



Rep. William Davis

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1 AMENDMENT TO SENATE BILL 1947

2 AMENDMENT NO. _____. Amend Senate Bill 1947 by replacing
3 everything after the enacting clause with the following:

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

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

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

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

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

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

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

1 distribution by the county collector to those taxing districts
2 of real property taxes from real property in the economic
3 development project area.

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

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

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

22 Section 10. The State Finance Act is amended by changing
23 Section 13.2 as follows:

24 (30 ILCS 105/13.2) (from Ch. 127, par. 149.2)

1 Sec. 13.2. Transfers among line item appropriations.

2 (a) Transfers among line item appropriations from the same
3 treasury fund for the objects specified in this Section may be
4 made in the manner provided in this Section when the balance
5 remaining in one or more such line item appropriations is
6 insufficient for the purpose for which the appropriation was
7 made.

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

12 (a-2) Except as otherwise provided in this Section,
13 transfers may be made only among the objects of expenditure
14 enumerated in this Section, except that no funds may be
15 transferred from any appropriation for personal services, from
16 any appropriation for State contributions to the State
17 Employees' Retirement System, from any separate appropriation
18 for employee retirement contributions paid by the employer, nor
19 from any appropriation for State contribution for employee
20 group insurance. During State fiscal year 2005, an agency may
21 transfer amounts among its appropriations within the same
22 treasury fund for personal services, employee retirement
23 contributions paid by employer, and State Contributions to
24 retirement systems; notwithstanding and in addition to the
25 transfers authorized in subsection (c) of this Section, the
26 fiscal year 2005 transfers authorized in this sentence may be

1 made in an amount not to exceed 2% of the aggregate amount
2 appropriated to an agency within the same treasury fund. During
3 State fiscal year 2007, the Departments of Children and Family
4 Services, Corrections, Human Services, and Juvenile Justice
5 may transfer amounts among their respective appropriations
6 within the same treasury fund for personal services, employee
7 retirement contributions paid by employer, and State
8 contributions to retirement systems. During State fiscal year
9 2010, the Department of Transportation may transfer amounts
10 among their respective appropriations within the same treasury
11 fund for personal services, employee retirement contributions
12 paid by employer, and State contributions to retirement
13 systems. During State fiscal years 2010 and 2014 only, an
14 agency may transfer amounts among its respective
15 appropriations within the same treasury fund for personal
16 services, employee retirement contributions paid by employer,
17 and State contributions to retirement systems.
18 Notwithstanding, and in addition to, the transfers authorized
19 in subsection (c) of this Section, these transfers may be made
20 in an amount not to exceed 2% of the aggregate amount
21 appropriated to an agency within the same treasury fund.

22 (a-2.5) During State fiscal year 2015 only, the State's
23 Attorneys Appellate Prosecutor may transfer amounts among its
24 respective appropriations contained in operational line items
25 within the same treasury fund. Notwithstanding, and in addition
26 to, the transfers authorized in subsection (c) of this Section,

1 these transfers may be made in an amount not to exceed 4% of
2 the aggregate amount appropriated to the State's Attorneys
3 Appellate Prosecutor within the same treasury fund.

4 (a-3) Further, if an agency receives a separate
5 appropriation for employee retirement contributions paid by
6 the employer, any transfer by that agency into an appropriation
7 for personal services must be accompanied by a corresponding
8 transfer into the appropriation for employee retirement
9 contributions paid by the employer, in an amount sufficient to
10 meet the employer share of the employee contributions required
11 to be remitted to the retirement system.

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

1 transferred shall not exceed 4% in total of the amounts
2 appropriated from the General Revenue Fund or any other State
3 fund that receives monies for long-term care services for each
4 fiscal year. A notice of the fund transfer must be made to the
5 General Assembly and posted at a minimum on the Department of
6 Healthcare and Family Services website, the Governor's Office
7 of Management and Budget website, and any other website the
8 Governor sees fit. These postings shall serve as notice to the
9 General Assembly of the amounts to be transferred. Notice shall
10 be given at least 30 days prior to transfer.

11 (b) In addition to the general transfer authority provided
12 under subsection (c), the following agencies have the specific
13 transfer authority granted in this subsection:

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

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

1 Guardianship Services.

2 The Department on Aging is authorized to make transfers not
3 exceeding 2% of the aggregate amount appropriated to it within
4 the same treasury fund for the following Community Care Program
5 line items among these same line items: purchase of services
6 covered by the Community Care Program and Comprehensive Case
7 Coordination.

8 The State Treasurer is authorized to make transfers among
9 line item appropriations from the Capital Litigation Trust
10 Fund, with respect to costs incurred in fiscal years 2002 and
11 2003 only, when the balance remaining in one or more such line
12 item appropriations is insufficient for the purpose for which
13 the appropriation was made, provided that no such transfer may
14 be made unless the amount transferred is no longer required for
15 the purpose for which that appropriation was made.

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

26 The State Board of Education is authorized to make

1 transfers between the following line item appropriations
2 within the same treasury fund: Disabled Student
3 Services/Materials (Section 14-13.01 of the School Code),
4 Disabled Student Transportation Reimbursement (Section
5 14-13.01 of the School Code), Disabled Student Tuition -
6 Private Tuition (Section 14-7.02 of the School Code),
7 Extraordinary Special Education (Section 14-7.02b of the
8 School Code), Reimbursement for Free Lunch/Breakfast Program,
9 Summer School Payments (Section 18-4.3 of the School Code), and
10 Transportation - Regular/Vocational Reimbursement (Section
11 29-5 of the School Code). Such transfers shall be made only
12 when the balance remaining in one or more such line item
13 appropriations is insufficient for the purpose for which the
14 appropriation was made and provided that no such transfer may
15 be made unless the amount transferred is no longer required for
16 the purpose for which that appropriation was made.

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

21 (c) The sum of such transfers for an agency in a fiscal
22 year shall not exceed 2% of the aggregate amount appropriated
23 to it within the same treasury fund for the following objects:
24 Personal Services; Extra Help; Student and Inmate
25 Compensation; State Contributions to Retirement Systems; State
26 Contributions to Social Security; State Contribution for

1 Employee Group Insurance; Contractual Services; Travel;
2 Commodities; Printing; Equipment; Electronic Data Processing;
3 Operation of Automotive Equipment; Telecommunications
4 Services; Travel and Allowance for Committed, Paroled and
5 Discharged Prisoners; Library Books; Federal Matching Grants
6 for Student Loans; Refunds; Workers' Compensation,
7 Occupational Disease, and Tort Claims; and, in appropriations
8 to institutions of higher education, Awards and Grants.
9 Notwithstanding the above, any amounts appropriated for
10 payment of workers' compensation claims to an agency to which
11 the authority to evaluate, administer and pay such claims has
12 been delegated by the Department of Central Management Services
13 may be transferred to any other expenditure object where such
14 amounts exceed the amount necessary for the payment of such
15 claims.

16 (c-1) Special provisions for State fiscal year 2003.
17 Notwithstanding any other provision of this Section to the
18 contrary, for State fiscal year 2003 only, transfers among line
19 item appropriations to an agency from the same treasury fund
20 may be made provided that the sum of such transfers for an
21 agency in State fiscal year 2003 shall not exceed 3% of the
22 aggregate amount appropriated to that State agency for State
23 fiscal year 2003 for the following objects: personal services,
24 except that no transfer may be approved which reduces the
25 aggregate appropriations for personal services within an
26 agency; extra help; student and inmate compensation; State

1 contributions to retirement systems; State contributions to
2 social security; State contributions for employee group
3 insurance; contractual services; travel; commodities;
4 printing; equipment; electronic data processing; operation of
5 automotive equipment; telecommunications services; travel and
6 allowance for committed, paroled, and discharged prisoners;
7 library books; federal matching grants for student loans;
8 refunds; workers' compensation, occupational disease, and tort
9 claims; and, in appropriations to institutions of higher
10 education, awards and grants.

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

21 (c-3) Special provisions for State fiscal year 2015.
22 Notwithstanding any other provision of this Section, for State
23 fiscal year 2015, transfers among line item appropriations to a
24 State agency from the same State treasury fund may be made for
25 operational or lump sum expenses only, provided that the sum of
26 such transfers for a State agency in State fiscal year 2015

1 shall not exceed 4% of the aggregate amount appropriated to
2 that State agency for operational or lump sum expenses for
3 State fiscal year 2015. For the purpose of this subsection,
4 "operational or lump sum expenses" includes the following
5 objects: personal services; extra help; student and inmate
6 compensation; State contributions to retirement systems; State
7 contributions to social security; State contributions for
8 employee group insurance; contractual services; travel;
9 commodities; printing; equipment; electronic data processing;
10 operation of automotive equipment; telecommunications
11 services; travel and allowance for committed, paroled, and
12 discharged prisoners; library books; federal matching grants
13 for student loans; refunds; workers' compensation,
14 occupational disease, and tort claims; lump sum and other
15 purposes; and lump sum operations. For the purpose of this
16 subsection (c-3), "State agency" does not include the Attorney
17 General, the Secretary of State, the Comptroller, the
18 Treasurer, or the legislative or judicial branches.

19 (d) Transfers among appropriations made to agencies of the
20 Legislative and Judicial departments and to the
21 constitutionally elected officers in the Executive branch
22 require the approval of the officer authorized in Section 10 of
23 this Act to approve and certify vouchers. Transfers among
24 appropriations made to the University of Illinois, Southern
25 Illinois University, Chicago State University, Eastern
26 Illinois University, Governors State University, Illinois

1 State University, Northeastern Illinois University, Northern
2 Illinois University, Western Illinois University, the Illinois
3 Mathematics and Science Academy and the Board of Higher
4 Education require the approval of the Board of Higher Education
5 and the Governor. Transfers among appropriations to all other
6 agencies require the approval of the Governor.

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

20 (e) The State Board of Education, in consultation with the
21 State Comptroller, may transfer line item appropriations for
22 General State Aid or Evidence-Based Funding between the Common
23 School Fund and the Education Assistance Fund. With the advice
24 and consent of the Governor's Office of Management and Budget,
25 the State Board of Education, in consultation with the State
26 Comptroller, may transfer line item appropriations between the

1 General Revenue Fund and the Education Assistance Fund for the
2 following programs:

3 (1) Disabled Student Personnel Reimbursement (Section
4 14-13.01 of the School Code);

5 (2) Disabled Student Transportation Reimbursement
6 (subsection (b) of Section 14-13.01 of the School Code);

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

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

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

12 (6) Summer School Payments (Section 18-4.3 of the
13 School Code);

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

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

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

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

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

24 (35 ILCS 200/18-200)

1 Sec. 18-200. School Code. A school district's State aid
2 shall not be reduced under the computation under subsections
3 5(a) through 5(h) of Part A of Section 18-8 of the School Code
4 or under Section 18-8.15 of the School Code due to the
5 operating tax rate falling from above the minimum requirement
6 of that Section of the School Code to below the minimum
7 requirement of that Section of the School Code due to the
8 operation of this Law.

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

10 (35 ILCS 200/18-249)

11 Sec. 18-249. Miscellaneous provisions.

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

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

25 (c) Rules. The Department shall make and promulgate

1 reasonable rules relating to the administration of the purposes
2 and provisions of Sections 18-246 through 18-249 as may be
3 necessary or appropriate.

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

5 Section 17. The Illinois Pension Code is amended by
6 changing Sections 16-158 and 17-127 as follows:

7 (40 ILCS 5/16-158) (from Ch. 108 1/2, par. 16-158)

8 (Text of Section WITHOUT the changes made by P.A. 98-599,
9 which has been held unconstitutional)

10 Sec. 16-158. Contributions by State and other employing
11 units.

12 (a) The State shall make contributions to the System by
13 means of appropriations from the Common School Fund and other
14 State funds of amounts which, together with other employer
15 contributions, employee contributions, investment income, and
16 other income, will be sufficient to meet the cost of
17 maintaining and administering the System on a 90% funded basis
18 in accordance with actuarial recommendations.

19 The Board shall determine the amount of State contributions
20 required for each fiscal year on the basis of the actuarial
21 tables and other assumptions adopted by the Board and the
22 recommendations of the actuary, using the formula in subsection
23 (b-3).

24 (a-1) Annually, on or before November 15 until November 15,

1 2011, the Board shall certify to the Governor the amount of the
2 required State contribution for the coming fiscal year. The
3 certification under this subsection (a-1) shall include a copy
4 of the actuarial recommendations upon which it is based and
5 shall specifically identify the System's projected State
6 normal cost for that fiscal year.

7 On or before May 1, 2004, the Board shall recalculate and
8 recertify to the Governor the amount of the required State
9 contribution to the System for State fiscal year 2005, taking
10 into account the amounts appropriated to and received by the
11 System under subsection (d) of Section 7.2 of the General
12 Obligation Bond Act.

13 On or before July 1, 2005, the Board shall recalculate and
14 recertify to the Governor the amount of the required State
15 contribution to the System for State fiscal year 2006, taking
16 into account the changes in required State contributions made
17 by this amendatory Act of the 94th General Assembly.

18 On or before April 1, 2011, the Board shall recalculate and
19 recertify to the Governor the amount of the required State
20 contribution to the System for State fiscal year 2011, applying
21 the changes made by Public Act 96-889 to the System's assets
22 and liabilities as of June 30, 2009 as though Public Act 96-889
23 was approved on that date.

24 (a-5) On or before November 1 of each year, beginning
25 November 1, 2012, the Board shall submit to the State Actuary,
26 the Governor, and the General Assembly a proposed certification

1 of the amount of the required State contribution to the System
2 for the next fiscal year, along with all of the actuarial
3 assumptions, calculations, and data upon which that proposed
4 certification is based. On or before January 1 of each year,
5 beginning January 1, 2013, the State Actuary shall issue a
6 preliminary report concerning the proposed certification and
7 identifying, if necessary, recommended changes in actuarial
8 assumptions that the Board must consider before finalizing its
9 certification of the required State contributions. On or before
10 January 15, 2013 and each January 15 thereafter, the Board
11 shall certify to the Governor and the General Assembly the
12 amount of the required State contribution for the next fiscal
13 year. The Board's certification must note any deviations from
14 the State Actuary's recommended changes, the reason or reasons
15 for not following the State Actuary's recommended changes, and
16 the fiscal impact of not following the State Actuary's
17 recommended changes on the required State contribution.

18 (b) Through State fiscal year 1995, the State contributions
19 shall be paid to the System in accordance with Section 18-7 of
20 the School Code.

21 (b-1) Beginning in State fiscal year 1996, on the 15th day
22 of each month, or as soon thereafter as may be practicable, the
23 Board shall submit vouchers for payment of State contributions
24 to the System, in a total monthly amount of one-twelfth of the
25 required annual State contribution certified under subsection
26 (a-1). From the effective date of this amendatory Act of the

1 93rd General Assembly through June 30, 2004, the Board shall
2 not submit vouchers for the remainder of fiscal year 2004 in
3 excess of the fiscal year 2004 certified contribution amount
4 determined under this Section after taking into consideration
5 the transfer to the System under subsection (a) of Section
6 6z-61 of the State Finance Act. These vouchers shall be paid by
7 the State Comptroller and Treasurer by warrants drawn on the
8 funds appropriated to the System for that fiscal year.

9 If in any month the amount remaining unexpended from all
10 other appropriations to the System for the applicable fiscal
11 year (including the appropriations to the System under Section
12 8.12 of the State Finance Act and Section 1 of the State
13 Pension Funds Continuing Appropriation Act) is less than the
14 amount lawfully vouchered under this subsection, the
15 difference shall be paid from the Common School Fund under the
16 continuing appropriation authority provided in Section 1.1 of
17 the State Pension Funds Continuing Appropriation Act.

18 (b-2) Allocations from the Common School Fund apportioned
19 to school districts not coming under this System shall not be
20 diminished or affected by the provisions of this Article.

21 (b-3) For State fiscal years 2012 through 2045, the minimum
22 contribution to the System to be made by the State for each
23 fiscal year shall be an amount determined by the System to be
24 sufficient to bring the total assets of the System up to 90% of
25 the total actuarial liabilities of the System by the end of
26 State fiscal year 2045. In making these determinations, the

1 required State contribution shall be calculated each year as a
2 level percentage of payroll over the years remaining to and
3 including fiscal year 2045 and shall be determined under the
4 projected unit credit actuarial cost method.

5 For State fiscal years 1996 through 2005, the State
6 contribution to the System, as a percentage of the applicable
7 employee payroll, shall be increased in equal annual increments
8 so that by State fiscal year 2011, the State is contributing at
9 the rate required under this Section; except that in the
10 following specified State fiscal years, the State contribution
11 to the System shall not be less than the following indicated
12 percentages of the applicable employee payroll, even if the
13 indicated percentage will produce a State contribution in
14 excess of the amount otherwise required under this subsection
15 and subsection (a), and notwithstanding any contrary
16 certification made under subsection (a-1) before the effective
17 date of this amendatory Act of 1998: 10.02% in FY 1999; 10.77%
18 in FY 2000; 11.47% in FY 2001; 12.16% in FY 2002; 12.86% in FY
19 2003; and 13.56% in FY 2004.

20 Notwithstanding any other provision of this Article, the
21 total required State contribution for State fiscal year 2006 is
22 \$534,627,700.

23 Notwithstanding any other provision of this Article, the
24 total required State contribution for State fiscal year 2007 is
25 \$738,014,500.

26 For each of State fiscal years 2008 through 2009, the State

1 contribution to the System, as a percentage of the applicable
2 employee payroll, shall be increased in equal annual increments
3 from the required State contribution for State fiscal year
4 2007, so that by State fiscal year 2011, the State is
5 contributing at the rate otherwise required under this Section.

6 Notwithstanding any other provision of this Article, the
7 total required State contribution for State fiscal year 2010 is
8 \$2,089,268,000 and shall be made from the proceeds of bonds
9 sold in fiscal year 2010 pursuant to Section 7.2 of the General
10 Obligation Bond Act, less (i) the pro rata share of bond sale
11 expenses determined by the System's share of total bond
12 proceeds, (ii) any amounts received from the Common School Fund
13 in fiscal year 2010, and (iii) any reduction in bond proceeds
14 due to the issuance of discounted bonds, if applicable.

15 Notwithstanding any other provision of this Article, the
16 total required State contribution for State fiscal year 2011 is
17 the amount recertified by the System on or before April 1, 2011
18 pursuant to subsection (a-1) of this Section and shall be made
19 from the proceeds of bonds sold in fiscal year 2011 pursuant to
20 Section 7.2 of the General Obligation Bond Act, less (i) the
21 pro rata share of bond sale expenses determined by the System's
22 share of total bond proceeds, (ii) any amounts received from
23 the Common School Fund in fiscal year 2011, and (iii) any
24 reduction in bond proceeds due to the issuance of discounted
25 bonds, if applicable. This amount shall include, in addition to
26 the amount certified by the System, an amount necessary to meet

1 employer contributions required by the State as an employer
2 under paragraph (e) of this Section, which may also be used by
3 the System for contributions required by paragraph (a) of
4 Section 16-127.

5 Beginning in State fiscal year 2046, the minimum State
6 contribution for each fiscal year shall be the amount needed to
7 maintain the total assets of the System at 90% of the total
8 actuarial liabilities of the System.

9 Amounts received by the System pursuant to Section 25 of
10 the Budget Stabilization Act or Section 8.12 of the State
11 Finance Act in any fiscal year do not reduce and do not
12 constitute payment of any portion of the minimum State
13 contribution required under this Article in that fiscal year.
14 Such amounts shall not reduce, and shall not be included in the
15 calculation of, the required State contributions under this
16 Article in any future year until the System has reached a
17 funding ratio of at least 90%. A reference in this Article to
18 the "required State contribution" or any substantially similar
19 term does not include or apply to any amounts payable to the
20 System under Section 25 of the Budget Stabilization Act.

21 Notwithstanding any other provision of this Section, the
22 required State contribution for State fiscal year 2005 and for
23 fiscal year 2008 and each fiscal year thereafter, as calculated
24 under this Section and certified under subsection (a-1), shall
25 not exceed an amount equal to (i) the amount of the required
26 State contribution that would have been calculated under this

1 Section for that fiscal year if the System had not received any
2 payments under subsection (d) of Section 7.2 of the General
3 Obligation Bond Act, minus (ii) the portion of the State's
4 total debt service payments for that fiscal year on the bonds
5 issued in fiscal year 2003 for the purposes of that Section
6 7.2, as determined and certified by the Comptroller, that is
7 the same as the System's portion of the total moneys
8 distributed under subsection (d) of Section 7.2 of the General
9 Obligation Bond Act. In determining this maximum for State
10 fiscal years 2008 through 2010, however, the amount referred to
11 in item (i) shall be increased, as a percentage of the
12 applicable employee payroll, in equal increments calculated
13 from the sum of the required State contribution for State
14 fiscal year 2007 plus the applicable portion of the State's
15 total debt service payments for fiscal year 2007 on the bonds
16 issued in fiscal year 2003 for the purposes of Section 7.2 of
17 the General Obligation Bond Act, so that, by State fiscal year
18 2011, the State is contributing at the rate otherwise required
19 under this Section.

20 (c) Payment of the required State contributions and of all
21 pensions, retirement annuities, death benefits, refunds, and
22 other benefits granted under or assumed by this System, and all
23 expenses in connection with the administration and operation
24 thereof, are obligations of the State.

25 If members are paid from special trust or federal funds
26 which are administered by the employing unit, whether school

1 district or other unit, the employing unit shall pay to the
2 System from such funds the full accruing retirement costs based
3 upon that service, which, beginning July 1, 2018 ~~2014~~, shall be
4 at a rate, expressed as a percentage of salary, equal to the
5 total employer's ~~minimum contribution to the System to be made~~
6 ~~by the State for that fiscal year, including both normal cost~~
7 ~~and unfunded liability components~~, expressed as a percentage of
8 payroll, as determined by the System ~~under subsection (b-3) of~~
9 ~~this Section~~. Employer contributions, based on salary paid to
10 members from federal funds, may be forwarded by the
11 distributing agency of the State of Illinois to the System
12 prior to allocation, in an amount determined in accordance with
13 guidelines established by such agency and the System. Any
14 contribution for fiscal year 2015 collected as a result of the
15 change made by this amendatory Act of the 98th General Assembly
16 shall be considered a State contribution under subsection (b-3)
17 of this Section.

18 (d) Effective July 1, 1986, any employer of a teacher as
19 defined in paragraph (8) of Section 16-106 shall pay the
20 employer's normal cost of benefits based upon the teacher's
21 service, in addition to employee contributions, as determined
22 by the System. Such employer contributions shall be forwarded
23 monthly in accordance with guidelines established by the
24 System.

25 However, with respect to benefits granted under Section
26 16-133.4 or 16-133.5 to a teacher as defined in paragraph (8)

1 of Section 16-106, the employer's contribution shall be 12%
2 (rather than 20%) of the member's highest annual salary rate
3 for each year of creditable service granted, and the employer
4 shall also pay the required employee contribution on behalf of
5 the teacher. For the purposes of Sections 16-133.4 and
6 16-133.5, a teacher as defined in paragraph (8) of Section
7 16-106 who is serving in that capacity while on leave of
8 absence from another employer under this Article shall not be
9 considered an employee of the employer from which the teacher
10 is on leave.

11 (e) Beginning July 1, 1998, every employer of a teacher
12 shall pay to the System an employer contribution computed as
13 follows:

14 (1) Beginning July 1, 1998 through June 30, 1999, the
15 employer contribution shall be equal to 0.3% of each
16 teacher's salary.

17 (2) Beginning July 1, 1999 and thereafter, the employer
18 contribution shall be equal to 0.58% of each teacher's
19 salary.

20 The school district or other employing unit may pay these
21 employer contributions out of any source of funding available
22 for that purpose and shall forward the contributions to the
23 System on the schedule established for the payment of member
24 contributions.

