elementary school districts, no more  
5 than 27% of the total amount of property tax  
6 increment revenue produced by those housing units  
7 that have received tax increment finance  
8 assistance under this Act; and

9 (iii) for secondary school districts, no more  
10 than 13% of the total amount of property tax  
11 increment revenue produced by those housing units  
12 that have received tax increment finance  
13 assistance under this Act.

14 (C) For any school district in a municipality with  
15 a population in excess of 1,000,000, the following  
16 restrictions shall apply to the reimbursement of  
17 increased costs under this paragraph (7.5):

18 (i) no increased costs shall be reimbursed  
19 unless the school district certifies that each of  
20 the schools affected by the assisted housing  
21 project is at or over its student capacity;

22 (ii) the amount reimbursable shall be reduced  
23 by the value of any land donated to the school  
24 district by the municipality or developer, and by  
25 the value of any physical improvements made to the  
26 schools by the municipality or developer; and

1 (iii) the amount reimbursed may not affect  
2 amounts otherwise obligated by the terms of any  
3 bonds, notes, or other funding instruments, or the  
4 terms of any redevelopment agreement.

5 Any school district seeking payment under this  
6 paragraph (7.5) shall, after July 1 and before  
7 September 30 of each year, provide the municipality  
8 with reasonable evidence to support its claim for  
9 reimbursement before the municipality shall be  
10 required to approve or make the payment to the school  
11 district. If the school district fails to provide the  
12 information during this period in any year, it shall  
13 forfeit any claim to reimbursement for that year.  
14 School districts may adopt a resolution waiving the  
15 right to all or a portion of the reimbursement  
16 otherwise required by this paragraph (7.5). By  
17 acceptance of this reimbursement the school district  
18 waives the right to directly or indirectly set aside,  
19 modify, or contest in any manner the establishment of  
20 the redevelopment project area or projects;

21 (7.7) For redevelopment project areas designated (or  
22 redevelopment project areas amended to add or increase the  
23 number of tax-increment-financing assisted housing units)  
24 on or after January 1, 2005 (the effective date of Public  
25 Act 93-961), a public library district's increased costs  
26 attributable to assisted housing units located within the



1 redevelopment project area for which the developer or  
2 redeveloper receives financial assistance through an  
3 agreement with the municipality or because the  
4 municipality incurs the cost of necessary infrastructure  
5 improvements within the boundaries of the assisted housing  
6 sites necessary for the completion of that housing as  
7 authorized by this Act shall be paid to the library  
8 district by the municipality from the Special Tax  
9 Allocation Fund when the tax increment revenue is received  
10 as a result of the assisted housing units. This paragraph  
11 (7.7) applies only if (i) the library district is located  
12 in a county that is subject to the Property Tax Extension  
13 Limitation Law or (ii) the library district is not located  
14 in a county that is subject to the Property Tax Extension  
15 Limitation Law but the district is prohibited by any other  
16 law from increasing its tax levy rate without a prior voter  
17 referendum.

18 The amount paid to a library district under this  
19 paragraph (7.7) shall be calculated by multiplying (i) the  
20 net increase in the number of persons eligible to obtain a  
21 library card in that district who reside in housing units  
22 within the redevelopment project area that have received  
23 financial assistance through an agreement with the  
24 municipality or because the municipality incurs the cost of  
25 necessary infrastructure improvements within the  
26 boundaries of the housing sites necessary for the

1 completion of that housing as authorized by this Act since  
2 the designation of the redevelopment project area by (ii)  
3 the per-patron cost of providing library services so long  
4 as it does not exceed \$120. The per-patron cost shall be  
5 the Total Operating Expenditures Per Capita for the library  
6 in the previous fiscal year. The municipality may deduct  
7 from the amount that it must pay to a library district  
8 under this paragraph any amount that it has voluntarily  
9 paid to the library district from the tax increment  
10 revenue. The amount paid to a library district under this  
11 paragraph (7.7) shall be no more than 2% of the amount  
12 produced by the assisted housing units and deposited into  
13 the Special Tax Allocation Fund.

14 A library district is not eligible for any payment  
15 under this paragraph (7.7) unless the library district has  
16 experienced an increase in the number of patrons from the  
17 municipality that created the tax-increment-financing  
18 district since the designation of the redevelopment  
19 project area.

20 Any library district seeking payment under this  
21 paragraph (7.7) shall, after July 1 and before September 30  
22 of each year, provide the municipality with convincing  
23 evidence to support its claim for reimbursement before the  
24 municipality shall be required to approve or make the  
25 payment to the library district. If the library district  
26 fails to provide the information during this period in any

1 year, it shall forfeit any claim to reimbursement for that  
2 year. Library districts may adopt a resolution waiving the  
3 right to all or a portion of the reimbursement otherwise  
4 required by this paragraph (7.7). By acceptance of such  
5 reimbursement, the library district shall forfeit any  
6 right to directly or indirectly set aside, modify, or  
7 contest in any manner whatsoever the establishment of the  
8 redevelopment project area or projects;

9 (8) Relocation costs to the extent that a municipality  
10 determines that relocation costs shall be paid or is  
11 required to make payment of relocation costs by federal or  
12 State law or in order to satisfy subparagraph (7) of  
13 subsection (n);

14 (9) Payment in lieu of taxes;

15 (10) Costs of job training, retraining, advanced  
16 vocational education or career education, including but  
17 not limited to courses in occupational, semi-technical or  
18 technical fields leading directly to employment, incurred  
19 by one or more taxing districts, provided that such costs  
20 (i) are related to the establishment and maintenance of  
21 additional job training, advanced vocational education or  
22 career education programs for persons employed or to be  
23 employed by employers located in a redevelopment project  
24 area; and (ii) when incurred by a taxing district or taxing  
25 districts other than the municipality, are set forth in a  
26 written agreement by or among the municipality and the

1 taxing district or taxing districts, which agreement  
2 describes the program to be undertaken, including but not  
3 limited to the number of employees to be trained, a  
4 description of the training and services to be provided,  
5 the number and type of positions available or to be  
6 available, itemized costs of the program and sources of  
7 funds to pay for the same, and the term of the agreement.  
8 Such costs include, specifically, the payment by community  
9 college districts of costs pursuant to Sections 3-37, 3-38,  
10 3-40 and 3-40.1 of the Public Community College Act and by  
11 school districts of costs pursuant to Sections 10-22.20a  
12 and 10-23.3a of the ~~The~~ School Code;

13 (11) Interest cost incurred by a redeveloper related to  
14 the construction, renovation or rehabilitation of a  
15 redevelopment project provided that:

16 (A) such costs are to be paid directly from the  
17 special tax allocation fund established pursuant to  
18 this Act;

19 (B) such payments in any one year may not exceed  
20 30% of the annual interest costs incurred by the  
21 redeveloper with regard to the redevelopment project  
22 during that year;

23 (C) if there are not sufficient funds available in  
24 the special tax allocation fund to make the payment  
25 pursuant to this paragraph (11) then the amounts so due  
26 shall accrue and be payable when sufficient funds are

1 available in the special tax allocation fund;

2 (D) the total of such interest payments paid  
3 pursuant to this Act may not exceed 30% of the total  
4 (i) cost paid or incurred by the redeveloper for the  
5 redevelopment project plus (ii) redevelopment project  
6 costs excluding any property assembly costs and any  
7 relocation costs incurred by a municipality pursuant  
8 to this Act; ~~and~~

9 (E) the cost limits set forth in subparagraphs (B)  
10 and (D) of paragraph (11) shall be modified for the  
11 financing of rehabilitated or new housing units for  
12 low-income households and very low-income households,  
13 as defined in Section 3 of the Illinois Affordable  
14 Housing Act. The percentage of 75% shall be substituted  
15 for 30% in subparagraphs (B) and (D) of paragraph (11);  
16 and-

17 (F) instead ~~instead~~ of the eligible costs provided  
18 by subparagraphs (B) and (D) of paragraph (11), as  
19 modified by this subparagraph, and notwithstanding any  
20 other provisions of this Act to the contrary, the  
21 municipality may pay from tax increment revenues up to  
22 50% of the cost of construction of new housing units to  
23 be occupied by low-income households and very  
24 low-income households as defined in Section 3 of the  
25 Illinois Affordable Housing Act. The cost of  
26 construction of those units may be derived from the

1 proceeds of bonds issued by the municipality under this  
2 Act or other constitutional or statutory authority or  
3 from other sources of municipal revenue that may be  
4 reimbursed from tax increment revenues or the proceeds  
5 of bonds issued to finance the construction of that  
6 housing.

7 The eligible costs provided under this  
8 subparagraph (F) of paragraph (11) shall be an eligible  
9 cost for the construction, renovation, and  
10 rehabilitation of all low and very low-income housing  
11 units, as defined in Section 3 of the Illinois  
12 Affordable Housing Act, within the redevelopment  
13 project area. If the low and very low-income units are  
14 part of a residential redevelopment project that  
15 includes units not affordable to low and very  
16 low-income households, only the low and very  
17 low-income units shall be eligible for benefits under  
18 this subparagraph (F) of paragraph (11). The standards  
19 for maintaining the occupancy by low-income households  
20 and very low-income households, as defined in Section 3  
21 of the Illinois Affordable Housing Act, of those units  
22 constructed with eligible costs made available under  
23 the provisions of this subparagraph (F) of paragraph  
24 (11) shall be established by guidelines adopted by the  
25 municipality. The responsibility for annually  
26 documenting the initial occupancy of the units by

1 low-income households and very low-income households,  
2 as defined in Section 3 of the Illinois Affordable  
3 Housing Act, shall be that of the then current owner of  
4 the property. For ownership units, the guidelines will  
5 provide, at a minimum, for a reasonable recapture of  
6 funds, or other appropriate methods designed to  
7 preserve the original affordability of the ownership  
8 units. For rental units, the guidelines will provide,  
9 at a minimum, for the affordability of rent to low and  
10 very low-income households. As units become available,  
11 they shall be rented to income-eligible tenants. The  
12 municipality may modify these guidelines from time to  
13 time; the guidelines, however, shall be in effect for  
14 as long as tax increment revenue is being used to pay  
15 for costs associated with the units or for the  
16 retirement of bonds issued to finance the units or for  
17 the life of the redevelopment project area, whichever  
18 is later;:-

19 (11.5) If the redevelopment project area is located  
20 within a municipality with a population of more than  
21 100,000, the cost of day care services for children of  
22 employees from low-income families working for businesses  
23 located within the redevelopment project area and all or a  
24 portion of the cost of operation of day care centers  
25 established by redevelopment project area businesses to  
26 serve employees from low-income families working in

1 businesses located in the redevelopment project area. For  
2 the purposes of this paragraph, "low-income families"  
3 means families whose annual income does not exceed 80% of  
4 the municipal, county, or regional median income, adjusted  
5 for family size, as the annual income and municipal,  
6 county, or regional median income are determined from time  
7 to time by the United States Department of Housing and  
8 Urban Development.

9 ~~(12)~~ Unless explicitly stated herein the cost of  
10 construction of new privately-owned buildings shall not be an  
11 eligible redevelopment project cost.

12 ~~(13)~~ After November 1, 1999 (the effective date of Public  
13 Act 91-478), none of the redevelopment project costs enumerated  
14 in this subsection shall be eligible redevelopment project  
15 costs if those costs would provide direct financial support to  
16 a retail entity initiating operations in the redevelopment  
17 project area while terminating operations at another Illinois  
18 location within 10 miles of the redevelopment project area but  
19 outside the boundaries of the redevelopment project area  
20 municipality. For purposes of this paragraph, termination  
21 means a closing of a retail operation that is directly related  
22 to the opening of the same operation or like retail entity  
23 owned or operated by more than 50% of the original ownership in  
24 a redevelopment project area, but it does not mean closing an  
25 operation for reasons beyond the control of the retail entity,  
26 as documented by the retail entity, subject to a reasonable



1 finding by the municipality that the current location contained  
2 inadequate space, had become economically obsolete, or was no  
3 longer a viable location for the retailer or serviceman.

4 ~~(14)~~ No cost shall be a redevelopment project cost in a  
5 redevelopment project area if used to demolish, remove, or  
6 substantially modify a historic resource, after August 26, 2008  
7 (the effective date of Public Act 95-934), unless no prudent  
8 and feasible alternative exists. "Historic resource" for the  
9 purpose of this paragraph ~~item (14)~~ means (i) a place or  
10 structure that is included or eligible for inclusion on the  
11 National Register of Historic Places or (ii) a contributing  
12 structure in a district on the National Register of Historic  
13 Places. This paragraph ~~item (14)~~ does not apply to a place or  
14 structure for which demolition, removal, or modification is  
15 subject to review by the preservation agency of a Certified  
16 Local Government designated as such by the National Park  
17 Service of the United States Department of the Interior.

18 If a special service area has been established pursuant to  
19 the Special Service Area Tax Act or Special Service Area Tax  
20 Law, then any tax increment revenues derived from the tax  
21 imposed pursuant to the Special Service Area Tax Act or Special  
22 Service Area Tax Law may be used within the redevelopment  
23 project area for the purposes permitted by that Act or Law as  
24 well as the purposes permitted by this Act.

25 (q-1) For redevelopment project areas created pursuant to  
26 subsection (p-1), redevelopment project costs are limited to

1 those costs in paragraph (q) that are related to the existing  
2 or proposed Regional Transportation Authority Suburban Transit  
3 Access Route (STAR Line) station.

4 (q-2) For a redevelopment project area located within a  
5 transit facility improvement area established pursuant to  
6 Section 11-74.4-3.3, redevelopment project costs means those  
7 costs described in subsection (q) that are related to the  
8 construction, reconstruction, rehabilitation, remodeling, or  
9 repair of any existing or proposed transit facility.

10 (r) "State Sales Tax Boundary" means the redevelopment  
11 project area or the amended redevelopment project area  
12 boundaries which are determined pursuant to subsection (9) of  
13 Section 11-74.4-8a of this Act. The Department of Revenue shall  
14 certify pursuant to subsection (9) of Section 11-74.4-8a the  
15 appropriate boundaries eligible for the determination of State  
16 Sales Tax Increment.

17 (s) "State Sales Tax Increment" means an amount equal to  
18 the increase in the aggregate amount of taxes paid by retailers  
19 and servicemen, other than retailers and servicemen subject to  
20 the Public Utilities Act, on transactions at places of business  
21 located within a State Sales Tax Boundary pursuant to the  
22 Retailers' Occupation Tax Act, the Use Tax Act, the Service Use  
23 Tax Act, and the Service Occupation Tax Act, except such  
24 portion of such increase that is paid into the State and Local  
25 Sales Tax Reform Fund, the Local Government Distributive Fund,  
26 the Local Government Tax Fund and the County and Mass Transit

1 District Fund, for as long as State participation exists, over  
2 and above the Initial Sales Tax Amounts, Adjusted Initial Sales  
3 Tax Amounts or the Revised Initial Sales Tax Amounts for such  
4 taxes as certified by the Department of Revenue and paid under  
5 those Acts by retailers and servicemen on transactions at  
6 places of business located within the State Sales Tax Boundary  
7 during the base year which shall be the calendar year  
8 immediately prior to the year in which the municipality adopted  
9 tax increment allocation financing, less 3.0% of such amounts  
10 generated under the Retailers' Occupation Tax Act, Use Tax Act  
11 and Service Use Tax Act and the Service Occupation Tax Act,  
12 which sum shall be appropriated to the Department of Revenue to  
13 cover its costs of administering and enforcing this Section.  
14 For purposes of computing the aggregate amount of such taxes  
15 for base years occurring prior to 1985, the Department of  
16 Revenue shall compute the Initial Sales Tax Amount for such  
17 taxes and deduct therefrom an amount equal to 4% of the  
18 aggregate amount of taxes per year for each year the base year  
19 is prior to 1985, but not to exceed a total deduction of 12%.  
20 The amount so determined shall be known as the "Adjusted  
21 Initial Sales Tax Amount". For purposes of determining the  
22 State Sales Tax Increment the Department of Revenue shall for  
23 each period subtract from the tax amounts received from  
24 retailers and servicemen on transactions located in the State  
25 Sales Tax Boundary, the certified Initial Sales Tax Amounts,  
26 Adjusted Initial Sales Tax Amounts or Revised Initial Sales Tax

1 Amounts for the Retailers' Occupation Tax Act, the Use Tax Act,  
2 the Service Use Tax Act and the Service Occupation Tax Act. For  
3 the State Fiscal Year 1989 this calculation shall be made by  
4 utilizing the calendar year 1987 to determine the tax amounts  
5 received. For the State Fiscal Year 1990, this calculation  
6 shall be made by utilizing the period from January 1, 1988,  
7 until September 30, 1988, to determine the tax amounts received  
8 from retailers and servicemen, which shall have deducted  
9 therefrom nine-twelfths of the certified Initial Sales Tax  
10 Amounts, Adjusted Initial Sales Tax Amounts or the Revised  
11 Initial Sales Tax Amounts as appropriate. For the State Fiscal  
12 Year 1991, this calculation shall be made by utilizing the  
13 period from October 1, 1988, until June 30, 1989, to determine  
14 the tax amounts received from retailers and servicemen, which  
15 shall have deducted therefrom nine-twelfths of the certified  
16 Initial State Sales Tax Amounts, Adjusted Initial Sales Tax  
17 Amounts or the Revised Initial Sales Tax Amounts as  
18 appropriate. For every State Fiscal Year thereafter, the  
19 applicable period shall be the 12 months beginning July 1 and  
20 ending on June 30, to determine the tax amounts received which  
21 shall have deducted therefrom the certified Initial Sales Tax  
22 Amounts, Adjusted Initial Sales Tax Amounts or the Revised  
23 Initial Sales Tax Amounts. Municipalities intending to receive  
24 a distribution of State Sales Tax Increment must report a list  
25 of retailers to the Department of Revenue by October 31, 1988  
26 and by July 31, of each year thereafter.

1           (t) "Taxing districts" means counties, townships, cities  
2 and incorporated towns and villages, school, road, park,  
3 sanitary, mosquito abatement, forest preserve, public health,  
4 fire protection, river conservancy, tuberculosis sanitarium  
5 and any other municipal corporations or districts with the  
6 power to levy taxes.

7           (u) "Taxing districts' capital costs" means those costs of  
8 taxing districts for capital improvements that are found by the  
9 municipal corporate authorities to be necessary and directly  
10 result from the redevelopment project.

11           (v) As used in subsection (a) of Section 11-74.4-3 of this  
12 Act, "vacant land" means any parcel or combination of parcels  
13 of real property without industrial, commercial, and  
14 residential buildings which has not been used for commercial  
15 agricultural purposes within 5 years prior to the designation  
16 of the redevelopment project area, unless the parcel is  
17 included in an industrial park conservation area or the parcel  
18 has been subdivided; provided that if the parcel was part of a  
19 larger tract that has been divided into 3 or more smaller  
20 tracts that were accepted for recording during the period from  
21 1950 to 1990, then the parcel shall be deemed to have been  
22 subdivided, and all proceedings and actions of the municipality  
23 taken in that connection with respect to any previously  
24 approved or designated redevelopment project area or amended  
25 redevelopment project area are hereby validated and hereby  
26 declared to be legally sufficient for all purposes of this Act.

1 For purposes of this Section and only for land subject to the  
2 subdivision requirements of the Plat Act, land is subdivided  
3 when the original plat of the proposed Redevelopment Project  
4 Area or relevant portion thereof has been properly certified,  
5 acknowledged, approved, and recorded or filed in accordance  
6 with the Plat Act and a preliminary plat, if any, for any  
7 subsequent phases of the proposed Redevelopment Project Area or  
8 relevant portion thereof has been properly approved and filed  
9 in accordance with the applicable ordinance of the  
10 municipality.

11 (w) "Annual Total Increment" means the sum of each  
12 municipality's annual Net Sales Tax Increment and each  
13 municipality's annual Net Utility Tax Increment. The ratio of  
14 the Annual Total Increment of each municipality to the Annual  
15 Total Increment for all municipalities, as most recently  
16 calculated by the Department, shall determine the proportional  
17 shares of the Illinois Tax Increment Fund to be distributed to  
18 each municipality.

19 (x) "LEED certified" means any certification level of  
20 construction elements by a qualified Leadership in Energy and  
21 Environmental Design Accredited Professional as determined by  
22 the U.S. Green Building Council.

23 (y) "Green Globes certified" means any certification level  
24 of construction elements by a qualified Green Globes  
25 Professional as determined by the Green Building Initiative.

26 (Source: P.A. 99-792, eff. 8-12-16; revised 10-31-16.)

1 (65 ILCS 5/11-74.4-8) (from Ch. 24, par. 11-74.4-8)

2 Sec. 11-74.4-8. Tax increment allocation financing. A  
3 municipality may not adopt tax increment financing in a  
4 redevelopment project area after the effective date of this  
5 amendatory Act of 1997 that will encompass an area that is  
6 currently included in an enterprise zone created under the  
7 Illinois Enterprise Zone Act unless that municipality,  
8 pursuant to Section 5.4 of the Illinois Enterprise Zone Act,  
9 amends the enterprise zone designating ordinance to limit the  
10 eligibility for tax abatements as provided in Section 5.4.1 of  
11 the Illinois Enterprise Zone Act. A municipality, at the time a  
12 redevelopment project area is designated, may adopt tax  
13 increment allocation financing by passing an ordinance  
14 providing that the ad valorem taxes, if any, arising from the  
15 levies upon taxable real property in such redevelopment project  
16 area by taxing districts and tax rates determined in the manner  
17 provided in paragraph (c) of Section 11-74.4-9 each year after  
18 the effective date of the ordinance until redevelopment project  
19 costs and all municipal obligations financing redevelopment  
20 project costs incurred under this Division have been paid shall  
21 be divided as follows, provided, however, that with respect to  
22 any redevelopment project area located within a transit  
23 facility improvement area established pursuant to Section  
24 11-74.4-3.3 in a municipality with a population of 1,000,000 or  
25 more, ad valorem taxes, if any, arising from the levies upon

1 taxable real property in such redevelopment project area shall  
2 be allocated as specifically provided in this Section:

3 (a) That portion of taxes levied upon each taxable lot,  
4 block, tract or parcel of real property which is  
5 attributable to the lower of the current equalized assessed  
6 value or the initial equalized assessed value of each such  
7 taxable lot, block, tract or parcel of real property in the  
8 redevelopment project area shall be allocated to and when  
9 collected shall be paid by the county collector to the  
10 respective affected taxing districts in the manner  
11 required by law in the absence of the adoption of tax  
12 increment allocation financing.

13 (b) Except from a tax levied by a township to retire  
14 bonds issued to satisfy court-ordered damages, that  
15 portion, if any, of such taxes which is attributable to the  
16 increase in the current equalized assessed valuation of  
17 each taxable lot, block, tract or parcel of real property  
18 in the redevelopment project area over and above the  
19 initial equalized assessed value of each property in the  
20 project area shall be allocated to and when collected shall  
21 be paid to the municipal treasurer who shall deposit said  
22 taxes into a special fund called the special tax allocation  
23 fund of the municipality for the purpose of paying  
24 redevelopment project costs and obligations incurred in  
25 the payment thereof. In any county with a population of  
26 3,000,000 or more that has adopted a procedure for



1 collecting taxes that provides for one or more of the  
2 installments of the taxes to be billed and collected on an  
3 estimated basis, the municipal treasurer shall be paid for  
4 deposit in the special tax allocation fund of the  
5 municipality, from the taxes collected from estimated  
6 bills issued for property in the redevelopment project  
7 area, the difference between the amount actually collected  
8 from each taxable lot, block, tract, or parcel of real  
9 property within the redevelopment project area and an  
10 amount determined by multiplying the rate at which taxes  
11 were last extended against the taxable lot, block, track,  
12 or parcel of real property in the manner provided in  
13 subsection (c) of Section 11-74.4-9 by the initial  
14 equalized assessed value of the property divided by the  
15 number of installments in which real estate taxes are  
16 billed and collected within the county; provided that the  
17 payments on or before December 31, 1999 to a municipal  
18 treasurer shall be made only if each of the following  
19 conditions are met:

20 (1) The total equalized assessed value of the  
21 redevelopment project area as last determined was not  
22 less than 175% of the total initial equalized assessed  
23 value.

24 (2) Not more than 50% of the total equalized assessed  
25 value of the redevelopment project area as last  
26 determined is attributable to a piece of property

1 assigned a single real estate index number.

2 (3) The municipal clerk has certified to the county  
3 clerk that the municipality has issued its obligations  
4 to which there has been pledged the incremental  
5 property taxes of the redevelopment project area or  
6 taxes levied and collected on any or all property in  
7 the municipality or the full faith and credit of the  
8 municipality to pay or secure payment for all or a  
9 portion of the redevelopment project costs. The  
10 certification shall be filed annually no later than  
11 September 1 for the estimated taxes to be distributed  
12 in the following year; however, for the year 1992 the  
13 certification shall be made at any time on or before  
14 March 31, 1992.

15 (4) The municipality has not requested that the total  
16 initial equalized assessed value of real property be  
17 adjusted as provided in subsection (b) of Section  
18 11-74.4-9.

19 The conditions of paragraphs (1) through (4) do not  
20 apply after December 31, 1999 to payments to a municipal  
21 treasurer made by a county with 3,000,000 or more  
22 inhabitants that has adopted an estimated billing  
23 procedure for collecting taxes. If a county that has  
24 adopted the estimated billing procedure makes an erroneous  
25 overpayment of tax revenue to the municipal treasurer, then  
26 the county may seek a refund of that overpayment. The

1 county shall send the municipal treasurer a notice of  
2 liability for the overpayment on or before the mailing date  
3 of the next real estate tax bill within the county. The  
4 refund shall be limited to the amount of the overpayment.

5 It is the intent of this Division that after the  
6 effective date of this amendatory Act of 1988 a  
7 municipality's own ad valorem tax arising from levies on  
8 taxable real property be included in the determination of  
9 incremental revenue in the manner provided in paragraph (c)  
10 of Section 11-74.4-9. If the municipality does not extend  
11 such a tax, it shall annually deposit in the municipality's  
12 Special Tax Increment Fund an amount equal to 10% of the  
13 total contributions to the fund from all other taxing  
14 districts in that year. The annual 10% deposit required by  
15 this paragraph shall be limited to the actual amount of  
16 municipally produced incremental tax revenues available to  
17 the municipality from taxpayers located in the  
18 redevelopment project area in that year if: (a) the plan  
19 for the area restricts the use of the property primarily to  
20 industrial purposes, (b) the municipality establishing the  
21 redevelopment project area is a home-rule community with a  
22 1990 population of between 25,000 and 50,000, (c) the  
23 municipality is wholly located within a county with a 1990  
24 population of over 750,000 and (d) the redevelopment  
25 project area was established by the municipality prior to  
26 June 1, 1990. This payment shall be in lieu of a

1 contribution of ad valorem taxes on real property. If no  
2 such payment is made, any redevelopment project area of the  
3 municipality shall be dissolved.

4 If a municipality has adopted tax increment allocation  
5 financing by ordinance and the County Clerk thereafter  
6 certifies the "total initial equalized assessed value as  
7 adjusted" of the taxable real property within such  
8 redevelopment project area in the manner provided in  
9 paragraph (b) of Section 11-74.4-9, each year after the  
10 date of the certification of the total initial equalized  
11 assessed value as adjusted until redevelopment project  
12 costs and all municipal obligations financing  
13 redevelopment project costs have been paid the ad valorem  
14 taxes, if any, arising from the levies upon the taxable  
15 real property in such redevelopment project area by taxing  
16 districts and tax rates determined in the manner provided  
17 in paragraph (c) of Section 11-74.4-9 shall be divided as  
18 follows, provided, however, that with respect to any  
19 redevelopment project area located within a transit  
20 facility improvement area established pursuant to Section  
21 11-74.4-3.3 in a municipality with a population of  
22 1,000,000 or more, ad valorem taxes, if any, arising from  
23 the levies upon the taxable real property in such  
24 redevelopment project area shall be allocated as  
25 specifically provided in this Section:

26 (1) That portion of the taxes levied upon each taxable

1 lot, block, tract or parcel of real property which is  
2 attributable to the lower of the current equalized  
3 assessed value or "current equalized assessed value as  
4 adjusted" or the initial equalized assessed value of  
5 each such taxable lot, block, tract, or parcel of real  
6 property existing at the time tax increment financing  
7 was adopted, minus the total current homestead  
8 exemptions under Article 15 of the Property Tax Code in  
9 the redevelopment project area shall be allocated to  
10 and when collected shall be paid by the county  
11 collector to the respective affected taxing districts  
12 in the manner required by law in the absence of the  
13 adoption of tax increment allocation financing.

14 (2) That portion, if any, of such taxes which is  
15 attributable to the increase in the current equalized  
16 assessed valuation of each taxable lot, block, tract,  
17 or parcel of real property in the redevelopment project  
18 area, over and above the initial equalized assessed  
19 value of each property existing at the time tax  
20 increment financing was adopted, minus the total  
21 current homestead exemptions pertaining to each piece  
22 of property provided by Article 15 of the Property Tax  
23 Code in the redevelopment project area, shall be  
24 allocated to and when collected shall be paid to the  
25 municipal Treasurer, who shall deposit said taxes into  
26 a special fund called the special tax allocation fund

1           of the municipality for the purpose of paying  
2           redevelopment project costs and obligations incurred  
3           in the payment thereof.

4           The municipality may pledge in the ordinance the funds  
5           in and to be deposited in the special tax allocation fund  
6           for the payment of such costs and obligations. No part of  
7           the current equalized assessed valuation of each property  
8           in the redevelopment project area attributable to any  
9           increase above the total initial equalized assessed value,  
10          or the total initial equalized assessed value as adjusted,  
11          of such properties shall be used in calculating the general  
12          State ~~school~~ aid formula, provided for in Section 18-8 of  
13          the School Code, or the evidence-based funding formula,  
14          provided for in Section 18-8.15 of the School Code, until  
15          such time as all redevelopment project costs have been paid  
16          as provided for in this Section.

17          Whenever a municipality issues bonds for the purpose of  
18          financing redevelopment project costs, such municipality  
19          may provide by ordinance for the appointment of a trustee,  
20          which may be any trust company within the State, and for  
21          the establishment of such funds or accounts to be  
22          maintained by such trustee as the municipality shall deem  
23          necessary to provide for the security and payment of the  
24          bonds. If such municipality provides for the appointment of  
25          a trustee, such trustee shall be considered the assignee of  
26          any payments assigned by the municipality pursuant to such

1 ordinance and this Section. Any amounts paid to such  
2 trustee as assignee shall be deposited in the funds or  
3 accounts established pursuant to such trust agreement, and  
4 shall be held by such trustee in trust for the benefit of  
5 the holders of the bonds, and such holders shall have a  
6 lien on and a security interest in such funds or accounts  
7 so long as the bonds remain outstanding and unpaid. Upon  
8 retirement of the bonds, the trustee shall pay over any  
9 excess amounts held to the municipality for deposit in the  
10 special tax allocation fund.

11 When such redevelopment projects costs, including  
12 without limitation all municipal obligations financing  
13 redevelopment project costs incurred under this Division,  
14 have been paid, all surplus funds then remaining in the  
15 special tax allocation fund shall be distributed by being  
16 paid by the municipal treasurer to the Department of  
17 Revenue, the municipality and the county collector; first  
18 to the Department of Revenue and the municipality in direct  
19 proportion to the tax incremental revenue received from the  
20 State and the municipality, but not to exceed the total  
21 incremental revenue received from the State or the  
22 municipality less any annual surplus distribution of  
23 incremental revenue previously made; with any remaining  
24 funds to be paid to the County Collector who shall  
25 immediately thereafter pay said funds to the taxing  
26 districts in the redevelopment project area in the same

1 manner and proportion as the most recent distribution by  
2 the county collector to the affected districts of real  
3 property taxes from real property in the redevelopment  
4 project area.

5 Upon the payment of all redevelopment project costs,  
6 the retirement of obligations, the distribution of any  
7 excess monies pursuant to this Section, and final closing  
8 of the books and records of the redevelopment project area,  
9 the municipality shall adopt an ordinance dissolving the  
10 special tax allocation fund for the redevelopment project  
11 area and terminating the designation of the redevelopment  
12 project area as a redevelopment project area. Title to real  
13 or personal property and public improvements acquired by or  
14 for the municipality as a result of the redevelopment  
15 project and plan shall vest in the municipality when  
16 acquired and shall continue to be held by the municipality  
17 after the redevelopment project area has been terminated.  
18 Municipalities shall notify affected taxing districts  
19 prior to November 1 if the redevelopment project area is to  
20 be terminated by December 31 of that same year. If a  
21 municipality extends estimated dates of completion of a  
22 redevelopment project and retirement of obligations to  
23 finance a redevelopment project, as allowed by this  
24 amendatory Act of 1993, that extension shall not extend the  
25 property tax increment allocation financing authorized by  
26 this Section. Thereafter the rates of the taxing districts



1 shall be extended and taxes levied, collected and  
2 distributed in the manner applicable in the absence of the  
3 adoption of tax increment allocation financing.

4 If a municipality with a population of 1,000,000 or  
5 more has adopted by ordinance tax increment allocation  
6 financing for a redevelopment project area located in a  
7 transit facility improvement area established pursuant to  
8 Section 11-74.4-3.3, for each year after the effective date  
9 of the ordinance until redevelopment project costs and all  
10 municipal obligations financing redevelopment project  
11 costs have been paid, the ad valorem taxes, if any, arising  
12 from the levies upon the taxable real property in that  
13 redevelopment project area by taxing districts and tax  
14 rates determined in the manner provided in paragraph (c) of  
15 Section 11-74.4-9 shall be divided as follows:

16 (1) That portion of the taxes levied upon each  
17 taxable lot, block, tract or parcel of real property  
18 which is attributable to the lower of (i) the current  
19 equalized assessed value or "current equalized  
20 assessed value as adjusted" or (ii) the initial  
21 equalized assessed value of each such taxable lot,  
22 block, tract, or parcel of real property existing at  
23 the time tax increment financing was adopted, minus the  
24 total current homestead exemptions under Article 15 of  
25 the Property Tax Code in the redevelopment project area  
26 shall be allocated to and when collected shall be paid

1 by the county collector to the respective affected  
2 taxing districts in the manner required by law in the  
3 absence of the adoption of tax increment allocation  
4 financing.

5 (2) That portion, if any, of such taxes which is  
6 attributable to the increase in the current equalized  
7 assessed valuation of each taxable lot, block, tract,  
8 or parcel of real property in the redevelopment project  
9 area, over and above the initial equalized assessed  
10 value of each property existing at the time tax  
11 increment financing was adopted, minus the total  
12 current homestead exemptions pertaining to each piece  
13 of property provided by Article 15 of the Property Tax  
14 Code in the redevelopment project area, shall be  
15 allocated to and when collected shall be paid by the  
16 county collector as follows:

17 (A) First, that portion which would be payable  
18 to a school district whose boundaries are  
19 coterminous with such municipality in the absence  
20 of the adoption of tax increment allocation  
21 financing, shall be paid to such school district in  
22 the manner required by law in the absence of the  
23 adoption of tax increment allocation financing;  
24 then

25 (B) 80% of the remaining portion shall be paid  
26 to the municipal Treasurer, who shall deposit said

1 taxes into a special fund called the special tax  
2 allocation fund of the municipality for the  
3 purpose of paying redevelopment project costs and  
4 obligations incurred in the payment thereof; and  
5 then

6 (C) 20% of the remaining portion shall be paid  
7 to the respective affected taxing districts, other  
8 than the school district described in clause (a)  
9 above, in the manner required by law in the absence  
10 of the adoption of tax increment allocation  
11 financing.

12 Nothing in this Section shall be construed as relieving  
13 property in such redevelopment project areas from being  
14 assessed as provided in the Property Tax Code or as relieving  
15 owners of such property from paying a uniform rate of taxes, as  
16 required by Section 4 of Article IX of the Illinois  
17 Constitution.

18 (Source: P.A. 98-463, eff. 8-16-13; 99-792, eff. 8-12-16.)

19 (65 ILCS 5/11-74.6-35)

20 Sec. 11-74.6-35. Ordinance for tax increment allocation  
21 financing.

22 (a) A municipality, at the time a redevelopment project  
23 area is designated, may adopt tax increment allocation  
24 financing by passing an ordinance providing that the ad valorem  
25 taxes, if any, arising from the levies upon taxable real

1 property within the redevelopment project area by taxing  
2 districts and tax rates determined in the manner provided in  
3 subsection (b) of Section 11-74.6-40 each year after the  
4 effective date of the ordinance until redevelopment project  
5 costs and all municipal obligations financing redevelopment  
6 project costs incurred under this Act have been paid shall be  
7 divided as follows:

8 (1) That portion of the taxes levied upon each taxable  
9 lot, block, tract or parcel of real property that is  
10 attributable to the lower of the current equalized assessed  
11 value or the initial equalized assessed value or the  
12 updated initial equalized assessed value of each taxable  
13 lot, block, tract or parcel of real property in the  
14 redevelopment project area shall be allocated to and when  
15 collected shall be paid by the county collector to the  
16 respective affected taxing districts in the manner  
17 required by law without regard to the adoption of tax  
18 increment allocation financing.

19 (2) That portion, if any, of those taxes that is  
20 attributable to the increase in the current equalized  
21 assessed value of each taxable lot, block, tract or parcel  
22 of real property in the redevelopment project area, over  
23 and above the initial equalized assessed value or the  
24 updated initial equalized assessed value of each property  
25 in the project area, shall be allocated to and when  
26 collected shall be paid by the county collector to the

1 municipal treasurer who shall deposit that portion of those  
2 taxes into a special fund called the special tax allocation  
3 fund of the municipality for the purpose of paying  
4 redevelopment project costs and obligations incurred in  
5 the payment of those costs and obligations. In any county  
6 with a population of 3,000,000 or more that has adopted a  
7 procedure for collecting taxes that provides for one or  
8 more of the installments of the taxes to be billed and  
9 collected on an estimated basis, the municipal treasurer  
10 shall be paid for deposit in the special tax allocation  
11 fund of the municipality, from the taxes collected from  
12 estimated bills issued for property in the redevelopment  
13 project area, the difference between the amount actually  
14 collected from each taxable lot, block, tract, or parcel of  
15 real property within the redevelopment project area and an  
16 amount determined by multiplying the rate at which taxes  
17 were last extended against the taxable lot, block, track,  
18 or parcel of real property in the manner provided in  
19 subsection (b) of Section 11-74.6-40 by the initial  
20 equalized assessed value or the updated initial equalized  
21 assessed value of the property divided by the number of  
22 installments in which real estate taxes are billed and  
23 collected within the county, provided that the payments on  
24 or before December 31, 1999 to a municipal treasurer shall  
25 be made only if each of the following conditions are met:

26 (A) The total equalized assessed value of the

1 redevelopment project area as last determined was not  
2 less than 175% of the total initial equalized assessed  
3 value.

4 (B) Not more than 50% of the total equalized  
5 assessed value of the redevelopment project area as  
6 last determined is attributable to a piece of property  
7 assigned a single real estate index number.

8 (C) The municipal clerk has certified to the county  
9 clerk that the municipality has issued its obligations  
10 to which there has been pledged the incremental  
11 property taxes of the redevelopment project area or  
12 taxes levied and collected on any or all property in  
13 the municipality or the full faith and credit of the  
14 municipality to pay or secure payment for all or a  
15 portion of the redevelopment project costs. The  
16 certification shall be filed annually no later than  
17 September 1 for the estimated taxes to be distributed  
18 in the following year.

19 The conditions of paragraphs (A) through (C) do not apply  
20 after December 31, 1999 to payments to a municipal treasurer  
21 made by a county with 3,000,000 or more inhabitants that has  
22 adopted an estimated billing procedure for collecting taxes. If  
23 a county that has adopted the estimated billing procedure makes  
24 an erroneous overpayment of tax revenue to the municipal  
25 treasurer, then the county may seek a refund of that  
26 overpayment. The county shall send the municipal treasurer a

1 notice of liability for the overpayment on or before the  
2 mailing date of the next real estate tax bill within the  
3 county. The refund shall be limited to the amount of the  
4 overpayment.

5 (b) It is the intent of this Act that a municipality's own  
6 ad valorem tax arising from levies on taxable real property be  
7 included in the determination of incremental revenue in the  
8 manner provided in paragraph (b) of Section 11-74.6-40.

9 (c) If a municipality has adopted tax increment allocation  
10 financing for a redevelopment project area by ordinance and the  
11 county clerk thereafter certifies the total initial equalized  
12 assessed value or the total updated initial equalized assessed  
13 value of the taxable real property within such redevelopment  
14 project area in the manner provided in paragraph (a) or (b) of  
15 Section 11-74.6-40, each year after the date of the  
16 certification of the total initial equalized assessed value or  
17 the total updated initial equalized assessed value until  
18 redevelopment project costs and all municipal obligations  
19 financing redevelopment project costs have been paid, the ad  
20 valorem taxes, if any, arising from the levies upon the taxable  
21 real property in the redevelopment project area by taxing  
22 districts and tax rates determined in the manner provided in  
23 paragraph (b) of Section 11-74.6-40 shall be divided as  
24 follows:

25 (1) That portion of the taxes levied upon each taxable  
26 lot, block, tract or parcel of real property that is

1           attributable to the lower of the current equalized assessed  
2           value or the initial equalized assessed value, or the  
3           updated initial equalized assessed value of each parcel if  
4           the updated initial equalized assessed value of that parcel  
5           has been certified in accordance with Section 11-74.6-40,  
6           whichever has been most recently certified, of each taxable  
7           lot, block, tract, or parcel of real property existing at  
8           the time tax increment allocation financing was adopted in  
9           the redevelopment project area, shall be allocated to and  
10          when collected shall be paid by the county collector to the  
11          respective affected taxing districts in the manner  
12          required by law without regard to the adoption of tax  
13          increment allocation financing.

14           (2) That portion, if any, of those taxes that is  
15          attributable to the increase in the current equalized  
16          assessed value of each taxable lot, block, tract, or parcel  
17          of real property in the redevelopment project area, over  
18          and above the initial equalized assessed value of each  
19          property existing at the time tax increment allocation  
20          financing was adopted in the redevelopment project area, or  
21          the updated initial equalized assessed value of each parcel  
22          if the updated initial equalized assessed value of that  
23          parcel has been certified in accordance with Section  
24          11-74.6-40, shall be allocated to and when collected shall  
25          be paid to the municipal treasurer, who shall deposit those  
26          taxes into a special fund called the special tax allocation



1 fund of the municipality for the purpose of paying  
2 redevelopment project costs and obligations incurred in  
3 the payment thereof.

4 (d) The municipality may pledge in the ordinance the funds  
5 in and to be deposited in the special tax allocation fund for  
6 the payment of redevelopment project costs and obligations. No  
7 part of the current equalized assessed value of each property  
8 in the redevelopment project area attributable to any increase  
9 above the total initial equalized assessed value or the total  
10 initial updated equalized assessed value of the property, shall  
11 be used in calculating the general ~~General~~ State aid formula  
12 ~~School Aid Formula~~, provided for in Section 18-8 of the School  
13 Code, or the evidence-based funding formula, provided for in  
14 Section 18-8.15 of the School Code, until all redevelopment  
15 project costs have been paid as provided for in this Section.

16 Whenever a municipality issues bonds for the purpose of  
17 financing redevelopment project costs, that municipality may  
18 provide by ordinance for the appointment of a trustee, which  
19 may be any trust company within the State, and for the  
20 establishment of any funds or accounts to be maintained by that  
21 trustee, as the municipality deems necessary to provide for the  
22 security and payment of the bonds. If the municipality provides  
23 for the appointment of a trustee, the trustee shall be  
24 considered the assignee of any payments assigned by the  
25 municipality under that ordinance and this Section. Any amounts  
26 paid to the trustee as assignee shall be deposited into the

1 funds or accounts established under the trust agreement, and  
2 shall be held by the trustee in trust for the benefit of the  
3 holders of the bonds. The holders of those bonds shall have a  
4 lien on and a security interest in those funds or accounts  
5 while the bonds remain outstanding and unpaid. Upon retirement  
6 of the bonds, the trustee shall pay over any excess amounts  
7 held to the municipality for deposit in the special tax  
8 allocation fund.

9 When the redevelopment projects costs, including without  
10 limitation all municipal obligations financing redevelopment  
11 project costs incurred under this Law, have been paid, all  
12 surplus funds then remaining in the special tax allocation fund  
13 shall be distributed by being paid by the municipal treasurer  
14 to the municipality and the county collector; first to the  
15 municipality in direct proportion to the tax incremental  
16 revenue received from the municipality, but not to exceed the  
17 total incremental revenue received from the municipality,  
18 minus any annual surplus distribution of incremental revenue  
19 previously made. Any remaining funds shall be paid to the  
20 county collector who shall immediately distribute that payment  
21 to the taxing districts in the redevelopment project area in  
22 the same manner and proportion as the most recent distribution  
23 by the county collector to the affected districts of real  
24 property taxes from real property situated in the redevelopment  
25 project area.

26 Upon the payment of all redevelopment project costs,

1 retirement of obligations and the distribution of any excess  
2 moneys under this Section, the municipality shall adopt an  
3 ordinance dissolving the special tax allocation fund for the  
4 redevelopment project area and terminating the designation of  
5 the redevelopment project area as a redevelopment project area.  
6 Thereafter the tax levies of taxing districts shall be  
7 extended, collected and distributed in the same manner  
8 applicable before the adoption of tax increment allocation  
9 financing. Municipality shall notify affected taxing districts  
10 prior to November if the redevelopment project area is to be  
11 terminated by December 31 of that same year.

12 Nothing in this Section shall be construed as relieving  
13 property in a redevelopment project area from being assessed as  
14 provided in the Property Tax Code or as relieving owners of  
15 that property from paying a uniform rate of taxes, as required  
16 by Section 4 of Article IX of the Illinois Constitution.

17 (Source: P.A. 91-474, eff. 11-1-99.)

18 Section 40. The Economic Development Project Area Tax  
19 Increment Allocation Act of 1995 is amended by changing Section  
20 50 as follows:

21 (65 ILCS 110/50)

22 Sec. 50. Special tax allocation fund.

23 (a) If a county clerk has certified the "total initial  
24 equalized assessed value" of the taxable real property within

1 an economic development project area in the manner provided in  
2 Section 45, each year after the date of the certification by  
3 the county clerk of the "total initial equalized assessed  
4 value", until economic development project costs and all  
5 municipal obligations financing economic development project  
6 costs have been paid, the ad valorem taxes, if any, arising  
7 from the levies upon the taxable real property in the economic  
8 development project area by taxing districts and tax rates  
9 determined in the manner provided in subsection (b) of Section  
10 45 shall be divided as follows:

11 (1) That portion of the taxes levied upon each taxable  
12 lot, block, tract, or parcel of real property that is  
13 attributable to the lower of the current equalized assessed  
14 value or the initial equalized assessed value of each  
15 taxable lot, block, tract, or parcel of real property  
16 existing at the time tax increment financing was adopted  
17 shall be allocated to (and when collected shall be paid by  
18 the county collector to) the respective affected taxing  
19 districts in the manner required by law in the absence of  
20 the adoption of tax increment allocation financing.

21 (2) That portion, if any, of the taxes that is  
22 attributable to the increase in the current equalized  
23 assessed valuation of each taxable lot, block, tract, or  
24 parcel of real property in the economic development project  
25 area, over and above the initial equalized assessed value  
26 of each property existing at the time tax increment

1 financing was adopted, shall be allocated to (and when  
2 collected shall be paid to) the municipal treasurer, who  
3 shall deposit the taxes into a special fund (called the  
4 special tax allocation fund of the municipality) for the  
5 purpose of paying economic development project costs and  
6 obligations incurred in the payment of those costs.

7 (b) The municipality, by an ordinance adopting tax  
8 increment allocation financing, may pledge the monies in and to  
9 be deposited into the special tax allocation fund for the  
10 payment of obligations issued under this Act and for the  
11 payment of economic development project costs. No part of the  
12 current equalized assessed valuation of each property in the  
13 economic development project area attributable to any increase  
14 above the total initial equalized assessed value of those  
15 properties shall be used in calculating the general State  
16 ~~school~~ aid formula under Section 18-8 of the School Code or the  
17 evidence-based funding formula under Section 18-8.15 of the  
18 School Code, until all economic development projects costs have  
19 been paid as provided for in this Section.

20 (c) When the economic development projects costs,  
21 including without limitation all municipal obligations  
22 financing economic development project costs incurred under  
23 this Act, have been paid, all surplus monies then remaining in  
24 the special tax allocation fund shall be distributed by being  
25 paid by the municipal treasurer to the county collector, who  
26 shall immediately pay the monies to the taxing districts having

1 taxable property in the economic development project area in  
2 the same manner and proportion as the most recent distribution  
3 by the county collector to those taxing districts of real  
4 property taxes from real property in the economic development  
5 project area.

6 (d) Upon the payment of all economic development project  
7 costs, retirement of obligations, and distribution of any  
8 excess monies under this Section and not later than 23 years  
9 from the date of the adoption of the ordinance establishing the  
10 economic development project area, the municipality shall  
11 adopt an ordinance dissolving the special tax allocation fund  
12 for the economic development project area and terminating the  
13 designation of the economic development project area as an  
14 economic development project area. Thereafter, the rates of the  
15 taxing districts shall be extended and taxes shall be levied,  
16 collected, and distributed in the manner applicable in the  
17 absence of the adoption of tax increment allocation financing.

18 (e) Nothing in this Section shall be construed as relieving  
19 property in the economic development project areas from being  
20 assessed as provided in the Property Tax Code or as relieving  
21 owners or lessees of that property from paying a uniform rate  
22 of taxes as required by Section 4 of Article IX of the Illinois  
23 Constitution.

24 (Source: P.A. 98-463, eff. 8-16-13.)

25 Section 45. The School Code is amended by changing Sections

1 1A-8, 1B-5, 1B-6, 1B-7, 1B-8, 1C-1, 1C-2, 1D-1, 1E-20, 1F-20,  
2 1F-62, 1H-20, 1H-70, 2-3.33, 2-3.51.5, 2-3.66, 2-3.66b,  
3 2-3.84, 2-3.109a, 3-14.21, 7-14A, 10-19, 10-22.5a, 10-22.20,  
4 10-29, 11E-135, 13A-8, 13B-20.20, 13B-45, 13B-50, 13B-50.10,  
5 13B-50.15, 14-7.02, 14-7.02b, 14-13.01, 14C-1, 14C-12, 17-1,  
6 17-1.2, 17-1.5, 17-2.11, 17-2A, 18-4.3, 18-8.05, 18-8.10,  
7 18-9, 18-12, 26-16, 27-8.1, 27A-9, 27A-11, 29-5, 34-2.3, 34-18,  
8 34-18.30, and 34-43.1 and by adding Sections 17-3.6 and 18-8.15  
9 as follows:

10 (105 ILCS 5/1A-8) (from Ch. 122, par. 1A-8)

11 Sec. 1A-8. Powers of the Board in Assisting Districts  
12 Deemed in Financial Difficulties. To promote the financial  
13 integrity of school districts, the State Board of Education  
14 shall be provided the necessary powers to promote sound  
15 financial management and continue operation of the public  
16 schools.

17 (a) The State Superintendent of Education may require a  
18 school district, including any district subject to Article 34A  
19 of this Code, to share financial information relevant to a  
20 proper investigation of the district's financial condition and  
21 the delivery of appropriate State financial, technical, and  
22 consulting services to the district if the district (i) has  
23 been designated, through the State Board of Education's School  
24 District Financial Profile System, as on financial warning or  
25 financial watch status, (ii) has failed to file an annual

1 financial report, annual budget, deficit reduction plan, or  
2 other financial information as required by law, (iii) has been  
3 identified, through the district's annual audit or other  
4 financial and management information, as in serious financial  
5 difficulty in the current or next school year, or (iv) is  
6 determined to be likely to fail to fully meet any regularly  
7 scheduled, payroll-period obligations when due or any debt  
8 service payments when due or both. In addition to financial,  
9 technical, and consulting services provided by the State Board  
10 of Education, at the request of a school district, the State  
11 Superintendent may provide for an independent financial  
12 consultant to assist the district review its financial  
13 condition and options.

14 (b) The State Board of Education, after proper  
15 investigation of a district's financial condition, may certify  
16 that a district, including any district subject to Article 34A,  
17 is in financial difficulty when any of the following conditions  
18 occur:

19 (1) The district has issued school or teacher orders  
20 for wages as permitted in Sections 8-16, 32-7.2 and 34-76  
21 of this Code.

22 (2) The district has issued tax anticipation warrants  
23 or tax anticipation notes in anticipation of a second  
24 year's taxes when warrants or notes in anticipation of  
25 current year taxes are still outstanding, as authorized by  
26 Sections 17-16, 34-23, 34-59 and 34-63 of this Code, or has



1 issued short-term debt against 2 future revenue sources,  
2 such as, but not limited to, tax anticipation warrants and  
3 general State aid or evidence-based funding ~~Aid~~  
4 certificates or tax anticipation warrants and revenue  
5 anticipation notes.

6 (3) The district has for 2 consecutive years shown an  
7 excess of expenditures and other financing uses over  
8 revenues and other financing sources and beginning fund  
9 balances on its annual financial report for the aggregate  
10 totals of the Educational, Operations and Maintenance,  
11 Transportation, and Working Cash Funds.

12 (4) The district refuses to provide financial  
13 information or cooperate with the State Superintendent in  
14 an investigation of the district's financial condition.

15 (5) The district is likely to fail to fully meet any  
16 regularly scheduled, payroll-period obligations when due  
17 or any debt service payments when due or both.

18 No school district shall be certified by the State Board of  
19 Education to be in financial difficulty solely by reason of any  
20 of the above circumstances arising as a result of (i) the  
21 failure of the county to make any distribution of property tax  
22 money due the district at the time such distribution is due or  
23 (ii) the failure of this State to make timely payments of  
24 general State aid, evidence-based funding, or any of the  
25 mandated categoricals; or if the district clearly demonstrates  
26 to the satisfaction of the State Board of Education at the time

1 of its determination that such condition no longer exists. If  
2 the State Board of Education certifies that a district in a  
3 city with 500,000 inhabitants or more is in financial  
4 difficulty, the State Board shall so notify the Governor and  
5 the Mayor of the city in which the district is located. The  
6 State Board of Education may require school districts certified  
7 in financial difficulty, except those districts subject to  
8 Article 34A, to develop, adopt and submit a financial plan  
9 within 45 days after certification of financial difficulty. The  
10 financial plan shall be developed according to guidelines  
11 presented to the district by the State Board of Education  
12 within 14 days of certification. Such guidelines shall address  
13 the specific nature of each district's financial difficulties.  
14 Any proposed budget of the district shall be consistent with  
15 the financial plan submitted to and approved by the State Board  
16 of Education.

17 A district certified to be in financial difficulty, other  
18 than a district subject to Article 34A, shall report to the  
19 State Board of Education at such times and in such manner as  
20 the State Board may direct, concerning the district's  
21 compliance with each financial plan. The State Board may review  
22 the district's operations, obtain budgetary data and financial  
23 statements, require the district to produce reports, and have  
24 access to any other information in the possession of the  
25 district that it deems relevant. The State Board may issue  
26 recommendations or directives within its powers to the district

1 to assist in compliance with the financial plan. The district  
2 shall produce such budgetary data, financial statements,  
3 reports and other information and comply with such directives.  
4 If the State Board of Education determines that a district has  
5 failed to comply with its financial plan, the State Board of  
6 Education may rescind approval of the plan and appoint a  
7 Financial Oversight Panel for the district as provided in  
8 Section 1B-4. This action shall be taken only after the  
9 district has been given notice and an opportunity to appear  
10 before the State Board of Education to discuss its failure to  
11 comply with its financial plan.

12 No bonds, notes, teachers orders, tax anticipation  
13 warrants or other evidences of indebtedness shall be issued or  
14 sold by a school district or be legally binding upon or  
15 enforceable against a local board of education of a district  
16 certified to be in financial difficulty unless and until the  
17 financial plan required under this Section has been approved by  
18 the State Board of Education.

19 Any financial profile compiled and distributed by the State  
20 Board of Education in Fiscal Year 2009 or any fiscal year  
21 thereafter shall incorporate such adjustments as may be needed  
22 in the profile scores to reflect the financial effects of the  
23 inability or refusal of the State of Illinois to make timely  
24 disbursements of any general State aid, evidence-based  
25 funding, or mandated categorical aid payments due school  
26 districts or to fully reimburse school districts for mandated

1 categorical programs pursuant to reimbursement formulas  
2 provided in this School Code.

3 (Source: P.A. 96-668, eff. 8-25-09; 96-1423, eff. 8-3-10;  
4 97-429, eff. 8-16-11.)

5 (105 ILCS 5/1B-5) (from Ch. 122, par. 1B-5)

6 Sec. 1B-5. When a petition for emergency financial  
7 assistance for a school district is allowed by the State Board  
8 under Section 1B-4, the State Superintendent shall within 10  
9 days thereafter appoint 3 members to serve at the State  
10 Superintendent's pleasure on a Financial Oversight Panel for  
11 the district. The State Superintendent shall designate one of  
12 the members of the Panel to serve as its Chairman. In the event  
13 of vacancy or resignation the State Superintendent shall  
14 appoint a successor within 10 days of receiving notice thereof.

15 Members of the Panel shall be selected primarily on the  
16 basis of their experience and education in financial  
17 management, with consideration given to persons knowledgeable  
18 in education finance. A member of the Panel may not be a board  
19 member or employee of the district for which the Panel is  
20 constituted, nor may a member have a direct financial interest  
21 in that district.

22 Panel members shall serve without compensation, but may be  
23 reimbursed for travel and other necessary expenses incurred in  
24 the performance of their official duties by the State Board.  
25 The amount reimbursed Panel members for their expenses shall be

1 charged to the school district as part of any emergency  
2 financial assistance and incorporated as a part of the terms  
3 and conditions for repayment of such assistance or shall be  
4 deducted from the district's general State aid or  
5 evidence-based funding as provided in Section 1B-8.

6 The first meeting of the Panel shall be held at the call of  
7 the Chairman. The Panel may elect such other officers as it  
8 deems appropriate. The Panel shall prescribe the times and  
9 places for its meetings and the manner in which regular and  
10 special meetings may be called, and shall comply with the Open  
11 Meetings Act.

12 Two members of the Panel shall constitute a quorum, and the  
13 affirmative vote of 2 members shall be necessary for any  
14 decision or action to be taken by the Panel.

15 The Panel and the State Superintendent shall cooperate with  
16 each other in the exercise of their respective powers. The  
17 Panel shall report not later than September 1 annually to the  
18 State Board and the State Superintendent with respect to its  
19 activities and the condition of the school district for the  
20 previous fiscal year.

21 Any Financial Oversight Panel established under this  
22 Article shall remain in existence for not less than 3 years nor  
23 more than 10 years from the date the State Board grants the  
24 petition under Section 1B-4. If after 3 years the school  
25 district has repaid all of its obligations resulting from  
26 emergency State financial assistance provided under this

1 Article and has improved its financial situation, the board of  
2 education may, not more frequently than once in any 12 month  
3 period, petition the State Board to dissolve the Financial  
4 Oversight Panel, terminate the oversight responsibility, and  
5 remove the district's certification under Section 1A-8 as a  
6 district in financial difficulty. In acting on such a petition  
7 the State Board shall give additional weight to the  
8 recommendations of the State Superintendent and the Financial  
9 Oversight Panel.

10 (Source: P.A. 88-618, eff. 9-9-94.)

11 (105 ILCS 5/1B-6) (from Ch. 122, par. 1B-6)

12 Sec. 1B-6. General powers. The purpose of the Financial  
13 Oversight Panel shall be to exercise financial control over the  
14 board of education, and, when approved by the State Board and  
15 the State Superintendent of Education, to furnish financial  
16 assistance so that the board can provide public education  
17 within the board's jurisdiction while permitting the board to  
18 meet its obligations to its creditors and the holders of its  
19 notes and bonds. Except as expressly limited by this Article,  
20 the Panel shall have all powers necessary to meet its  
21 responsibilities and to carry out its purposes and the purposes  
22 of this Article, including, but not limited to, the following  
23 powers:

24 (a) to sue and be sued;

25 (b) to provide for its organization and internal

1 management;

2 (c) to appoint a Financial Administrator to serve as the  
3 chief executive officer of the Panel. The Financial  
4 Administrator may be an individual, partnership, corporation,  
5 including an accounting firm, or other entity determined by the  
6 Panel to be qualified to serve; and to appoint other officers,  
7 agents, and employees of the Panel, define their duties and  
8 qualifications and fix their compensation and employee  
9 benefits;

10 (d) to approve the local board of education appointments to  
11 the positions of treasurer in a Class I county school unit and  
12 in each school district which forms a part of a Class II county  
13 school unit but which no longer is subject to the jurisdiction  
14 and authority of a township treasurer or trustees of schools of  
15 a township because the district has withdrawn from the  
16 jurisdiction and authority of the township treasurer and the  
17 trustees of schools of the township or because those offices  
18 have been abolished as provided in subsection (b) or (c) of  
19 Section 5-1, and chief school business official, if such  
20 official is not the superintendent of the district. Either the  
21 board or the Panel may remove such treasurer or chief school  
22 business official;

23 (e) to approve any and all bonds, notes, teachers orders,  
24 tax anticipation warrants, and other evidences of indebtedness  
25 prior to issuance or sale by the school district; and  
26 notwithstanding any other provision of The School Code, as now

1 or hereafter amended, no bonds, notes, teachers orders, tax  
2 anticipation warrants or other evidences of indebtedness shall  
3 be issued or sold by the school district or be legally binding  
4 upon or enforceable against the local board of education unless  
5 and until the approval of the Panel has been received;

6 (f) to approve all property tax levies of the school  
7 district and require adjustments thereto as the Panel deems  
8 necessary or advisable;

9 (g) to require and approve a school district financial  
10 plan;

11 (h) to approve and require revisions of the school district  
12 budget;

13 (i) to approve all contracts and other obligations as the  
14 Panel deems necessary and appropriate;

15 (j) to authorize emergency State financial assistance,  
16 including requirements regarding the terms and conditions of  
17 repayment of such assistance, and to require the board of  
18 education to levy a separate local property tax, subject to the  
19 limitations of Section 1B-8, sufficient to repay such  
20 assistance consistent with the terms and conditions of  
21 repayment and the district's approved financial plan and  
22 budget;

23 (k) to request the regional superintendent to make  
24 appointments to fill all vacancies on the local school board as  
25 provided in Section 10-10;

26 (l) to recommend dissolution or reorganization of the



1 school district to the General Assembly if in the Panel's  
2 judgment the circumstances so require;

3 (m) to direct a phased reduction in the oversight  
4 responsibilities of the Financial Administrator and of the  
5 Panel as the circumstances permit;

6 (n) to determine the amount of emergency State financial  
7 assistance to be made available to the school district, and to  
8 establish an operating budget for the Panel to be supported by  
9 funds available from such assistance, with the assistance and  
10 the budget required to be approved by the State Superintendent;

11 (o) to procure insurance against any loss in such amounts  
12 and from such insurers as it deems necessary;

13 (p) to engage the services of consultants for rendering  
14 professional and technical assistance and advice on matters  
15 within the Panel's power;

16 (q) to contract for and to accept any gifts, grants or  
17 loans of funds or property or financial or other aid in any  
18 form from the federal government, State government, unit of  
19 local government, school district or any agency or  
20 instrumentality thereof, or from any other private or public  
21 source, and to comply with the terms and conditions thereof;

22 (r) to pay the expenses of its operations based on the  
23 Panel's budget as approved by the State Superintendent from  
24 emergency financial assistance funds available to the district  
25 or from deductions from the district's general State aid or  
26 evidence-based funding;

1           (s) to do any and all things necessary or convenient to  
2 carry out its purposes and exercise the powers given to the  
3 Panel by this Article; and

4           (t) to recommend the creation of a school finance authority  
5 pursuant to Article 1F of this Code.

6           (Source: P.A. 91-357, eff. 7-29-99; 92-855, eff. 12-6-02.)

7           (105 ILCS 5/1B-7) (from Ch. 122, par. 1B-7)

8           Sec. 1B-7. Financial Administrator; Powers and Duties. The  
9 Financial Administrator appointed by the Financial Oversight  
10 Panel shall serve as the Panel's chief executive officer. The  
11 Financial Administrator shall exercise the powers and duties  
12 required by the Panel, including but not limited to the  
13 following:

14           (a) to provide guidance and recommendations to the local  
15 board and officials of the school district in developing the  
16 district's financial plan and budget prior to board action;

17           (b) to direct the local board to reorganize its financial  
18 accounts, budgetary systems, and internal accounting and  
19 financial controls, in whatever manner the Panel deems  
20 appropriate to achieve greater financial responsibility and to  
21 reduce financial inefficiency, and to provide technical  
22 assistance to aid the district in accomplishing the  
23 reorganization;

24           (c) to make recommendations to the Financial Oversight  
25 Panel concerning the school district's financial plan and

1 budget, and all other matters within the scope of the Panel's  
2 authority;

3 (d) to prepare and recommend to the Panel a proposal for  
4 emergency State financial assistance for the district,  
5 including recommended terms and conditions of repayment, and an  
6 operations budget for the Panel to be funded from the emergency  
7 assistance or from deductions from the district's general State  
8 aid or evidence-based funding;

9 (e) to require the local board to prepare and submit  
10 preliminary staffing and budgetary analyses annually prior to  
11 February 1 in such manner and form as the Financial  
12 Administrator shall prescribe; and

13 (f) subject to the direction of the Panel, to do all other  
14 things necessary or convenient to carry out its purposes and  
15 exercise the powers given to the Panel under this Article.

16 (Source: P.A. 88-618, eff. 9-9-94.)

17 (105 ILCS 5/1B-8) (from Ch. 122, par. 1B-8)

18 Sec. 1B-8. There is created in the State Treasury a special  
19 fund to be known as the School District Emergency Financial  
20 Assistance Fund (the "Fund"). The School District Emergency  
21 Financial Assistance Fund shall consist of appropriations,  
22 loan repayments, grants from the federal government, and  
23 donations from any public or private source. Moneys in the Fund  
24 may be appropriated only to the Illinois Finance Authority and  
25 the State Board for those purposes authorized under this

1 Article and Articles 1F and 1H of this Code. The appropriation  
2 may be allocated and expended by the State Board for  
3 contractual services to provide technical assistance or  
4 consultation to school districts to assess their financial  
5 condition and to Financial Oversight Panels that petition for  
6 emergency financial assistance grants. The Illinois Finance  
7 Authority may provide loans to school districts which are the  
8 subject of an approved petition for emergency financial  
9 assistance under Section 1B-4, 1F-62, or 1H-65 of this Code.  
10 Neither the State Board of Education nor the Illinois Finance  
11 Authority may collect any fees for providing these services.

12 From the amount allocated to each such school district  
13 under this Article the State Board shall identify a sum  
14 sufficient to cover all approved costs of the Financial  
15 Oversight Panel established for the respective school  
16 district. If the State Board and State Superintendent of  
17 Education have not approved emergency financial assistance in  
18 conjunction with the appointment of a Financial Oversight  
19 Panel, the Panel's approved costs shall be paid from deductions  
20 from the district's general State aid or evidence-based  
21 funding.

22 The Financial Oversight Panel may prepare and file with the  
23 State Superintendent a proposal for emergency financial  
24 assistance for the school district and for its operations  
25 budget. No expenditures from the Fund shall be authorized by  
26 the State Superintendent until he or she has approved the

1 request of the Panel, either as submitted or in such lesser  
2 amount determined by the State Superintendent.

3 The maximum amount of an emergency financial assistance  
4 loan which may be allocated to any school district under this  
5 Article, including moneys necessary for the operations of the  
6 Panel, shall not exceed \$4,000 times the number of pupils  
7 enrolled in the school district during the school year ending  
8 June 30 prior to the date of approval by the State Board of the  
9 petition for emergency financial assistance, as certified to  
10 the local board and the Panel by the State Superintendent. An  
11 emergency financial assistance grant shall not exceed \$1,000  
12 times the number of such pupils. A district may receive both a  
13 loan and a grant.

14 The payment of an emergency State financial assistance  
15 grant or loan shall be subject to appropriation by the General  
16 Assembly. Payment of the emergency State financial assistance  
17 loan is subject to the applicable provisions of the Illinois  
18 Finance Authority Act. Emergency State financial assistance  
19 allocated and paid to a school district under this Article may  
20 be applied to any fund or funds from which the local board of  
21 education of that district is authorized to make expenditures  
22 by law.

23 Any emergency financial assistance grant proposed by the  
24 Financial Oversight Panel and approved by the State  
25 Superintendent may be paid in its entirety during the initial  
26 year of the Panel's existence or spread in equal or declining

1 amounts over a period of years not to exceed the period of the  
2 Panel's existence. An emergency financial assistance loan  
3 proposed by the Financial Oversight Panel and approved by the  
4 Illinois Finance Authority may be paid in its entirety during  
5 the initial year of the Panel's existence or spread in equal or  
6 declining amounts over a period of years not to exceed the  
7 period of the Panel's existence. All loans made by the Illinois  
8 Finance Authority for a school district shall be required to be  
9 repaid, with simple interest over the term of the loan at a  
10 rate equal to 50% of the one-year Constant Maturity Treasury  
11 (CMT) yield as last published by the Board of Governors of the  
12 Federal Reserve System before the date on which the district's  
13 loan is approved by the Illinois Finance Authority, not later  
14 than the date the Financial Oversight Panel ceases to exist.  
15 The Panel shall establish and the Illinois Finance Authority  
16 shall approve the terms and conditions, including the schedule,  
17 of repayments. The schedule shall provide for repayments  
18 commencing July 1 of each year or upon each fiscal year's  
19 receipt of moneys from a tax levy for emergency financial  
20 assistance. Repayment shall be incorporated into the annual  
21 budget of the school district and may be made from any fund or  
22 funds of the district in which there are moneys available. An  
23 emergency financial assistance loan to the Panel or district  
24 shall not be considered part of the calculation of a district's  
25 debt for purposes of the limitation specified in Section 19-1  
26 of this Code. Default on repayment is subject to the Illinois

1 Grant Funds Recovery Act. When moneys are repaid as provided  
2 herein they shall not be made available to the local board for  
3 further use as emergency financial assistance under this  
4 Article at any time thereafter. All repayments required to be  
5 made by a school district shall be received by the State Board  
6 and deposited in the School District Emergency Financial  
7 Assistance Fund.

8 In establishing the terms and conditions for the repayment  
9 obligation of the school district the Panel shall annually  
10 determine whether a separate local property tax levy is  
11 required. The board of any school district with a tax rate for  
12 educational purposes for the prior year of less than 120% of  
13 the maximum rate for educational purposes authorized by Section  
14 17-2 shall provide for a separate tax levy for emergency  
15 financial assistance repayment purposes. Such tax levy shall  
16 not be subject to referendum approval. The amount of the levy  
17 shall be equal to the amount necessary to meet the annual  
18 repayment obligations of the district as established by the  
19 Panel, or 20% of the amount levied for educational purposes for  
20 the prior year, whichever is less. However, no district shall  
21 be required to levy the tax if the district's operating tax  
22 rate as determined under Section 18-8, ~~or~~ 18-8.05, or 18-8.15  
23 exceeds 200% of the district's tax rate for educational  
24 purposes for the prior year.

25 (Source: P.A. 97-429, eff. 8-16-11.)

1 (105 ILCS 5/1C-1)

2 Sec. 1C-1. Purpose. The purpose of this Article is to  
3 permit greater flexibility and efficiency in the distribution  
4 and use of certain State funds available to local education  
5 agencies for the improvement of the quality of educational  
6 services pursuant to locally established priorities.

7 Through fiscal year 2017, this ~~This~~ Article does not apply  
8 to school districts having a population in excess of 500,000  
9 inhabitants.

10 (Source: P.A. 88-555, eff. 7-27-94; 89-15, eff. 5-30-95;  
11 89-397, eff. 8-20-95; 89-626, eff. 8-9-96.)

12 (105 ILCS 5/1C-2)

13 Sec. 1C-2. Block grants.

14 (a) For fiscal year 1999, and each fiscal year thereafter,  
15 the State Board of Education shall award to school districts  
16 block grants as described in subsection (c). The State Board of  
17 Education may adopt rules and regulations necessary to  
18 implement this Section. In accordance with Section 2-3.32, all  
19 state block grants are subject to an audit. Therefore, block  
20 grant receipts and block grant expenditures shall be recorded  
21 to the appropriate fund code.

22 (b) (Blank).

23 (c) An Early Childhood Education Block Grant shall be  
24 created by combining the following programs: Preschool  
25 Education, Parental Training and Prevention Initiative. These



1 funds shall be distributed to school districts and other  
2 entities on a competitive basis, except that the State Board of  
3 Education shall award to a school district having a population  
4 exceeding 500,000 inhabitants 37% of the funds in each fiscal  
5 year. Not less than 14% of the Early Childhood Education Block  
6 Grant allocation of funds shall be used to fund programs for  
7 children ages 0-3. Beginning in Fiscal Year 2016, at least 25%  
8 of any additional Early Childhood Education Block Grant funding  
9 over and above the previous fiscal year's allocation shall be  
10 used to fund programs for children ages 0-3. Once the  
11 percentage of Early Childhood Education Block Grant funding  
12 allocated to programs for children ages 0-3 reaches 20% of the  
13 overall Early Childhood Education Block Grant allocation for a  
14 full fiscal year, thereafter in subsequent fiscal years the  
15 percentage of Early Childhood Education Block Grant funding  
16 allocated to programs for children ages 0-3 each fiscal year  
17 shall remain at least 20% of the overall Early Childhood  
18 Education Block Grant allocation. However, if, in a given  
19 fiscal year, the amount appropriated for the Early Childhood  
20 Education Block Grant is insufficient to increase the  
21 percentage of the grant to fund programs for children ages 0-3  
22 without reducing the amount of the grant for existing providers  
23 of preschool education programs, then the percentage of the  
24 grant to fund programs for children ages 0-3 may be held steady  
25 instead of increased.

26 (Source: P.A. 98-645, eff. 7-1-14; 99-589, eff. 7-21-16.)

1 (105 ILCS 5/1D-1)

2 Sec. 1D-1. Block grant funding.

3 (a) For fiscal year 1996 through fiscal year 2017 ~~and each~~  
4 ~~fiscal year thereafter~~, the State Board of Education shall  
5 award to a school district having a population exceeding  
6 500,000 inhabitants a general education block grant and an  
7 educational services block grant, determined as provided in  
8 this Section, in lieu of distributing to the district separate  
9 State funding for the programs described in subsections (b) and  
10 (c). The provisions of this Section, however, do not apply to  
11 any federal funds that the district is entitled to receive. In  
12 accordance with Section 2-3.32, all block grants are subject to  
13 an audit. Therefore, block grant receipts and block grant  
14 expenditures shall be recorded to the appropriate fund code for  
15 the designated block grant.

16 (b) The general education block grant shall include the  
17 following programs: REI Initiative, Summer Bridges, Preschool  
18 At Risk, K-6 Comprehensive Arts, School Improvement Support,  
19 Urban Education, Scientific Literacy, Substance Abuse  
20 Prevention, Second Language Planning, Staff Development,  
21 Outcomes and Assessment, K-6 Reading Improvement, 7-12  
22 Continued Reading Improvement, Truants' Optional Education,  
23 Hispanic Programs, Agriculture Education, Parental Education,  
24 Prevention Initiative, Report Cards, and Criminal Background  
25 Investigations. Notwithstanding any other provision of law,

1 all amounts paid under the general education block grant from  
2 State appropriations to a school district in a city having a  
3 population exceeding 500,000 inhabitants shall be appropriated  
4 and expended by the board of that district for any of the  
5 programs included in the block grant or any of the board's  
6 lawful purposes.

7 (c) The educational services block grant shall include the  
8 following programs: Regular and Vocational Transportation,  
9 State Lunch and Free Breakfast Program, Special Education  
10 (Personnel, Transportation, Orphanage, Private Tuition),  
11 funding for children requiring special education services,  
12 Summer School, Educational Service Centers, and  
13 Administrator's Academy. This subsection (c) does not relieve  
14 the district of its obligation to provide the services required  
15 under a program that is included within the educational  
16 services block grant. It is the intention of the General  
17 Assembly in enacting the provisions of this subsection (c) to  
18 relieve the district of the administrative burdens that impede  
19 efficiency and accompany single-program funding. The General  
20 Assembly encourages the board to pursue mandate waivers  
21 pursuant to Section 2-3.25g.

22 The funding program included in the educational services  
23 block grant for funding for children requiring special  
24 education services in each fiscal year shall be treated in that  
25 fiscal year as a payment to the school district in respect of  
26 services provided or costs incurred in the prior fiscal year,

1 calculated in each case as provided in this Section. Nothing in  
2 this Section shall change the nature of payments for any  
3 program that, apart from this Section, would be or, prior to  
4 adoption or amendment of this Section, was on the basis of a  
5 payment in a fiscal year in respect of services provided or  
6 costs incurred in the prior fiscal year, calculated in each  
7 case as provided in this Section.

8 (d) For fiscal year 1996 through fiscal year 2017 ~~and each~~  
9 ~~fiscal year thereafter~~, the amount of the district's block  
10 grants shall be determined as follows: (i) with respect to each  
11 program that is included within each block grant, the district  
12 shall receive an amount equal to the same percentage of the  
13 current fiscal year appropriation made for that program as the  
14 percentage of the appropriation received by the district from  
15 the 1995 fiscal year appropriation made for that program, and  
16 (ii) the total amount that is due the district under the block  
17 grant shall be the aggregate of the amounts that the district  
18 is entitled to receive for the fiscal year with respect to each  
19 program that is included within the block grant that the State  
20 Board of Education shall award the district under this Section  
21 for that fiscal year. In the case of the Summer Bridges  
22 program, the amount of the district's block grant shall be  
23 equal to 44% of the amount of the current fiscal year  
24 appropriation made for that program.

25 (e) The district is not required to file any application or  
26 other claim in order to receive the block grants to which it is

1 entitled under this Section. The State Board of Education shall  
2 make payments to the district of amounts due under the  
3 district's block grants on a schedule determined by the State  
4 Board of Education.

5 (f) A school district to which this Section applies shall  
6 report to the State Board of Education on its use of the block  
7 grants in such form and detail as the State Board of Education  
8 may specify. In addition, the report must include the following  
9 description for the district, which must also be reported to  
10 the General Assembly: block grant allocation and expenditures  
11 by program; population and service levels by program; and  
12 administrative expenditures by program. The State Board of  
13 Education shall ensure that the reporting requirements for the  
14 district are the same as for all other school districts in this  
15 State.

16 (g) Through fiscal year 2017, this ~~This~~ paragraph provides  
17 for the treatment of block grants under Article 1C for purposes  
18 of calculating the amount of block grants for a district under  
19 this Section. Those block grants under Article 1C are, for this  
20 purpose, treated as included in the amount of appropriation for  
21 the various programs set forth in paragraph (b) above. The  
22 appropriation in each current fiscal year for each block grant  
23 under Article 1C shall be treated for these purposes as  
24 appropriations for the individual program included in that  
25 block grant. The proportion of each block grant so allocated to  
26 each such program included in it shall be the proportion which

1 the appropriation for that program was of all appropriations  
2 for such purposes now in that block grant, in fiscal 1995.

3 Payments to the school district under this Section with  
4 respect to each program for which payments to school districts  
5 generally, as of the date of this amendatory Act of the 92nd  
6 General Assembly, are on a reimbursement basis shall continue  
7 to be made to the district on a reimbursement basis, pursuant  
8 to the provisions of this Code governing those programs.

9 (h) Notwithstanding any other provision of law, any school  
10 district receiving a block grant under this Section may  
11 classify all or a portion of the funds that it receives in a  
12 particular fiscal year from any block grant authorized under  
13 this Code or from general State aid pursuant to Section 18-8.05  
14 of this Code (other than supplemental general State aid) as  
15 funds received in connection with any funding program for which  
16 it is entitled to receive funds from the State in that fiscal  
17 year (including, without limitation, any funding program  
18 referred to in subsection (c) of this Section), regardless of  
19 the source or timing of the receipt. The district may not  
20 classify more funds as funds received in connection with the  
21 funding program than the district is entitled to receive in  
22 that fiscal year for that program. Any classification by a  
23 district must be made by a resolution of its board of  
24 education. The resolution must identify the amount of any block  
25 grant or general State aid to be classified under this  
26 subsection (h) and must specify the funding program to which

1 the funds are to be treated as received in connection  
2 therewith. This resolution is controlling as to the  
3 classification of funds referenced therein. A certified copy of  
4 the resolution must be sent to the State Superintendent of  
5 Education. The resolution shall still take effect even though a  
6 copy of the resolution has not been sent to the State  
7 Superintendent of Education in a timely manner. No  
8 classification under this subsection (h) by a district shall  
9 affect the total amount or timing of money the district is  
10 entitled to receive under this Code. No classification under  
11 this subsection (h) by a district shall in any way relieve the  
12 district from or affect any requirements that otherwise would  
13 apply with respect to the block grant as provided in this  
14 Section, including any accounting of funds by source, reporting  
15 expenditures by original source and purpose, reporting  
16 requirements, or requirements of provision of services.

17 (Source: P.A. 97-238, eff. 8-2-11; 97-324, eff. 8-12-11;  
18 97-813, eff. 7-13-12.)

19 (105 ILCS 5/1E-20)

20 (This Section scheduled to be repealed in accordance with  
21 105 ILCS 5/1E-165)

22 Sec. 1E-20. Members of Authority; meetings.

23 (a) When a petition for a School Finance Authority is  
24 allowed by the State Board under Section 1E-15 of this Code,  
25 the State Superintendent shall within 10 days thereafter

1 appoint 5 members to serve on a School Finance Authority for  
2 the district. Of the initial members, 2 shall be appointed to  
3 serve a term of 2 years and 3 shall be appointed to serve a term  
4 of 3 years. Thereafter, each member shall serve for a term of 3  
5 years and until his or her successor has been appointed. The  
6 State Superintendent shall designate one of the members of the  
7 Authority to serve as its Chairperson. In the event of vacancy  
8 or resignation, the State Superintendent shall, within 10 days  
9 after receiving notice, appoint a successor to serve out that  
10 member's term. The State Superintendent may remove a member for  
11 incompetence, malfeasance, neglect of duty, or other just  
12 cause.

13 Members of the Authority shall be selected primarily on the  
14 basis of their experience and education in financial  
15 management, with consideration given to persons knowledgeable  
16 in education finance. Two members of the Authority shall be  
17 residents of the school district that the Authority serves. A  
18 member of the Authority may not be a member of the district's  
19 school board or an employee of the district nor may a member  
20 have a direct financial interest in the district.

21 Authority members shall serve without compensation, but  
22 may be reimbursed by the State Board for travel and other  
23 necessary expenses incurred in the performance of their  
24 official duties. Unless paid from bonds issued under Section  
25 1E-65 of this Code, the amount reimbursed members for their  
26 expenses shall be charged to the school district as part of any



1 emergency financial assistance and incorporated as a part of  
2 the terms and conditions for repayment of the assistance or  
3 shall be deducted from the district's general State aid or  
4 evidence-based funding as provided in Section 1B-8 of this  
5 Code.

6 The Authority may elect such officers as it deems  
7 appropriate.

8 (b) The first meeting of the Authority shall be held at the  
9 call of the Chairperson. The Authority shall prescribe the  
10 times and places for its meetings and the manner in which  
11 regular and special meetings may be called and shall comply  
12 with the Open Meetings Act.

13 Three members of the Authority shall constitute a quorum.  
14 When a vote is taken upon any measure before the Authority, a  
15 quorum being present, a majority of the votes of the members  
16 voting on the measure shall determine the outcome.

17 (Source: P.A. 92-547, eff. 6-13-02.)

18 (105 ILCS 5/1F-20)

19 (This Section scheduled to be repealed in accordance with 105  
20 ILCS 5/1F-165)

21 Sec. 1F-20. Members of Authority; meetings.

22 (a) Upon establishment of a School Finance Authority under  
23 Section 1F-15 of this Code, the State Superintendent shall  
24 within 15 days thereafter appoint 5 members to serve on a  
25 School Finance Authority for the district. Of the initial

1 members, 2 shall be appointed to serve a term of 2 years and 3  
2 shall be appointed to serve a term of 3 years. Thereafter, each  
3 member shall serve for a term of 3 years and until his or her  
4 successor has been appointed. The State Superintendent shall  
5 designate one of the members of the Authority to serve as its  
6 Chairperson. In the event of vacancy or resignation, the State  
7 Superintendent shall, within 10 days after receiving notice,  
8 appoint a successor to serve out that member's term. The State  
9 Superintendent may remove a member for incompetence,  
10 malfeasance, neglect of duty, or other just cause.

11 Members of the Authority shall be selected primarily on the  
12 basis of their experience and education in financial  
13 management, with consideration given to persons knowledgeable  
14 in education finance. Two members of the Authority shall be  
15 residents of the school district that the Authority serves. A  
16 member of the Authority may not be a member of the district's  
17 school board or an employee of the district nor may a member  
18 have a direct financial interest in the district.

19 Authority members shall be paid a stipend approved by the  
20 State Superintendent of not more than \$100 per meeting and may  
21 be reimbursed by the State Board for travel and other necessary  
22 expenses incurred in the performance of their official duties.  
23 Unless paid from bonds issued under Section 1F-65 of this Code,  
24 the amount reimbursed members for their expenses shall be  
25 charged to the school district as part of any emergency  
26 financial assistance and incorporated as a part of the terms

1 and conditions for repayment of the assistance or shall be  
2 deducted from the district's general State aid or  
3 evidence-based funding as provided in Section 1B-8 of this  
4 Code.

5 The Authority may elect such officers as it deems  
6 appropriate.

7 (b) The first meeting of the Authority shall be held at the  
8 call of the Chairperson. The Authority shall prescribe the  
9 times and places for its meetings and the manner in which  
10 regular and special meetings may be called and shall comply  
11 with the Open Meetings Act.

12 Three members of the Authority shall constitute a quorum.  
13 When a vote is taken upon any measure before the Authority, a  
14 quorum being present, a majority of the votes of the members  
15 voting on the measure shall determine the outcome.

16 (Source: P.A. 94-234, eff. 7-1-06.)

17 (105 ILCS 5/1F-62)

18 (This Section scheduled to be repealed in accordance with 105  
19 ILCS 5/1F-165)

20 Sec. 1F-62. School District Emergency Financial Assistance  
21 Fund; grants and loans.

22 (a) Moneys in the School District Emergency Financial  
23 Assistance Fund established under Section 1B-8 of this Code may  
24 be allocated and expended by the State Board as grants to  
25 provide technical and consulting services to school districts

1 to assess their financial condition and by the Illinois Finance  
2 Authority for emergency financial assistance loans to a School  
3 Finance Authority that petitions for emergency financial  
4 assistance. An emergency financial assistance loan to a School  
5 Finance Authority or borrowing from sources other than the  
6 State shall not be considered as part of the calculation of a  
7 district's debt for purposes of the limitation specified in  
8 Section 19-1 of this Code. From the amount allocated to each  
9 School Finance Authority, the State Board shall identify a sum  
10 sufficient to cover all approved costs of the School Finance  
11 Authority. If the State Board and State Superintendent have not  
12 approved emergency financial assistance in conjunction with  
13 the appointment of a School Finance Authority, the Authority's  
14 approved costs shall be paid from deductions from the  
15 district's general State aid or evidence-based funding.

16 The School Finance Authority may prepare and file with the  
17 State Superintendent a proposal for emergency financial  
18 assistance for the school district and for its operations  
19 budget. No expenditures shall be authorized by the State  
20 Superintendent until he or she has approved the proposal of the  
21 School Finance Authority, either as submitted or in such lesser  
22 amount determined by the State Superintendent.

23 (b) The amount of an emergency financial assistance loan  
24 that may be allocated to a School Finance Authority under this  
25 Article, including moneys necessary for the operations of the  
26 School Finance Authority, and borrowing from sources other than

1 the State shall not exceed, in the aggregate, \$4,000 times the  
2 number of pupils enrolled in the district during the school  
3 year ending June 30 prior to the date of approval by the State  
4 Board of the petition for emergency financial assistance, as  
5 certified to the school board and the School Finance Authority  
6 by the State Superintendent. However, this limitation does not  
7 apply to borrowing by the district secured by amounts levied by  
8 the district prior to establishment of the School Finance  
9 Authority. An emergency financial assistance grant shall not  
10 exceed \$1,000 times the number of such pupils. A district may  
11 receive both a loan and a grant.

12 (c) The payment of a State emergency financial assistance  
13 grant or loan shall be subject to appropriation by the General  
14 Assembly. State emergency financial assistance allocated and  
15 paid to a School Finance Authority under this Article may be  
16 applied to any fund or funds from which the School Finance  
17 Authority is authorized to make expenditures by law.

18 (d) Any State emergency financial assistance proposed by  
19 the School Finance Authority and approved by the State  
20 Superintendent may be paid in its entirety during the initial  
21 year of the School Finance Authority's existence or spread in  
22 equal or declining amounts over a period of years not to exceed  
23 the period of the School Finance Authority's existence. The  
24 State Superintendent shall not approve any loan to the School  
25 Finance Authority unless the School Finance Authority has been  
26 unable to borrow sufficient funds to operate the district.

1 All loan payments made from the School District Emergency  
2 Financial Assistance Fund to a School Finance Authority shall  
3 be required to be repaid not later than the date the School  
4 Finance Authority ceases to exist, with simple interest over  
5 the term of the loan at a rate equal to 50% of the one-year  
6 Constant Maturity Treasury (CMT) yield as last published by the  
7 Board of Governors of the Federal Reserve System before the  
8 date on which the School Finance Authority's loan is approved  
9 by the State Board.

10 The School Finance Authority shall establish and the  
11 Illinois Finance Authority shall approve the terms and  
12 conditions of the loan, including the schedule of repayments.  
13 The schedule shall provide for repayments commencing July 1 of  
14 each year or upon each fiscal year's receipt of moneys from a  
15 tax levy for emergency financial assistance. Repayment shall be  
16 incorporated into the annual budget of the district and may be  
17 made from any fund or funds of the district in which there are  
18 moneys available. Default on repayment is subject to the  
19 Illinois Grant Funds Recovery Act. When moneys are repaid as  
20 provided in this Section, they shall not be made available to  
21 the School Finance Authority for further use as emergency  
22 financial assistance under this Article at any time thereafter.  
23 All repayments required to be made by a School Finance  
24 Authority shall be received by the State Board and deposited in  
25 the School District Emergency Financial Assistance Fund.

26 In establishing the terms and conditions for the repayment

1 obligation of the School Finance Authority, the School Finance  
2 Authority shall annually determine whether a separate local  
3 property tax levy is required to meet that obligation. The  
4 School Finance Authority shall provide for a separate tax levy  
5 for emergency financial assistance repayment purposes. This  
6 tax levy shall not be subject to referendum approval. The  
7 amount of the levy shall not exceed the amount necessary to  
8 meet the annual emergency financial repayment obligations of  
9 the district, including principal and interest, as established  
10 by the School Finance Authority.

11 (Source: P.A. 94-234, eff. 7-1-06.)

12 (105 ILCS 5/1H-20)

13 Sec. 1H-20. Members of Panel; meetings.

14 (a) Upon establishment of a Financial Oversight Panel under  
15 Section 1H-15 of this Code, the State Superintendent shall  
16 within 15 working days thereafter appoint 5 members to serve on  
17 a Financial Oversight Panel for the district. Members appointed  
18 to the Panel shall serve at the pleasure of the State  
19 Superintendent. The State Superintendent shall designate one  
20 of the members of the Panel to serve as its Chairperson. In the  
21 event of vacancy or resignation, the State Superintendent  
22 shall, within 10 days after receiving notice, appoint a  
23 successor to serve out that member's term.

24 (b) Members of the Panel shall be selected primarily on the  
25 basis of their experience and education in financial

1 management, with consideration given to persons knowledgeable  
2 in education finance. Two members of the Panel shall be  
3 residents of the school district that the Panel serves. A  
4 member of the Panel may not be a member of the district's  
5 school board or an employee of the district nor may a member  
6 have a direct financial interest in the district.

7 (c) Panel members may be reimbursed by the State Board for  
8 travel and other necessary expenses incurred in the performance  
9 of their official duties. The amount reimbursed members for  
10 their expenses shall be charged to the school district as part  
11 of any emergency financial assistance and incorporated as a  
12 part of the terms and conditions for repayment of the  
13 assistance or shall be deducted from the district's general  
14 State aid or evidence-based funding as provided in Section  
15 1H-65 of this Code.

16 (d) With the exception of the chairperson, who shall be  
17 designated as provided in subsection (a) of this Section, the  
18 Panel may elect such officers as it deems appropriate.

19 (e) The first meeting of the Panel shall be held at the  
20 call of the Chairperson. The Panel shall prescribe the times  
21 and places for its meetings and the manner in which regular and  
22 special meetings may be called and shall comply with the Open  
23 Meetings Act. The Panel shall also comply with the Freedom of  
24 Information Act.

25 (f) Three members of the Panel shall constitute a quorum. A  
26 majority of members present is required to pass a measure.



1 (Source: P.A. 97-429, eff. 8-16-11.)

2 (105 ILCS 5/1H-70)

3 Sec. 1H-70. Tax anticipation warrants, tax anticipation  
4 notes, revenue anticipation certificates or notes, general  
5 State aid or evidence-based funding anticipation certificates,  
6 and lines of credit. With the approval of the State  
7 Superintendent and provided that the district is unable to  
8 secure short-term financing after 3 attempts, a Panel shall  
9 have the same power as a district to do the following:

10 (1) issue tax anticipation warrants under the  
11 provisions of Section 17-16 of this Code against taxes  
12 levied by either the school board or the Panel pursuant to  
13 Section 1H-25 of this Code;

14 (2) issue tax anticipation notes under the provisions  
15 of the Tax Anticipation Note Act against taxes levied by  
16 either the school board or the Panel pursuant to Section  
17 1H-25 of this Code;

18 (3) issue revenue anticipation certificates or notes  
19 under the provisions of the Revenue Anticipation Act;

20 (4) issue general State aid or evidence-based funding  
21 anticipation certificates under the provisions of Section  
22 18-18 of this Code; and

23 (5) establish and utilize lines of credit under the  
24 provisions of Section 17-17 of this Code.

25 Tax anticipation warrants, tax anticipation notes, revenue

1 anticipation certificates or notes, general State aid or  
2 evidence-based funding anticipation certificates, and lines of  
3 credit are considered borrowing from sources other than the  
4 State and are subject to Section 1H-65 of this Code.

5 (Source: P.A. 97-429, eff. 8-16-11.)

6 (105 ILCS 5/2-3.33) (from Ch. 122, par. 2-3.33)

7 Sec. 2-3.33. Recomputation of claims. To recompute within  
8 3 years from the final date for filing of a claim any claim for  
9 general State aid reimbursement to any school district and one  
10 year from the final date for filing of a claim for  
11 evidence-based funding if the claim has been found to be  
12 incorrect and to adjust subsequent claims accordingly, and to  
13 recompute and adjust any such claims within 6 years from the  
14 final date for filing when there has been an adverse court or  
15 administrative agency decision on the merits affecting the tax  
16 revenues of the school district. However, no such adjustment  
17 shall be made regarding equalized assessed valuation unless the  
18 district's equalized assessed valuation is changed by greater  
19 than \$250,000 or 2%. Any adjustments for claims recomputed for  
20 the 2016-2017 school year and prior school years shall be  
21 applied to the apportionment of evidence-based funding in  
22 Section 18-8.15 of this Code beginning in the 2017-2018 school  
23 year and thereafter. However, the recomputation of a claim for  
24 evidence-based funding for a school district shall not require  
25 the recomputation of claims for all districts, and the State

1 Board of Education shall only make recomputations of  
2 evidence-based funding for those districts where an adjustment  
3 is required.

4 Except in the case of an adverse court or administrative  
5 agency decision, no recomputation of a State aid claim shall be  
6 made pursuant to this Section as a result of a reduction in the  
7 assessed valuation of a school district from the assessed  
8 valuation of the district reported to the State Board of  
9 Education by the Department of Revenue under Section 18-8.05 or  
10 18-8.15 of this Code unless the requirements of Section 16-15  
11 of the Property Tax Code and Section 2-3.84 of this Code are  
12 complied with in all respects.

13 This paragraph applies to all requests for recomputation of  
14 a general State aid or evidence-based funding claim received  
15 after June 30, 2003. In recomputing a general State aid or  
16 evidence-based funding claim that was originally calculated  
17 using an extension limitation equalized assessed valuation  
18 under paragraph (3) of subsection (G) of Section 18-8.05 of  
19 this Code or Section 18-8.15 of this Code, a qualifying  
20 reduction in equalized assessed valuation shall be deducted  
21 from the extension limitation equalized assessed valuation  
22 that was used in calculating the original claim.

23 From the total amount of general State aid or  
24 evidence-based funding to be provided to districts,  
25 adjustments as a result of recomputation under this Section  
26 together with adjustments under Section 2-3.84 must not exceed

1 \$25 million, in the aggregate for all districts under both  
2 Sections combined, of the general State aid or evidence-based  
3 funding appropriation in any fiscal year; if necessary, amounts  
4 shall be prorated among districts. If it is necessary to  
5 prorate claims under this paragraph, then that portion of each  
6 prorated claim that is approved but not paid in the current  
7 fiscal year may be resubmitted as a valid claim in the  
8 following fiscal year.

9 (Source: P.A. 93-845, eff. 7-30-04.)

10 (105 ILCS 5/2-3.51.5)

11 Sec. 2-3.51.5. School Safety and Educational Improvement  
12 Block Grant Program. To improve the level of education and  
13 safety of students from kindergarten through grade 12 in school  
14 districts and State-recognized, non-public schools. The State  
15 Board of Education is authorized to fund a School Safety and  
16 Educational Improvement Block Grant Program.

17 (1) For school districts, the program shall provide funding  
18 for school safety, textbooks and software, electronic  
19 textbooks and the technological equipment necessary to gain  
20 access to and use electronic textbooks, teacher training and  
21 curriculum development, school improvements, school report  
22 cards under Section 10-17a, and criminal history records checks  
23 under Sections 10-21.9 and 34-18.5. For State-recognized,  
24 non-public schools, the program shall provide funding for  
25 secular textbooks and software, criminal history records

1 checks, and health and safety mandates to the extent that the  
2 funds are expended for purely secular purposes. A school  
3 district or laboratory school as defined in Section 18-8, ~~or~~  
4 18-8.05, or 18-8.15 is not required to file an application in  
5 order to receive the categorical funding to which it is  
6 entitled under this Section. Funds for the School Safety and  
7 Educational Improvement Block Grant Program shall be  
8 distributed to school districts and laboratory schools based on  
9 the prior year's best 3 months average daily attendance. Funds  
10 for the School Safety and Educational Improvement Block Grant  
11 Program shall be distributed to State-recognized, non-public  
12 schools based on the average daily attendance figure for the  
13 previous school year provided to the State Board of Education.  
14 The State Board of Education shall develop an application that  
15 requires State-recognized, non-public schools to submit  
16 average daily attendance figures. A State-recognized,  
17 non-public school must submit the application and average daily  
18 attendance figure prior to receiving funds under this Section.  
19 The State Board of Education shall promulgate rules and  
20 regulations necessary for the implementation of this program.

21 (2) Distribution of moneys to school districts and  
22 State-recognized, non-public schools shall be made in 2  
23 semi-annual installments, one payment on or before October 30,  
24 and one payment prior to April 30, of each fiscal year.

25 (3) Grants under the School Safety and Educational  
26 Improvement Block Grant Program shall be awarded provided there

1 is an appropriation for the program, and funding levels for  
2 each district shall be prorated according to the amount of the  
3 appropriation.

4 (4) The provisions of this Section are in the public  
5 interest, are for the public benefit, and serve secular public  
6 purposes.

7 (Source: P.A. 98-972, eff. 8-15-14.)

8 (105 ILCS 5/2-3.66) (from Ch. 122, par. 2-3.66)

9 Sec. 2-3.66. Truants' alternative and optional education  
10 programs. To establish projects to offer modified  
11 instructional programs or other services designed to prevent  
12 students from dropping out of school, including programs  
13 pursuant to Section 2-3.41, and to serve as a part time or full  
14 time option in lieu of regular school attendance and to award  
15 grants to local school districts, educational service regions  
16 or community college districts from appropriated funds to  
17 assist districts in establishing such projects. The education  
18 agency may operate its own program or enter into a contract  
19 with another not-for-profit entity to implement the program.  
20 The projects shall allow dropouts, up to and including age 21,  
21 potential dropouts, including truants, uninvolved, unmotivated  
22 and disaffected students, as defined by State Board of  
23 Education rules and regulations, to enroll, as an alternative  
24 to regular school attendance, in an optional education program  
25 which may be established by school board policy and is in

1 conformance with rules adopted by the State Board of Education.  
2 Truants' Alternative and Optional Education programs funded  
3 pursuant to this Section shall be planned by a student, the  
4 student's parents or legal guardians, unless the student is 18  
5 years or older, and school officials and shall culminate in an  
6 individualized optional education plan. Such plan shall focus  
7 on academic or vocational skills, or both, and may include, but  
8 not be limited to, evening school, summer school, community  
9 college courses, adult education, preparation courses for high  
10 school equivalency testing, vocational training, work  
11 experience, programs to enhance self concept and parenting  
12 courses. School districts which are awarded grants pursuant to  
13 this Section shall be authorized to provide day care services  
14 to children of students who are eligible and desire to enroll  
15 in programs established and funded under this Section, but only  
16 if and to the extent that such day care is necessary to enable  
17 those eligible students to attend and participate in the  
18 programs and courses which are conducted pursuant to this  
19 Section. School districts and regional offices of education may  
20 claim general State aid under Section 18-8.05 or evidence-based  
21 funding under Section 18-8.15 for students enrolled in truants'  
22 alternative and optional education programs, provided that  
23 such students are receiving services that are supplemental to a  
24 program leading to a high school diploma and are otherwise  
25 eligible to be claimed for general State aid under Section  
26 18-8.05 or evidence-based funding under Section 18-8.15, as

1 applicable.

2 (Source: P.A. 98-718, eff. 1-1-15.)

3 (105 ILCS 5/2-3.66b)

4 Sec. 2-3.66b. IHOPE Program.

5 (a) There is established the Illinois Hope and Opportunity  
6 Pathways through Education (IHOPE) Program. The State Board of  
7 Education shall implement and administer the IHOPE Program. The  
8 goal of the IHOPE Program is to develop a comprehensive system  
9 in this State to re-enroll significant numbers of high school  
10 dropouts in programs that will enable them to earn their high  
11 school diploma.

12 (b) The IHOPE Program shall award grants, subject to  
13 appropriation for this purpose, to educational service regions  
14 and a school district organized under Article 34 of this Code  
15 from appropriated funds to assist in establishing  
16 instructional programs and other services designed to  
17 re-enroll high school dropouts. From any funds appropriated for  
18 the IHOPE Program, the State Board of Education may use up to  
19 5% for administrative costs, including the performance of a  
20 program evaluation and the hiring of staff to implement and  
21 administer the program.

22 The IHOPE Program shall provide incentive grant funds for  
23 regional offices of education and a school district organized  
24 under Article 34 of this Code to develop partnerships with  
25 school districts, public community colleges, and community



1 groups to build comprehensive plans to re-enroll high school  
2 dropouts in their regions or districts.

3 Programs funded through the IHOPE Program shall allow high  
4 school dropouts, up to and including age 21 notwithstanding  
5 Section 26-2 of this Code, to re-enroll in an educational  
6 program in conformance with rules adopted by the State Board of  
7 Education. Programs may include without limitation  
8 comprehensive year-round programming, evening school, summer  
9 school, community college courses, adult education, vocational  
10 training, work experience, programs to enhance self-concept,  
11 and parenting courses. Any student in the IHOPE Program who  
12 wishes to earn a high school diploma must meet the  
13 prerequisites to receiving a high school diploma specified in  
14 Section 27-22 of this Code and any other graduation  
15 requirements of the student's district of residence. Any  
16 student who successfully completes the requirements for his or  
17 her graduation shall receive a diploma identifying the student  
18 as graduating from his or her district of residence.

19 (c) In order to be eligible for funding under the IHOPE  
20 Program, an interested regional office of education or a school  
21 district organized under Article 34 of this Code shall develop  
22 an IHOPE Plan to be approved by the State Board of Education.  
23 The State Board of Education shall develop rules for the IHOPE  
24 Program that shall set forth the requirements for the  
25 development of the IHOPE Plan. Each Plan shall involve school  
26 districts, public community colleges, and key community

1 programs that work with high school dropouts located in an  
2 educational service region or the City of Chicago before the  
3 Plan is sent to the State Board for approval. No funds may be  
4 distributed to a regional office of education or a school  
5 district organized under Article 34 of this Code until the  
6 State Board has approved the Plan.

7 (d) A regional office of education or a school district  
8 organized under Article 34 of this Code may operate its own  
9 program funded by the IHOPE Program or enter into a contract  
10 with other not-for-profit entities, including school  
11 districts, public community colleges, and not-for-profit  
12 community-based organizations, to operate a program.

13 A regional office of education or a school district  
14 organized under Article 34 of this Code that receives an IHOPE  
15 grant from the State Board of Education may provide funds under  
16 a sub-grant, as specified in the IHOPE Plan, to other  
17 not-for-profit entities to provide services according to the  
18 IHOPE Plan that was developed. These other entities may include  
19 school districts, public community colleges, or not-for-profit  
20 community-based organizations or a cooperative partnership  
21 among these entities.

22 (e) In order to distribute funding based upon the need to  
23 ensure delivery of programs that will have the greatest impact,  
24 IHOPE Program funding must be distributed based upon the  
25 proportion of dropouts in the educational service region or  
26 school district, in the case of a school district organized

1 under Article 34 of this Code, to the total number of dropouts  
2 in this State. This formula shall employ the dropout data  
3 provided by school districts to the State Board of Education.

4 A regional office of education or a school district  
5 organized under Article 34 of this Code may claim State aid  
6 under Section 18-8.05 or 18-8.15 of this Code for students  
7 enrolled in a program funded by the IHOPE Program, provided  
8 that the State Board of Education has approved the IHOPE Plan  
9 and that these students are receiving services that are meeting  
10 the requirements of Section 27-22 of this Code for receipt of a  
11 high school diploma and are otherwise eligible to be claimed  
12 for general State aid under Section 18-8.05 of this Code or  
13 evidence-based funding under Section 18-8.15 of this Code,  
14 including provisions related to the minimum number of days of  
15 pupil attendance pursuant to Section 10-19 of this Code and the  
16 minimum number of daily hours of school work and any exceptions  
17 thereto as defined by the State Board of Education in rules.

18 (f) IHOPE categories of programming may include the  
19 following:

20 (1) Full-time programs that are comprehensive,  
21 year-round programs.

22 (2) Part-time programs combining work and study  
23 scheduled at various times that are flexible to the needs  
24 of students.

25 (3) Online programs and courses in which students take  
26 courses and complete on-site, supervised tests that

1           measure the student's mastery of a specific course needed  
2           for graduation. Students may take courses online and earn  
3           credit or students may prepare to take supervised tests for  
4           specific courses for credit leading to receipt of a high  
5           school diploma.

6           (4) Dual enrollment in which students attend high  
7           school classes in combination with community college  
8           classes or students attend community college classes while  
9           simultaneously earning high school credit and eventually a  
10          high school diploma.

11          (g) In order to have successful comprehensive programs  
12          re-enrolling and graduating low-skilled high school dropouts,  
13          programs funded through the IHOPE Program shall include all of  
14          the following components:

15                 (1) Small programs (70 to 100 students) at a separate  
16                 school site with a distinct identity. Programs may be  
17                 larger with specific need and justification, keeping in  
18                 mind that it is crucial to keep programs small to be  
19                 effective.

20                 (2) Specific performance-based goals and outcomes and  
21                 measures of enrollment, attendance, skills, credits,  
22                 graduation, and the transition to college, training, and  
23                 employment.

24                 (3) Strong, experienced leadership and teaching staff  
25                 who are provided with ongoing professional development.

26                 (4) Voluntary enrollment.

1           (5) High standards for student learning, integrating  
2           work experience, and education, including during the  
3           school year and after school, and summer school programs  
4           that link internships, work, and learning.

5           (6) Comprehensive programs providing extensive support  
6           services.

7           (7) Small teams of students supported by full-time paid  
8           mentors who work to retain and help those students  
9           graduate.

10          (8) A comprehensive technology learning center with  
11          Internet access and broad-based curriculum focusing on  
12          academic and career subject areas.

13          (9) Learning opportunities that incorporate action  
14          into study.

15          (h) Programs funded through the IHOPE Program must report  
16          data to the State Board of Education as requested. This  
17          information shall include, but is not limited to, student  
18          enrollment figures, attendance information, course completion  
19          data, graduation information, and post-graduation information,  
20          as available.

21          (i) Rules must be developed by the State Board of Education  
22          to set forth the fund distribution process to regional offices  
23          of education and a school district organized under Article 34  
24          of this Code, the planning and the conditions upon which an  
25          IHOPE Plan would be approved by State Board, and other rules to  
26          develop the IHOPE Program.

1 (Source: P.A. 96-106, eff. 7-30-09.)

2 (105 ILCS 5/2-3.84) (from Ch. 122, par. 2-3.84)

3 Sec. 2-3.84. In calculating the amount of State aid to be  
4 apportioned to the various school districts in this State, the  
5 State Board of Education shall incorporate and deduct the total  
6 aggregate adjustments to assessments made by the State Property  
7 Tax Appeal Board or Cook County Board of Appeals, as reported  
8 pursuant to Section 16-15 of the Property Tax Code or Section  
9 129.1 of the Revenue Act of 1939 by the Department of Revenue,  
10 from the equalized assessed valuation that is otherwise to be  
11 utilized in the initial calculation.

12 From the total amount of general State aid or  
13 evidence-based funding to be provided to districts,  
14 adjustments under this Section together with adjustments as a  
15 result of recomputation under Section 2-3.33 must not exceed  
16 \$25 million, in the aggregate for all districts under both  
17 Sections combined, of the general State aid or evidence-based  
18 funding appropriation in any fiscal year; if necessary, amounts  
19 shall be prorated among districts. If it is necessary to  
20 prorate claims under this paragraph, then that portion of each  
21 prorated claim that is approved but not paid in the current  
22 fiscal year may be resubmitted as a valid claim in the  
23 following fiscal year.

24 (Source: P.A. 93-845, eff. 7-30-04.)

1 (105 ILCS 5/2-3.109a)

2 Sec. 2-3.109a. Laboratory schools grant eligibility. A  
3 laboratory school as defined in Section 18-8 or 18-8.15 may  
4 apply for and be eligible to receive, subject to the same  
5 restrictions applicable to school districts, any grant  
6 administered by the State Board of Education that is available  
7 for school districts.

8 (Source: P.A. 90-566, eff. 1-2-98.)

9 (105 ILCS 5/3-14.21) (from Ch. 122, par. 3-14.21)

10 Sec. 3-14.21. Inspection of schools.

11 (a) The regional superintendent shall inspect and survey  
12 all public schools under his or her supervision and notify the  
13 board of education, or the trustees of schools in a district  
14 with trustees, in writing before July 30, whether or not the  
15 several schools in their district have been kept as required by  
16 law, using forms provided by the State Board of Education which  
17 are based on the Health/Life Safety Code for Public Schools  
18 adopted under Section 2-3.12. The regional superintendent  
19 shall report his or her findings to the State Board of  
20 Education on forms provided by the State Board of Education.

21 (b) If the regional superintendent determines that a school  
22 board has failed in a timely manner to correct urgent items  
23 identified in a previous life-safety report completed under  
24 Section 2-3.12 or as otherwise previously ordered by the  
25 regional superintendent, the regional superintendent shall

1 order the school board to adopt and submit to the regional  
2 superintendent a plan for the immediate correction of the  
3 building violations. This plan shall be adopted following a  
4 public hearing that is conducted by the school board on the  
5 violations and the plan and that is preceded by at least 7  
6 days' prior notice of the hearing published in a newspaper of  
7 general circulation within the school district. If the regional  
8 superintendent determines in the next annual inspection that  
9 the plan has not been completed and that the violations have  
10 not been corrected, the regional superintendent shall submit a  
11 report to the State Board of Education with a recommendation  
12 that the State Board withhold from payments of general State  
13 aid or evidence-based funding due to the district an amount  
14 necessary to correct the outstanding violations. The State  
15 Board, upon notice to the school board and to the regional  
16 superintendent, shall consider the report at a meeting of the  
17 State Board, and may order that a sufficient amount of general  
18 State aid or evidence-based funding be withheld from payments  
19 due to the district to correct the violations. This amount  
20 shall be paid to the regional superintendent who shall contract  
21 on behalf of the school board for the correction of the  
22 outstanding violations.

23 (c) The Office of the State Fire Marshal or a qualified  
24 fire official, as defined in Section 2-3.12 of this Code, to  
25 whom the State Fire Marshal has delegated his or her authority  
26 shall conduct an annual fire safety inspection of each school



1 building in this State. The State Fire Marshal or the fire  
2 official shall coordinate its inspections with the regional  
3 superintendent. The inspection shall be based on the fire  
4 safety code authorized in Section 2-3.12 of this Code. Any  
5 violations shall be reported in writing to the regional  
6 superintendent and shall reference the specific code sections  
7 where a discrepancy has been identified within 15 days after  
8 the inspection has been conducted. The regional superintendent  
9 shall address those violations that are not corrected in a  
10 timely manner pursuant to subsection (b) of this Section. The  
11 inspection must be at no cost to the school district.

12 (d) If a municipality or, in the case of an unincorporated  
13 area, a county or, if applicable, a fire protection district  
14 wishes to perform new construction inspections under the  
15 jurisdiction of a regional superintendent, then the entity must  
16 register this wish with the regional superintendent. These  
17 inspections must be based on the building code authorized in  
18 Section 2-3.12 of this Code. The inspections must be at no cost  
19 to the school district.

20 (Source: P.A. 96-734, eff. 8-25-09.)

21 (105 ILCS 5/7-14A) (from Ch. 122, par. 7-14A)

22 Sec. 7-14A. Annexation compensation. There shall be no  
23 accounting made after a mere change in boundaries when no new  
24 district is created, except that those districts whose  
25 enrollment increases by 90% or more as a result of annexing

1 territory detached from another district pursuant to this  
2 Article are eligible for supplementary State aid payments in  
3 accordance with Section 11E-135 of this Code. Eligible annexing  
4 districts shall apply to the State Board of Education for  
5 supplementary State aid payments by submitting enrollment  
6 figures for the year immediately preceding and the year  
7 immediately following the effective date of the boundary change  
8 for both the district gaining territory and the district losing  
9 territory. Copies of any intergovernmental agreements between  
10 the district gaining territory and the district losing  
11 territory detailing any transfer of fund balances and staff  
12 must also be submitted. In all instances of changes in  
13 boundaries, the district losing territory shall not count the  
14 average daily attendance of pupils living in the territory  
15 during the year preceding the effective date of the boundary  
16 change in its claim for reimbursement under Section 18-8.05 or  
17 18-8.15 of this Code for the school year following the  
18 effective date of the change in boundaries and the district  
19 receiving the territory shall count the average daily  
20 attendance of pupils living in the territory during the year  
21 preceding the effective date of the boundary change in its  
22 claim for reimbursement under Section 18-8.05 or 18-8.15 of  
23 this Code for the school year following the effective date of  
24 the change in boundaries. The changes to this Section made by  
25 this amendatory Act of the 95th General Assembly are intended  
26 to be retroactive and applicable to any annexation taking

1 effect on or after July 1, 2004.

2 (Source: P.A. 99-657, eff. 7-28-16.)

3 (105 ILCS 5/10-19) (from Ch. 122, par. 10-19)

4 Sec. 10-19. Length of school term - experimental programs.

5 Each school board shall annually prepare a calendar for the  
6 school term, specifying the opening and closing dates and  
7 providing a minimum term of at least 185 days to insure 176  
8 days of actual pupil attendance, computable under Section  
9 18-8.05 or 18-8.15, except that for the 1980-1981 school year  
10 only 175 days of actual pupil attendance shall be required  
11 because of the closing of schools pursuant to Section 24-2 on  
12 January 29, 1981 upon the appointment by the President of that  
13 day as a day of thanksgiving for the freedom of the Americans  
14 who had been held hostage in Iran. Any days allowed by law for  
15 teachers' institutes but not used as such or used as parental  
16 institutes as provided in Section 10-22.18d shall increase the  
17 minimum term by the school days not so used. Except as provided  
18 in Section 10-19.1, the board may not extend the school term  
19 beyond such closing date unless that extension of term is  
20 necessary to provide the minimum number of computable days. In  
21 case of such necessary extension school employees shall be paid  
22 for such additional time on the basis of their regular  
23 contracts. A school board may specify a closing date earlier  
24 than that set on the annual calendar when the schools of the  
25 district have provided the minimum number of computable days

1 under this Section. Nothing in this Section prevents the board  
2 from employing superintendents of schools, principals and  
3 other nonteaching personnel for a period of 12 months, or in  
4 the case of superintendents for a period in accordance with  
5 Section 10-23.8, or prevents the board from employing other  
6 personnel before or after the regular school term with payment  
7 of salary proportionate to that received for comparable work  
8 during the school term.

9 A school board may make such changes in its calendar for  
10 the school term as may be required by any changes in the legal  
11 school holidays prescribed in Section 24-2. A school board may  
12 make changes in its calendar for the school term as may be  
13 necessary to reflect the utilization of teachers' institute  
14 days as parental institute days as provided in Section  
15 10-22.18d.

16 The calendar for the school term and any changes must be  
17 submitted to and approved by the regional superintendent of  
18 schools before the calendar or changes may take effect.

19 With the prior approval of the State Board of Education and  
20 subject to review by the State Board of Education every 3  
21 years, any school board may, by resolution of its board and in  
22 agreement with affected exclusive collective bargaining  
23 agents, establish experimental educational programs, including  
24 but not limited to programs for e-learning days as authorized  
25 under Section 10-20.56 of this Code, self-directed learning, or  
26 outside of formal class periods, which programs when so

1 approved shall be considered to comply with the requirements of  
2 this Section as respects numbers of days of actual pupil  
3 attendance and with the other requirements of this Act as  
4 respects courses of instruction.

5 (Source: P.A. 98-756, eff. 7-16-14; 99-194, eff. 7-30-15.)

6 (105 ILCS 5/10-22.5a) (from Ch. 122, par. 10-22.5a)

7 Sec. 10-22.5a. Attendance by dependents of United States  
8 military personnel, foreign exchange students, and certain  
9 nonresident pupils.

10 (a) To enter into written agreements with cultural exchange  
11 organizations, or with nationally recognized eleemosynary  
12 institutions that promote excellence in the arts, mathematics,  
13 or science. The written agreements may provide for tuition free  
14 attendance at the local district school by foreign exchange  
15 students, or by nonresident pupils of eleemosynary  
16 institutions. The local board of education, as part of the  
17 agreement, may require that the cultural exchange program or  
18 the eleemosynary institutions provide services to the district  
19 in exchange for the waiver of nonresident tuition.

20 To enter into written agreements with adjacent school  
21 districts to provide for tuition free attendance by a student  
22 of the adjacent district when requested for the student's  
23 health and safety by the student or parent and both districts  
24 determine that the student's health or safety will be served by  
25 such attendance. Districts shall not be required to enter into

1 such agreements nor be required to alter existing  
2 transportation services due to the attendance of such  
3 non-resident pupils.

4 (a-5) If, at the time of enrollment, a dependent of United  
5 States military personnel is housed in temporary housing  
6 located outside of a school district, but will be living within  
7 the district within 60 days after the time of initial  
8 enrollment, the dependent must be allowed to enroll, subject to  
9 the requirements of this subsection (a-5), and must not be  
10 charged tuition. Any United States military personnel  
11 attempting to enroll a dependent under this subsection (a-5)  
12 shall provide proof that the dependent will be living within  
13 the district within 60 days after the time of initial  
14 enrollment. Proof of residency may include, but is not limited  
15 to, postmarked mail addressed to the military personnel and  
16 sent to an address located within the district, a lease  
17 agreement for occupancy of a residence located within the  
18 district, or proof of ownership of a residence located within  
19 the district.

20 (b) Nonresident pupils and foreign exchange students  
21 attending school on a tuition free basis under such agreements  
22 and nonresident dependents of United States military personnel  
23 attending school on a tuition free basis may be counted for the  
24 purposes of determining the apportionment of State aid provided  
25 under Section 18-8.05 or 18-8.15 of this Code. No organization  
26 or institution participating in agreements authorized under

1 this Section may exclude any individual for participation in  
2 its program on account of the person's race, color, sex,  
3 religion or nationality.

4 (Source: P.A. 98-739, eff. 7-16-14.)

5 (105 ILCS 5/10-22.20) (from Ch. 122, par. 10-22.20)

6 Sec. 10-22.20. Classes for adults and youths whose  
7 schooling has been interrupted; conditions for State  
8 reimbursement; use of child care facilities.