25 These employer contributions are intended to offset a
26 portion of the cost to the System of the increases in

1 retirement benefits resulting from this amendatory Act of 1998.

2 Each employer of teachers is entitled to a credit against
3 the contributions required under this subsection (e) with
4 respect to salaries paid to teachers for the period January 1,
5 2002 through June 30, 2003, equal to the amount paid by that
6 employer under subsection (a-5) of Section 6.6 of the State
7 Employees Group Insurance Act of 1971 with respect to salaries
8 paid to teachers for that period.

9 The additional 1% employee contribution required under
10 Section 16-152 by this amendatory Act of 1998 is the
11 responsibility of the teacher and not the teacher's employer,
12 unless the employer agrees, through collective bargaining or
13 otherwise, to make the contribution on behalf of the teacher.

14 If an employer is required by a contract in effect on May
15 1, 1998 between the employer and an employee organization to
16 pay, on behalf of all its full-time employees covered by this
17 Article, all mandatory employee contributions required under
18 this Article, then the employer shall be excused from paying
19 the employer contribution required under this subsection (e)
20 for the balance of the term of that contract. The employer and
21 the employee organization shall jointly certify to the System
22 the existence of the contractual requirement, in such form as
23 the System may prescribe. This exclusion shall cease upon the
24 termination, extension, or renewal of the contract at any time
25 after May 1, 1998.

26 (f) If the amount of a teacher's salary for any school year

1 used to determine final average salary exceeds the member's
2 annual full-time salary rate with the same employer for the
3 previous school year by more than 6%, the teacher's employer
4 shall pay to the System, in addition to all other payments
5 required under this Section and in accordance with guidelines
6 established by the System, the present value of the increase in
7 benefits resulting from the portion of the increase in salary
8 that is in excess of 6%. This present value shall be computed
9 by the System on the basis of the actuarial assumptions and
10 tables used in the most recent actuarial valuation of the
11 System that is available at the time of the computation. If a
12 teacher's salary for the 2005-2006 school year is used to
13 determine final average salary under this subsection (f), then
14 the changes made to this subsection (f) by Public Act 94-1057
15 shall apply in calculating whether the increase in his or her
16 salary is in excess of 6%. For the purposes of this Section,
17 change in employment under Section 10-21.12 of the School Code
18 on or after June 1, 2005 shall constitute a change in employer.
19 The System may require the employer to provide any pertinent
20 information or documentation. The changes made to this
21 subsection (f) by this amendatory Act of the 94th General
22 Assembly apply without regard to whether the teacher was in
23 service on or after its effective date.

24 Whenever it determines that a payment is or may be required
25 under this subsection, the System shall calculate the amount of
26 the payment and bill the employer for that amount. The bill

1 shall specify the calculations used to determine the amount
2 due. If the employer disputes the amount of the bill, it may,
3 within 30 days after receipt of the bill, apply to the System
4 in writing for a recalculation. The application must specify in
5 detail the grounds of the dispute and, if the employer asserts
6 that the calculation is subject to subsection (g) or (h) of
7 this Section, must include an affidavit setting forth and
8 attesting to all facts within the employer's knowledge that are
9 pertinent to the applicability of that subsection. Upon
10 receiving a timely application for recalculation, the System
11 shall review the application and, if appropriate, recalculate
12 the amount due.

13 The employer contributions required under this subsection
14 (f) may be paid in the form of a lump sum within 90 days after
15 receipt of the bill. If the employer contributions are not paid
16 within 90 days after receipt of the bill, then interest will be
17 charged at a rate equal to the System's annual actuarially
18 assumed rate of return on investment compounded annually from
19 the 91st day after receipt of the bill. Payments must be
20 concluded within 3 years after the employer's receipt of the
21 bill.

22 (g) This subsection (g) applies only to payments made or
23 salary increases given on or after June 1, 2005 but before July
24 1, 2011. The changes made by Public Act 94-1057 shall not
25 require the System to refund any payments received before July
26 31, 2006 (the effective date of Public Act 94-1057).

1 When assessing payment for any amount due under subsection
2 (f), the System shall exclude salary increases paid to teachers
3 under contracts or collective bargaining agreements entered
4 into, amended, or renewed before June 1, 2005.

5 When assessing payment for any amount due under subsection
6 (f), the System shall exclude salary increases paid to a
7 teacher at a time when the teacher is 10 or more years from
8 retirement eligibility under Section 16-132 or 16-133.2.

9 When assessing payment for any amount due under subsection
10 (f), the System shall exclude salary increases resulting from
11 overload work, including summer school, when the school
12 district has certified to the System, and the System has
13 approved the certification, that (i) the overload work is for
14 the sole purpose of classroom instruction in excess of the
15 standard number of classes for a full-time teacher in a school
16 district during a school year and (ii) the salary increases are
17 equal to or less than the rate of pay for classroom instruction
18 computed on the teacher's current salary and work schedule.

19 When assessing payment for any amount due under subsection
20 (f), the System shall exclude a salary increase resulting from
21 a promotion (i) for which the employee is required to hold a
22 certificate or supervisory endorsement issued by the State
23 Teacher Certification Board that is a different certification
24 or supervisory endorsement than is required for the teacher's
25 previous position and (ii) to a position that has existed and
26 been filled by a member for no less than one complete academic

1 year and the salary increase from the promotion is an increase
2 that results in an amount no greater than the lesser of the
3 average salary paid for other similar positions in the district
4 requiring the same certification or the amount stipulated in
5 the collective bargaining agreement for a similar position
6 requiring the same certification.

7 When assessing payment for any amount due under subsection
8 (f), the System shall exclude any payment to the teacher from
9 the State of Illinois or the State Board of Education over
10 which the employer does not have discretion, notwithstanding
11 that the payment is included in the computation of final
12 average salary.

13 (h) When assessing payment for any amount due under
14 subsection (f), the System shall exclude any salary increase
15 described in subsection (g) of this Section given on or after
16 July 1, 2011 but before July 1, 2014 under a contract or
17 collective bargaining agreement entered into, amended, or
18 renewed on or after June 1, 2005 but before July 1, 2011.
19 Notwithstanding any other provision of this Section, any
20 payments made or salary increases given after June 30, 2014
21 shall be used in assessing payment for any amount due under
22 subsection (f) of this Section.

23 (i) The System shall prepare a report and file copies of
24 the report with the Governor and the General Assembly by
25 January 1, 2007 that contains all of the following information:

26 (1) The number of recalculations required by the

1 changes made to this Section by Public Act 94-1057 for each
2 employer.

3 (2) The dollar amount by which each employer's
4 contribution to the System was changed due to
5 recalculations required by Public Act 94-1057.

6 (3) The total amount the System received from each
7 employer as a result of the changes made to this Section by
8 Public Act 94-4.

9 (4) The increase in the required State contribution
10 resulting from the changes made to this Section by Public
11 Act 94-1057.

12 (j) For purposes of determining the required State
13 contribution to the System, the value of the System's assets
14 shall be equal to the actuarial value of the System's assets,
15 which shall be calculated as follows:

16 As of June 30, 2008, the actuarial value of the System's
17 assets shall be equal to the market value of the assets as of
18 that date. In determining the actuarial value of the System's
19 assets for fiscal years after June 30, 2008, any actuarial
20 gains or losses from investment return incurred in a fiscal
21 year shall be recognized in equal annual amounts over the
22 5-year period following that fiscal year.

23 (k) For purposes of determining the required State
24 contribution to the system for a particular year, the actuarial
25 value of assets shall be assumed to earn a rate of return equal
26 to the system's actuarially assumed rate of return.

1 (Source: P.A. 96-43, eff. 7-15-09; 96-1497, eff. 1-14-11;
2 96-1511, eff. 1-27-11; 96-1554, eff. 3-18-11; 97-694, eff.
3 6-18-12; 97-813, eff. 7-13-12; 98-674, eff. 6-30-14.)

4 (40 ILCS 5/17-127) (from Ch. 108 1/2, par. 17-127)
5 Sec. 17-127. Financing; revenues for the Fund.

6 (a) The revenues for the Fund shall consist of: (1) amounts
7 paid into the Fund by contributors thereto and from employer
8 contributions and State appropriations in accordance with this
9 Article; (2) amounts contributed to the Fund by an Employer;
10 (3) amounts contributed to the Fund pursuant to any law now in
11 force or hereafter to be enacted; (4) contributions from any
12 other source; and (5) the earnings on investments.

13 (b) The General Assembly finds that for many years the
14 State has contributed to the Fund an annual amount that is
15 between 20% and 30% of the amount of the annual State
16 contribution to the Article 16 retirement system, and the
17 General Assembly declares that it is its goal and intention to
18 continue this level of contribution to the Fund in the future.

19 (c) Beginning in State fiscal year 1999 and ending at the
20 end of State fiscal year 2017, the State shall include in its
21 annual contribution to the Fund an additional amount equal to
22 0.544% of the Fund's total teacher payroll; except that this
23 additional contribution need not be made in a fiscal year if
24 the Board has certified in the previous fiscal year that the
25 Fund is at least 90% funded, based on actuarial determinations.

1 These additional State contributions are intended to offset a
2 portion of the cost to the Fund of the increases in retirement
3 benefits resulting from this amendatory Act of 1998.

4 (d) In addition to any other contribution required under
5 this Article, the State shall contribute to the Fund the
6 following amounts:

7 (1) For State fiscal year 2018, the State shall
8 contribute \$221,300,000.

9 (2) Beginning in State fiscal year 2019, the State
10 shall contribute for each fiscal year an amount to be
11 determined by the Fund, equal to the employer normal cost
12 for that fiscal year for all teachers hired before the
13 implementation date of the plan created under Section 1-161
14 of the Illinois Pension Code for the retirement system
15 under Article 16 or before the resolution or ordinance date
16 under Section 1-162 of the Illinois Pension Code for the
17 retirement System under Article 17, whichever is earlier,
18 plus the amount allowed pursuant to paragraph (3) of
19 Section 17-142.1, to defray health insurance costs for all
20 employees. The amount contributed under this paragraph (2)
21 shall be reduced by the employer normal cost of the
22 increase in benefits associated with the portion of salary
23 in excess of the amount of the salary set for the Governor.

24 (e) The Board shall determine the amount of State
25 contributions required for each fiscal year on the basis of the
26 actuarial tables and other assumptions adopted by the Board and

1 the recommendations of the actuary. On or before November 1 of
2 each year, beginning November 1, 2017, the Board shall submit
3 to the State Actuary, the Governor, and the General Assembly a
4 proposed certification of the amount of the required State
5 contribution to the Fund for the next fiscal year, along with
6 all of the actuarial assumptions, calculations, and data upon
7 which that proposed certification is based. On or before
8 January 1 of each year, beginning January 1, 2018, the State
9 Actuary shall issue a preliminary report concerning the
10 proposed certification and identifying, if necessary,
11 recommended changes in actuarial assumptions that the Board
12 must consider before finalizing its certification of the
13 required State contributions.

14 (f) On or before January 15, 2018 and each January 15
15 thereafter, the Board shall certify to the Governor and the
16 General Assembly (i) the amount of the required State
17 contribution for the next fiscal year and (ii) the amount by
18 which the required State contribution was reduced pursuant to
19 paragraph (2) of subsection (d) of this Section. The
20 certification shall include a copy of the actuarial
21 recommendations upon which it is based and shall specifically
22 identify the Fund's projected employer normal cost for that
23 fiscal year. The Board's certification must note any deviations
24 from the State Actuary's recommended changes, the reason or
25 reasons for not following the State Actuary's recommended
26 changes, and the fiscal impact of not following the State

1 Actuary's recommended changes on the required State
2 contribution. For the purposes of this Article, including
3 issuing vouchers, and for the purposes of subsection (h) of
4 Section 1.1 of the State Pension Funds Continuing Appropriation
5 Act, the State contribution specified for State fiscal year
6 2018 shall be deemed to have been certified, by operation of
7 law and without official action by the Board or the State
8 Actuary, in the amount provided in subsection (d) of this
9 Section.

10 (g) Beginning in State fiscal year 2018 on the 15th day of
11 each month, or as soon thereafter as may be practicable, the
12 Board shall submit vouchers for payment of State contributions
13 to the Fund, in a total monthly amount of one-twelfth of the
14 required annual State contribution under subsection (d). These
15 vouchers shall be paid by the State Comptroller and Treasurer
16 by warrants drawn on the funds appropriated to the Fund for
17 that fiscal year. If in any month the amount remaining
18 unexpended from all other State appropriations to the Fund for
19 the applicable fiscal year is less than the amount lawfully
20 vouchered under this subsection, the difference shall be paid
21 from the Common School Fund under the continuing appropriation
22 authority provided in Section 1.1 of the State Pension Funds
23 Continuing Appropriation Act.

24 (Source: P.A. 90-548, eff. 12-4-97; 90-566, eff. 1-2-98;
25 90-582, eff. 5-27-98; 90-655, eff. 7-30-98.)

1 Section 18. The State Pension Funds Continuing
2 Appropriation Act is amended by changing Section 1.1 as
3 follows:

4 (40 ILCS 15/1.1)

5 Sec. 1.1. Appropriations to certain retirement systems.

6 (a) There is hereby appropriated from the General Revenue
7 Fund to the General Assembly Retirement System, on a continuing
8 monthly basis, the amount, if any, by which the total available
9 amount of all other appropriations to that retirement system
10 for the payment of State contributions is less than the total
11 amount of the vouchers for required State contributions
12 lawfully submitted by the retirement system for that month
13 under Section 2-134 of the Illinois Pension Code.

14 (b) There is hereby appropriated from the General Revenue
15 Fund to the State Universities Retirement System, on a
16 continuing monthly basis, the amount, if any, by which the
17 total available amount of all other appropriations to that
18 retirement system for the payment of State contributions,
19 including any deficiency in the required contributions of the
20 optional retirement program established under Section 15-158.2
21 of the Illinois Pension Code, is less than the total amount of
22 the vouchers for required State contributions lawfully
23 submitted by the retirement system for that month under Section
24 15-165 of the Illinois Pension Code.

25 (c) There is hereby appropriated from the Common School

1 Fund to the Teachers' Retirement System of the State of
2 Illinois, on a continuing monthly basis, the amount, if any, by
3 which the total available amount of all other appropriations to
4 that retirement system for the payment of State contributions
5 is less than the total amount of the vouchers for required
6 State contributions lawfully submitted by the retirement
7 system for that month under Section 16-158 of the Illinois
8 Pension Code.

9 (d) There is hereby appropriated from the General Revenue
10 Fund to the Judges Retirement System of Illinois, on a
11 continuing monthly basis, the amount, if any, by which the
12 total available amount of all other appropriations to that
13 retirement system for the payment of State contributions is
14 less than the total amount of the vouchers for required State
15 contributions lawfully submitted by the retirement system for
16 that month under Section 18-140 of the Illinois Pension Code.

17 (e) The continuing appropriations provided by subsections
18 (a), (b), (c), and (d) of this Section shall first be available
19 in State fiscal year 1996. The continuing appropriations
20 provided by subsection (h) of this Section shall first be
21 available as provided in that subsection (h).

22 (f) For State fiscal year 2010 only, the continuing
23 appropriations provided by this Section are equal to the amount
24 certified by each System on or before December 31, 2008, less
25 (i) the gross proceeds of the bonds sold in fiscal year 2010
26 under the authorization contained in subsection (a) of Section

1 7.2 of the General Obligation Bond Act and (ii) any amounts
2 received from the State Pensions Fund.

3 (g) For State fiscal year 2011 only, the continuing
4 appropriations provided by this Section are equal to the amount
5 certified by each System on or before April 1, 2011, less (i)
6 the gross proceeds of the bonds sold in fiscal year 2011 under
7 the authorization contained in subsection (a) of Section 7.2 of
8 the General Obligation Bond Act and (ii) any amounts received
9 from the State Pensions Fund.

10 (h) There is hereby appropriated from the Common School
11 Fund to the Public School Teachers' Pension and Retirement Fund
12 of Chicago, on a continuing monthly basis, the amount, if any,
13 by which the total available amount of all other State
14 appropriations to that Retirement Fund for the payment of State
15 contributions under subsection (d) of Section 17-127 of the
16 Illinois Pension Code is less than the total amount of the
17 vouchers for required State contributions lawfully submitted
18 by the Retirement Fund for that month under that Section
19 17-127.

20 (Source: P.A. 96-43, eff. 7-15-09; 96-1497, eff. 1-14-11;
21 96-1511, eff. 1-27-11.)

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

24 (50 ILCS 470/33)

1 Sec. 33. STAR Bonds School Improvement and Operations Trust
2 Fund.

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

19 (b) Upon approval of a STAR bond district, the political
20 subdivision shall immediately transmit to the county clerk of
21 the county in which the district is located a certified copy of
22 the ordinance creating the district, a legal description of the
23 district, a map of the district, identification of the year
24 that the county clerk shall use for determining the total
25 initial equalized assessed value of the district consistent
26 with subsection (c), and a list of the parcel or tax

1 identification number of each parcel of property included in
2 the district.

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

18 (d) In reference to any STAR bond district created within
19 any political subdivision, and in respect to which the county
20 clerk has certified the total initial equalized assessed value
21 of the property in the area, the political subdivision may
22 thereafter request the clerk in writing to adjust the initial
23 equalized value of all taxable real property within the STAR
24 bond district by deducting therefrom the exemptions under
25 Article 15 of the Property Tax Code applicable to each lot,
26 block, tract, or parcel of real property within the STAR bond

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

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

21 (f) Beginning with the assessment year in which the first
22 destination user in the first STAR bond project in a STAR bond
23 district makes its first retail sales and for each assessment
24 year thereafter until final maturity of the last STAR bonds
25 issued in the district, the county clerk or other person
26 authorized by law shall determine the increase in equalized

1 assessed value of all real property within the STAR bond
2 district by subtracting the initial equalized assessed value of
3 all property in the district certified under subsection (c)
4 from the current equalized assessed value of all property in
5 the district. Each year, the property taxes arising from the
6 increase in equalized assessed value in the STAR bond district
7 shall be determined for each taxing district and shall be
8 certified to the county collector.

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

20 (h) The Department shall pay to the regional superintendent
21 of schools whose educational service region includes Franklin
22 and Williamson Counties, for each year for which money is
23 remitted to the Department and paid into the STAR Bonds School
24 Improvement and Operations Trust Fund, the money in the Fund as
25 provided in this Section. The amount paid to each school
26 district shall be allocated proportionately, based on each

1 qualifying school district's fall enrollment for the
2 then-current school year, such that the school district with
3 the largest fall enrollment receives the largest proportionate
4 share of money paid out of the Fund or by any other method or
5 formula that the regional superintendent of schools deems fit,
6 equitable, and in the public interest. The regional
7 superintendent may allocate moneys to school districts that are
8 outside of his or her educational service region or to other
9 regional superintendents.

10 The Department shall determine the distributions under
11 this Section using its best judgment and information. The
12 Department shall be held harmless for the distributions made
13 under this Section and all distributions shall be final.

14 (i) In any year that an assessment appeal is filed, the
15 extension of taxes on any assessment so appealed shall not be
16 delayed. In the case of an assessment that is altered, any
17 taxes extended upon the unauthorized assessment or part thereof
18 shall be abated, or, if already paid, shall be refunded with
19 interest as provided in Section 23-20 of the Property Tax Code.
20 In the case of an assessment appeal, the county collector shall
21 notify the Department that an assessment appeal has been filed
22 and the amount of the tax that would have been deposited in the
23 STAR Bonds School Improvement and Operations Trust Fund. The
24 county collector shall hold that amount in a separate fund
25 until the appeal process is final. After the appeal process is
26 finalized, the county collector shall transmit to the

1 Department the amount of tax that remains, if any, after all
2 required refunds are made. The Department shall pay any amount
3 deposited into the Trust Fund under this Section in the same
4 proportion as determined for payments for that taxable year
5 under subsection (h).

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

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

14 Section 25. The County Economic Development Project Area
15 Property Tax Allocation Act is amended by changing Section 7 as
16 follows:

17 (55 ILCS 85/7) (from Ch. 34, par. 7007)

18 Sec. 7. Creation of special tax allocation fund. If a
19 county has adopted property tax allocation financing by
20 ordinance for an economic development project area, the
21 Department has approved and certified the economic development
22 project area, and the county clerk has thereafter certified the
23 "total initial equalized value" of the taxable real property
24 within such economic development project area in the manner

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

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

20 (2) That portion, if any, of those taxes which is
21 attributable to the increase in the current equalized
22 assessed valuation of each taxable lot, block, tract, or
23 parcel of real property in the economic development project
24 are, over and above the initial equalized assessed value of
25 each property existing at the time property tax allocation
26 financing was adopted shall be allocated to and when

1 collected shall be paid to the county treasurer, who shall
2 deposit those taxes into a special fund called the special
3 tax allocation fund of the county for the purpose of paying
4 economic development project costs and obligations
5 incurred in the payment thereof.

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

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

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

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

22 Upon the payment of all economic development project costs,
23 retirement of obligations and the distribution of any excess
24 monies pursuant to this Section and not later than 23 years
25 from the date of adoption of the ordinance adopting property
26 tax allocation financing, the county shall adopt an ordinance

1 dissolving the special tax allocation fund for the economic
2 development project area and terminating the designation of the
3 economic development project area as an economic development
4 project area; however, in relation to one or more contiguous
5 parcels not exceeding a total area of 120 acres within which an
6 electric generating facility is intended to be constructed, and
7 with respect to which the owner of that proposed electric
8 generating facility has entered into a redevelopment agreement
9 with Grundy County on or before July 25, 2017, the ordinance of
10 the county required in this paragraph shall not dissolve the
11 special tax allocation fund for the existing economic
12 development project area and shall only terminate the
13 designation of the economic development project area as to
14 those portions of the economic development project area
15 excluding the area covered by the redevelopment agreement
16 between the owner of the proposed electric generating facility
17 and Grundy County; the county shall adopt an ordinance
18 dissolving the special tax allocation fund for the economic
19 development project area and terminating the designation of the
20 economic development project area as an economic development
21 project area with regard to the electric generating facility
22 property not later than 35 years from the date of adoption of
23 the ordinance adopting property tax allocation financing.
24 Thereafter the rates of the taxing districts shall be extended
25 and taxes levied, collected and distributed in the manner
26 applicable in the absence of the adoption of property tax

1 allocation financing.

2 Nothing in this Section shall be construed as relieving
3 property in economic development project areas from being
4 assessed as provided in the Property Tax Code or as relieving
5 owners of that property from paying a uniform rate of taxes, as
6 required by Section 4 of Article IX of the Illinois
7 Constitution of 1970.

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

9 Section 30. The County Economic Development Project Area
10 Tax Increment Allocation Act of 1991 is amended by changing
11 Section 50 as follows:

12 (55 ILCS 90/50) (from Ch. 34, par. 8050)

13 Sec. 50. Special tax allocation fund.

14 (a) If a county clerk has certified the "total initial
15 equalized assessed value" of the taxable real property within
16 an economic development project area in the manner provided in
17 Section 45, each year after the date of the certification by
18 the county clerk of the "total initial equalized assessed
19 value", until economic development project costs and all county
20 obligations financing economic development project costs have
21 been paid, the ad valorem taxes, if any, arising from the
22 levies upon the taxable real property in the economic
23 development project area by taxing districts and tax rates
24 determined in the manner provided in subsection (b) of Section

1 45 shall be divided as follows:

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

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

24 (b) The county, by an ordinance adopting tax increment
25 allocation financing, may pledge the monies in and to be
26 deposited into the special tax allocation fund for the payment

1 of obligations issued under this Act and for the payment of
2 economic development project costs. No part of the current
3 equalized assessed valuation of each property in the economic
4 development project area attributable to any increase above the
5 total initial equalized assessed value of those properties
6 shall be used in calculating the general State ~~school~~ aid
7 formula under Section 18-8 of the School Code until all
8 economic development projects costs have been paid as provided
9 for in this Section.