9 (a) To establish special classes for the instruction (1) of  
10 persons of age 21 years or over and (2) of persons less than  
11 age 21 and not otherwise in attendance in public school, for  
12 the purpose of providing adults in the community and youths  
13 whose schooling has been interrupted with such additional basic  
14 education, vocational skill training, and other instruction as  
15 may be necessary to increase their qualifications for  
16 employment or other means of self-support and their ability to  
17 meet their responsibilities as citizens, including courses of  
18 instruction regularly accepted for graduation from elementary  
19 or high schools and for Americanization and high school  
20 equivalency testing review classes.

21 The board shall pay the necessary expenses of such classes  
22 out of school funds of the district, including costs of student  
23 transportation and such facilities or provision for child-care  
24 as may be necessary in the judgment of the board to permit  
25 maximum utilization of the courses by students with children,

1 and other special needs of the students directly related to  
2 such instruction. The expenses thus incurred shall be subject  
3 to State reimbursement, as provided in this Section. The board  
4 may make a tuition charge for persons taking instruction who  
5 are not subject to State reimbursement, such tuition charge not  
6 to exceed the per capita cost of such classes.

7 The cost of such instruction, including the additional  
8 expenses herein authorized, incurred for recipients of  
9 financial aid under the Illinois Public Aid Code, or for  
10 persons for whom education and training aid has been authorized  
11 under Section 9-8 of that Code, shall be assumed in its  
12 entirety from funds appropriated by the State to the Illinois  
13 Community College Board.

14 (b) The Illinois Community College Board shall establish  
15 the standards for the courses of instruction reimbursed under  
16 this Section. The Illinois Community College Board shall  
17 supervise the administration of the programs. The Illinois  
18 Community College Board shall determine the cost of instruction  
19 in accordance with standards established by the Illinois  
20 Community College Board, including therein other incidental  
21 costs as herein authorized, which shall serve as the basis of  
22 State reimbursement in accordance with the provisions of this  
23 Section. In the approval of programs and the determination of  
24 the cost of instruction, the Illinois Community College Board  
25 shall provide for the maximum utilization of federal funds for  
26 such programs. The Illinois Community College Board shall also



1 provide for:

2 (1) the development of an index of need for program  
3 planning and for area funding allocations, as defined by  
4 the Illinois Community College Board;

5 (2) the method for calculating hours of instruction, as  
6 defined by the Illinois Community College Board, claimable  
7 for reimbursement and a method to phase in the calculation  
8 and for adjusting the calculations in cases where the  
9 services of a program are interrupted due to circumstances  
10 beyond the control of the program provider;

11 (3) a plan for the reallocation of funds to increase  
12 the amount allocated for grants based upon program  
13 performance as set forth in subsection (d) below; and

14 (4) the development of standards for determining  
15 grants based upon performance as set forth in subsection  
16 (d) below and a plan for the phased-in implementation of  
17 those standards.

18 For instruction provided by school districts and community  
19 college districts beginning July 1, 1996 and thereafter,  
20 reimbursement provided by the Illinois Community College Board  
21 for classes authorized by this Section shall be provided from  
22 funds appropriated for the reimbursement criteria set forth in  
23 subsection (c) below.

24 (c) Upon the annual approval of the Illinois Community  
25 College Board, reimbursement shall be first provided for  
26 transportation, child care services, and other special needs of

1 the students directly related to instruction and then from the  
2 funds remaining an amount equal to the product of the total  
3 credit hours or units of instruction approved by the Illinois  
4 Community College Board, multiplied by the following:

5 (1) For adult basic education, the maximum  
6 reimbursement per credit hour or per unit of instruction  
7 shall be equal to (i) through fiscal year 2017, the general  
8 state aid per pupil foundation level established in  
9 subsection (B) of Section 18-8.05, divided by 60, or (ii)  
10 in fiscal year 2018 and thereafter, the prior fiscal year  
11 reimbursement level multiplied by the Consumer Price Index  
12 for All Urban Consumers for all items published by the  
13 United States Department of Labor;

14 (2) The maximum reimbursement per credit hour or per  
15 unit of instruction in subparagraph (1) above shall be  
16 weighted for students enrolled in classes defined as  
17 vocational skills and approved by the Illinois Community  
18 College Board by 1.25;

19 (3) The maximum reimbursement per credit hour or per  
20 unit of instruction in subparagraph (1) above shall be  
21 multiplied by .90 for students enrolled in classes defined  
22 as adult secondary education programs and approved by the  
23 Illinois Community College Board;

24 (4) (Blank); and

25 (5) Funding for program years after 1999-2000 shall be  
26 determined by the Illinois Community College Board.

1           (d) Upon its annual approval, the Illinois Community  
2 College Board shall provide grants to eligible programs for  
3 supplemental activities to improve or expand services under the  
4 Adult Education Act. Eligible programs shall be determined  
5 based upon performance outcomes of students in the programs as  
6 set by the Illinois Community College Board.

7           (e) Reimbursement under this Section shall not exceed the  
8 actual costs of the approved program.

9           If the amount appropriated to the Illinois Community  
10 College Board for reimbursement under this Section is less than  
11 the amount required under this Act, the apportionment shall be  
12 proportionately reduced.

13           School districts and community college districts may  
14 assess students up to \$3.00 per credit hour, for classes other  
15 than Adult Basic Education level programs, if needed to meet  
16 program costs.

17           (f) An education plan shall be established for each adult  
18 or youth whose schooling has been interrupted and who is  
19 participating in the instructional programs provided under  
20 this Section.

21           Each school board and community college shall keep an  
22 accurate and detailed account of the students assigned to and  
23 receiving instruction under this Section who are subject to  
24 State reimbursement and shall submit reports of services  
25 provided commencing with fiscal year 1997 as required by the  
26 Illinois Community College Board.

1           For classes authorized under this Section, a credit hour or  
2 unit of instruction is equal to 15 hours of direct instruction  
3 for students enrolled in approved adult education programs at  
4 midterm and making satisfactory progress, in accordance with  
5 standards established by the Illinois Community College Board.

6           (g) Upon proof submitted to the Illinois Department of  
7 Human Services of the payment of all claims submitted under  
8 this Section, that Department shall apply for federal funds  
9 made available therefor and any federal funds so received shall  
10 be paid into the General Revenue Fund in the State Treasury.

11           School districts or community colleges providing classes  
12 under this Section shall submit applications to the Illinois  
13 Community College Board for preapproval in accordance with the  
14 standards established by the Illinois Community College Board.  
15 Payments shall be made by the Illinois Community College Board  
16 based upon approved programs. Interim expenditure reports may  
17 be required by the Illinois Community College Board. Final  
18 claims for the school year shall be submitted to the regional  
19 superintendents for transmittal to the Illinois Community  
20 College Board. Final adjusted payments shall be made by  
21 September 30.

22           If a school district or community college district fails to  
23 provide, or is providing unsatisfactory or insufficient  
24 classes under this Section, the Illinois Community College  
25 Board may enter into agreements with public or private  
26 educational or other agencies other than the public schools for

1 the establishment of such classes.

2 (h) If a school district or community college district  
3 establishes child-care facilities for the children of  
4 participants in classes established under this Section, it may  
5 extend the use of these facilities to students who have  
6 obtained employment and to other persons in the community whose  
7 children require care and supervision while the parent or other  
8 person in charge of the children is employed or otherwise  
9 absent from the home during all or part of the day. It may make  
10 the facilities available before and after as well as during  
11 regular school hours to school age and preschool age children  
12 who may benefit thereby, including children who require care  
13 and supervision pending the return of their parent or other  
14 person in charge of their care from employment or other  
15 activity requiring absence from the home.

16 The Illinois Community College Board shall pay to the board  
17 the cost of care in the facilities for any child who is a  
18 recipient of financial aid under the Illinois Public Aid Code.

19 The board may charge for care of children for whom it  
20 cannot make claim under the provisions of this Section. The  
21 charge shall not exceed per capita cost, and to the extent  
22 feasible, shall be fixed at a level which will permit  
23 utilization by employed parents of low or moderate income. It  
24 may also permit any other State or local governmental agency or  
25 private agency providing care for children to purchase care.

26 After July 1, 1970 when the provisions of Section 10-20.20

1 become operative in the district, children in a child-care  
2 facility shall be transferred to the kindergarten established  
3 under that Section for such portion of the day as may be  
4 required for the kindergarten program, and only the prorated  
5 costs of care and training provided in the Center for the  
6 remaining period shall be charged to the Illinois Department of  
7 Human Services or other persons or agencies paying for such  
8 care.

9 (i) The provisions of this Section shall also apply to  
10 school districts having a population exceeding 500,000.

11 (j) In addition to claiming reimbursement under this  
12 Section, a school district may claim general State aid under  
13 Section 18-8.05 or evidence-based funding under Section  
14 18-8.15 for any student under age 21 who is enrolled in courses  
15 accepted for graduation from elementary or high school and who  
16 otherwise meets the requirements of Section 18-8.05 or 18-8.15,  
17 as applicable.

18 (Source: P.A. 98-718, eff. 1-1-15.)

19 (105 ILCS 5/10-29)

20 Sec. 10-29. Remote educational programs.

21 (a) For purposes of this Section, "remote educational  
22 program" means an educational program delivered to students in  
23 the home or other location outside of a school building that  
24 meets all of the following criteria:

25 (1) A student may participate in the program only after

1 the school district, pursuant to adopted school board  
2 policy, and a person authorized to enroll the student under  
3 Section 10-20.12b of this Code determine that a remote  
4 educational program will best serve the student's  
5 individual learning needs. The adopted school board policy  
6 shall include, but not be limited to, all of the following:

7 (A) Criteria for determining that a remote  
8 educational program will best serve a student's  
9 individual learning needs. The criteria must include  
10 consideration of, at a minimum, a student's prior  
11 attendance, disciplinary record, and academic history.

12 (B) Any limitations on the number of students or  
13 grade levels that may participate in a remote  
14 educational program.

15 (C) A description of the process that the school  
16 district will use to approve participation in the  
17 remote educational program. The process must include  
18 without limitation a requirement that, for any student  
19 who qualifies to receive services pursuant to the  
20 federal Individuals with Disabilities Education  
21 Improvement Act of 2004, the student's participation  
22 in a remote educational program receive prior approval  
23 from the student's individualized education program  
24 team.

25 (D) A description of the process the school  
26 district will use to develop and approve a written

1 remote educational plan that meets the requirements of  
2 subdivision (5) of this subsection (a).

3 (E) A description of the system the school district  
4 will establish to calculate the number of clock hours a  
5 student is participating in instruction in accordance  
6 with the remote educational program.

7 (F) A description of the process for renewing a  
8 remote educational program at the expiration of its  
9 term.

10 (G) Such other terms and provisions as the school  
11 district deems necessary to provide for the  
12 establishment and delivery of a remote educational  
13 program.

14 (2) The school district has determined that the remote  
15 educational program's curriculum is aligned to State  
16 learning standards and that the program offers instruction  
17 and educational experiences consistent with those given to  
18 students at the same grade level in the district.

19 (3) The remote educational program is delivered by  
20 instructors that meet the following qualifications:

21 (A) they are certificated under Article 21 of this  
22 Code;

23 (B) they meet applicable highly qualified criteria  
24 under the federal No Child Left Behind Act of 2001; and

25 (C) they have responsibility for all of the  
26 following elements of the program: planning



1 instruction, diagnosing learning needs, prescribing  
2 content delivery through class activities, assessing  
3 learning, reporting outcomes to administrators and  
4 parents and guardians, and evaluating the effects of  
5 instruction.

6 (4) During the period of time from and including the  
7 opening date to the closing date of the regular school term  
8 of the school district established pursuant to Section  
9 10-19 of this Code, participation in a remote educational  
10 program may be claimed for general State aid purposes under  
11 Section 18-8.05 of this Code or evidence-based funding  
12 purposes under Section 18-8.15 of this Code on any calendar  
13 day, notwithstanding whether the day is a day of pupil  
14 attendance or institute day on the school district's  
15 calendar or any other provision of law restricting  
16 instruction on that day. If the district holds year-round  
17 classes in some buildings, the district shall classify each  
18 student's participation in a remote educational program as  
19 either on a year-round or a non-year-round schedule for  
20 purposes of claiming general State aid or evidence-based  
21 funding. Outside of the regular school term of the  
22 district, the remote educational program may be offered as  
23 part of any summer school program authorized by this Code.

24 (5) Each student participating in a remote educational  
25 program must have a written remote educational plan that  
26 has been approved by the school district and a person

1 authorized to enroll the student under Section 10-20.12b of  
2 this Code. The school district and a person authorized to  
3 enroll the student under Section 10-20.12b of this Code  
4 must approve any amendment to a remote educational plan.  
5 The remote educational plan must include, but is not  
6 limited to, all of the following:

7 (A) Specific achievement goals for the student  
8 aligned to State learning standards.

9 (B) A description of all assessments that will be  
10 used to measure student progress, which description  
11 shall indicate the assessments that will be  
12 administered at an attendance center within the school  
13 district.

14 (C) A description of the progress reports that will  
15 be provided to the school district and the person or  
16 persons authorized to enroll the student under Section  
17 10-20.12b of this Code.

18 (D) Expectations, processes, and schedules for  
19 interaction between a teacher and student.

20 (E) A description of the specific responsibilities  
21 of the student's family and the school district with  
22 respect to equipment, materials, phone and Internet  
23 service, and any other requirements applicable to the  
24 home or other location outside of a school building  
25 necessary for the delivery of the remote educational  
26 program.

1 (F) If applicable, a description of how the remote  
2 educational program will be delivered in a manner  
3 consistent with the student's individualized education  
4 program required by Section 614(d) of the federal  
5 Individuals with Disabilities Education Improvement  
6 Act of 2004 or plan to ensure compliance with Section  
7 504 of the federal Rehabilitation Act of 1973.

8 (G) A description of the procedures and  
9 opportunities for participation in academic and  
10 extra-curricular activities and programs within the  
11 school district.

12 (H) The identification of a parent, guardian, or  
13 other responsible adult who will provide direct  
14 supervision of the program. The plan must include an  
15 acknowledgment by the parent, guardian, or other  
16 responsible adult that he or she may engage only in  
17 non-teaching duties not requiring instructional  
18 judgment or the evaluation of a student. The plan shall  
19 designate the parent, guardian, or other responsible  
20 adult as non-teaching personnel or volunteer personnel  
21 under subsection (a) of Section 10-22.34 of this Code.

22 (I) The identification of a school district  
23 administrator who will oversee the remote educational  
24 program on behalf of the school district and who may be  
25 contacted by the student's parents with respect to any  
26 issues or concerns with the program.

1 (J) The term of the student's participation in the  
2 remote educational program, which may not extend for  
3 longer than 12 months, unless the term is renewed by  
4 the district in accordance with subdivision (7) of this  
5 subsection (a).

6 (K) A description of the specific location or  
7 locations in which the program will be delivered. If  
8 the remote educational program is to be delivered to a  
9 student in any location other than the student's home,  
10 the plan must include a written determination by the  
11 school district that the location will provide a  
12 learning environment appropriate for the delivery of  
13 the program. The location or locations in which the  
14 program will be delivered shall be deemed a long  
15 distance teaching reception area under subsection (a)  
16 of Section 10-22.34 of this Code.

17 (L) Certification by the school district that the  
18 plan meets all other requirements of this Section.

19 (6) Students participating in a remote educational  
20 program must be enrolled in a school district attendance  
21 center pursuant to the school district's enrollment policy  
22 or policies. A student participating in a remote  
23 educational program must be tested as part of all  
24 assessments administered by the school district pursuant  
25 to Section 2-3.64a-5 of this Code at the attendance center  
26 in which the student is enrolled and in accordance with the

1 attendance center's assessment policies and schedule. The  
2 student must be included within all accountability  
3 determinations for the school district and attendance  
4 center under State and federal law.

5 (7) The term of a student's participation in a remote  
6 educational program may not extend for longer than 12  
7 months, unless the term is renewed by the school district.  
8 The district may only renew a student's participation in a  
9 remote educational program following an evaluation of the  
10 student's progress in the program, a determination that the  
11 student's continuation in the program will best serve the  
12 student's individual learning needs, and an amendment to  
13 the student's written remote educational plan addressing  
14 any changes for the upcoming term of the program.

15 For purposes of this Section, a remote educational program  
16 does not include instruction delivered to students through an  
17 e-learning program approved under Section 10-20.56 of this  
18 Code.

19 (b) A school district may, by resolution of its school  
20 board, establish a remote educational program.

21 (c) Clock hours of instruction by students in a remote  
22 educational program meeting the requirements of this Section  
23 may be claimed by the school district and shall be counted as  
24 school work for general State aid purposes in accordance with  
25 and subject to the limitations of Section 18-8.05 of this Code  
26 or evidence-based funding purposes in accordance with and

1 subject to the limitations of Section 18-8.15 of this Code.

2 (d) The impact of remote educational programs on wages,  
3 hours, and terms and conditions of employment of educational  
4 employees within the school district shall be subject to local  
5 collective bargaining agreements.

6 (e) The use of a home or other location outside of a school  
7 building for a remote educational program shall not cause the  
8 home or other location to be deemed a public school facility.

9 (f) A remote educational program may be used, but is not  
10 required, for instruction delivered to a student in the home or  
11 other location outside of a school building that is not claimed  
12 for general State aid purposes under Section 18-8.05 of this  
13 Code or evidence-based funding purposes under Section 18-8.15  
14 of this Code.

15 (g) School districts that, pursuant to this Section, adopt  
16 a policy for a remote educational program must submit to the  
17 State Board of Education a copy of the policy and any  
18 amendments thereto, as well as data on student participation in  
19 a format specified by the State Board of Education. The State  
20 Board of Education may perform or contract with an outside  
21 entity to perform an evaluation of remote educational programs  
22 in this State.

23 (h) The State Board of Education may adopt any rules  
24 necessary to ensure compliance by remote educational programs  
25 with the requirements of this Section and other applicable  
26 legal requirements.

1 (Source: P.A. 98-972, eff. 8-15-14; 99-193, eff. 7-30-15;  
2 99-194, eff. 7-30-15; 99-642, eff. 7-28-16.)

3 (105 ILCS 5/11E-135)

4 Sec. 11E-135. Incentives. For districts reorganizing under  
5 this Article and for a district or districts that annex all of  
6 the territory of one or more entire other school districts in  
7 accordance with Article 7 of this Code, the following payments  
8 shall be made from appropriations made for these purposes:

9 (a)(1) For a combined school district, as defined in  
10 Section 11E-20 of this Code, or for a unit district, as defined  
11 in Section 11E-25 of this Code, for its first year of  
12 existence, the general State aid and supplemental general State  
13 aid calculated under Section 18-8.05 of this Code or the  
14 evidence-based funding calculated under Section 18-8.15 of  
15 this Code, as applicable, shall be computed for the new  
16 district and for the previously existing districts for which  
17 property is totally included within the new district. If the  
18 computation on the basis of the previously existing districts  
19 is greater, a supplementary payment equal to the difference  
20 shall be made for the first 4 years of existence of the new  
21 district.

22 (2) For a school district that annexes all of the territory  
23 of one or more entire other school districts as defined in  
24 Article 7 of this Code, for the first year during which the  
25 change of boundaries attributable to the annexation becomes

1 effective for all purposes, as determined under Section 7-9 of  
2 this Code, the general State aid and supplemental general State  
3 aid calculated under Section 18-8.05 of this Code or the  
4 evidence-based funding calculated under Section 18-8.15 of  
5 this Code, as applicable, shall be computed for the annexing  
6 district as constituted after the annexation and for the  
7 annexing and each annexed district as constituted prior to the  
8 annexation; and if the computation on the basis of the annexing  
9 and annexed districts as constituted prior to the annexation is  
10 greater, then a supplementary payment equal to the difference  
11 shall be made for the first 4 years of existence of the  
12 annexing school district as constituted upon the annexation.

13 (3) For 2 or more school districts that annex all of the  
14 territory of one or more entire other school districts, as  
15 defined in Article 7 of this Code, for the first year during  
16 which the change of boundaries attributable to the annexation  
17 becomes effective for all purposes, as determined under Section  
18 7-9 of this Code, the general State aid and supplemental  
19 general State aid calculated under Section 18-8.05 of this Code  
20 or the evidence-based funding calculated under Section 18-8.15  
21 of this Code, as applicable, shall be computed for each  
22 annexing district as constituted after the annexation and for  
23 each annexing and annexed district as constituted prior to the  
24 annexation; and if the aggregate of the general State aid and  
25 supplemental general State aid or evidence-based funding, as  
26 applicable, as so computed for the annexing districts as



1 constituted after the annexation is less than the aggregate of  
2 the general State aid and supplemental general State aid or  
3 evidence-based funding, as applicable, as so computed for the  
4 annexing and annexed districts, as constituted prior to the  
5 annexation, then a supplementary payment equal to the  
6 difference shall be made and allocated between or among the  
7 annexing districts, as constituted upon the annexation, for the  
8 first 4 years of their existence. The total difference payment  
9 shall be allocated between or among the annexing districts in  
10 the same ratio as the pupil enrollment from that portion of the  
11 annexed district or districts that is annexed to each annexing  
12 district bears to the total pupil enrollment from the entire  
13 annexed district or districts, as such pupil enrollment is  
14 determined for the school year last ending prior to the date  
15 when the change of boundaries attributable to the annexation  
16 becomes effective for all purposes. The amount of the total  
17 difference payment and the amount thereof to be allocated to  
18 the annexing districts shall be computed by the State Board of  
19 Education on the basis of pupil enrollment and other data that  
20 shall be certified to the State Board of Education, on forms  
21 that it shall provide for that purpose, by the regional  
22 superintendent of schools for each educational service region  
23 in which the annexing and annexed districts are located.

24 (4) For a school district conversion, as defined in Section  
25 11E-15 of this Code, or a multi-unit conversion, as defined in  
26 subsection (b) of Section 11E-30 of this Code, if in their

1 first year of existence the newly created elementary districts  
2 and the newly created high school district, from a school  
3 district conversion, or the newly created elementary district  
4 or districts and newly created combined high school - unit  
5 district, from a multi-unit conversion, qualify for less  
6 general State aid under Section 18-8.05 of this Code or  
7 evidence-based funding under Section 18-8.15 of this Code than  
8 would have been payable under Section 18-8.05 or 18-8.15, as  
9 applicable, for that same year to the previously existing  
10 districts, then a supplementary payment equal to that  
11 difference shall be made for the first 4 years of existence of  
12 the newly created districts. The aggregate amount of each  
13 supplementary payment shall be allocated among the newly  
14 created districts in the proportion that the deemed pupil  
15 enrollment in each district during its first year of existence  
16 bears to the actual aggregate pupil enrollment in all of the  
17 districts during their first year of existence. For purposes of  
18 each allocation:

19 (A) the deemed pupil enrollment of the newly created  
20 high school district from a school district conversion  
21 shall be an amount equal to its actual pupil enrollment for  
22 its first year of existence multiplied by 1.25;

23 (B) the deemed pupil enrollment of each newly created  
24 elementary district from a school district conversion  
25 shall be an amount equal to its actual pupil enrollment for  
26 its first year of existence reduced by an amount equal to

1 the product obtained when the amount by which the newly  
2 created high school district's deemed pupil enrollment  
3 exceeds its actual pupil enrollment for its first year of  
4 existence is multiplied by a fraction, the numerator of  
5 which is the actual pupil enrollment of the newly created  
6 elementary district for its first year of existence and the  
7 denominator of which is the actual aggregate pupil  
8 enrollment of all of the newly created elementary districts  
9 for their first year of existence;

10 (C) the deemed high school pupil enrollment of the  
11 newly created combined high school - unit district from a  
12 multi-unit conversion shall be an amount equal to its  
13 actual grades 9 through 12 pupil enrollment for its first  
14 year of existence multiplied by 1.25; and

15 (D) the deemed elementary pupil enrollment of each  
16 newly created district from a multi-unit conversion shall  
17 be an amount equal to each district's actual grade K  
18 through 8 pupil enrollment for its first year of existence,  
19 reduced by an amount equal to the product obtained when the  
20 amount by which the newly created combined high school -  
21 unit district's deemed high school pupil enrollment  
22 exceeds its actual grade 9 through 12 pupil enrollment for  
23 its first year of existence is multiplied by a fraction,  
24 the numerator of which is the actual grade K through 8  
25 pupil enrollment of each newly created district for its  
26 first year of existence and the denominator of which is the

1 actual aggregate grade K through 8 pupil enrollment of all  
2 such newly created districts for their first year of  
3 existence.

4 The aggregate amount of each supplementary payment under  
5 this subdivision (4) and the amount thereof to be allocated to  
6 the newly created districts shall be computed by the State  
7 Board of Education on the basis of pupil enrollment and other  
8 data, which shall be certified to the State Board of Education,  
9 on forms that it shall provide for that purpose, by the  
10 regional superintendent of schools for each educational  
11 service region in which the newly created districts are  
12 located.

13 (5) For a partial elementary unit district, as defined in  
14 subsection (a) or (c) of Section 11E-30 of this Code, if, in  
15 the first year of existence, the newly created partial  
16 elementary unit district qualifies for less general State aid  
17 and supplemental general State aid under Section 18-8.05 of  
18 this Code or less evidence-based funding under Section 18-8.15  
19 of this Code, as applicable, than would have been payable under  
20 those Sections ~~that Section~~ for that same year to the  
21 previously existing districts that formed the partial  
22 elementary unit district, then a supplementary payment equal to  
23 that difference shall be made to the partial elementary unit  
24 district for the first 4 years of existence of that newly  
25 created district.

26 (6) For an elementary opt-in, as described in subsection

1 (d) of Section 11E-30 of this Code, the general State aid or  
2 evidence-based funding difference shall be computed in  
3 accordance with paragraph (5) of this subsection (a) as if the  
4 elementary opt-in was included in an optional elementary unit  
5 district at the optional elementary unit district's original  
6 effective date. If the calculation in this paragraph (6) is  
7 less than that calculated in paragraph (5) of this subsection  
8 (a) at the optional elementary unit district's original  
9 effective date, then no adjustments may be made. If the  
10 calculation in this paragraph (6) is more than that calculated  
11 in paragraph (5) of this subsection (a) at the optional  
12 elementary unit district's original effective date, then the  
13 excess must be paid as follows:

14 (A) If the effective date for the elementary opt-in is  
15 one year after the effective date for the optional  
16 elementary unit district, 100% of the calculated excess  
17 shall be paid to the optional elementary unit district in  
18 each of the first 4 years after the effective date of the  
19 elementary opt-in.

20 (B) If the effective date for the elementary opt-in is  
21 2 years after the effective date for the optional  
22 elementary unit district, 75% of the calculated excess  
23 shall be paid to the optional elementary unit district in  
24 each of the first 4 years after the effective date of the  
25 elementary opt-in.

26 (C) If the effective date for the elementary opt-in is

1           3 years after the effective date for the optional  
2 elementary unit district, 50% of the calculated excess  
3 shall be paid to the optional elementary unit district in  
4 each of the first 4 years after the effective date of the  
5 elementary opt-in.

6           (D) If the effective date for the elementary opt-in is  
7 4 years after the effective date for the optional  
8 elementary unit district, 25% of the calculated excess  
9 shall be paid to the optional elementary unit district in  
10 each of the first 4 years after the effective date of the  
11 elementary opt-in.

12           (E) If the effective date for the elementary opt-in is  
13 5 years after the effective date for the optional  
14 elementary unit district, the optional elementary unit  
15 district is not eligible for any additional incentives due  
16 to the elementary opt-in.

17           (6.5) For a school district that annexes territory detached  
18 from another school district whereby the enrollment of the  
19 annexing district increases by 90% or more as a result of the  
20 annexation, for the first year during which the change of  
21 boundaries attributable to the annexation becomes effective  
22 for all purposes as determined under Section 7-9 of this Code,  
23 the general State aid and supplemental general State aid or  
24 evidence-based funding, as applicable, calculated under this  
25 Section shall be computed for the district gaining territory  
26 and the district losing territory as constituted after the

1 annexation and for the same districts as constituted prior to  
2 the annexation; and if the aggregate of the general State aid  
3 and supplemental general State aid or evidence-based funding,  
4 as applicable, as so computed for the district gaining  
5 territory and the district losing territory as constituted  
6 after the annexation is less than the aggregate of the general  
7 State aid and supplemental general State aid or evidence-based  
8 funding, as applicable, as so computed for the district gaining  
9 territory and the district losing territory as constituted  
10 prior to the annexation, then a supplementary payment shall be  
11 made to the annexing district for the first 4 years of  
12 existence after the annexation, equal to the difference  
13 multiplied by the ratio of student enrollment in the territory  
14 detached to the total student enrollment in the district losing  
15 territory for the year prior to the effective date of the  
16 annexation. The amount of the total difference and the  
17 proportion paid to the annexing district shall be computed by  
18 the State Board of Education on the basis of pupil enrollment  
19 and other data that must be submitted to the State Board of  
20 Education in accordance with Section 7-14A of this Code. The  
21 changes to this Section made by Public Act 95-707 are intended  
22 to be retroactive and applicable to any annexation taking  
23 effect on or after July 1, 2004. For annexations that are  
24 eligible for payments under this paragraph (6.5) and that are  
25 effective on or after July 1, 2004, but before January 11, 2008  
26 (the effective date of Public Act 95-707), the first required

1 yearly payment under this paragraph (6.5) shall be paid in the  
2 fiscal year of January 11, 2008 (the effective date of Public  
3 Act 95-707). Subsequent required yearly payments shall be paid  
4 in subsequent fiscal years until the payment obligation under  
5 this paragraph (6.5) is complete.

6 (7) Claims for financial assistance under this subsection  
7 (a) may not be recomputed except as expressly provided under  
8 Section 18-8.05 or 18-8.15 of this Code.

9 (8) Any supplementary payment made under this subsection  
10 (a) must be treated as separate from all other payments made  
11 pursuant to Section 18-8.05 or 18-8.15 of this Code.

12 (b) (1) After the formation of a combined school district,  
13 as defined in Section 11E-20 of this Code, or a unit district,  
14 as defined in Section 11E-25 of this Code, a computation shall  
15 be made to determine the difference between the salaries  
16 effective in each of the previously existing districts on June  
17 30, prior to the creation of the new district. For the first 4  
18 years after the formation of the new district, a supplementary  
19 State aid reimbursement shall be paid to the new district equal  
20 to the difference between the sum of the salaries earned by  
21 each of the certificated members of the new district, while  
22 employed in one of the previously existing districts during the  
23 year immediately preceding the formation of the new district,  
24 and the sum of the salaries those certificated members would  
25 have been paid during the year immediately prior to the  
26 formation of the new district if placed on the salary schedule



1 of the previously existing district with the highest salary  
2 schedule.

3 (2) After the territory of one or more school districts is  
4 annexed by one or more other school districts as defined in  
5 Article 7 of this Code, a computation shall be made to  
6 determine the difference between the salaries effective in each  
7 annexed district and in the annexing district or districts as  
8 they were each constituted on June 30 preceding the date when  
9 the change of boundaries attributable to the annexation became  
10 effective for all purposes, as determined under Section 7-9 of  
11 this Code. For the first 4 years after the annexation, a  
12 supplementary State aid reimbursement shall be paid to each  
13 annexing district as constituted after the annexation equal to  
14 the difference between the sum of the salaries earned by each  
15 of the certificated members of the annexing district as  
16 constituted after the annexation, while employed in an annexed  
17 or annexing district during the year immediately preceding the  
18 annexation, and the sum of the salaries those certificated  
19 members would have been paid during the immediately preceding  
20 year if placed on the salary schedule of whichever of the  
21 annexing or annexed districts had the highest salary schedule  
22 during the immediately preceding year.

23 (3) For each new high school district formed under a school  
24 district conversion, as defined in Section 11E-15 of this Code,  
25 the State shall make a supplementary payment for 4 years equal  
26 to the difference between the sum of the salaries earned by

1 each certified member of the new high school district, while  
2 employed in one of the previously existing districts, and the  
3 sum of the salaries those certified members would have been  
4 paid if placed on the salary schedule of the previously  
5 existing district with the highest salary schedule.

6 (4) For each newly created partial elementary unit  
7 district, the State shall make a supplementary payment for 4  
8 years equal to the difference between the sum of the salaries  
9 earned by each certified member of the newly created partial  
10 elementary unit district, while employed in one of the  
11 previously existing districts that formed the partial  
12 elementary unit district, and the sum of the salaries those  
13 certified members would have been paid if placed on the salary  
14 schedule of the previously existing district with the highest  
15 salary schedule. The salary schedules used in the calculation  
16 shall be those in effect in the previously existing districts  
17 for the school year prior to the creation of the new partial  
18 elementary unit district.

19 (5) For an elementary district opt-in, as described in  
20 subsection (d) of Section 11E-30 of this Code, the salary  
21 difference incentive shall be computed in accordance with  
22 paragraph (4) of this subsection (b) as if the opted-in  
23 elementary district was included in the optional elementary  
24 unit district at the optional elementary unit district's  
25 original effective date. If the calculation in this paragraph  
26 (5) is less than that calculated in paragraph (4) of this

1 subsection (b) at the optional elementary unit district's  
2 original effective date, then no adjustments may be made. If  
3 the calculation in this paragraph (5) is more than that  
4 calculated in paragraph (4) of this subsection (b) at the  
5 optional elementary unit district's original effective date,  
6 then the excess must be paid as follows:

7 (A) If the effective date for the elementary opt-in is  
8 one year after the effective date for the optional  
9 elementary unit district, 100% of the calculated excess  
10 shall be paid to the optional elementary unit district in  
11 each of the first 4 years after the effective date of the  
12 elementary opt-in.

13 (B) If the effective date for the elementary opt-in is  
14 2 years after the effective date for the optional  
15 elementary unit district, 75% of the calculated excess  
16 shall be paid to the optional elementary unit district in  
17 each of the first 4 years after the effective date of the  
18 elementary opt-in.

19 (C) If the effective date for the elementary opt-in is  
20 3 years after the effective date for the optional  
21 elementary unit district, 50% of the calculated excess  
22 shall be paid to the optional elementary unit district in  
23 each of the first 4 years after the effective date of the  
24 elementary opt-in.

25 (D) If the effective date for the elementary opt-in is  
26 4 years after the effective date for the partial elementary

1 unit district, 25% of the calculated excess shall be paid  
2 to the optional elementary unit district in each of the  
3 first 4 years after the effective date of the elementary  
4 opt-in.

5 (E) If the effective date for the elementary opt-in is  
6 5 years after the effective date for the optional  
7 elementary unit district, the optional elementary unit  
8 district is not eligible for any additional incentives due  
9 to the elementary opt-in.

10 (5.5) After the formation of a cooperative high school by 2  
11 or more school districts under Section 10-22.22c of this Code,  
12 a computation shall be made to determine the difference between  
13 the salaries effective in each of the previously existing high  
14 schools on June 30 prior to the formation of the cooperative  
15 high school. For the first 4 years after the formation of the  
16 cooperative high school, a supplementary State aid  
17 reimbursement shall be paid to the cooperative high school  
18 equal to the difference between the sum of the salaries earned  
19 by each of the certificated members of the cooperative high  
20 school while employed in one of the previously existing high  
21 schools during the year immediately preceding the formation of  
22 the cooperative high school and the sum of the salaries those  
23 certificated members would have been paid during the year  
24 immediately prior to the formation of the cooperative high  
25 school if placed on the salary schedule of the previously  
26 existing high school with the highest salary schedule.

1           (5.10) After the annexation of territory detached from  
2 another school district whereby the enrollment of the annexing  
3 district increases by 90% or more as a result of the  
4 annexation, a computation shall be made to determine the  
5 difference between the salaries effective in the district  
6 gaining territory and the district losing territory as they  
7 each were constituted on June 30 preceding the date when the  
8 change of boundaries attributable to the annexation became  
9 effective for all purposes as determined under Section 7-9 of  
10 this Code. For the first 4 years after the annexation, a  
11 supplementary State aid reimbursement shall be paid to the  
12 annexing district equal to the difference between the sum of  
13 the salaries earned by each of the certificated members of the  
14 annexing district as constituted after the annexation while  
15 employed in the district gaining territory or the district  
16 losing territory during the year immediately preceding the  
17 annexation and the sum of the salaries those certificated  
18 members would have been paid during such immediately preceding  
19 year if placed on the salary schedule of whichever of the  
20 district gaining territory or district losing territory had the  
21 highest salary schedule during the immediately preceding year.  
22 To be eligible for supplementary State aid reimbursement under  
23 this Section, the intergovernmental agreement to be submitted  
24 pursuant to Section 7-14A of this Code must show that staff  
25 members were transferred from the control of the district  
26 losing territory to the control of the district gaining

1 territory in the annexation. The changes to this Section made  
2 by Public Act 95-707 are intended to be retroactive and  
3 applicable to any annexation taking effect on or after July 1,  
4 2004. For annexations that are eligible for payments under this  
5 paragraph (5.10) and that are effective on or after July 1,  
6 2004, but before January 11, 2008 (the effective date of Public  
7 Act 95-707), the first required yearly payment under this  
8 paragraph (5.10) shall be paid in the fiscal year of January  
9 11, 2008 (the effective date of Public Act 95-707). Subsequent  
10 required yearly payments shall be paid in subsequent fiscal  
11 years until the payment obligation under this paragraph (5.10)  
12 is complete.

13 (5.15) After the deactivation of a school facility in  
14 accordance with Section 10-22.22b of this Code, a computation  
15 shall be made to determine the difference between the salaries  
16 effective in the sending school district and each receiving  
17 school district on June 30 prior to the deactivation of the  
18 school facility. For the lesser of the first 4 years after the  
19 deactivation of the school facility or the length of the  
20 deactivation agreement, including any renewals of the original  
21 deactivation agreement, a supplementary State aid  
22 reimbursement shall be paid to each receiving district equal to  
23 the difference between the sum of the salaries earned by each  
24 of the certificated members transferred to that receiving  
25 district as a result of the deactivation while employed in the  
26 sending district during the year immediately preceding the

1 deactivation and the sum of the salaries those certificated  
2 members would have been paid during the year immediately  
3 preceding the deactivation if placed on the salary schedule of  
4 the sending or receiving district with the highest salary  
5 schedule.

6 (6) The supplementary State aid reimbursement under this  
7 subsection (b) shall be treated as separate from all other  
8 payments made pursuant to Section 18-8.05 of this Code. In the  
9 case of the formation of a new district or cooperative high  
10 school or a deactivation, reimbursement shall begin during the  
11 first year of operation of the new district or cooperative high  
12 school or the first year of the deactivation, and in the case  
13 of an annexation of the territory of one or more school  
14 districts by one or more other school districts or the  
15 annexation of territory detached from a school district whereby  
16 the enrollment of the annexing district increases by 90% or  
17 more as a result of the annexation, reimbursement shall begin  
18 during the first year when the change in boundaries  
19 attributable to the annexation becomes effective for all  
20 purposes as determined pursuant to Section 7-9 of this Code,  
21 except that for an annexation of territory detached from a  
22 school district that is effective on or after July 1, 2004, but  
23 before January 11, 2008 (the effective date of Public Act  
24 95-707), whereby the enrollment of the annexing district  
25 increases by 90% or more as a result of the annexation,  
26 reimbursement shall begin during the fiscal year of January 11,

1 2008 (the effective date of Public Act 95-707). Each year that  
2 the new, annexing, or receiving district or cooperative high  
3 school, as the case may be, is entitled to receive  
4 reimbursement, the number of eligible certified members who are  
5 employed on October 1 in the district or cooperative high  
6 school shall be certified to the State Board of Education on  
7 prescribed forms by October 15 and payment shall be made on or  
8 before November 15 of that year.

9 (c) (1) For the first year after the formation of a combined  
10 school district, as defined in Section 11E-20 of this Code or a  
11 unit district, as defined in Section 11E-25 of this Code, a  
12 computation shall be made totaling each previously existing  
13 district's audited fund balances in the educational fund,  
14 working cash fund, operations and maintenance fund, and  
15 transportation fund for the year ending June 30 prior to the  
16 referendum for the creation of the new district. The new  
17 district shall be paid supplementary State aid equal to the sum  
18 of the differences between the deficit of the previously  
19 existing district with the smallest deficit and the deficits of  
20 each of the other previously existing districts.

21 (2) For the first year after the annexation of all of the  
22 territory of one or more entire school districts by another  
23 school district, as defined in Article 7 of this Code,  
24 computations shall be made, for the year ending June 30 prior  
25 to the date that the change of boundaries attributable to the  
26 annexation is allowed by the affirmative decision issued by the



1 regional board of school trustees under Section 7-6 of this  
2 Code, notwithstanding any effort to seek administrative review  
3 of the decision, totaling the annexing district's and totaling  
4 each annexed district's audited fund balances in their  
5 respective educational, working cash, operations and  
6 maintenance, and transportation funds. The annexing district  
7 as constituted after the annexation shall be paid supplementary  
8 State aid equal to the sum of the differences between the  
9 deficit of whichever of the annexing or annexed districts as  
10 constituted prior to the annexation had the smallest deficit  
11 and the deficits of each of the other districts as constituted  
12 prior to the annexation.

13 (3) For the first year after the annexation of all of the  
14 territory of one or more entire school districts by 2 or more  
15 other school districts, as defined by Article 7 of this Code,  
16 computations shall be made, for the year ending June 30 prior  
17 to the date that the change of boundaries attributable to the  
18 annexation is allowed by the affirmative decision of the  
19 regional board of school trustees under Section 7-6 of this  
20 Code, notwithstanding any action for administrative review of  
21 the decision, totaling each annexing and annexed district's  
22 audited fund balances in their respective educational, working  
23 cash, operations and maintenance, and transportation funds.  
24 The annexing districts as constituted after the annexation  
25 shall be paid supplementary State aid, allocated as provided in  
26 this paragraph (3), in an aggregate amount equal to the sum of

1 the differences between the deficit of whichever of the  
2 annexing or annexed districts as constituted prior to the  
3 annexation had the smallest deficit and the deficits of each of  
4 the other districts as constituted prior to the annexation. The  
5 aggregate amount of the supplementary State aid payable under  
6 this paragraph (3) shall be allocated between or among the  
7 annexing districts as follows:

8 (A) the regional superintendent of schools for each  
9 educational service region in which an annexed district is  
10 located prior to the annexation shall certify to the State  
11 Board of Education, on forms that it shall provide for that  
12 purpose, the value of all taxable property in each annexed  
13 district, as last equalized or assessed by the Department  
14 of Revenue prior to the annexation, and the equalized  
15 assessed value of each part of the annexed district that  
16 was annexed to or included as a part of an annexing  
17 district;

18 (B) using equalized assessed values as certified by the  
19 regional superintendent of schools under clause (A) of this  
20 paragraph (3), the combined audited fund balance deficit of  
21 each annexed district as determined under this Section  
22 shall be apportioned between or among the annexing  
23 districts in the same ratio as the equalized assessed value  
24 of that part of the annexed district that was annexed to or  
25 included as a part of an annexing district bears to the  
26 total equalized assessed value of the annexed district; and

1           (C) the aggregate supplementary State aid payment  
2           under this paragraph (3) shall be allocated between or  
3           among, and shall be paid to, the annexing districts in the  
4           same ratio as the sum of the combined audited fund balance  
5           deficit of each annexing district as constituted prior to  
6           the annexation, plus all combined audited fund balance  
7           deficit amounts apportioned to that annexing district  
8           under clause (B) of this subsection, bears to the aggregate  
9           of the combined audited fund balance deficits of all of the  
10          annexing and annexed districts as constituted prior to the  
11          annexation.

12          (4) For the new elementary districts and new high school  
13          district formed through a school district conversion, as  
14          defined in Section 11E-15 of this Code or the new elementary  
15          district or districts and new combined high school - unit  
16          district formed through a multi-unit conversion, as defined in  
17          subsection (b) of Section 11E-30 of this Code, a computation  
18          shall be made totaling each previously existing district's  
19          audited fund balances in the educational fund, working cash  
20          fund, operations and maintenance fund, and transportation fund  
21          for the year ending June 30 prior to the referendum  
22          establishing the new districts. In the first year of the new  
23          districts, the State shall make a one-time supplementary  
24          payment equal to the sum of the differences between the deficit  
25          of the previously existing district with the smallest deficit  
26          and the deficits of each of the other previously existing

1 districts. A district with a combined balance among the 4 funds  
2 that is positive shall be considered to have a deficit of zero.  
3 The supplementary payment shall be allocated among the newly  
4 formed high school and elementary districts in the manner  
5 provided by the petition for the formation of the districts, in  
6 the form in which the petition is approved by the regional  
7 superintendent of schools or State Superintendent of Education  
8 under Section 11E-50 of this Code.

9 (5) For each newly created partial elementary unit  
10 district, as defined in subsection (a) or (c) of Section 11E-30  
11 of this Code, a computation shall be made totaling the audited  
12 fund balances of each previously existing district that formed  
13 the new partial elementary unit district in the educational  
14 fund, working cash fund, operations and maintenance fund, and  
15 transportation fund for the year ending June 30 prior to the  
16 referendum for the formation of the partial elementary unit  
17 district. In the first year of the new partial elementary unit  
18 district, the State shall make a one-time supplementary payment  
19 to the new district equal to the sum of the differences between  
20 the deficit of the previously existing district with the  
21 smallest deficit and the deficits of each of the other  
22 previously existing districts. A district with a combined  
23 balance among the 4 funds that is positive shall be considered  
24 to have a deficit of zero.

25 (6) For an elementary opt-in as defined in subsection (d)  
26 of Section 11E-30 of this Code, the deficit fund balance

1 incentive shall be computed in accordance with paragraph (5) of  
2 this subsection (c) as if the opted-in elementary was included  
3 in the optional elementary unit district at the optional  
4 elementary unit district's original effective date. If the  
5 calculation in this paragraph (6) is less than that calculated  
6 in paragraph (5) of this subsection (c) at the optional  
7 elementary unit district's original effective date, then no  
8 adjustments may be made. If the calculation in this paragraph  
9 (6) is more than that calculated in paragraph (5) of this  
10 subsection (c) at the optional elementary unit district's  
11 original effective date, then the excess must be paid as  
12 follows:

13 (A) If the effective date for the elementary opt-in is  
14 one year after the effective date for the optional  
15 elementary unit district, 100% of the calculated excess  
16 shall be paid to the optional elementary unit district in  
17 the first year after the effective date of the elementary  
18 opt-in.

19 (B) If the effective date for the elementary opt-in is  
20 2 years after the effective date for the optional  
21 elementary unit district, 75% of the calculated excess  
22 shall be paid to the optional elementary unit district in  
23 the first year after the effective date of the elementary  
24 opt-in.

25 (C) If the effective date for the elementary opt-in is  
26 3 years after the effective date for the optional

1 elementary unit district, 50% of the calculated excess  
2 shall be paid to the optional elementary unit district in  
3 the first year after the effective date of the elementary  
4 opt-in.

5 (D) If the effective date for the elementary opt-in is  
6 4 years after the effective date for the optional  
7 elementary unit district, 25% of the calculated excess  
8 shall be paid to the optional elementary unit district in  
9 the first year after the effective date of the elementary  
10 opt-in.

11 (E) If the effective date for the elementary opt-in is  
12 5 years after the effective date for the optional  
13 elementary unit district, the optional elementary unit  
14 district is not eligible for any additional incentives due  
15 to the elementary opt-in.

16 (6.5) For the first year after the annexation of territory  
17 detached from another school district whereby the enrollment of  
18 the annexing district increases by 90% or more as a result of  
19 the annexation, a computation shall be made totaling the  
20 audited fund balances of the district gaining territory and the  
21 audited fund balances of the district losing territory in the  
22 educational fund, working cash fund, operations and  
23 maintenance fund, and transportation fund for the year ending  
24 June 30 prior to the date that the change of boundaries  
25 attributable to the annexation is allowed by the affirmative  
26 decision of the regional board of school trustees under Section

1 7-6 of this Code, notwithstanding any action for administrative  
2 review of the decision. The annexing district as constituted  
3 after the annexation shall be paid supplementary State aid  
4 equal to the difference between the deficit of whichever  
5 district included in this calculation as constituted prior to  
6 the annexation had the smallest deficit and the deficit of each  
7 other district included in this calculation as constituted  
8 prior to the annexation, multiplied by the ratio of equalized  
9 assessed value of the territory detached to the total equalized  
10 assessed value of the district losing territory. The regional  
11 superintendent of schools for the educational service region in  
12 which a district losing territory is located prior to the  
13 annexation shall certify to the State Board of Education the  
14 value of all taxable property in the district losing territory  
15 and the value of all taxable property in the territory being  
16 detached, as last equalized or assessed by the Department of  
17 Revenue prior to the annexation. To be eligible for  
18 supplementary State aid reimbursement under this Section, the  
19 intergovernmental agreement to be submitted pursuant to  
20 Section 7-14A of this Code must show that fund balances were  
21 transferred from the district losing territory to the district  
22 gaining territory in the annexation. The changes to this  
23 Section made by Public Act 95-707 are intended to be  
24 retroactive and applicable to any annexation taking effect on  
25 or after July 1, 2004. For annexations that are eligible for  
26 payments under this paragraph (6.5) and that are effective on

1 or after July 1, 2004, but before January 11, 2008 (the  
2 effective date of Public Act 95-707), the required payment  
3 under this paragraph (6.5) shall be paid in the fiscal year of  
4 January 11, 2008 (the effective date of Public Act 95-707).

5 (7) For purposes of any calculation required under  
6 paragraph (1), (2), (3), (4), (5), (6), or (6.5) of this  
7 subsection (c), a district with a combined fund balance that is  
8 positive shall be considered to have a deficit of zero. For  
9 purposes of determining each district's audited fund balances  
10 in its educational fund, working cash fund, operations and  
11 maintenance fund, and transportation fund for the specified  
12 year ending June 30, as provided in paragraphs (1), (2), (3),  
13 (4), (5), (6), and (6.5) of this subsection (c), the balance of  
14 each fund shall be deemed decreased by an amount equal to the  
15 amount of the annual property tax theretofore levied in the  
16 fund by the district for collection and payment to the district  
17 during the calendar year in which the June 30 fell, but only to  
18 the extent that the tax so levied in the fund actually was  
19 received by the district on or before or comprised a part of  
20 the fund on such June 30. For purposes of determining each  
21 district's audited fund balances, a calculation shall be made  
22 for each fund to determine the average for the 3 years prior to  
23 the specified year ending June 30, as provided in paragraphs  
24 (1), (2), (3), (4), (5), (6), and (6.5) of this subsection (c),  
25 of the district's expenditures in the categories "purchased  
26 services", "supplies and materials", and "capital outlay", as



1 those categories are defined in rules of the State Board of  
2 Education. If this 3-year average is less than the district's  
3 expenditures in these categories for the specified year ending  
4 June 30, as provided in paragraphs (1), (2), (3), (4), (5),  
5 (6), and (6.5) of this subsection (c), then the 3-year average  
6 shall be used in calculating the amounts payable under this  
7 Section in place of the amounts shown in these categories for  
8 the specified year ending June 30, as provided in paragraphs  
9 (1), (2), (3), (4), (5), (6), and (6.5) of this subsection (c).  
10 Any deficit because of State aid not yet received may not be  
11 considered in determining the June 30 deficits. The same basis  
12 of accounting shall be used by all previously existing  
13 districts and by all annexing or annexed districts, as  
14 constituted prior to the annexation, in making any computation  
15 required under paragraphs (1), (2), (3), (4), (5), (6), and  
16 (6.5) of this subsection (c).

17 (8) The supplementary State aid payments under this  
18 subsection (c) shall be treated as separate from all other  
19 payments made pursuant to Section 18-8.05 of this Code.

20 (d)(1) Following the formation of a combined school  
21 district, as defined in Section 11E-20 of this Code, a new unit  
22 district, as defined in Section 11E-25 of this Code, a new  
23 elementary district or districts and a new high school district  
24 formed through a school district conversion, as defined in  
25 Section 11E-15 of this Code, a new partial elementary unit  
26 district, as defined in Section 11E-30 of this Code, or a new

1 elementary district or districts formed through a multi-unit  
 2 conversion, as defined in subsection (b) of Section 11E-30 of  
 3 this Code, or the annexation of all of the territory of one or  
 4 more entire school districts by one or more other school  
 5 districts, as defined in Article 7 of this Code, a  
 6 supplementary State aid reimbursement shall be paid for the  
 7 number of school years determined under the following table to  
 8 each new or annexing district equal to the sum of \$4,000 for  
 9 each certified employee who is employed by the district on a  
 10 full-time basis for the regular term of the school year:

11	Reorganized District's Rank	Reorganized District's Rank		
12	by type of district (unit,	in Average Daily Attendance		
13	high school, elementary)	By Quintile		
14	in Equalized Assessed Value			
15	Per Pupil by Quintile			
16				3rd, 4th,
17		1st	2nd	or 5th
18		Quintile	Quintile	Quintile
19	1st Quintile	1 year	1 year	1 year
20	2nd Quintile	1 year	2 years	2 years
21	3rd Quintile	2 years	3 years	3 years
22	4th Quintile	2 years	3 years	3 years
23	5th Quintile	2 years	3 years	3 years

24 The State Board of Education shall make a one-time calculation

1 of a reorganized district's quintile ranks. The average daily  
2 attendance used in this calculation shall be the best 3 months'  
3 average daily attendance for the district's first year. The  
4 equalized assessed value per pupil shall be the district's real  
5 property equalized assessed value used in calculating the  
6 district's first-year general State aid claim, under Section  
7 18-8.05 of this Code, or first-year evidence-based funding  
8 claim, under Section 18-8.15 of this Code, as applicable,  
9 divided by the best 3 months' average daily attendance.

10 No annexing or resulting school district shall be entitled  
11 to supplementary State aid under this subsection (d) unless the  
12 district acquires at least 30% of the average daily attendance  
13 of the district from which the territory is being detached or  
14 divided.

15 If a district results from multiple reorganizations that  
16 would otherwise qualify the district for multiple payments  
17 under this subsection (d) in any year, then the district shall  
18 receive a single payment only for that year based solely on the  
19 most recent reorganization.

20 (2) For an elementary opt-in, as defined in subsection (d)  
21 of Section 11E-30 of this Code, the full-time certified staff  
22 incentive shall be computed in accordance with paragraph (1) of  
23 this subsection (d), equal to the sum of \$4,000 for each  
24 certified employee of the elementary district that opts-in who  
25 is employed by the optional elementary unit district on a  
26 full-time basis for the regular term of the school year. The

1 calculation from this paragraph (2) must be paid as follows:

2 (A) If the effective date for the elementary opt-in is  
3 one year after the effective date for the optional  
4 elementary unit district, 100% of the amount calculated in  
5 this paragraph (2) shall be paid to the optional elementary  
6 unit district for the number of years calculated in  
7 paragraph (1) of this subsection (d) at the optional  
8 elementary unit district's original effective date,  
9 starting in the second year after the effective date of the  
10 elementary opt-in.

11 (B) If the effective date for the elementary opt-in is  
12 2 years after the effective date for the optional  
13 elementary unit district, 75% of the amount calculated in  
14 this paragraph (2) shall be paid to the optional elementary  
15 unit district for the number of years calculated in  
16 paragraph (1) of this subsection (d) at the optional  
17 elementary unit district's original effective date,  
18 starting in the second year after the effective date of the  
19 elementary opt-in.

20 (C) If the effective date for the elementary opt-in is  
21 3 years after the effective date for the optional  
22 elementary unit district, 50% of the amount calculated in  
23 this paragraph (2) shall be paid to the optional elementary  
24 unit district for the number of years calculated in  
25 paragraph (1) of this subsection (d) at the optional  
26 elementary unit district's original effective date,

1 starting in the second year after the effective date of the  
2 elementary opt-in.

3 (D) If the effective date for the elementary opt-in is  
4 4 years after the effective date for the optional  
5 elementary unit district, 25% of the amount calculated in  
6 this paragraph (2) shall be paid to the optional elementary  
7 unit district for the number of years calculated in  
8 paragraph (1) of this subsection (d) at the optional  
9 elementary unit district's original effective date,  
10 starting in the second year after the effective date of the  
11 elementary opt-in.

12 (E) If the effective date for the elementary opt-in is  
13 5 years after the effective date for the optional  
14 elementary unit district, the optional elementary unit  
15 district is not eligible for any additional incentives due  
16 to the elementary opt-in.

17 (2.5) Following the formation of a cooperative high school  
18 by 2 or more school districts under Section 10-22.22c of this  
19 Code, a supplementary State aid reimbursement shall be paid for  
20 3 school years to the cooperative high school equal to the sum  
21 of \$4,000 for each certified employee who is employed by the  
22 cooperative high school on a full-time basis for the regular  
23 term of any such school year. If a cooperative high school  
24 results from multiple agreements that would otherwise qualify  
25 the cooperative high school for multiple payments under this  
26 Section in any year, the cooperative high school shall receive

1 a single payment for that year based solely on the most recent  
2 agreement.

3 (2.10) Following the annexation of territory detached from  
4 another school district whereby the enrollment of the annexing  
5 district increases 90% or more as a result of the annexation, a  
6 supplementary State aid reimbursement shall be paid to the  
7 annexing district equal to the sum of \$4,000 for each certified  
8 employee who is employed by the annexing district on a  
9 full-time basis and shall be calculated in accordance with  
10 subsection (a) of this Section. To be eligible for  
11 supplementary State aid reimbursement under this Section, the  
12 intergovernmental agreement to be submitted pursuant to  
13 Section 7-14A of this Code must show that certified staff  
14 members were transferred from the control of the district  
15 losing territory to the control of the district gaining  
16 territory in the annexation. The changes to this Section made  
17 by Public Act 95-707 are intended to be retroactive and  
18 applicable to any annexation taking effect on or after July 1,  
19 2004. For annexations that are eligible for payments under this  
20 paragraph (2.10) and that are effective on or after July 1,  
21 2004, but before January 11, 2008 (the effective date of Public  
22 Act 95-707), the first required yearly payment under this  
23 paragraph (2.10) shall be paid in the second fiscal year after  
24 January 11, 2008 (the effective date of Public Act 95-707). Any  
25 subsequent required yearly payments shall be paid in subsequent  
26 fiscal years until the payment obligation under this paragraph

1 (2.10) is complete.

2 (2.15) Following the deactivation of a school facility in  
3 accordance with Section 10-22.22b of this Code, a supplementary  
4 State aid reimbursement shall be paid for the lesser of 3  
5 school years or the length of the deactivation agreement,  
6 including any renewals of the original deactivation agreement,  
7 to each receiving school district equal to the sum of \$4,000  
8 for each certified employee who is employed by that receiving  
9 district on a full-time basis for the regular term of any such  
10 school year who was originally transferred to the control of  
11 that receiving district as a result of the deactivation.  
12 Receiving districts are eligible for payments under this  
13 paragraph (2.15) based on the certified employees transferred  
14 to that receiving district as a result of the deactivation and  
15 are not required to receive at least 30% of the deactivating  
16 district's average daily attendance as required under  
17 paragraph (1) of this subsection (d) to be eligible for  
18 payments.

19 (3) The supplementary State aid reimbursement payable  
20 under this subsection (d) shall be separate from and in  
21 addition to all other payments made to the district pursuant to  
22 any other Section of this Article.

23 (4) During May of each school year for which a  
24 supplementary State aid reimbursement is to be paid to a new,  
25 annexing, or receiving school district or cooperative high  
26 school pursuant to this subsection (d), the school board or

1 governing board shall certify to the State Board of Education,  
2 on forms furnished to the school board or governing board by  
3 the State Board of Education for purposes of this subsection  
4 (d), the number of certified employees for which the district  
5 or cooperative high school is entitled to reimbursement under  
6 this Section, together with the names, certificate numbers, and  
7 positions held by the certified employees.

8 (5) Upon certification by the State Board of Education to  
9 the State Comptroller of the amount of the supplementary State  
10 aid reimbursement to which a school district or cooperative  
11 high school is entitled under this subsection (d), the State  
12 Comptroller shall draw his or her warrant upon the State  
13 Treasurer for the payment thereof to the school district or  
14 cooperative high school and shall promptly transmit the payment  
15 to the school district or cooperative high school through the  
16 appropriate school treasurer.

17 (Source: P.A. 95-331, eff. 8-21-07; 95-707, eff. 1-11-08;  
18 95-903, eff. 8-25-08; 96-328, eff. 8-11-09.)