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

22 (d) Upon the payment of all economic development project
23 costs, retirement of obligations, and distribution of any
24 excess monies under this Section, the county shall adopt an
25 ordinance dissolving the special tax allocation fund for the
26 economic development project area and terminating the

1 designation of the economic development project area as an
2 economic development project area. Thereafter, the rates of the
3 taxing districts shall be extended and taxes shall be levied,
4 collected, and distributed in the manner applicable in the
5 absence of the adoption of tax increment allocation financing.

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

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

13 Section 35. The Illinois Municipal Code is amended by
14 changing Sections 11-74.4-3, 11-74.4-8, and 11-74.6-35 as
15 follows:

16 (65 ILCS 5/11-74.4-3) (from Ch. 24, par. 11-74.4-3)

17 Sec. 11-74.4-3. Definitions. The following terms, wherever
18 used or referred to in this Division 74.4 shall have the
19 following respective meanings, unless in any case a different
20 meaning clearly appears from the context.

21 (a) For any redevelopment project area that has been
22 designated pursuant to this Section by an ordinance adopted
23 prior to November 1, 1999 (the effective date of Public Act
24 91-478), "blighted area" shall have the meaning set forth in

1 this Section prior to that date.

2 On and after November 1, 1999, "blighted area" means any
3 improved or vacant area within the boundaries of a
4 redevelopment project area located within the territorial
5 limits of the municipality where:

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

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

22 (B) Obsolescence. The condition or process of
23 falling into disuse. Structures have become ill-suited
24 for the original use.

25 (C) Deterioration. With respect to buildings,
26 defects including, but not limited to, major defects in

1 the secondary building components such as doors,
2 windows, porches, gutters and downspouts, and fascia.
3 With respect to surface improvements, that the
4 condition of roadways, alleys, curbs, gutters,
5 sidewalks, off-street parking, and surface storage
6 areas evidence deterioration, including, but not
7 limited to, surface cracking, crumbling, potholes,
8 depressions, loose paving material, and weeds
9 protruding through paved surfaces.

10 (D) Presence of structures below minimum code
11 standards. All structures that do not meet the
12 standards of zoning, subdivision, building, fire, and
13 other governmental codes applicable to property, but
14 not including housing and property maintenance codes.

15 (E) Illegal use of individual structures. The use
16 of structures in violation of applicable federal,
17 State, or local laws, exclusive of those applicable to
18 the presence of structures below minimum code
19 standards.

20 (F) Excessive vacancies. The presence of buildings
21 that are unoccupied or under-utilized and that
22 represent an adverse influence on the area because of
23 the frequency, extent, or duration of the vacancies.

24 (G) Lack of ventilation, light, or sanitary
25 facilities. The absence of adequate ventilation for
26 light or air circulation in spaces or rooms without

1 windows, or that require the removal of dust, odor,
2 gas, smoke, or other noxious airborne materials.
3 Inadequate natural light and ventilation means the
4 absence of skylights or windows for interior spaces or
5 rooms and improper window sizes and amounts by room
6 area to window area ratios. Inadequate sanitary
7 facilities refers to the absence or inadequacy of
8 garbage storage and enclosure, bathroom facilities,
9 hot water and kitchens, and structural inadequacies
10 preventing ingress and egress to and from all rooms and
11 units within a building.

12 (H) Inadequate utilities. Underground and overhead
13 utilities such as storm sewers and storm drainage,
14 sanitary sewers, water lines, and gas, telephone, and
15 electrical services that are shown to be inadequate.
16 Inadequate utilities are those that are: (i) of
17 insufficient capacity to serve the uses in the
18 redevelopment project area, (ii) deteriorated,
19 antiquated, obsolete, or in disrepair, or (iii)
20 lacking within the redevelopment project area.

21 (I) Excessive land coverage and overcrowding of
22 structures and community facilities. The
23 over-intensive use of property and the crowding of
24 buildings and accessory facilities onto a site.
25 Examples of problem conditions warranting the
26 designation of an area as one exhibiting excessive land

1 coverage are: (i) the presence of buildings either
2 improperly situated on parcels or located on parcels of
3 inadequate size and shape in relation to present-day
4 standards of development for health and safety and (ii)
5 the presence of multiple buildings on a single parcel.
6 For there to be a finding of excessive land coverage,
7 these parcels must exhibit one or more of the following
8 conditions: insufficient provision for light and air
9 within or around buildings, increased threat of spread
10 of fire due to the close proximity of buildings, lack
11 of adequate or proper access to a public right-of-way,
12 lack of reasonably required off-street parking, or
13 inadequate provision for loading and service.

14 (J) Deleterious land use or layout. The existence
15 of incompatible land-use relationships, buildings
16 occupied by inappropriate mixed-uses, or uses
17 considered to be noxious, offensive, or unsuitable for
18 the surrounding area.

19 (K) Environmental clean-up. The proposed
20 redevelopment project area has incurred Illinois
21 Environmental Protection Agency or United States
22 Environmental Protection Agency remediation costs for,
23 or a study conducted by an independent consultant
24 recognized as having expertise in environmental
25 remediation has determined a need for, the clean-up of
26 hazardous waste, hazardous substances, or underground

1 storage tanks required by State or federal law,
2 provided that the remediation costs constitute a
3 material impediment to the development or
4 redevelopment of the redevelopment project area.

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

18 (M) The total equalized assessed value of the
19 proposed redevelopment project area has declined for 3
20 of the last 5 calendar years prior to the year in which
21 the redevelopment project area is designated or is
22 increasing at an annual rate that is less than the
23 balance of the municipality for 3 of the last 5
24 calendar years for which information is available or is
25 increasing at an annual rate that is less than the
26 Consumer Price Index for All Urban Consumers published

1 by the United States Department of Labor or successor
2 agency for 3 of the last 5 calendar years prior to the
3 year in which the redevelopment project area is
4 designated.

5 (2) If vacant, the sound growth of the redevelopment
6 project area is impaired by a combination of 2 or more of
7 the following factors, each of which is (i) present, with
8 that presence documented, to a meaningful extent so that a
9 municipality may reasonably find that the factor is clearly
10 present within the intent of the Act and (ii) reasonably
11 distributed throughout the vacant part of the
12 redevelopment project area to which it pertains:

13 (A) Obsolete platting of vacant land that results
14 in parcels of limited or narrow size or configurations
15 of parcels of irregular size or shape that would be
16 difficult to develop on a planned basis and in a manner
17 compatible with contemporary standards and
18 requirements, or platting that failed to create
19 rights-of-ways for streets or alleys or that created
20 inadequate right-of-way widths for streets, alleys, or
21 other public rights-of-way or that omitted easements
22 for public utilities.

23 (B) Diversity of ownership of parcels of vacant
24 land sufficient in number to retard or impede the
25 ability to assemble the land for development.

26 (C) Tax and special assessment delinquencies exist

1 or the property has been the subject of tax sales under
2 the Property Tax Code within the last 5 years.

3 (D) Deterioration of structures or site
4 improvements in neighboring areas adjacent to the
5 vacant land.

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

17 (F) The total equalized assessed value of the
18 proposed redevelopment project area has declined for 3
19 of the last 5 calendar years prior to the year in which
20 the redevelopment project area is designated or is
21 increasing at an annual rate that is less than the
22 balance of the municipality for 3 of the last 5
23 calendar years for which information is available or is
24 increasing at an annual rate that is less than the
25 Consumer Price Index for All Urban Consumers published
26 by the United States Department of Labor or successor

1 agency for 3 of the last 5 calendar years prior to the
2 year in which the redevelopment project area is
3 designated.

4 (3) If vacant, the sound growth of the redevelopment
5 project area is impaired by one of the following factors
6 that (i) is present, with that presence documented, to a
7 meaningful extent so that a municipality may reasonably
8 find that the factor is clearly present within the intent
9 of the Act and (ii) is reasonably distributed throughout
10 the vacant part of the redevelopment project area to which
11 it pertains:

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

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

16 (C) The area, prior to its designation, is subject
17 to (i) chronic flooding that adversely impacts on real
18 property in the area as certified by a registered
19 professional engineer or appropriate regulatory agency
20 or (ii) surface water that discharges from all or a
21 part of the area and contributes to flooding within the
22 same watershed, but only if the redevelopment project
23 provides for facilities or improvements to contribute
24 to the alleviation of all or part of the flooding.

25 (D) The area consists of an unused or illegal
26 disposal site containing earth, stone, building

1 debris, or similar materials that were removed from
2 construction, demolition, excavation, or dredge sites.

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

14 (F) The area qualified as a blighted improved area
15 immediately prior to becoming vacant, unless there has
16 been substantial private investment in the immediately
17 surrounding area.

18 (b) For any redevelopment project area that has been
19 designated pursuant to this Section by an ordinance adopted
20 prior to November 1, 1999 (the effective date of Public Act
21 91-478), "conservation area" shall have the meaning set forth
22 in this Section prior to that date.

23 On and after November 1, 1999, "conservation area" means
24 any improved area within the boundaries of a redevelopment
25 project area located within the territorial limits of the
26 municipality in which 50% or more of the structures in the area

1 have an age of 35 years or more. Such an area is not yet a
2 blighted area but because of a combination of 3 or more of the
3 following factors is detrimental to the public safety, health,
4 morals or welfare and such an area may become a blighted area:

5 (1) Dilapidation. An advanced state of disrepair or
6 neglect of necessary repairs to the primary structural
7 components of buildings or improvements in such a
8 combination that a documented building condition analysis
9 determines that major repair is required or the defects are
10 so serious and so extensive that the buildings must be
11 removed.

12 (2) Obsolescence. The condition or process of falling
13 into disuse. Structures have become ill-suited for the
14 original use.

15 (3) Deterioration. With respect to buildings, defects
16 including, but not limited to, major defects in the
17 secondary building components such as doors, windows,
18 porches, gutters and downspouts, and fascia. With respect
19 to surface improvements, that the condition of roadways,
20 alleys, curbs, gutters, sidewalks, off-street parking, and
21 surface storage areas evidence deterioration, including,
22 but not limited to, surface cracking, crumbling, potholes,
23 depressions, loose paving material, and weeds protruding
24 through paved surfaces.

25 (4) Presence of structures below minimum code
26 standards. All structures that do not meet the standards of

1 zoning, subdivision, building, fire, and other
2 governmental codes applicable to property, but not
3 including housing and property maintenance codes.

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

8 (6) Excessive vacancies. The presence of buildings
9 that are unoccupied or under-utilized and that represent an
10 adverse influence on the area because of the frequency,
11 extent, or duration of the vacancies.

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

25 (8) Inadequate utilities. Underground and overhead
26 utilities such as storm sewers and storm drainage, sanitary

1 sewers, water lines, and gas, telephone, and electrical
2 services that are shown to be inadequate. Inadequate
3 utilities are those that are: (i) of insufficient capacity
4 to serve the uses in the redevelopment project area, (ii)
5 deteriorated, antiquated, obsolete, or in disrepair, or
6 (iii) lacking within the redevelopment project area.

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

25 (10) Deleterious land use or layout. The existence of
26 incompatible land-use relationships, buildings occupied by

1 inappropriate mixed-uses, or uses considered to be
2 noxious, offensive, or unsuitable for the surrounding
3 area.

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

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

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

11 (c) "Industrial park" means an area in a blighted or
12 conservation area suitable for use by any manufacturing,
13 industrial, research or transportation enterprise, of
14 facilities to include but not be limited to factories, mills,
15 processing plants, assembly plants, packing plants,
16 fabricating plants, industrial distribution centers,
17 warehouses, repair overhaul or service facilities, freight
18 terminals, research facilities, test facilities or railroad
19 facilities.

20 (d) "Industrial park conservation area" means an area
21 within the boundaries of a redevelopment project area located
22 within the territorial limits of a municipality that is a labor
23 surplus municipality or within 1 1/2 miles of the territorial
24 limits of a municipality that is a labor surplus municipality
25 if the area is annexed to the municipality; which area is zoned
26 as industrial no later than at the time the municipality by

1 ordinance designates the redevelopment project area, and which
2 area includes both vacant land suitable for use as an
3 industrial park and a blighted area or conservation area
4 contiguous to such vacant land.

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

18 (f) "Municipality" shall mean a city, village,
19 incorporated town, or a township that is located in the
20 unincorporated portion of a county with 3 million or more
21 inhabitants, if the county adopted an ordinance that approved
22 the township's redevelopment plan.

23 (g) "Initial Sales Tax Amounts" means the amount of taxes
24 paid under the Retailers' Occupation Tax Act, Use Tax Act,
25 Service Use Tax Act, the Service Occupation Tax Act, the
26 Municipal Retailers' Occupation Tax Act, and the Municipal

1 Service Occupation Tax Act by retailers and servicemen on
2 transactions at places located in a State Sales Tax Boundary
3 during the calendar year 1985.

4 (g-1) "Revised Initial Sales Tax Amounts" means the amount
5 of taxes paid under the Retailers' Occupation Tax Act, Use Tax
6 Act, 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 within the State Sales Tax
10 Boundary revised pursuant to Section 11-74.4-8a(9) of this Act.

11 (h) "Municipal Sales Tax Increment" means an amount equal
12 to the increase in the aggregate amount of taxes paid to a
13 municipality from the Local Government Tax Fund arising from
14 sales by retailers and servicemen within the redevelopment
15 project area or State Sales Tax Boundary, as the case may be,
16 for as long as the redevelopment project area or State Sales
17 Tax Boundary, as the case may be, exist over and above the
18 aggregate amount of taxes as certified by the Illinois
19 Department of Revenue and paid under the Municipal Retailers'
20 Occupation Tax Act and the Municipal Service Occupation Tax Act
21 by retailers and servicemen, on transactions at places of
22 business located in the redevelopment project area or State
23 Sales Tax Boundary, as the case may be, during the base year
24 which shall be the calendar year immediately prior to the year
25 in which the municipality adopted tax increment allocation
26 financing. For purposes of computing the aggregate amount of

1 such taxes for base years occurring prior to 1985, the
2 Department of Revenue shall determine the Initial Sales Tax
3 Amounts for such taxes and deduct therefrom an amount equal to
4 4% of the aggregate amount of taxes per year for each year the
5 base year is prior to 1985, but not to exceed a total deduction
6 of 12%. The amount so determined shall be known as the
7 "Adjusted Initial Sales Tax Amounts". For purposes of
8 determining the Municipal Sales Tax Increment, the Department
9 of Revenue shall for each period subtract from the amount paid
10 to the municipality from the Local Government Tax Fund arising
11 from sales by retailers and servicemen on transactions located
12 in the redevelopment project area or the State Sales Tax
13 Boundary, as the case may be, the certified Initial Sales Tax
14 Amounts, the Adjusted Initial Sales Tax Amounts or the Revised
15 Initial Sales Tax Amounts for the Municipal Retailers'
16 Occupation Tax Act and the Municipal Service Occupation Tax
17 Act. For the State Fiscal Year 1989, this calculation shall be
18 made by utilizing the calendar year 1987 to determine the tax
19 amounts received. For the State Fiscal Year 1990, this
20 calculation shall be made by utilizing the period from January
21 1, 1988, until September 30, 1988, to determine the tax amounts
22 received from retailers and servicemen pursuant to the
23 Municipal Retailers' Occupation Tax and the Municipal Service
24 Occupation Tax Act, which shall have deducted therefrom
25 nine-twelfths of the certified Initial Sales Tax Amounts, the
26 Adjusted Initial Sales Tax Amounts or the Revised Initial Sales

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

16 (i) "Net State Sales Tax Increment" means the sum of the
17 following: (a) 80% of the first \$100,000 of State Sales Tax
18 Increment annually generated within a State Sales Tax Boundary;
19 (b) 60% of the amount in excess of \$100,000 but not exceeding
20 \$500,000 of State Sales Tax Increment annually generated within
21 a State Sales Tax Boundary; and (c) 40% of all amounts in
22 excess of \$500,000 of State Sales Tax Increment annually
23 generated within a State Sales Tax Boundary. If, however, a
24 municipality established a tax increment financing district in
25 a county with a population in excess of 3,000,000 before
26 January 1, 1986, and the municipality entered into a contract

1 or issued bonds after January 1, 1986, but before December 31,
2 1986, to finance redevelopment project costs within a State
3 Sales Tax Boundary, then the Net State Sales Tax Increment
4 means, for the fiscal years beginning July 1, 1990, and July 1,
5 1991, 100% of the State Sales Tax Increment annually generated
6 within a State Sales Tax Boundary; and notwithstanding any
7 other provision of this Act, for those fiscal years the
8 Department of Revenue shall distribute to those municipalities
9 100% of their Net State Sales Tax Increment before any
10 distribution to any other municipality and regardless of
11 whether or not those other municipalities will receive 100% of
12 their Net State Sales Tax Increment. For Fiscal Year 1999, and
13 every year thereafter until the year 2007, for any municipality
14 that has not entered into a contract or has not issued bonds
15 prior to June 1, 1988 to finance redevelopment project costs
16 within a State Sales Tax Boundary, the Net State Sales Tax
17 Increment shall be calculated as follows: By multiplying the
18 Net State Sales Tax Increment by 90% in the State Fiscal Year
19 1999; 80% in the State Fiscal Year 2000; 70% in the State
20 Fiscal Year 2001; 60% in the State Fiscal Year 2002; 50% in the
21 State Fiscal Year 2003; 40% in the State Fiscal Year 2004; 30%
22 in the State Fiscal Year 2005; 20% in the State Fiscal Year
23 2006; and 10% in the State Fiscal Year 2007. No payment shall
24 be made for State Fiscal Year 2008 and thereafter.

25 Municipalities that issued bonds in connection with a
26 redevelopment project in a redevelopment project area within

1 the State Sales Tax Boundary prior to July 29, 1991, or that
2 entered into contracts in connection with a redevelopment
3 project in a redevelopment project area before June 1, 1988,
4 shall continue to receive their proportional share of the
5 Illinois Tax Increment Fund distribution until the date on
6 which the redevelopment project is completed or terminated. If,
7 however, a municipality that issued bonds in connection with a
8 redevelopment project in a redevelopment project area within
9 the State Sales Tax Boundary prior to July 29, 1991 retires the
10 bonds prior to June 30, 2007 or a municipality that entered
11 into contracts in connection with a redevelopment project in a
12 redevelopment project area before June 1, 1988 completes the
13 contracts prior to June 30, 2007, then so long as the
14 redevelopment project is not completed or is not terminated,
15 the Net State Sales Tax Increment shall be calculated,
16 beginning on the date on which the bonds are retired or the
17 contracts are completed, as follows: By multiplying the Net
18 State Sales Tax Increment by 60% in the State Fiscal Year 2002;
19 50% in the State Fiscal Year 2003; 40% in the State Fiscal Year
20 2004; 30% in the State Fiscal Year 2005; 20% in the State
21 Fiscal Year 2006; and 10% in the State Fiscal Year 2007. No
22 payment shall be made for State Fiscal Year 2008 and
23 thereafter. Refunding of any bonds issued prior to July 29,
24 1991, shall not alter the Net State Sales Tax Increment.

25 (j) "State Utility Tax Increment Amount" means an amount
26 equal to the aggregate increase in State electric and gas tax

1 charges imposed on owners and tenants, other than residential
2 customers, of properties located within the redevelopment
3 project area under Section 9-222 of the Public Utilities Act,
4 over and above the aggregate of such charges as certified by
5 the Department of Revenue and paid by owners and tenants, other
6 than residential customers, of properties within the
7 redevelopment project area during the base year, which shall be
8 the calendar year immediately prior to the year of the adoption
9 of the ordinance authorizing tax increment allocation
10 financing.

11 (k) "Net State Utility Tax Increment" means the sum of the
12 following: (a) 80% of the first \$100,000 of State Utility Tax
13 Increment annually generated by a redevelopment project area;
14 (b) 60% of the amount in excess of \$100,000 but not exceeding
15 \$500,000 of the State Utility Tax Increment annually generated
16 by a redevelopment project area; and (c) 40% of all amounts in
17 excess of \$500,000 of State Utility Tax Increment annually
18 generated by a redevelopment project area. For the State Fiscal
19 Year 1999, and every year thereafter until the year 2007, for
20 any municipality that has not entered into a contract or has
21 not issued bonds prior to June 1, 1988 to finance redevelopment
22 project costs within a redevelopment project area, the Net
23 State Utility Tax Increment shall be calculated as follows: By
24 multiplying the Net State Utility Tax Increment by 90% in the
25 State Fiscal Year 1999; 80% in the State Fiscal Year 2000; 70%
26 in the State Fiscal Year 2001; 60% in the State Fiscal Year

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

6 Municipalities that issue bonds in connection with the
7 redevelopment project during the period from June 1, 1988 until
8 3 years after the effective date of this Amendatory Act of 1988
9 shall receive the Net State Utility Tax Increment, subject to
10 appropriation, for 15 State Fiscal Years after the issuance of
11 such bonds. For the 16th through the 20th State Fiscal Years
12 after issuance of the bonds, the Net State Utility Tax
13 Increment shall be calculated as follows: By multiplying the
14 Net State Utility Tax Increment by 90% in year 16; 80% in year
15 17; 70% in year 18; 60% in year 19; and 50% in year 20.
16 Refunding of any bonds issued prior to June 1, 1988, shall not
17 alter the revised Net State Utility Tax Increment payments set
18 forth above.

19 (l) "Obligations" mean bonds, loans, debentures, notes,
20 special certificates or other evidence of indebtedness issued
21 by the municipality to carry out a redevelopment project or to
22 refund outstanding obligations.

23 (m) "Payment in lieu of taxes" means those estimated tax
24 revenues from real property in a redevelopment project area
25 derived from real property that has been acquired by a
26 municipality which according to the redevelopment project or

1 plan is to be used for a private use which taxing districts
2 would have received had a municipality not acquired the real
3 property and adopted tax increment allocation financing and
4 which would result from levies made after the time of the
5 adoption of tax increment allocation financing to the time the
6 current equalized value of real property in the redevelopment
7 project area exceeds the total initial equalized value of real
8 property in said area.

9 (n) "Redevelopment plan" means the comprehensive program
10 of the municipality for development or redevelopment intended
11 by the payment of redevelopment project costs to reduce or
12 eliminate those conditions the existence of which qualified the
13 redevelopment project area as a "blighted area" or
14 "conservation area" or combination thereof or "industrial park
15 conservation area," and thereby to enhance the tax bases of the
16 taxing districts which extend into the redevelopment project
17 area, provided that, with respect to redevelopment project
18 areas described in subsections (p-1) and (p-2), "redevelopment
19 plan" means the comprehensive program of the affected
20 municipality for the development of qualifying transit
21 facilities. On and after November 1, 1999 (the effective date
22 of Public Act 91-478), no redevelopment plan may be approved or
23 amended that includes the development of vacant land (i) with a
24 golf course and related clubhouse and other facilities or (ii)
25 designated by federal, State, county, or municipal government
26 as public land for outdoor recreational activities or for

1 nature preserves and used for that purpose within 5 years prior
2 to the adoption of the redevelopment plan. For the purpose of
3 this subsection, "recreational activities" is limited to mean
4 camping and hunting. Each redevelopment plan shall set forth in
5 writing the program to be undertaken to accomplish the
6 objectives and shall include but not be limited to:

7 (A) an itemized list of estimated redevelopment
8 project costs;

9 (B) evidence indicating that the redevelopment project
10 area on the whole has not been subject to growth and
11 development through investment by private enterprise,
12 provided that such evidence shall not be required for any
13 redevelopment project area located within a transit
14 facility improvement area established pursuant to Section
15 11-74.4-3.3;

16 (C) an assessment of any financial impact of the
17 redevelopment project area on or any increased demand for
18 services from any taxing district affected by the plan and
19 any program to address such financial impact or increased
20 demand;

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

22 (E) the nature and term of the obligations to be
23 issued;

24 (F) the most recent equalized assessed valuation of the
25 redevelopment project area;

26 (G) an estimate as to the equalized assessed valuation

1 after redevelopment and the general land uses to apply in
2 the redevelopment project area;

3 (H) a commitment to fair employment practices and an
4 affirmative action plan;

5 (I) if it concerns an industrial park conservation
6 area, the plan shall also include a general description of
7 any proposed developer, user and tenant of any property, a
8 description of the type, structure and general character of
9 the facilities to be developed, a description of the type,
10 class and number of new employees to be employed in the
11 operation of the facilities to be developed; and

12 (J) if property is to be annexed to the municipality,
13 the plan shall include the terms of the annexation
14 agreement.

15 The provisions of items (B) and (C) of this subsection (n)
16 shall not apply to a municipality that before March 14, 1994
17 (the effective date of Public Act 88-537) had fixed, either by
18 its corporate authorities or by a commission designated under
19 subsection (k) of Section 11-74.4-4, a time and place for a
20 public hearing as required by subsection (a) of Section
21 11-74.4-5. No redevelopment plan shall be adopted unless a
22 municipality complies with all of the following requirements:

23 (1) The municipality finds that the redevelopment
24 project area on the whole has not been subject to growth
25 and development through investment by private enterprise
26 and would not reasonably be anticipated to be developed

1 without the adoption of the redevelopment plan, provided,
2 however, that such a finding shall not be required with
3 respect to any redevelopment project area located within a
4 transit facility improvement area established pursuant to
5 Section 11-74.4-3.3.

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

17 (3) The redevelopment plan establishes the estimated
18 dates of completion of the redevelopment project and
19 retirement of obligations issued to finance redevelopment
20 project costs. Those dates may not be later than the dates
21 set forth under Section 11-74.4-3.5.

22 A municipality may by municipal ordinance amend an
23 existing redevelopment plan to conform to this paragraph
24 (3) as amended by Public Act 91-478, which municipal
25 ordinance may be adopted without further hearing or notice
26 and without complying with the procedures provided in this

1 Act pertaining to an amendment to or the initial approval
2 of a redevelopment plan and project and designation of a
3 redevelopment project area.

4 (3.5) The municipality finds, in the case of an
5 industrial park conservation area, also that the
6 municipality is a labor surplus municipality and that the
7 implementation of the redevelopment plan will reduce
8 unemployment, create new jobs and by the provision of new
9 facilities enhance the tax base of the taxing districts
10 that extend into the redevelopment project area.

11 (4) If any incremental revenues are being utilized
12 under Section 8(a)(1) or 8(a)(2) of this Act in
13 redevelopment project areas approved by ordinance after
14 January 1, 1986, the municipality finds: (a) that the
15 redevelopment project area would not reasonably be
16 developed without the use of such incremental revenues, and
17 (b) that such incremental revenues will be exclusively
18 utilized for the development of the redevelopment project
19 area.

20 (5) If: (a) the redevelopment plan will not result in
21 displacement of residents from 10 or more inhabited
22 residential units, and the municipality certifies in the
23 plan that such displacement will not result from the plan;
24 or (b) the redevelopment plan is for a redevelopment
25 project area located within a transit facility improvement
26 area established pursuant to Section 11-74.4-3.3, and the

1 applicable project is subject to the process for evaluation
2 of environmental effects under the National Environmental
3 Policy Act of 1969, 42 U.S.C. § 4321 et seq., then a
4 housing impact study need not be performed. If, however,
5 the redevelopment plan would result in the displacement of
6 residents from 10 or more inhabited residential units, or
7 if the redevelopment project area contains 75 or more
8 inhabited residential units and no certification is made,
9 then the municipality shall prepare, as part of the
10 separate feasibility report required by subsection (a) of
11 Section 11-74.4-5, a housing impact study.

12 Part I of the housing impact study shall include (i)
13 data as to whether the residential units are single family
14 or multi-family units, (ii) the number and type of rooms
15 within the units, if that information is available, (iii)
16 whether the units are inhabited or uninhabited, as
17 determined not less than 45 days before the date that the
18 ordinance or resolution required by subsection (a) of
19 Section 11-74.4-5 is passed, and (iv) data as to the racial
20 and ethnic composition of the residents in the inhabited
21 residential units. The data requirement as to the racial
22 and ethnic composition of the residents in the inhabited
23 residential units shall be deemed to be fully satisfied by
24 data from the most recent federal census.

25 Part II of the housing impact study shall identify the
26 inhabited residential units in the proposed redevelopment

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

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

15 (7) On and after November 1, 1999, no redevelopment
16 plan shall be adopted, nor an existing plan amended, nor
17 shall residential housing that is occupied by households of
18 low-income and very low-income persons in currently
19 existing redevelopment project areas be removed after
20 November 1, 1999 unless the redevelopment plan provides,
21 with respect to inhabited housing units that are to be
22 removed for households of low-income and very low-income
23 persons, affordable housing and relocation assistance not
24 less than that which would be provided under the federal
25 Uniform Relocation Assistance and Real Property
26 Acquisition Policies Act of 1970 and the regulations under

1 that Act, including the eligibility criteria. Affordable
2 housing may be either existing or newly constructed
3 housing. For purposes of this paragraph (7), "low-income
4 households", "very low-income households", and "affordable
5 housing" have the meanings set forth in the Illinois
6 Affordable Housing Act. The municipality shall make a good
7 faith effort to ensure that this affordable housing is
8 located in or near the redevelopment project area within
9 the municipality.

10 (8) On and after November 1, 1999, if, after the
11 adoption of the redevelopment plan for the redevelopment
12 project area, any municipality desires to amend its
13 redevelopment plan to remove more inhabited residential
14 units than specified in its original redevelopment plan,
15 that change shall be made in accordance with the procedures
16 in subsection (c) of Section 11-74.4-5.

17 (9) For redevelopment project areas designated prior
18 to November 1, 1999, the redevelopment plan may be amended
19 without further joint review board meeting or hearing,
20 provided that the municipality shall give notice of any
21 such changes by mail to each affected taxing district and
22 registrant on the interested party registry, to authorize
23 the municipality to expend tax increment revenues for
24 redevelopment project costs defined by paragraphs (5) and
25 (7.5), subparagraphs (E) and (F) of paragraph (11), and
26 paragraph (11.5) of subsection (q) of Section 11-74.4-3, so

1 long as the changes do not increase the total estimated
2 redevelopment project costs set out in the redevelopment
3 plan by more than 5% after adjustment for inflation from
4 the date the plan was adopted.

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

17 (p) "Redevelopment project area" means an area designated
18 by the municipality, which is not less in the aggregate than 1
19 1/2 acres and in respect to which the municipality has made a
20 finding that there exist conditions which cause the area to be
21 classified as an industrial park conservation area or a
22 blighted area or a conservation area, or a combination of both
23 blighted areas and conservation areas.

24 (p-1) Notwithstanding any provision of this Act to the
25 contrary, on and after August 25, 2009 (the effective date of
26 Public Act 96-680), a redevelopment project area may include

1 areas within a one-half mile radius of an existing or proposed
2 Regional Transportation Authority Suburban Transit Access
3 Route (STAR Line) station without a finding that the area is
4 classified as an industrial park conservation area, a blighted
5 area, a conservation area, or a combination thereof, but only
6 if the municipality receives unanimous consent from the joint
7 review board created to review the proposed redevelopment
8 project area.

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

17 (q) "Redevelopment project costs", except for
18 redevelopment project areas created pursuant to subsection
19 ~~subsections~~ (p-1) or (p-2), means and includes the sum total of
20 all reasonable or necessary costs incurred or estimated to be
21 incurred, and any such costs incidental to a redevelopment plan
22 and a redevelopment project. Such costs include, without
23 limitation, the following:

24 (1) Costs of studies, surveys, development of plans,
25 and specifications, implementation and administration of
26 the redevelopment plan including but not limited to staff

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

26 (1.5) After July 1, 1999, annual administrative costs

1 shall not include general overhead or administrative costs
2 of the municipality that would still have been incurred by
3 the municipality if the municipality had not designated a
4 redevelopment project area or approved a redevelopment
5 plan;

6 (1.6) The cost of marketing sites within the
7 redevelopment project area to prospective businesses,
8 developers, and investors;

9 (2) Property assembly costs, including but not limited
10 to acquisition of land and other property, real or
11 personal, or rights or interests therein, demolition of
12 buildings, site preparation, site improvements that serve
13 as an engineered barrier addressing ground level or below
14 ground environmental contamination, including, but not
15 limited to parking lots and other concrete or asphalt
16 barriers, and the clearing and grading of land;

17 (3) Costs of rehabilitation, reconstruction or repair
18 or remodeling of existing public or private buildings,
19 fixtures, and leasehold improvements; and the cost of
20 replacing an existing public building if pursuant to the
21 implementation of a redevelopment project the existing
22 public building is to be demolished to use the site for
23 private investment or devoted to a different use requiring
24 private investment; including any direct or indirect costs
25 relating to Green Globes or LEED certified construction
26 elements or construction elements with an equivalent

1 certification;

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

1 pursuant to Section 11-74.4-3.3;

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

6 (6) Financing costs, including but not limited to all
7 necessary and incidental expenses related to the issuance
8 of obligations and which may include payment of interest on
9 any obligations issued hereunder including interest
10 accruing during the estimated period of construction of any
11 redevelopment project for which such obligations are
12 issued and for not exceeding 36 months thereafter and
13 including reasonable reserves related thereto;

14 (7) To the extent the municipality by written agreement
15 accepts and approves the same, all or a portion of a taxing
16 district's capital costs resulting from the redevelopment
17 project necessarily incurred or to be incurred within a
18 taxing district in furtherance of the objectives of the
19 redevelopment plan and project;

20 (7.5) For redevelopment project areas designated (or
21 redevelopment project areas amended to add or increase the
22 number of tax-increment-financing assisted housing units)
23 on or after November 1, 1999, an elementary, secondary, or
24 unit school district's increased costs attributable to
25 assisted housing units located within the redevelopment
26 project area for which the developer or redeveloper

1 receives financial assistance through an agreement with
2 the municipality or because the municipality incurs the
3 cost of necessary infrastructure improvements within the
4 boundaries of the assisted housing sites necessary for the
5 completion of that housing as authorized by this Act, and
6 which costs shall be paid by the municipality from the
7 Special Tax Allocation Fund when the tax increment revenue
8 is received as a result of the assisted housing units and
9 shall be calculated annually as follows:

10 (A) for foundation districts, excluding any school
11 district in a municipality with a population in excess
12 of 1,000,000, by multiplying the district's increase
13 in attendance resulting from the net increase in new
14 students enrolled in that school district who reside in
15 housing units within the redevelopment project area
16 that have received financial assistance through an
17 agreement with the municipality or because the
18 municipality incurs the cost of necessary
19 infrastructure improvements within the boundaries of
20 the housing sites necessary for the completion of that
21 housing as authorized by this Act since the designation
22 of the redevelopment project area by the most recently
23 available per capita tuition cost as defined in Section
24 10-20.12a of the School Code less any increase in
25 general State aid as defined in Section 18-8.05 of the
26 School Code or evidence-based funding as defined in

1 Section 18-8.15 of the School Code attributable to
2 these added new students subject to the following
3 annual limitations:

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

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

16 (iii) for secondary school districts with a
17 district average 1995-96 Per Capita Tuition Charge
18 of less than \$5,900, no more than 8% of the total
19 amount of property tax increment revenue produced
20 by those housing units that have received tax
21 increment finance assistance under this Act.

22 (B) For alternate method districts, flat grant
23 districts, and foundation districts with a district
24 average 1995-96 Per Capita Tuition Charge equal to or
25 more than \$5,900, excluding any school district with a
26 population in excess of 1,000,000, by multiplying the

1 district's increase in attendance resulting from the
2 net increase in new students enrolled in that school
3 district who reside in housing units within the
4 redevelopment project area that have received
5 financial assistance through an agreement with the
6 municipality or because the municipality incurs the
7 cost of necessary infrastructure improvements within
8 the boundaries of the housing sites necessary for the
9 completion of that housing as authorized by this Act
10 since the designation of the redevelopment project
11 area by the most recently available per capita tuition
12 cost as defined in Section 10-20.12a of the School Code
13 less any increase in general state aid as defined in
14 Section 18-8.05 of the School Code or evidence-based
15 funding as defined in Section 18-8.15 of the School
16 Code attributable to these added new students subject
17 to the following annual limitations:

18 (i) for unit school districts, no more than 40%
19 of the total amount of property tax increment
20 revenue produced by those housing units that have
21 received tax increment finance assistance under
22 this Act;

23 (ii) for elementary school districts, no more
24 than 27% of the total amount of property tax
25 increment revenue produced by those housing units
26 that have received tax increment finance

1 assistance under this Act; and

2 (iii) for secondary school districts, no more
3 than 13% of the total amount of property tax
4 increment revenue produced by those housing units
5 that have received tax increment finance
6 assistance under this Act.

7 (C) For any school district in a municipality with
8 a population in excess of 1,000,000, the following
9 restrictions shall apply to the reimbursement of
10 increased costs under this paragraph (7.5):

11 (i) no increased costs shall be reimbursed
12 unless the school district certifies that each of
13 the schools affected by the assisted housing
14 project is at or over its student capacity;

15 (ii) the amount reimbursable shall be reduced
16 by the value of any land donated to the school
17 district by the municipality or developer, and by
18 the value of any physical improvements made to the
19 schools by the municipality or developer; and

20 (iii) the amount reimbursed may not affect
21 amounts otherwise obligated by the terms of any
22 bonds, notes, or other funding instruments, or the
23 terms of any redevelopment agreement.

24 Any school district seeking payment under this
25 paragraph (7.5) shall, after July 1 and before
26 September 30 of each year, provide the municipality

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

14 (7.7) For redevelopment project areas designated (or
15 redevelopment project areas amended to add or increase the
16 number of tax-increment-financing assisted housing units)
17 on or after January 1, 2005 (the effective date of Public
18 Act 93-961), a public library district's increased costs
19 attributable to assisted housing units located within the
20 redevelopment project area for which the developer or
21 redeveloper receives financial assistance through an
22 agreement with the municipality or because the
23 municipality incurs the cost of necessary infrastructure
24 improvements within the boundaries of the assisted housing
25 sites necessary for the completion of that housing as
26 authorized by this Act shall be paid to the library

1 district by the municipality from the Special Tax
2 Allocation Fund when the tax increment revenue is received
3 as a result of the assisted housing units. This paragraph
4 (7.7) applies only if (i) the library district is located
5 in a county that is subject to the Property Tax Extension
6 Limitation Law or (ii) the library district is not located
7 in a county that is subject to the Property Tax Extension
8 Limitation Law but the district is prohibited by any other
9 law from increasing its tax levy rate without a prior voter
10 referendum.

11 The amount paid to a library district under this
12 paragraph (7.7) shall be calculated by multiplying (i) the
13 net increase in the number of persons eligible to obtain a
14 library card in that district who reside in housing units
15 within the redevelopment project area that have received
16 financial assistance through an agreement with the
17 municipality or because the municipality incurs the cost of
18 necessary infrastructure improvements within the
19 boundaries of the housing sites necessary for the
20 completion of that housing as authorized by this Act since
21 the designation of the redevelopment project area by (ii)
22 the per-patron cost of providing library services so long
23 as it does not exceed \$120. The per-patron cost shall be
24 the Total Operating Expenditures Per Capita for the library
25 in the previous fiscal year. The municipality may deduct
26 from the amount that it must pay to a library district

1 under this paragraph any amount that it has voluntarily
2 paid to the library district from the tax increment
3 revenue. The amount paid to a library district under this
4 paragraph (7.7) shall be no more than 2% of the amount
5 produced by the assisted housing units and deposited into
6 the Special Tax Allocation Fund.

7 A library district is not eligible for any payment
8 under this paragraph (7.7) unless the library district has
9 experienced an increase in the number of patrons from the
10 municipality that created the tax-increment-financing
11 district since the designation of the redevelopment
12 project area.

13 Any library district seeking payment under this
14 paragraph (7.7) shall, after July 1 and before September 30
15 of each year, provide the municipality with convincing
16 evidence to support its claim for reimbursement before the
17 municipality shall be required to approve or make the
18 payment to the library district. If the library district
19 fails to provide the information during this period in any
20 year, it shall forfeit any claim to reimbursement for that
21 year. Library districts may adopt a resolution waiving the
22 right to all or a portion of the reimbursement otherwise
23 required by this paragraph (7.7). By acceptance of such
24 reimbursement, the library district shall forfeit any
25 right to directly or indirectly set aside, modify, or
26 contest in any manner whatsoever the establishment of the

1 redevelopment project area or projects;

2 (8) Relocation costs to the extent that a municipality
3 determines that relocation costs shall be paid or is
4 required to make payment of relocation costs by federal or
5 State law or in order to satisfy subparagraph (7) of
6 subsection (n);

7 (9) Payment in lieu of taxes;

8 (10) Costs of job training, retraining, advanced
9 vocational education or career education, including but
10 not limited to courses in occupational, semi-technical or
11 technical fields leading directly to employment, incurred
12 by one or more taxing districts, provided that such costs
13 (i) are related to the establishment and maintenance of
14 additional job training, advanced vocational education or
15 career education programs for persons employed or to be
16 employed by employers located in a redevelopment project
17 area; and (ii) when incurred by a taxing district or taxing
18 districts other than the municipality, are set forth in a
19 written agreement by or among the municipality and the
20 taxing district or taxing districts, which agreement
21 describes the program to be undertaken, including but not
22 limited to the number of employees to be trained, a
23 description of the training and services to be provided,
24 the number and type of positions available or to be
25 available, itemized costs of the program and sources of
26 funds to pay for the same, and the term of the agreement.

1 Such costs include, specifically, the payment by community
2 college districts of costs pursuant to Sections 3-37, 3-38,
3 3-40 and 3-40.1 of the Public Community College Act and by
4 school districts of costs pursuant to Sections 10-22.20a
5 and 10-23.3a of the ~~The~~ School Code;

6 (11) Interest cost incurred by a redeveloper related to
7 the construction, renovation or rehabilitation of a
8 redevelopment project provided that:

9 (A) such costs are to be paid directly from the
10 special tax allocation fund established pursuant to
11 this Act;

12 (B) such payments in any one year may not exceed
13 30% of the annual interest costs incurred by the
14 redeveloper with regard to the redevelopment project
15 during that year;

16 (C) if there are not sufficient funds available in
17 the special tax allocation fund to make the payment
18 pursuant to this paragraph (11) then the amounts so due
19 shall accrue and be payable when sufficient funds are
20 available in the special tax allocation fund;

21 (D) the total of such interest payments paid
22 pursuant to this Act may not exceed 30% of the total
23 (i) cost paid or incurred by the redeveloper for the
24 redevelopment project plus (ii) redevelopment project
25 costs excluding any property assembly costs and any
26 relocation costs incurred by a municipality pursuant

1 to this Act; ~~and~~

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

10 (F) instead ~~instead~~ of the eligible costs provided
11 by subparagraphs (B) and (D) of paragraph (11), as
12 modified by this subparagraph, and notwithstanding any
13 other provisions of this Act to the contrary, the
14 municipality may pay from tax increment revenues up to
15 50% of the cost of construction of new housing units to
16 be occupied by low-income households and very
17 low-income households as defined in Section 3 of the
18 Illinois Affordable Housing Act. The cost of
19 construction of those units may be derived from the
20 proceeds of bonds issued by the municipality under this
21 Act or other constitutional or statutory authority or
22 from other sources of municipal revenue that may be
23 reimbursed from tax increment revenues or the proceeds
24 of bonds issued to finance the construction of that
25 housing.

26 The eligible costs provided under this

1 subparagraph (F) of paragraph (11) shall be an eligible
2 cost for the construction, renovation, and
3 rehabilitation of all low and very low-income housing
4 units, as defined in Section 3 of the Illinois
5 Affordable Housing Act, within the redevelopment
6 project area. If the low and very low-income units are
7 part of a residential redevelopment project that
8 includes units not affordable to low and very
9 low-income households, only the low and very
10 low-income units shall be eligible for benefits under
11 this subparagraph (F) of paragraph (11). The standards
12 for maintaining the occupancy by low-income households
13 and very low-income households, as defined in Section 3
14 of the Illinois Affordable Housing Act, of those units
15 constructed with eligible costs made available under
16 the provisions of this subparagraph (F) of paragraph
17 (11) shall be established by guidelines adopted by the
18 municipality. The responsibility for annually
19 documenting the initial occupancy of the units by
20 low-income households and very low-income households,
21 as defined in Section 3 of the Illinois Affordable
22 Housing Act, shall be that of the then current owner of
23 the property. For ownership units, the guidelines will
24 provide, at a minimum, for a reasonable recapture of
25 funds, or other appropriate methods designed to
26 preserve the original affordability of the ownership

1 units. For rental units, the guidelines will provide,
2 at a minimum, for the affordability of rent to low and
3 very low-income households. As units become available,
4 they shall be rented to income-eligible tenants. The
5 municipality may modify these guidelines from time to
6 time; the guidelines, however, shall be in effect for
7 as long as tax increment revenue is being used to pay
8 for costs associated with the units or for the
9 retirement of bonds issued to finance the units or for
10 the life of the redevelopment project area, whichever
11 is later;:-

12 (11.5) If the redevelopment project area is located
13 within a municipality with a population of more than
14 100,000, the cost of day care services for children of
15 employees from low-income families working for businesses
16 located within the redevelopment project area and all or a
17 portion of the cost of operation of day care centers
18 established by redevelopment project area businesses to
19 serve employees from low-income families working in
20 businesses located in the redevelopment project area. For
21 the purposes of this paragraph, "low-income families"
22 means families whose annual income does not exceed 80% of
23 the municipal, county, or regional median income, adjusted
24 for family size, as the annual income and municipal,
25 county, or regional median income are determined from time
26 to time by the United States Department of Housing and

1 Urban Development.

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

5 ~~(13)~~ After November 1, 1999 (the effective date of Public
6 Act 91-478), none of the redevelopment project costs enumerated
7 in this subsection shall be eligible redevelopment project
8 costs if those costs would provide direct financial support to
9 a retail entity initiating operations in the redevelopment
10 project area while terminating operations at another Illinois
11 location within 10 miles of the redevelopment project area but
12 outside the boundaries of the redevelopment project area
13 municipality. For purposes of this paragraph, termination
14 means a closing of a retail operation that is directly related
15 to the opening of the same operation or like retail entity
16 owned or operated by more than 50% of the original ownership in
17 a redevelopment project area, but it does not mean closing an
18 operation for reasons beyond the control of the retail entity,
19 as documented by the retail entity, subject to a reasonable
20 finding by the municipality that the current location contained
21 inadequate space, had become economically obsolete, or was no
22 longer a viable location for the retailer or serviceman.

23 ~~(14)~~ No cost shall be a redevelopment project cost in a
24 redevelopment project area if used to demolish, remove, or
25 substantially modify a historic resource, after August 26, 2008
26 (the effective date of Public Act 95-934), unless no prudent

1 and feasible alternative exists. "Historic resource" for the
2 purpose of this paragraph ~~item (14)~~ means (i) a place or
3 structure that is included or eligible for inclusion on the
4 National Register of Historic Places or (ii) a contributing
5 structure in a district on the National Register of Historic
6 Places. This paragraph ~~item (14)~~ does not apply to a place or
7 structure for which demolition, removal, or modification is
8 subject to review by the preservation agency of a Certified
9 Local Government designated as such by the National Park
10 Service of the United States Department of the Interior.

11 If a special service area has been established pursuant to
12 the Special Service Area Tax Act or Special Service Area Tax
13 Law, then any tax increment revenues derived from the tax
14 imposed pursuant to the Special Service Area Tax Act or Special
15 Service Area Tax Law may be used within the redevelopment
16 project area for the purposes permitted by that Act or Law as
17 well as the purposes permitted by this Act.