19 (105 ILCS 5/13A-8)

20 Sec. 13A-8. Funding.

21 (a) The State of Illinois shall provide funding for the  
22 alternative school programs within each educational service  
23 region and within the Chicago public school system by line item  
24 appropriation made to the State Board of Education for that  
25 purpose. This money, when appropriated, shall be provided to



1 the regional superintendent and to the Chicago Board of  
2 Education, who shall establish a budget, including salaries,  
3 for their alternative school programs. Each program shall  
4 receive funding in the amount of \$30,000 plus an amount based  
5 on the ratio of the region's or Chicago's best 3 months'  
6 average daily attendance in grades pre-kindergarten through 12  
7 to the statewide totals of these amounts. For purposes of this  
8 calculation, the best 3 months' average daily attendance for  
9 each region or Chicago shall be calculated by adding to the  
10 best 3 months' average daily attendance the number of  
11 low-income students identified in the most recently available  
12 federal census multiplied by one-half times the percentage of  
13 the region's or Chicago's low-income students to the State's  
14 total low-income students. The State Board of Education shall  
15 retain up to 1.1% of the appropriation to be used to provide  
16 technical assistance, professional development, and  
17 evaluations for the programs.

18 (a-5) Notwithstanding any other provisions of this  
19 Section, for the 1998-1999 fiscal year, the total amount  
20 distributed under subsection (a) for an alternative school  
21 program shall be not less than the total amount that was  
22 distributed under that subsection for that alternative school  
23 program for the 1997-1998 fiscal year. If an alternative school  
24 program is to receive a total distribution under subsection (a)  
25 for the 1998-1999 fiscal year that is less than the total  
26 distribution that the program received under that subsection

1 for the 1997-1998 fiscal year, that alternative school program  
2 shall also receive, from a separate appropriation made for  
3 purposes of this subsection (a-5), a supplementary payment  
4 equal to the amount by which its total distribution under  
5 subsection (a) for the 1997-1998 fiscal year exceeds the amount  
6 of the total distribution that the alternative school program  
7 receives under that subsection for the 1998-1999 fiscal year.  
8 If the amount appropriated for supplementary payments to  
9 alternative school programs under this subsection (a-5) is  
10 insufficient for that purpose, those supplementary payments  
11 shall be prorated among the alternative school programs  
12 entitled to receive those supplementary payments according to  
13 the aggregate amount of the appropriation made for purposes of  
14 this subsection (a-5).

15 (b) An alternative school program shall be entitled to  
16 receive general State aid as calculated in subsection (K) of  
17 Section 18-8.05 or evidence-based funding as calculated in  
18 subsection (g) of Section 18-8.15 upon filing a claim as  
19 provided therein. Any time that a student who is enrolled in an  
20 alternative school program spends in work-based learning,  
21 community service, or a similar alternative educational  
22 setting shall be included in determining the student's minimum  
23 number of clock hours of daily school work that constitute a  
24 day of attendance for purposes of calculating general State aid  
25 or evidence-based funding.

26 (c) An alternative school program may receive additional

1 funding from its school districts in such amount as may be  
2 agreed upon by the parties and necessary to support the  
3 program. In addition, an alternative school program is  
4 authorized to accept and expend gifts, legacies, and grants,  
5 including but not limited to federal grants, from any source  
6 for purposes directly related to the conduct and operation of  
7 the program.

8 (Source: P.A. 89-383, eff. 8-18-95; 89-629, eff. 8-9-96;  
9 89-636, eff. 8-9-96; 90-14, eff. 7-1-97; 90-283, eff. 7-31-97;  
10 90-802, eff. 12-15-98.)

11 (105 ILCS 5/13B-20.20)

12 Sec. 13B-20.20. Enrollment in other programs. High school  
13 equivalency testing preparation programs are not eligible for  
14 funding under this Article. A student may enroll in a program  
15 approved under Section 18-8.05 or 18-8.15 of this Code, as  
16 appropriate, or attend both the alternative learning  
17 opportunities program and the regular school program to enhance  
18 student performance and facilitate on-time graduation.

19 (Source: P.A. 98-718, eff. 1-1-15.)

20 (105 ILCS 5/13B-45)

21 Sec. 13B-45. Days and hours of attendance. An alternative  
22 learning opportunities program shall provide students with at  
23 least the minimum number of days of pupil attendance required  
24 under Section 10-19 of this Code and the minimum number of

1 daily hours of school work required under Section 18-8.05 or  
2 18-8.15 of this Code, provided that the State Board may approve  
3 exceptions to these requirements if the program meets all of  
4 the following conditions:

5 (1) The district plan submitted under Section  
6 13B-25.15 of this Code establishes that a program providing  
7 the required minimum number of days of attendance or daily  
8 hours of school work would not serve the needs of the  
9 program's students.

10 (2) Each day of attendance shall provide no fewer than  
11 3 clock hours of school work, as defined under paragraph  
12 (1) of subsection (F) of Section 18-8.05 of this Code.

13 (3) Each day of attendance that provides fewer than 5  
14 clock hours of school work shall also provide supplementary  
15 services, including without limitation work-based  
16 learning, student assistance programs, counseling, case  
17 management, health and fitness programs, or life-skills or  
18 conflict resolution training, in order to provide a total  
19 daily program to the student of 5 clock hours. A program  
20 may claim general State aid or evidence-based funding for  
21 up to 2 hours of the time each day that a student is  
22 receiving supplementary services.

23 (4) Each program shall provide no fewer than 174 days  
24 of actual pupil attendance during the school term; however,  
25 approved evening programs that meet the requirements of  
26 Section 13B-45 of this Code may offer less than 174 days of

1 actual pupil attendance during the school term.

2 (Source: P.A. 92-42, eff. 1-1-02.)

3 (105 ILCS 5/13B-50)

4 Sec. 13B-50. Eligibility to receive general State aid or  
5 evidence-based funding. In order to receive general State aid  
6 or evidence-based funding, alternative learning opportunities  
7 programs must meet the requirements for claiming general State  
8 aid as specified in Section 18-8.05 of this Code or  
9 evidence-based funding as specified in Section 18-8.15 of this  
10 Code, as applicable, with the exception of the length of the  
11 instructional day, which may be less than 5 hours of school  
12 work if the program meets the criteria set forth under Sections  
13 13B-50.5 and 13B-50.10 of this Code and if the program is  
14 approved by the State Board.

15 (Source: P.A. 92-42, eff. 1-1-02.)

16 (105 ILCS 5/13B-50.10)

17 Sec. 13B-50.10. Additional criteria for general State aid  
18 or evidence-based funding. In order to claim general State aid  
19 or evidence-based funding, an alternative learning  
20 opportunities program must meet the following criteria:

21 (1) Teacher professional development plans should include  
22 education in the instruction of at-risk students.

23 (2) Facilities must meet the health, life, and safety  
24 requirements in this Code.

1           (3) The program must comply with all other State and  
2 federal laws applicable to education providers.

3           (Source: P.A. 92-42, eff. 1-1-02.)

4           (105 ILCS 5/13B-50.15)

5           Sec. 13B-50.15. Level of funding. Approved alternative  
6 learning opportunities programs are entitled to claim general  
7 State aid or evidence-based funding, subject to Sections  
8 13B-50, 13B-50.5, and 13B-50.10 of this Code. Approved programs  
9 operated by regional offices of education are entitled to  
10 receive general State aid at the foundation level of support. A  
11 school district or consortium must ensure that an approved  
12 program receives supplemental general State aid,  
13 transportation reimbursements, and special education  
14 resources, if appropriate, for students enrolled in the  
15 program.

16           (Source: P.A. 92-42, eff. 1-1-02.)

17           (105 ILCS 5/14-7.02) (from Ch. 122, par. 14-7.02)

18           Sec. 14-7.02. Children attending private schools, public  
19 out-of-state schools, public school residential facilities or  
20 private special education facilities. The General Assembly  
21 recognizes that non-public schools or special education  
22 facilities provide an important service in the educational  
23 system in Illinois.

24           If because of his or her disability the special education

1 program of a district is unable to meet the needs of a child  
2 and the child attends a non-public school or special education  
3 facility, a public out-of-state school or a special education  
4 facility owned and operated by a county government unit that  
5 provides special educational services required by the child and  
6 is in compliance with the appropriate rules and regulations of  
7 the State Superintendent of Education, the school district in  
8 which the child is a resident shall pay the actual cost of  
9 tuition for special education and related services provided  
10 during the regular school term and during the summer school  
11 term if the child's educational needs so require, excluding  
12 room, board and transportation costs charged the child by that  
13 non-public school or special education facility, public  
14 out-of-state school or county special education facility, or  
15 \$4,500 per year, whichever is less, and shall provide him any  
16 necessary transportation. "Nonpublic special education  
17 facility" shall include a residential facility, within or  
18 without the State of Illinois, which provides special education  
19 and related services to meet the needs of the child by  
20 utilizing private schools or public schools, whether located on  
21 the site or off the site of the residential facility.

22 The State Board of Education shall promulgate rules and  
23 regulations for determining when placement in a private special  
24 education facility is appropriate. Such rules and regulations  
25 shall take into account the various types of services needed by  
26 a child and the availability of such services to the particular

1 child in the public school. In developing these rules and  
2 regulations the State Board of Education shall consult with the  
3 Advisory Council on Education of Children with Disabilities and  
4 hold public hearings to secure recommendations from parents,  
5 school personnel, and others concerned about this matter.

6 The State Board of Education shall also promulgate rules  
7 and regulations for transportation to and from a residential  
8 school. Transportation to and from home to a residential school  
9 more than once each school term shall be subject to prior  
10 approval by the State Superintendent in accordance with the  
11 rules and regulations of the State Board.

12 A school district making tuition payments pursuant to this  
13 Section is eligible for reimbursement from the State for the  
14 amount of such payments actually made in excess of the district  
15 per capita tuition charge for students not receiving special  
16 education services. Such reimbursement shall be approved in  
17 accordance with Section 14-12.01 and each district shall file  
18 its claims, computed in accordance with rules prescribed by the  
19 State Board of Education, on forms prescribed by the State  
20 Superintendent of Education. Data used as a basis of  
21 reimbursement claims shall be for the preceding regular school  
22 term and summer school term. Each school district shall  
23 transmit its claims to the State Board of Education on or  
24 before August 15. The State Board of Education, before  
25 approving any such claims, shall determine their accuracy and  
26 whether they are based upon services and facilities provided



1 under approved programs. Upon approval the State Board shall  
2 cause vouchers to be prepared showing the amount due for  
3 payment of reimbursement claims to school districts, for  
4 transmittal to the State Comptroller on the 30th day of  
5 September, December, and March, respectively, and the final  
6 voucher, no later than June 20. If the money appropriated by  
7 the General Assembly for such purpose for any year is  
8 insufficient, it shall be apportioned on the basis of the  
9 claims approved.

10 No child shall be placed in a special education program  
11 pursuant to this Section if the tuition cost for special  
12 education and related services increases more than 10 percent  
13 over the tuition cost for the previous school year or exceeds  
14 \$4,500 per year unless such costs have been approved by the  
15 Illinois Purchased Care Review Board. The Illinois Purchased  
16 Care Review Board shall consist of the following persons, or  
17 their designees: the Directors of Children and Family Services,  
18 Public Health, Public Aid, and the Governor's Office of  
19 Management and Budget; the Secretary of Human Services; the  
20 State Superintendent of Education; and such other persons as  
21 the Governor may designate. The Review Board shall also consist  
22 of one non-voting member who is an administrator of a private,  
23 nonpublic, special education school. The Review Board shall  
24 establish rules and regulations for its determination of  
25 allowable costs and payments made by local school districts for  
26 special education, room and board, and other related services

1 provided by non-public schools or special education facilities  
2 and shall establish uniform standards and criteria which it  
3 shall follow. The Review Board shall approve the usual and  
4 customary rate or rates of a special education program that (i)  
5 is offered by an out-of-state, non-public provider of  
6 integrated autism specific educational and autism specific  
7 residential services, (ii) offers 2 or more levels of  
8 residential care, including at least one locked facility, and  
9 (iii) serves 12 or fewer Illinois students.

10 The Review Board shall establish uniform definitions and  
11 criteria for accounting separately by special education, room  
12 and board and other related services costs. The Board shall  
13 also establish guidelines for the coordination of services and  
14 financial assistance provided by all State agencies to assure  
15 that no otherwise qualified child with a disability receiving  
16 services under Article 14 shall be excluded from participation  
17 in, be denied the benefits of or be subjected to discrimination  
18 under any program or activity provided by any State agency.

19 The Review Board shall review the costs for special  
20 education and related services provided by non-public schools  
21 or special education facilities and shall approve or disapprove  
22 such facilities in accordance with the rules and regulations  
23 established by it with respect to allowable costs.

24 The State Board of Education shall provide administrative  
25 and staff support for the Review Board as deemed reasonable by  
26 the State Superintendent of Education. This support shall not

1 include travel expenses or other compensation for any Review  
2 Board member other than the State Superintendent of Education.

3 The Review Board shall seek the advice of the Advisory  
4 Council on Education of Children with Disabilities on the rules  
5 and regulations to be promulgated by it relative to providing  
6 special education services.

7 If a child has been placed in a program in which the actual  
8 per pupil costs of tuition for special education and related  
9 services based on program enrollment, excluding room, board and  
10 transportation costs, exceed \$4,500 and such costs have been  
11 approved by the Review Board, the district shall pay such total  
12 costs which exceed \$4,500. A district making such tuition  
13 payments in excess of \$4,500 pursuant to this Section shall be  
14 responsible for an amount in excess of \$4,500 equal to the  
15 district per capita tuition charge and shall be eligible for  
16 reimbursement from the State for the amount of such payments  
17 actually made in excess of the districts per capita tuition  
18 charge for students not receiving special education services.

19 If a child has been placed in an approved individual  
20 program and the tuition costs including room and board costs  
21 have been approved by the Review Board, then such room and  
22 board costs shall be paid by the appropriate State agency  
23 subject to the provisions of Section 14-8.01 of this Act. Room  
24 and board costs not provided by a State agency other than the  
25 State Board of Education shall be provided by the State Board  
26 of Education on a current basis. In no event, however, shall

1 the State's liability for funding of these tuition costs begin  
2 until after the legal obligations of third party payors have  
3 been subtracted from such costs. If the money appropriated by  
4 the General Assembly for such purpose for any year is  
5 insufficient, it shall be apportioned on the basis of the  
6 claims approved. Each district shall submit estimated claims to  
7 the State Superintendent of Education. Upon approval of such  
8 claims, the State Superintendent of Education shall direct the  
9 State Comptroller to make payments on a monthly basis. The  
10 frequency for submitting estimated claims and the method of  
11 determining payment shall be prescribed in rules and  
12 regulations adopted by the State Board of Education. Such  
13 current state reimbursement shall be reduced by an amount equal  
14 to the proceeds which the child or child's parents are eligible  
15 to receive under any public or private insurance or assistance  
16 program. Nothing in this Section shall be construed as  
17 relieving an insurer or similar third party from an otherwise  
18 valid obligation to provide or to pay for services provided to  
19 a child with a disability.

20 If it otherwise qualifies, a school district is eligible  
21 for the transportation reimbursement under Section 14-13.01  
22 and for the reimbursement of tuition payments under this  
23 Section whether the non-public school or special education  
24 facility, public out-of-state school or county special  
25 education facility, attended by a child who resides in that  
26 district and requires special educational services, is within

1 or outside of the State of Illinois. However, a district is not  
2 eligible to claim transportation reimbursement under this  
3 Section unless the district certifies to the State  
4 Superintendent of Education that the district is unable to  
5 provide special educational services required by the child for  
6 the current school year.

7 Nothing in this Section authorizes the reimbursement of a  
8 school district for the amount paid for tuition of a child  
9 attending a non-public school or special education facility,  
10 public out-of-state school or county special education  
11 facility unless the school district certifies to the State  
12 Superintendent of Education that the special education program  
13 of that district is unable to meet the needs of that child  
14 because of his disability and the State Superintendent of  
15 Education finds that the school district is in substantial  
16 compliance with Section 14-4.01. However, if a child is  
17 unilaterally placed by a State agency or any court in a  
18 non-public school or special education facility, public  
19 out-of-state school, or county special education facility, a  
20 school district shall not be required to certify to the State  
21 Superintendent of Education, for the purpose of tuition  
22 reimbursement, that the special education program of that  
23 district is unable to meet the needs of a child because of his  
24 or her disability.

25 Any educational or related services provided, pursuant to  
26 this Section in a non-public school or special education

1 facility or a special education facility owned and operated by  
2 a county government unit shall be at no cost to the parent or  
3 guardian of the child. However, current law and practices  
4 relative to contributions by parents or guardians for costs  
5 other than educational or related services are not affected by  
6 this amendatory Act of 1978.

7 Reimbursement for children attending public school  
8 residential facilities shall be made in accordance with the  
9 provisions of this Section.

10 Notwithstanding any other provision of law, any school  
11 district receiving a payment under this Section or under  
12 Section 14-7.02b, 14-13.01, or 29-5 of this Code may classify  
13 all or a portion of the funds that it receives in a particular  
14 fiscal year or from general State aid pursuant to Section  
15 18-8.05 of this Code as funds received in connection with any  
16 funding program for which it is entitled to receive funds from  
17 the State in that fiscal year (including, without limitation,  
18 any funding program referenced in this Section), regardless of  
19 the source or timing of the receipt. The district may not  
20 classify more funds as funds received in connection with the  
21 funding program than the district is entitled to receive in  
22 that fiscal year for that program. Any classification by a  
23 district must be made by a resolution of its board of  
24 education. The resolution must identify the amount of any  
25 payments or general State aid to be classified under this  
26 paragraph and must specify the funding program to which the

1 funds are to be treated as received in connection therewith.  
2 This resolution is controlling as to the classification of  
3 funds referenced therein. A certified copy of the resolution  
4 must be sent to the State Superintendent of Education. The  
5 resolution shall still take effect even though a copy of the  
6 resolution has not been sent to the State Superintendent of  
7 Education in a timely manner. No classification under this  
8 paragraph by a district shall affect the total amount or timing  
9 of money the district is entitled to receive under this Code.  
10 No classification under this paragraph by a district shall in  
11 any way relieve the district from or affect any requirements  
12 that otherwise would apply with respect to that funding  
13 program, including any accounting of funds by source, reporting  
14 expenditures by original source and purpose, reporting  
15 requirements, or requirements of providing services.

16 Notwithstanding anything to the contrary contained in this  
17 Section, the State Board of Education shall award to a school  
18 district having a population exceeding 500,000 inhabitants  
19 48.4% of the funds appropriated by the General Assembly for any  
20 fiscal year for purposes of payments to school districts under  
21 this Section.

22 (Source: P.A. 98-636, eff. 6-6-14; 98-1008, eff. 1-1-15; 99-78,  
23 eff. 7-20-15; 99-143, eff. 7-27-15.)

24 (105 ILCS 5/14-7.02b)

25 Sec. 14-7.02b. Funding for children requiring special

1 education services. Payments to school districts for children  
2 requiring special education services documented in their  
3 individualized education program regardless of the program  
4 from which these services are received, excluding children  
5 claimed under Sections 14-7.02 and 14-7.03 of this Code, shall  
6 be made in accordance with this Section. Funds received under  
7 this Section may be used only for the provision of special  
8 educational facilities and services as defined in Section  
9 14-1.08 of this Code.

10 The appropriation for fiscal year 2005 through fiscal year  
11 2017 ~~and thereafter~~ shall be based upon the IDEA child count of  
12 all students in the State, excluding students claimed under  
13 Sections 14-7.02 and 14-7.03 of this Code, on December 1 of the  
14 fiscal year 2 years preceding, multiplied by 17.5% of the  
15 general State aid foundation level of support established for  
16 that fiscal year under Section 18-8.05 of this Code.

17 Beginning with fiscal year 2005 and through fiscal year  
18 2007, individual school districts shall not receive payments  
19 under this Section totaling less than they received under the  
20 funding authorized under Section 14-7.02a of this Code during  
21 fiscal year 2004, pursuant to the provisions of Section  
22 14-7.02a as they were in effect before the effective date of  
23 this amendatory Act of the 93rd General Assembly. This base  
24 level funding shall be computed first.

25 Beginning with fiscal year 2008 through fiscal year 2017  
26 ~~and each fiscal year thereafter~~, individual school districts



1 must not receive payments under this Section totaling less than  
2 they received in fiscal year 2007. This funding shall be  
3 computed last and shall be a separate calculation from any  
4 other calculation set forth in this Section. This amount is  
5 exempt from the requirements of Section 1D-1 of this Code.

6 Through fiscal year 2017, an ~~An~~ amount equal to 85% of the  
7 funds remaining in the appropriation shall be allocated to  
8 school districts based upon the district's average daily  
9 attendance reported for purposes of Section 18-8.05 of this  
10 Code for the preceding school year. Fifteen percent of the  
11 funds remaining in the appropriation shall be allocated to  
12 school districts based upon the district's low income eligible  
13 pupil count used in the calculation of general State aid under  
14 Section 18-8.05 of this Code for the same fiscal year. One  
15 hundred percent of the funds computed and allocated to  
16 districts under this Section shall be distributed and paid to  
17 school districts.

18 For individual students with disabilities whose program  
19 costs exceed 4 times the district's per capita tuition rate as  
20 calculated under Section 10-20.12a of this Code, the costs in  
21 excess of 4 times the district's per capita tuition rate shall  
22 be paid by the State Board of Education from unexpended IDEA  
23 discretionary funds originally designated for room and board  
24 reimbursement pursuant to Section 14-8.01 of this Code. The  
25 amount of tuition for these children shall be determined by the  
26 actual cost of maintaining classes for these children, using

1 the per capita cost formula set forth in Section 14-7.01 of  
2 this Code, with the program and cost being pre-approved by the  
3 State Superintendent of Education. Reimbursement for  
4 individual students with disabilities whose program costs  
5 exceed 4 times the district's per capita tuition rate shall be  
6 claimed beginning with costs encumbered for the 2004-2005  
7 school year and thereafter.

8 The State Board of Education shall prepare vouchers equal  
9 to one-fourth the amount allocated to districts, for  
10 transmittal to the State Comptroller on the 30th day of  
11 September, December, and March, respectively, and the final  
12 voucher, no later than June 20. The Comptroller shall make  
13 payments pursuant to this Section to school districts as soon  
14 as possible after receipt of vouchers. If the money  
15 appropriated from the General Assembly for such purposes for  
16 any year is insufficient, it shall be apportioned on the basis  
17 of the payments due to school districts.

18 Nothing in this Section shall be construed to decrease or  
19 increase the percentage of all special education funds that are  
20 allocated annually under Article 1D of this Code or to alter  
21 the requirement that a school district provide special  
22 education services.

23 Nothing in this amendatory Act of the 93rd General Assembly  
24 shall eliminate any reimbursement obligation owed as of the  
25 effective date of this amendatory Act of the 93rd General  
26 Assembly to a school district with in excess of 500,000

1 inhabitants.

2 Except for reimbursement for individual students with  
3 disabilities whose program costs exceed 4 times the district's  
4 per capita tuition rate, no funding shall be provided to school  
5 districts under this Section after fiscal year 2017.

6 (Source: P.A. 93-1022, eff. 8-24-08; 95-705, eff. 1-8-08.)

7 (105 ILCS 5/14-13.01) (from Ch. 122, par. 14-13.01)

8 Sec. 14-13.01. Reimbursement payable by State; amounts for  
9 personnel and transportation.

10 (a) Through fiscal year 2017, for ~~For~~ staff working on  
11 behalf of children who have not been identified as eligible for  
12 special education and for eligible children with physical  
13 disabilities, including all eligible children whose placement  
14 has been determined under Section 14-8.02 in hospital or home  
15 instruction, 1/2 of the teacher's salary but not more than  
16 \$1,000 annually per child or \$9,000 per teacher, whichever is  
17 less.

18 (a-5) A child qualifies for home or hospital instruction if  
19 it is anticipated that, due to a medical condition, the child  
20 will be unable to attend school, and instead must be instructed  
21 at home or in the hospital, for a period of 2 or more  
22 consecutive weeks or on an ongoing intermittent basis. For  
23 purposes of this Section, "ongoing intermittent basis" means  
24 that the child's medical condition is of such a nature or  
25 severity that it is anticipated that the child will be absent

1 from school due to the medical condition for periods of at  
2 least 2 days at a time multiple times during the school year  
3 totaling at least 10 days or more of absences. There shall be  
4 no requirement that a child be absent from school a minimum  
5 number of days before the child qualifies for home or hospital  
6 instruction. In order to establish eligibility for home or  
7 hospital services, a student's parent or guardian must submit  
8 to the child's school district of residence a written statement  
9 from a physician licensed to practice medicine in all of its  
10 branches stating the existence of such medical condition, the  
11 impact on the child's ability to participate in education, and  
12 the anticipated duration or nature of the child's absence from  
13 school. Home or hospital instruction may commence upon receipt  
14 of a written physician's statement in accordance with this  
15 Section, but instruction shall commence not later than 5 school  
16 days after the school district receives the physician's  
17 statement. Special education and related services required by  
18 the child's IEP or services and accommodations required by the  
19 child's federal Section 504 plan must be implemented as part of  
20 the child's home or hospital instruction, unless the IEP team  
21 or federal Section 504 plan team determines that modifications  
22 are necessary during the home or hospital instruction due to  
23 the child's condition.

24 (a-10) Through fiscal year 2017, eligible ~~Eligible~~  
25 children to be included in any reimbursement under this  
26 paragraph must regularly receive a minimum of one hour of

1 instruction each school day, or in lieu thereof of a minimum of  
2 5 hours of instruction in each school week in order to qualify  
3 for full reimbursement under this Section. If the attending  
4 physician for such a child has certified that the child should  
5 not receive as many as 5 hours of instruction in a school week,  
6 however, reimbursement under this paragraph on account of that  
7 child shall be computed proportionate to the actual hours of  
8 instruction per week for that child divided by 5.

9 (a-15) The State Board of Education shall establish rules  
10 governing the required qualifications of staff providing home  
11 or hospital instruction.

12 (b) For children described in Section 14-1.02, 80% of the  
13 cost of transportation approved as a related service in the  
14 Individualized Education Program for each student in order to  
15 take advantage of special educational facilities.  
16 Transportation costs shall be determined in the same fashion as  
17 provided in Section 29-5 of this Code, provided that,  
18 notwithstanding anything to the contrary contained in this  
19 subsection (b) or Section 29-5 of this Code, the State Board of  
20 Education shall award to a school district having a population  
21 exceeding 500,000 inhabitants 30.7% of the funds appropriated  
22 by the General Assembly for any fiscal year for purposes of  
23 payment of transportation cost claims under this subsection  
24 (b). For purposes of this subsection (b), the dates for  
25 processing claims specified in Section 29-5 shall apply.

26 (c) Through fiscal year 2017, for ~~For~~ each qualified

1 worker, the annual sum of \$9,000.

2 (d) Through fiscal year 2017, for ~~For~~ one full time  
3 qualified director of the special education program of each  
4 school district which maintains a fully approved program of  
5 special education the annual sum of \$9,000. Districts  
6 participating in a joint agreement special education program  
7 shall not receive such reimbursement if reimbursement is made  
8 for a director of the joint agreement program.

9 (e) (Blank).

10 (f) (Blank).

11 (g) Through fiscal year 2017, for ~~For~~ readers, working with  
12 blind or partially seeing children 1/2 of their salary but not  
13 more than \$400 annually per child. Readers may be employed to  
14 assist such children and shall not be required to be certified  
15 but prior to employment shall meet standards set up by the  
16 State Board of Education.

17 (h) Through fiscal year 2017, for ~~For~~ non-certified  
18 employees, as defined by rules promulgated by the State Board  
19 of Education, who deliver services to students with IEPs, 1/2  
20 of the salary paid or \$3,500 per employee, whichever is less.

21 (i) The State Board of Education shall set standards and  
22 prescribe rules for determining the allocation of  
23 reimbursement under this section on less than a full time basis  
24 and for less than a school year.

25 When any school district eligible for reimbursement under  
26 this Section operates a school or program approved by the State

1 Superintendent of Education for a number of days in excess of  
2 the adopted school calendar but not to exceed 235 school days,  
3 such reimbursement shall be increased by 1/180 of the amount or  
4 rate paid hereunder for each day such school is operated in  
5 excess of 180 days per calendar year.

6 Notwithstanding any other provision of law, any school  
7 district receiving a payment under this Section or under  
8 Section 14-7.02, 14-7.02b, or 29-5 of this Code may classify  
9 all or a portion of the funds that it receives in a particular  
10 fiscal year or from evidence-based funding ~~general State aid~~  
11 pursuant to Section 18-8.15 ~~18-8.05~~ of this Code as funds  
12 received in connection with any funding program for which it is  
13 entitled to receive funds from the State in that fiscal year  
14 (including, without limitation, any funding program referenced  
15 in this Section), regardless of the source or timing of the  
16 receipt. The district may not classify more funds as funds  
17 received in connection with the funding program than the  
18 district is entitled to receive in that fiscal year for that  
19 program. Any classification by a district must be made by a  
20 resolution of its board of education. The resolution must  
21 identify the amount of any payments or evidence-based funding  
22 ~~general State aid~~ to be classified under this paragraph and  
23 must specify the funding program to which the funds are to be  
24 treated as received in connection therewith. This resolution is  
25 controlling as to the classification of funds referenced  
26 therein. A certified copy of the resolution must be sent to the

1 State Superintendent of Education. The resolution shall still  
2 take effect even though a copy of the resolution has not been  
3 sent to the State Superintendent of Education in a timely  
4 manner. No classification under this paragraph by a district  
5 shall affect the total amount or timing of money the district  
6 is entitled to receive under this Code. No classification under  
7 this paragraph by a district shall in any way relieve the  
8 district from or affect any requirements that otherwise would  
9 apply with respect to that funding program, including any  
10 accounting of funds by source, reporting expenditures by  
11 original source and purpose, reporting requirements, or  
12 requirements of providing services.

13 (Source: P.A. 96-257, eff. 8-11-09; 97-123, eff. 7-14-11.)

14 (105 ILCS 5/14C-1) (from Ch. 122, par. 14C-1)

15 Sec. 14C-1. The General Assembly finds that there are large  
16 numbers of children in this State who come from environments  
17 where the primary language is other than English. Experience  
18 has shown that public school classes in which instruction is  
19 given only in English are often inadequate for the education of  
20 children whose native tongue is another language. The General  
21 Assembly believes that a program of transitional bilingual  
22 education can meet the needs of these children and facilitate  
23 their integration into the regular public school curriculum.  
24 Therefore, pursuant to the policy of this State to ensure equal  
25 educational opportunity to every child, and in recognition of



1 the educational needs of English learners, it is the purpose of  
2 this Act to provide for the establishment of transitional  
3 bilingual education programs in the public schools, to provide  
4 supplemental financial assistance through fiscal year 2017 to  
5 help local school districts meet the extra costs of such  
6 programs, and to allow this State to directly or indirectly  
7 provide technical assistance and professional development to  
8 support transitional bilingual education programs statewide.

9 (Source: P.A. 99-30, eff. 7-10-15.)

10 (105 ILCS 5/14C-12) (from Ch. 122, par. 14C-12)

11 Sec. 14C-12. Account of expenditures; Cost report;  
12 Reimbursement. Each school district with at least one English  
13 learner shall keep an accurate, detailed and separate account  
14 of all monies paid out by it for the programs in transitional  
15 bilingual education required or permitted by this Article,  
16 including transportation costs, and shall annually report  
17 thereon for the school year ending June 30 indicating the  
18 average per pupil expenditure. Through fiscal year 2017, each  
19 ~~Each~~ school district shall be reimbursed for the amount by  
20 which such costs exceed the average per pupil expenditure by  
21 such school district for the education of children of  
22 comparable age who are not in any special education program. No  
23 funding shall be provided to school districts under this  
24 Section after fiscal year 2017. In fiscal year 2018 and each  
25 fiscal year thereafter, all funding received by a school

1 district from the State pursuant to Section 18-8.15 of this  
2 Code that is attributable to instructions, supports, and  
3 interventions for English learner pupils must be used for  
4 programs and services authorized under this Article. At least  
5 60% of transitional bilingual education funding received from  
6 the State must be used for the instructional costs of programs  
7 and services authorized under this Article ~~transitional~~  
8 ~~bilingual education.~~

9 Applications for preapproval ~~for reimbursement~~ for costs  
10 of transitional bilingual education programs must be submitted  
11 to the State Superintendent of Education at least 60 days  
12 before a transitional bilingual education program is started,  
13 unless a justifiable exception is granted by the State  
14 Superintendent of Education. Applications shall set forth a  
15 plan for transitional bilingual education established and  
16 maintained in accordance with this Article.

17 Through fiscal year 2017, reimbursement ~~Reimbursement~~  
18 claims for transitional bilingual education programs shall be  
19 made as follows:

20 Each school district shall claim reimbursement on a current  
21 basis for the first 3 quarters of the fiscal year and file a  
22 final adjusted claim for the school year ended June 30  
23 preceding computed in accordance with rules prescribed by the  
24 State Superintendent's Office. The State Superintendent of  
25 Education before approving any such claims shall determine  
26 their accuracy and whether they are based upon services and

1 facilities provided under approved programs. Upon approval he  
2 shall transmit to the Comptroller the vouchers showing the  
3 amounts due for school district reimbursement claims. Upon  
4 receipt of the final adjusted claims the State Superintendent  
5 of Education shall make a final determination of the accuracy  
6 of such claims. If the money appropriated by the General  
7 Assembly for such purpose for any year is insufficient, it  
8 shall be apportioned on the basis of the claims approved.

9 Failure on the part of the school district to prepare and  
10 certify the final adjusted claims due under this Section may  
11 constitute a forfeiture by the school district of its right to  
12 be reimbursed by the State under this Section.

13 (Source: P.A. 96-1170, eff. 1-1-11.)

14 (105 ILCS 5/17-1) (from Ch. 122, par. 17-1)

15 Sec. 17-1. Annual Budget. The board of education of each  
16 school district under 500,000 inhabitants shall, within or  
17 before the first quarter of each fiscal year, adopt and file  
18 with the State Board of Education an annual balanced budget  
19 which it deems necessary to defray all necessary expenses and  
20 liabilities of the district, and in such annual budget shall  
21 specify the objects and purposes of each item and amount needed  
22 for each object or purpose.

23 The budget shall be entered upon a School District Budget  
24 form prepared and provided by the State Board of Education and  
25 therein shall contain a statement of the cash on hand at the

1 beginning of the fiscal year, an estimate of the cash expected  
2 to be received during such fiscal year from all sources, an  
3 estimate of the expenditures contemplated for such fiscal year,  
4 and a statement of the estimated cash expected to be on hand at  
5 the end of such year. The estimate of taxes to be received may  
6 be based upon the amount of actual cash receipts that may  
7 reasonably be expected by the district during such fiscal year,  
8 estimated from the experience of the district in prior years  
9 and with due regard for other circumstances that may  
10 substantially affect such receipts. Nothing in this Section  
11 shall be construed as requiring any district to change or  
12 preventing any district from changing from a cash basis of  
13 financing to a surplus or deficit basis of financing; or as  
14 requiring any district to change or preventing any district  
15 from changing its system of accounting. The budget shall  
16 conform to the requirements adopted by the State Board of  
17 Education pursuant to Section 2-3.28 of this Code.

18 To the extent that a school district's budget is not  
19 balanced, the district shall also adopt and file with the State  
20 Board of Education a deficit reduction plan to balance the  
21 district's budget within 3 years. The deficit reduction plan  
22 must be filed at the same time as the budget, but the State  
23 Superintendent of Education may extend this deadline if the  
24 situation warrants.

25 If, as the result of an audit performed in compliance with  
26 Section 3-7 of this Code, the resulting Annual Financial Report

1 required to be submitted pursuant to Section 3-15.1 of this  
2 Code reflects a deficit as defined for purposes of the  
3 preceding paragraph, then the district shall, within 30 days  
4 after acceptance of such audit report, submit a deficit  
5 reduction plan.

6 The board of education of each district shall fix a fiscal  
7 year therefor. If the beginning of the fiscal year of a  
8 district is subsequent to the time that the tax levy due to be  
9 made in such fiscal year shall be made, then such annual budget  
10 shall be adopted prior to the time such tax levy shall be made.  
11 The failure by a board of education of any district to adopt an  
12 annual budget, or to comply in any respect with the provisions  
13 of this Section, shall not affect the validity of any tax levy  
14 of the district otherwise in conformity with the law. With  
15 respect to taxes levied either before, on, or after the  
16 effective date of this amendatory Act of the 91st General  
17 Assembly, (i) a tax levy is made for the fiscal year in which  
18 the levy is due to be made regardless of which fiscal year the  
19 proceeds of the levy are expended or are intended to be  
20 expended, and (ii) except as otherwise provided by law, a board  
21 of education's adoption of an annual budget in conformity with  
22 this Section is not a prerequisite to the adoption of a valid  
23 tax levy and is not a limit on the amount of the levy.

24 Such budget shall be prepared in tentative form by some  
25 person or persons designated by the board, and in such  
26 tentative form shall be made conveniently available to public

1 inspection for at least 30 days prior to final action thereon.  
2 At least 1 public hearing shall be held as to such budget prior  
3 to final action thereon. Notice of availability for public  
4 inspection and of such public hearing shall be given by  
5 publication in a newspaper published in such district, at least  
6 30 days prior to the time of such hearing. If there is no  
7 newspaper published in such district, notice of such public  
8 hearing shall be given by posting notices thereof in 5 of the  
9 most public places in such district. It shall be the duty of  
10 the secretary of such board to make such tentative budget  
11 available to public inspection, and to arrange for such public  
12 hearing. The board may from time to time make transfers between  
13 the various items in any fund not exceeding in the aggregate  
14 10% of the total of such fund as set forth in the budget. The  
15 board may from time to time amend such budget by the same  
16 procedure as is herein provided for its original adoption.

17 Beginning July 1, 1976, the board of education, or regional  
18 superintendent, or governing board responsible for the  
19 administration of a joint agreement shall, by September 1 of  
20 each fiscal year thereafter, adopt an annual budget for the  
21 joint agreement in the same manner and subject to the same  
22 requirements as are provided in this Section.

23 The State Board of Education shall exercise powers and  
24 duties relating to budgets as provided in Section 2-3.27 of  
25 this Code and shall require school districts to submit their  
26 annual budgets, deficit reduction plans, and other financial

1 information, including revenue and expenditure reports and  
2 borrowing and interfund transfer plans, in such form and within  
3 the timelines designated by the State Board of Education.

4 By fiscal year 1982 all school districts shall use the  
5 Program Budget Accounting System.

6 In the case of a school district receiving emergency State  
7 financial assistance under Article 1B, the school board shall  
8 also be subject to the requirements established under Article  
9 1B with respect to the annual budget.

10 (Source: P.A. 97-429, eff. 8-16-11.)

11 (105 ILCS 5/17-1.2)

12 Sec. 17-1.2. Post annual budget on web site. If a school  
13 district has an Internet web site, the school district shall  
14 post its current annual budget, itemized by receipts and  
15 expenditures, on the district's Internet web site. The budget  
16 shall include information conforming to the rules adopted by  
17 the State Board of Education pursuant to Section 2-3.28 of this  
18 Code. The school district shall notify the parents or guardians  
19 of its students that the budget has been posted on the  
20 district's web site and what the web site's address is.

21 (Source: P.A. 92-438, eff. 1-1-02.)

22 (105 ILCS 5/17-1.5)

23 Sec. 17-1.5. Limitation of administrative costs.

24 (a) It is the purpose of this Section to establish

1 limitations on the growth of administrative expenditures in  
2 order to maximize the proportion of school district resources  
3 available for the instructional program, building maintenance,  
4 and safety services for the students of each district.

5 (b) Definitions. For the purposes of this Section:

6 "Administrative expenditures" mean the annual expenditures  
7 of school districts properly attributable to expenditure  
8 functions defined by the rules of the State Board of Education  
9 as: 2320 (Executive Administration Services); 2330 (Special  
10 Area Administration Services); 2490 (Other Support Services -  
11 School Administration); 2510 (Direction of Business Support  
12 Services); 2570 (Internal Services); and 2610 (Direction of  
13 Central Support Services); provided, however, that  
14 "administrative expenditures" shall not include early  
15 retirement or other pension system obligations required by  
16 State law.

17 "School district" means all school districts having a  
18 population of less than 500,000.

19 (c) For the 1998-99 school year and each school year  
20 thereafter, each school district shall undertake budgetary and  
21 expenditure control actions so that the increase in  
22 administrative expenditures for that school year over the prior  
23 school year does not exceed 5%. School districts with  
24 administrative expenditures per pupil in the 25th percentile  
25 and below for all districts of the same type, as defined by the  
26 State Board of Education, may waive the limitation imposed



1 under this Section for any year following a public hearing and  
2 with the affirmative vote of at least two-thirds of the members  
3 of the school board of the district. Any district waiving the  
4 limitation shall notify the State Board within 45 days of such  
5 action.

6 (d) School districts shall file with the State Board of  
7 Education by November 15, 1998 and by each November 15th  
8 thereafter a one-page report that lists (i) the actual  
9 administrative expenditures for the prior year from the  
10 district's audited Annual Financial Report, and (ii) the  
11 projected administrative expenditures for the current year  
12 from the budget adopted by the school board pursuant to Section  
13 17-1 of this Code.

14 If a school district that is ineligible to waive the  
15 limitation imposed by subsection (c) of this Section by board  
16 action exceeds the limitation solely because of circumstances  
17 beyond the control of the district and the district has  
18 exhausted all available and reasonable remedies to comply with  
19 the limitation, the district may request a waiver pursuant to  
20 Section 2-3.25g. The waiver application shall specify the  
21 amount, nature, and reason for the relief requested, as well as  
22 all remedies the district has exhausted to comply with the  
23 limitation. Any emergency relief so requested shall apply only  
24 to the specific school year for which the request is made. The  
25 State Board of Education shall analyze all such waivers  
26 submitted and shall recommend that the General Assembly

1 disapprove any such waiver requested that is not due solely to  
2 circumstances beyond the control of the district and for which  
3 the district has not exhausted all available and reasonable  
4 remedies to comply with the limitation. The State  
5 Superintendent shall have no authority to impose any sanctions  
6 pursuant to this Section for any expenditures for which a  
7 waiver has been requested until such waiver has been reviewed  
8 by the General Assembly.

9 If the report and information required under this  
10 subsection (d) are not provided by the school district in a  
11 timely manner, or are subsequently determined by the State  
12 Superintendent of Education to be incomplete or inaccurate, the  
13 State Superintendent shall notify the district in writing of  
14 reporting deficiencies. The school district shall, within 60  
15 days of the notice, address the reporting deficiencies  
16 identified.

17 (e) If the State Superintendent determines that a school  
18 district has failed to comply with the administrative  
19 expenditure limitation imposed in subsection (c) of this  
20 Section, the State Superintendent shall notify the district of  
21 the violation and direct the district to undertake corrective  
22 action to bring the district's budget into compliance with the  
23 administrative expenditure limitation. The district shall,  
24 within 60 days of the notice, provide adequate assurance to the  
25 State Superintendent that appropriate corrective actions have  
26 been or will be taken. If the district fails to provide

1 adequate assurance or fails to undertake the necessary  
2 corrective actions, the State Superintendent may impose  
3 progressive sanctions against the district that may culminate  
4 in withholding all subsequent payments of general State aid due  
5 the district under Section 18-8.05 of this Code or  
6 evidence-based funding due the district under Section 18-8.15  
7 of this Code until the assurance is provided or the corrective  
8 actions taken.

9 (f) The State Superintendent shall publish a list each year  
10 of the school districts that violate the limitation imposed by  
11 subsection (c) of this Section and a list of the districts that  
12 waive the limitation by board action as provided in subsection  
13 (c) of this Section.

14 (Source: P.A. 90-548, eff. 1-1-98; 90-653, eff. 7-29-98.)

15 (105 ILCS 5/17-2.11) (from Ch. 122, par. 17-2.11)

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

20 (a) Whenever, as a result of any lawful order of any  
21 agency, other than a school board, having authority to enforce  
22 any school building code applicable to any facility that houses  
23 students, or any law or regulation for the protection and  
24 safety of the environment, pursuant to the Environmental  
25 Protection Act, any school district having a population of less

1 than 500,000 inhabitants is required to alter or reconstruct  
2 any school building or permanent, fixed equipment; the district  
3 may, by proper resolution, levy a tax for the purpose of making  
4 such alteration or reconstruction, based on a survey report by  
5 an architect or engineer licensed in this State, upon all of  
6 the taxable property of the district at the value as assessed  
7 by the Department of Revenue and at a rate not to exceed 0.05%  
8 per year for a period sufficient to finance such alteration or  
9 reconstruction, upon the following conditions:

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

21 (2) When a certified estimate of an architect or  
22 engineer licensed in this State stating the estimated  
23 amount necessary to make the alteration or reconstruction  
24 or to purchase and install the equipment so ordered has  
25 been secured by the school district, and the estimate has  
26 been approved by the regional superintendent of schools

1           having jurisdiction over the district and the State  
2           Superintendent of Education. Approval must not be granted  
3           for any work that has already started without the prior  
4           express authorization of the State Superintendent of  
5           Education. If the estimate is not approved or is denied  
6           approval by the regional superintendent of schools within 3  
7           months after the date on which it is submitted to him or  
8           her, the school board of the district may submit the  
9           estimate directly to the State Superintendent of Education  
10          for approval or denial.

11          In the case of an emergency situation, where the estimated  
12          cost to effectuate emergency repairs is less than the amount  
13          specified in Section 10-20.21 of this Code, the school district  
14          may proceed with such repairs prior to approval by the State  
15          Superintendent of Education, but shall comply with the  
16          provisions of subdivision (2) of this subsection (a) as soon  
17          thereafter as may be as well as Section 10-20.21 of this Code.  
18          If the estimated cost to effectuate emergency repairs is  
19          greater than the amount specified in Section 10-20.21 of this  
20          Code, then the school district shall proceed in conformity with  
21          Section 10-20.21 of this Code and with rules established by the  
22          State Board of Education to address such situations. The rules  
23          adopted by the State Board of Education to deal with these  
24          situations shall stipulate that emergency situations must be  
25          expedited and given priority consideration. For purposes of  
26          this paragraph, an emergency is a situation that presents an

1 imminent and continuing threat to the health and safety of  
2 students or other occupants of a facility, requires complete or  
3 partial evacuation of a building or part of a building, or  
4 consumes one or more of the 5 emergency days built into the  
5 adopted calendar of the school or schools or would otherwise be  
6 expected to cause such school or schools to fall short of the  
7 minimum school calendar requirements.

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

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

26 (d) Whenever any such district determines that it is

1 necessary for school security purposes and the related  
2 protection and safety of pupils and school personnel that any  
3 school building or property should be altered or reconstructed  
4 or that security systems and equipment (including but not  
5 limited to intercom, early detection and warning, access  
6 control and television monitoring systems) should be purchased  
7 and installed, and that such alterations, reconstruction or  
8 purchase and installation of equipment will be made with funds  
9 not necessary for the completion of approved and recommended  
10 projects contained in any safety survey report or amendment  
11 thereto authorized by Section 2-3.12 of this Act and will deter  
12 and prevent unauthorized entry or activities upon school  
13 property by unknown or dangerous persons, assure early  
14 detection and advance warning of any such actual or attempted  
15 unauthorized entry or activities and help assure the continued  
16 safety of pupils and school staff if any such unauthorized  
17 entry or activity is attempted or occurs; the district may levy  
18 a tax or issue bonds as provided in subsection (a) of this  
19 Section.

20 (e) If a school district does not need funds for other fire  
21 prevention and safety projects, including the completion of  
22 approved and recommended projects contained in any safety  
23 survey report or amendments thereto authorized by Section  
24 2-3.12 of this Act, and it is determined after a public hearing  
25 (which is preceded by at least one published notice (i)  
26 occurring at least 7 days prior to the hearing in a newspaper

1 of general circulation within the school district and (ii)  
2 setting forth the time, date, place, and general subject matter  
3 of the hearing) that there is a substantial, immediate, and  
4 otherwise unavoidable threat to the health, safety, or welfare  
5 of pupils due to disrepair of school sidewalks, playgrounds,  
6 parking lots, or school bus turnarounds and repairs must be  
7 made; then the district may levy a tax or issue bonds as  
8 provided in subsection (a) of this Section.

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

21 (g) The filing of a certified copy of the resolution  
22 levying the tax when accompanied by the certificates of the  
23 regional superintendent of schools and State Superintendent of  
24 Education shall be the authority of the county clerk to extend  
25 such tax.

26 (h) The county clerk of the county in which any school



1 district levying a tax under the authority of this Section is  
2 located, in reducing raised levies, shall not consider any such  
3 tax as a part of the general levy for school purposes and shall  
4 not include the same in the limitation of any other tax rate  
5 which may be extended.

6 Such tax shall be levied and collected in like manner as  
7 all other taxes of school districts, subject to the provisions  
8 contained in this Section.

9 (i) The tax rate limit specified in this Section may be  
10 increased to .10% upon the approval of a proposition to effect  
11 such increase by a majority of the electors voting on that  
12 proposition at a regular scheduled election. Such proposition  
13 may be initiated by resolution of the school board and shall be  
14 certified by the secretary to the proper election authorities  
15 for submission in accordance with the general election law.

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

25 (1) for other authorized fire prevention, safety,  
26 energy conservation, required safety inspections, school

1 security purposes, sampling for lead in drinking water in  
2 schools, and for repair and mitigation due to lead levels  
3 in the drinking water supply; or

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

7 Notwithstanding subdivision (2) of this subsection (j) and  
8 subsection (k) of this Section, through June 30, 2020 ~~2019~~, the  
9 school board may, by proper resolution following a public  
10 hearing set by the school board or the president of the school  
11 board (that is preceded (i) by at least one published notice  
12 over the name of the clerk or secretary of the board, occurring  
13 at least 7 days and not more than 30 days prior to the hearing,  
14 in a newspaper of general circulation within the school  
15 district and (ii) by posted notice over the name of the clerk  
16 or secretary of the board, at least 48 hours before the  
17 hearing, at the principal office of the school board or at the  
18 building where the hearing is to be held if a principal office  
19 does not exist, with both notices setting forth the time, date,  
20 place, and subject matter of the hearing), transfer surplus  
21 life safety taxes and interest earnings thereon to the  
22 Operations and Maintenance Fund for building repair work.

23 (k) If any transfer is made to the Operation and  
24 Maintenance Fund, the secretary of the school board shall  
25 within 30 days notify the county clerk of the amount of that  
26 transfer and direct the clerk to abate the taxes to be extended

1 for the purposes of operations and maintenance authorized under  
2 Section 17-2 of this Act by an amount equal to such transfer.

3 (l) If the proceeds from the tax levy authorized by this  
4 Section are insufficient to complete the work approved under  
5 this Section, the school board is authorized to sell bonds  
6 without referendum under the provisions of this Section in an  
7 amount that, when added to the proceeds of the tax levy  
8 authorized by this Section, will allow completion of the  
9 approved work.

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

15 (n) In order to authorize and issue such bonds, the school  
16 board shall adopt a resolution fixing the amount of bonds, the  
17 date thereof, the maturities thereof, rates of interest  
18 thereof, place of payment and denomination, which shall be in  
19 denominations of not less than \$100 and not more than \$5,000,  
20 and provide for the levy and collection of a direct annual tax  
21 upon all the taxable property in the school district sufficient  
22 to pay the principal and interest on such bonds to maturity.  
23 Upon the filing in the office of the county clerk of the county  
24 in which the school district is located of a certified copy of  
25 the resolution, it is the duty of the county clerk to extend  
26 the tax therefor in addition to and in excess of all other

1 taxes heretofore or hereafter authorized to be levied by such  
2 school district.

3 (o) After the time such bonds are issued as provided for by  
4 this Section, if additional alterations or reconstructions are  
5 required to be made because of surveys conducted by an  
6 architect or engineer licensed in the State of Illinois, the  
7 district may levy a tax at a rate not to exceed .05% per year  
8 upon all the taxable property of the district or issue  
9 additional bonds, whichever action shall be the most feasible.

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

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

1 than those Acts.

2 (r) When the purposes for which the bonds are issued have  
3 been accomplished and paid for in full and there remain funds  
4 on hand from the proceeds of the bond sale and interest  
5 earnings therefrom, the board shall, by resolution, use such  
6 excess funds in accordance with the provisions of Section  
7 10-22.14 of this Act.

8 (s) Whenever any tax is levied or bonds issued for fire  
9 prevention, safety, energy conservation, and school security  
10 purposes, such proceeds shall be deposited and accounted for  
11 separately within the Fire Prevention and Safety Fund.

12 (Source: P.A. 98-26, eff. 6-21-13; 98-1066, eff. 8-26-14;  
13 99-143, eff. 7-27-15; 99-713, eff. 8-5-16; 99-922, eff.  
14 1-17-17.)

15 (105 ILCS 5/17-2A) (from Ch. 122, par. 17-2A)  
16 Sec. 17-2A. Interfund transfers.

17 (a) The school board of any district having a population of  
18 less than 500,000 inhabitants may, by proper resolution  
19 following a public hearing set by the school board or the  
20 president of the school board (that is preceded (i) by at least  
21 one published notice over the name of the clerk or secretary of  
22 the board, occurring at least 7 days and not more than 30 days  
23 prior to the hearing, in a newspaper of general circulation  
24 within the school district and (ii) by posted notice over the  
25 name of the clerk or secretary of the board, at least 48 hours

1 before the hearing, at the principal office of the school board  
2 or at the building where the hearing is to be held if a  
3 principal office does not exist, with both notices setting  
4 forth the time, date, place, and subject matter of the  
5 hearing), transfer money from (1) the Educational Fund to the  
6 Operations and Maintenance Fund or the Transportation Fund, (2)  
7 the Operations and Maintenance Fund to the Educational Fund or  
8 the Transportation Fund, (3) the Transportation Fund to the  
9 Educational Fund or the Operations and Maintenance Fund, or (4)  
10 the Tort Immunity Fund to the Operations and Maintenance Fund  
11 of said district, provided that, except during the period from  
12 July 1, 2003 through June 30, 2020 ~~2019~~, such transfer is made  
13 solely for the purpose of meeting one-time, non-recurring  
14 expenses. Except during the period from July 1, 2003 through  
15 June 30, 2020 ~~2019~~ and except as otherwise provided in  
16 subsection (b) of this Section, any other permanent interfund  
17 transfers authorized by any provision or judicial  
18 interpretation of this Code for which the transferee fund is  
19 not precisely and specifically set forth in the provision of  
20 this Code authorizing such transfer shall be made to the fund  
21 of the school district most in need of the funds being  
22 transferred, as determined by resolution of the school board.

23 (b) (Blank).

24 (c) Notwithstanding subsection (a) of this Section or any  
25 other provision of this Code to the contrary, the school board  
26 of any school district (i) that is subject to the Property Tax

1 Extension Limitation Law, (ii) that is an elementary district  
2 servicing students in grades K through 8, (iii) whose territory  
3 is in one county, (iv) that is eligible for Section 7002  
4 Federal Impact Aid, and (v) that has no more than \$81,000 in  
5 funds remaining from refinancing bonds that were refinanced a  
6 minimum of 5 years prior to January 20, 2017 (the effective  
7 date of Public Act 99-926) ~~this amendatory Act of the 99th~~  
8 ~~General Assembly~~ may make a one-time transfer of the funds  
9 remaining from the refinancing bonds to the Operations and  
10 Maintenance Fund of the district by proper resolution following  
11 a public hearing set by the school board or the president of  
12 the school board, with notice as provided in subsection (a) of  
13 this Section, so long as the district meets the qualifications  
14 set forth in this subsection (c) on January 20, 2017 (the  
15 effective date of Public Act 99-926) ~~this amendatory Act of the~~  
16 ~~99th General Assembly~~.

17 (Source: P.A. 98-26, eff. 6-21-13; 98-131, eff. 1-1-14; 99-713,  
18 eff. 8-5-16; 99-922, eff. 1-17-17; 99-926, eff. 1-20-17;  
19 revised 1-23-17.)

20 (105 ILCS 5/17-3.6 new)

21 Sec. 17-3.6. Educational purposes tax rate for school  
22 districts subject to Property Tax Extension Limitation Law.  
23 Notwithstanding the provisions, requirements, or limitations  
24 of this Code or any other law, any tax levied for educational  
25 purposes by a school district subject to the Property Tax

1 Extension Limitation Law for the 2016 levy year or any  
2 subsequent levy year may be extended at a rate exceeding the  
3 rate established for educational purposes by referendum or this  
4 Code, provided that the rate does not cause the school district  
5 to exceed the limiting rate applicable to the school district  
6 under the Property Tax Extension Limitation Law for that levy  
7 year.

8 (105 ILCS 5/18-4.3) (from Ch. 122, par. 18-4.3)

9 Sec. 18-4.3. Summer school grants. Through fiscal year  
10 2017, grants ~~Grants~~ shall be determined for pupil attendance in  
11 summer schools conducted under Sections 10-22.33A and 34-18 and  
12 approved under Section 2-3.25 in the following manner.

13 The amount of grant for each accredited summer school  
14 attendance pupil shall be obtained by dividing the total amount  
15 of apportionments determined under Section 18-8.05 by the  
16 actual number of pupils in average daily attendance used for  
17 such apportionments. The number of credited summer school  
18 attendance pupils shall be determined (a) by counting clock  
19 hours of class instruction by pupils enrolled in grades 1  
20 through 12 in approved courses conducted at least 60 clock  
21 hours in summer sessions; (b) by dividing such total of clock  
22 hours of class instruction by 4 to produce days of credited  
23 pupil attendance; (c) by dividing such days of credited pupil  
24 attendance by the actual number of days in the regular term as  
25 used in computation in the general apportionment in Section



1 18-8.05; and (d) by multiplying by 1.25.

2 The amount of the grant for a summer school program  
3 approved by the State Superintendent of Education for children  
4 with disabilities, as defined in Sections 14-1.02 through  
5 14-1.07, shall be determined in the manner contained above  
6 except that average daily membership shall be utilized in lieu  
7 of average daily attendance.

8 In the case of an apportionment based on summer school  
9 attendance or membership pupils, the claim therefor shall be  
10 presented as a separate claim for the particular school year in  
11 which such summer school session ends. On or before November 1  
12 of each year the superintendent of each eligible school  
13 district shall certify to the State Superintendent of Education  
14 the claim of the district for the summer session just ended.  
15 Failure on the part of the school board to so certify shall  
16 constitute a forfeiture of its right to such payment. The State  
17 Superintendent of Education shall transmit to the Comptroller  
18 no later than December 15th of each year vouchers for payment  
19 of amounts due school districts for summer school. The State  
20 Superintendent of Education shall direct the Comptroller to  
21 draw his warrants for payments thereof by the 30th day of  
22 December. If the money appropriated by the General Assembly for  
23 such purpose for any year is insufficient, it shall be  
24 apportioned on the basis of claims approved.

25 However, notwithstanding the foregoing provisions, for  
26 each fiscal year the money appropriated by the General Assembly

1 for the purposes of this Section shall only be used for grants  
2 for approved summer school programs for those children with  
3 disabilities served pursuant to Section 14-7.02 or 14-7.02b of  
4 this Code.

5 No funding shall be provided to school districts under this  
6 Section after fiscal year 2017.

7 (Source: P.A. 93-1022, eff. 8-24-04.)

8 (105 ILCS 5/18-8.05)

9 Sec. 18-8.05. Basis for apportionment of general State  
10 financial aid and supplemental general State aid to the common  
11 schools for the 1998-1999 through the 2016-2017 ~~and subsequent~~  
12 school years.

13 (A) General Provisions.

14 (1) The provisions of this Section relating to the  
15 calculation and apportionment of general State financial aid  
16 and supplemental general State aid apply to the 1998-1999  
17 through the 2016-2017 ~~and subsequent~~ school years. The system  
18 of general State financial aid provided for in this Section is  
19 designed to assure that, through a combination of State  
20 financial aid and required local resources, the financial  
21 support provided each pupil in Average Daily Attendance equals  
22 or exceeds a prescribed per pupil Foundation Level. This  
23 formula approach imputes a level of per pupil Available Local  
24 Resources and provides for the basis to calculate a per pupil

1 level of general State financial aid that, when added to  
2 Available Local Resources, equals or exceeds the Foundation  
3 Level. The amount of per pupil general State financial aid for  
4 school districts, in general, varies in inverse relation to  
5 Available Local Resources. Per pupil amounts are based upon  
6 each school district's Average Daily Attendance as that term is  
7 defined in this Section.

8 (2) In addition to general State financial aid, school  
9 districts with specified levels or concentrations of pupils  
10 from low income households are eligible to receive supplemental  
11 general State financial aid grants as provided pursuant to  
12 subsection (H). The supplemental State aid grants provided for  
13 school districts under subsection (H) shall be appropriated for  
14 distribution to school districts as part of the same line item  
15 in which the general State financial aid of school districts is  
16 appropriated under this Section.

17 (3) To receive financial assistance under this Section,  
18 school districts are required to file claims with the State  
19 Board of Education, subject to the following requirements:

20 (a) Any school district which fails for any given  
21 school year to maintain school as required by law, or to  
22 maintain a recognized school is not eligible to file for  
23 such school year any claim upon the Common School Fund. In  
24 case of nonrecognition of one or more attendance centers in  
25 a school district otherwise operating recognized schools,  
26 the claim of the district shall be reduced in the

1 proportion which the Average Daily Attendance in the  
2 attendance center or centers bear to the Average Daily  
3 Attendance in the school district. A "recognized school"  
4 means any public school which meets the standards as  
5 established for recognition by the State Board of  
6 Education. A school district or attendance center not  
7 having recognition status at the end of a school term is  
8 entitled to receive State aid payments due upon a legal  
9 claim which was filed while it was recognized.

10 (b) School district claims filed under this Section are  
11 subject to Sections 18-9 and 18-12, except as otherwise  
12 provided in this Section.

13 (c) If a school district operates a full year school  
14 under Section 10-19.1, the general State aid to the school  
15 district shall be determined by the State Board of  
16 Education in accordance with this Section as near as may be  
17 applicable.

18 (d) (Blank).

19 (4) Except as provided in subsections (H) and (L), the  
20 board of any district receiving any of the grants provided for  
21 in this Section may apply those funds to any fund so received  
22 for which that board is authorized to make expenditures by law.

23 School districts are not required to exert a minimum  
24 Operating Tax Rate in order to qualify for assistance under  
25 this Section.

26 (5) As used in this Section the following terms, when

1 capitalized, shall have the meaning ascribed herein:

2 (a) "Average Daily Attendance": A count of pupil  
3 attendance in school, averaged as provided for in  
4 subsection (C) and utilized in deriving per pupil financial  
5 support levels.

6 (b) "Available Local Resources": A computation of  
7 local financial support, calculated on the basis of Average  
8 Daily Attendance and derived as provided pursuant to  
9 subsection (D).

10 (c) "Corporate Personal Property Replacement Taxes":  
11 Funds paid to local school districts pursuant to "An Act in  
12 relation to the abolition of ad valorem personal property  
13 tax and the replacement of revenues lost thereby, and  
14 amending and repealing certain Acts and parts of Acts in  
15 connection therewith", certified August 14, 1979, as  
16 amended (Public Act 81-1st S.S.-1).

17 (d) "Foundation Level": A prescribed level of per pupil  
18 financial support as provided for in subsection (B).

19 (e) "Operating Tax Rate": All school district property  
20 taxes extended for all purposes, except Bond and Interest,  
21 Summer School, Rent, Capital Improvement, and Vocational  
22 Education Building purposes.

23 (B) Foundation Level.

24 (1) The Foundation Level is a figure established by the  
25 State representing the minimum level of per pupil financial

1 support that should be available to provide for the basic  
2 education of each pupil in Average Daily Attendance. As set  
3 forth in this Section, each school district is assumed to exert  
4 a sufficient local taxing effort such that, in combination with  
5 the aggregate of general State financial aid provided the  
6 district, an aggregate of State and local resources are  
7 available to meet the basic education needs of pupils in the  
8 district.

9 (2) For the 1998-1999 school year, the Foundation Level of  
10 support is \$4,225. For the 1999-2000 school year, the  
11 Foundation Level of support is \$4,325. For the 2000-2001 school  
12 year, the Foundation Level of support is \$4,425. For the  
13 2001-2002 school year and 2002-2003 school year, the Foundation  
14 Level of support is \$4,560. For the 2003-2004 school year, the  
15 Foundation Level of support is \$4,810. For the 2004-2005 school  
16 year, the Foundation Level of support is \$4,964. For the  
17 2005-2006 school year, the Foundation Level of support is  
18 \$5,164. For the 2006-2007 school year, the Foundation Level of  
19 support is \$5,334. For the 2007-2008 school year, the  
20 Foundation Level of support is \$5,734. For the 2008-2009 school  
21 year, the Foundation Level of support is \$5,959.

22 (3) For the 2009-2010 school year and each school year  
23 thereafter, the Foundation Level of support is \$6,119 or such  
24 greater amount as may be established by law by the General  
25 Assembly.

1 (C) Average Daily Attendance.

2 (1) For purposes of calculating general State aid pursuant  
3 to subsection (E), an Average Daily Attendance figure shall be  
4 utilized. The Average Daily Attendance figure for formula  
5 calculation purposes shall be the monthly average of the actual  
6 number of pupils in attendance of each school district, as  
7 further averaged for the best 3 months of pupil attendance for  
8 each school district. In compiling the figures for the number  
9 of pupils in attendance, school districts and the State Board  
10 of Education shall, for purposes of general State aid funding,  
11 conform attendance figures to the requirements of subsection  
12 (F).

13 (2) The Average Daily Attendance figures utilized in  
14 subsection (E) shall be the requisite attendance data for the  
15 school year immediately preceding the school year for which  
16 general State aid is being calculated or the average of the  
17 attendance data for the 3 preceding school years, whichever is  
18 greater. The Average Daily Attendance figures utilized in  
19 subsection (H) shall be the requisite attendance data for the  
20 school year immediately preceding the school year for which  
21 general State aid is being calculated.

22 (D) Available Local Resources.

23 (1) For purposes of calculating general State aid pursuant  
24 to subsection (E), a representation of Available Local  
25 Resources per pupil, as that term is defined and determined in

1 this subsection, shall be utilized. Available Local Resources  
2 per pupil shall include a calculated dollar amount representing  
3 local school district revenues from local property taxes and  
4 from Corporate Personal Property Replacement Taxes, expressed  
5 on the basis of pupils in Average Daily Attendance. Calculation  
6 of Available Local Resources shall exclude any tax amnesty  
7 funds received as a result of Public Act 93-26.

8 (2) In determining a school district's revenue from local  
9 property taxes, the State Board of Education shall utilize the  
10 equalized assessed valuation of all taxable property of each  
11 school district as of September 30 of the previous year. The  
12 equalized assessed valuation utilized shall be obtained and  
13 determined as provided in subsection (G).

14 (3) For school districts maintaining grades kindergarten  
15 through 12, local property tax revenues per pupil shall be  
16 calculated as the product of the applicable equalized assessed  
17 valuation for the district multiplied by 3.00%, and divided by  
18 the district's Average Daily Attendance figure. For school  
19 districts maintaining grades kindergarten through 8, local  
20 property tax revenues per pupil shall be calculated as the  
21 product of the applicable equalized assessed valuation for the  
22 district multiplied by 2.30%, and divided by the district's  
23 Average Daily Attendance figure. For school districts  
24 maintaining grades 9 through 12, local property tax revenues  
25 per pupil shall be the applicable equalized assessed valuation  
26 of the district multiplied by 1.05%, and divided by the



1 district's Average Daily Attendance figure.

2 For partial elementary unit districts created pursuant to  
3 Article 11E of this Code, local property tax revenues per pupil  
4 shall be calculated as the product of the equalized assessed  
5 valuation for property within the partial elementary unit  
6 district for elementary purposes, as defined in Article 11E of  
7 this Code, multiplied by 2.06% and divided by the district's  
8 Average Daily Attendance figure, plus the product of the  
9 equalized assessed valuation for property within the partial  
10 elementary unit district for high school purposes, as defined  
11 in Article 11E of this Code, multiplied by 0.94% and divided by  
12 the district's Average Daily Attendance figure.

13 (4) The Corporate Personal Property Replacement Taxes paid  
14 to each school district during the calendar year one year  
15 before the calendar year in which a school year begins, divided  
16 by the Average Daily Attendance figure for that district, shall  
17 be added to the local property tax revenues per pupil as  
18 derived by the application of the immediately preceding  
19 paragraph (3). The sum of these per pupil figures for each  
20 school district shall constitute Available Local Resources as  
21 that term is utilized in subsection (E) in the calculation of  
22 general State aid.

23 (E) Computation of General State Aid.

24 (1) For each school year, the amount of general State aid  
25 allotted to a school district shall be computed by the State

1 Board of Education as provided in this subsection.

2 (2) For any school district for which Available Local  
3 Resources per pupil is less than the product of 0.93 times the  
4 Foundation Level, general State aid for that district shall be  
5 calculated as an amount equal to the Foundation Level minus  
6 Available Local Resources, multiplied by the Average Daily  
7 Attendance of the school district.

8 (3) For any school district for which Available Local  
9 Resources per pupil is equal to or greater than the product of  
10 0.93 times the Foundation Level and less than the product of  
11 1.75 times the Foundation Level, the general State aid per  
12 pupil shall be a decimal proportion of the Foundation Level  
13 derived using a linear algorithm. Under this linear algorithm,  
14 the calculated general State aid per pupil shall decline in  
15 direct linear fashion from 0.07 times the Foundation Level for  
16 a school district with Available Local Resources equal to the  
17 product of 0.93 times the Foundation Level, to 0.05 times the  
18 Foundation Level for a school district with Available Local  
19 Resources equal to the product of 1.75 times the Foundation  
20 Level. The allocation of general State aid for school districts  
21 subject to this paragraph 3 shall be the calculated general  
22 State aid per pupil figure multiplied by the Average Daily  
23 Attendance of the school district.

24 (4) For any school district for which Available Local  
25 Resources per pupil equals or exceeds the product of 1.75 times  
26 the Foundation Level, the general State aid for the school

1 district shall be calculated as the product of \$218 multiplied  
2 by the Average Daily Attendance of the school district.

3 (5) The amount of general State aid allocated to a school  
4 district for the 1999-2000 school year meeting the requirements  
5 set forth in paragraph (4) of subsection (G) shall be increased  
6 by an amount equal to the general State aid that would have  
7 been received by the district for the 1998-1999 school year by  
8 utilizing the Extension Limitation Equalized Assessed  
9 Valuation as calculated in paragraph (4) of subsection (G) less  
10 the general State aid allotted for the 1998-1999 school year.  
11 This amount shall be deemed a one time increase, and shall not  
12 affect any future general State aid allocations.

13 (F) Compilation of Average Daily Attendance.

14 (1) Each school district shall, by July 1 of each year,  
15 submit to the State Board of Education, on forms prescribed by  
16 the State Board of Education, attendance figures for the school  
17 year that began in the preceding calendar year. The attendance  
18 information so transmitted shall identify the average daily  
19 attendance figures for each month of the school year. Beginning  
20 with the general State aid claim form for the 2002-2003 school  
21 year, districts shall calculate Average Daily Attendance as  
22 provided in subdivisions (a), (b), and (c) of this paragraph  
23 (1).

24 (a) In districts that do not hold year-round classes,  
25 days of attendance in August shall be added to the month of

1           September and any days of attendance in June shall be added  
2           to the month of May.

3           (b) In districts in which all buildings hold year-round  
4           classes, days of attendance in July and August shall be  
5           added to the month of September and any days of attendance  
6           in June shall be added to the month of May.

7           (c) In districts in which some buildings, but not all,  
8           hold year-round classes, for the non-year-round buildings,  
9           days of attendance in August shall be added to the month of  
10          September and any days of attendance in June shall be added  
11          to the month of May. The average daily attendance for the  
12          year-round buildings shall be computed as provided in  
13          subdivision (b) of this paragraph (1). To calculate the  
14          Average Daily Attendance for the district, the average  
15          daily attendance for the year-round buildings shall be  
16          multiplied by the days in session for the non-year-round  
17          buildings for each month and added to the monthly  
18          attendance of the non-year-round buildings.

19          Except as otherwise provided in this Section, days of  
20          attendance by pupils shall be counted only for sessions of not  
21          less than 5 clock hours of school work per day under direct  
22          supervision of: (i) teachers, or (ii) non-teaching personnel or  
23          volunteer personnel when engaging in non-teaching duties and  
24          supervising in those instances specified in subsection (a) of  
25          Section 10-22.34 and paragraph 10 of Section 34-18, with pupils  
26          of legal school age and in kindergarten and grades 1 through

1 12. Days of attendance by pupils through verified participation  
2 in an e-learning program approved by the State Board of  
3 Education under Section 10-20.56 of the Code shall be  
4 considered as full days of attendance for purposes of this  
5 Section.

6 Days of attendance by tuition pupils shall be accredited  
7 only to the districts that pay the tuition to a recognized  
8 school.

9 (2) Days of attendance by pupils of less than 5 clock hours  
10 of school shall be subject to the following provisions in the  
11 compilation of Average Daily Attendance.

12 (a) Pupils regularly enrolled in a public school for  
13 only a part of the school day may be counted on the basis  
14 of 1/6 day for every class hour of instruction of 40  
15 minutes or more attended pursuant to such enrollment,  
16 unless a pupil is enrolled in a block-schedule format of 80  
17 minutes or more of instruction, in which case the pupil may  
18 be counted on the basis of the proportion of minutes of  
19 school work completed each day to the minimum number of  
20 minutes that school work is required to be held that day.

21 (b) (Blank).

22 (c) A session of 4 or more clock hours may be counted  
23 as a day of attendance upon certification by the regional  
24 superintendent, and approved by the State Superintendent  
25 of Education to the extent that the district has been  
26 forced to use daily multiple sessions.

1           (d) A session of 3 or more clock hours may be counted  
2           as a day of attendance (1) when the remainder of the school  
3           day or at least 2 hours in the evening of that day is  
4           utilized for an in-service training program for teachers,  
5           up to a maximum of 5 days per school year, provided a  
6           district conducts an in-service training program for  
7           teachers in accordance with Section 10-22.39 of this Code;  
8           or, in lieu of 4 such days, 2 full days may be used, in  
9           which event each such day may be counted as a day required  
10          for a legal school calendar pursuant to Section 10-19 of  
11          this Code; (1.5) when, of the 5 days allowed under item  
12          (1), a maximum of 4 days are used for parent-teacher  
13          conferences, or, in lieu of 4 such days, 2 full days are  
14          used, in which case each such day may be counted as a  
15          calendar day required under Section 10-19 of this Code,  
16          provided that the full-day, parent-teacher conference  
17          consists of (i) a minimum of 5 clock hours of  
18          parent-teacher conferences, (ii) both a minimum of 2 clock  
19          hours of parent-teacher conferences held in the evening  
20          following a full day of student attendance, as specified in  
21          subsection (F)(1)(c), and a minimum of 3 clock hours of  
22          parent-teacher conferences held on the day immediately  
23          following evening parent-teacher conferences, or (iii)  
24          multiple parent-teacher conferences held in the evenings  
25          following full days of student attendance, as specified in  
26          subsection (F)(1)(c), in which the time used for the

1 parent-teacher conferences is equivalent to a minimum of 5  
2 clock hours; and (2) when days in addition to those  
3 provided in items (1) and (1.5) are scheduled by a school  
4 pursuant to its school improvement plan adopted under  
5 Article 34 or its revised or amended school improvement  
6 plan adopted under Article 2, provided that (i) such  
7 sessions of 3 or more clock hours are scheduled to occur at  
8 regular intervals, (ii) the remainder of the school days in  
9 which such sessions occur are utilized for in-service  
10 training programs or other staff development activities  
11 for teachers, and (iii) a sufficient number of minutes of  
12 school work under the direct supervision of teachers are  
13 added to the school days between such regularly scheduled  
14 sessions to accumulate not less than the number of minutes  
15 by which such sessions of 3 or more clock hours fall short  
16 of 5 clock hours. Any full days used for the purposes of  
17 this paragraph shall not be considered for computing  
18 average daily attendance. Days scheduled for in-service  
19 training programs, staff development activities, or  
20 parent-teacher conferences may be scheduled separately for  
21 different grade levels and different attendance centers of  
22 the district.

23 (e) A session of not less than one clock hour of  
24 teaching hospitalized or homebound pupils on-site or by  
25 telephone to the classroom may be counted as 1/2 day of  
26 attendance, however these pupils must receive 4 or more

1 clock hours of instruction to be counted for a full day of  
2 attendance.

3 (f) A session of at least 4 clock hours may be counted  
4 as a day of attendance for first grade pupils, and pupils  
5 in full day kindergartens, and a session of 2 or more hours  
6 may be counted as 1/2 day of attendance by pupils in  
7 kindergartens which provide only 1/2 day of attendance.

8 (g) For children with disabilities who are below the  
9 age of 6 years and who cannot attend 2 or more clock hours  
10 because of their disability or immaturity, a session of not  
11 less than one clock hour may be counted as 1/2 day of  
12 attendance; however for such children whose educational  
13 needs so require a session of 4 or more clock hours may be  
14 counted as a full day of attendance.

15 (h) A recognized kindergarten which provides for only  
16 1/2 day of attendance by each pupil shall not have more  
17 than 1/2 day of attendance counted in any one day. However,  
18 kindergartens may count 2 1/2 days of attendance in any 5  
19 consecutive school days. When a pupil attends such a  
20 kindergarten for 2 half days on any one school day, the  
21 pupil shall have the following day as a day absent from  
22 school, unless the school district obtains permission in  
23 writing from the State Superintendent of Education.  
24 Attendance at kindergartens which provide for a full day of  
25 attendance by each pupil shall be counted the same as  
26 attendance by first grade pupils. Only the first year of



1 attendance in one kindergarten shall be counted, except in  
2 case of children who entered the kindergarten in their  
3 fifth year whose educational development requires a second  
4 year of kindergarten as determined under the rules and  
5 regulations of the State Board of Education.

6 (i) On the days when the assessment that includes a  
7 college and career ready determination is administered  
8 under subsection (c) of Section 2-3.64a-5 of this Code, the  
9 day of attendance for a pupil whose school day must be  
10 shortened to accommodate required testing procedures may  
11 be less than 5 clock hours and shall be counted towards the  
12 176 days of actual pupil attendance required under Section  
13 10-19 of this Code, provided that a sufficient number of  
14 minutes of school work in excess of 5 clock hours are first  
15 completed on other school days to compensate for the loss  
16 of school work on the examination days.

17 (j) Pupils enrolled in a remote educational program  
18 established under Section 10-29 of this Code may be counted  
19 on the basis of one-fifth day of attendance for every clock  
20 hour of instruction attended in the remote educational  
21 program, provided that, in any month, the school district  
22 may not claim for a student enrolled in a remote  
23 educational program more days of attendance than the  
24 maximum number of days of attendance the district can claim  
25 (i) for students enrolled in a building holding year-round  
26 classes if the student is classified as participating in

1 the remote educational program on a year-round schedule or  
2 (ii) for students enrolled in a building not holding  
3 year-round classes if the student is not classified as  
4 participating in the remote educational program on a  
5 year-round schedule.

6 (G) Equalized Assessed Valuation Data.

7 (1) For purposes of the calculation of Available Local  
8 Resources required pursuant to subsection (D), the State Board  
9 of Education shall secure from the Department of Revenue the  
10 value as equalized or assessed by the Department of Revenue of  
11 all taxable property of every school district, together with  
12 (i) the applicable tax rate used in extending taxes for the  
13 funds of the district as of September 30 of the previous year  
14 and (ii) the limiting rate for all school districts subject to  
15 property tax extension limitations as imposed under the  
16 Property Tax Extension Limitation Law.

17 The Department of Revenue shall add to the equalized  
18 assessed value of all taxable property of each school district  
19 situated entirely or partially within a county that is or was  
20 subject to the provisions of Section 15-176 or 15-177 of the  
21 Property Tax Code (a) an amount equal to the total amount by  
22 which the homestead exemption allowed under Section 15-176 or  
23 15-177 of the Property Tax Code for real property situated in  
24 that school district exceeds the total amount that would have  
25 been allowed in that school district if the maximum reduction

1 under Section 15-176 was (i) \$4,500 in Cook County or \$3,500 in  
2 all other counties in tax year 2003 or (ii) \$5,000 in all  
3 counties in tax year 2004 and thereafter and (b) an amount  
4 equal to the aggregate amount for the taxable year of all  
5 additional exemptions under Section 15-175 of the Property Tax  
6 Code for owners with a household income of \$30,000 or less. The  
7 county clerk of any county that is or was subject to the  
8 provisions of Section 15-176 or 15-177 of the Property Tax Code  
9 shall annually calculate and certify to the Department of  
10 Revenue for each school district all homestead exemption  
11 amounts under Section 15-176 or 15-177 of the Property Tax Code  
12 and all amounts of additional exemptions under Section 15-175  
13 of the Property Tax Code for owners with a household income of  
14 \$30,000 or less. It is the intent of this paragraph that if the  
15 general homestead exemption for a parcel of property is  
16 determined under Section 15-176 or 15-177 of the Property Tax  
17 Code rather than Section 15-175, then the calculation of  
18 Available Local Resources shall not be affected by the  
19 difference, if any, between the amount of the general homestead  
20 exemption allowed for that parcel of property under Section  
21 15-176 or 15-177 of the Property Tax Code and the amount that  
22 would have been allowed had the general homestead exemption for  
23 that parcel of property been determined under Section 15-175 of  
24 the Property Tax Code. It is further the intent of this  
25 paragraph that if additional exemptions are allowed under  
26 Section 15-175 of the Property Tax Code for owners with a

1 household income of less than \$30,000, then the calculation of  
2 Available Local Resources shall not be affected by the  
3 difference, if any, because of those additional exemptions.

4 This equalized assessed valuation, as adjusted further by  
5 the requirements of this subsection, shall be utilized in the  
6 calculation of Available Local Resources.

7 (2) The equalized assessed valuation in paragraph (1) shall  
8 be adjusted, as applicable, in the following manner:

9 (a) For the purposes of calculating State aid under  
10 this Section, with respect to any part of a school district  
11 within a redevelopment project area in respect to which a  
12 municipality has adopted tax increment allocation  
13 financing pursuant to the Tax Increment Allocation  
14 Redevelopment Act, Sections 11-74.4-1 through 11-74.4-11  
15 of the Illinois Municipal Code or the Industrial Jobs  
16 Recovery Law, Sections 11-74.6-1 through 11-74.6-50 of the  
17 Illinois Municipal Code, no part of the current equalized  
18 assessed valuation of real property located in any such  
19 project area which is attributable to an increase above the  
20 total initial equalized assessed valuation of such  
21 property shall be used as part of the equalized assessed  
22 valuation of the district, until such time as all  
23 redevelopment project costs have been paid, as provided in  
24 Section 11-74.4-8 of the Tax Increment Allocation  
25 Redevelopment Act or in Section 11-74.6-35 of the  
26 Industrial Jobs Recovery Law. For the purpose of the

1 equalized assessed valuation of the district, the total  
2 initial equalized assessed valuation or the current  
3 equalized assessed valuation, whichever is lower, shall be  
4 used until such time as all redevelopment project costs  
5 have been paid.

6 (b) The real property equalized assessed valuation for  
7 a school district shall be adjusted by subtracting from the  
8 real property value as equalized or assessed by the  
9 Department of Revenue for the district an amount computed  
10 by dividing the amount of any abatement of taxes under  
11 Section 18-170 of the Property Tax Code by 3.00% for a  
12 district maintaining grades kindergarten through 12, by  
13 2.30% for a district maintaining grades kindergarten  
14 through 8, or by 1.05% for a district maintaining grades 9  
15 through 12 and adjusted by an amount computed by dividing  
16 the amount of any abatement of taxes under subsection (a)  
17 of Section 18-165 of the Property Tax Code by the same  
18 percentage rates for district type as specified in this  
19 subparagraph (b).

20 (3) For the 1999-2000 school year and each school year  
21 thereafter, if a school district meets all of the criteria of  
22 this subsection (G) (3), the school district's Available Local  
23 Resources shall be calculated under subsection (D) using the  
24 district's Extension Limitation Equalized Assessed Valuation  
25 as calculated under this subsection (G) (3).

26 For purposes of this subsection (G) (3) the following terms

1 shall have the following meanings:

2 "Budget Year": The school year for which general State  
3 aid is calculated and awarded under subsection (E).

4 "Base Tax Year": The property tax levy year used to  
5 calculate the Budget Year allocation of general State aid.

6 "Preceding Tax Year": The property tax levy year  
7 immediately preceding the Base Tax Year.

8 "Base Tax Year's Tax Extension": The product of the  
9 equalized assessed valuation utilized by the County Clerk  
10 in the Base Tax Year multiplied by the limiting rate as  
11 calculated by the County Clerk and defined in the Property  
12 Tax Extension Limitation Law.

13 "Preceding Tax Year's Tax Extension": The product of  
14 the equalized assessed valuation utilized by the County  
15 Clerk in the Preceding Tax Year multiplied by the Operating  
16 Tax Rate as defined in subsection (A).

17 "Extension Limitation Ratio": A numerical ratio,  
18 certified by the County Clerk, in which the numerator is  
19 the Base Tax Year's Tax Extension and the denominator is  
20 the Preceding Tax Year's Tax Extension.

21 "Operating Tax Rate": The operating tax rate as defined  
22 in subsection (A).

23 If a school district is subject to property tax extension  
24 limitations as imposed under the Property Tax Extension  
25 Limitation Law, the State Board of Education shall calculate  
26 the Extension Limitation Equalized Assessed Valuation of that

1 district. For the 1999-2000 school year, the Extension  
2 Limitation Equalized Assessed Valuation of a school district as  
3 calculated by the State Board of Education shall be equal to  
4 the product of the district's 1996 Equalized Assessed Valuation  
5 and the district's Extension Limitation Ratio. Except as  
6 otherwise provided in this paragraph for a school district that  
7 has approved or does approve an increase in its limiting rate,  
8 for the 2000-2001 school year and each school year thereafter,  
9 the Extension Limitation Equalized Assessed Valuation of a  
10 school district as calculated by the State Board of Education  
11 shall be equal to the product of the Equalized Assessed  
12 Valuation last used in the calculation of general State aid and  
13 the district's Extension Limitation Ratio. If the Extension  
14 Limitation Equalized Assessed Valuation of a school district as  
15 calculated under this subsection (G)(3) is less than the  
16 district's equalized assessed valuation as calculated pursuant  
17 to subsections (G)(1) and (G)(2), then for purposes of  
18 calculating the district's general State aid for the Budget  
19 Year pursuant to subsection (E), that Extension Limitation  
20 Equalized Assessed Valuation shall be utilized to calculate the  
21 district's Available Local Resources under subsection (D). For  
22 the 2009-2010 school year and each school year thereafter, if a  
23 school district has approved or does approve an increase in its  
24 limiting rate, pursuant to Section 18-190 of the Property Tax  
25 Code, affecting the Base Tax Year, the Extension Limitation  
26 Equalized Assessed Valuation of the school district, as

1 calculated by the State Board of Education, shall be equal to  
2 the product of the Equalized Assessed Valuation last used in  
3 the calculation of general State aid times an amount equal to  
4 one plus the percentage increase, if any, in the Consumer Price  
5 Index for all Urban Consumers for all items published by the  
6 United States Department of Labor for the 12-month calendar  
7 year preceding the Base Tax Year, plus the Equalized Assessed  
8 Valuation of new property, annexed property, and recovered tax  
9 increment value and minus the Equalized Assessed Valuation of  
10 disconnected property. New property and recovered tax  
11 increment value shall have the meanings set forth in the  
12 Property Tax Extension Limitation Law.

13 Partial elementary unit districts created in accordance  
14 with Article 11E of this Code shall not be eligible for the  
15 adjustment in this subsection (G)(3) until the fifth year  
16 following the effective date of the reorganization.

17 (3.5) For the 2010-2011 school year and each school year  
18 thereafter, if a school district's boundaries span multiple  
19 counties, then the Department of Revenue shall send to the  
20 State Board of Education, for the purpose of calculating  
21 general State aid, the limiting rate and individual rates by  
22 purpose for the county that contains the majority of the school  
23 district's Equalized Assessed Valuation.

24 (4) For the purposes of calculating general State aid for  
25 the 1999-2000 school year only, if a school district  
26 experienced a triennial reassessment on the equalized assessed



1 valuation used in calculating its general State financial aid  
2 apportionment for the 1998-1999 school year, the State Board of  
3 Education shall calculate the Extension Limitation Equalized  
4 Assessed Valuation that would have been used to calculate the  
5 district's 1998-1999 general State aid. This amount shall equal  
6 the product of the equalized assessed valuation used to  
7 calculate general State aid for the 1997-1998 school year and  
8 the district's Extension Limitation Ratio. If the Extension  
9 Limitation Equalized Assessed Valuation of the school district  
10 as calculated under this paragraph (4) is less than the  
11 district's equalized assessed valuation utilized in  
12 calculating the district's 1998-1999 general State aid  
13 allocation, then for purposes of calculating the district's  
14 general State aid pursuant to paragraph (5) of subsection (E),  
15 that Extension Limitation Equalized Assessed Valuation shall  
16 be utilized to calculate the district's Available Local  
17 Resources.

18 (5) For school districts having a majority of their  
19 equalized assessed valuation in any county except Cook, DuPage,  
20 Kane, Lake, McHenry, or Will, if the amount of general State  
21 aid allocated to the school district for the 1999-2000 school  
22 year under the provisions of subsection (E), (H), and (J) of  
23 this Section is less than the amount of general State aid  
24 allocated to the district for the 1998-1999 school year under  
25 these subsections, then the general State aid of the district  
26 for the 1999-2000 school year only shall be increased by the

1 difference between these amounts. The total payments made under  
2 this paragraph (5) shall not exceed \$14,000,000. Claims shall  
3 be prorated if they exceed \$14,000,000.

4 (H) Supplemental General State Aid.

5 (1) In addition to the general State aid a school district  
6 is allotted pursuant to subsection (E), qualifying school  
7 districts shall receive a grant, paid in conjunction with a  
8 district's payments of general State aid, for supplemental  
9 general State aid based upon the concentration level of  
10 children from low-income households within the school  
11 district. Supplemental State aid grants provided for school  
12 districts under this subsection shall be appropriated for  
13 distribution to school districts as part of the same line item  
14 in which the general State financial aid of school districts is  
15 appropriated under this Section.

16 (1.5) This paragraph (1.5) applies only to those school  
17 years preceding the 2003-2004 school year. For purposes of this  
18 subsection (H), the term "Low-Income Concentration Level"  
19 shall be the low-income eligible pupil count from the most  
20 recently available federal census divided by the Average Daily  
21 Attendance of the school district. If, however, (i) the  
22 percentage decrease from the 2 most recent federal censuses in  
23 the low-income eligible pupil count of a high school district  
24 with fewer than 400 students exceeds by 75% or more the  
25 percentage change in the total low-income eligible pupil count

1 of contiguous elementary school districts, whose boundaries  
2 are coterminous with the high school district, or (ii) a high  
3 school district within 2 counties and serving 5 elementary  
4 school districts, whose boundaries are coterminous with the  
5 high school district, has a percentage decrease from the 2 most  
6 recent federal censuses in the low-income eligible pupil count  
7 and there is a percentage increase in the total low-income  
8 eligible pupil count of a majority of the elementary school  
9 districts in excess of 50% from the 2 most recent federal  
10 censuses, then the high school district's low-income eligible  
11 pupil count from the earlier federal census shall be the number  
12 used as the low-income eligible pupil count for the high school  
13 district, for purposes of this subsection (H). The changes made  
14 to this paragraph (1) by Public Act 92-28 shall apply to  
15 supplemental general State aid grants for school years  
16 preceding the 2003-2004 school year that are paid in fiscal  
17 year 1999 or thereafter and to any State aid payments made in  
18 fiscal year 1994 through fiscal year 1998 pursuant to  
19 subsection 1(n) of Section 18-8 of this Code (which was  
20 repealed on July 1, 1998), and any high school district that is  
21 affected by Public Act 92-28 is entitled to a recomputation of  
22 its supplemental general State aid grant or State aid paid in  
23 any of those fiscal years. This recomputation shall not be  
24 affected by any other funding.

25 (1.10) This paragraph (1.10) applies to the 2003-2004  
26 school year and each school year thereafter through the

1 2016-2017 school year. For purposes of this subsection (H), the  
2 term "Low-Income Concentration Level" shall, for each fiscal  
3 year, be the low-income eligible pupil count as of July 1 of  
4 the immediately preceding fiscal year (as determined by the  
5 Department of Human Services based on the number of pupils who  
6 are eligible for at least one of the following low income  
7 programs: Medicaid, the Children's Health Insurance Program,  
8 TANF, or Food Stamps, excluding pupils who are eligible for  
9 services provided by the Department of Children and Family  
10 Services, averaged over the 2 immediately preceding fiscal  
11 years for fiscal year 2004 and over the 3 immediately preceding  
12 fiscal years for each fiscal year thereafter) divided by the  
13 Average Daily Attendance of the school district.

14 (2) Supplemental general State aid pursuant to this  
15 subsection (H) shall be provided as follows for the 1998-1999,  
16 1999-2000, and 2000-2001 school years only:

17 (a) For any school district with a Low Income  
18 Concentration Level of at least 20% and less than 35%, the  
19 grant for any school year shall be \$800 multiplied by the  
20 low income eligible pupil count.

21 (b) For any school district with a Low Income  
22 Concentration Level of at least 35% and less than 50%, the  
23 grant for the 1998-1999 school year shall be \$1,100  
24 multiplied by the low income eligible pupil count.

25 (c) For any school district with a Low Income  
26 Concentration Level of at least 50% and less than 60%, the

1 grant for the 1998-99 school year shall be \$1,500  
2 multiplied by the low income eligible pupil count.

3 (d) For any school district with a Low Income  
4 Concentration Level of 60% or more, the grant for the  
5 1998-99 school year shall be \$1,900 multiplied by the low  
6 income eligible pupil count.

7 (e) For the 1999-2000 school year, the per pupil amount  
8 specified in subparagraphs (b), (c), and (d) immediately  
9 above shall be increased to \$1,243, \$1,600, and \$2,000,  
10 respectively.

11 (f) For the 2000-2001 school year, the per pupil  
12 amounts specified in subparagraphs (b), (c), and (d)  
13 immediately above shall be \$1,273, \$1,640, and \$2,050,  
14 respectively.

15 (2.5) Supplemental general State aid pursuant to this  
16 subsection (H) shall be provided as follows for the 2002-2003  
17 school year:

18 (a) For any school district with a Low Income  
19 Concentration Level of less than 10%, the grant for each  
20 school year shall be \$355 multiplied by the low income  
21 eligible pupil count.

22 (b) For any school district with a Low Income  
23 Concentration Level of at least 10% and less than 20%, the  
24 grant for each school year shall be \$675 multiplied by the  
25 low income eligible pupil count.

26 (c) For any school district with a Low Income

1 Concentration Level of at least 20% and less than 35%, the  
2 grant for each school year shall be \$1,330 multiplied by  
3 the low income eligible pupil count.

4 (d) For any school district with a Low Income  
5 Concentration Level of at least 35% and less than 50%, the  
6 grant for each school year shall be \$1,362 multiplied by  
7 the low income eligible pupil count.

8 (e) For any school district with a Low Income  
9 Concentration Level of at least 50% and less than 60%, the  
10 grant for each school year shall be \$1,680 multiplied by  
11 the low income eligible pupil count.

12 (f) For any school district with a Low Income  
13 Concentration Level of 60% or more, the grant for each  
14 school year shall be \$2,080 multiplied by the low income  
15 eligible pupil count.

16 (2.10) Except as otherwise provided, supplemental general  
17 State aid pursuant to this subsection (H) shall be provided as  
18 follows for the 2003-2004 school year and each school year  
19 thereafter:

20 (a) For any school district with a Low Income  
21 Concentration Level of 15% or less, the grant for each  
22 school year shall be \$355 multiplied by the low income  
23 eligible pupil count.

24 (b) For any school district with a Low Income  
25 Concentration Level greater than 15%, the grant for each  
26 school year shall be \$294.25 added to the product of \$2,700

1 and the square of the Low Income Concentration Level, all  
2 multiplied by the low income eligible pupil count.

3 For the 2003-2004 school year and each school year  
4 thereafter through the 2008-2009 school year only, the grant  
5 shall be no less than the grant for the 2002-2003 school year.  
6 For the 2009-2010 school year only, the grant shall be no less  
7 than the grant for the 2002-2003 school year multiplied by  
8 0.66. For the 2010-2011 school year only, the grant shall be no  
9 less than the grant for the 2002-2003 school year multiplied by  
10 0.33. Notwithstanding the provisions of this paragraph to the  
11 contrary, if for any school year supplemental general State aid  
12 grants are prorated as provided in paragraph (1) of this  
13 subsection (H), then the grants under this paragraph shall be  
14 prorated.

15 For the 2003-2004 school year only, the grant shall be no  
16 greater than the grant received during the 2002-2003 school  
17 year added to the product of 0.25 multiplied by the difference  
18 between the grant amount calculated under subsection (a) or (b)  
19 of this paragraph (2.10), whichever is applicable, and the  
20 grant received during the 2002-2003 school year. For the  
21 2004-2005 school year only, the grant shall be no greater than  
22 the grant received during the 2002-2003 school year added to  
23 the product of 0.50 multiplied by the difference between the  
24 grant amount calculated under subsection (a) or (b) of this  
25 paragraph (2.10), whichever is applicable, and the grant  
26 received during the 2002-2003 school year. For the 2005-2006

1 school year only, the grant shall be no greater than the grant  
2 received during the 2002-2003 school year added to the product  
3 of 0.75 multiplied by the difference between the grant amount  
4 calculated under subsection (a) or (b) of this paragraph  
5 (2.10), whichever is applicable, and the grant received during  
6 the 2002-2003 school year.

7 (3) School districts with an Average Daily Attendance of  
8 more than 1,000 and less than 50,000 that qualify for  
9 supplemental general State aid pursuant to this subsection  
10 shall submit a plan to the State Board of Education prior to  
11 October 30 of each year for the use of the funds resulting from  
12 this grant of supplemental general State aid for the  
13 improvement of instruction in which priority is given to  
14 meeting the education needs of disadvantaged children. Such  
15 plan shall be submitted in accordance with rules and  
16 regulations promulgated by the State Board of Education.

17 (4) School districts with an Average Daily Attendance of  
18 50,000 or more that qualify for supplemental general State aid  
19 pursuant to this subsection shall be required to distribute  
20 from funds available pursuant to this Section, no less than  
21 \$261,000,000 in accordance with the following requirements:

22 (a) The required amounts shall be distributed to the  
23 attendance centers within the district in proportion to the  
24 number of pupils enrolled at each attendance center who are  
25 eligible to receive free or reduced-price lunches or  
26 breakfasts under the federal Child Nutrition Act of 1966



1 and under the National School Lunch Act during the  
2 immediately preceding school year.

3 (b) The distribution of these portions of supplemental  
4 and general State aid among attendance centers according to  
5 these requirements shall not be compensated for or  
6 contravened by adjustments of the total of other funds  
7 appropriated to any attendance centers, and the Board of  
8 Education shall utilize funding from one or several sources  
9 in order to fully implement this provision annually prior  
10 to the opening of school.

11 (c) Each attendance center shall be provided by the  
12 school district a distribution of noncategorical funds and  
13 other categorical funds to which an attendance center is  
14 entitled under law in order that the general State aid and  
15 supplemental general State aid provided by application of  
16 this subsection supplements rather than supplants the  
17 noncategorical funds and other categorical funds provided  
18 by the school district to the attendance centers.

19 (d) Any funds made available under this subsection that  
20 by reason of the provisions of this subsection are not  
21 required to be allocated and provided to attendance centers  
22 may be used and appropriated by the board of the district  
23 for any lawful school purpose.

24 (e) Funds received by an attendance center pursuant to  
25 this subsection shall be used by the attendance center at  
26 the discretion of the principal and local school council

1 for programs to improve educational opportunities at  
2 qualifying schools through the following programs and  
3 services: early childhood education, reduced class size or  
4 improved adult to student classroom ratio, enrichment  
5 programs, remedial assistance, attendance improvement, and  
6 other educationally beneficial expenditures which  
7 supplement the regular and basic programs as determined by  
8 the State Board of Education. Funds provided shall not be  
9 expended for any political or lobbying purposes as defined  
10 by board rule.

11 (f) Each district subject to the provisions of this  
12 subdivision (H) (4) shall submit an acceptable plan to meet  
13 the educational needs of disadvantaged children, in  
14 compliance with the requirements of this paragraph, to the  
15 State Board of Education prior to July 15 of each year.  
16 This plan shall be consistent with the decisions of local  
17 school councils concerning the school expenditure plans  
18 developed in accordance with part 4 of Section 34-2.3. The  
19 State Board shall approve or reject the plan within 60 days  
20 after its submission. If the plan is rejected, the district  
21 shall give written notice of intent to modify the plan  
22 within 15 days of the notification of rejection and then  
23 submit a modified plan within 30 days after the date of the  
24 written notice of intent to modify. Districts may amend  
25 approved plans pursuant to rules promulgated by the State  
26 Board of Education.

1           Upon notification by the State Board of Education that  
2           the district has not submitted a plan prior to July 15 or a  
3           modified plan within the time period specified herein, the  
4           State aid funds affected by that plan or modified plan  
5           shall be withheld by the State Board of Education until a  
6           plan or modified plan is submitted.

7           If the district fails to distribute State aid to  
8           attendance centers in accordance with an approved plan, the  
9           plan for the following year shall allocate funds, in  
10          addition to the funds otherwise required by this  
11          subsection, to those attendance centers which were  
12          underfunded during the previous year in amounts equal to  
13          such underfunding.

14          For purposes of determining compliance with this  
15          subsection in relation to the requirements of attendance  
16          center funding, each district subject to the provisions of  
17          this subsection shall submit as a separate document by  
18          December 1 of each year a report of expenditure data for  
19          the prior year in addition to any modification of its  
20          current plan. If it is determined that there has been a  
21          failure to comply with the expenditure provisions of this  
22          subsection regarding contravention or supplanting, the  
23          State Superintendent of Education shall, within 60 days of  
24          receipt of the report, notify the district and any affected  
25          local school council. The district shall within 45 days of  
26          receipt of that notification inform the State

1 Superintendent of Education of the remedial or corrective  
2 action to be taken, whether by amendment of the current  
3 plan, if feasible, or by adjustment in the plan for the  
4 following year. Failure to provide the expenditure report  
5 or the notification of remedial or corrective action in a  
6 timely manner shall result in a withholding of the affected  
7 funds.

8 The State Board of Education shall promulgate rules and  
9 regulations to implement the provisions of this  
10 subsection. No funds shall be released under this  
11 subdivision (H) (4) to any district that has not submitted a  
12 plan that has been approved by the State Board of  
13 Education.

14 (I) (Blank).

15 (J) (Blank).

16 (K) Grants to Laboratory and Alternative Schools.

17 In calculating the amount to be paid to the governing board  
18 of a public university that operates a laboratory school under  
19 this Section or to any alternative school that is operated by a  
20 regional superintendent of schools, the State Board of  
21 Education shall require by rule such reporting requirements as  
22 it deems necessary.

23 As used in this Section, "laboratory school" means a public

1 school which is created and operated by a public university and  
2 approved by the State Board of Education. The governing board  
3 of a public university which receives funds from the State  
4 Board under this subsection (K) or subsection (g) of Section  
5 18-8.15 of this Code may not increase the number of students  
6 enrolled in its laboratory school from a single district, if  
7 that district is already sending 50 or more students, except  
8 under a mutual agreement between the school board of a  
9 student's district of residence and the university which  
10 operates the laboratory school. A laboratory school may not  
11 have more than 1,000 students, excluding students with  
12 disabilities in a special education program.

13 As used in this Section, "alternative school" means a  
14 public school which is created and operated by a Regional  
15 Superintendent of Schools and approved by the State Board of  
16 Education. Such alternative schools may offer courses of  
17 instruction for which credit is given in regular school  
18 programs, courses to prepare students for the high school  
19 equivalency testing program or vocational and occupational  
20 training. A regional superintendent of schools may contract  
21 with a school district or a public community college district  
22 to operate an alternative school. An alternative school serving  
23 more than one educational service region may be established by  
24 the regional superintendents of schools of the affected  
25 educational service regions. An alternative school serving  
26 more than one educational service region may be operated under

1 such terms as the regional superintendents of schools of those  
2 educational service regions may agree.

3 Each laboratory and alternative school shall file, on forms  
4 provided by the State Superintendent of Education, an annual  
5 State aid claim which states the Average Daily Attendance of  
6 the school's students by month. The best 3 months' Average  
7 Daily Attendance shall be computed for each school. The general  
8 State aid entitlement shall be computed by multiplying the  
9 applicable Average Daily Attendance by the Foundation Level as  
10 determined under this Section.

11 (L) Payments, Additional Grants in Aid and Other Requirements.

12 (1) For a school district operating under the financial  
13 supervision of an Authority created under Article 34A, the  
14 general State aid otherwise payable to that district under this  
15 Section, but not the supplemental general State aid, shall be  
16 reduced by an amount equal to the budget for the operations of  
17 the Authority as certified by the Authority to the State Board  
18 of Education, and an amount equal to such reduction shall be  
19 paid to the Authority created for such district for its  
20 operating expenses in the manner provided in Section 18-11. The  
21 remainder of general State school aid for any such district  
22 shall be paid in accordance with Article 34A when that Article  
23 provides for a disposition other than that provided by this  
24 Article.

25 (2) (Blank).

1           (3) Summer school. Summer school payments shall be made as  
2 provided in Section 18-4.3.

3           (M) Education Funding Advisory Board.

4           The Education Funding Advisory Board, hereinafter in this  
5 subsection (M) referred to as the "Board", is hereby created.  
6 The Board shall consist of 5 members who are appointed by the  
7 Governor, by and with the advice and consent of the Senate. The  
8 members appointed shall include representatives of education,  
9 business, and the general public. One of the members so  
10 appointed shall be designated by the Governor at the time the  
11 appointment is made as the chairperson of the Board. The  
12 initial members of the Board may be appointed any time after  
13 the effective date of this amendatory Act of 1997. The regular  
14 term of each member of the Board shall be for 4 years from the  
15 third Monday of January of the year in which the term of the  
16 member's appointment is to commence, except that of the 5  
17 initial members appointed to serve on the Board, the member who  
18 is appointed as the chairperson shall serve for a term that  
19 commences on the date of his or her appointment and expires on  
20 the third Monday of January, 2002, and the remaining 4 members,  
21 by lots drawn at the first meeting of the Board that is held  
22 after all 5 members are appointed, shall determine 2 of their  
23 number to serve for terms that commence on the date of their  
24 respective appointments and expire on the third Monday of  
25 January, 2001, and 2 of their number to serve for terms that

1 commence on the date of their respective appointments and  
2 expire on the third Monday of January, 2000. All members  
3 appointed to serve on the Board shall serve until their  
4 respective successors are appointed and confirmed. Vacancies  
5 shall be filled in the same manner as original appointments. If  
6 a vacancy in membership occurs at a time when the Senate is not  
7 in session, the Governor shall make a temporary appointment  
8 until the next meeting of the Senate, when he or she shall  
9 appoint, by and with the advice and consent of the Senate, a  
10 person to fill that membership for the unexpired term. If the  
11 Senate is not in session when the initial appointments are  
12 made, those appointments shall be made as in the case of  
13 vacancies.

14 The Education Funding Advisory Board shall be deemed  
15 established, and the initial members appointed by the Governor  
16 to serve as members of the Board shall take office, on the date  
17 that the Governor makes his or her appointment of the fifth  
18 initial member of the Board, whether those initial members are  
19 then serving pursuant to appointment and confirmation or  
20 pursuant to temporary appointments that are made by the  
21 Governor as in the case of vacancies.

22 The State Board of Education shall provide such staff  
23 assistance to the Education Funding Advisory Board as is  
24 reasonably required for the proper performance by the Board of  
25 its responsibilities.

26 For school years after the 2000-2001 school year through



1 the 2016-2017 school year, the Education Funding Advisory  
2 Board, in consultation with the State Board of Education, shall  
3 make recommendations as provided in this subsection (M) to the  
4 General Assembly for the foundation level under subdivision  
5 (B) (3) of this Section and for the supplemental general State  
6 aid grant level under subsection (H) of this Section for  
7 districts with high concentrations of children from poverty.  
8 The recommended foundation level shall be determined based on a  
9 methodology which incorporates the basic education  
10 expenditures of low-spending schools exhibiting high academic  
11 performance. The Education Funding Advisory Board shall make  
12 such recommendations to the General Assembly on January 1 of  
13 odd numbered years, beginning January 1, 2001.

14 (N) (Blank).

15 (O) References.

16 (1) References in other laws to the various subdivisions of  
17 Section 18-8 as that Section existed before its repeal and  
18 replacement by this Section 18-8.05 shall be deemed to refer to  
19 the corresponding provisions of this Section 18-8.05, to the  
20 extent that those references remain applicable.

21 (2) References in other laws to State Chapter 1 funds shall  
22 be deemed to refer to the supplemental general State aid  
23 provided under subsection (H) of this Section.

1 (P) Public Act 93-838 and Public Act 93-808 make inconsistent  
2 changes to this Section. Under Section 6 of the Statute on  
3 Statutes there is an irreconcilable conflict between Public Act  
4 93-808 and Public Act 93-838. Public Act 93-838, being the last  
5 acted upon, is controlling. The text of Public Act 93-838 is  
6 the law regardless of the text of Public Act 93-808.

7 (Q) State Fiscal Year 2015 Payments.

8 For payments made for State fiscal year 2015, the State  
9 Board of Education shall, for each school district, calculate  
10 that district's pro-rata share of a minimum sum of \$13,600,000  
11 or additional amounts as needed from the total net General  
12 State Aid funding as calculated under this Section that shall  
13 be deemed attributable to the provision of special educational  
14 facilities and services, as defined in Section 14-1.08 of this  
15 Code, in a manner that ensures compliance with maintenance of  
16 State financial support requirements under the federal  
17 Individuals with Disabilities Education Act. Each school  
18 district must use such funds only for the provision of special  
19 educational facilities and services, as defined in Section  
20 14-1.08 of this Code, and must comply with any expenditure  
21 verification procedures adopted by the State Board of  
22 Education.

23 (R) State Fiscal Year 2016 Payments.

24 For payments made for State fiscal year 2016, the State

1 Board of Education shall, for each school district, calculate  
2 that district's pro rata share of a minimum sum of \$1 or  
3 additional amounts as needed from the total net General State  
4 Aid funding as calculated under this Section that shall be  
5 deemed attributable to the provision of special educational  
6 facilities and services, as defined in Section 14-1.08 of this  
7 Code, in a manner that ensures compliance with maintenance of  
8 State financial support requirements under the federal  
9 Individuals with Disabilities Education Act. Each school  
10 district must use such funds only for the provision of special  
11 educational facilities and services, as defined in Section  
12 14-1.08 of this Code, and must comply with any expenditure  
13 verification procedures adopted by the State Board of  
14 Education.

15 (Source: P.A. 98-972, eff. 8-15-14; 99-2, eff. 3-26-15; 99-194,  
16 eff. 7-30-15; 99-523, eff. 6-30-16.)

17 (105 ILCS 5/18-8.10)

18 Sec. 18-8.10. Fast growth grants.

19 (a) If there has been an increase in a school district's  
20 student population over the most recent 2 school years of (i)  
21 over 1.5% in a district with over 10,000 pupils in average  
22 daily attendance (as defined in Section 18-8.05 or 18-8.15 of  
23 this Code) or (ii) over 7.5% in any other district, then the  
24 district is eligible for a grant under this Section, subject to  
25 appropriation.

1 (b) The State Board of Education shall determine a per  
2 pupil grant amount for each school district. The total grant  
3 amount for a district for any given school year shall equal the  
4 per pupil grant amount multiplied by the difference between the  
5 number of pupils in average daily attendance for the 2 most  
6 recent school years.

7 (c) Funds for grants under this Section must be  
8 appropriated to the State Board of Education in a separate line  
9 item for this purpose. If the amount appropriated in any fiscal  
10 year is insufficient to pay all grants for a school year, then  
11 the amount appropriated shall be prorated among eligible  
12 districts. As soon as possible after funds have been  
13 appropriated to the State Board of Education, the State Board  
14 of Education shall distribute the grants to eligible districts.

15 (d) If a school district intentionally reports incorrect  
16 average daily attendance numbers to receive a grant under this  
17 Section, then the district shall be denied State aid in the  
18 same manner as State aid is denied for intentional incorrect  
19 reporting of average daily attendance numbers under Section  
20 18-8.05 or 18-8.15 of this Code.

21 (Source: P.A. 93-1042, eff. 10-8-04.)

22 (105 ILCS 5/18-8.15 new)

23 Sec. 18-8.15. Evidence-based funding for student success  
24 for the 2017-2018 and subsequent school years.

25 (a) General provisions.

1       (1) The purpose of this Section is to ensure that, by June  
2       30, 2027 and beyond, this State has a kindergarten through  
3       grade 12 public education system with the capacity to ensure  
4       the educational development of all persons to the limits of  
5       their capacities in accordance with Section 1 of Article X of  
6       the Constitution of the State of Illinois. To accomplish that  
7       objective, this Section creates a method of funding public  
8       education that is evidence-based; is sufficient to ensure every  
9       student receives a meaningful opportunity to learn  
10       irrespective of race, ethnicity, sexual orientation, gender,  
11       or community-income level; and is sustainable and predictable.  
12       When fully funded under this Section, every school shall have  
13       the resources, based on what the evidence indicates is needed,  
14       to:

15               (A) provide all students with a high quality education  
16               that offers the academic, enrichment, social and emotional  
17               support, technical, and career-focused programs that will  
18               allow them to become competitive workers, responsible  
19               parents, productive citizens of this State, and active  
20               members of our national democracy;

21               (B) ensure all students receive the education they need  
22               to graduate from high school with the skills required to  
23               pursue post-secondary education and training for a  
24               rewarding career;

25               (C) reduce, with a goal of eliminating, the achievement  
26               gap between at-risk and non-at-risk students by raising the

1 performance of at-risk students and not by reducing  
2 standards; and

3 (D) ensure this State satisfies its obligation to  
4 assume the primary responsibility to fund public education  
5 and simultaneously relieve the disproportionate burden  
6 placed on local property taxes to fund schools.

7 (2) The evidence-based funding formula under this Section  
8 shall be applied to all Organizational Units in this State. As  
9 further defined and described in this Section, there are 4  
10 major components of the evidence-based funding model:

11 (A) First, the model calculates a unique adequacy  
12 target for each Organizational Unit in this State that  
13 considers the costs to implement research-based  
14 activities, the unit's student demographics, and regional  
15 wage difference.

16 (B) Second, the model calculates each Organizational  
17 Unit's local capacity, or the amount each Organizational  
18 Unit is assumed to contribute towards its adequacy target  
19 from local resources.

20 (C) Third, the model calculates how much funding the  
21 State currently contributes to the Organizational Unit,  
22 and adds that to the unit's local capacity to determine the  
23 unit's overall current adequacy of funding.

24 (D) Finally, the model's distribution method allocates  
25 new State funding to those Organizational Units that are  
26 least well-funded, considering both local capacity and

1 State funding, in relation to their adequacy target.

2 (3) An Organizational Unit receiving any funding under this  
3 Section may apply those funds to any fund so received for which  
4 that Organizational Unit is authorized to make expenditures by  
5 law.

6 (4) As used in this Section, the following terms shall have  
7 the meanings ascribed in this paragraph (4):

8 "Adequacy Target" is defined in paragraph (1) of subsection  
9 (b) of this Section.

10 "Adjusted EAV" is defined in paragraph (4) of subsection  
11 (d) of this Section.

12 "Adjusted Local Capacity Target" is defined in paragraph  
13 (3) of subsection (c) of this Section.

14 "Allocation Rate" is defined in paragraph (3) of subsection  
15 (g) of this Section.

16 "Alternative School" means a public school that is created  
17 and operated by a regional superintendent of schools and  
18 approved by the State Board.

19 "Applicable Tax Rate" is defined in paragraph (1) of  
20 subsection (d) of this Section.

21 "Assessment" means any of those benchmark, progress  
22 monitoring, formative, diagnostic, and other assessments, in  
23 addition to the State accountability assessment, that assist  
24 teachers' needs in understanding the skills and meeting the  
25 needs of the students they serve.

26 "Assistant principal" means a school administrator duly

1 endorsed to be employed as an assistant principal in this  
2 State.

3 "At-risk student" means a student who is at risk of not  
4 meeting the Illinois Learning Standards or not graduating from  
5 elementary or high school and who demonstrates a need for  
6 vocational support or social services beyond that provided by  
7 the regular school program. All students included in an  
8 Organizational Unit's Low-Income Count, as well as all EL and  
9 disabled students attending the Organizational Unit, shall be  
10 considered at-risk students under this Section.

11 "Average Student Enrollment" or "ASE" means, for an  
12 Organizational Unit in a given school year, the greater of the  
13 average number of students (grades K through 12) reported to  
14 the State Board as enrolled in the Organizational Unit on  
15 October 1 and March 1, plus the special education  
16 pre-kindergarten students with services of at least more than 2  
17 hours a week as reported to the State Board on December 1, in  
18 the immediately preceding school year or the average number of  
19 students (grades K through 12) reported to the State Board as  
20 enrolled in the Organizational Unit on October 1 and March 1,  
21 plus the special education pre-kindergarten students with  
22 services of at least more than 2 hours a week as reported to  
23 the State Board on December 1, for each of the immediately  
24 preceding 3 school years. For the purposes of this definition,  
25 "enrolled in the Organizational Unit" means the number of  
26 students reported to the State Board who are enrolled in



1 schools within the Organizational Unit that the student attends  
2 or would attend if not placed or transferred to another school  
3 or program to receive needed services. For the purposes of  
4 calculating "ASE", all students, grades K through 12, including  
5 those attending kindergarten for a half day, shall be counted  
6 as 1.0. Special education pre-kindergarten students shall be  
7 counted as 0.5 each. If the State Board does not collect or has  
8 not collected both an October 1 and March 1 enrollment count by  
9 grade or a December 1 collection of special education  
10 pre-kindergarten students as of the effective date of this  
11 amendatory Act of the 100th General Assembly, it shall  
12 establish such collection for all future years. For any year  
13 where a count by grade level was collected only once, that  
14 count shall be used as the single count available for computing  
15 a 3-year average ASE.

16 "Base Funding Guarantee" is defined in paragraph (7) of  
17 subsection (g) of this Section.

18 "Base Funding Minimum" is defined in subsection (e) of this  
19 Section.

20 "Central office" means individual administrators and  
21 support service personnel charged with managing the  
22 instructional programs, business and operations, and security  
23 of the Organizational Unit.

24 "Comparable Wage Index" or "CWI" means a regional cost  
25 differentiation metric that measures systemic, regional  
26 variations in the salaries of college graduates who are not

1 educators. The CWI utilized for this Section shall, for the  
2 first 3 years of Evidence-Based Funding implementation, be the  
3 CWI initially developed by the National Center for Education  
4 Statistics, as most recently updated by Texas A & M University.  
5 In the fourth and subsequent years of Evidence-Based Funding  
6 implementation, the State Superintendent shall re-determine  
7 the CWI using a similar methodology to that identified in the  
8 Texas A & M University study, with adjustments made no less  
9 frequently than once every 5 years.

10 "Computer technology and equipment" means computers  
11 servers, notebooks, network equipment, copiers, printers,  
12 instructional software, security software, curriculum  
13 management courseware, and other similar materials and  
14 equipment.

15 "Core subject" means mathematics; science; reading,  
16 English, writing, and language arts; history and social  
17 studies; world languages; and subjects taught as Advanced  
18 Placement in high schools.

19 "Core teacher" means a regular classroom teacher in  
20 elementary schools and teachers of a core subject in middle and  
21 high schools.

22 "Core Intervention teacher (tutor)" means a licensed  
23 teacher providing one-on-one or small group tutoring to  
24 students struggling to meet proficiency in core subjects.

25 "CPPRT" means corporate personal property replacement tax  
26 funds paid to an Organizational Unit during the calendar year

1 one year before the calendar year in which a school year  
2 begins, pursuant to "An Act in relation to the abolition of ad  
3 valorem personal property tax and the replacement of revenues  
4 lost thereby, and amending and repealing certain Acts and parts  
5 of Acts in connection therewith", certified August 14, 1979, as  
6 amended (Public Act 81-1st S.S.-1).

7 "EAV" means equalized assessed valuation as defined in  
8 paragraph (2) of subsection (d) of this Section and calculated  
9 in accordance with paragraph (3) of subsection (d) of this  
10 Section.

11 "ECI" means the Bureau of Labor Statistics' national  
12 employment cost index for civilian workers in educational  
13 services in elementary and secondary schools on a cumulative  
14 basis for the 12-month calendar year preceding the fiscal year  
15 of the Evidence-Based Funding calculation.

16 "EIS Data" means the employment information system data  
17 maintained by the State Board on educators within  
18 Organizational Units.