18 (q-1) For redevelopment project areas created pursuant to
19 subsection (p-1), redevelopment project costs are limited to
20 those costs in paragraph (q) that are related to the existing
21 or proposed Regional Transportation Authority Suburban Transit
22 Access Route (STAR Line) station.

23 (q-2) For a redevelopment project area located within a
24 transit facility improvement area established pursuant to
25 Section 11-74.4-3.3, redevelopment project costs means those
26 costs described in subsection (q) that are related to the

1 construction, reconstruction, rehabilitation, remodeling, or
2 repair of any existing or proposed transit facility.

3 (r) "State Sales Tax Boundary" means the redevelopment
4 project area or the amended redevelopment project area
5 boundaries which are determined pursuant to subsection (9) of
6 Section 11-74.4-8a of this Act. The Department of Revenue shall
7 certify pursuant to subsection (9) of Section 11-74.4-8a the
8 appropriate boundaries eligible for the determination of State
9 Sales Tax Increment.

10 (s) "State Sales Tax Increment" means an amount equal to
11 the increase in the aggregate amount of taxes paid by retailers
12 and servicemen, other than retailers and servicemen subject to
13 the Public Utilities Act, on transactions at places of business
14 located within a State Sales Tax Boundary pursuant to the
15 Retailers' Occupation Tax Act, the Use Tax Act, the Service Use
16 Tax Act, and the Service Occupation Tax Act, except such
17 portion of such increase that is paid into the State and Local
18 Sales Tax Reform Fund, the Local Government Distributive Fund,
19 the Local Government Tax Fund and the County and Mass Transit
20 District Fund, for as long as State participation exists, over
21 and above the Initial Sales Tax Amounts, Adjusted Initial Sales
22 Tax Amounts or the Revised Initial Sales Tax Amounts for such
23 taxes as certified by the Department of Revenue and paid under
24 those Acts by retailers and servicemen on transactions at
25 places of business located within the State Sales Tax Boundary
26 during the base year which shall be the calendar year

1 immediately prior to the year in which the municipality adopted
2 tax increment allocation financing, less 3.0% of such amounts
3 generated under the Retailers' Occupation Tax Act, Use Tax Act
4 and Service Use Tax Act and the Service Occupation Tax Act,
5 which sum shall be appropriated to the Department of Revenue to
6 cover its costs of administering and enforcing this Section.
7 For purposes of computing the aggregate amount of such taxes
8 for base years occurring prior to 1985, the Department of
9 Revenue shall compute the Initial Sales Tax Amount for such
10 taxes and deduct therefrom an amount equal to 4% of the
11 aggregate amount of taxes per year for each year the base year
12 is prior to 1985, but not to exceed a total deduction of 12%.
13 The amount so determined shall be known as the "Adjusted
14 Initial Sales Tax Amount". For purposes of determining the
15 State Sales Tax Increment the Department of Revenue shall for
16 each period subtract from the tax amounts received from
17 retailers and servicemen on transactions located in the State
18 Sales Tax Boundary, the certified Initial Sales Tax Amounts,
19 Adjusted Initial Sales Tax Amounts or Revised Initial Sales Tax
20 Amounts for the Retailers' Occupation Tax Act, the Use Tax Act,
21 the Service Use Tax Act and the Service Occupation Tax Act. For
22 the State Fiscal Year 1989 this calculation shall be made by
23 utilizing the calendar year 1987 to determine the tax amounts
24 received. For the State Fiscal Year 1990, this calculation
25 shall be made by utilizing the period from January 1, 1988,
26 until September 30, 1988, to determine the tax amounts received

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

20 (t) "Taxing districts" means counties, townships, cities
21 and incorporated towns and villages, school, road, park,
22 sanitary, mosquito abatement, forest preserve, public health,
23 fire protection, river conservancy, tuberculosis sanitarium
24 and any other municipal corporations or districts with the
25 power to levy taxes.

26 (u) "Taxing districts' capital costs" means those costs of

1 taxing districts for capital improvements that are found by the
2 municipal corporate authorities to be necessary and directly
3 result from the redevelopment project.

4 (v) As used in subsection (a) of Section 11-74.4-3 of this
5 Act, "vacant land" means any parcel or combination of parcels
6 of real property without industrial, commercial, and
7 residential buildings which has not been used for commercial
8 agricultural purposes within 5 years prior to the designation
9 of the redevelopment project area, unless the parcel is
10 included in an industrial park conservation area or the parcel
11 has been subdivided; provided that if the parcel was part of a
12 larger tract that has been divided into 3 or more smaller
13 tracts that were accepted for recording during the period from
14 1950 to 1990, then the parcel shall be deemed to have been
15 subdivided, and all proceedings and actions of the municipality
16 taken in that connection with respect to any previously
17 approved or designated redevelopment project area or amended
18 redevelopment project area are hereby validated and hereby
19 declared to be legally sufficient for all purposes of this Act.
20 For purposes of this Section and only for land subject to the
21 subdivision requirements of the Plat Act, land is subdivided
22 when the original plat of the proposed Redevelopment Project
23 Area or relevant portion thereof has been properly certified,
24 acknowledged, approved, and recorded or filed in accordance
25 with the Plat Act and a preliminary plat, if any, for any
26 subsequent phases of the proposed Redevelopment Project Area or

1 relevant portion thereof has been properly approved and filed
2 in accordance with the applicable ordinance of the
3 municipality.

4 (w) "Annual Total Increment" means the sum of each
5 municipality's annual Net Sales Tax Increment and each
6 municipality's annual Net Utility Tax Increment. The ratio of
7 the Annual Total Increment of each municipality to the Annual
8 Total Increment for all municipalities, as most recently
9 calculated by the Department, shall determine the proportional
10 shares of the Illinois Tax Increment Fund to be distributed to
11 each municipality.

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

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

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

20 (65 ILCS 5/11-74.4-8) (from Ch. 24, par. 11-74.4-8)

21 Sec. 11-74.4-8. Tax increment allocation financing. A
22 municipality may not adopt tax increment financing in a
23 redevelopment project area after the effective date of this
24 amendatory Act of 1997 that will encompass an area that is
25 currently included in an enterprise zone created under the

1 Illinois Enterprise Zone Act unless that municipality,
2 pursuant to Section 5.4 of the Illinois Enterprise Zone Act,
3 amends the enterprise zone designating ordinance to limit the
4 eligibility for tax abatements as provided in Section 5.4.1 of
5 the Illinois Enterprise Zone Act. A municipality, at the time a
6 redevelopment project area is designated, may adopt tax
7 increment allocation financing by passing an ordinance
8 providing that the ad valorem taxes, if any, arising from the
9 levies upon taxable real property in such redevelopment project
10 area by taxing districts and tax rates determined in the manner
11 provided in paragraph (c) of Section 11-74.4-9 each year after
12 the effective date of the ordinance until redevelopment project
13 costs and all municipal obligations financing redevelopment
14 project costs incurred under this Division have been paid shall
15 be divided as follows, provided, however, that with respect to
16 any redevelopment project area located within a transit
17 facility improvement area established pursuant to Section
18 11-74.4-3.3 in a municipality with a population of 1,000,000 or
19 more, ad valorem taxes, if any, arising from the levies upon
20 taxable real property in such redevelopment project area shall
21 be allocated as specifically provided in this Section:

22 (a) That portion of taxes levied upon each taxable lot,
23 block, tract or parcel of real property which is
24 attributable to the lower of the current equalized assessed
25 value or the initial equalized assessed value of each such
26 taxable lot, block, tract or parcel of real property in the

1 redevelopment project area shall be allocated to and when
2 collected shall be paid by the county collector to the
3 respective affected taxing districts in the manner
4 required by law in the absence of the adoption of tax
5 increment allocation financing.

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

1 from each taxable lot, block, tract, or parcel of real
2 property within the redevelopment project area and an
3 amount determined by multiplying the rate at which taxes
4 were last extended against the taxable lot, block, track,
5 or parcel of real property in the manner provided in
6 subsection (c) of Section 11-74.4-9 by the initial
7 equalized assessed value of the property divided by the
8 number of installments in which real estate taxes are
9 billed and collected within the county; provided that the
10 payments on or before December 31, 1999 to a municipal
11 treasurer shall be made only if each of the following
12 conditions are met:

13 (1) The total equalized assessed value of the
14 redevelopment project area as last determined was not
15 less than 175% of the total initial equalized assessed
16 value.

17 (2) Not more than 50% of the total equalized assessed
18 value of the redevelopment project area as last
19 determined is attributable to a piece of property
20 assigned a single real estate index number.

21 (3) The municipal clerk has certified to the county
22 clerk that the municipality has issued its obligations
23 to which there has been pledged the incremental
24 property taxes of the redevelopment project area or
25 taxes levied and collected on any or all property in
26 the municipality or the full faith and credit of the

1 municipality to pay or secure payment for all or a
2 portion of the redevelopment project costs. The
3 certification shall be filed annually no later than
4 September 1 for the estimated taxes to be distributed
5 in the following year; however, for the year 1992 the
6 certification shall be made at any time on or before
7 March 31, 1992.

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

12 The conditions of paragraphs (1) through (4) do not
13 apply after December 31, 1999 to payments to a municipal
14 treasurer made by a county with 3,000,000 or more
15 inhabitants that has adopted an estimated billing
16 procedure for collecting taxes. If a county that has
17 adopted the estimated billing procedure makes an erroneous
18 overpayment of tax revenue to the municipal treasurer, then
19 the county may seek a refund of that overpayment. The
20 county shall send the municipal treasurer a notice of
21 liability for the overpayment on or before the mailing date
22 of the next real estate tax bill within the county. The
23 refund shall be limited to the amount of the overpayment.

24 It is the intent of this Division that after the
25 effective date of this amendatory Act of 1988 a
26 municipality's own ad valorem tax arising from levies on

1 taxable real property be included in the determination of
2 incremental revenue in the manner provided in paragraph (c)
3 of Section 11-74.4-9. If the municipality does not extend
4 such a tax, it shall annually deposit in the municipality's
5 Special Tax Increment Fund an amount equal to 10% of the
6 total contributions to the fund from all other taxing
7 districts in that year. The annual 10% deposit required by
8 this paragraph shall be limited to the actual amount of
9 municipally produced incremental tax revenues available to
10 the municipality from taxpayers located in the
11 redevelopment project area in that year if: (a) the plan
12 for the area restricts the use of the property primarily to
13 industrial purposes, (b) the municipality establishing the
14 redevelopment project area is a home-rule community with a
15 1990 population of between 25,000 and 50,000, (c) the
16 municipality is wholly located within a county with a 1990
17 population of over 750,000 and (d) the redevelopment
18 project area was established by the municipality prior to
19 June 1, 1990. This payment shall be in lieu of a
20 contribution of ad valorem taxes on real property. If no
21 such payment is made, any redevelopment project area of the
22 municipality shall be dissolved.

23 If a municipality has adopted tax increment allocation
24 financing by ordinance and the County Clerk thereafter
25 certifies the "total initial equalized assessed value as
26 adjusted" of the taxable real property within such

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

19 (1) That portion of the taxes levied upon each taxable
20 lot, block, tract or parcel of real property which is
21 attributable to the lower of the current equalized
22 assessed value or "current equalized assessed value as
23 adjusted" or the initial equalized assessed value of
24 each such taxable lot, block, tract, or parcel of real
25 property existing at the time tax increment financing
26 was adopted, minus the total current homestead

1 exemptions under Article 15 of the Property Tax Code in
2 the redevelopment project area shall be allocated to
3 and when collected shall be paid by the county
4 collector to the respective affected taxing districts
5 in the manner required by law in the absence of the
6 adoption of tax increment allocation financing.

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

23 The municipality may pledge in the ordinance the funds
24 in and to be deposited in the special tax allocation fund
25 for the payment of such costs and obligations. No part of
26 the current equalized assessed valuation of each property

1 in the redevelopment project area attributable to any
2 increase above the total initial equalized assessed value,
3 or the total initial equalized assessed value as adjusted,
4 of such properties shall be used in calculating the general
5 State ~~school~~ aid formula, provided for in Section 18-8 of
6 the School Code, until such time as all redevelopment
7 project costs have been paid as provided for in this
8 Section.

9 Whenever a municipality issues bonds for the purpose of
10 financing redevelopment project costs, such municipality
11 may provide by ordinance for the appointment of a trustee,
12 which may be any trust company within the State, and for
13 the establishment of such funds or accounts to be
14 maintained by such trustee as the municipality shall deem
15 necessary to provide for the security and payment of the
16 bonds. If such municipality provides for the appointment of
17 a trustee, such trustee shall be considered the assignee of
18 any payments assigned by the municipality pursuant to such
19 ordinance and this Section. Any amounts paid to such
20 trustee as assignee shall be deposited in the funds or
21 accounts established pursuant to such trust agreement, and
22 shall be held by such trustee in trust for the benefit of
23 the holders of the bonds, and such holders shall have a
24 lien on and a security interest in such funds or accounts
25 so long as the bonds remain outstanding and unpaid. Upon
26 retirement of the bonds, the trustee shall pay over any

1 excess amounts held to the municipality for deposit in the
2 special tax allocation fund.

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

23 Upon the payment of all redevelopment project costs,
24 the retirement of obligations, the distribution of any
25 excess monies pursuant to this Section, and final closing
26 of the books and records of the redevelopment project area,

1 the municipality shall adopt an ordinance dissolving the
2 special tax allocation fund for the redevelopment project
3 area and terminating the designation of the redevelopment
4 project area as a redevelopment project area. Title to real
5 or personal property and public improvements acquired by or
6 for the municipality as a result of the redevelopment
7 project and plan shall vest in the municipality when
8 acquired and shall continue to be held by the municipality
9 after the redevelopment project area has been terminated.
10 Municipalities shall notify affected taxing districts
11 prior to November 1 if the redevelopment project area is to
12 be terminated by December 31 of that same year. If a
13 municipality extends estimated dates of completion of a
14 redevelopment project and retirement of obligations to
15 finance a redevelopment project, as allowed by this
16 amendatory Act of 1993, that extension shall not extend the
17 property tax increment allocation financing authorized by
18 this Section. Thereafter the rates of the taxing districts
19 shall be extended and taxes levied, collected and
20 distributed in the manner applicable in the absence of the
21 adoption of tax increment allocation financing.

22 If a municipality with a population of 1,000,000 or
23 more has adopted by ordinance tax increment allocation
24 financing for a redevelopment project area located in a
25 transit facility improvement area established pursuant to
26 Section 11-74.4-3.3, for each year after the effective date

1 of the ordinance until redevelopment project costs and all
2 municipal obligations financing redevelopment project
3 costs have been paid, the ad valorem taxes, if any, arising
4 from the levies upon the taxable real property in that
5 redevelopment project area by taxing districts and tax
6 rates determined in the manner provided in paragraph (c) of
7 Section 11-74.4-9 shall be divided as follows:

8 (1) That portion of the taxes levied upon each
9 taxable lot, block, tract or parcel of real property
10 which is attributable to the lower of (i) the current
11 equalized assessed value or "current equalized
12 assessed value as adjusted" or (ii) the initial
13 equalized assessed value of each such taxable lot,
14 block, tract, or parcel of real property existing at
15 the time tax increment financing was adopted, minus the
16 total current homestead exemptions under Article 15 of
17 the Property Tax Code in the redevelopment project area
18 shall be allocated to and when collected shall be paid
19 by the county collector to the respective affected
20 taxing districts in the manner required by law in the
21 absence of the adoption of tax increment allocation
22 financing.

23 (2) That portion, if any, of such taxes which is
24 attributable to the increase in the current equalized
25 assessed valuation of each taxable lot, block, tract,
26 or parcel of real property in the redevelopment project

1 area, over and above the initial equalized assessed
2 value of each property existing at the time tax
3 increment financing was adopted, minus the total
4 current homestead exemptions pertaining to each piece
5 of property provided by Article 15 of the Property Tax
6 Code in the redevelopment project area, shall be
7 allocated to and when collected shall be paid by the
8 county collector as follows:

9 (A) First, that portion which would be payable
10 to a school district whose boundaries are
11 coterminous with such municipality in the absence
12 of the adoption of tax increment allocation
13 financing, shall be paid to such school district in
14 the manner required by law in the absence of the
15 adoption of tax increment allocation financing;
16 then

17 (B) 80% of the remaining portion shall be paid
18 to the municipal Treasurer, who shall deposit said
19 taxes into a special fund called the special tax
20 allocation fund of the municipality for the
21 purpose of paying redevelopment project costs and
22 obligations incurred in the payment thereof; and
23 then

24 (C) 20% of the remaining portion shall be paid
25 to the respective affected taxing districts, other
26 than the school district described in clause (a)

1 above, in the manner required by law in the absence
2 of the adoption of tax increment allocation
3 financing.

4 Nothing in this Section shall be construed as relieving
5 property in such redevelopment project areas from being
6 assessed as provided in the Property Tax Code or as relieving
7 owners of such property from paying a uniform rate of taxes, as
8 required by Section 4 of Article IX of the Illinois
9 Constitution.

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

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

12 Sec. 11-74.6-35. Ordinance for tax increment allocation
13 financing.

14 (a) A municipality, at the time a redevelopment project
15 area is designated, may adopt tax increment allocation
16 financing by passing an ordinance providing that the ad valorem
17 taxes, if any, arising from the levies upon taxable real
18 property within the redevelopment project area by taxing
19 districts and tax rates determined in the manner provided in
20 subsection (b) of Section 11-74.6-40 each year after the
21 effective date of the ordinance until redevelopment project
22 costs and all municipal obligations financing redevelopment
23 project costs incurred under this Act have been paid shall be
24 divided as follows:

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

1 lot, block, tract or parcel of real property that is
2 attributable to the lower of the current equalized assessed
3 value or the initial equalized assessed value or the
4 updated initial equalized assessed value of each taxable
5 lot, block, tract or parcel of real property in the
6 redevelopment project area shall be allocated to and when
7 collected shall be paid by the county collector to the
8 respective affected taxing districts in the manner
9 required by law without regard to the adoption of tax
10 increment allocation financing.

11 (2) That portion, if any, of those taxes that is
12 attributable to the increase in the current equalized
13 assessed value of each taxable lot, block, tract or parcel
14 of real property in the redevelopment project area, over
15 and above the initial equalized assessed value or the
16 updated initial equalized assessed value of each property
17 in the project area, shall be allocated to and when
18 collected shall be paid by the county collector to the
19 municipal treasurer who shall deposit that portion of those
20 taxes into a special fund called the special tax allocation
21 fund of the municipality for the purpose of paying
22 redevelopment project costs and obligations incurred in
23 the payment of those costs and obligations. In any county
24 with a population of 3,000,000 or more that has adopted a
25 procedure for collecting taxes that provides for one or
26 more of the installments of the taxes to be billed and

1 collected on an estimated basis, the municipal treasurer
2 shall be paid for deposit in the special tax allocation
3 fund of the municipality, from the taxes collected from
4 estimated bills issued for property in the redevelopment
5 project area, the difference between the amount actually
6 collected from each taxable lot, block, tract, or parcel of
7 real property within the redevelopment project area and an
8 amount determined by multiplying the rate at which taxes
9 were last extended against the taxable lot, block, track,
10 or parcel of real property in the manner provided in
11 subsection (b) of Section 11-74.6-40 by the initial
12 equalized assessed value or the updated initial equalized
13 assessed value of the property divided by the number of
14 installments in which real estate taxes are billed and
15 collected within the county, provided that the payments on
16 or before December 31, 1999 to a municipal treasurer shall
17 be made only if each of the following conditions are met:

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

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

26 (C) The municipal clerk has certified to the county

1 clerk that the municipality has issued its obligations
2 to which there has been pledged the incremental
3 property taxes of the redevelopment project area or
4 taxes levied and collected on any or all property in
5 the municipality or the full faith and credit of the
6 municipality to pay or secure payment for all or a
7 portion of the redevelopment project costs. The
8 certification shall be filed annually no later than
9 September 1 for the estimated taxes to be distributed
10 in the following year.

11 The conditions of paragraphs (A) through (C) do not apply
12 after December 31, 1999 to payments to a municipal treasurer
13 made by a county with 3,000,000 or more inhabitants that has
14 adopted an estimated billing procedure for collecting taxes. If
15 a county that has adopted the estimated billing procedure makes
16 an erroneous overpayment of tax revenue to the municipal
17 treasurer, then the county may seek a refund of that
18 overpayment. The county shall send the municipal treasurer a
19 notice of liability for the overpayment on or before the
20 mailing date of the next real estate tax bill within the
21 county. The refund shall be limited to the amount of the
22 overpayment.

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

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

17 (1) That portion of the taxes levied upon each taxable
18 lot, block, tract or parcel of real property that is
19 attributable to the lower of the current equalized assessed
20 value or the initial equalized assessed value, or the
21 updated initial equalized assessed value of each parcel if
22 the updated initial equalized assessed value of that parcel
23 has been certified in accordance with Section 11-74.6-40,
24 whichever has been most recently certified, of each taxable
25 lot, block, tract, or parcel of real property existing at
26 the time tax increment allocation financing was adopted in

1 the redevelopment project area, shall be allocated to and
2 when collected shall be paid by the county collector to the
3 respective affected taxing districts in the manner
4 required by law without regard to the adoption of tax
5 increment allocation financing.

6 (2) That portion, if any, of those taxes that is
7 attributable to the increase in the current equalized
8 assessed value of each taxable lot, block, tract, or parcel
9 of real property in the redevelopment project area, over
10 and above the initial equalized assessed value of each
11 property existing at the time tax increment allocation
12 financing was adopted in the redevelopment project area, or
13 the updated initial equalized assessed value of each parcel
14 if the updated initial equalized assessed value of that
15 parcel has been certified in accordance with Section
16 11-74.6-40, shall be allocated to and when collected shall
17 be paid to the municipal treasurer, who shall deposit those
18 taxes into a special fund called the special tax allocation
19 fund of the municipality for the purpose of paying
20 redevelopment project costs and obligations incurred in
21 the payment thereof.

22 (d) The municipality may pledge in the ordinance the funds
23 in and to be deposited in the special tax allocation fund for
24 the payment of redevelopment project costs and obligations. No
25 part of the current equalized assessed value of each property
26 in the redevelopment project area attributable to any increase

1 above the total initial equalized assessed value or the total
2 initial updated equalized assessed value of the property, shall
3 be used in calculating the general ~~General~~ State aid formula
4 ~~School Aid Formula~~, provided for in Section 18-8 of the School
5 Code, until all redevelopment project costs have been paid as
6 provided for in this Section.

7 Whenever a municipality issues bonds for the purpose of
8 financing redevelopment project costs, that municipality may
9 provide by ordinance for the appointment of a trustee, which
10 may be any trust company within the State, and for the
11 establishment of any funds or accounts to be maintained by that
12 trustee, as the municipality deems necessary to provide for the
13 security and payment of the bonds. If the municipality provides
14 for the appointment of a trustee, the trustee shall be
15 considered the assignee of any payments assigned by the
16 municipality under that ordinance and this Section. Any amounts
17 paid to the trustee as assignee shall be deposited into the
18 funds or accounts established under the trust agreement, and
19 shall be held by the trustee in trust for the benefit of the
20 holders of the bonds. The holders of those bonds shall have a
21 lien on and a security interest in those funds or accounts
22 while the bonds remain outstanding and unpaid. Upon retirement
23 of the bonds, the trustee shall pay over any excess amounts
24 held to the municipality for deposit in the special tax
25 allocation fund.

26 When the redevelopment projects costs, including without

1 limitation all municipal obligations financing redevelopment
2 project costs incurred under this Law, have been paid, all
3 surplus funds then remaining in the special tax allocation fund
4 shall be distributed by being paid by the municipal treasurer
5 to the municipality and the county collector; first to the
6 municipality in direct proportion to the tax incremental
7 revenue received from the municipality, but not to exceed the
8 total incremental revenue received from the municipality,
9 minus any annual surplus distribution of incremental revenue
10 previously made. Any remaining funds shall be paid to the
11 county collector who shall immediately distribute that payment
12 to the taxing districts in the redevelopment project area in
13 the same manner and proportion as the most recent distribution
14 by the county collector to the affected districts of real
15 property taxes from real property situated in the redevelopment
16 project area.

17 Upon the payment of all redevelopment project costs,
18 retirement of obligations and the distribution of any excess
19 moneys under this Section, the municipality shall adopt an
20 ordinance dissolving the special tax allocation fund for the
21 redevelopment project area and terminating the designation of
22 the redevelopment project area as a redevelopment project area.
23 Thereafter the tax levies of taxing districts shall be
24 extended, collected and distributed in the same manner
25 applicable before the adoption of tax increment allocation
26 financing. Municipality shall notify affected taxing districts

1 prior to November if the redevelopment project area is to be
2 terminated by December 31 of that same year.

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

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

9 Section 40. The Economic Development Project Area Tax
10 Increment Allocation Act of 1995 is amended by changing Section
11 50 as follows:

12 (65 ILCS 110/50)

13 Sec. 50. Special tax allocation fund.

14 (a) If a county clerk has certified the "total initial
15 equalized assessed value" of the taxable real property within
16 an economic development project area in the manner provided in
17 Section 45, each year after the date of the certification by
18 the county clerk of the "total initial equalized assessed
19 value", until economic development project costs and all
20 municipal obligations financing economic development project
21 costs have been paid, the ad valorem taxes, if any, arising
22 from the levies upon the taxable real property in the economic
23 development project area by taxing districts and tax rates
24 determined in the manner provided in subsection (b) of Section

1 45 shall be divided as follows:

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

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

24 (b) The municipality, by an ordinance adopting tax
25 increment allocation financing, may pledge the monies in and to
26 be deposited into the special tax allocation fund for the

1 payment of obligations issued under this Act and for the
2 payment of economic development project costs. No part of the
3 current equalized assessed valuation of each property in the
4 economic development project area attributable to any increase
5 above the total initial equalized assessed value of those
6 properties shall be used in calculating the general State
7 ~~school~~ aid formula under Section 18-8 of the School Code until
8 all economic development projects costs have been paid as
9 provided for in this Section.

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

22 (d) Upon the payment of all economic development project
23 costs, retirement of obligations, and distribution of any
24 excess monies under this Section and not later than 23 years
25 from the date of the adoption of the ordinance establishing the
26 economic development project area, the municipality shall

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

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

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

15 Section 45. The School Code is amended by changing Sections
16 1A-8, 1B-5, 1B-6, 1B-7, 1B-8, 1C-1, 1C-2, 1D-1, 1E-20, 1F-20,
17 1F-62, 1H-20, 1H-70, 2-3.33, 2-3.51.5, 2-3.66, 2-3.66b,
18 2-3.84, 2-3.109a, 3-14.21, 7-14A, 10-17a, 10-19, 10-22.5a,
19 10-22.20, 10-29, 11E-135, 13A-8, 13B-20.20, 13B-45, 13B-50,
20 13B-50.10, 13B-50.15, 14-7.02b, 14-13.01, 14C-1, 14C-12, 17-1,
21 17-1.2, 17-1.5, 17-2.11, 17-2A, 18-4.3, 18-8.05, 18-8.10,
22 18-9, 18-12, 26-16, 27-8.1, 27A-9, 27A-11, 29-5, 34-2.3, 34-18,
23 34-18.30, and 34-43.1 and by adding Sections 2-3.170, 17-3.6,
24 and 18-8.15 as follows:

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

2 Sec. 1A-8. Powers of the Board in Assisting Districts
3 Deemed in Financial Difficulties. To promote the financial
4 integrity of school districts, the State Board of Education
5 shall be provided the necessary powers to promote sound
6 financial management and continue operation of the public
7 schools.

8 (a) The State Superintendent of Education may require a
9 school district, including any district subject to Article 34A
10 of this Code, to share financial information relevant to a
11 proper investigation of the district's financial condition and
12 the delivery of appropriate State financial, technical, and
13 consulting services to the district if the district (i) has
14 been designated, through the State Board of Education's School
15 District Financial Profile System, as on financial warning or
16 financial watch status, (ii) has failed to file an annual
17 financial report, annual budget, deficit reduction plan, or
18 other financial information as required by law, (iii) has been
19 identified, through the district's annual audit or other
20 financial and management information, as in serious financial
21 difficulty in the current or next school year, or (iv) is
22 determined to be likely to fail to fully meet any regularly
23 scheduled, payroll-period obligations when due or any debt
24 service payments when due or both. In addition to financial,
25 technical, and consulting services provided by the State Board
26 of Education, at the request of a school district, the State

1 Superintendent may provide for an independent financial
2 consultant to assist the district review its financial
3 condition and options.

4 (b) The State Board of Education, after proper
5 investigation of a district's financial condition, may certify
6 that a district, including any district subject to Article 34A,
7 is in financial difficulty when any of the following conditions
8 occur:

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

12 (2) The district has issued tax anticipation warrants
13 or tax anticipation notes in anticipation of a second
14 year's taxes when warrants or notes in anticipation of
15 current year taxes are still outstanding, as authorized by
16 Sections 17-16, 34-23, 34-59 and 34-63 of this Code, or has
17 issued short-term debt against 2 future revenue sources,
18 such as, but not limited to, tax anticipation warrants and
19 general State aid or evidence-based funding ~~Aid~~
20 certificates or tax anticipation warrants and revenue
21 anticipation notes.

22 (3) The district has for 2 consecutive years shown an
23 excess of expenditures and other financing uses over
24 revenues and other financing sources and beginning fund
25 balances on its annual financial report for the aggregate
26 totals of the Educational, Operations and Maintenance,

1 Transportation, and Working Cash Funds.

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

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

8 No school district shall be certified by the State Board of
9 Education to be in financial difficulty solely by reason of any
10 of the above circumstances arising as a result of (i) the
11 failure of the county to make any distribution of property tax
12 money due the district at the time such distribution is due or
13 (ii) the failure of this State to make timely payments of
14 general State aid, evidence-based funding, or any of the
15 mandated categoricals; or if the district clearly demonstrates
16 to the satisfaction of the State Board of Education at the time
17 of its determination that such condition no longer exists. If
18 the State Board of Education certifies that a district in a
19 city with 500,000 inhabitants or more is in financial
20 difficulty, the State Board shall so notify the Governor and
21 the Mayor of the city in which the district is located. The
22 State Board of Education may require school districts certified
23 in financial difficulty, except those districts subject to
24 Article 34A, to develop, adopt and submit a financial plan
25 within 45 days after certification of financial difficulty. The
26 financial plan shall be developed according to guidelines

1 presented to the district by the State Board of Education
2 within 14 days of certification. Such guidelines shall address
3 the specific nature of each district's financial difficulties.
4 Any proposed budget of the district shall be consistent with
5 the financial plan submitted to and approved by the State Board
6 of Education.

7 A district certified to be in financial difficulty, other
8 than a district subject to Article 34A, shall report to the
9 State Board of Education at such times and in such manner as
10 the State Board may direct, concerning the district's
11 compliance with each financial plan. The State Board may review
12 the district's operations, obtain budgetary data and financial
13 statements, require the district to produce reports, and have
14 access to any other information in the possession of the
15 district that it deems relevant. The State Board may issue
16 recommendations or directives within its powers to the district
17 to assist in compliance with the financial plan. The district
18 shall produce such budgetary data, financial statements,
19 reports and other information and comply with such directives.
20 If the State Board of Education determines that a district has
21 failed to comply with its financial plan, the State Board of
22 Education may rescind approval of the plan and appoint a
23 Financial Oversight Panel for the district as provided in
24 Section 1B-4. This action shall be taken only after the
25 district has been given notice and an opportunity to appear
26 before the State Board of Education to discuss its failure to

1 comply with its financial plan.

2 No bonds, notes, teachers orders, tax anticipation
3 warrants or other evidences of indebtedness shall be issued or
4 sold by a school district or be legally binding upon or
5 enforceable against a local board of education of a district
6 certified to be in financial difficulty unless and until the
7 financial plan required under this Section has been approved by
8 the State Board of Education.

9 Any financial profile compiled and distributed by the State
10 Board of Education in Fiscal Year 2009 or any fiscal year
11 thereafter shall incorporate such adjustments as may be needed
12 in the profile scores to reflect the financial effects of the
13 inability or refusal of the State of Illinois to make timely
14 disbursements of any general State aid, evidence-based
15 funding, or mandated categorical aid payments due school
16 districts or to fully reimburse school districts for mandated
17 categorical programs pursuant to reimbursement formulas
18 provided in this School Code.

19 (Source: P.A. 96-668, eff. 8-25-09; 96-1423, eff. 8-3-10;
20 97-429, eff. 8-16-11.)

21 (105 ILCS 5/1B-5) (from Ch. 122, par. 1B-5)

22 Sec. 1B-5. When a petition for emergency financial
23 assistance for a school district is allowed by the State Board
24 under Section 1B-4, the State Superintendent shall within 10
25 days thereafter appoint 3 members to serve at the State

1 Superintendent's pleasure on a Financial Oversight Panel for
2 the district. The State Superintendent shall designate one of
3 the members of the Panel to serve as its Chairman. In the event
4 of vacancy or resignation the State Superintendent shall
5 appoint a successor within 10 days of receiving notice thereof.

6 Members of the Panel shall be selected primarily on the
7 basis of their experience and education in financial
8 management, with consideration given to persons knowledgeable
9 in education finance. A member of the Panel may not be a board
10 member or employee of the district for which the Panel is
11 constituted, nor may a member have a direct financial interest
12 in that district.

13 Panel members shall serve without compensation, but may be
14 reimbursed for travel and other necessary expenses incurred in
15 the performance of their official duties by the State Board.
16 The amount reimbursed Panel members for their expenses shall be
17 charged to the school district as part of any emergency
18 financial assistance and incorporated as a part of the terms
19 and conditions for repayment of such assistance or shall be
20 deducted from the district's general State aid or
21 evidence-based funding as provided in Section 1B-8.

22 The first meeting of the Panel shall be held at the call of
23 the Chairman. The Panel may elect such other officers as it
24 deems appropriate. The Panel shall prescribe the times and
25 places for its meetings and the manner in which regular and
26 special meetings may be called, and shall comply with the Open

1 Meetings Act.

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

5 The Panel and the State Superintendent shall cooperate with
6 each other in the exercise of their respective powers. The
7 Panel shall report not later than September 1 annually to the
8 State Board and the State Superintendent with respect to its
9 activities and the condition of the school district for the
10 previous fiscal year.

11 Any Financial Oversight Panel established under this
12 Article shall remain in existence for not less than 3 years nor
13 more than 10 years from the date the State Board grants the
14 petition under Section 1B-4. If after 3 years the school
15 district has repaid all of its obligations resulting from
16 emergency State financial assistance provided under this
17 Article and has improved its financial situation, the board of
18 education may, not more frequently than once in any 12 month
19 period, petition the State Board to dissolve the Financial
20 Oversight Panel, terminate the oversight responsibility, and
21 remove the district's certification under Section 1A-8 as a
22 district in financial difficulty. In acting on such a petition
23 the State Board shall give additional weight to the
24 recommendations of the State Superintendent and the Financial
25 Oversight Panel.

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

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

2 Sec. 1B-6. General powers. The purpose of the Financial
3 Oversight Panel shall be to exercise financial control over the
4 board of education, and, when approved by the State Board and
5 the State Superintendent of Education, to furnish financial
6 assistance so that the board can provide public education
7 within the board's jurisdiction while permitting the board to
8 meet its obligations to its creditors and the holders of its
9 notes and bonds. Except as expressly limited by this Article,
10 the Panel shall have all powers necessary to meet its
11 responsibilities and to carry out its purposes and the purposes
12 of this Article, including, but not limited to, the following
13 powers:

14 (a) to sue and be sued;

15 (b) to provide for its organization and internal
16 management;

17 (c) to appoint a Financial Administrator to serve as the
18 chief executive officer of the Panel. The Financial
19 Administrator may be an individual, partnership, corporation,
20 including an accounting firm, or other entity determined by the
21 Panel to be qualified to serve; and to appoint other officers,
22 agents, and employees of the Panel, define their duties and
23 qualifications and fix their compensation and employee
24 benefits;

25 (d) to approve the local board of education appointments to

1 the positions of treasurer in a Class I county school unit and
2 in each school district which forms a part of a Class II county
3 school unit but which no longer is subject to the jurisdiction
4 and authority of a township treasurer or trustees of schools of
5 a township because the district has withdrawn from the
6 jurisdiction and authority of the township treasurer and the
7 trustees of schools of the township or because those offices
8 have been abolished as provided in subsection (b) or (c) of
9 Section 5-1, and chief school business official, if such
10 official is not the superintendent of the district. Either the
11 board or the Panel may remove such treasurer or chief school
12 business official;

13 (e) to approve any and all bonds, notes, teachers orders,
14 tax anticipation warrants, and other evidences of indebtedness
15 prior to issuance or sale by the school district; and
16 notwithstanding any other provision of The School Code, as now
17 or hereafter amended, no bonds, notes, teachers orders, tax
18 anticipation warrants or other evidences of indebtedness shall
19 be issued or sold by the school district or be legally binding
20 upon or enforceable against the local board of education unless
21 and until the approval of the Panel has been received;

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

25 (g) to require and approve a school district financial
26 plan;

1 (h) to approve and require revisions of the school district
2 budget;

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

5 (j) to authorize emergency State financial assistance,
6 including requirements regarding the terms and conditions of
7 repayment of such assistance, and to require the board of
8 education to levy a separate local property tax, subject to the
9 limitations of Section 1B-8, sufficient to repay such
10 assistance consistent with the terms and conditions of
11 repayment and the district's approved financial plan and
12 budget;

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

16 (l) to recommend dissolution or reorganization of the
17 school district to the General Assembly if in the Panel's
18 judgment the circumstances so require;

19 (m) to direct a phased reduction in the oversight
20 responsibilities of the Financial Administrator and of the
21 Panel as the circumstances permit;

22 (n) to determine the amount of emergency State financial
23 assistance to be made available to the school district, and to
24 establish an operating budget for the Panel to be supported by
25 funds available from such assistance, with the assistance and
26 the budget required to be approved by the State Superintendent;

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

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

6 (q) to contract for and to accept any gifts, grants or
7 loans of funds or property or financial or other aid in any
8 form from the federal government, State government, unit of
9 local government, school district or any agency or
10 instrumentality thereof, or from any other private or public
11 source, and to comply with the terms and conditions thereof;

12 (r) to pay the expenses of its operations based on the
13 Panel's budget as approved by the State Superintendent from
14 emergency financial assistance funds available to the district
15 or from deductions from the district's general State aid or
16 evidence-based funding;

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

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

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

23 (105 ILCS 5/1B-7) (from Ch. 122, par. 1B-7)

24 Sec. 1B-7. Financial Administrator; Powers and Duties. The
25 Financial Administrator appointed by the Financial Oversight

1 Panel shall serve as the Panel's chief executive officer. The
2 Financial Administrator shall exercise the powers and duties
3 required by the Panel, including but not limited to the
4 following:

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

8 (b) to direct the local board to reorganize its financial
9 accounts, budgetary systems, and internal accounting and
10 financial controls, in whatever manner the Panel deems
11 appropriate to achieve greater financial responsibility and to
12 reduce financial inefficiency, and to provide technical
13 assistance to aid the district in accomplishing the
14 reorganization;

15 (c) to make recommendations to the Financial Oversight
16 Panel concerning the school district's financial plan and
17 budget, and all other matters within the scope of the Panel's
18 authority;

19 (d) to prepare and recommend to the Panel a proposal for
20 emergency State financial assistance for the district,
21 including recommended terms and conditions of repayment, and an
22 operations budget for the Panel to be funded from the emergency
23 assistance or from deductions from the district's general State
24 aid or evidence-based funding;

25 (e) to require the local board to prepare and submit
26 preliminary staffing and budgetary analyses annually prior to

1 February 1 in such manner and form as the Financial
2 Administrator shall prescribe; and

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

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

7 (105 ILCS 5/1B-8) (from Ch. 122, par. 1B-8)

8 Sec. 1B-8. There is created in the State Treasury a special
9 fund to be known as the School District Emergency Financial
10 Assistance Fund (the "Fund"). The School District Emergency
11 Financial Assistance Fund shall consist of appropriations,
12 loan repayments, grants from the federal government, and
13 donations from any public or private source. Moneys in the Fund
14 may be appropriated only to the Illinois Finance Authority and
15 the State Board for those purposes authorized under this
16 Article and Articles 1F and 1H of this Code. The appropriation
17 may be allocated and expended by the State Board for
18 contractual services to provide technical assistance or
19 consultation to school districts to assess their financial
20 condition and to Financial Oversight Panels that petition for
21 emergency financial assistance grants. The Illinois Finance
22 Authority may provide loans to school districts which are the
23 subject of an approved petition for emergency financial
24 assistance under Section 1B-4, 1F-62, or 1H-65 of this Code.
25 Neither the State Board of Education nor the Illinois Finance

1 Authority may collect any fees for providing these services.

2 From the amount allocated to each such school district
3 under this Article the State Board shall identify a sum
4 sufficient to cover all approved costs of the Financial
5 Oversight Panel established for the respective school
6 district. If the State Board and State Superintendent of
7 Education have not approved emergency financial assistance in
8 conjunction with the appointment of a Financial Oversight
9 Panel, the Panel's approved costs shall be paid from deductions
10 from the district's general State aid or evidence-based
11 funding.

12 The Financial Oversight Panel may prepare and file with the
13 State Superintendent a proposal for emergency financial
14 assistance for the school district and for its operations
15 budget. No expenditures from the Fund shall be authorized by
16 the State Superintendent until he or she has approved the
17 request of the Panel, either as submitted or in such lesser
18 amount determined by the State Superintendent.

19 The maximum amount of an emergency financial assistance
20 loan which may be allocated to any school district under this
21 Article, including moneys necessary for the operations of the
22 Panel, shall not exceed \$4,000 times the number of pupils
23 enrolled in the school district during the school year ending
24 June 30 prior to the date of approval by the State Board of the
25 petition for emergency financial assistance, as certified to
26 the local board and the Panel by the State Superintendent. An

1 emergency financial assistance grant shall not exceed \$1,000
2 times the number of such pupils. A district may receive both a
3 loan and a grant.

4 The payment of an emergency State financial assistance
5 grant or loan shall be subject to appropriation by the General
6 Assembly. Payment of the emergency State financial assistance
7 loan is subject to the applicable provisions of the Illinois
8 Finance Authority Act. Emergency State financial assistance
9 allocated and paid to a school district under this Article may
10 be applied to any fund or funds from which the local board of
11 education of that district is authorized to make expenditures
12 by law.

13 Any emergency financial assistance grant proposed by the
14 Financial Oversight Panel and approved by the State
15 Superintendent may be paid in its entirety during the initial
16 year of the Panel's existence or spread in equal or declining
17 amounts over a period of years not to exceed the period of the
18 Panel's existence. An emergency financial assistance loan
19 proposed by the Financial Oversight Panel and approved by the
20 Illinois Finance Authority may be paid in its entirety during
21 the initial year of the Panel's existence or spread in equal or
22 declining amounts over a period of years not to exceed the
23 period of the Panel's existence. All loans made by the Illinois
24 Finance Authority for a school district shall be required to be
25 repaid, with simple interest over the term of the loan at a
26 rate equal to 50% of the one-year Constant Maturity Treasury

1 (CMT) yield as last published by the Board of Governors of the
2 Federal Reserve System before the date on which the district's
3 loan is approved by the Illinois Finance Authority, not later
4 than the date the Financial Oversight Panel ceases to exist.
5 The Panel shall establish and the Illinois Finance Authority
6 shall approve the terms and conditions, including the schedule,
7 of repayments. The schedule shall provide for repayments
8 commencing July 1 of each year or upon each fiscal year's
9 receipt of moneys from a tax levy for emergency financial
10 assistance. Repayment shall be incorporated into the annual
11 budget of the school district and may be made from any fund or
12 funds of the district in which there are moneys available. An
13 emergency financial assistance loan to the Panel or district
14 shall not be considered part of the calculation of a district's
15 debt for purposes of the limitation specified in Section 19-1
16 of this Code. Default on repayment is subject to the Illinois
17 Grant Funds Recovery Act. When moneys are repaid as provided
18 herein they shall not be made available to the local board for
19 further use as emergency financial assistance under this
20 Article at any time thereafter. All repayments required to be
21 made by a school district shall be received by the State Board
22 and deposited in the School District Emergency Financial
23 Assistance Fund.

24 In establishing the terms and conditions for the repayment
25 obligation of the school district the Panel shall annually
26 determine whether a separate local property tax levy is

1 required. The board of any school district with a tax rate for
2 educational purposes for the prior year of less than 120% of
3 the maximum rate for educational purposes authorized by Section
4 17-2 shall provide for a separate tax levy for emergency
5 financial assistance repayment purposes. Such tax levy shall
6 not be subject to referendum approval. The amount of the levy
7 shall be equal to the amount necessary to meet the annual
8 repayment obligations of the district as established by the
9 Panel, or 20% of the amount levied for educational purposes for
10 the prior year, whichever is less. However, no district shall
11 be required to levy the tax if the district's operating tax
12 rate as determined under Section 18-8, ~~or 18-8.05,~~ or 18-8.15
13 exceeds 200% of the district's tax rate for educational
14 purposes for the prior year.

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

16 (105 ILCS 5/1C-1)

17 Sec. 1C-1. Purpose. The purpose of this Article is to
18 permit greater flexibility and efficiency in the distribution
19 and use of certain State funds available to local education
20 agencies for the improvement of the quality of educational
21 services pursuant to locally established priorities.

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

25 (Source: P.A. 88-555, eff. 7-27-94; 89-15, eff. 5-30-95;

1 89-397, eff. 8-20-95; 89-626, eff. 8-9-96.)

2 (105 ILCS 5/1C-2)

3 Sec. 1C-2. Block grants.

4 (a) For fiscal year 1999, and each fiscal year thereafter,
5 the State Board of Education shall award to school districts
6 block grants as described in subsection (c). The State Board of
7 Education may adopt rules and regulations necessary to
8 implement this Section. In accordance with Section 2-3.32, all
9 state block grants are subject to an audit. Therefore, block
10 grant receipts and block grant expenditures shall be recorded
11 to the appropriate fund code.

12 (b) (Blank).

13 (c) An Early Childhood Education Block Grant shall be
14 created by combining the following programs: Preschool
15 Education, Parental Training and Prevention Initiative. These
16 funds shall be distributed to school districts and other
17 entities on a competitive basis, except that the State Board of
18 Education shall award to a school district having a population
19 exceeding 500,000 inhabitants 37% of the funds in each fiscal
20 year. Not less than 14% of the Early Childhood Education Block
21 Grant allocation of funds shall be used to fund programs for
22 children ages 0-3. Beginning in Fiscal Year 2016, at least 25%
23 of any additional Early Childhood Education Block Grant funding
24 over and above the previous fiscal year's allocation shall be
25 used to fund programs for children ages 0-3. Once the

1 percentage of Early Childhood Education Block Grant funding
2 allocated to programs for children ages 0-3 reaches 20% of the
3 overall Early Childhood Education Block Grant allocation for a
4 full fiscal year, thereafter in subsequent fiscal years the
5 percentage of Early Childhood Education Block Grant funding
6 allocated to programs for children ages 0-3 each fiscal year
7 shall remain at least 20% of the overall Early Childhood
8 Education Block Grant allocation. However, if, in a given
9 fiscal year, the amount appropriated for the Early Childhood
10 Education Block Grant is insufficient to increase the
11 percentage of the grant to fund programs for children ages 0-3
12 without reducing the amount of the grant for existing providers
13 of preschool education programs, then the percentage of the
14 grant to fund programs for children ages 0-3 may be held steady
15 instead of increased.