19 "Employee benefits" means health, dental, and vision  
20 insurance offered to employees of an Organizational Unit, the  
21 costs associated with statutorily required payment of the  
22 normal cost of the Organizational Unit's teacher pensions,  
23 Social Security employer contributions, and Illinois Municipal  
24 Retirement Fund employer contributions.

25 "English learner" or "EL" means a child included in the  
26 definition of "English learners" under Section 14C-2 of this

1 Code participating in a program of transitional bilingual  
2 education or a transitional program of instruction meeting the  
3 requirements and program application procedures of Article 14C  
4 of this Code. For the purposes of collecting the number of EL  
5 students enrolled, the same collection and calculation  
6 methodology as defined above for "ASE" shall apply to English  
7 learners.

8 "Evidence-Based Funding" means State funding provided to  
9 an Organizational Unit pursuant to this Section.

10 "Essential Elements" means those elements, resources, and  
11 educational programs that have been identified through  
12 academic research as necessary to improve student success,  
13 improve academic performance, close achievement gaps, and  
14 provide for other per student costs related to the delivery and  
15 leadership of the Organizational Unit, as well as the  
16 maintenance and operations of the unit, and which are specified  
17 in paragraph (2) of subsection (b) of this Section.

18 "Extended day" means academic and enrichment programs  
19 provided to students outside the regular school day before and  
20 after school or during non-instructional times during the  
21 school day.

22 "Final Percent of Adequacy" is defined in paragraph (4) of  
23 subsection (f) of this Section.

24 "Final Resources" is defined in paragraph (3) of subsection  
25 (f) of this Section.

26 "Full-time equivalent" or "FTE" means the full-time

1 equivalency compensation for staffing the relevant position at  
2 an Organizational Unit.

3 "Funding Gap" is defined in paragraph (1) of subsection  
4 (g).

5 "Guidance counselor" means a licensed guidance counselor  
6 who provides guidance and counseling support for students  
7 within an Organizational Unit.

8 "Hybrid District" means a partial elementary unit district  
9 created pursuant to Article 11E of this Code.

10 "Instructional assistant" means a core or special  
11 education, non-licensed employee who assists a teacher in the  
12 classroom and provides academic support to students.

13 "Instructional facilitator" means a qualified teacher or  
14 licensed teacher leader who facilitates and coaches continuous  
15 improvement in classroom instruction; provides instructional  
16 support to teachers in the elements of research-based  
17 instruction or demonstrates the alignment of instruction with  
18 curriculum standards and assessment tools; develops or  
19 coordinates instructional programs or strategies; develops and  
20 implements training; chooses standards-based instructional  
21 materials; provides teachers with an understanding of current  
22 research; serves as a mentor, site coach, curriculum  
23 specialist, or lead teacher; or otherwise works with fellow  
24 teachers, in collaboration, to use data to improve  
25 instructional practice or develop model lessons.

26 "Instructional materials" means relevant instructional

1 materials for student instruction, including, but not limited  
2 to, textbooks, consumable workbooks, laboratory equipment,  
3 library books, and other similar materials.

4 "Laboratory School" means a public school that is created  
5 and operated by a public university and approved by the State  
6 Board.

7 "Librarian" means a teacher with an endorsement as a  
8 library information specialist or another individual whose  
9 primary responsibility is overseeing library resources within  
10 an Organizational Unit.

11 "Local Capacity" is defined in paragraph (1) of subsection  
12 (c) of this Section.

13 "Local Capacity Percentage" is defined in subparagraph (A)  
14 of paragraph (2) of subsection (c) of this Section.

15 "Local Capacity Ratio" is defined in subparagraph (B) of  
16 paragraph (2) of subsection (c) of this Section.

17 "Local Capacity Target" is defined in paragraph (2) of  
18 subsection (c) of this Section.

19 "Low-Income Count" means, for an Organizational Unit in a  
20 fiscal year, the higher of the average number of students for  
21 the prior school year or the immediately preceding 3 school  
22 years who, as of July 1 of the immediately preceding fiscal  
23 year (as determined by the Department of Human Services), are  
24 eligible for at least one of the following low income programs:  
25 Medicaid, the Children's Health Insurance Program, TANF, or  
26 Food Stamps, excluding pupils who are eligible for services

1 provided by the Department of Children and Family Services.

2 "Maintenance and operations" means custodial services,  
3 facility and ground maintenance, facility operations, facility  
4 security, routine facility repairs, and other similar services  
5 and functions.

6 "Minimum Funding Level" is defined in paragraph (6) of  
7 subsection (g) of this Section.

8 "New State Funds" means, for a given school year, all State  
9 funds appropriated for Evidence-Based Funding in excess of the  
10 amount needed to fund the Base Funding Minimum for all  
11 Organizational Units in that school year.

12 "Net State Contribution Target" means, for a given school  
13 year, the amount of State funds that would be necessary to  
14 fully meet the Adequacy Target of an Operational Unit minus the  
15 Preliminary Resources available to each unit.

16 "Nurse" means an individual licensed as a certified school  
17 nurse, in accordance with the rules established for nursing  
18 services by the State Board, who is an employee of and is  
19 available to provide health care-related services for students  
20 of an Organizational Unit.

21 "Operating Tax Rate" means the rate utilized in the  
22 previous year to extend property taxes for all purposes,  
23 except, Bond and Interest, Summer School, Rent, Capital  
24 Improvement, and Vocational Education Building purposes. For  
25 Hybrid Districts, the Operating Tax Rate shall be the combined  
26 elementary and high school rates utilized in the previous year

1 to extend property taxes for all purposes, except, Bond and  
2 Interest, Summer School, Rent, Capital Improvement, and  
3 Vocational Education Building purposes. For all Organizational  
4 Units, the State Superintendent shall calculate and subtract  
5 from the Operating Tax Rate a transportation rate based on  
6 total expenses for transportation services under this Code, as  
7 reported on the most recent Annual Financial Report in Pupil  
8 Transportation Services, function 2550 in both the Education  
9 and Transportation funds and functions 4110 and 4120 in the  
10 Transportation fund, less any corresponding fiscal year State  
11 of Illinois scheduled payments excluding net adjustments for  
12 prior years for regular, vocational, or special education  
13 transportation reimbursement pursuant to Section 29-5 or  
14 subsection (b) of Section 14-13.01 of this Code divided by the  
15 Adjusted EAV. If an Organizational Unit's corresponding fiscal  
16 year State of Illinois scheduled payments excluding net  
17 adjustments for prior years for regular, vocational, or special  
18 education transportation reimbursement pursuant to Section  
19 29-5 or subsection (b) of Section 14-13.01 of this Code exceed  
20 the total transportation expenses, as defined in this  
21 paragraph, no transportation rate shall be subtracted from the  
22 Operating Tax Rate.

23 "Organizational Unit" means a Laboratory School, an  
24 Alternative School, or any public school district that is  
25 recognized as such by the State Board and that contains  
26 elementary schools typically serving kindergarten through 5th



1 grades, middle schools typically serving 6th through 8th  
2 grades, or high schools typically serving 9th through 12th  
3 grades. The General Assembly acknowledges that the actual grade  
4 levels served by a particular Organizational Unit may vary  
5 slightly from what is typical.

6 "Organizational Unit CWI" is determined by calculating the  
7 CWI in the region and original county in which an  
8 Organizational Unit's primary administrative office is located  
9 as set forth in this paragraph. Each county's current CWI value  
10 shall be adjusted based on the CWI value of that county's  
11 neighboring Illinois counties, to create a "weighted adjusted  
12 index value". This shall be calculated by summing the CWI  
13 values of all of a county's adjacent Illinois counties and  
14 dividing by the number of adjacent Illinois counties, then  
15 taking the weighted value of the original county's CWI value  
16 and the adjacent Illinois county average. To calculate this  
17 weighted value, if the number of adjacent Illinois counties is  
18 greater than 2, the original county's CWI value will be  
19 weighted at 0.25 and the adjacent Illinois county average will  
20 be weighted at 0.75. If the number of adjacent Illinois  
21 counties is 2, the original county's CWI value will be weighted  
22 at 0.33 and the adjacent Illinois county average will be  
23 weighted at 0.66. The greater of the county's current CWI value  
24 and its weighted adjusted index value shall be used as the  
25 Organizational Unit CWI.

26 "Preliminary Percent of Adequacy" is defined in paragraph

1 (2) of subsection (f) of this Section.

2 "Preliminary Resources" is defined in paragraph (2) of  
3 subsection (f) of this Section.

4 "Principal" means a school administrator duly endorsed to  
5 be employed as a principal in this State.

6 "Professional development" means training programs for  
7 licensed staff in schools, including, but not limited to,  
8 programs that assist in implementing new curriculum programs,  
9 provide data focused or academic assessment data training to  
10 help staff identify a student's weaknesses and strengths,  
11 target interventions, improve instruction, encompass  
12 instructional strategies for EL, gifted, or at-risk students,  
13 address inclusivity, cultural sensitivity, or implicit bias,  
14 or otherwise provide professional support for licensed staff.

15 "Prototypical" means 450 special education  
16 pre-kindergarten and kindergarten through grade 5 students for  
17 an elementary school, 450 grade 6 through 8 students for a  
18 middle school, and 600 grade 9 through 12 students for a high  
19 school.

20 "PTELL" means the Property Tax Extension Limitation Law.

21 "Pupil support staff" means a nurse, psychologist, social  
22 worker, family liaison personnel, or other staff member who  
23 provides support to at-risk or struggling students.

24 "Real Receipts" is defined in paragraph (1) of subsection  
25 (d) of this Section.

26 "Regionalization Factor" means, for a particular

1 Organizational Unit, the figure derived by dividing the  
2 Organizational Unit CWI by the Statewide Weighted CWI.

3 "School site staff" means the primary school secretary and  
4 any additional clerical personnel assigned to a school.

5 "Special education" means special educational facilities  
6 and services, as defined in Section 14-1.08 of this Code.

7 "Specialist teacher" means a teacher who provides  
8 instruction in subject areas not included in core subjects,  
9 including, but not limited to, art, music, physical education,  
10 health, driver education, career-technical education, and such  
11 other subject areas as may be mandated by State law or provided  
12 by an Organizational Unit.

13 "Specially Funded Unit" means an Alternative School, safe  
14 school, Department of Juvenile Justice school, special  
15 education cooperative or entity recognized by the State Board  
16 as a special education cooperative, State-approved charter  
17 school, or alternative learning opportunities program that  
18 received direct funding from the State Board during the  
19 2016-2017 school year through any of the funding sources  
20 included within the calculation of the Base Funding Minimum.

21 "Supplemental Grant Funding" means supplemental general  
22 State aid funding received by an Organization Unit during the  
23 2016-2017 school year pursuant to subsection (H) of Section  
24 18-8.05 of this Code.

25 "State Adequacy Level" is the sum of the Adequacy Targets  
26 of all Organizational Units.

1 "State Board" means the State Board of Education.

2 "State Superintendent" means the State Superintendent of  
3 Education.

4 "Statewide Weighted CWI" means a figure determined by  
5 multiplying each Organizational Unit CWI times the ASE for that  
6 Organizational Unit creating a weighted value, summing all  
7 Organizational Unit's weighted values, and dividing by the  
8 total ASE of all Organizational Units, thereby creating an  
9 average weighted index.

10 "Student activities" means non-credit producing  
11 after-school programs, including, but not limited to, clubs,  
12 bands, sports, and other activities authorized by the school  
13 board of the Organizational Unit.

14 "Substitute teacher" means an individual teacher or  
15 teaching assistant who is employed by an Organizational Unit  
16 and is temporarily serving the Organizational Unit on a per  
17 diem or per period-assignment basis replacing another staff  
18 member.

19 "Summer school" means academic and enrichment programs  
20 provided to students during the summer months outside of the  
21 regular school year.

22 "Supervisory aide" means a non-licensed staff member who  
23 helps in supervising students of an Organizational Unit, but  
24 does so outside of the classroom, in situations such as, but  
25 not limited to, monitoring hallways and playgrounds,  
26 supervising lunchrooms, or supervising students when being

1 transported in buses serving the Organizational Unit.

2 "Target Ratio" is defined in paragraph (4) of subsection  
3 (g).

4 "Tier 1", "Tier 2", "Tier 3", and "Tier 4" are defined in  
5 paragraph (2) of subsection (g).

6 "Tier 1 Aggregate Funding", "Tier 2 Aggregate Funding",  
7 "Tier 3 Aggregate Funding", and "Tier 4 Aggregate Funding" are  
8 defined in paragraph (1) of subsection (g).

9 (b) Adequacy Target calculation.

10 (1) Each Organizational Unit's Adequacy Target is the sum  
11 of the Organizational Unit's cost of providing Essential  
12 Elements, as calculated in accordance with this subsection (b),  
13 with the salary amounts in the Essential Elements multiplied by  
14 a Regionalization Factor calculated pursuant to paragraph (3)  
15 of this subsection (b).

16 (2) The Essential Elements are attributable on a pro-rata  
17 basis related to defined subgroups of the ASE of each  
18 Organizational Unit as specified in this paragraph (2), with  
19 investments and FTE positions pro-rata funded based on ASE  
20 counts in excess or less than the thresholds set forth in this  
21 paragraph (2). The method for calculating attributable  
22 pro-rata costs and the defined subgroups thereto are as  
23 follows:

24 (A) Core class size investments. Each Organizational  
25 Unit shall receive the funding required to support that  
26 number of FTE core teacher positions as is needed to keep

1 the respective class sizes of the Organizational Unit to a  
2 maximum of 15 students each for grades kindergarten through  
3 3 and 25 students each for grades 4 through 12. The number  
4 of FTE core teacher positions shall be determined by  
5 dividing the ASE of the Organizational Unit for grades  
6 kindergarten through 3 by 15 and grades 4 through 12 by 25.

7 (B) Specialist teacher investments. Each  
8 Organizational Unit shall receive the funding needed to  
9 cover that number of FTE specialist teacher positions that  
10 correspond to the following percentages:

11 (i) if the Organizational Unit operates an  
12 elementary or middle school, then 20.00% of the number  
13 of the Organizational Unit's core teachers, as  
14 determined under subparagraph (A) of this paragraph  
15 (2); and

16 (ii) if such Organizational Unit operates a high  
17 school, then 33.33% of the number of the Organizational  
18 Unit's core teachers.

19 (C) Instructional facilitator investments. Each  
20 Organizational Unit shall receive the funding needed to  
21 cover one FTE instructional facilitator position for every  
22 200 combined ASE of pre-kindergarten children with  
23 disabilities and all kindergarten through grade 12  
24 students of the Organizational Unit.

25 (D) Core intervention teacher (tutor) investments.  
26 Each Organizational Unit shall receive the funding needed

1 to cover one FTE teacher position for each prototypical  
2 elementary, middle, and high school.

3 (E) Substitute teacher investments. Each  
4 Organizational Unit shall receive the funding needed to  
5 cover substitute teacher costs that is equal to 5.70% of  
6 the minimum pupil attendance days required under Section  
7 10-19 of this code for all full-time equivalent core,  
8 specialist, and intervention teachers, school nurses,  
9 special education teachers and instructional assistants,  
10 instructional facilitators, and summer school and  
11 extended-day teacher positions, as determined under this  
12 paragraph (2), at a salary rate of 33.33% of the average  
13 salary for grade K through 12 teachers and 33.33% of the  
14 average salary of each instructional assistant position.

15 (F) Core guidance counselor investments. Each  
16 Organizational Unit shall receive the funding needed to  
17 cover one FTE guidance counselor for each 450 combined ASE  
18 of pre-kindergarten children with disabilities and all  
19 kindergarten through grade 5 students, plus one FTE  
20 guidance counselor for each 250 grades 6 through 8 ASE  
21 middle school students, plus one FTE guidance counselor for  
22 each 250 grades 9 through 12 ASE high school students.

23 (G) Nurse investments. Each Organizational Unit shall  
24 receive the funding needed to cover one FTE nurse for each  
25 750 combined ASE of pre-kindergarten children with  
26 disabilities and all kindergarten through grade 12

1 students across all grade levels it serves.

2 (H) Supervisory aide investments. Each Organizational  
3 Unit shall receive the funding needed to cover one FTE for  
4 each 225 combined ASE of pre-kindergarten children with  
5 disabilities and all kindergarten through grade 5  
6 students, plus one FTE for each 225 ASE middle school  
7 students, plus one FTE for each 200 ASE high school  
8 students.

9 (I) Librarian investments. Each Organizational Unit  
10 shall receive the funding needed to cover one FTE librarian  
11 for each prototypical elementary school, middle school,  
12 and high school and one FTE aide or media technician for  
13 every 300 combined ASE of pre-kindergarten children with  
14 disabilities and all kindergarten through grade 12  
15 students.

16 (J) Principal investments. Each Organizational Unit  
17 shall receive the funding needed to cover one FTE principal  
18 position for each prototypical elementary school, plus one  
19 FTE principal position for each prototypical middle  
20 school, plus one FTE principal position for each  
21 prototypical high school.

22 (K) Assistant principal investments. Each  
23 Organizational Unit shall receive the funding needed to  
24 cover one FTE assistant principal position for each  
25 prototypical elementary school, plus one FTE assistant  
26 principal position for each prototypical middle school,



1 plus one FTE assistant principal position for each  
2 prototypical high school.

3 (L) School site staff investments. Each Organizational  
4 Unit shall receive the funding needed for one FTE position  
5 for each 225 ASE of pre-kindergarten children with  
6 disabilities and all kindergarten through grade 5  
7 students, plus one FTE position for each 225 ASE middle  
8 school students, plus one FTE position for each 200 ASE  
9 high school students.

10 (M) Gifted investments. Each Organizational Unit shall  
11 receive \$40 per kindergarten through grade 12 ASE.

12 (N) Professional development investments. Each  
13 Organizational Unit shall receive \$125 per student of the  
14 combined ASE of pre-kindergarten children with  
15 disabilities and all kindergarten through grade 12  
16 students for trainers and other professional  
17 development-related expenses for supplies and materials.

18 (O) Instructional material investments. Each  
19 Organizational Unit shall receive \$190 per student of the  
20 combined ASE of pre-kindergarten children with  
21 disabilities and all kindergarten through grade 12  
22 students to cover instructional material costs.

23 (P) Assessment investments. Each Organizational Unit  
24 shall receive \$25 per student of the combined ASE of  
25 pre-kindergarten children with disabilities and all  
26 kindergarten through grade 12 students student to cover

1       assessment costs.

2       (Q) Computer technology and equipment investments.

3       Each Organizational Unit shall receive \$571 per student of  
4       the combined ASE of pre-kindergarten children with  
5       disabilities and all kindergarten through grade 12  
6       students to cover computer technology and equipment costs.

7       (R) Student activities investments. Each

8       Organizational Unit shall receive the following funding  
9       amounts to cover student activities: \$100 per kindergarten  
10      through grade 5 ASE student in elementary school, plus \$200  
11      per ASE student in middle school, plus \$675 per ASE student  
12      in high school.

13      (S) Maintenance and operations investments. Each

14      Organizational Unit shall receive \$1,038 per student of the  
15      combined ASE of pre-kindergarten children with  
16      disabilities and all kindergarten through grade 12 for  
17      day-to-day maintenance and operations expenditures,  
18      including salary, supplies, and materials, as well as  
19      purchased services, but excluding employee benefits. The  
20      proportion of salary for the application of a  
21      Regionalization Factor and the calculation of benefits is  
22      equal to \$352.92.

23      (T) Central office investments. Each Organizational

24      Unit shall receive \$742 per student of the combined ASE of  
25      pre-kindergarten children with disabilities and all  
26      kindergarten through grade 12 students to cover central

1 office operations, including administrators and classified  
2 personnel charged with managing the instructional  
3 programs, business and operations of the school district,  
4 and security personnel. The proportion of salary for the  
5 application of a Regionalization Factor and the  
6 calculation of benefits is equal to \$368.48.

7 (U) Employee benefit investments. Each Organizational  
8 Unit shall receive 30% of the total of all  
9 salary-calculated elements of the Adequacy Target,  
10 excluding substitute teachers and student activities  
11 investments, to cover benefit costs. For central office and  
12 maintenance and operations investments, the benefit  
13 calculation shall be based upon the salary proportion of  
14 each investment. If at any time the responsibility for  
15 funding the employer normal cost of teacher pensions is  
16 assigned to school districts, then that amount certified by  
17 the Teachers' Retirement System of the State of Illinois to  
18 be paid by the Organizational Unit for the preceding school  
19 year shall be added to the benefit investment. For any  
20 fiscal year in which a school district organized under  
21 Article 34 of this Code is responsible for paying the  
22 employer normal cost of teacher pensions, then that amount  
23 of its employer normal cost as certified by the Public  
24 School Teachers' Pension and Retirement Fund of Chicago to  
25 be paid by the school district for the preceding school  
26 year that is statutorily required to cover employer normal

1 costs shall be added to the 30% specified in this  
2 subparagraph (U). The Public School Teachers' Pension and  
3 Retirement Fund of Chicago shall submit such information as  
4 the State Superintendent may require for the calculations  
5 set forth in this subparagraph (U).

6 (V) Additional investments in low-income students. In  
7 addition to and not in lieu of all other funding under this  
8 paragraph (2), each Organizational Unit shall receive  
9 funding based on the average teacher salary for grades K  
10 through 12 to cover the costs of: (i) one FTE intervention  
11 teacher (tutor) position for every 125 Low-Income Count  
12 students; (ii) one FTE pupil support staff position for  
13 every 125 Low-Income Count students; (iii) one FTE extended  
14 day teacher position for every 120 Low-Income Count  
15 students; and (iv) one FTE summer school teacher position  
16 for every 120 Low-Income Count students.

17 (W) Additional investments in EL students. In addition  
18 to and not in lieu of all other funding under this  
19 paragraph (2), each Organizational Unit shall receive  
20 funding based on the average teacher salary for grades K  
21 through 12 to cover the costs of:

22 (i) one FTE intervention teacher (tutor) position  
23 for every 125 EL students;

24 (ii) one FTE pupil support staff position for every  
25 125 EL students;

26 (iii) one FTE extended day teacher position for

1 every 120 EL students;

2 (iv) one FTE summer school teacher position for  
3 every 120 EL students; and

4 (v) one FTE core teacher position for every 100 EL  
5 students.

6 (X) Special education investments. Each Organizational  
7 Unit shall receive funding based on the average teacher  
8 salary for grades K through 12 to cover special education  
9 as follows:

10 (i) one FTE teacher position for every 141 combined  
11 ASE of pre-kindergarten children with disabilities and  
12 all kindergarten through grade 12 students;

13 (ii) one FTE instructional assistant for every 141  
14 combined ASE of pre-kindergarten children with  
15 disabilities and all kindergarten through grade 12  
16 students; and

17 (iii) one FTE psychologist position for every  
18 1,000 combined ASE of pre-kindergarten children with  
19 disabilities and all kindergarten through grade 12  
20 students.

21 (3) For calculating the salaries included within the  
22 Essential Elements, the State Superintendent shall annually  
23 calculate average salaries to the nearest dollar using the  
24 employment information system data maintained by the State  
25 Board, limited to public schools only and excluding special  
26 education and vocational cooperatives, schools operated by the

1 Department of Juvenile Justice, and charter schools, for the  
2 following positions:

3 (A) Teacher for grades K through 8.

4 (B) Teacher for grades 9 through 12.

5 (C) Teacher for grades K through 12.

6 (D) Guidance counselor for grades K through 8.

7 (E) Guidance counselor for grades 9 through 12.

8 (F) Guidance counselor for grades K through 12.

9 (G) Social worker.

10 (H) Psychologist.

11 (I) Librarian.

12 (J) Nurse.

13 (K) Principal.

14 (L) Assistant principal.

15 For the purposes of this paragraph (3), "teacher" includes core  
16 teachers, specialist and elective teachers, instructional  
17 facilitators, tutors, special education teachers, pupil  
18 support staff teachers, English learner teachers, extended-day  
19 teachers, and summer school teachers. Where specific grade data  
20 is not required for the Essential Elements, the average salary  
21 for corresponding positions shall apply. For substitute  
22 teachers, the average teacher salary for grades K through 12  
23 shall apply.

24 For calculating the salaries included within the Essential  
25 Elements for positions not included within EIS Data, the  
26 following salaries shall be used in the first year of

1 implementation of Evidence-Based Funding:

2 (i) school site staff, \$30,000; and

3 (ii) on-instructional assistant, instructional  
4 assistant, library aide, library media tech, or  
5 supervisory aide: \$25,000.

6 In the second and subsequent years of implementation of  
7 Evidence-Based Funding, the amounts in items (i) and (ii) of  
8 this paragraph (3) shall annually increase by the ECI.

9 The salary amounts for the Essential Elements determined  
10 pursuant to subparagraphs (A) through (L), (S) and (T), and (V)  
11 through (X) of paragraph (2) of subsection (b) of this Section  
12 shall be multiplied by a Regionalization Factor.

13 (c) Local capacity calculation.

14 (1) Each Organizational Unit's Local Capacity represents  
15 an amount of funding it is assumed to contribute toward its  
16 Adequacy Target for purposes of the Evidence-Based Funding  
17 formula calculation. "Local Capacity" means either (i) the  
18 Organizational Unit's Local Capacity Target as calculated in  
19 accordance with paragraph (2) of this subsection (c) if its  
20 Real Receipts are equal to or less than its Local Capacity  
21 Target or (ii) the Organizational Unit's Adjusted Local  
22 Capacity, as calculated in accordance with paragraph (3) of  
23 this subsection (c) if Real Receipts are more than its Local  
24 Capacity Target.

25 (2) "Local Capacity Target" means, for an Organizational  
26 Unit, that dollar amount that is obtained by multiplying its

1 Adequacy Target by its Local Capacity Percentage.

2 (A) An Organizational Unit's Local Capacity Percentage  
3 is the conversion of the Organizational Unit's Local  
4 Capacity Ratio, as such ratio is determined in accordance  
5 with subparagraph (B) of this paragraph (2), into a normal  
6 curve equivalent score to determine each Organizational  
7 Unit's relative position to all other Organizational Units  
8 in this State. The calculation of Local Capacity Percentage  
9 is described in subparagraph (C) of this paragraph (2).

10 (B) An Organizational Unit's Local Capacity Ratio in a  
11 given year is the percentage obtained by dividing its  
12 Adjusted EAV by its Adequacy Target, with the resulting  
13 ratio further adjusted as follows:

14 (i) for Organizational Units serving grades  
15 kindergarten through 12 and Hybrid Districts, no  
16 further adjustments shall be made;

17 (ii) for Organizational Units serving grades  
18 kindergarten through 8, the ratio shall be multiplied  
19 by 9/13;

20 (iii) for Organizational Units serving grades 9  
21 through 12, the Local Capacity Ratio shall be  
22 multiplied by 4/13; and

23 (iv) for an Organizational Unit with a different  
24 grade configuration than those specified in items (i)  
25 through (iii) of this subparagraph (B), the State  
26 Superintendent shall determine a comparable adjustment



1           based on the grades served.

2           (C) Local Capacity Percentage converts each  
3 Organizational Unit's Local Capacity Ratio to a normal  
4 curve equivalent score to determine each Organizational  
5 Unit's relative position to all other Organizational Units  
6 in this State. The Local Capacity Percentage normal curve  
7 equivalent score for each Organizational Unit shall be  
8 calculated using the standard normal distribution of the  
9 score in relation to the weighted mean and weighted  
10 standard deviation and Local Capacity Ratios of all  
11 Organizational Units. If the value assigned to any  
12 Organizational Unit is in excess of 90%, the value shall be  
13 adjusted to 90%. For Laboratory Schools, the Local Capacity  
14 Percentage shall be set at 10% in recognition of the  
15 absence of EAV and resources from the public university  
16 that are allocated to the Laboratory School. The weighted  
17 mean for the Local Capacity Percentage shall be determined  
18 by multiplying each Organizational Unit's Local Capacity  
19 Ratio times the ASE for the unit creating a weighted value,  
20 summing the weighted values of all Organizational Units,  
21 and dividing by the total ASE of all Organizational Units.  
22 The weighted standard deviation shall be determined by  
23 taking the square root of the weighted variance of all  
24 Organizational Units' Local Capacity Ratio, where the  
25 variance is calculated by squaring the difference between  
26 each unit's Local Capacity Ratio and the weighted mean,

1 then multiplying the variance for each unit times the ASE  
2 for the unit to create a weighted variance for each unit,  
3 then summing all units' weighted variance and dividing by  
4 the total ASE of all units.

5 (3) If an Organizational Unit's Real Receipts are more than  
6 its Local Capacity Target, then its Local Capacity shall equal  
7 an Adjusted Local Capacity Target as calculated in accordance  
8 with this paragraph (3). The Adjusted Local Capacity Target is  
9 calculated as the sum of the Organizational Unit's Local  
10 Capacity Target and its Real Receipts Adjustment. The Real  
11 Receipts Adjustment equals the Organizational Unit's Real  
12 Receipts less its Local Capacity Target, with the resulting  
13 figure multiplied by its Preliminary Percent of Adequacy.

14 (d) Calculation of Real Receipts, EAV, and Adjusted EAV for  
15 purposes of the Local Capacity calculation.

16 (1) An Organizational Unit's Real Receipts are the product  
17 of its Applicable Tax Rate and its Adjusted EAV. An  
18 Organizational Unit's Applicable Tax Rate is its Operating Tax  
19 Rate for property within the Organizational Unit.

20 (2) The State Superintendent shall calculate the Equalized  
21 Assessed Valuation, or EAV, of all taxable property of each  
22 Organizational Unit as of September 30 of the previous year in  
23 accordance with paragraph (3) of this subsection (d). The State  
24 Superintendent shall then determine the Adjusted EAV of each  
25 Organizational Unit in accordance with paragraph (4) of this  
26 subsection (d), which Adjusted EAV figure shall be used for the

1 purposes of calculating Local Capacity.

2 (3) To calculate Real Receipts and EAV, the Department of  
3 Revenue shall supply to the State Superintendent the value as  
4 equalized or assessed by the Department of Revenue of all  
5 taxable property of every Organizational Unit, together with  
6 (i) the applicable tax rate used in extending taxes for the  
7 funds of the Organizational Unit as of September 30 of the  
8 previous year and (ii) the limiting rate for all Organizational  
9 Units subject to property tax extension limitations as imposed  
10 under PTELL.

11 (A) The Department of Revenue shall add to the  
12 equalized assessed value of all taxable property of each  
13 Organizational Unit situated entirely or partially within  
14 a county that is or was subject to the provisions of  
15 Section 15-176 or 15-177 of the Property Tax Code (i) an  
16 amount equal to the total amount by which the homestead  
17 exemption allowed under Section 15-176 or 15-177 of the  
18 Property Tax Code for real property situated in that  
19 Organizational Unit exceeds the total amount that would  
20 have been allowed in that Organizational Unit if the  
21 maximum reduction under Section 15-176 was (I) \$4,500 in  
22 Cook County or \$3,500 in all other counties in tax year  
23 2003 or (II) \$5,000 in all counties in tax year 2004 and  
24 thereafter and (ii) an amount equal to the aggregate amount  
25 for the taxable year of all additional exemptions under  
26 Section 15-175 of the Property Tax Code for owners with a

1 household income of \$30,000 or less. The county clerk of  
2 any county that is or was subject to the provisions of  
3 Section 15-176 or 15-177 of the Property Tax Code shall  
4 annually calculate and certify to the Department of Revenue  
5 for each Organizational Unit all homestead exemption  
6 amounts under Section 15-176 or 15-177 of the Property Tax  
7 Code and all amounts of additional exemptions under Section  
8 15-175 of the Property Tax Code for owners with a household  
9 income of \$30,000 or less. It is the intent of this  
10 subparagraph (A) that if the general homestead exemption  
11 for a parcel of property is determined under Section 15-176  
12 or 15-177 of the Property Tax Code rather than Section  
13 15-175, then the calculation of EAV shall not be affected  
14 by the difference, if any, between the amount of the  
15 general homestead exemption allowed for that parcel of  
16 property under Section 15-176 or 15-177 of the Property Tax  
17 Code and the amount that would have been allowed had the  
18 general homestead exemption for that parcel of property  
19 been determined under Section 15-175 of the Property Tax  
20 Code. It is further the intent of this subparagraph (A)  
21 that if additional exemptions are allowed under Section  
22 15-175 of the Property Tax Code for owners with a household  
23 income of less than \$30,000, then the calculation of EAV  
24 shall not be affected by the difference, if any, because of  
25 those additional exemptions.

26 (B) With respect to any part of an Organizational Unit

1       within a redevelopment project area in respect to which a  
2       municipality has adopted tax increment allocation  
3       financing pursuant to the Tax Increment Allocation  
4       Redevelopment Act, Division 74.4 of the Illinois Municipal  
5       Code, or the Industrial Jobs Recovery Law, Division 74.6 of  
6       the Illinois Municipal Code, no part of the current EAV of  
7       real property located in any such project area which is  
8       attributable to an increase above the total initial EAV of  
9       such property shall be used as part of the EAV of the  
10       Organizational Unit, until such time as all redevelopment  
11       project costs have been paid, as provided in Section  
12       11-74.4-8 of the Tax Increment Allocation Redevelopment  
13       Act or in Section 11-74.6-35 of the Industrial Jobs  
14       Recovery Law. For the purpose of the EAV of the  
15       Organizational Unit, the total initial EAV or the current  
16       EAV, whichever is lower, shall be used until such time as  
17       all redevelopment project costs have been paid.

18       (C) For Organizational Units that are Hybrid  
19       Districts, the State Superintendent shall use the lesser of  
20       the equalized assessed valuation for property within the  
21       partial elementary unit district for elementary purposes,  
22       as defined in Article 11E of this Code, or the equalized  
23       assessed valuation for property within the partial  
24       elementary unit district for high school purposes, as  
25       defined in Article 11E of this Code.

26       (4) An Organizational Unit's Adjusted EAV shall be the

1 average of its EAV over the immediately preceding 3 years or  
2 its EAV in the immediately preceding year if the EAV in the  
3 immediately preceding year has declined by 10% or more compared  
4 to the 3-year average. In the event of Organizational Unit  
5 reorganization, consolidation, or annexation, the  
6 Organizational Unit's Adjusted EAV for the first 3 years after  
7 such change shall be as follows: the most current EAV shall be  
8 used in the first year, the average of a 2-year EAV or its EAV  
9 in the immediately preceding year if the EAV declines by 10% or  
10 more compared to the 2-year average for the second year, and a  
11 3-year average EAV or its EAV in the immediately preceding year  
12 if the adjusted EAV declines by 10% or more compared to the  
13 3-year average for the third year.

14 (e) Base Funding Minimum calculation.

15 (1) For the 2017-2018 school year, the Base Funding Minimum  
16 of an Organizational Unit, other than a Specially Funded Unit,  
17 shall be the amount of State funds distributed to the  
18 Organizational Unit during the 2016-2017 school year prior to  
19 any adjustments divided by the Organizational Unit's ASE for  
20 the 2016-2017 school year and multiplied by the Organizational  
21 Unit's ASE for the 2017-2018 school year from the following  
22 Sections, as calculated by the State Superintendent: Section  
23 18-8.05 of this Code (general State aid); Section 5 of Article  
24 224 of Public Act 99-524 (equity grants); Section 14-7.02b of  
25 this Code (funding for children requiring special education  
26 services); Section 14-13.01 of this Code (special education

1 facilities and staffing), except for reimbursement of the cost  
2 of transportation pursuant to Section 14-13.01; Section 14C-12  
3 of this Code (English Learners); and Section 18-4.3 of this  
4 Code (summer school). For a school district organized under  
5 Article 34 of this Code, the Base Funding Minimum also includes  
6 the funds allotted to the school district pursuant to Section  
7 1D-1 of this Code attributable to funding programs authorized  
8 by the Sections of this Code listed in the preceding sentence.  
9 For Specially Funded Units, the Base Funding Minimum shall be  
10 the total amount of State funds allotted to the Specially  
11 Funded Unit during the 2016-2017 school year without any  
12 division by ASE.

13 (2) For the 2018-2019 and subsequent school years, the Base  
14 Funding Minimum shall be the sum of (i) the amount of  
15 Evidence-Based Funding for the prior school year and (ii) the  
16 Base Funding Minimum for the prior school year divided by the  
17 Unit's ASE utilized for the prior school year and multiplied by  
18 the Organizational Unit's ASE for the current school year,  
19 except that for Specially Funded Units no division by ASE shall  
20 be applied.

21 (f) Percent of Adequacy and Final Resources calculation.

22 (1) The Evidence-Based Funding formula establishes a  
23 Percent of Adequacy for each Organizational Unit in order to  
24 place such units into tiers for the purposes of the funding  
25 distribution system described in subsection (g) of this  
26 Section. Initially, an Organizational Unit's Preliminary

1 Resources and Preliminary Percent of Adequacy are calculated  
2 pursuant to paragraph (2) of this subsection (f). Then, an  
3 Organizational Unit's Final Resources and Final Percent of  
4 Adequacy are calculated to account for the Organizational  
5 Unit's poverty concentration levels pursuant to paragraphs (3)  
6 and (4) of this subsection (f).

7 (2) An Organizational Unit's Preliminary Resources are  
8 equal to the sum of its Local Capacity Target, CPPRT, and Base  
9 Funding Minimum. An Organizational Unit's Preliminary Percent  
10 of Adequacy is the lesser of (i) its Preliminary Resources  
11 divided by its Adequacy Target or (ii) 100%.

12 (3) Except for Specially Funded Units, an Organizational  
13 Unit's Final Resources are equal the sum of its Local Capacity,  
14 CPPRT, and Adjusted Base Funding Minimum. The Base Funding  
15 Minimum of each Specially Funded Unit shall serve as its Final  
16 Resources, except that the Base Funding Minimum for  
17 State-approved charter schools shall not include any portion of  
18 general State aid allocated in the prior year based on the per  
19 capita tuition charge times the charter school enrollment.

20 (4) An Organizational Unit's Final Percent of Adequacy is  
21 its Final Resources divided by its Adequacy Target. A  
22 Organizational Unit's Adjusted Base Funding Minimum is equal to  
23 its Base Funding Minimum less its Supplemental Grant Funding,  
24 with the resulting figure added to the product of its  
25 Supplemental Grant Funding and Preliminary Percent of  
26 Adequacy.



1 (g) Evidence-Based Funding formula distribution system.

2 (1) In each school year under the Evidence-Based Funding  
3 formula, each Organizational Unit receives funding equal to the  
4 sum of its Base Funding Minimum and the unit's allocation of  
5 New State Funds determined pursuant to this subsection (g). To  
6 allocate New State Funds, the Evidence-Based Funding formula  
7 distribution system first places all Organizational Units into  
8 one of 4 tiers in accordance with paragraph (3) of this  
9 subsection (g), based on the Organizational Unit's Final  
10 Percent of Adequacy. New State Funds are allocated to each of  
11 the 4 tiers as follows: Tier 1 Aggregate Funding equals 50% of  
12 all New State Funds, Tier 2 Aggregate Funding equals 49% of all  
13 New State Funds, Tier 3 Aggregate Funding equals 0.9% of all  
14 New State Funds, and Tier 4 Aggregate Funding equals 0.1% of  
15 all New State Funds. Each Organizational Unit within Tier 1 or  
16 Tier 2 receives an allocation of New State Funds equal to its  
17 Tier Funding Gap, as defined in the following sentence,  
18 multiplied by the tier's Allocation Rate determined pursuant to  
19 paragraph (4) of this subsection (g). For Tier 1 and Tier 2, an  
20 Organizational Unit's Funding Gap equals the Tier's Target  
21 Ratio, as specified in paragraph (5) of this subsection (g),  
22 multiplied by the Organizational Unit's Adequacy Target, with  
23 the resulting amount reduced by the Organizational Unit's Final  
24 Resources and, for Tier 2 Organizational Units, its Tier 1  
25 funding allocation. Each Organizational Unit within Tier 3 or  
26 Tier 4 receives an allocation of New State Funds equal to the

1 product of its Adequacy Target and the Tier's Allocation Rate,  
2 as specified in paragraph (4) of this subsection (g).

3 (2) To ensure equitable distribution of dollars for all  
4 Tier 2 Organizational Units, no Tier 2 Organizational Unit  
5 shall receive fewer dollars per ASE than any Tier 3  
6 Organizational Unit. Each Tier 2 and Tier 3 Organizational Unit  
7 shall have its funding allocation divided by its ASE. Any Tier  
8 2 Organizational Unit with a funding allocation per ASE below  
9 the greatest Tier 3 allocation per ASE shall get a funding  
10 allocation equal to the greatest Tier 3 funding allocation per  
11 ASE multiplied by the Organizational Unit's ASE. The sum of the  
12 difference between each Tier 2 Organizational Unit's new  
13 funding allocation and original funding allocation shall be  
14 divided by the sum of the Tier 3 Organizational Unit's ASE.  
15 Each Tier 3 Organizational Unit's funding allocation shall be  
16 reduced by this quotient multiplied by the Organizational  
17 Unit's ASE.

18 (3) Organizational Units are placed into one of 4 tiers as  
19 follows:

20 (A) Tier 1 consists of all Organizational Units, except  
21 for Specially Funded Units, with a Percent of Adequacy less  
22 than the Tier 1 Target Ratio. The Tier 1 Target Ratio is  
23 the ratio level that allows for Tier 1 Aggregate Funding to  
24 be distributed, with the Tier 1 Allocation Rate determined  
25 pursuant to paragraph (4) of this subsection (g).

26 (B) Tier 2 consists of all Tier 1 Units and all other

1 Organizational Units, except for Specially Funded Units,  
2 with a Percent of Adequacy of less than 0.90.

3 (C) Tier 3 consists of all Organizational Units, except  
4 for Specially Funded Units, with a Percent of Adequacy of  
5 at least 0.90 and less than 1.0.

6 (D) Tier 4 consists of all Organizational Units with a  
7 Percent of Adequacy of at least 1.0 and Specially Funded  
8 Units.

9 (4) The Allocation Rates for Tiers 1 through 4 is  
10 determined as follows:

11 (A) The Tier 1 Allocation Rate is 50%, unless such rate  
12 is adjusted pursuant to paragraph (9) of this subsection  
13 (g).

14 (B) The Tier 2 Allocation Rate is the result of the  
15 following equation: Tier 2 Aggregate Funding, divided by  
16 the sum of the Funding Gaps for all Tier 2 Organizational  
17 Units, unless the result of such equation is higher than  
18 1.0. If the result of such equation is higher than 1.0,  
19 then the Tier 2 Allocation Rate is 1.0.

20 (C) The Tier 3 Allocation Rate is the result of the  
21 following equation: Tier 3 Aggregate Funding, divided by  
22 the sum of the Adequacy Targets of all Tier 3  
23 Organizational Units.

24 (D) The Tier 4 Allocation Rate is the result of the  
25 following equation: Tier 4 Aggregate Funding, divided by  
26 the sum of the Adequacy Targets of all Tier 4

1 Organizational Units.

2 (5) A tier's Target Ratio is determined as follows:

3 (A) The Tier 1 Target Ratio is the ratio level that  
4 allows for Tier 1 Aggregate Funding to be distributed with  
5 the Tier 1 Allocation Rate.

6 (B) The Tier 2 Target Ratio is 0.90.

7 (C) The Tier 3 Target Ratio is 1.0.

8 (6) If, at any point, the Tier 1 Target Ratio is greater  
9 than 90%, than all Tier 1 funding shall be allocated to Tier 2  
10 and no Tier 1 Organizational Unit's funding may be identified.

11 (7) In the event that all Tier 2 Organizational Units  
12 receive funding at the Tier 2 Target Ratio level, any remaining  
13 New State Funds shall be allocated to Tier 3 and Tier 4  
14 Organizational Units.

15 (8) If any Specially Funded Units recognized by the State  
16 Board do not qualify for direct funding following the  
17 implementation of this amendatory Act of the 100th General  
18 Assembly from any of the funding sources included within the  
19 definition of Base Funding Minimum, the unqualified portion of  
20 the Base Funding Minimum shall be transferred to one or more  
21 appropriate Organizational Units as determined by the State  
22 Superintendent based on the prior year ASE of the  
23 Organizational Units.

24 (9) Notwithstanding the distribution formulae set forth in  
25 this subsection (g), funding for each tier shall be adjusted as  
26 set forth in this paragraph (9) if New State Funds are less

1 than the Minimum Funding Level. The Minimum Funding Level is  
2 equal to: (i) the sum of 1% of the State Adequacy Level, plus  
3 the ECI multiplied by the State Adequacy Level, less (ii) the  
4 total increase in Real Receipts from the prior school year to  
5 the current school year. The Minimum Funding Level may never be  
6 greater than the sum of the Preliminary Resources subtracted  
7 from the Adequacy Target for each Tier 1, Tier 2, and Tier 3  
8 Organizational Unit. If New State Funds are less than the  
9 Minimum Funding Level, than funding for tiers shall be reduced  
10 in the following manner:

11 (A) First, Tier 4 funding shall be reduced by an amount  
12 equal to the difference between the Minimum Funding Level  
13 and New State Funds until such time as Tier 4 funding is  
14 exhausted.

15 (B) Next, Tier 3 funding shall be reduced by an amount  
16 equal to the difference between the Minimum Funding Level  
17 and New State Funds and the reduction in Tier 4 funding  
18 until such time as Tier 3 funding is exhausted.

19 (C) Then, Tier 2 funding shall be reduced by an amount  
20 equal to the difference between the Minimum Funding Level  
21 and New State Funds and the reduction in Tier 4 and Tier 3  
22 funding.

23 (D) Finally, Tier 1 funding shall be reduced by an  
24 amount equal to the difference between the Minimum Funding  
25 Level and New State Funds and the reduction in Tier 2, 3,  
26 and 4 funding. In addition, the Allocation Rate for Tier 1

1 funding shall be reduced to a percentage equal to 50%,  
2 multiplied by the result of New State Funds divided by the  
3 Minimum Funding Level.

4 (10) In the event of a decrease in the amount of the  
5 appropriation for this Section in any fiscal year after  
6 implementation of this Section, the Organizational Units  
7 receiving Tier 1 and Tier 2 funding, as determined under  
8 paragraph (3) of this subsection (g), shall be held harmless by  
9 establishing a Base Funding Guarantee equal to the per pupil  
10 kindergarten through grade 12 funding received in accordance  
11 with this Section in the prior fiscal year. Reductions shall be  
12 made to the Base Funding Minimum of Organizational Units in  
13 Tier 3 and Tier 4 on a per pupil basis equivalent to the total  
14 number of the ASE in Tier 3-funded and Tier 4-funded  
15 Organizational Units divided by the total reduction in State  
16 funding. The Base Funding Minimum as reduced shall continue to  
17 be applied to Tier 3 and Tier 4 Organizational Units and  
18 adjusted by the relative formula when increases in  
19 appropriations for this Section resume. In no event may State  
20 funding reductions to Organizational Units in Tier 3 or Tier 4  
21 exceed an amount that would be less than the Base Funding  
22 Minimum established in the first year of implementation of this  
23 Section. If additional reductions are required, all school  
24 districts shall receive a reduction by a per pupil amount equal  
25 to the aggregate additional appropriation reduction divided by  
26 the total ASE of all Organizational Units.

1       (11) The State Superintendent shall make minor adjustments  
2 to the distribution formulae set forth in this subsection (g)  
3 to account for the rounding of percentages to the nearest tenth  
4 of a percentage and dollar amounts to the nearest whole dollar.

5       (h) State Superintendent administration of funding and  
6 district submission requirements.

7       (1) The State Superintendent shall, in accordance with  
8 appropriations made by the General Assembly, meet the funding  
9 obligations created under this Section.

10       (2) The State Superintendent shall calculate the Adequacy  
11 Target for each Organizational Unit and Net State Contribution  
12 Target for each Organizational Unit under this Section. The  
13 State Superintendent shall also certify the actual amounts of  
14 the New State Funds payable for each eligible Organizational  
15 Unit based on the equitable distribution calculation to the  
16 unit's treasurer, as soon as possible after such amounts are  
17 calculated, including any applicable adjusted charge-off  
18 increase. No Evidence-Based Funding shall be distributed  
19 within an Organizational Unit without the approval of the  
20 unit's school board.

21       (3) Annually, the State Superintendent shall calculate and  
22 report to each Organizational Unit the unit's aggregate  
23 financial adequacy amount, which shall be the sum of the  
24 Adequacy Target for each Organizational Unit. The State  
25 Superintendent shall calculate and report separately for each  
26 Organizational Unit the unit's total State funds allocated for

1 its students with disabilities. The State Superintendent shall  
2 calculate and report separately for each Organizational Unit  
3 the amount of funding and applicable FTE calculated for each  
4 Essential Element of the unit's Adequacy Target.

5 (4) Moneys distributed under this Section shall be  
6 calculated on a school year basis, but paid on a fiscal year  
7 basis, with payments beginning in August and extending through  
8 June. Unless otherwise provided, the moneys appropriated for  
9 each fiscal year shall be distributed in 22 equal payments at  
10 least 2 times monthly to each Organizational Unit. The State  
11 Board shall publish a yearly distribution schedule at its  
12 meeting in June. If moneys appropriated for any fiscal year are  
13 distributed other than monthly, the distribution shall be on  
14 the same basis for each Organizational Unit.

15 (5) Any school district that fails, for any given school  
16 year, to maintain school as required by law or to maintain a  
17 recognized school is not eligible to receive Evidence-Based  
18 Funding. In case of non-recognition of one or more attendance  
19 centers in a school district otherwise operating recognized  
20 schools, the claim of the district shall be reduced in the  
21 proportion that the enrollment in the attendance center or  
22 centers bears to the enrollment of the school district.  
23 "Recognized school" means any public school that meets the  
24 standards for recognition by the State Board. A school district  
25 or attendance center not having recognition status at the end  
26 of a school term is entitled to receive State aid payments due



1 upon a legal claim that was filed while it was recognized.

2 (6) School district claims filed under this Section are  
3 subject to Sections 18-9 and 18-12 of this Code, except as  
4 otherwise provided in this Section.

5 (7) Each fiscal year, the State Superintendent shall  
6 calculate for each Organizational Unit an amount of its Base  
7 Funding Minimum and Evidence-Based Funding that shall be deemed  
8 attributable to the provision of special educational  
9 facilities and services, as defined in Section 14-1.08 of this  
10 Code, in a manner that ensures compliance with maintenance of  
11 State financial support requirements under the federal  
12 Individuals with Disabilities Education Act. An Organizational  
13 Unit must use such funds only for the provision of special  
14 educational facilities and services, as defined in Section  
15 14-1.08 of this Code, and must comply with any expenditure  
16 verification procedures adopted by the State Board.

17 (8) All Organizational Units in this State must submit  
18 annual spending plans by the end of September of each year to  
19 the State Board as part of the annual budget process, which  
20 shall describe how each Organizational Unit will utilize the  
21 Base Minimum Funding and Evidence-Based funding it receives  
22 from this State under this Section with specific identification  
23 of the intended utilization of Low-Income, EL, and special  
24 education resources. The State Superintendent may, from time to  
25 time, identify additional requisites for Organizational Units  
26 to satisfy when compiling the annual spending plans required

1 under this subsection (h). The format and scope of annual  
2 spending plans shall be developed by the State Superintendent  
3 in conjunction with the Professional Judgement Panel.

4 (9) No later than January 1, 2018, the State Superintendent  
5 shall develop a 5-year strategic plan for all Organizational  
6 Units to help in planning for adequacy funding under this  
7 Section. The State Superintendent shall submit the plan to the  
8 Governor and the General Assembly, as provided in Section 3.1  
9 of the General Assembly Organization Act. The plan shall  
10 include recommendations for:

11 (A) a framework for collaborative, professional,  
12 innovative, and 21st century learning environments using  
13 the Evidence-Based Funding model;

14 (B) ways to prepare and support this State's educators  
15 for successful instructional careers;

16 (C) application and enhancement of the current  
17 financial accountability measures and the Illinois  
18 Balanced Accountability Measures in relation to elements  
19 of the Evidence-Based Funding model; and

20 (D) implementation of an effective school adequacy  
21 funding system based on projected and recommended funding  
22 levels from the General Assembly.

23 (i) Professional Judgment Panel.

24 (1) A Professional Judgment Panel is created to study and  
25 review the implementation and effect of the Evidence-Based  
26 Funding model under this Section and to recommend continual

1 recalibration and future study topics. The Panel shall be  
2 appointed by the State Superintendent, except as otherwise  
3 provided in paragraph (2) of this subsection (i) and include  
4 the following members:

5 (A) Two appointees that represent district  
6 superintendents, recommended by a statewide organization  
7 that represents district superintendents.

8 (B) Two appointees that represent school boards,  
9 recommended by a statewide organization that represents  
10 school boards.

11 (C) Two appointees from districts that represent  
12 school business officials, recommended by a statewide  
13 organization that represents school business officials.

14 (D) Two appointees that represent school principals,  
15 recommended by a statewide organization that represents  
16 school principals.

17 (E) Two appointees that represent teachers,  
18 recommended by a statewide organization that represents  
19 teachers.

20 (F) Two appointees that represent teachers,  
21 recommended by another statewide organization that  
22 represents teachers.

23 (G) Two appointees that represent regional  
24 superintendents of schools, recommended by organizations  
25 that represent regional superintendents.

26 (H) Two independent experts selected solely by the

1 State Superintendent.

2 (I) Two independent experts recommended by public  
3 universities in this State.

4 (J) One member recommended by a statewide organization  
5 that represents parents.

6 (K) Two representatives recommended by collective  
7 impact organizations that represent major metropolitan  
8 areas or geographic areas in Illinois.

9 (L) One member from a statewide organization focused on  
10 research-based education policy to support a school system  
11 that prepares all students for college, a career, and  
12 democratic citizenship.

13 (M) One representative from a school district  
14 organized under Article 34 of this Code.

15 The State Superintendent shall ensure that the membership of  
16 the Panel includes representatives from school districts and  
17 communities reflecting the geographic and socio-economic  
18 diversity of this State. Staff from the State Board shall staff  
19 the Panel.

20 (2) In addition to those Panel members appointed by the  
21 State Superintendent, 4 members of the General Assembly shall  
22 be appointed as follows: one member of the House of  
23 Representatives appointed by the Speaker of the House of  
24 Representatives, one member of the Senate appointed by the  
25 President of the Senate, one member of the House of  
26 Representatives appointed by the Minority Leader of the House

1 of Representatives, and one member of the Senate appointed by  
2 the Minority Leader of the Senate.

3 (3) On an annual basis, the State Superintendent shall  
4 recalibrate the following per pupil elements of the Adequacy  
5 Target and applied to the formulas, based on the Panel's study  
6 of average expenses as reported in the most recent annual  
7 financial report:

8 (A) gifted under subparagraph (M) of paragraph (2) of  
9 subsection (b) of this Section;

10 (B) instructional materials under subparagraph (O) of  
11 paragraph (2) of subsection (b) of this Section;

12 (C) assessment under subparagraph (P) of paragraph (2)  
13 of subsection (b) of this Section;

14 (D) student activities under subparagraph (R) of  
15 paragraph (2) of subsection (b) of this Section;

16 (E) maintenance and operations under subparagraph (S)  
17 of paragraph (2) of subsection (b) of this Section; and

18 (F) central office under subparagraph (T) of paragraph  
19 (2) of subsection (b) of this Section.

20 (4) On a periodic basis, the Panel shall study all the  
21 following elements and make recommendations to the State Board,  
22 the General Assembly, and the Governor for modification of this  
23 Section:

24 (A) The format and scope of annual spending plans  
25 referenced in subsection (h) paragraph (8) of this Section.

26 (B) The Comparable Wage Index under this Section, to be

1 studied by the Panel and reestablished by the State  
2 Superintendent every 5 years.

3 (C) Maintenance and operations. Within 5 years after  
4 the implementation of this Section, the Panel shall make  
5 recommendations for the further study of maintenance and  
6 operations costs, including capital maintenance costs, and  
7 recommend any additional reporting data required from  
8 Organizational Units.

9 (D) "At-risk student" definition. Within 5 years after  
10 the implementation of this Section, the Panel shall make  
11 recommendations for the further study and determination of  
12 an "at-risk student" definition.

13 (E) Benefits. Within 5 years after the implementation  
14 of this Section, the Panel shall make recommendations for  
15 further study of benefit costs.

16 (F) Technology. The per pupil target for technology  
17 shall be reviewed every 3 years to determine whether  
18 current allocations are sufficient to develop 21st century  
19 learning in all classrooms in this State and supporting a  
20 one-to-one technological device program in each school.  
21 Recommendations shall be made no later than 3 years after  
22 the implementation of this Section.

23 (G) Local Capacity Target. Within 3 years after the  
24 implementation of this Section, the Panel shall make  
25 recommendations for any additional data desired to analyze  
26 possible modifications to the Local Capacity Target, to be

1 based on measures in addition to solely EAV and to be  
2 completed within 5 years after implementation of this  
3 Section.

4 (H) Funding for Alternative Schools, Laboratory  
5 Schools, safe schools, and alternative learning  
6 opportunities programs. By the beginning of the 2021-2022  
7 school year, the Panel shall study and make recommendations  
8 regarding the funding levels for Alternative Schools,  
9 Laboratory Schools, safe schools, and alternative learning  
10 opportunities programs in this State.

11 (I) Funding for college and career acceleration  
12 strategies. By the beginning of the 2021-2022 school year,  
13 the Panel shall study and make recommendations regarding  
14 funding levels to support college and career acceleration  
15 strategies in high school that have been demonstrated to  
16 result in improved secondary and postsecondary outcomes,  
17 including Advanced Placement, dual-credit opportunities,  
18 and college and career pathway systems.

19 (J) Special education investments. By the beginning of  
20 the 2021-2022 school year, the Panel shall study and make  
21 recommendations on whether and how to account for  
22 disability types within the special education funding  
23 category.

24 (K) Early childhood investments. In collaboration with  
25 the Illinois Early Learning Council, the Panel shall  
26 include an analysis of what level of Preschool for All

1 Children funding would be necessary to serve all children  
2 ages 0 through 5 years in the highest-priority service  
3 tier, as specified in paragraph (4.5) of subsection (a) of  
4 Section 2-3.71 of this Code, and an analysis of the  
5 potential cost savings that that level of Preschool for All  
6 Children investment would have on the kindergarten through  
7 grade 12 system.

8 (j) References. Beginning July 1, 2017, references in other  
9 laws to general State aid funds or calculations under Section  
10 18-8.05 of this Code shall be deemed to be references to  
11 evidence-based model formula funds or calculations under this  
12 Section.

13 (105 ILCS 5/18-9) (from Ch. 122, par. 18-9)

14 Sec. 18-9. Requirement for special equalization and  
15 supplementary State aid. If property comprising an aggregate  
16 assessed valuation equal to 6% or more of the total assessed  
17 valuation of all taxable property in a school district is owned  
18 by a person or corporation that is the subject of bankruptcy  
19 proceedings or that has been adjudged bankrupt and, as a result  
20 thereof, has not paid taxes on the property, then the district  
21 may amend its general State aid or evidence-based funding claim

22 (i) back to the inception of the bankruptcy, not to exceed 6  
23 years, in which time those taxes were not paid and (ii) for  
24 each succeeding year that those taxes remain unpaid, by adding  
25 to the claim an amount determined by multiplying the assessed



1 valuation of the property on which taxes have not been paid due  
2 to the bankruptcy by the lesser of the total tax rate for the  
3 district for the tax year for which the taxes are unpaid or the  
4 applicable rate used in calculating the district's general  
5 State aid under paragraph (3) of subsection (D) of Section  
6 18-8.05 of this Code or evidence-based funding under Section  
7 18-8.15 of this Code, as applicable. If at any time a district  
8 that receives additional State aid under this Section receives  
9 tax revenue from the property for the years that taxes were not  
10 paid, the district's next claim for State aid shall be reduced  
11 in an amount equal to the taxes paid on the property, not to  
12 exceed the additional State aid received under this Section.  
13 Claims under this Section shall be filed on forms prescribed by  
14 the State Superintendent of Education, and the State  
15 Superintendent of Education, upon receipt of a claim, shall  
16 adjust the claim in accordance with the provisions of this  
17 Section. Supplementary State aid for each succeeding year under  
18 this Section shall be paid beginning with the first general  
19 State aid or evidence-based funding claim paid after the  
20 district has filed a completed claim in accordance with this  
21 Section.

22 (Source: P.A. 95-496, eff. 8-28-07.)