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

17 (105 ILCS 5/1D-1)

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

19 (a) For fiscal year 1996 through fiscal year 2017 ~~and each~~
20 ~~fiscal year thereafter~~, the State Board of Education shall
21 award to a school district having a population exceeding
22 500,000 inhabitants a general education block grant and an
23 educational services block grant, determined as provided in
24 this Section, in lieu of distributing to the district separate
25 State funding for the programs described in subsections (b) and

1 (c). The provisions of this Section, however, do not apply to
2 any federal funds that the district is entitled to receive. In
3 accordance with Section 2-3.32, all block grants are subject to
4 an audit. Therefore, block grant receipts and block grant
5 expenditures shall be recorded to the appropriate fund code for
6 the designated block grant.

7 (b) The general education block grant shall include the
8 following programs: REI Initiative, Summer Bridges, Preschool
9 At Risk, K-6 Comprehensive Arts, School Improvement Support,
10 Urban Education, Scientific Literacy, Substance Abuse
11 Prevention, Second Language Planning, Staff Development,
12 Outcomes and Assessment, K-6 Reading Improvement, 7-12
13 Continued Reading Improvement, Truants' Optional Education,
14 Hispanic Programs, Agriculture Education, Parental Education,
15 Prevention Initiative, Report Cards, and Criminal Background
16 Investigations. Notwithstanding any other provision of law,
17 all amounts paid under the general education block grant from
18 State appropriations to a school district in a city having a
19 population exceeding 500,000 inhabitants shall be appropriated
20 and expended by the board of that district for any of the
21 programs included in the block grant or any of the board's
22 lawful purposes.

23 (c) The educational services block grant shall include the
24 following programs: Regular and Vocational Transportation,
25 State Lunch and Free Breakfast Program, Special Education
26 (Personnel, Transportation, Orphanage, Private Tuition),

1 funding for children requiring special education services,
2 Summer School, Educational Service Centers, and
3 Administrator's Academy. This subsection (c) does not relieve
4 the district of its obligation to provide the services required
5 under a program that is included within the educational
6 services block grant. It is the intention of the General
7 Assembly in enacting the provisions of this subsection (c) to
8 relieve the district of the administrative burdens that impede
9 efficiency and accompany single-program funding. The General
10 Assembly encourages the board to pursue mandate waivers
11 pursuant to Section 2-3.25g.

12 The funding program included in the educational services
13 block grant for funding for children requiring special
14 education services in each fiscal year shall be treated in that
15 fiscal year as a payment to the school district in respect of
16 services provided or costs incurred in the prior fiscal year,
17 calculated in each case as provided in this Section. Nothing in
18 this Section shall change the nature of payments for any
19 program that, apart from this Section, would be or, prior to
20 adoption or amendment of this Section, was on the basis of a
21 payment in a fiscal year in respect of services provided or
22 costs incurred in the prior fiscal year, calculated in each
23 case as provided in this Section.

24 (d) For fiscal year 1996 through fiscal year 2017 ~~and each~~
25 ~~fiscal year thereafter~~, the amount of the district's block
26 grants shall be determined as follows: (i) with respect to each

1 program that is included within each block grant, the district
2 shall receive an amount equal to the same percentage of the
3 current fiscal year appropriation made for that program as the
4 percentage of the appropriation received by the district from
5 the 1995 fiscal year appropriation made for that program, and
6 (ii) the total amount that is due the district under the block
7 grant shall be the aggregate of the amounts that the district
8 is entitled to receive for the fiscal year with respect to each
9 program that is included within the block grant that the State
10 Board of Education shall award the district under this Section
11 for that fiscal year. In the case of the Summer Bridges
12 program, the amount of the district's block grant shall be
13 equal to 44% of the amount of the current fiscal year
14 appropriation made for that program.

15 (e) The district is not required to file any application or
16 other claim in order to receive the block grants to which it is
17 entitled under this Section. The State Board of Education shall
18 make payments to the district of amounts due under the
19 district's block grants on a schedule determined by the State
20 Board of Education.

21 (f) A school district to which this Section applies shall
22 report to the State Board of Education on its use of the block
23 grants in such form and detail as the State Board of Education
24 may specify. In addition, the report must include the following
25 description for the district, which must also be reported to
26 the General Assembly: block grant allocation and expenditures

1 by program; population and service levels by program; and
2 administrative expenditures by program. The State Board of
3 Education shall ensure that the reporting requirements for the
4 district are the same as for all other school districts in this
5 State.

6 (g) Through fiscal year 2017, this ~~This~~ paragraph provides
7 for the treatment of block grants under Article 1C for purposes
8 of calculating the amount of block grants for a district under
9 this Section. Those block grants under Article 1C are, for this
10 purpose, treated as included in the amount of appropriation for
11 the various programs set forth in paragraph (b) above. The
12 appropriation in each current fiscal year for each block grant
13 under Article 1C shall be treated for these purposes as
14 appropriations for the individual program included in that
15 block grant. The proportion of each block grant so allocated to
16 each such program included in it shall be the proportion which
17 the appropriation for that program was of all appropriations
18 for such purposes now in that block grant, in fiscal 1995.

19 Payments to the school district under this Section with
20 respect to each program for which payments to school districts
21 generally, as of the date of this amendatory Act of the 92nd
22 General Assembly, are on a reimbursement basis shall continue
23 to be made to the district on a reimbursement basis, pursuant
24 to the provisions of this Code governing those programs.

25 (h) Notwithstanding any other provision of law, any school
26 district receiving a block grant under this Section may

1 classify all or a portion of the funds that it receives in a
2 particular fiscal year from any block grant authorized under
3 this Code or from general State aid pursuant to Section 18-8.05
4 of this Code (other than supplemental general State aid) as
5 funds received in connection with any funding program for which
6 it is entitled to receive funds from the State in that fiscal
7 year (including, without limitation, any funding program
8 referred to in subsection (c) of this Section), regardless of
9 the source or timing of the receipt. The district may not
10 classify more funds as funds received in connection with the
11 funding program than the district is entitled to receive in
12 that fiscal year for that program. Any classification by a
13 district must be made by a resolution of its board of
14 education. The resolution must identify the amount of any block
15 grant or general State aid to be classified under this
16 subsection (h) and must specify the funding program to which
17 the funds are to be treated as received in connection
18 therewith. This resolution is controlling as to the
19 classification of funds referenced therein. A certified copy of
20 the resolution must be sent to the State Superintendent of
21 Education. The resolution shall still take effect even though a
22 copy of the resolution has not been sent to the State
23 Superintendent of Education in a timely manner. No
24 classification under this subsection (h) by a district shall
25 affect the total amount or timing of money the district is
26 entitled to receive under this Code. No classification under

1 this subsection (h) by a district shall in any way relieve the
2 district from or affect any requirements that otherwise would
3 apply with respect to the block grant as provided in this
4 Section, including any accounting of funds by source, reporting
5 expenditures by original source and purpose, reporting
6 requirements, or requirements of provision of services.

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

9 (105 ILCS 5/1E-20)

10 (This Section scheduled to be repealed in accordance with
11 105 ILCS 5/1E-165)

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

13 (a) When a petition for a School Finance Authority is
14 allowed by the State Board under Section 1E-15 of this Code,
15 the State Superintendent shall within 10 days thereafter
16 appoint 5 members to serve on a School Finance Authority for
17 the district. Of the initial members, 2 shall be appointed to
18 serve a term of 2 years and 3 shall be appointed to serve a term
19 of 3 years. Thereafter, each member shall serve for a term of 3
20 years and until his or her successor has been appointed. The
21 State Superintendent shall designate one of the members of the
22 Authority to serve as its Chairperson. In the event of vacancy
23 or resignation, the State Superintendent shall, within 10 days
24 after receiving notice, appoint a successor to serve out that
25 member's term. The State Superintendent may remove a member for

1 incompetence, malfeasance, neglect of duty, or other just
2 cause.

3 Members of the Authority shall be selected primarily on the
4 basis of their experience and education in financial
5 management, with consideration given to persons knowledgeable
6 in education finance. Two members of the Authority shall be
7 residents of the school district that the Authority serves. A
8 member of the Authority may not be a member of the district's
9 school board or an employee of the district nor may a member
10 have a direct financial interest in the district.

11 Authority members shall serve without compensation, but
12 may be reimbursed by the State Board for travel and other
13 necessary expenses incurred in the performance of their
14 official duties. Unless paid from bonds issued under Section
15 1E-65 of this Code, the amount reimbursed members for their
16 expenses shall be charged to the school district as part of any
17 emergency financial assistance and incorporated as a part of
18 the terms and conditions for repayment of the assistance or
19 shall be deducted from the district's general State aid or
20 evidence-based funding as provided in Section 1B-8 of this
21 Code.

22 The Authority may elect such officers as it deems
23 appropriate.

24 (b) The first meeting of the Authority shall be held at the
25 call of the Chairperson. The Authority shall prescribe the
26 times and places for its meetings and the manner in which

1 regular and special meetings may be called and shall comply
2 with the Open Meetings Act.

3 Three members of the Authority shall constitute a quorum.
4 When a vote is taken upon any measure before the Authority, a
5 quorum being present, a majority of the votes of the members
6 voting on the measure shall determine the outcome.

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

8 (105 ILCS 5/1F-20)

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

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

12 (a) Upon establishment of a School Finance Authority under
13 Section 1F-15 of this Code, the State Superintendent shall
14 within 15 days thereafter appoint 5 members to serve on a
15 School Finance Authority for the district. Of the initial
16 members, 2 shall be appointed to serve a term of 2 years and 3
17 shall be appointed to serve a term of 3 years. Thereafter, each
18 member shall serve for a term of 3 years and until his or her
19 successor has been appointed. The State Superintendent shall
20 designate one of the members of the Authority to serve as its
21 Chairperson. In the event of vacancy or resignation, the State
22 Superintendent shall, within 10 days after receiving notice,
23 appoint a successor to serve out that member's term. The State
24 Superintendent may remove a member for incompetence,
25 malfeasance, neglect of duty, or other just cause.

1 Members of the Authority shall be selected primarily on the
2 basis of their experience and education in financial
3 management, with consideration given to persons knowledgeable
4 in education finance. Two members of the Authority shall be
5 residents of the school district that the Authority serves. A
6 member of the Authority may not be a member of the district's
7 school board or an employee of the district nor may a member
8 have a direct financial interest in the district.

9 Authority members shall be paid a stipend approved by the
10 State Superintendent of not more than \$100 per meeting and may
11 be reimbursed by the State Board for travel and other necessary
12 expenses incurred in the performance of their official duties.
13 Unless paid from bonds issued under Section 1F-65 of this Code,
14 the amount reimbursed members for their expenses shall be
15 charged to the school district as part of any emergency
16 financial assistance and incorporated as a part of the terms
17 and conditions for repayment of the assistance or shall be
18 deducted from the district's general State aid or
19 evidence-based funding as provided in Section 1B-8 of this
20 Code.

21 The Authority may elect such officers as it deems
22 appropriate.

23 (b) The first meeting of the Authority shall be held at the
24 call of the Chairperson. The Authority shall prescribe the
25 times and places for its meetings and the manner in which
26 regular and special meetings may be called and shall comply

1 with the Open Meetings Act.

2 Three members of the Authority shall constitute a quorum.
3 When a vote is taken upon any measure before the Authority, a
4 quorum being present, a majority of the votes of the members
5 voting on the measure shall determine the outcome.

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

7 (105 ILCS 5/1F-62)

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

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

12 (a) Moneys in the School District Emergency Financial
13 Assistance Fund established under Section 1B-8 of this Code may
14 be allocated and expended by the State Board as grants to
15 provide technical and consulting services to school districts
16 to assess their financial condition and by the Illinois Finance
17 Authority for emergency financial assistance loans to a School
18 Finance Authority that petitions for emergency financial
19 assistance. An emergency financial assistance loan to a School
20 Finance Authority or borrowing from sources other than the
21 State shall not be considered as part of the calculation of a
22 district's debt for purposes of the limitation specified in
23 Section 19-1 of this Code. From the amount allocated to each
24 School Finance Authority, the State Board shall identify a sum
25 sufficient to cover all approved costs of the School Finance

1 Authority. If the State Board and State Superintendent have not
2 approved emergency financial assistance in conjunction with
3 the appointment of a School Finance Authority, the Authority's
4 approved costs shall be paid from deductions from the
5 district's general State aid or evidence-based funding.

6 The School Finance Authority may prepare and file with the
7 State Superintendent a proposal for emergency financial
8 assistance for the school district and for its operations
9 budget. No expenditures shall be authorized by the State
10 Superintendent until he or she has approved the proposal of the
11 School Finance Authority, either as submitted or in such lesser
12 amount determined by the State Superintendent.

13 (b) The amount of an emergency financial assistance loan
14 that may be allocated to a School Finance Authority under this
15 Article, including moneys necessary for the operations of the
16 School Finance Authority, and borrowing from sources other than
17 the State shall not exceed, in the aggregate, \$4,000 times the
18 number of pupils enrolled in the district during the school
19 year ending June 30 prior to the date of approval by the State
20 Board of the petition for emergency financial assistance, as
21 certified to the school board and the School Finance Authority
22 by the State Superintendent. However, this limitation does not
23 apply to borrowing by the district secured by amounts levied by
24 the district prior to establishment of the School Finance
25 Authority. An emergency financial assistance grant shall not
26 exceed \$1,000 times the number of such pupils. A district may

1 receive both a loan and a grant.

2 (c) The payment of a State emergency financial assistance
3 grant or loan shall be subject to appropriation by the General
4 Assembly. State emergency financial assistance allocated and
5 paid to a School Finance Authority under this Article may be
6 applied to any fund or funds from which the School Finance
7 Authority is authorized to make expenditures by law.

8 (d) Any State emergency financial assistance proposed by
9 the School Finance Authority and approved by the State
10 Superintendent may be paid in its entirety during the initial
11 year of the School Finance Authority's existence or spread in
12 equal or declining amounts over a period of years not to exceed
13 the period of the School Finance Authority's existence. The
14 State Superintendent shall not approve any loan to the School
15 Finance Authority unless the School Finance Authority has been
16 unable to borrow sufficient funds to operate the district.

17 All loan payments made from the School District Emergency
18 Financial Assistance Fund to a School Finance Authority shall
19 be required to be repaid not later than the date the School
20 Finance Authority ceases to exist, with simple interest over
21 the term of the loan at a rate equal to 50% of the one-year
22 Constant Maturity Treasury (CMT) yield as last published by the
23 Board of Governors of the Federal Reserve System before the
24 date on which the School Finance Authority's loan is approved
25 by the State Board.

26 The School Finance Authority shall establish and the

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

16 In establishing the terms and conditions for the repayment
17 obligation of the School Finance Authority, the School Finance
18 Authority shall annually determine whether a separate local
19 property tax levy is required to meet that obligation. The
20 School Finance Authority shall provide for a separate tax levy
21 for emergency financial assistance repayment purposes. This
22 tax levy shall not be subject to referendum approval. The
23 amount of the levy shall not exceed the amount necessary to
24 meet the annual emergency financial repayment obligations of
25 the district, including principal and interest, as established
26 by the School Finance Authority.

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

2 (105 ILCS 5/1H-20)

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

4 (a) Upon establishment of a Financial Oversight Panel under
5 Section 1H-15 of this Code, the State Superintendent shall
6 within 15 working days thereafter appoint 5 members to serve on
7 a Financial Oversight Panel for the district. Members appointed
8 to the Panel shall serve at the pleasure of the State
9 Superintendent. The State Superintendent shall designate one
10 of the members of the Panel to serve as its Chairperson. In the
11 event of vacancy or resignation, the State Superintendent
12 shall, within 10 days after receiving notice, appoint a
13 successor to serve out that member's term.

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

22 (c) Panel members may be reimbursed by the State Board for
23 travel and other necessary expenses incurred in the performance
24 of their official duties. The amount reimbursed members for
25 their expenses shall be charged to the school district as part

1 of any emergency financial assistance and incorporated as a
2 part of the terms and conditions for repayment of the
3 assistance or shall be deducted from the district's general
4 State aid or evidence-based funding as provided in Section
5 1H-65 of this Code.

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

9 (e) The first meeting of the Panel shall be held at the
10 call of the Chairperson. The Panel shall prescribe the times
11 and places for its meetings and the manner in which regular and
12 special meetings may be called and shall comply with the Open
13 Meetings Act. The Panel shall also comply with the Freedom of
14 Information Act.

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

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

18 (105 ILCS 5/1H-70)

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

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

5 (2) issue tax anticipation notes under the provisions
6 of the Tax Anticipation Note Act against taxes levied by
7 either the school board or the Panel pursuant to Section
8 1H-25 of this Code;

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

11 (4) issue general State aid or evidence-based funding
12 anticipation certificates under the provisions of Section
13 18-18 of this Code; and

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

16 Tax anticipation warrants, tax anticipation notes, revenue
17 anticipation certificates or notes, general State aid or
18 evidence-based funding anticipation certificates, and lines of
19 credit are considered borrowing from sources other than the
20 State and are subject to Section 1H-65 of this Code.

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

22 (105 ILCS 5/2-3.33) (from Ch. 122, par. 2-3.33)

23 Sec. 2-3.33. Recomputation of claims. To recompute within
24 3 years from the final date for filing of a claim any claim for
25 general State aid reimbursement to any school district and one

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

20 Except in the case of an adverse court or administrative
21 agency decision, no recomputation of a State aid claim shall be
22 made pursuant to this Section as a result of a reduction in the
23 assessed valuation of a school district from the assessed
24 valuation of the district reported to the State Board of
25 Education by the Department of Revenue under Section 18-8.05 or
26 18-8.15 of this Code unless the requirements of Section 16-15

1 of the Property Tax Code and Section 2-3.84 of this Code are
2 complied with in all respects.

3 This paragraph applies to all requests for recomputation of
4 a general State aid or evidence-based funding claim received
5 after June 30, 2003. In recomputing a general State aid or
6 evidence-based funding claim that was originally calculated
7 using an extension limitation equalized assessed valuation
8 under paragraph (3) of subsection (G) of Section 18-8.05 of
9 this Code or Section 18-8.15 of this Code, a qualifying
10 reduction in equalized assessed valuation shall be deducted
11 from the extension limitation equalized assessed valuation
12 that was used in calculating the original claim.

13 From the total amount of general State aid or
14 evidence-based funding to be provided to districts,
15 adjustments as a result of recomputation under this Section
16 together with adjustments under Section 2-3.84 must not exceed
17 \$25 million, in the aggregate for all districts under both
18 Sections combined, of the general State aid or evidence-based
19 funding appropriation in any fiscal year; if necessary, amounts
20 shall be prorated among districts. If it is necessary to
21 prorate claims under this paragraph, then that portion of each
22 prorated claim that is approved but not paid in the current
23 fiscal year may be resubmitted as a valid claim in the
24 following fiscal year.

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

1 (105 ILCS 5/2-3.51.5)

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

8 (1) For school districts, the program shall provide funding
9 for school safety, textbooks and software, electronic
10 textbooks and the technological equipment necessary to gain
11 access to and use electronic textbooks, teacher training and
12 curriculum development, school improvements, school report
13 cards under Section 10-17a, and criminal history records checks
14 under Sections 10-21.9 and 34-18.5. For State-recognized,
15 non-public schools, the program shall provide funding for
16 secular textbooks and software, criminal history records
17 checks, and health and safety mandates to the extent that the
18 funds are expended for purely secular purposes. A school
19 district or laboratory school as defined in Section 18-8, ~~or~~
20 18-8.05, or 18-8.15 is not required to file an application in
21 order to receive the categorical funding to which it is
22 entitled under this Section. Funds for the School Safety and
23 Educational Improvement Block Grant Program shall be
24 distributed to school districts and laboratory schools based on
25 the prior year's best 3 months average daily attendance. Funds
26 for the School Safety and Educational Improvement Block Grant

1 Program shall be distributed to State-recognized, non-public
2 schools based on the average daily attendance figure for the
3 previous school year provided to the State Board of Education.
4 The State Board of Education shall develop an application that
5 requires State-recognized, non-public schools to submit
6 average daily attendance figures. A State-recognized,
7 non-public school must submit the application and average daily
8 attendance figure prior to receiving funds under this Section.
9 The State Board of Education shall promulgate rules and
10 regulations necessary for the implementation of this program.

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

15 (3) Grants under the School Safety and Educational
16 Improvement Block Grant Program shall be awarded provided there
17 is an appropriation for the program, and funding levels for
18 each district shall be prorated according to the amount of the
19 appropriation.

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

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

24 (105 ILCS 5/2-3.66) (from Ch. 122, par. 2-3.66)

25 Sec. 2-3.66. Truants' alternative and optional education

1 programs. To establish projects to offer modified
2 instructional programs or other services designed to prevent
3 students from dropping out of school, including programs
4 pursuant to Section 2-3.41, and to serve as a part time or full
5 time option in lieu of regular school attendance and to award
6 grants to local school districts, educational service regions
7 or community college districts from appropriated funds to
8 assist districts in establishing such projects. The education
9 agency may operate its own program or enter into a contract
10 with another not-for-profit entity to implement the program.
11 The projects shall allow dropouts, up to and including age 21,
12 potential dropouts, including truants, uninvolved, unmotivated
13 and disaffected students, as defined by State Board of
14 Education rules and regulations, to enroll, as an alternative
15 to regular school attendance, in an optional education program
16 which may be established by school board policy and is in
17 conformance with rules adopted by the State Board of Education.
18 Truants' Alternative and Optional Education programs funded
19 pursuant to this Section shall be planned by a student, the
20 student's parents or legal guardians, unless the student is 18
21 years or older, and school officials and shall culminate in an
22 individualized optional education plan. Such plan shall focus
23 on academic or vocational skills, or both, and may include, but
24 not be limited to, evening school, summer school, community
25 college courses, adult education, preparation courses for high
26 school equivalency testing, vocational training, work

1 experience, programs to enhance self concept and parenting
2 courses. School districts which are awarded grants pursuant to
3 this Section shall be authorized to provide day care services
4 to children of students who are eligible and desire to enroll
5 in programs established and funded under this Section, but only
6 if and to the extent that such day care is necessary to enable
7 those eligible students to attend and participate in the
8 programs and courses which are conducted pursuant to this
9 Section. School districts and regional offices of education may
10 claim general State aid under Section 18-8.05 or evidence-based
11 funding under Section 18-8.15 for students enrolled in truants'
12 alternative and optional education programs, provided that
13 such students are receiving services that are supplemental to a
14 program leading to a high school diploma and are otherwise
15 eligible to be claimed for general State aid under Section
16 18-8.05 or evidence-based funding under Section 18-8.15, as
17 applicable.

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

19 (105 ILCS 5/2-3.66b)

20 Sec. 2-3.66b. IHOPE Program.

21 (a) There is established the Illinois Hope and Opportunity
22 Pathways through Education (IHOPE) Program. The State Board of
23 Education shall implement and administer the IHOPE Program. The
24 goal of the IHOPE Program is to develop a comprehensive system
25 in this State to re-enroll significant numbers of high school

1 dropouts in programs that will enable them to earn their high
2 school diploma.

3 (b) The IHOPE Program shall award grants, subject to
4 appropriation for this purpose, to educational service regions
5 and a school district organized under Article 34 of this Code
6 from appropriated funds to assist in establishing
7 instructional programs and other services designed to
8 re-enroll high school dropouts. From any funds appropriated for
9 the IHOPE Program, the State Board of Education may use up to
10 5% for administrative costs, including the performance of a
11 program evaluation and the hiring of staff to implement and
12 administer the program.