23 (105 ILCS 5/18-12) (from Ch. 122, par. 18-12)

24 Sec. 18-12. Dates for filing State aid claims. The school  
25 board of each school district, a regional office of education,

1 a laboratory school, or a State-authorized charter school shall  
2 require teachers, principals, or superintendents to furnish  
3 from records kept by them such data as it needs in preparing  
4 and certifying to the State Superintendent of Education its  
5 report of claims provided in Section 18-8.05 of this Code. The  
6 claim shall be based on the latest available equalized assessed  
7 valuation and tax rates, as provided in Section 18-8.05 or  
8 18-8.15, shall use the average daily attendance as determined  
9 by the method outlined in Section 18-8.05 or 18-8.15, and shall  
10 be certified and filed with the State Superintendent of  
11 Education by June 21 for districts and State-authorized charter  
12 schools with an official school calendar end date before June  
13 15 or within 2 weeks following the official school calendar end  
14 date for districts, regional offices of education, laboratory  
15 schools, or State-authorized charter schools with a school year  
16 end date of June 15 or later. Failure to so file by these  
17 deadlines constitutes a forfeiture of the right to receive  
18 payment by the State until such claim is filed. The State  
19 Superintendent of Education shall voucher for payment those  
20 claims to the State Comptroller as provided in Section 18-11.

21 Except as otherwise provided in this Section, if any school  
22 district fails to provide the minimum school term specified in  
23 Section 10-19, the State aid claim for that year shall be  
24 reduced by the State Superintendent of Education in an amount  
25 equivalent to 1/176 or .56818% for each day less than the  
26 number of days required by this Code.

1           If the State Superintendent of Education determines that  
2           the failure to provide the minimum school term was occasioned  
3           by an act or acts of God, or was occasioned by conditions  
4           beyond the control of the school district which posed a  
5           hazardous threat to the health and safety of pupils, the State  
6           aid claim need not be reduced.

7           If a school district is precluded from providing the  
8           minimum hours of instruction required for a full day of  
9           attendance due to an adverse weather condition or a condition  
10          beyond the control of the school district that poses a  
11          hazardous threat to the health and safety of students, then the  
12          partial day of attendance may be counted if (i) the school  
13          district has provided at least one hour of instruction prior to  
14          the closure of the school district, (ii) a school building has  
15          provided at least one hour of instruction prior to the closure  
16          of the school building, or (iii) the normal start time of the  
17          school district is delayed.

18          If, prior to providing any instruction, a school district  
19          must close one or more but not all school buildings after  
20          consultation with a local emergency response agency or due to a  
21          condition beyond the control of the school district, then the  
22          school district may claim attendance for up to 2 school days  
23          based on the average attendance of the 3 school days  
24          immediately preceding the closure of the affected school  
25          building or, if approved by the State Board of Education,  
26          utilize the provisions of an e-learning program for the

1 affected school building as prescribed in Section 10-20.56 of  
2 this Code. The partial or no day of attendance described in  
3 this Section and the reasons therefore shall be certified  
4 within a month of the closing or delayed start by the school  
5 district superintendent to the regional superintendent of  
6 schools for forwarding to the State Superintendent of Education  
7 for approval.

8 Other than the utilization of any e-learning days as  
9 prescribed in Section 10-20.56 of this Code, no exception to  
10 the requirement of providing a minimum school term may be  
11 approved by the State Superintendent of Education pursuant to  
12 this Section unless a school district has first used all  
13 emergency days provided for in its regular calendar.

14 If the State Superintendent of Education declares that an  
15 energy shortage exists during any part of the school year for  
16 the State or a designated portion of the State, a district may  
17 operate the school attendance centers within the district 4  
18 days of the week during the time of the shortage by extending  
19 each existing school day by one clock hour of school work, and  
20 the State aid claim shall not be reduced, nor shall the  
21 employees of that district suffer any reduction in salary or  
22 benefits as a result thereof. A district may operate all  
23 attendance centers on this revised schedule, or may apply the  
24 schedule to selected attendance centers, taking into  
25 consideration such factors as pupil transportation schedules  
26 and patterns and sources of energy for individual attendance

1 centers.

2 Electronically submitted State aid claims shall be  
3 submitted by duly authorized district individuals over a secure  
4 network that is password protected. The electronic submission  
5 of a State aid claim must be accompanied with an affirmation  
6 that all of the provisions of Sections 18-8.05, 10-22.5, and  
7 24-4 of this Code are met in all respects.

8 (Source: P.A. 99-194, eff. 7-30-15; 99-657, eff. 7-28-16.)

9 (105 ILCS 5/26-16)

10 Sec. 26-16. Graduation incentives program.

11 (a) The General Assembly finds that it is critical to  
12 provide options for children to succeed in school. The purpose  
13 of this Section is to provide incentives for and encourage all  
14 Illinois students who have experienced or are experiencing  
15 difficulty in the traditional education system to enroll in  
16 alternative programs.

17 (b) Any student who is below the age of 20 years is  
18 eligible to enroll in a graduation incentives program if he or  
19 she:

20 (1) is considered a dropout pursuant to Section 26-2a  
21 of this Code;

22 (2) has been suspended or expelled pursuant to Section  
23 10-22.6 or 34-19 of this Code;

24 (3) is pregnant or is a parent;

25 (4) has been assessed as chemically dependent; or

1           (5) is enrolled in a bilingual education or LEP  
2 program.

3           (c) The following programs qualify as graduation  
4 incentives programs for students meeting the criteria  
5 established in this Section:

6           (1) Any public elementary or secondary education  
7 graduation incentives program established by a school  
8 district or by a regional office of education.

9           (2) Any alternative learning opportunities program  
10 established pursuant to Article 13B of this Code.

11           (3) Vocational or job training courses approved by the  
12 State Superintendent of Education that are available  
13 through the Illinois public community college system.  
14 Students may apply for reimbursement of 50% of tuition  
15 costs for one course per semester or a maximum of 3 courses  
16 per school year. Subject to available funds, students may  
17 apply for reimbursement of up to 100% of tuition costs upon  
18 a showing of employment within 6 months after completion of  
19 a vocational or job training program. The qualifications  
20 for reimbursement shall be established by the State  
21 Superintendent of Education by rule.

22           (4) Job and career programs approved by the State  
23 Superintendent of Education that are available through  
24 Illinois-accredited private business and vocational  
25 schools. Subject to available funds, pupils may apply for  
26 reimbursement of up to 100% of tuition costs upon a showing

1 of employment within 6 months after completion of a job or  
2 career program. The State Superintendent of Education  
3 shall establish, by rule, the qualifications for  
4 reimbursement, criteria for determining reimbursement  
5 amounts, and limits on reimbursement.

6 (5) Adult education courses that offer preparation for  
7 high school equivalency testing.

8 (d) Graduation incentives programs established by school  
9 districts are entitled to claim general State aid and  
10 evidence-based funding, subject to Sections 13B-50, 13B-50.5,  
11 and 13B-50.10 of this Code. Graduation incentives programs  
12 operated by regional offices of education are entitled to  
13 receive general State aid and evidence-based funding at the  
14 foundation level of support per pupil enrolled. A school  
15 district must ensure that its graduation incentives program  
16 receives supplemental general State aid, transportation  
17 reimbursements, and special education resources, if  
18 appropriate, for students enrolled in the program.

19 (Source: P.A. 98-718, eff. 1-1-15.)

20 (105 ILCS 5/27-8.1) (from Ch. 122, par. 27-8.1)

21 (Text of Section before amendment by P.A. 99-927)

22 Sec. 27-8.1. Health examinations and immunizations.

23 (1) In compliance with rules and regulations which the  
24 Department of Public Health shall promulgate, and except as  
25 hereinafter provided, all children in Illinois shall have a

1 health examination as follows: within one year prior to  
2 entering kindergarten or the first grade of any public,  
3 private, or parochial elementary school; upon entering the  
4 sixth and ninth grades of any public, private, or parochial  
5 school; prior to entrance into any public, private, or  
6 parochial nursery school; and, irrespective of grade,  
7 immediately prior to or upon entrance into any public, private,  
8 or parochial school or nursery school, each child shall present  
9 proof of having been examined in accordance with this Section  
10 and the rules and regulations promulgated hereunder. Any child  
11 who received a health examination within one year prior to  
12 entering the fifth grade for the 2007-2008 school year is not  
13 required to receive an additional health examination in order  
14 to comply with the provisions of Public Act 95-422 when he or  
15 she attends school for the 2008-2009 school year, unless the  
16 child is attending school for the first time as provided in  
17 this paragraph.

18 A tuberculosis skin test screening shall be included as a  
19 required part of each health examination included under this  
20 Section if the child resides in an area designated by the  
21 Department of Public Health as having a high incidence of  
22 tuberculosis. Additional health examinations of pupils,  
23 including eye examinations, may be required when deemed  
24 necessary by school authorities. Parents are encouraged to have  
25 their children undergo eye examinations at the same points in  
26 time required for health examinations.



1           (1.5) In compliance with rules adopted by the Department of  
2 Public Health and except as otherwise provided in this Section,  
3 all children in kindergarten and the second and sixth grades of  
4 any public, private, or parochial school shall have a dental  
5 examination. Each of these children shall present proof of  
6 having been examined by a dentist in accordance with this  
7 Section and rules adopted under this Section before May 15th of  
8 the school year. If a child in the second or sixth grade fails  
9 to present proof by May 15th, the school may hold the child's  
10 report card until one of the following occurs: (i) the child  
11 presents proof of a completed dental examination or (ii) the  
12 child presents proof that a dental examination will take place  
13 within 60 days after May 15th. The Department of Public Health  
14 shall establish, by rule, a waiver for children who show an  
15 undue burden or a lack of access to a dentist. Each public,  
16 private, and parochial school must give notice of this dental  
17 examination requirement to the parents and guardians of  
18 students at least 60 days before May 15th of each school year.

19           (1.10) Except as otherwise provided in this Section, all  
20 children enrolling in kindergarten in a public, private, or  
21 parochial school on or after the effective date of this  
22 amendatory Act of the 95th General Assembly and any student  
23 enrolling for the first time in a public, private, or parochial  
24 school on or after the effective date of this amendatory Act of  
25 the 95th General Assembly shall have an eye examination. Each  
26 of these children shall present proof of having been examined

1 by a physician licensed to practice medicine in all of its  
2 branches or a licensed optometrist within the previous year, in  
3 accordance with this Section and rules adopted under this  
4 Section, before October 15th of the school year. If the child  
5 fails to present proof by October 15th, the school may hold the  
6 child's report card until one of the following occurs: (i) the  
7 child presents proof of a completed eye examination or (ii) the  
8 child presents proof that an eye examination will take place  
9 within 60 days after October 15th. The Department of Public  
10 Health shall establish, by rule, a waiver for children who show  
11 an undue burden or a lack of access to a physician licensed to  
12 practice medicine in all of its branches who provides eye  
13 examinations or to a licensed optometrist. Each public,  
14 private, and parochial school must give notice of this eye  
15 examination requirement to the parents and guardians of  
16 students in compliance with rules of the Department of Public  
17 Health. Nothing in this Section shall be construed to allow a  
18 school to exclude a child from attending because of a parent's  
19 or guardian's failure to obtain an eye examination for the  
20 child.

21 (2) The Department of Public Health shall promulgate rules  
22 and regulations specifying the examinations and procedures  
23 that constitute a health examination, which shall include the  
24 collection of data relating to obesity (including at a minimum,  
25 date of birth, gender, height, weight, blood pressure, and date  
26 of exam), and a dental examination and may recommend by rule

1 that certain additional examinations be performed. The rules  
2 and regulations of the Department of Public Health shall  
3 specify that a tuberculosis skin test screening shall be  
4 included as a required part of each health examination included  
5 under this Section if the child resides in an area designated  
6 by the Department of Public Health as having a high incidence  
7 of tuberculosis. The Department of Public Health shall specify  
8 that a diabetes screening as defined by rule shall be included  
9 as a required part of each health examination. Diabetes testing  
10 is not required.

11 Physicians licensed to practice medicine in all of its  
12 branches, licensed advanced practice nurses, or licensed  
13 physician assistants shall be responsible for the performance  
14 of the health examinations, other than dental examinations, eye  
15 examinations, and vision and hearing screening, and shall sign  
16 all report forms required by subsection (4) of this Section  
17 that pertain to those portions of the health examination for  
18 which the physician, advanced practice nurse, or physician  
19 assistant is responsible. If a registered nurse performs any  
20 part of a health examination, then a physician licensed to  
21 practice medicine in all of its branches must review and sign  
22 all required report forms. Licensed dentists shall perform all  
23 dental examinations and shall sign all report forms required by  
24 subsection (4) of this Section that pertain to the dental  
25 examinations. Physicians licensed to practice medicine in all  
26 its branches or licensed optometrists shall perform all eye

1 examinations required by this Section and shall sign all report  
2 forms required by subsection (4) of this Section that pertain  
3 to the eye examination. For purposes of this Section, an eye  
4 examination shall at a minimum include history, visual acuity,  
5 subjective refraction to best visual acuity near and far,  
6 internal and external examination, and a glaucoma evaluation,  
7 as well as any other tests or observations that in the  
8 professional judgment of the doctor are necessary. Vision and  
9 hearing screening tests, which shall not be considered  
10 examinations as that term is used in this Section, shall be  
11 conducted in accordance with rules and regulations of the  
12 Department of Public Health, and by individuals whom the  
13 Department of Public Health has certified. In these rules and  
14 regulations, the Department of Public Health shall require that  
15 individuals conducting vision screening tests give a child's  
16 parent or guardian written notification, before the vision  
17 screening is conducted, that states, "Vision screening is not a  
18 substitute for a complete eye and vision evaluation by an eye  
19 doctor. Your child is not required to undergo this vision  
20 screening if an optometrist or ophthalmologist has completed  
21 and signed a report form indicating that an examination has  
22 been administered within the previous 12 months."

23 (3) Every child shall, at or about the same time as he or  
24 she receives a health examination required by subsection (1) of  
25 this Section, present to the local school proof of having  
26 received such immunizations against preventable communicable

1 diseases as the Department of Public Health shall require by  
2 rules and regulations promulgated pursuant to this Section and  
3 the Communicable Disease Prevention Act.

4 (4) The individuals conducting the health examination,  
5 dental examination, or eye examination shall record the fact of  
6 having conducted the examination, and such additional  
7 information as required, including for a health examination  
8 data relating to obesity (including at a minimum, date of  
9 birth, gender, height, weight, blood pressure, and date of  
10 exam), on uniform forms which the Department of Public Health  
11 and the State Board of Education shall prescribe for statewide  
12 use. The examiner shall summarize on the report form any  
13 condition that he or she suspects indicates a need for special  
14 services, including for a health examination factors relating  
15 to obesity. The individuals confirming the administration of  
16 required immunizations shall record as indicated on the form  
17 that the immunizations were administered.

18 (5) If a child does not submit proof of having had either  
19 the health examination or the immunization as required, then  
20 the child shall be examined or receive the immunization, as the  
21 case may be, and present proof by October 15 of the current  
22 school year, or by an earlier date of the current school year  
23 established by a school district. To establish a date before  
24 October 15 of the current school year for the health  
25 examination or immunization as required, a school district must  
26 give notice of the requirements of this Section 60 days prior

1 to the earlier established date. If for medical reasons one or  
2 more of the required immunizations must be given after October  
3 15 of the current school year, or after an earlier established  
4 date of the current school year, then the child shall present,  
5 by October 15, or by the earlier established date, a schedule  
6 for the administration of the immunizations and a statement of  
7 the medical reasons causing the delay, both the schedule and  
8 the statement being issued by the physician, advanced practice  
9 nurse, physician assistant, registered nurse, or local health  
10 department that will be responsible for administration of the  
11 remaining required immunizations. If a child does not comply by  
12 October 15, or by the earlier established date of the current  
13 school year, with the requirements of this subsection, then the  
14 local school authority shall exclude that child from school  
15 until such time as the child presents proof of having had the  
16 health examination as required and presents proof of having  
17 received those required immunizations which are medically  
18 possible to receive immediately. During a child's exclusion  
19 from school for noncompliance with this subsection, the child's  
20 parents or legal guardian shall be considered in violation of  
21 Section 26-1 and subject to any penalty imposed by Section  
22 26-10. This subsection (5) does not apply to dental  
23 examinations and eye examinations. If the student is an  
24 out-of-state transfer student and does not have the proof  
25 required under this subsection (5) before October 15 of the  
26 current year or whatever date is set by the school district,

1 then he or she may only attend classes (i) if he or she has  
2 proof that an appointment for the required vaccinations has  
3 been scheduled with a party authorized to submit proof of the  
4 required vaccinations. If the proof of vaccination required  
5 under this subsection (5) is not submitted within 30 days after  
6 the student is permitted to attend classes, then the student is  
7 not to be permitted to attend classes until proof of the  
8 vaccinations has been properly submitted. No school district or  
9 employee of a school district shall be held liable for any  
10 injury or illness to another person that results from admitting  
11 an out-of-state transfer student to class that has an  
12 appointment scheduled pursuant to this subsection (5).

13 (6) Every school shall report to the State Board of  
14 Education by November 15, in the manner which that agency shall  
15 require, the number of children who have received the necessary  
16 immunizations and the health examination (other than a dental  
17 examination or eye examination) as required, indicating, of  
18 those who have not received the immunizations and examination  
19 as required, the number of children who are exempt from health  
20 examination and immunization requirements on religious or  
21 medical grounds as provided in subsection (8). On or before  
22 December 1 of each year, every public school district and  
23 registered nonpublic school shall make publicly available the  
24 immunization data they are required to submit to the State  
25 Board of Education by November 15. The immunization data made  
26 publicly available must be identical to the data the school

1 district or school has reported to the State Board of  
2 Education.

3 Every school shall report to the State Board of Education  
4 by June 30, in the manner that the State Board requires, the  
5 number of children who have received the required dental  
6 examination, indicating, of those who have not received the  
7 required dental examination, the number of children who are  
8 exempt from the dental examination on religious grounds as  
9 provided in subsection (8) of this Section and the number of  
10 children who have received a waiver under subsection (1.5) of  
11 this Section.

12 Every school shall report to the State Board of Education  
13 by June 30, in the manner that the State Board requires, the  
14 number of children who have received the required eye  
15 examination, indicating, of those who have not received the  
16 required eye examination, the number of children who are exempt  
17 from the eye examination as provided in subsection (8) of this  
18 Section, the number of children who have received a waiver  
19 under subsection (1.10) of this Section, and the total number  
20 of children in noncompliance with the eye examination  
21 requirement.

22 The reported information under this subsection (6) shall be  
23 provided to the Department of Public Health by the State Board  
24 of Education.

25 (7) Upon determining that the number of pupils who are  
26 required to be in compliance with subsection (5) of this



1 Section is below 90% of the number of pupils enrolled in the  
2 school district, 10% of each State aid payment made pursuant to  
3 Section 18-8.05 or 18-8.15 to the school district for such year  
4 may be withheld by the State Board of Education until the  
5 number of students in compliance with subsection (5) is the  
6 applicable specified percentage or higher.

7 (8) Children of parents or legal guardians who object to  
8 health, dental, or eye examinations or any part thereof, to  
9 immunizations, or to vision and hearing screening tests on  
10 religious grounds shall not be required to undergo the  
11 examinations, tests, or immunizations to which they so object  
12 if such parents or legal guardians present to the appropriate  
13 local school authority a signed Certificate of Religious  
14 Exemption detailing the grounds for objection and the specific  
15 immunizations, tests, or examinations to which they object. The  
16 grounds for objection must set forth the specific religious  
17 belief that conflicts with the examination, test,  
18 immunization, or other medical intervention. The signed  
19 certificate shall also reflect the parent's or legal guardian's  
20 understanding of the school's exclusion policies in the case of  
21 a vaccine-preventable disease outbreak or exposure. The  
22 certificate must also be signed by the authorized examining  
23 health care provider responsible for the performance of the  
24 child's health examination confirming that the provider  
25 provided education to the parent or legal guardian on the  
26 benefits of immunization and the health risks to the student

1 and to the community of the communicable diseases for which  
2 immunization is required in this State. However, the health  
3 care provider's signature on the certificate reflects only that  
4 education was provided and does not allow a health care  
5 provider grounds to determine a religious exemption. Those  
6 receiving immunizations required under this Code shall be  
7 provided with the relevant vaccine information statements that  
8 are required to be disseminated by the federal National  
9 Childhood Vaccine Injury Act of 1986, which may contain  
10 information on circumstances when a vaccine should not be  
11 administered, prior to administering a vaccine. A healthcare  
12 provider may consider including without limitation the  
13 nationally accepted recommendations from federal agencies such  
14 as the Advisory Committee on Immunization Practices, the  
15 information outlined in the relevant vaccine information  
16 statement, and vaccine package inserts, along with the  
17 healthcare provider's clinical judgment, to determine whether  
18 any child may be more susceptible to experiencing an adverse  
19 vaccine reaction than the general population, and, if so, the  
20 healthcare provider may exempt the child from an immunization  
21 or adopt an individualized immunization schedule. The  
22 Certificate of Religious Exemption shall be created by the  
23 Department of Public Health and shall be made available and  
24 used by parents and legal guardians by the beginning of the  
25 2015-2016 school year. Parents or legal guardians must submit  
26 the Certificate of Religious Exemption to their local school

1 authority prior to entering kindergarten, sixth grade, and  
2 ninth grade for each child for which they are requesting an  
3 exemption. The religious objection stated need not be directed  
4 by the tenets of an established religious organization.  
5 However, general philosophical or moral reluctance to allow  
6 physical examinations, eye examinations, immunizations, vision  
7 and hearing screenings, or dental examinations does not provide  
8 a sufficient basis for an exception to statutory requirements.  
9 The local school authority is responsible for determining if  
10 the content of the Certificate of Religious Exemption  
11 constitutes a valid religious objection. The local school  
12 authority shall inform the parent or legal guardian of  
13 exclusion procedures, in accordance with the Department's  
14 rules under Part 690 of Title 77 of the Illinois Administrative  
15 Code, at the time the objection is presented.

16 If the physical condition of the child is such that any one  
17 or more of the immunizing agents should not be administered,  
18 the examining physician, advanced practice nurse, or physician  
19 assistant responsible for the performance of the health  
20 examination shall endorse that fact upon the health examination  
21 form.

22 Exempting a child from the health, dental, or eye  
23 examination does not exempt the child from participation in the  
24 program of physical education training provided in Sections  
25 27-5 through 27-7 of this Code.

26 (9) For the purposes of this Section, "nursery schools"

1 means those nursery schools operated by elementary school  
2 systems or secondary level school units or institutions of  
3 higher learning.

4 (Source: P.A. 98-673, eff. 6-30-14; 99-173, eff. 7-29-15;  
5 99-249, eff. 8-3-15; 99-642, eff. 7-28-16.)

6 (Text of Section after amendment by P.A. 99-927)

7 Sec. 27-8.1. Health examinations and immunizations.

8 (1) In compliance with rules and regulations which the  
9 Department of Public Health shall promulgate, and except as  
10 hereinafter provided, all children in Illinois shall have a  
11 health examination as follows: within one year prior to  
12 entering kindergarten or the first grade of any public,  
13 private, or parochial elementary school; upon entering the  
14 sixth and ninth grades of any public, private, or parochial  
15 school; prior to entrance into any public, private, or  
16 parochial nursery school; and, irrespective of grade,  
17 immediately prior to or upon entrance into any public, private,  
18 or parochial school or nursery school, each child shall present  
19 proof of having been examined in accordance with this Section  
20 and the rules and regulations promulgated hereunder. Any child  
21 who received a health examination within one year prior to  
22 entering the fifth grade for the 2007-2008 school year is not  
23 required to receive an additional health examination in order  
24 to comply with the provisions of Public Act 95-422 when he or  
25 she attends school for the 2008-2009 school year, unless the

1 child is attending school for the first time as provided in  
2 this paragraph.

3 A tuberculosis skin test screening shall be included as a  
4 required part of each health examination included under this  
5 Section if the child resides in an area designated by the  
6 Department of Public Health as having a high incidence of  
7 tuberculosis. Additional health examinations of pupils,  
8 including eye examinations, may be required when deemed  
9 necessary by school authorities. Parents are encouraged to have  
10 their children undergo eye examinations at the same points in  
11 time required for health examinations.

12 (1.5) In compliance with rules adopted by the Department of  
13 Public Health and except as otherwise provided in this Section,  
14 all children in kindergarten and the second and sixth grades of  
15 any public, private, or parochial school shall have a dental  
16 examination. Each of these children shall present proof of  
17 having been examined by a dentist in accordance with this  
18 Section and rules adopted under this Section before May 15th of  
19 the school year. If a child in the second or sixth grade fails  
20 to present proof by May 15th, the school may hold the child's  
21 report card until one of the following occurs: (i) the child  
22 presents proof of a completed dental examination or (ii) the  
23 child presents proof that a dental examination will take place  
24 within 60 days after May 15th. The Department of Public Health  
25 shall establish, by rule, a waiver for children who show an  
26 undue burden or a lack of access to a dentist. Each public,

1 private, and parochial school must give notice of this dental  
2 examination requirement to the parents and guardians of  
3 students at least 60 days before May 15th of each school year.

4 (1.10) Except as otherwise provided in this Section, all  
5 children enrolling in kindergarten in a public, private, or  
6 parochial school on or after the effective date of this  
7 amendatory Act of the 95th General Assembly and any student  
8 enrolling for the first time in a public, private, or parochial  
9 school on or after the effective date of this amendatory Act of  
10 the 95th General Assembly shall have an eye examination. Each  
11 of these children shall present proof of having been examined  
12 by a physician licensed to practice medicine in all of its  
13 branches or a licensed optometrist within the previous year, in  
14 accordance with this Section and rules adopted under this  
15 Section, before October 15th of the school year. If the child  
16 fails to present proof by October 15th, the school may hold the  
17 child's report card until one of the following occurs: (i) the  
18 child presents proof of a completed eye examination or (ii) the  
19 child presents proof that an eye examination will take place  
20 within 60 days after October 15th. The Department of Public  
21 Health shall establish, by rule, a waiver for children who show  
22 an undue burden or a lack of access to a physician licensed to  
23 practice medicine in all of its branches who provides eye  
24 examinations or to a licensed optometrist. Each public,  
25 private, and parochial school must give notice of this eye  
26 examination requirement to the parents and guardians of

1 students in compliance with rules of the Department of Public  
2 Health. Nothing in this Section shall be construed to allow a  
3 school to exclude a child from attending because of a parent's  
4 or guardian's failure to obtain an eye examination for the  
5 child.

6 (2) The Department of Public Health shall promulgate rules  
7 and regulations specifying the examinations and procedures  
8 that constitute a health examination, which shall include an  
9 age-appropriate developmental screening, an age-appropriate  
10 social and emotional screening, and the collection of data  
11 relating to obesity (including at a minimum, date of birth,  
12 gender, height, weight, blood pressure, and date of exam), and  
13 a dental examination and may recommend by rule that certain  
14 additional examinations be performed. The rules and  
15 regulations of the Department of Public Health shall specify  
16 that a tuberculosis skin test screening shall be included as a  
17 required part of each health examination included under this  
18 Section if the child resides in an area designated by the  
19 Department of Public Health as having a high incidence of  
20 tuberculosis. With respect to the developmental screening and  
21 the social and emotional screening, the Department of Public  
22 Health must develop rules and appropriate revisions to the  
23 Child Health Examination form in conjunction with a statewide  
24 organization representing school boards; a statewide  
25 organization representing pediatricians; statewide  
26 organizations representing individuals holding Illinois

1 educator licenses with school support personnel endorsements,  
2 including school social workers, school psychologists, and  
3 school nurses; a statewide organization representing  
4 children's mental health experts; a statewide organization  
5 representing school principals; the Director of Healthcare and  
6 Family Services or his or her designee, the State  
7 Superintendent of Education or his or her designee; and  
8 representatives of other appropriate State agencies and, at a  
9 minimum, must recommend the use of validated screening tools  
10 appropriate to the child's age or grade, and, with regard to  
11 the social and emotional screening, require recording only  
12 whether or not the screening was completed. The rules shall  
13 take into consideration the screening recommendations of the  
14 American Academy of Pediatrics and must be consistent with the  
15 State Board of Education's social and emotional learning  
16 standards. The Department of Public Health shall specify that a  
17 diabetes screening as defined by rule shall be included as a  
18 required part of each health examination. Diabetes testing is  
19 not required.

20 Physicians licensed to practice medicine in all of its  
21 branches, licensed advanced practice nurses, or licensed  
22 physician assistants shall be responsible for the performance  
23 of the health examinations, other than dental examinations, eye  
24 examinations, and vision and hearing screening, and shall sign  
25 all report forms required by subsection (4) of this Section  
26 that pertain to those portions of the health examination for



1 which the physician, advanced practice nurse, or physician  
2 assistant is responsible. If a registered nurse performs any  
3 part of a health examination, then a physician licensed to  
4 practice medicine in all of its branches must review and sign  
5 all required report forms. Licensed dentists shall perform all  
6 dental examinations and shall sign all report forms required by  
7 subsection (4) of this Section that pertain to the dental  
8 examinations. Physicians licensed to practice medicine in all  
9 its branches or licensed optometrists shall perform all eye  
10 examinations required by this Section and shall sign all report  
11 forms required by subsection (4) of this Section that pertain  
12 to the eye examination. For purposes of this Section, an eye  
13 examination shall at a minimum include history, visual acuity,  
14 subjective refraction to best visual acuity near and far,  
15 internal and external examination, and a glaucoma evaluation,  
16 as well as any other tests or observations that in the  
17 professional judgment of the doctor are necessary. Vision and  
18 hearing screening tests, which shall not be considered  
19 examinations as that term is used in this Section, shall be  
20 conducted in accordance with rules and regulations of the  
21 Department of Public Health, and by individuals whom the  
22 Department of Public Health has certified. In these rules and  
23 regulations, the Department of Public Health shall require that  
24 individuals conducting vision screening tests give a child's  
25 parent or guardian written notification, before the vision  
26 screening is conducted, that states, "Vision screening is not a

1 substitute for a complete eye and vision evaluation by an eye  
2 doctor. Your child is not required to undergo this vision  
3 screening if an optometrist or ophthalmologist has completed  
4 and signed a report form indicating that an examination has  
5 been administered within the previous 12 months."

6 (2.5) With respect to the developmental screening and the  
7 social and emotional screening portion of the health  
8 examination, each child may present proof of having been  
9 screened in accordance with this Section and the rules adopted  
10 under this Section before October 15th of the school year. With  
11 regard to the social and emotional screening only, the  
12 examining health care provider shall only record whether or not  
13 the screening was completed. If the child fails to present  
14 proof of the developmental screening or the social and  
15 emotional screening portions of the health examination by  
16 October 15th of the school year, qualified school support  
17 personnel may, with a parent's or guardian's consent, offer the  
18 developmental screening or the social and emotional screening  
19 to the child. Each public, private, and parochial school must  
20 give notice of the developmental screening and social and  
21 emotional screening requirements to the parents and guardians  
22 of students in compliance with the rules of the Department of  
23 Public Health. Nothing in this Section shall be construed to  
24 allow a school to exclude a child from attending because of a  
25 parent's or guardian's failure to obtain a developmental  
26 screening or a social and emotional screening for the child.

1 Once a developmental screening or a social and emotional  
2 screening is completed and proof has been presented to the  
3 school, the school may, with a parent's or guardian's consent,  
4 make available appropriate school personnel to work with the  
5 parent or guardian, the child, and the provider who signed the  
6 screening form to obtain any appropriate evaluations and  
7 services as indicated on the form and in other information and  
8 documentation provided by the parents, guardians, or provider.

9 (3) Every child shall, at or about the same time as he or  
10 she receives a health examination required by subsection (1) of  
11 this Section, present to the local school proof of having  
12 received such immunizations against preventable communicable  
13 diseases as the Department of Public Health shall require by  
14 rules and regulations promulgated pursuant to this Section and  
15 the Communicable Disease Prevention Act.

16 (4) The individuals conducting the health examination,  
17 dental examination, or eye examination shall record the fact of  
18 having conducted the examination, and such additional  
19 information as required, including for a health examination  
20 data relating to obesity (including at a minimum, date of  
21 birth, gender, height, weight, blood pressure, and date of  
22 exam), on uniform forms which the Department of Public Health  
23 and the State Board of Education shall prescribe for statewide  
24 use. The examiner shall summarize on the report form any  
25 condition that he or she suspects indicates a need for special  
26 services, including for a health examination factors relating

1 to obesity. The duty to summarize on the report form does not  
2 apply to social and emotional screenings. The confidentiality  
3 of the information and records relating to the developmental  
4 screening and the social and emotional screening shall be  
5 determined by the statutes, rules, and professional ethics  
6 governing the type of provider conducting the screening. The  
7 individuals confirming the administration of required  
8 immunizations shall record as indicated on the form that the  
9 immunizations were administered.

10 (5) If a child does not submit proof of having had either  
11 the health examination or the immunization as required, then  
12 the child shall be examined or receive the immunization, as the  
13 case may be, and present proof by October 15 of the current  
14 school year, or by an earlier date of the current school year  
15 established by a school district. To establish a date before  
16 October 15 of the current school year for the health  
17 examination or immunization as required, a school district must  
18 give notice of the requirements of this Section 60 days prior  
19 to the earlier established date. If for medical reasons one or  
20 more of the required immunizations must be given after October  
21 15 of the current school year, or after an earlier established  
22 date of the current school year, then the child shall present,  
23 by October 15, or by the earlier established date, a schedule  
24 for the administration of the immunizations and a statement of  
25 the medical reasons causing the delay, both the schedule and  
26 the statement being issued by the physician, advanced practice

1 nurse, physician assistant, registered nurse, or local health  
2 department that will be responsible for administration of the  
3 remaining required immunizations. If a child does not comply by  
4 October 15, or by the earlier established date of the current  
5 school year, with the requirements of this subsection, then the  
6 local school authority shall exclude that child from school  
7 until such time as the child presents proof of having had the  
8 health examination as required and presents proof of having  
9 received those required immunizations which are medically  
10 possible to receive immediately. During a child's exclusion  
11 from school for noncompliance with this subsection, the child's  
12 parents or legal guardian shall be considered in violation of  
13 Section 26-1 and subject to any penalty imposed by Section  
14 26-10. This subsection (5) does not apply to dental  
15 examinations, eye examinations, and the developmental  
16 screening and the social and emotional screening portions of  
17 the health examination. If the student is an out-of-state  
18 transfer student and does not have the proof required under  
19 this subsection (5) before October 15 of the current year or  
20 whatever date is set by the school district, then he or she may  
21 only attend classes (i) if he or she has proof that an  
22 appointment for the required vaccinations has been scheduled  
23 with a party authorized to submit proof of the required  
24 vaccinations. If the proof of vaccination required under this  
25 subsection (5) is not submitted within 30 days after the  
26 student is permitted to attend classes, then the student is not

1 to be permitted to attend classes until proof of the  
2 vaccinations has been properly submitted. No school district or  
3 employee of a school district shall be held liable for any  
4 injury or illness to another person that results from admitting  
5 an out-of-state transfer student to class that has an  
6 appointment scheduled pursuant to this subsection (5).

7 (6) Every school shall report to the State Board of  
8 Education by November 15, in the manner which that agency shall  
9 require, the number of children who have received the necessary  
10 immunizations and the health examination (other than a dental  
11 examination or eye examination) as required, indicating, of  
12 those who have not received the immunizations and examination  
13 as required, the number of children who are exempt from health  
14 examination and immunization requirements on religious or  
15 medical grounds as provided in subsection (8). On or before  
16 December 1 of each year, every public school district and  
17 registered nonpublic school shall make publicly available the  
18 immunization data they are required to submit to the State  
19 Board of Education by November 15. The immunization data made  
20 publicly available must be identical to the data the school  
21 district or school has reported to the State Board of  
22 Education.

23 Every school shall report to the State Board of Education  
24 by June 30, in the manner that the State Board requires, the  
25 number of children who have received the required dental  
26 examination, indicating, of those who have not received the

1 required dental examination, the number of children who are  
2 exempt from the dental examination on religious grounds as  
3 provided in subsection (8) of this Section and the number of  
4 children who have received a waiver under subsection (1.5) of  
5 this Section.

6 Every school shall report to the State Board of Education  
7 by June 30, in the manner that the State Board requires, the  
8 number of children who have received the required eye  
9 examination, indicating, of those who have not received the  
10 required eye examination, the number of children who are exempt  
11 from the eye examination as provided in subsection (8) of this  
12 Section, the number of children who have received a waiver  
13 under subsection (1.10) of this Section, and the total number  
14 of children in noncompliance with the eye examination  
15 requirement.

16 The reported information under this subsection (6) shall be  
17 provided to the Department of Public Health by the State Board  
18 of Education.

19 (7) Upon determining that the number of pupils who are  
20 required to be in compliance with subsection (5) of this  
21 Section is below 90% of the number of pupils enrolled in the  
22 school district, 10% of each State aid payment made pursuant to  
23 Section 18-8.05 or 18-8.15 to the school district for such year  
24 may be withheld by the State Board of Education until the  
25 number of students in compliance with subsection (5) is the  
26 applicable specified percentage or higher.

1           (8) Children of parents or legal guardians who object to  
2 health, dental, or eye examinations or any part thereof, to  
3 immunizations, or to vision and hearing screening tests on  
4 religious grounds shall not be required to undergo the  
5 examinations, tests, or immunizations to which they so object  
6 if such parents or legal guardians present to the appropriate  
7 local school authority a signed Certificate of Religious  
8 Exemption detailing the grounds for objection and the specific  
9 immunizations, tests, or examinations to which they object. The  
10 grounds for objection must set forth the specific religious  
11 belief that conflicts with the examination, test,  
12 immunization, or other medical intervention. The signed  
13 certificate shall also reflect the parent's or legal guardian's  
14 understanding of the school's exclusion policies in the case of  
15 a vaccine-preventable disease outbreak or exposure. The  
16 certificate must also be signed by the authorized examining  
17 health care provider responsible for the performance of the  
18 child's health examination confirming that the provider  
19 provided education to the parent or legal guardian on the  
20 benefits of immunization and the health risks to the student  
21 and to the community of the communicable diseases for which  
22 immunization is required in this State. However, the health  
23 care provider's signature on the certificate reflects only that  
24 education was provided and does not allow a health care  
25 provider grounds to determine a religious exemption. Those  
26 receiving immunizations required under this Code shall be



1 provided with the relevant vaccine information statements that  
2 are required to be disseminated by the federal National  
3 Childhood Vaccine Injury Act of 1986, which may contain  
4 information on circumstances when a vaccine should not be  
5 administered, prior to administering a vaccine. A healthcare  
6 provider may consider including without limitation the  
7 nationally accepted recommendations from federal agencies such  
8 as the Advisory Committee on Immunization Practices, the  
9 information outlined in the relevant vaccine information  
10 statement, and vaccine package inserts, along with the  
11 healthcare provider's clinical judgment, to determine whether  
12 any child may be more susceptible to experiencing an adverse  
13 vaccine reaction than the general population, and, if so, the  
14 healthcare provider may exempt the child from an immunization  
15 or adopt an individualized immunization schedule. The  
16 Certificate of Religious Exemption shall be created by the  
17 Department of Public Health and shall be made available and  
18 used by parents and legal guardians by the beginning of the  
19 2015-2016 school year. Parents or legal guardians must submit  
20 the Certificate of Religious Exemption to their local school  
21 authority prior to entering kindergarten, sixth grade, and  
22 ninth grade for each child for which they are requesting an  
23 exemption. The religious objection stated need not be directed  
24 by the tenets of an established religious organization.  
25 However, general philosophical or moral reluctance to allow  
26 physical examinations, eye examinations, immunizations, vision

1 and hearing screenings, or dental examinations does not provide  
2 a sufficient basis for an exception to statutory requirements.  
3 The local school authority is responsible for determining if  
4 the content of the Certificate of Religious Exemption  
5 constitutes a valid religious objection. The local school  
6 authority shall inform the parent or legal guardian of  
7 exclusion procedures, in accordance with the Department's  
8 rules under Part 690 of Title 77 of the Illinois Administrative  
9 Code, at the time the objection is presented.

10 If the physical condition of the child is such that any one  
11 or more of the immunizing agents should not be administered,  
12 the examining physician, advanced practice nurse, or physician  
13 assistant responsible for the performance of the health  
14 examination shall endorse that fact upon the health examination  
15 form.

16 Exempting a child from the health, dental, or eye  
17 examination does not exempt the child from participation in the  
18 program of physical education training provided in Sections  
19 27-5 through 27-7 of this Code.

20 (9) For the purposes of this Section, "nursery schools"  
21 means those nursery schools operated by elementary school  
22 systems or secondary level school units or institutions of  
23 higher learning.

24 (Source: P.A. 98-673, eff. 6-30-14; 99-173, eff. 7-29-15;  
25 99-249, eff. 8-3-15; 99-642, eff. 7-28-16; 99-927, eff.  
26 6-1-17.)

1 (105 ILCS 5/27A-9)

2 Sec. 27A-9. Term of charter; renewal.

3 (a) For charters granted before January 1, 2017 (the  
4 effective date of Public Act 99-840) ~~this amendatory Act of the~~  
5 ~~99th General Assembly~~, a charter may be granted for a period  
6 not less than 5 and not more than 10 school years. For charters  
7 granted on or after January 1, 2017 (the effective date of  
8 Public Act 99-840) ~~this amendatory Act of the 99th General~~  
9 ~~Assembly~~, a charter shall be granted for a period of 5 school  
10 years. For charters renewed before January 1, 2017 (the  
11 effective date of Public Act 99-840) ~~this amendatory Act of the~~  
12 ~~99th General Assembly~~, a charter may be renewed in incremental  
13 periods not to exceed 5 school years. For charters renewed on  
14 or after January 1, 2017 (the effective date of Public Act  
15 99-840) ~~this amendatory Act of the 99th General Assembly~~, a  
16 charter may be renewed in incremental periods not to exceed 10  
17 school years; however, the Commission may renew a charter only  
18 in incremental periods not to exceed 5 years. Authorizers shall  
19 ensure that every charter granted on or after January 1, 2017  
20 (the effective date of Public Act 99-840) ~~this amendatory Act~~  
21 ~~of the 99th General Assembly~~ includes standards and goals for  
22 academic, organizational, and financial performance. A charter  
23 must meet all standards and goals for academic, organizational,  
24 and financial performance set forth by the authorizer in order  
25 to be renewed for a term in excess of 5 years but not more than

1 10 years. If an authorizer fails to establish standards and  
2 goals, a charter shall not be renewed for a term in excess of 5  
3 years. Nothing contained in this Section shall require an  
4 authorizer to grant a full 10-year renewal term to any  
5 particular charter school, but an authorizer may award a full  
6 10-year renewal term to charter schools that have a  
7 demonstrated track record of improving student performance.

8 (b) A charter school renewal proposal submitted to the  
9 local school board or the Commission, as the chartering entity,  
10 shall contain:

11 (1) A report on the progress of the charter school in  
12 achieving the goals, objectives, pupil performance  
13 standards, content standards, and other terms of the  
14 initial approved charter proposal; and

15 (2) A financial statement that discloses the costs of  
16 administration, instruction, and other spending categories  
17 for the charter school that is understandable to the  
18 general public and that will allow comparison of those  
19 costs to other schools or other comparable organizations,  
20 in a format required by the State Board.

21 (c) A charter may be revoked or not renewed if the local  
22 school board or the Commission, as the chartering entity,  
23 clearly demonstrates that the charter school did any of the  
24 following, or otherwise failed to comply with the requirements  
25 of this law:

26 (1) Committed a material violation of any of the

1 conditions, standards, or procedures set forth in the  
2 charter.

3 (2) Failed to meet or make reasonable progress toward  
4 achievement of the content standards or pupil performance  
5 standards identified in the charter.

6 (3) Failed to meet generally accepted standards of  
7 fiscal management.

8 (4) Violated any provision of law from which the  
9 charter school was not exempted.

10 In the case of revocation, the local school board or the  
11 Commission, as the chartering entity, shall notify the charter  
12 school in writing of the reason why the charter is subject to  
13 revocation. The charter school shall submit a written plan to  
14 the local school board or the Commission, whichever is  
15 applicable, to rectify the problem. The plan shall include a  
16 timeline for implementation, which shall not exceed 2 years or  
17 the date of the charter's expiration, whichever is earlier. If  
18 the local school board or the Commission, as the chartering  
19 entity, finds that the charter school has failed to implement  
20 the plan of remediation and adhere to the timeline, then the  
21 chartering entity shall revoke the charter. Except in  
22 situations of an emergency where the health, safety, or  
23 education of the charter school's students is at risk, the  
24 revocation shall take place at the end of a school year.  
25 Nothing in Public Act 96-105 ~~this amendatory Act of the 96th~~  
26 ~~General Assembly~~ shall be construed to prohibit an

1 implementation timetable that is less than 2 years in duration.

2 (d) (Blank).

3 (e) Notice of a local school board's decision to deny,  
4 revoke, or not ~~to~~ renew a charter shall be provided to the  
5 Commission and the State Board. The Commission may reverse a  
6 local board's decision if the Commission finds that the charter  
7 school or charter school proposal (i) is in compliance with  
8 this Article, and (ii) is in the best interests of the students  
9 it is designed to serve. The Commission may condition the  
10 granting of an appeal on the acceptance by the charter school  
11 of funding in an amount less than that requested in the  
12 proposal submitted to the local school board. Final decisions  
13 of the Commission shall be subject to judicial review under the  
14 Administrative Review Law.

15 (f) Notwithstanding other provisions of this Article, if  
16 the Commission on appeal reverses a local board's decision or  
17 if a charter school is approved by referendum, the Commission  
18 shall act as the authorized chartering entity for the charter  
19 school. The Commission shall approve the charter and shall  
20 perform all functions under this Article otherwise performed by  
21 the local school board. The State Board shall determine whether  
22 the charter proposal approved by the Commission is consistent  
23 with the provisions of this Article and, if the approved  
24 proposal complies, certify the proposal pursuant to this  
25 Article. The State Board shall report the aggregate number of  
26 charter school pupils resident in a school district to that

1 district and shall notify the district of the amount of funding  
2 to be paid by the State Board to the charter school enrolling  
3 such students. The Commission shall require the charter school  
4 to maintain accurate records of daily attendance that shall be  
5 deemed sufficient to file claims under Section 18-8.05 or  
6 18-8.15 notwithstanding any other requirements of that Section  
7 regarding hours of instruction and teacher certification. The  
8 State Board shall withhold from funds otherwise due the  
9 district the funds authorized by this Article to be paid to the  
10 charter school and shall pay such amounts to the charter  
11 school.

12 (g) For charter schools authorized by the Commission, the  
13 Commission shall quarterly certify to the State Board the  
14 student enrollment for each of its charter schools.

15 (h) For charter schools authorized by the Commission, the  
16 State Board shall pay directly to a charter school any federal  
17 or State aid attributable to a student with a disability  
18 attending the school.

19 (Source: P.A. 98-739, eff. 7-16-14; 99-840, eff. 1-1-17;  
20 revised 10-27-16.)

21 (105 ILCS 5/27A-11)

22 Sec. 27A-11. Local financing.

23 (a) For purposes of the School Code, pupils enrolled in a  
24 charter school shall be included in the pupil enrollment of the  
25 school district within which the pupil resides. Each charter

1 school (i) shall determine the school district in which each  
2 pupil who is enrolled in the charter school resides, (ii) shall  
3 report the aggregate number of pupils resident of a school  
4 district who are enrolled in the charter school to the school  
5 district in which those pupils reside, and (iii) shall maintain  
6 accurate records of daily attendance that shall be deemed  
7 sufficient to file claims under Section 18-8 or 18-8.15  
8 notwithstanding any other requirements of that Section  
9 regarding hours of instruction and teacher certification.

10 (b) Except for a charter school established by referendum  
11 under Section 27A-6.5, as part of a charter school contract,  
12 the charter school and the local school board shall agree on  
13 funding and any services to be provided by the school district  
14 to the charter school. Agreed funding that a charter school is  
15 to receive from the local school board for a school year shall  
16 be paid in equal quarterly installments with the payment of the  
17 installment for the first quarter being made not later than  
18 July 1, unless the charter establishes a different payment  
19 schedule. However, if a charter school dismisses a pupil from  
20 the charter school after receiving a quarterly payment, the  
21 charter school shall return to the school district, on a  
22 quarterly basis, the prorated portion of public funding  
23 provided for the education of that pupil for the time the  
24 student is not enrolled at the charter school. Likewise, if a  
25 pupil transfers to a charter school between quarterly payments,  
26 the school district shall provide, on a quarterly basis, a



1 prorated portion of the public funding to the charter school to  
2 provide for the education of that pupil.

3 All services centrally or otherwise provided by the school  
4 district including, but not limited to, rent, food services,  
5 custodial services, maintenance, curriculum, media services,  
6 libraries, transportation, and warehousing shall be subject to  
7 negotiation between a charter school and the local school board  
8 and paid for out of the revenues negotiated pursuant to this  
9 subsection (b); provided that the local school board shall not  
10 attempt, by negotiation or otherwise, to obligate a charter  
11 school to provide pupil transportation for pupils for whom a  
12 district is not required to provide transportation under the  
13 criteria set forth in subsection (a) (13) of Section 27A-7.

14 In no event shall the funding be less than 75% or more than  
15 125% of the school district's per capita student tuition  
16 multiplied by the number of students residing in the district  
17 who are enrolled in the charter school.

18 It is the intent of the General Assembly that funding and  
19 service agreements under this subsection (b) shall be neither a  
20 financial incentive nor a financial disincentive to the  
21 establishment of a charter school.

22 The charter school may set and collect reasonable fees.  
23 Fees collected from students enrolled at a charter school shall  
24 be retained by the charter school.

25 (c) Notwithstanding subsection (b) of this Section, the  
26 proportionate share of State and federal resources generated by

1 students with disabilities or staff serving them shall be  
2 directed to charter schools enrolling those students by their  
3 school districts or administrative units. The proportionate  
4 share of moneys generated under other federal or State  
5 categorical aid programs shall be directed to charter schools  
6 serving students eligible for that aid.

7 (d) The governing body of a charter school is authorized to  
8 accept gifts, donations, or grants of any kind made to the  
9 charter school and to expend or use gifts, donations, or grants  
10 in accordance with the conditions prescribed by the donor;  
11 however, a gift, donation, or grant may not be accepted by the  
12 governing body if it is subject to any condition contrary to  
13 applicable law or contrary to the terms of the contract between  
14 the charter school and the local school board. Charter schools  
15 shall be encouraged to solicit and utilize community volunteer  
16 speakers and other instructional resources when providing  
17 instruction on the Holocaust and other historical events.

18 (e) (Blank).

19 (f) The Commission shall provide technical assistance to  
20 persons and groups preparing or revising charter applications.

21 (g) At the non-renewal or revocation of its charter, each  
22 charter school shall refund to the local board of education all  
23 unspent funds.

24 (h) A charter school is authorized to incur temporary,  
25 short term debt to pay operating expenses in anticipation of  
26 receipt of funds from the local school board.

1 (Source: P.A. 98-640, eff. 6-9-14; 98-739, eff. 7-16-14; 99-78,  
2 eff. 7-20-15.)

3 (105 ILCS 5/29-5) (from Ch. 122, par. 29-5)

4 Sec. 29-5. Reimbursement by State for transportation. Any  
5 school district, maintaining a school, transporting resident  
6 pupils to another school district's vocational program,  
7 offered through a joint agreement approved by the State Board  
8 of Education, as provided in Section 10-22.22 or transporting  
9 its resident pupils to a school which meets the standards for  
10 recognition as established by the State Board of Education  
11 which provides transportation meeting the standards of safety,  
12 comfort, convenience, efficiency and operation prescribed by  
13 the State Board of Education for resident pupils in  
14 kindergarten or any of grades 1 through 12 who: (a) reside at  
15 least 1 1/2 miles as measured by the customary route of travel,  
16 from the school attended; or (b) reside in areas where  
17 conditions are such that walking constitutes a hazard to the  
18 safety of the child when determined under Section 29-3; and (c)  
19 are transported to the school attended from pick-up points at  
20 the beginning of the school day and back again at the close of  
21 the school day or transported to and from their assigned  
22 attendance centers during the school day, shall be reimbursed  
23 by the State as hereinafter provided in this Section.

24 The State will pay the cost of transporting eligible pupils  
25 less the assessed valuation in a dual school district

1 maintaining secondary grades 9 to 12 inclusive times a  
2 qualifying rate of .05%; in elementary school districts  
3 maintaining grades K to 8 times a qualifying rate of .06%; and  
4 in unit districts maintaining grades K to 12, including  
5 optional elementary unit districts and combined high school -  
6 unit districts, times a qualifying rate of .07%; provided that  
7 for optional elementary unit districts and combined high school  
8 - unit districts, assessed valuation for high school purposes,  
9 as defined in Article 11E of this Code, must be used. To be  
10 eligible to receive reimbursement in excess of 4/5 of the cost  
11 to transport eligible pupils, a school district shall have a  
12 Transportation Fund tax rate of at least .12%. If a school  
13 district does not have a .12% Transportation Fund tax rate, the  
14 amount of its claim in excess of 4/5 of the cost of  
15 transporting pupils shall be reduced by the sum arrived at by  
16 subtracting the Transportation Fund tax rate from .12% and  
17 multiplying that amount by the districts equalized or assessed  
18 valuation, provided, that in no case shall said reduction  
19 result in reimbursement of less than 4/5 of the cost to  
20 transport eligible pupils.

21 The minimum amount to be received by a district is \$16  
22 times the number of eligible pupils transported.

23 When calculating the reimbursement for transportation  
24 costs, the State Board of Education may not deduct the number  
25 of pupils enrolled in early education programs from the number  
26 of pupils eligible for reimbursement if the pupils enrolled in

1 the early education programs are transported at the same time  
2 as other eligible pupils.

3 Any such district transporting resident pupils during the  
4 school day to an area vocational school or another school  
5 district's vocational program more than 1 1/2 miles from the  
6 school attended, as provided in Sections 10-22.20a and  
7 10-22.22, shall be reimbursed by the State for 4/5 of the cost  
8 of transporting eligible pupils.

9 School day means that period of time which the pupil is  
10 required to be in attendance for instructional purposes.

11 If a pupil is at a location within the school district  
12 other than his residence for child care purposes at the time  
13 for transportation to school, that location may be considered  
14 for purposes of determining the 1 1/2 miles from the school  
15 attended.

16 Claims for reimbursement that include children who attend  
17 any school other than a public school shall show the number of  
18 such children transported.

19 Claims for reimbursement under this Section shall not be  
20 paid for the transportation of pupils for whom transportation  
21 costs are claimed for payment under other Sections of this Act.

22 The allowable direct cost of transporting pupils for  
23 regular, vocational, and special education pupil  
24 transportation shall be limited to the sum of the cost of  
25 physical examinations required for employment as a school bus  
26 driver; the salaries of full or part-time drivers and school

1 bus maintenance personnel; employee benefits excluding  
2 Illinois municipal retirement payments, social security  
3 payments, unemployment insurance payments and workers'  
4 compensation insurance premiums; expenditures to independent  
5 carriers who operate school buses; payments to other school  
6 districts for pupil transportation services; pre-approved  
7 contractual expenditures for computerized bus scheduling; the  
8 cost of gasoline, oil, tires, and other supplies necessary for  
9 the operation of school buses; the cost of converting buses'  
10 gasoline engines to more fuel efficient engines or to engines  
11 which use alternative energy sources; the cost of travel to  
12 meetings and workshops conducted by the regional  
13 superintendent or the State Superintendent of Education  
14 pursuant to the standards established by the Secretary of State  
15 under Section 6-106 of the Illinois Vehicle Code to improve the  
16 driving skills of school bus drivers; the cost of maintenance  
17 of school buses including parts and materials used;  
18 expenditures for leasing transportation vehicles, except  
19 interest and service charges; the cost of insurance and  
20 licenses for transportation vehicles; expenditures for the  
21 rental of transportation equipment; plus a depreciation  
22 allowance of 20% for 5 years for school buses and vehicles  
23 approved for transporting pupils to and from school and a  
24 depreciation allowance of 10% for 10 years for other  
25 transportation equipment so used. Each school year, if a school  
26 district has made expenditures to the Regional Transportation

1 Authority or any of its service boards, a mass transit  
2 district, or an urban transportation district under an  
3 intergovernmental agreement with the district to provide for  
4 the transportation of pupils and if the public transit carrier  
5 received direct payment for services or passes from a school  
6 district within its service area during the 2000-2001 school  
7 year, then the allowable direct cost of transporting pupils for  
8 regular, vocational, and special education pupil  
9 transportation shall also include the expenditures that the  
10 district has made to the public transit carrier. In addition to  
11 the above allowable costs school districts shall also claim all  
12 transportation supervisory salary costs, including Illinois  
13 municipal retirement payments, and all transportation related  
14 building and building maintenance costs without limitation.

15 Special education allowable costs shall also include  
16 expenditures for the salaries of attendants or aides for that  
17 portion of the time they assist special education pupils while  
18 in transit and expenditures for parents and public carriers for  
19 transporting special education pupils when pre-approved by the  
20 State Superintendent of Education.

21 Indirect costs shall be included in the reimbursement claim  
22 for districts which own and operate their own school buses.  
23 Such indirect costs shall include administrative costs, or any  
24 costs attributable to transporting pupils from their  
25 attendance centers to another school building for  
26 instructional purposes. No school district which owns and

1 operates its own school buses may claim reimbursement for  
2 indirect costs which exceed 5% of the total allowable direct  
3 costs for pupil transportation.

4 The State Board of Education shall prescribe uniform  
5 regulations for determining the above standards and shall  
6 prescribe forms of cost accounting and standards of determining  
7 reasonable depreciation. Such depreciation shall include the  
8 cost of equipping school buses with the safety features  
9 required by law or by the rules, regulations and standards  
10 promulgated by the State Board of Education, and the Department  
11 of Transportation for the safety and construction of school  
12 buses provided, however, any equipment cost reimbursed by the  
13 Department of Transportation for equipping school buses with  
14 such safety equipment shall be deducted from the allowable cost  
15 in the computation of reimbursement under this Section in the  
16 same percentage as the cost of the equipment is depreciated.

17 On or before August 15, annually, the chief school  
18 administrator for the district shall certify to the State  
19 Superintendent of Education the district's claim for  
20 reimbursement for the school year ending on June 30 next  
21 preceding. The State Superintendent of Education shall check  
22 and approve the claims and prepare the vouchers showing the  
23 amounts due for district reimbursement claims. Each fiscal  
24 year, the State Superintendent of Education shall prepare and  
25 transmit the first 3 vouchers to the Comptroller on the 30th  
26 day of September, December and March, respectively, and the



1 final voucher, no later than June 20.

2 If the amount appropriated for transportation  
3 reimbursement is insufficient to fund total claims for any  
4 fiscal year, the State Board of Education shall reduce each  
5 school district's allowable costs and flat grant amount  
6 proportionately to make total adjusted claims equal the total  
7 amount appropriated.

8 For purposes of calculating claims for reimbursement under  
9 this Section for any school year beginning July 1, 1998, or  
10 thereafter, the equalized assessed valuation for a school  
11 district used to compute reimbursement shall be computed in the  
12 same manner as it is computed under paragraph (2) of subsection  
13 (G) of Section 18-8.05.

14 All reimbursements received from the State shall be  
15 deposited into the district's transportation fund or into the  
16 fund from which the allowable expenditures were made.

17 Notwithstanding any other provision of law, any school  
18 district receiving a payment under this Section or under  
19 Section 14-7.02, 14-7.02b, or 14-13.01 of this Code may  
20 classify all or a portion of the funds that it receives in a  
21 particular fiscal year or from general State aid pursuant to  
22 Section 18-8.05 of this Code as funds received in connection  
23 with any funding program for which it is entitled to receive  
24 funds from the State in that fiscal year (including, without  
25 limitation, any funding program referenced in this Section),  
26 regardless of the source or timing of the receipt. The district

1 may not classify more funds as funds received in connection  
2 with the funding program than the district is entitled to  
3 receive in that fiscal year for that program. Any  
4 classification by a district must be made by a resolution of  
5 its board of education. The resolution must identify the amount  
6 of any payments or general State aid to be classified under  
7 this paragraph and must specify the funding program to which  
8 the funds are to be treated as received in connection  
9 therewith. This resolution is controlling as to the  
10 classification of funds referenced therein. A certified copy of  
11 the resolution must be sent to the State Superintendent of  
12 Education. The resolution shall still take effect even though a  
13 copy of the resolution has not been sent to the State  
14 Superintendent of Education in a timely manner. No  
15 classification under this paragraph by a district shall affect  
16 the total amount or timing of money the district is entitled to  
17 receive under this Code. No classification under this paragraph  
18 by a district shall in any way relieve the district from or  
19 affect any requirements that otherwise would apply with respect  
20 to that funding program, including any accounting of funds by  
21 source, reporting expenditures by original source and purpose,  
22 reporting requirements, or requirements of providing services.

23 Any school district with a population of not more than  
24 500,000 must deposit all funds received under this Article into  
25 the transportation fund and use those funds for the provision  
26 of transportation services.

1        Notwithstanding anything to the contrary contained in this  
2        Section, the State Board of Education shall award to a school  
3        district having a population exceeding 500,000 inhabitants  
4        3.9% of the funds appropriated by the General Assembly for any  
5        fiscal year for purposes of payments to school districts under  
6        this Section.

7        (Source: P.A. 95-903, eff. 8-25-08; 96-1264, eff. 1-1-11.)

8            (105 ILCS 5/34-2.3) (from Ch. 122, par. 34-2.3)

9            Sec. 34-2.3. Local school councils - Powers and duties.  
10        Each local school council shall have and exercise, consistent  
11        with the provisions of this Article and the powers and duties  
12        of the board of education, the following powers and duties:

13            1. (A) To annually evaluate the performance of the  
14        principal of the attendance center using a Board approved  
15        principal evaluation form, which shall include the evaluation  
16        of (i) student academic improvement, as defined by the school  
17        improvement plan, (ii) student absenteeism rates at the school,  
18        (iii) instructional leadership, (iv) the effective  
19        implementation of programs, policies, or strategies to improve  
20        student academic achievement, (v) school management, and (vi)  
21        any other factors deemed relevant by the local school council,  
22        including, without limitation, the principal's communication  
23        skills and ability to create and maintain a student-centered  
24        learning environment, to develop opportunities for  
25        professional development, and to encourage parental

1 involvement and community partnerships to achieve school  
2 improvement;

3 (B) to determine in the manner provided by subsection (c)  
4 of Section 34-2.2 and subdivision 1.5 of this Section whether  
5 the performance contract of the principal shall be renewed; and

6 (C) to directly select, in the manner provided by  
7 subsection (c) of Section 34-2.2, a new principal (including a  
8 new principal to fill a vacancy) -- without submitting any list  
9 of candidates for that position to the general superintendent  
10 as provided in paragraph 2 of this Section -- to serve under a  
11 4 year performance contract; provided that (i) the  
12 determination of whether the principal's performance contract  
13 is to be renewed, based upon the evaluation required by  
14 subdivision 1.5 of this Section, shall be made no later than  
15 150 days prior to the expiration of the current  
16 performance-based contract of the principal, (ii) in cases  
17 where such performance contract is not renewed -- a direct  
18 selection of a new principal -- to serve under a 4 year  
19 performance contract shall be made by the local school council  
20 no later than 45 days prior to the expiration of the current  
21 performance contract of the principal, and (iii) a selection by  
22 the local school council of a new principal to fill a vacancy  
23 under a 4 year performance contract shall be made within 90  
24 days after the date such vacancy occurs. A Council shall be  
25 required, if requested by the principal, to provide in writing  
26 the reasons for the council's not renewing the principal's

1 contract.

2 1.5. The local school council's determination of whether to  
3 renew the principal's contract shall be based on an evaluation  
4 to assess the educational and administrative progress made at  
5 the school during the principal's current performance-based  
6 contract. The local school council shall base its evaluation on  
7 (i) student academic improvement, as defined by the school  
8 improvement plan, (ii) student absenteeism rates at the school,  
9 (iii) instructional leadership, (iv) the effective  
10 implementation of programs, policies, or strategies to improve  
11 student academic achievement, (v) school management, and (vi)  
12 any other factors deemed relevant by the local school council,  
13 including, without limitation, the principal's communication  
14 skills and ability to create and maintain a student-centered  
15 learning environment, to develop opportunities for  
16 professional development, and to encourage parental  
17 involvement and community partnerships to achieve school  
18 improvement. If a local school council fails to renew the  
19 performance contract of a principal rated by the general  
20 superintendent, or his or her designee, in the previous years'  
21 evaluations as meeting or exceeding expectations, the  
22 principal, within 15 days after the local school council's  
23 decision not to renew the contract, may request a review of the  
24 local school council's principal non-retention decision by a  
25 hearing officer appointed by the American Arbitration  
26 Association. A local school council member or members or the

1 general superintendent may support the principal's request for  
2 review. During the period of the hearing officer's review of  
3 the local school council's decision on whether or not to retain  
4 the principal, the local school council shall maintain all  
5 authority to search for and contract with a person to serve as  
6 interim or acting principal, or as the principal of the  
7 attendance center under a 4-year performance contract,  
8 provided that any performance contract entered into by the  
9 local school council shall be voidable or modified in  
10 accordance with the decision of the hearing officer. The  
11 principal may request review only once while at that attendance  
12 center. If a local school council renews the contract of a  
13 principal who failed to obtain a rating of "meets" or "exceeds  
14 expectations" in the general superintendent's evaluation for  
15 the previous year, the general superintendent, within 15 days  
16 after the local school council's decision to renew the  
17 contract, may request a review of the local school council's  
18 principal retention decision by a hearing officer appointed by  
19 the American Arbitration Association. The general  
20 superintendent may request a review only once for that  
21 principal at that attendance center. All requests to review the  
22 retention or non-retention of a principal shall be submitted to  
23 the general superintendent, who shall, in turn, forward such  
24 requests, within 14 days of receipt, to the American  
25 Arbitration Association. The general superintendent shall send  
26 a contemporaneous copy of the request that was forwarded to the

1 American Arbitration Association to the principal and to each  
2 local school council member and shall inform the local school  
3 council of its rights and responsibilities under the  
4 arbitration process, including the local school council's  
5 right to representation and the manner and process by which the  
6 Board shall pay the costs of the council's representation. If  
7 the local school council retains the principal and the general  
8 superintendent requests a review of the retention decision, the  
9 local school council and the general superintendent shall be  
10 considered parties to the arbitration, a hearing officer shall  
11 be chosen between those 2 parties pursuant to procedures  
12 promulgated by the State Board of Education, and the principal  
13 may retain counsel and participate in the arbitration. If the  
14 local school council does not retain the principal and the  
15 principal requests a review of the retention decision, the  
16 local school council and the principal shall be considered  
17 parties to the arbitration and a hearing officer shall be  
18 chosen between those 2 parties pursuant to procedures  
19 promulgated by the State Board of Education. The hearing shall  
20 begin (i) within 45 days after the initial request for review  
21 is submitted by the principal to the general superintendent or  
22 (ii) if the initial request for review is made by the general  
23 superintendent, within 45 days after that request is mailed to  
24 the American Arbitration Association. The hearing officer  
25 shall render a decision within 45 days after the hearing begins  
26 and within 90 days after the initial request for review. The

1 Board shall contract with the American Arbitration Association  
2 for all of the hearing officer's reasonable and necessary  
3 costs. In addition, the Board shall pay any reasonable costs  
4 incurred by a local school council for representation before a  
5 hearing officer.

6 1.10. The hearing officer shall conduct a hearing, which  
7 shall include (i) a review of the principal's performance,  
8 evaluations, and other evidence of the principal's service at  
9 the school, (ii) reasons provided by the local school council  
10 for its decision, and (iii) documentation evidencing views of  
11 interested persons, including, without limitation, students,  
12 parents, local school council members, school faculty and  
13 staff, the principal, the general superintendent or his or her  
14 designee, and members of the community. The burden of proof in  
15 establishing that the local school council's decision was  
16 arbitrary and capricious shall be on the party requesting the  
17 arbitration, and this party shall sustain the burden by a  
18 preponderance of the evidence. The hearing officer shall set  
19 the local school council decision aside if that decision, in  
20 light of the record developed at the hearing, is arbitrary and  
21 capricious. The decision of the hearing officer may not be  
22 appealed to the Board or the State Board of Education. If the  
23 hearing officer decides that the principal shall be retained,  
24 the retention period shall not exceed 2 years.

25 2. In the event (i) the local school council does not renew  
26 the performance contract of the principal, or the principal



1 fails to receive a satisfactory rating as provided in  
2 subsection (h) of Section 34-8.3, or the principal is removed  
3 for cause during the term of his or her performance contract in  
4 the manner provided by Section 34-85, or a vacancy in the  
5 position of principal otherwise occurs prior to the expiration  
6 of the term of a principal's performance contract, and (ii) the  
7 local school council fails to directly select a new principal  
8 to serve under a 4 year performance contract, the local school  
9 council in such event shall submit to the general  
10 superintendent a list of 3 candidates -- listed in the local  
11 school council's order of preference -- for the position of  
12 principal, one of which shall be selected by the general  
13 superintendent to serve as principal of the attendance center.  
14 If the general superintendent fails or refuses to select one of  
15 the candidates on the list to serve as principal within 30 days  
16 after being furnished with the candidate list, the general  
17 superintendent shall select and place a principal on an interim  
18 basis (i) for a period not to exceed one year or (ii) until the  
19 local school council selects a new principal with 7 affirmative  
20 votes as provided in subsection (c) of Section 34-2.2,  
21 whichever occurs first. If the local school council fails or  
22 refuses to select and appoint a new principal, as specified by  
23 subsection (c) of Section 34-2.2, the general superintendent  
24 may select and appoint a new principal on an interim basis for  
25 an additional year or until a new contract principal is  
26 selected by the local school council. There shall be no

1 discrimination on the basis of race, sex, creed, color or  
2 disability unrelated to ability to perform in connection with  
3 the submission of candidates for, and the selection of a  
4 candidate to serve as principal of an attendance center. No  
5 person shall be directly selected, listed as a candidate for,  
6 or selected to serve as principal of an attendance center (i)  
7 if such person has been removed for cause from employment by  
8 the Board or (ii) if such person does not hold a valid  
9 administrative certificate issued or exchanged under Article  
10 21 and endorsed as required by that Article for the position of  
11 principal. A principal whose performance contract is not  
12 renewed as provided under subsection (c) of Section 34-2.2 may  
13 nevertheless, if otherwise qualified and certified as herein  
14 provided and if he or she has received a satisfactory rating as  
15 provided in subsection (h) of Section 34-8.3, be included by a  
16 local school council as one of the 3 candidates listed in order  
17 of preference on any candidate list from which one person is to  
18 be selected to serve as principal of the attendance center  
19 under a new performance contract. The initial candidate list  
20 required to be submitted by a local school council to the  
21 general superintendent in cases where the local school council  
22 does not renew the performance contract of its principal and  
23 does not directly select a new principal to serve under a 4  
24 year performance contract shall be submitted not later than 30  
25 days prior to the expiration of the current performance  
26 contract. In cases where the local school council fails or

1 refuses to submit the candidate list to the general  
2 superintendent no later than 30 days prior to the expiration of  
3 the incumbent principal's contract, the general superintendent  
4 may appoint a principal on an interim basis for a period not to  
5 exceed one year, during which time the local school council  
6 shall be able to select a new principal with 7 affirmative  
7 votes as provided in subsection (c) of Section 34-2.2. In cases  
8 where a principal is removed for cause or a vacancy otherwise  
9 occurs in the position of principal and the vacancy is not  
10 filled by direct selection by the local school council, the  
11 candidate list shall be submitted by the local school council  
12 to the general superintendent within 90 days after the date  
13 such removal or vacancy occurs. In cases where the local school  
14 council fails or refuses to submit the candidate list to the  
15 general superintendent within 90 days after the date of the  
16 vacancy, the general superintendent may appoint a principal on  
17 an interim basis for a period of one year, during which time  
18 the local school council shall be able to select a new  
19 principal with 7 affirmative votes as provided in subsection  
20 (c) of Section 34-2.2.

21 2.5. Whenever a vacancy in the office of a principal occurs  
22 for any reason, the vacancy shall be filled in the manner  
23 provided by this Section by the selection of a new principal to  
24 serve under a 4 year performance contract.

25 3. To establish additional criteria to be included as part  
26 of the performance contract of its principal, provided that

1 such additional criteria shall not discriminate on the basis of  
2 race, sex, creed, color or disability unrelated to ability to  
3 perform, and shall not be inconsistent with the uniform 4 year  
4 performance contract for principals developed by the board as  
5 provided in Section 34-8.1 of the School Code or with other  
6 provisions of this Article governing the authority and  
7 responsibility of principals.

8 4. To approve the expenditure plan prepared by the  
9 principal with respect to all funds allocated and distributed  
10 to the attendance center by the Board. The expenditure plan  
11 shall be administered by the principal. Notwithstanding any  
12 other provision of this Act or any other law, any expenditure  
13 plan approved and administered under this Section 34-2.3 shall  
14 be consistent with and subject to the terms of any contract for  
15 services with a third party entered into by the Chicago School  
16 Reform Board of Trustees or the board under this Act.

17 Via a supermajority vote of 7 members of the local school  
18 council or 8 members of a high school local school council, the  
19 Council may transfer allocations pursuant to Section 34-2.3  
20 within funds; provided that such a transfer is consistent with  
21 applicable law and collective bargaining agreements.

22 Beginning in fiscal year 1991 and in each fiscal year  
23 thereafter, the Board may reserve up to 1% of its total fiscal  
24 year budget for distribution on a prioritized basis to schools  
25 throughout the school system in order to assure adequate  
26 programs to meet the needs of special student populations as

1 determined by the Board. This distribution shall take into  
2 account the needs catalogued in the Systemwide Plan and the  
3 various local school improvement plans of the local school  
4 councils. Information about these centrally funded programs  
5 shall be distributed to the local school councils so that their  
6 subsequent planning and programming will account for these  
7 provisions.

8 Beginning in fiscal year 1991 and in each fiscal year  
9 thereafter, from other amounts available in the applicable  
10 fiscal year budget, the board shall allocate a lump sum amount  
11 to each local school based upon such formula as the board shall  
12 determine taking into account the special needs of the student  
13 body. The local school principal shall develop an expenditure  
14 plan in consultation with the local school council, the  
15 professional personnel leadership committee and with all other  
16 school personnel, which reflects the priorities and activities  
17 as described in the school's local school improvement plan and  
18 is consistent with applicable law and collective bargaining  
19 agreements and with board policies and standards; however, the  
20 local school council shall have the right to request waivers of  
21 board policy from the board of education and waivers of  
22 employee collective bargaining agreements pursuant to Section  
23 34-8.1a.

24 The expenditure plan developed by the principal with  
25 respect to amounts available from the fund for prioritized  
26 special needs programs and the allocated lump sum amount must

1 be approved by the local school council.

2 The lump sum allocation shall take into account the  
3 following principles:

4 a. Teachers: Each school shall be allocated funds equal  
5 to the amount appropriated in the previous school year for  
6 compensation for teachers (regular grades kindergarten  
7 through 12th grade) plus whatever increases in  
8 compensation have been negotiated contractually or through  
9 longevity as provided in the negotiated agreement.  
10 Adjustments shall be made due to layoff or reduction in  
11 force, lack of funds or work, change in subject  
12 requirements, enrollment changes, or contracts with third  
13 parties for the performance of services or to rectify any  
14 inconsistencies with system-wide allocation formulas or  
15 for other legitimate reasons.

16 b. Other personnel: Funds for other teacher  
17 certificated and uncertificated personnel paid through  
18 non-categorical funds shall be provided according to  
19 system-wide formulas based on student enrollment and the  
20 special needs of the school as determined by the Board.

21 c. Non-compensation items: Appropriations for all  
22 non-compensation items shall be based on system-wide  
23 formulas based on student enrollment and on the special  
24 needs of the school or factors related to the physical  
25 plant, including but not limited to textbooks, electronic  
26 textbooks and the technological equipment necessary to

1 gain access to and use electronic textbooks, supplies,  
2 electricity, equipment, and routine maintenance.

3 d. Funds for categorical programs: Schools shall  
4 receive personnel and funds based on, and shall use such  
5 personnel and funds in accordance with State and Federal  
6 requirements applicable to each categorical program  
7 provided to meet the special needs of the student body  
8 (including but not limited to, Federal Chapter I,  
9 Bilingual, and Special Education).

10 d.1. Funds for State Title I: Each school shall receive  
11 funds based on State and Board requirements applicable to  
12 each State Title I pupil provided to meet the special needs  
13 of the student body. Each school shall receive the  
14 proportion of funds as provided in Section 18-8 or 18-8.15  
15 to which they are entitled. These funds shall be spent only  
16 with the budgetary approval of the Local School Council as  
17 provided in Section 34-2.3.

18 e. The Local School Council shall have the right to  
19 request the principal to close positions and open new ones  
20 consistent with the provisions of the local school  
21 improvement plan provided that these decisions are  
22 consistent with applicable law and collective bargaining  
23 agreements. If a position is closed, pursuant to this  
24 paragraph, the local school shall have for its use the  
25 system-wide average compensation for the closed position.

26 f. Operating within existing laws and collective

1 bargaining agreements, the local school council shall have  
2 the right to direct the principal to shift expenditures  
3 within funds.

4 g. (Blank).

5 Any funds unexpended at the end of the fiscal year shall be  
6 available to the board of education for use as part of its  
7 budget for the following fiscal year.

8 5. To make recommendations to the principal concerning  
9 textbook selection and concerning curriculum developed  
10 pursuant to the school improvement plan which is consistent  
11 with systemwide curriculum objectives in accordance with  
12 Sections 34-8 and 34-18 of the School Code and in conformity  
13 with the collective bargaining agreement.

14 6. To advise the principal concerning the attendance and  
15 disciplinary policies for the attendance center, subject to the  
16 provisions of this Article and Article 26, and consistent with  
17 the uniform system of discipline established by the board  
18 pursuant to Section 34-19.

19 7. To approve a school improvement plan developed as  
20 provided in Section 34-2.4. The process and schedule for plan  
21 development shall be publicized to the entire school community,  
22 and the community shall be afforded the opportunity to make  
23 recommendations concerning the plan. At least twice a year the  
24 principal and local school council shall report publicly on  
25 progress and problems with respect to plan implementation.

26 8. To evaluate the allocation of teaching resources and



1 other certificated and uncertificated staff to the attendance  
2 center to determine whether such allocation is consistent with  
3 and in furtherance of instructional objectives and school  
4 programs reflective of the school improvement plan adopted for  
5 the attendance center; and to make recommendations to the  
6 board, the general superintendent and the principal concerning  
7 any reallocation of teaching resources or other staff whenever  
8 the council determines that any such reallocation is  
9 appropriate because the qualifications of any existing staff at  
10 the attendance center do not adequately match or support  
11 instructional objectives or school programs which reflect the  
12 school improvement plan.

13 9. To make recommendations to the principal and the general  
14 superintendent concerning their respective appointments, after  
15 August 31, 1989, and in the manner provided by Section 34-8 and  
16 Section 34-8.1, of persons to fill any vacant, additional or  
17 newly created positions for teachers at the attendance center  
18 or at attendance centers which include the attendance center  
19 served by the local school council.

20 10. To request of the Board the manner in which training  
21 and assistance shall be provided to the local school council.  
22 Pursuant to Board guidelines a local school council is  
23 authorized to direct the Board of Education to contract with  
24 personnel or not-for-profit organizations not associated with  
25 the school district to train or assist council members. If  
26 training or assistance is provided by contract with personnel

1 or organizations not associated with the school district, the  
2 period of training or assistance shall not exceed 30 hours  
3 during a given school year; person shall not be employed on a  
4 continuous basis longer than said period and shall not have  
5 been employed by the Chicago Board of Education within the  
6 preceding six months. Council members shall receive training in  
7 at least the following areas:

8 1. school budgets;

9 2. educational theory pertinent to the attendance  
10 center's particular needs, including the development of  
11 the school improvement plan and the principal's  
12 performance contract; and

13 3. personnel selection.

14 Council members shall, to the greatest extent possible,  
15 complete such training within 90 days of election.

16 11. In accordance with systemwide guidelines contained in  
17 the System-Wide Educational Reform Goals and Objectives Plan,  
18 criteria for evaluation of performance shall be established for  
19 local school councils and local school council members. If a  
20 local school council persists in noncompliance with systemwide  
21 requirements, the Board may impose sanctions and take necessary  
22 corrective action, consistent with Section 34-8.3.

23 12. Each local school council shall comply with the Open  
24 Meetings Act and the Freedom of Information Act. Each local  
25 school council shall issue and transmit to its school community  
26 a detailed annual report accounting for its activities

1 programmatically and financially. Each local school council  
2 shall convene at least 2 well-publicized meetings annually with  
3 its entire school community. These meetings shall include  
4 presentation of the proposed local school improvement plan, of  
5 the proposed school expenditure plan, and the annual report,  
6 and shall provide an opportunity for public comment.

7 13. Each local school council is encouraged to involve  
8 additional non-voting members of the school community in  
9 facilitating the council's exercise of its responsibilities.

10 14. The local school council may adopt a school uniform or  
11 dress code policy that governs the attendance center and that  
12 is necessary to maintain the orderly process of a school  
13 function or prevent endangerment of student health or safety,  
14 consistent with the policies and rules of the Board of  
15 Education. A school uniform or dress code policy adopted by a  
16 local school council: (i) shall not be applied in such manner  
17 as to discipline or deny attendance to a transfer student or  
18 any other student for noncompliance with that policy during  
19 such period of time as is reasonably necessary to enable the  
20 student to acquire a school uniform or otherwise comply with  
21 the dress code policy that is in effect at the attendance  
22 center into which the student's enrollment is transferred; and  
23 (ii) shall include criteria and procedures under which the  
24 local school council will accommodate the needs of or otherwise  
25 provide appropriate resources to assist a student from an  
26 indigent family in complying with an applicable school uniform

1 or dress code policy. A student whose parents or legal  
2 guardians object on religious grounds to the student's  
3 compliance with an applicable school uniform or dress code  
4 policy shall not be required to comply with that policy if the  
5 student's parents or legal guardians present to the local  
6 school council a signed statement of objection detailing the  
7 grounds for the objection.

8 15. All decisions made and actions taken by the local  
9 school council in the exercise of its powers and duties shall  
10 comply with State and federal laws, all applicable collective  
11 bargaining agreements, court orders and rules properly  
12 promulgated by the Board.

13 15a. To grant, in accordance with board rules and policies,  
14 the use of assembly halls and classrooms when not otherwise  
15 needed, including lighting, heat, and attendants, for public  
16 lectures, concerts, and other educational and social  
17 activities.

18 15b. To approve, in accordance with board rules and  
19 policies, receipts and expenditures for all internal accounts  
20 of the attendance center, and to approve all fund-raising  
21 activities by nonschool organizations that use the school  
22 building.

23 16. (Blank).

24 17. Names and addresses of local school council members  
25 shall be a matter of public record.

26 (Source: P.A. 96-1403, eff. 7-29-10.)

1 (105 ILCS 5/34-18) (from Ch. 122, par. 34-18)

2 Sec. 34-18. Powers of the board. The board shall exercise  
3 general supervision and jurisdiction over the public education  
4 and the public school system of the city, and, except as  
5 otherwise provided by this Article, shall have power:

6 1. To make suitable provision for the establishment and  
7 maintenance throughout the year or for such portion thereof  
8 as it may direct, not less than 9 months, of schools of all  
9 grades and kinds, including normal schools, high schools,  
10 night schools, schools for defectives and delinquents,  
11 parental and truant schools, schools for the blind, the  
12 deaf and persons with physical disabilities, schools or  
13 classes in manual training, constructural and vocational  
14 teaching, domestic arts and physical culture, vocation and  
15 extension schools and lecture courses, and all other  
16 educational courses and facilities, including  
17 establishing, equipping, maintaining and operating  
18 playgrounds and recreational programs, when such programs  
19 are conducted in, adjacent to, or connected with any public  
20 school under the general supervision and jurisdiction of  
21 the board; provided that the calendar for the school term  
22 and any changes must be submitted to and approved by the  
23 State Board of Education before the calendar or changes may  
24 take effect, and provided that in allocating funds from  
25 year to year for the operation of all attendance centers

1 within the district, the board shall ensure that  
2 supplemental general State aid or supplemental grant funds  
3 are allocated and applied in accordance with Section 18-8,  
4 ~~or~~ 18-8.05, or 18-8.15. To admit to such schools without  
5 charge foreign exchange students who are participants in an  
6 organized exchange student program which is authorized by  
7 the board. The board shall permit all students to enroll in  
8 apprenticeship programs in trade schools operated by the  
9 board, whether those programs are union-sponsored or not.  
10 No student shall be refused admission into or be excluded  
11 from any course of instruction offered in the common  
12 schools by reason of that student's sex. No student shall  
13 be denied equal access to physical education and  
14 interscholastic athletic programs supported from school  
15 district funds or denied participation in comparable  
16 physical education and athletic programs solely by reason  
17 of the student's sex. Equal access to programs supported  
18 from school district funds and comparable programs will be  
19 defined in rules promulgated by the State Board of  
20 Education in consultation with the Illinois High School  
21 Association. Notwithstanding any other provision of this  
22 Article, neither the board of education nor any local  
23 school council or other school official shall recommend  
24 that children with disabilities be placed into regular  
25 education classrooms unless those children with  
26 disabilities are provided with supplementary services to

1 assist them so that they benefit from the regular classroom  
2 instruction and are included on the teacher's regular  
3 education class register;

4 2. To furnish lunches to pupils, to make a reasonable  
5 charge therefor, and to use school funds for the payment of  
6 such expenses as the board may determine are necessary in  
7 conducting the school lunch program;

8 3. To co-operate with the circuit court;

9 4. To make arrangements with the public or quasi-public  
10 libraries and museums for the use of their facilities by  
11 teachers and pupils of the public schools;

12 5. To employ dentists and prescribe their duties for  
13 the purpose of treating the pupils in the schools, but  
14 accepting such treatment shall be optional with parents or  
15 guardians;

16 6. To grant the use of assembly halls and classrooms  
17 when not otherwise needed, including light, heat, and  
18 attendants, for free public lectures, concerts, and other  
19 educational and social interests, free of charge, under  
20 such provisions and control as the principal of the  
21 affected attendance center may prescribe;

22 7. To apportion the pupils to the several schools;  
23 provided that no pupil shall be excluded from or segregated  
24 in any such school on account of his color, race, sex, or  
25 nationality. The board shall take into consideration the  
26 prevention of segregation and the elimination of

1 separation of children in public schools because of color,  
2 race, sex, or nationality. Except that children may be  
3 committed to or attend parental and social adjustment  
4 schools established and maintained either for boys or girls  
5 only. All records pertaining to the creation, alteration or  
6 revision of attendance areas shall be open to the public.  
7 Nothing herein shall limit the board's authority to  
8 establish multi-area attendance centers or other student  
9 assignment systems for desegregation purposes or  
10 otherwise, and to apportion the pupils to the several  
11 schools. Furthermore, beginning in school year 1994-95,  
12 pursuant to a board plan adopted by October 1, 1993, the  
13 board shall offer, commencing on a phased-in basis, the  
14 opportunity for families within the school district to  
15 apply for enrollment of their children in any attendance  
16 center within the school district which does not have  
17 selective admission requirements approved by the board.  
18 The appropriate geographical area in which such open  
19 enrollment may be exercised shall be determined by the  
20 board of education. Such children may be admitted to any  
21 such attendance center on a space available basis after all  
22 children residing within such attendance center's area  
23 have been accommodated. If the number of applicants from  
24 outside the attendance area exceed the space available,  
25 then successful applicants shall be selected by lottery.  
26 The board of education's open enrollment plan must include



1 provisions that allow low income students to have access to  
2 transportation needed to exercise school choice. Open  
3 enrollment shall be in compliance with the provisions of  
4 the Consent Decree and Desegregation Plan cited in Section  
5 34-1.01;

6 8. To approve programs and policies for providing  
7 transportation services to students. Nothing herein shall  
8 be construed to permit or empower the State Board of  
9 Education to order, mandate, or require busing or other  
10 transportation of pupils for the purpose of achieving  
11 racial balance in any school;

12 9. Subject to the limitations in this Article, to  
13 establish and approve system-wide curriculum objectives  
14 and standards, including graduation standards, which  
15 reflect the multi-cultural diversity in the city and are  
16 consistent with State law, provided that for all purposes  
17 of this Article courses or proficiency in American Sign  
18 Language shall be deemed to constitute courses or  
19 proficiency in a foreign language; and to employ principals  
20 and teachers, appointed as provided in this Article, and  
21 fix their compensation. The board shall prepare such  
22 reports related to minimal competency testing as may be  
23 requested by the State Board of Education, and in addition  
24 shall monitor and approve special education and bilingual  
25 education programs and policies within the district to  
26 assure that appropriate services are provided in

1           accordance with applicable State and federal laws to  
2           children requiring services and education in those areas;

3           10. To employ non-teaching personnel or utilize  
4           volunteer personnel for: (i) non-teaching duties not  
5           requiring instructional judgment or evaluation of pupils,  
6           including library duties; and (ii) supervising study  
7           halls, long distance teaching reception areas used  
8           incident to instructional programs transmitted by  
9           electronic media such as computers, video, and audio,  
10          detention and discipline areas, and school-sponsored  
11          extracurricular activities. The board may further utilize  
12          volunteer non-certificated personnel or employ  
13          non-certificated personnel to assist in the instruction of  
14          pupils under the immediate supervision of a teacher holding  
15          a valid certificate, directly engaged in teaching subject  
16          matter or conducting activities; provided that the teacher  
17          shall be continuously aware of the non-certificated  
18          persons' activities and shall be able to control or modify  
19          them. The general superintendent shall determine  
20          qualifications of such personnel and shall prescribe rules  
21          for determining the duties and activities to be assigned to  
22          such personnel;

23          10.5. To utilize volunteer personnel from a regional  
24          School Crisis Assistance Team (S.C.A.T.), created as part  
25          of the Safe to Learn Program established pursuant to  
26          Section 25 of the Illinois Violence Prevention Act of 1995,

1 to provide assistance to schools in times of violence or  
2 other traumatic incidents within a school community by  
3 providing crisis intervention services to lessen the  
4 effects of emotional trauma on individuals and the  
5 community; the School Crisis Assistance Team Steering  
6 Committee shall determine the qualifications for  
7 volunteers;

8 11. To provide television studio facilities in not to  
9 exceed one school building and to provide programs for  
10 educational purposes, provided, however, that the board  
11 shall not construct, acquire, operate, or maintain a  
12 television transmitter; to grant the use of its studio  
13 facilities to a licensed television station located in the  
14 school district; and to maintain and operate not to exceed  
15 one school radio transmitting station and provide programs  
16 for educational purposes;

17 12. To offer, if deemed appropriate, outdoor education  
18 courses, including field trips within the State of  
19 Illinois, or adjacent states, and to use school educational  
20 funds for the expense of the said outdoor educational  
21 programs, whether within the school district or not;

22 13. During that period of the calendar year not  
23 embraced within the regular school term, to provide and  
24 conduct courses in subject matters normally embraced in the  
25 program of the schools during the regular school term and  
26 to give regular school credit for satisfactory completion

1 by the student of such courses as may be approved for  
2 credit by the State Board of Education;

3 14. To insure against any loss or liability of the  
4 board, the former School Board Nominating Commission,  
5 Local School Councils, the Chicago Schools Academic  
6 Accountability Council, or the former Subdistrict Councils  
7 or of any member, officer, agent or employee thereof,  
8 resulting from alleged violations of civil rights arising  
9 from incidents occurring on or after September 5, 1967 or  
10 from the wrongful or negligent act or omission of any such  
11 person whether occurring within or without the school  
12 premises, provided the officer, agent or employee was, at  
13 the time of the alleged violation of civil rights or  
14 wrongful act or omission, acting within the scope of his  
15 employment or under direction of the board, the former  
16 School Board Nominating Commission, the Chicago Schools  
17 Academic Accountability Council, Local School Councils, or  
18 the former Subdistrict Councils; and to provide for or  
19 participate in insurance plans for its officers and  
20 employees, including but not limited to retirement  
21 annuities, medical, surgical and hospitalization benefits  
22 in such types and amounts as may be determined by the  
23 board; provided, however, that the board shall contract for  
24 such insurance only with an insurance company authorized to  
25 do business in this State. Such insurance may include  
26 provision for employees who rely on treatment by prayer or

1 spiritual means alone for healing, in accordance with the  
2 tenets and practice of a recognized religious  
3 denomination;

4 15. To contract with the corporate authorities of any  
5 municipality or the county board of any county, as the case  
6 may be, to provide for the regulation of traffic in parking  
7 areas of property used for school purposes, in such manner  
8 as is provided by Section 11-209 of The Illinois Vehicle  
9 Code, approved September 29, 1969, as amended;

10 16. (a) To provide, on an equal basis, access to a high  
11 school campus and student directory information to the  
12 official recruiting representatives of the armed forces of  
13 Illinois and the United States for the purposes of  
14 informing students of the educational and career  
15 opportunities available in the military if the board has  
16 provided such access to persons or groups whose purpose is  
17 to acquaint students with educational or occupational  
18 opportunities available to them. The board is not required  
19 to give greater notice regarding the right of access to  
20 recruiting representatives than is given to other persons  
21 and groups. In this paragraph 16, "directory information"  
22 means a high school student's name, address, and telephone  
23 number.

24 (b) If a student or his or her parent or guardian  
25 submits a signed, written request to the high school before  
26 the end of the student's sophomore year (or if the student

1 is a transfer student, by another time set by the high  
2 school) that indicates that the student or his or her  
3 parent or guardian does not want the student's directory  
4 information to be provided to official recruiting  
5 representatives under subsection (a) of this Section, the  
6 high school may not provide access to the student's  
7 directory information to these recruiting representatives.  
8 The high school shall notify its students and their parents  
9 or guardians of the provisions of this subsection (b).

10 (c) A high school may require official recruiting  
11 representatives of the armed forces of Illinois and the  
12 United States to pay a fee for copying and mailing a  
13 student's directory information in an amount that is not  
14 more than the actual costs incurred by the high school.

15 (d) Information received by an official recruiting  
16 representative under this Section may be used only to  
17 provide information to students concerning educational and  
18 career opportunities available in the military and may not  
19 be released to a person who is not involved in recruiting  
20 students for the armed forces of Illinois or the United  
21 States;

22 17. (a) To sell or market any computer program  
23 developed by an employee of the school district, provided  
24 that such employee developed the computer program as a  
25 direct result of his or her duties with the school district  
26 or through the utilization of the school district resources

1 or facilities. The employee who developed the computer  
2 program shall be entitled to share in the proceeds of such  
3 sale or marketing of the computer program. The distribution  
4 of such proceeds between the employee and the school  
5 district shall be as agreed upon by the employee and the  
6 school district, except that neither the employee nor the  
7 school district may receive more than 90% of such proceeds.  
8 The negotiation for an employee who is represented by an  
9 exclusive bargaining representative may be conducted by  
10 such bargaining representative at the employee's request.

11 (b) For the purpose of this paragraph 17:

12 (1) "Computer" means an internally programmed,  
13 general purpose digital device capable of  
14 automatically accepting data, processing data and  
15 supplying the results of the operation.

16 (2) "Computer program" means a series of coded  
17 instructions or statements in a form acceptable to a  
18 computer, which causes the computer to process data in  
19 order to achieve a certain result.

20 (3) "Proceeds" means profits derived from  
21 marketing or sale of a product after deducting the  
22 expenses of developing and marketing such product;

23 18. To delegate to the general superintendent of  
24 schools, by resolution, the authority to approve contracts  
25 and expenditures in amounts of \$10,000 or less;

26 19. Upon the written request of an employee, to

1 withhold from the compensation of that employee any dues,  
2 payments or contributions payable by such employee to any  
3 labor organization as defined in the Illinois Educational  
4 Labor Relations Act. Under such arrangement, an amount  
5 shall be withheld from each regular payroll period which is  
6 equal to the pro rata share of the annual dues plus any  
7 payments or contributions, and the board shall transmit  
8 such withholdings to the specified labor organization  
9 within 10 working days from the time of the withholding;

10 19a. Upon receipt of notice from the comptroller of a  
11 municipality with a population of 500,000 or more, a county  
12 with a population of 3,000,000 or more, the Cook County  
13 Forest Preserve District, the Chicago Park District, the  
14 Metropolitan Water Reclamation District, the Chicago  
15 Transit Authority, or a housing authority of a municipality  
16 with a population of 500,000 or more that a debt is due and  
17 owing the municipality, the county, the Cook County Forest  
18 Preserve District, the Chicago Park District, the  
19 Metropolitan Water Reclamation District, the Chicago  
20 Transit Authority, or the housing authority by an employee  
21 of the Chicago Board of Education, to withhold, from the  
22 compensation of that employee, the amount of the debt that  
23 is due and owing and pay the amount withheld to the  
24 municipality, the county, the Cook County Forest Preserve  
25 District, the Chicago Park District, the Metropolitan  
26 Water Reclamation District, the Chicago Transit Authority,



1 or the housing authority; provided, however, that the  
2 amount deducted from any one salary or wage payment shall  
3 not exceed 25% of the net amount of the payment. Before the  
4 Board deducts any amount from any salary or wage of an  
5 employee under this paragraph, the municipality, the  
6 county, the Cook County Forest Preserve District, the  
7 Chicago Park District, the Metropolitan Water Reclamation  
8 District, the Chicago Transit Authority, or the housing  
9 authority shall certify that (i) the employee has been  
10 afforded an opportunity for a hearing to dispute the debt  
11 that is due and owing the municipality, the county, the  
12 Cook County Forest Preserve District, the Chicago Park  
13 District, the Metropolitan Water Reclamation District, the  
14 Chicago Transit Authority, or the housing authority and  
15 (ii) the employee has received notice of a wage deduction  
16 order and has been afforded an opportunity for a hearing to  
17 object to the order. For purposes of this paragraph, "net  
18 amount" means that part of the salary or wage payment  
19 remaining after the deduction of any amounts required by  
20 law to be deducted and "debt due and owing" means (i) a  
21 specified sum of money owed to the municipality, the  
22 county, the Cook County Forest Preserve District, the  
23 Chicago Park District, the Metropolitan Water Reclamation  
24 District, the Chicago Transit Authority, or the housing  
25 authority for services, work, or goods, after the period  
26 granted for payment has expired, or (ii) a specified sum of

1 money owed to the municipality, the county, the Cook County  
2 Forest Preserve District, the Chicago Park District, the  
3 Metropolitan Water Reclamation District, the Chicago  
4 Transit Authority, or the housing authority pursuant to a  
5 court order or order of an administrative hearing officer  
6 after the exhaustion of, or the failure to exhaust,  
7 judicial review;

8 20. The board is encouraged to employ a sufficient  
9 number of certified school counselors to maintain a  
10 student/counselor ratio of 250 to 1 by July 1, 1990. Each  
11 counselor shall spend at least 75% of his work time in  
12 direct contact with students and shall maintain a record of  
13 such time;

14 21. To make available to students vocational and career  
15 counseling and to establish 5 special career counseling  
16 days for students and parents. On these days  
17 representatives of local businesses and industries shall  
18 be invited to the school campus and shall inform students  
19 of career opportunities available to them in the various  
20 businesses and industries. Special consideration shall be  
21 given to counseling minority students as to career  
22 opportunities available to them in various fields. For the  
23 purposes of this paragraph, minority student means a person  
24 who is any of the following:

25 (a) American Indian or Alaska Native (a person having  
26 origins in any of the original peoples of North and South

1 America, including Central America, and who maintains  
2 tribal affiliation or community attachment).

3 (b) Asian (a person having origins in any of the  
4 original peoples of the Far East, Southeast Asia, or the  
5 Indian subcontinent, including, but not limited to,  
6 Cambodia, China, India, Japan, Korea, Malaysia, Pakistan,  
7 the Philippine Islands, Thailand, and Vietnam).

8 (c) Black or African American (a person having origins  
9 in any of the black racial groups of Africa). Terms such as  
10 "Haitian" or "Negro" can be used in addition to "Black or  
11 African American".

12 (d) Hispanic or Latino (a person of Cuban, Mexican,  
13 Puerto Rican, South or Central American, or other Spanish  
14 culture or origin, regardless of race).

15 (e) Native Hawaiian or Other Pacific Islander (a person  
16 having origins in any of the original peoples of Hawaii,  
17 Guam, Samoa, or other Pacific Islands).

18 Counseling days shall not be in lieu of regular school  
19 days;

20 22. To report to the State Board of Education the  
21 annual student dropout rate and number of students who  
22 graduate from, transfer from or otherwise leave bilingual  
23 programs;

24 23. Except as otherwise provided in the Abused and  
25 Neglected Child Reporting Act or other applicable State or  
26 federal law, to permit school officials to withhold, from

1 any person, information on the whereabouts of any child  
2 removed from school premises when the child has been taken  
3 into protective custody as a victim of suspected child  
4 abuse. School officials shall direct such person to the  
5 Department of Children and Family Services, or to the local  
6 law enforcement agency if appropriate;

7 24. To develop a policy, based on the current state of  
8 existing school facilities, projected enrollment and  
9 efficient utilization of available resources, for capital  
10 improvement of schools and school buildings within the  
11 district, addressing in that policy both the relative  
12 priority for major repairs, renovations and additions to  
13 school facilities, and the advisability or necessity of  
14 building new school facilities or closing existing schools  
15 to meet current or projected demographic patterns within  
16 the district;

17 25. To make available to the students in every high  
18 school attendance center the ability to take all courses  
19 necessary to comply with the Board of Higher Education's  
20 college entrance criteria effective in 1993;

21 26. To encourage mid-career changes into the teaching  
22 profession, whereby qualified professionals become  
23 certified teachers, by allowing credit for professional  
24 employment in related fields when determining point of  
25 entry on teacher pay scale;

26 27. To provide or contract out training programs for

1 administrative personnel and principals with revised or  
2 expanded duties pursuant to this Act in order to assure  
3 they have the knowledge and skills to perform their duties;

4 28. To establish a fund for the prioritized special  
5 needs programs, and to allocate such funds and other lump  
6 sum amounts to each attendance center in a manner  
7 consistent with the provisions of part 4 of Section 34-2.3.  
8 Nothing in this paragraph shall be construed to require any  
9 additional appropriations of State funds for this purpose;

10 29. (Blank);

11 30. Notwithstanding any other provision of this Act or  
12 any other law to the contrary, to contract with third  
13 parties for services otherwise performed by employees,  
14 including those in a bargaining unit, and to layoff those  
15 employees upon 14 days written notice to the affected  
16 employees. Those contracts may be for a period not to  
17 exceed 5 years and may be awarded on a system-wide basis.  
18 The board may not operate more than 30 contract schools,  
19 provided that the board may operate an additional 5  
20 contract turnaround schools pursuant to item (5.5) of  
21 subsection (d) of Section 34-8.3 of this Code;

22 31. To promulgate rules establishing procedures  
23 governing the layoff or reduction in force of employees and  
24 the recall of such employees, including, but not limited  
25 to, criteria for such layoffs, reductions in force or  
26 recall rights of such employees and the weight to be given

1 to any particular criterion. Such criteria shall take into  
2 account factors including, but not be limited to,  
3 qualifications, certifications, experience, performance  
4 ratings or evaluations, and any other factors relating to  
5 an employee's job performance;

6 32. To develop a policy to prevent nepotism in the  
7 hiring of personnel or the selection of contractors;

8 33. To enter into a partnership agreement, as required  
9 by Section 34-3.5 of this Code, and, notwithstanding any  
10 other provision of law to the contrary, to promulgate  
11 policies, enter into contracts, and take any other action  
12 necessary to accomplish the objectives and implement the  
13 requirements of that agreement; and

14 34. To establish a Labor Management Council to the  
15 board comprised of representatives of the board, the chief  
16 executive officer, and those labor organizations that are  
17 the exclusive representatives of employees of the board and  
18 to promulgate policies and procedures for the operation of  
19 the Council.

20 The specifications of the powers herein granted are not to  
21 be construed as exclusive but the board shall also exercise all  
22 other powers that they may be requisite or proper for the  
23 maintenance and the development of a public school system, not  
24 inconsistent with the other provisions of this Article or  
25 provisions of this Code which apply to all school districts.

26 In addition to the powers herein granted and authorized to

1 be exercised by the board, it shall be the duty of the board to  
2 review or to direct independent reviews of special education  
3 expenditures and services. The board shall file a report of  
4 such review with the General Assembly on or before May 1, 1990.  
5 (Source: P.A. 99-143, eff. 7-27-15.)

6 (105 ILCS 5/34-18.30)

7 Sec. 34-18.30. Dependents of military personnel; no  
8 tuition charge. If, at the time of enrollment, a dependent of  
9 United States military personnel is housed in temporary housing  
10 located outside of the school district, but will be living  
11 within the district within 60 days after the time of initial  
12 enrollment, the dependent must be allowed to enroll, subject to  
13 the requirements of this Section, and must not be charged  
14 tuition. Any United States military personnel attempting to  
15 enroll a dependent under this Section shall provide proof that  
16 the dependent will be living within the district within 60 days  
17 after the time of initial enrollment. Proof of residency may  
18 include, but is not limited to, postmarked mail addressed to  
19 the military personnel and sent to an address located within  
20 the district, a lease agreement for occupancy of a residence  
21 located within the district, or proof of ownership of a  
22 residence located within the district. Non-resident dependents  
23 of United States military personnel attending school on a  
24 tuition-free basis may be counted for the purposes of  
25 determining the apportionment of State aid provided under

1 Section 18-8.05 or 18-8.15 of this Code.

2 (Source: P.A. 95-331, eff. 8-21-07.)

3 (105 ILCS 5/34-43.1) (from Ch. 122, par. 34-43.1)

4 Sec. 34-43.1. (A) Limitation of noninstructional costs. It  
5 is the purpose of this Section to establish for the Board of  
6 Education and the general superintendent of schools  
7 requirements and standards which maximize the proportion of  
8 school district resources in direct support of educational,  
9 program, and building maintenance and safety services for the  
10 pupils of the district, and which correspondingly minimize the  
11 amount and proportion of such resources associated with  
12 centralized administration, administrative support services,  
13 and other noninstructional services.

14 For the 1989-90 school year and for all subsequent school  
15 years, the Board of Education shall undertake budgetary and  
16 expenditure control actions which limit the administrative  
17 expenditures of the Board of Education to levels, as provided  
18 for in this Section, which represent an average of the  
19 administrative expenses of all school districts in this State  
20 not subject to Article 34.

21 (B) Certification of expenses by the State Superintendent  
22 of Education. The State Superintendent of Education shall  
23 annually certify, on or before May 1, to the Board of Education  
24 and the School Finance Authority, for the applicable school  
25 year, the following information:



1           (1) the annual expenditures of all school districts of  
2 the State not subject to Article 34 properly attributable  
3 to expenditure functions defined by the rules and  
4 regulations of the State Board of Education as: 2210  
5 (Improvement of Instructional Services); 2300 (Support  
6 Services - General Administration) excluding, however,  
7 2320 (Executive Administrative Services); 2490 (Other  
8 Support Services - School Administration); 2500 (Support  
9 Services - Business); 2600 (Support Services - Central);

10           (2) the total annual expenditures of all school  
11 districts not subject to Article 34 attributable to the  
12 Education Fund, the Operations, Building and Maintenance  
13 Fund, the Transportation Fund and the Illinois Municipal  
14 Retirement Fund of the several districts, as defined by the  
15 rules and regulations of the State Board of Education; and

16           (3) a ratio, to be called the statewide average of  
17 administrative expenditures, derived by dividing the  
18 expenditures certified pursuant to paragraph (B)(1) by the  
19 expenditures certified pursuant to paragraph (B)(2).

20           For purposes of the annual certification of expenditures  
21 and ratios required by this Section, the "applicable year" of  
22 certification shall initially be the 1986-87 school year and,  
23 in sequent years, each succeeding school year.

24           The State Superintendent of Education shall consult with  
25 the Board of Education to ascertain whether particular  
26 expenditure items allocable to the administrative functions

1 enumerated in paragraph (B)(1) are appropriately or  
2 necessarily higher in the applicable school district than in  
3 the rest of the State due to noncomparable factors. The State  
4 Superintendent shall also review the relevant cost proportions  
5 in other large urban school districts. The State Superintendent  
6 shall also review the expenditure categories in paragraph  
7 (B)(1) to ascertain whether they contain school-level  
8 expenses. If he or she finds that adjustments to the formula  
9 are appropriate or necessary to establish a more fair and  
10 comparable standard for administrative cost for the Board of  
11 Education or to exclude school-level expenses, the State  
12 Superintendent shall recommend to the School Finance Authority  
13 rules and regulations adjusting particular subcategories in  
14 this subsection (B) or adjusting certain costs in determining  
15 the budget and expenditure items properly attributable to the  
16 functions or otherwise adjust the formula.

17 (C) Administrative expenditure limitations. The annual  
18 budget of the Board of Education, as adopted and implemented,  
19 and the related annual expenditures for the school year, shall  
20 reflect a limitation on administrative outlays as required by  
21 the following provisions, taking into account any adjustments  
22 established by the State Superintendent of Education: (1) the  
23 budget and expenditures of the Board of Education for the  
24 1989-90 school year shall reflect a ratio of administrative  
25 expenditures to total expenditures equal to or less than the  
26 statewide average of administrative expenditures for the

1 1986-87 school year as certified by the State Superintendent of  
2 Education pursuant to paragraph (B)(3); (2) for the 1990-91  
3 school year and for all subsequent school years, the budget and  
4 expenditures of the Board of Education shall reflect a ratio of  
5 administrative expenditures to total expenditures equal to or  
6 less than the statewide average of administrative expenditures  
7 certified by the State Superintendent of Education for the  
8 applicable year pursuant to paragraph (B)(3); (3) if for any  
9 school year the budget of the Board of Education reflects a  
10 ratio of administrative expenditures to total expenditures  
11 which exceeds the applicable statewide average, the Board of  
12 Education shall reduce expenditure items allocable to the  
13 administrative functions enumerated in paragraph (B)(1) such  
14 that the Board of Education's ratio of administrative  
15 expenditures to total expenditures is equal to or less than the  
16 applicable statewide average ratio.

17 For purposes of this Section, the ratio of administrative  
18 expenditures to the total expenditures of the Board of  
19 Education, as applied to the budget of the Board of Education,  
20 shall mean: the budgeted expenditure items of the Board of  
21 Education properly attributable to the expenditure functions  
22 identified in paragraph (B)(1) divided by the total budgeted  
23 expenditures of the Board of Education properly attributable to  
24 the Board of Education funds corresponding to those funds  
25 identified in paragraph (B)(2), exclusive of any monies  
26 budgeted for payment to the Public School Teachers' Pension and

1 Retirement System, attributable to payments due from the  
2 General Funds of the State of Illinois.

3 The annual expenditure of the Board of Education for 2320  
4 (Executive Administrative Services) for the 1989-90 school  
5 year shall be no greater than the 2320 expenditure for the  
6 1988-89 school year. The annual expenditure of the Board of  
7 Education for 2320 for the 1990-91 school year and each  
8 subsequent school year shall be no greater than the 2320  
9 expenditure for the immediately preceding school year or the  
10 1988-89 school year, whichever is less. This annual expenditure  
11 limitation may be adjusted in each year in an amount not to  
12 exceed any change effective during the applicable school year  
13 in salary to be paid under the collective bargaining agreement  
14 with instructional personnel to which the Board is a party and  
15 in benefit costs either required by law or such collective  
16 bargaining agreement.

17 (D) Cost control measures. In undertaking actions to  
18 control or reduce expenditure items necessitated by the  
19 administrative expenditure limitations of this Section, the  
20 Board of Education shall give priority consideration to  
21 reductions or cost controls with the least effect upon direct  
22 services to students or instructional services for pupils, and  
23 upon the safety and well-being of pupils, and, as applicable,  
24 with the particular costs or functions to which the Board of  
25 Education is higher than the statewide average.

26 For purposes of assuring that the cost control priorities

1 of this subsection (D) are met, the State Superintendent of  
2 Education shall, with the assistance of the Board of Education,  
3 review the cost allocation practices of the Board of Education,  
4 and the State Superintendent of Education shall thereafter  
5 recommend to the School Finance Authority rules and regulations  
6 which define administrative areas which most impact upon the  
7 direct and instructional needs of students and upon the safety  
8 and well-being of the pupils of the district. No position  
9 closed shall be reopened using State or federal categorical  
10 funds.

11 (E) Report of Audited Information. For the 1988-89 school  
12 year and for all subsequent school years, the Board of  
13 Education shall file with the State Board of Education the  
14 Annual Financial Report and its audit, as required by the rules  
15 of the State Board of Education. Such reports shall be filed no  
16 later than February 15 following the end of the school year of  
17 the Board of Education, beginning with the report to be filed  
18 no later than February 15, 1990 for the 1988-89 school year.

19 As part of the required Annual Financial Report, the Board  
20 of Education shall provide a detailed accounting of the central  
21 level, district, bureau and department costs and personnel  
22 included within expenditure functions included in paragraph  
23 (B)(1). The nature and detail of the reporting required for  
24 these functions shall be prescribed by the State Board of  
25 Education in rules and regulations. A copy of this detailed  
26 accounting shall also be provided annually to the School

1 Finance Authority and the public. This report shall contain a  
2 reconciliation to the board of education's adopted budget for  
3 that fiscal year, specifically delineating administrative  
4 functions.

5 If the information required under this Section is not  
6 provided by the Board of Education in a timely manner, or is  
7 initially or subsequently determined by the State  
8 Superintendent of Education to be incomplete or inaccurate, the  
9 State Superintendent shall, in writing, notify the Board of  
10 Education of reporting deficiencies. The Board of Education  
11 shall, within 60 days of such notice, address the reporting  
12 deficiencies identified. If the State Superintendent of  
13 Education does not receive satisfactory response to these  
14 reporting deficiencies within 60 days, the next payment of  
15 general State aid or evidence-based funding due the Board of  
16 Education under Section 18-8 or Section 18-8.15, as applicable,  
17 and all subsequent payments, shall be withheld by the State  
18 Superintendent of Education until the enumerated deficiencies  
19 have been addressed.

20 Utilizing the Annual Financial Report, the State  
21 Superintendent of Education shall certify on or before May 1 to  
22 the School Finance Authority the Board of Education's ratio of  
23 administrative expenditures to total expenditures for the  
24 1988-89 school year and for each succeeding school year. Such  
25 certification shall indicate the extent to which the  
26 administrative expenditure ratio of the Board of Education

1 conformed to the limitations required in subsection (C) of this  
2 Section, taking into account any adjustments of the limitations  
3 which may have been recommended by the State Superintendent of  
4 Education to the School Finance Authority. In deriving the  
5 administrative expenditure ratio of the Chicago Board of  
6 Education, the State Superintendent of Education shall utilize  
7 the definition of this ratio prescribed in subsection (C) of  
8 this Section, except that the actual expenditures of the Board  
9 of Education shall be substituted for budgeted expenditure  
10 items.

11 (F) Approval and adjustments to administrative expenditure  
12 limitations. The School Finance Authority organized under  
13 Article 34A shall monitor the Board of Education's adherence to  
14 the requirements of this Section. As part of its responsibility  
15 the School Finance Authority shall determine whether the Board  
16 of Education's budget for the next school year, and the  
17 expenditures for a prior school year, comply with the  
18 limitation of administrative expenditures required by this  
19 Section. The Board of Education and the State Board of  
20 Education shall provide such information as is required by the  
21 School Finance Authority in order for the Authority to  
22 determine compliance with the provisions of this Section. If  
23 the Authority determines that the budget proposed by the Board  
24 of Education does not meet the cost control requirements of  
25 this Section, the Board of Education shall undertake budgetary  
26 reductions, consistent with the requirements of this Section,

1 to bring the proposed budget into compliance with such cost  
2 control limitations.

3 If, in formulating cost control and cost reduction  
4 alternatives, the Board of Education believes that meeting the  
5 cost control requirements of this Section related to the budget  
6 for the ensuing year would impair the education, safety, or  
7 well-being of the pupils of the school district, the Board of  
8 Education may request that the School Finance Authority make  
9 adjustments to the limitations required by this Section. The  
10 Board of Education shall specify the amount, nature, and  
11 reasons for the relief required and shall also identify cost  
12 reductions which can be made in expenditure functions not  
13 enumerated in paragraph (B) (1), which would serve the purposes  
14 of this Section.

15 The School Finance Authority shall consult with the State  
16 Superintendent of Education concerning the reasonableness from  
17 an educational administration perspective of the adjustments  
18 sought by the Board of Education. The School Finance Authority  
19 shall provide an opportunity for the public to comment upon the  
20 reasonableness of the Board's request. If, after such  
21 consultation, the School Finance Authority determines that all  
22 or a portion of the adjustments sought by the Board of  
23 Education are reasonably appropriate or necessary, the  
24 Authority may grant such relief from the provisions of this  
25 Section which the Authority deems appropriate. Adjustments so  
26 granted apply only to the specific school year for which the



1 request was made.

2 In the event that the School Finance Authority determines  
3 that the Board of Education has failed to achieve the required  
4 administrative expenditure limitations for a prior school  
5 year, or if the Authority determines that the Board of  
6 Education has not met the requirements of subsection (F), the  
7 Authority shall make recommendations to the Board of Education  
8 concerning appropriate corrective actions. If the Board of  
9 Education fails to provide adequate assurance to the Authority  
10 that appropriate corrective actions have been or will be taken,  
11 the Authority may, within 60 days thereafter, require the board  
12 to adjust its current budget to correct for the prior year's  
13 shortage or may recommend to the members of the General  
14 Assembly and the Governor such sanctions or remedial actions as  
15 will serve to deter any further such failures on the part of  
16 the Board of Education.

17 To assist the Authority in its monitoring  
18 responsibilities, the Board of Education shall provide such  
19 reports and information as are from time to time required by  
20 the Authority.

21 (G) Independent reviews of administrative expenditures.  
22 The School Finance Authority may direct independent reviews of  
23 the administrative and administrative support expenditures and  
24 services and other non-instructional expenditure functions of  
25 the Board of Education. The Board of Education shall afford  
26 full cooperation to the School Finance Authority in such review

1 activity. The purpose of such reviews shall be to verify  
2 specific targets for improved operating efficiencies of the  
3 Board of Education, to identify other areas of potential  
4 efficiencies, and to assure full and proper compliance by the  
5 Board of Education with all requirements of this Section.

6 In the conduct of reviews under this subsection, the  
7 Authority may request the assistance and consultation of the  
8 State Superintendent of Education with regard to questions of  
9 efficiency and effectiveness in educational administration.

10 (H) Reports to Governor and General Assembly. On or before  
11 May 1, 1991 and no less frequently than yearly thereafter, the  
12 School Finance Authority shall provide to the Governor, the  
13 State Board of Education, and the members of the General  
14 Assembly an annual report, as outlined in Section 34A-606,  
15 which includes the following information: (1) documenting the  
16 compliance or non-compliance of the Board of Education with the  
17 requirements of this Section; (2) summarizing the costs,  
18 findings, and recommendations of any reviews directed by the  
19 School Finance Authority, and the response to such  
20 recommendations made by the Board of Education; and (3)  
21 recommending sanctions or legislation necessary to fulfill the  
22 intent of this Section.

23 (Source: P.A. 86-124; 86-1477.)

24 Section 50. The Educational Opportunity for Military  
25 Children Act is amended by changing Section 25 as follows:

1 (105 ILCS 70/25)

2 Sec. 25. Tuition for children of active duty military  
3 personnel who are transfer students. If a student who is a  
4 child of active duty military personnel is (i) placed with a  
5 non-custodial parent and (ii) as a result of placement, must  
6 attend a non-resident school district, then the student must  
7 not be charged the tuition of the school that the student  
8 attends as a result of placement with the non-custodial parent  
9 and the student must be counted in the calculation of average  
10 daily attendance under Section 18-8.05 or 18-8.15 of the School  
11 Code.

12 (Source: P.A. 98-673, eff. 6-30-14.)

13 Section 95. No acceleration or delay. Where this Act makes  
14 changes in a statute that is represented in this Act by text  
15 that is not yet or no longer in effect (for example, a Section  
16 represented by multiple versions), the use of that text does  
17 not accelerate or delay the taking effect of (i) the changes  
18 made by this Act or (ii) provisions derived from any other  
19 Public Act.

20 Section 97. Savings clause. Any repeal or amendment made by  
21 this Act shall not affect or impair any of the following: suits  
22 pending or rights existing at the time this Act takes effect;  
23 any grant or conveyance made or right acquired or cause of

1 action now existing under any Section, Article, or Act repealed  
2 or amended by this Act; the validity of any bonds or other  
3 obligations issued or sold and constituting valid obligations  
4 of the issuing authority at the time this Act takes effect; the  
5 validity of any contract; the validity of any tax levied under  
6 any law in effect prior to the effective date of this Act; or  
7 any offense committed, act done, penalty, punishment, or  
8 forfeiture incurred or any claim, right, power, or remedy  
9 accrued under any law in effect prior to the effective date of  
10 this Act.

11 Section 99. Effective date. This Act takes effect upon  
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