13 The IHOPE Program shall provide incentive grant funds for
14 regional offices of education and a school district organized
15 under Article 34 of this Code to develop partnerships with
16 school districts, public community colleges, and community
17 groups to build comprehensive plans to re-enroll high school
18 dropouts in their regions or districts.

19 Programs funded through the IHOPE Program shall allow high
20 school dropouts, up to and including age 21 notwithstanding
21 Section 26-2 of this Code, to re-enroll in an educational
22 program in conformance with rules adopted by the State Board of
23 Education. Programs may include without limitation
24 comprehensive year-round programming, evening school, summer
25 school, community college courses, adult education, vocational
26 training, work experience, programs to enhance self-concept,

1 and parenting courses. Any student in the IHOPE Program who
2 wishes to earn a high school diploma must meet the
3 prerequisites to receiving a high school diploma specified in
4 Section 27-22 of this Code and any other graduation
5 requirements of the student's district of residence. Any
6 student who successfully completes the requirements for his or
7 her graduation shall receive a diploma identifying the student
8 as graduating from his or her district of residence.

9 (c) In order to be eligible for funding under the IHOPE
10 Program, an interested regional office of education or a school
11 district organized under Article 34 of this Code shall develop
12 an IHOPE Plan to be approved by the State Board of Education.
13 The State Board of Education shall develop rules for the IHOPE
14 Program that shall set forth the requirements for the
15 development of the IHOPE Plan. Each Plan shall involve school
16 districts, public community colleges, and key community
17 programs that work with high school dropouts located in an
18 educational service region or the City of Chicago before the
19 Plan is sent to the State Board for approval. No funds may be
20 distributed to a regional office of education or a school
21 district organized under Article 34 of this Code until the
22 State Board has approved the Plan.

23 (d) A regional office of education or a school district
24 organized under Article 34 of this Code may operate its own
25 program funded by the IHOPE Program or enter into a contract
26 with other not-for-profit entities, including school

1 districts, public community colleges, and not-for-profit
2 community-based organizations, to operate a program.

3 A regional office of education or a school district
4 organized under Article 34 of this Code that receives an IHOPE
5 grant from the State Board of Education may provide funds under
6 a sub-grant, as specified in the IHOPE Plan, to other
7 not-for-profit entities to provide services according to the
8 IHOPE Plan that was developed. These other entities may include
9 school districts, public community colleges, or not-for-profit
10 community-based organizations or a cooperative partnership
11 among these entities.

12 (e) In order to distribute funding based upon the need to
13 ensure delivery of programs that will have the greatest impact,
14 IHOPE Program funding must be distributed based upon the
15 proportion of dropouts in the educational service region or
16 school district, in the case of a school district organized
17 under Article 34 of this Code, to the total number of dropouts
18 in this State. This formula shall employ the dropout data
19 provided by school districts to the State Board of Education.

20 A regional office of education or a school district
21 organized under Article 34 of this Code may claim State aid
22 under Section 18-8.05 or 18-8.15 of this Code for students
23 enrolled in a program funded by the IHOPE Program, provided
24 that the State Board of Education has approved the IHOPE Plan
25 and that these students are receiving services that are meeting
26 the requirements of Section 27-22 of this Code for receipt of a

1 high school diploma and are otherwise eligible to be claimed
2 for general State aid under Section 18-8.05 of this Code or
3 evidence-based funding under Section 18-8.15 of this Code,
4 including provisions related to the minimum number of days of
5 pupil attendance pursuant to Section 10-19 of this Code and the
6 minimum number of daily hours of school work and any exceptions
7 thereto as defined by the State Board of Education in rules.

8 (f) IHOPE categories of programming may include the
9 following:

10 (1) Full-time programs that are comprehensive,
11 year-round programs.

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

15 (3) Online programs and courses in which students take
16 courses and complete on-site, supervised tests that
17 measure the student's mastery of a specific course needed
18 for graduation. Students may take courses online and earn
19 credit or students may prepare to take supervised tests for
20 specific courses for credit leading to receipt of a high
21 school diploma.

22 (4) Dual enrollment in which students attend high
23 school classes in combination with community college
24 classes or students attend community college classes while
25 simultaneously earning high school credit and eventually a
26 high school diploma.

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

5 (1) Small programs (70 to 100 students) at a separate
6 school site with a distinct identity. Programs may be
7 larger with specific need and justification, keeping in
8 mind that it is crucial to keep programs small to be
9 effective.

10 (2) Specific performance-based goals and outcomes and
11 measures of enrollment, attendance, skills, credits,
12 graduation, and the transition to college, training, and
13 employment.

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

16 (4) Voluntary enrollment.

17 (5) High standards for student learning, integrating
18 work experience, and education, including during the
19 school year and after school, and summer school programs
20 that link internships, work, and learning.

21 (6) Comprehensive programs providing extensive support
22 services.

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

26 (8) A comprehensive technology learning center with

1 Internet access and broad-based curriculum focusing on
2 academic and career subject areas.

3 (9) Learning opportunities that incorporate action
4 into study.

5 (h) Programs funded through the IHOPE Program must report
6 data to the State Board of Education as requested. This
7 information shall include, but is not limited to, student
8 enrollment figures, attendance information, course completion
9 data, graduation information, and post-graduation information,
10 as available.

11 (i) Rules must be developed by the State Board of Education
12 to set forth the fund distribution process to regional offices
13 of education and a school district organized under Article 34
14 of this Code, the planning and the conditions upon which an
15 IHOPE Plan would be approved by State Board, and other rules to
16 develop the IHOPE Program.

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

18 (105 ILCS 5/2-3.84) (from Ch. 122, par. 2-3.84)

19 Sec. 2-3.84. In calculating the amount of State aid to be
20 apportioned to the various school districts in this State, the
21 State Board of Education shall incorporate and deduct the total
22 aggregate adjustments to assessments made by the State Property
23 Tax Appeal Board or Cook County Board of Appeals, as reported
24 pursuant to Section 16-15 of the Property Tax Code or Section
25 129.1 of the Revenue Act of 1939 by the Department of Revenue,

1 from the equalized assessed valuation that is otherwise to be
2 utilized in the initial calculation.

3 From the total amount of general State aid or
4 evidence-based funding to be provided to districts,
5 adjustments under this Section together with adjustments as a
6 result of recomputation under Section 2-3.33 must not exceed
7 \$25 million, in the aggregate for all districts under both
8 Sections combined, of the general State aid or evidence-based
9 funding appropriation in any fiscal year; if necessary, amounts
10 shall be prorated among districts. If it is necessary to
11 prorate claims under this paragraph, then that portion of each
12 prorated claim that is approved but not paid in the current
13 fiscal year may be resubmitted as a valid claim in the
14 following fiscal year.

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

16 (105 ILCS 5/2-3.109a)

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

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

24 (105 ILCS 5/2-3.170 new)

1 Sec. 2-3.170. Property tax relief pool grants.

2 (a) As used in this Section,

3 "Property tax multiplier" equals one minus the square of
4 the school district's Local Capacity Percentage, as defined in
5 Section 18-8.15 of this Code.

6 "State Board" means the State Board of Education.

7 "Unit equivalent tax rate" means the Adjusted Operating Tax
8 Rate, as defined in Section 18-8.15 of this Code, multiplied by
9 a factor of 1 for unit school district, 13/9 for elementary
10 school districts, and 13/4 for high school districts.

11 (b) Subject to appropriation, the State Board shall provide
12 grants to eligible school districts that provide tax relief to
13 the school district's residents, up to a limit of 1% of the
14 school district's equalized assessed value, as provided in this
15 Section.

16 (c) By August 1 of each year, the State Board shall publish
17 an estimated unit equivalent tax rate above which school
18 districts are eligible for relief under this Section. This
19 estimated tax rate shall be based on the most recent available
20 data provided by school districts pursuant to Section 18-8.15
21 of this Code. The State Board shall estimate this property tax
22 rate based on the amount appropriated to the grant program and
23 the assumption that a set of school districts, based on
24 criteria established by the State Board, will apply for grants
25 under this Section. The criteria shall be based on reasonable
26 assumptions about when school districts will apply for the

1 grant.

2 (d) School districts seeking grants under this Section
3 shall apply to the State Board by October 1 of each year. All
4 applications to the State Board for grants shall include the
5 amount of the grant requested.

6 (e) By December 1 of each year, based on the most recent
7 available data provided by school districts pursuant to Section
8 18-8.15 of this Code, the State Board shall calculate the unit
9 equivalent tax rate, based on the applications received by the
10 State Board, above which the appropriations are sufficient to
11 provide relief and publish a list of the school districts
12 eligible for relief.

13 (f) The State Board shall publish a final list of grant
14 recipients and provide payment of the grants by January 15 of
15 each year.

16 (g) If payment from the State Board is received by the
17 school district on time, the school district shall reduce its
18 property tax levy in an amount equal to the grant received
19 under this Section.

20 (h) The total grant to a school district under this Section
21 shall be calculated based on the total amount of reduction in
22 the school district's aggregate extension, up to a limit of 1%
23 of a district's equalized assessed value for a unit school
24 district, 0.69% for an elementary school district, and 0.31%
25 for a high school district, multiplied by the property tax
26 multiplier or the amount that the unit equivalent tax rate is

1 greater than the rate determined by the State Board, whichever
2 is less.

3 (i) If the State Board does not expend all appropriations
4 allocated pursuant to this Section, then any remaining funds
5 shall be allocated pursuant to Section 18-8.15 of this Code.

6 (j) The State Board shall prioritize payments under Section
7 18-8.15 of this Code over payments under this Section, if
8 necessary.

9 (k) Any grants received by a school district shall be
10 included in future calculations of that school district's Base
11 Funding Minimum under Section 18-8.15 of this Code.

12 (l) In the tax year following receipt of a Property Tax
13 Pool Relief Grant, the aggregate levy of any school district
14 receiving a grant under this Section, for purposes of the
15 Property Tax Extension Limitation Law, shall include the tax
16 relief the school district provided in the previous taxable
17 year under this Section.

18 (105 ILCS 5/3-14.21) (from Ch. 122, par. 3-14.21)

19 Sec. 3-14.21. Inspection of schools.

20 (a) The regional superintendent shall inspect and survey
21 all public schools under his or her supervision and notify the
22 board of education, or the trustees of schools in a district
23 with trustees, in writing before July 30, whether or not the
24 several schools in their district have been kept as required by
25 law, using forms provided by the State Board of Education which

1 are based on the Health/Life Safety Code for Public Schools
2 adopted under Section 2-3.12. The regional superintendent
3 shall report his or her findings to the State Board of
4 Education on forms provided by the State Board of Education.

5 (b) If the regional superintendent determines that a school
6 board has failed in a timely manner to correct urgent items
7 identified in a previous life-safety report completed under
8 Section 2-3.12 or as otherwise previously ordered by the
9 regional superintendent, the regional superintendent shall
10 order the school board to adopt and submit to the regional
11 superintendent a plan for the immediate correction of the
12 building violations. This plan shall be adopted following a
13 public hearing that is conducted by the school board on the
14 violations and the plan and that is preceded by at least 7
15 days' prior notice of the hearing published in a newspaper of
16 general circulation within the school district. If the regional
17 superintendent determines in the next annual inspection that
18 the plan has not been completed and that the violations have
19 not been corrected, the regional superintendent shall submit a
20 report to the State Board of Education with a recommendation
21 that the State Board withhold from payments of general State
22 aid or evidence-based funding due to the district an amount
23 necessary to correct the outstanding violations. The State
24 Board, upon notice to the school board and to the regional
25 superintendent, shall consider the report at a meeting of the
26 State Board, and may order that a sufficient amount of general

1 State aid or evidence-based funding be withheld from payments
2 due to the district to correct the violations. This amount
3 shall be paid to the regional superintendent who shall contract
4 on behalf of the school board for the correction of the
5 outstanding violations.

6 (c) The Office of the State Fire Marshal or a qualified
7 fire official, as defined in Section 2-3.12 of this Code, to
8 whom the State Fire Marshal has delegated his or her authority
9 shall conduct an annual fire safety inspection of each school
10 building in this State. The State Fire Marshal or the fire
11 official shall coordinate its inspections with the regional
12 superintendent. The inspection shall be based on the fire
13 safety code authorized in Section 2-3.12 of this Code. Any
14 violations shall be reported in writing to the regional
15 superintendent and shall reference the specific code sections
16 where a discrepancy has been identified within 15 days after
17 the inspection has been conducted. The regional superintendent
18 shall address those violations that are not corrected in a
19 timely manner pursuant to subsection (b) of this Section. The
20 inspection must be at no cost to the school district.

21 (d) If a municipality or, in the case of an unincorporated
22 area, a county or, if applicable, a fire protection district
23 wishes to perform new construction inspections under the
24 jurisdiction of a regional superintendent, then the entity must
25 register this wish with the regional superintendent. These
26 inspections must be based on the building code authorized in

1 Section 2-3.12 of this Code. The inspections must be at no cost
2 to the school district.

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

4 (105 ILCS 5/7-14A) (from Ch. 122, par. 7-14A)

5 Sec. 7-14A. Annexation compensation. There shall be no
6 accounting made after a mere change in boundaries when no new
7 district is created, except that those districts whose
8 enrollment increases by 90% or more as a result of annexing
9 territory detached from another district pursuant to this
10 Article are eligible for supplementary State aid payments in
11 accordance with Section 11E-135 of this Code. Eligible annexing
12 districts shall apply to the State Board of Education for
13 supplementary State aid payments by submitting enrollment
14 figures for the year immediately preceding and the year
15 immediately following the effective date of the boundary change
16 for both the district gaining territory and the district losing
17 territory. Copies of any intergovernmental agreements between
18 the district gaining territory and the district losing
19 territory detailing any transfer of fund balances and staff
20 must also be submitted. In all instances of changes in
21 boundaries, the district losing territory shall not count the
22 average daily attendance of pupils living in the territory
23 during the year preceding the effective date of the boundary
24 change in its claim for reimbursement under Section 18-8.05 or
25 18-8.15 of this Code for the school year following the

1 effective date of the change in boundaries and the district
2 receiving the territory shall count the average daily
3 attendance of pupils living in the territory during the year
4 preceding the effective date of the boundary change in its
5 claim for reimbursement under Section 18-8.05 or 18-8.15 of
6 this Code for the school year following the effective date of
7 the change in boundaries. The changes to this Section made by
8 this amendatory Act of the 95th General Assembly are intended
9 to be retroactive and applicable to any annexation taking
10 effect on or after July 1, 2004.

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

12 (105 ILCS 5/10-17a) (from Ch. 122, par. 10-17a)

13 Sec. 10-17a. State, school district, and school report
14 cards.

15 (1) By October 31, 2013 and October 31 of each subsequent
16 school year, the State Board of Education, through the State
17 Superintendent of Education, shall prepare a State report card,
18 school district report cards, and school report cards, and
19 shall by the most economic means provide to each school
20 district in this State, including special charter districts and
21 districts subject to the provisions of Article 34, the report
22 cards for the school district and each of its schools.

23 (2) In addition to any information required by federal law,
24 the State Superintendent shall determine the indicators and
25 presentation of the school report card, which must include, at

1 a minimum, the most current data possessed by the State Board
2 of Education related to the following:

3 (A) school characteristics and student demographics,
4 including average class size, average teaching experience,
5 student racial/ethnic breakdown, and the percentage of
6 students classified as low-income; the percentage of
7 students classified as English learners; the percentage of
8 students who have individualized education plans or 504
9 plans that provide for special education services; the
10 percentage of students who annually transferred in or out
11 of the school district; the per-pupil operating
12 expenditure of the school district; and the per-pupil State
13 average operating expenditure for the district type
14 (elementary, high school, or unit);

15 (B) curriculum information, including, where
16 applicable, Advanced Placement, International
17 Baccalaureate or equivalent courses, dual enrollment
18 courses, foreign language classes, school personnel
19 resources (including Career Technical Education teachers),
20 before and after school programs, extracurricular
21 activities, subjects in which elective classes are
22 offered, health and wellness initiatives (including the
23 average number of days of Physical Education per week per
24 student), approved programs of study, awards received,
25 community partnerships, and special programs such as
26 programming for the gifted and talented, students with

1 disabilities, and work-study students;

2 (C) student outcomes, including, where applicable, the
3 percentage of students deemed proficient on assessments of
4 State standards, the percentage of students in the eighth
5 grade who pass Algebra, the percentage of students enrolled
6 in post-secondary institutions (including colleges,
7 universities, community colleges, trade/vocational
8 schools, and training programs leading to career
9 certification within 2 semesters of high school
10 graduation), the percentage of students graduating from
11 high school who are college and career ready, and the
12 percentage of graduates enrolled in community colleges,
13 colleges, and universities who are in one or more courses
14 that the community college, college, or university
15 identifies as a developmental course;

16 (D) student progress, including, where applicable, the
17 percentage of students in the ninth grade who have earned 5
18 credits or more without failing more than one core class, a
19 measure of students entering kindergarten ready to learn, a
20 measure of growth, and the percentage of students who enter
21 high school on track for college and career readiness;

22 (E) the school environment, including, where
23 applicable, the percentage of students with less than 10
24 absences in a school year, the percentage of teachers with
25 less than 10 absences in a school year for reasons other
26 than professional development, leaves taken pursuant to

1 the federal Family Medical Leave Act of 1993, long-term
2 disability, or parental leaves, the 3-year average of the
3 percentage of teachers returning to the school from the
4 previous year, the number of different principals at the
5 school in the last 6 years, 2 or more indicators from any
6 school climate survey selected or approved by the State and
7 administered pursuant to Section 2-3.153 of this Code, with
8 the same or similar indicators included on school report
9 cards for all surveys selected or approved by the State
10 pursuant to Section 2-3.153 of this Code, and the combined
11 percentage of teachers rated as proficient or excellent in
12 their most recent evaluation; ~~and~~

13 (F) a school district's and its individual schools'
14 balanced accountability measure, in accordance with
15 Section 2-3.25a of this Code; ~~-~~

16 (G) a school district's Final Percent of Adequacy, as
17 defined in paragraph (4) of subsection (f) of Section
18 18-8.15 of this Code;

19 (H) a school district's Local Capacity Target, as
20 defined in paragraph (2) of subsection (c) of Section
21 18-8.15 of this Code, displayed as a percentage amount; and

22 (I) a school district's Real Receipts, as defined in
23 paragraph (1) of subsection (d) of Section 18-8.15 of this
24 Code, divided by a school district's Adequacy Target, as
25 defined in paragraph (1) of subsection (b) of Section
26 18-8.15 of this Code, displayed as a percentage amount.

1 The school report card shall also provide information that
2 allows for comparing the current outcome, progress, and
3 environment data to the State average, to the school data from
4 the past 5 years, and to the outcomes, progress, and
5 environment of similar schools based on the type of school and
6 enrollment of low-income students, special education students,
7 and English learners.

8 (3) At the discretion of the State Superintendent, the
9 school district report card shall include a subset of the
10 information identified in paragraphs (A) through (E) of
11 subsection (2) of this Section, as well as information relating
12 to the operating expense per pupil and other finances of the
13 school district, and the State report card shall include a
14 subset of the information identified in paragraphs (A) through
15 (E) of subsection (2) of this Section.

16 (4) Notwithstanding anything to the contrary in this
17 Section, in consultation with key education stakeholders, the
18 State Superintendent shall at any time have the discretion to
19 amend or update any and all metrics on the school, district, or
20 State report card.

21 (5) Annually, no more than 30 calendar days after receipt
22 of the school district and school report cards from the State
23 Superintendent of Education, each school district, including
24 special charter districts and districts subject to the
25 provisions of Article 34, shall present such report cards at a
26 regular school board meeting subject to applicable notice

1 requirements, post the report cards on the school district's
2 Internet web site, if the district maintains an Internet web
3 site, make the report cards available to a newspaper of general
4 circulation serving the district, and, upon request, send the
5 report cards home to a parent (unless the district does not
6 maintain an Internet web site, in which case the report card
7 shall be sent home to parents without request). If the district
8 posts the report card on its Internet web site, the district
9 shall send a written notice home to parents stating (i) that
10 the report card is available on the web site, (ii) the address
11 of the web site, (iii) that a printed copy of the report card
12 will be sent to parents upon request, and (iv) the telephone
13 number that parents may call to request a printed copy of the
14 report card.

15 (6) Nothing contained in this amendatory Act of the 98th
16 General Assembly repeals, supersedes, invalidates, or
17 nullifies final decisions in lawsuits pending on the effective
18 date of this amendatory Act of the 98th General Assembly in
19 Illinois courts involving the interpretation of Public Act
20 97-8.

21 (Source: P.A. 98-463, eff. 8-16-13; 98-648, eff. 7-1-14; 99-30,
22 eff. 7-10-15; 99-193, eff. 7-30-15; 99-642, eff. 7-28-16.)

23 (105 ILCS 5/10-19) (from Ch. 122, par. 10-19)

24 Sec. 10-19. Length of school term - experimental programs.
25 Each school board shall annually prepare a calendar for the

1 school term, specifying the opening and closing dates and
2 providing a minimum term of at least 185 days to insure 176
3 days of actual pupil attendance, computable under Section
4 18-8.05 or 18-8.15, except that for the 1980-1981 school year
5 only 175 days of actual pupil attendance shall be required
6 because of the closing of schools pursuant to Section 24-2 on
7 January 29, 1981 upon the appointment by the President of that
8 day as a day of thanksgiving for the freedom of the Americans
9 who had been held hostage in Iran. Any days allowed by law for
10 teachers' institutes but not used as such or used as parental
11 institutes as provided in Section 10-22.18d shall increase the
12 minimum term by the school days not so used. Except as provided
13 in Section 10-19.1, the board may not extend the school term
14 beyond such closing date unless that extension of term is
15 necessary to provide the minimum number of computable days. In
16 case of such necessary extension school employees shall be paid
17 for such additional time on the basis of their regular
18 contracts. A school board may specify a closing date earlier
19 than that set on the annual calendar when the schools of the
20 district have provided the minimum number of computable days
21 under this Section. Nothing in this Section prevents the board
22 from employing superintendents of schools, principals and
23 other nonteaching personnel for a period of 12 months, or in
24 the case of superintendents for a period in accordance with
25 Section 10-23.8, or prevents the board from employing other
26 personnel before or after the regular school term with payment

1 of salary proportionate to that received for comparable work
2 during the school term.

3 A school board may make such changes in its calendar for
4 the school term as may be required by any changes in the legal
5 school holidays prescribed in Section 24-2. A school board may
6 make changes in its calendar for the school term as may be
7 necessary to reflect the utilization of teachers' institute
8 days as parental institute days as provided in Section
9 10-22.18d.

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

13 With the prior approval of the State Board of Education and
14 subject to review by the State Board of Education every 3
15 years, any school board may, by resolution of its board and in
16 agreement with affected exclusive collective bargaining
17 agents, establish experimental educational programs, including
18 but not limited to programs for e-learning days as authorized
19 under Section 10-20.56 of this Code, self-directed learning, or
20 outside of formal class periods, which programs when so
21 approved shall be considered to comply with the requirements of
22 this Section as respects numbers of days of actual pupil
23 attendance and with the other requirements of this Act as
24 respects courses of instruction.

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

1 (105 ILCS 5/10-22.5a) (from Ch. 122, par. 10-22.5a)

2 Sec. 10-22.5a. Attendance by dependents of United States
3 military personnel, foreign exchange students, and certain
4 nonresident pupils.

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

15 To enter into written agreements with adjacent school
16 districts to provide for tuition free attendance by a student
17 of the adjacent district when requested for the student's
18 health and safety by the student or parent and both districts
19 determine that the student's health or safety will be served by
20 such attendance. Districts shall not be required to enter into
21 such agreements nor be required to alter existing
22 transportation services due to the attendance of such
23 non-resident pupils.

24 (a-5) If, at the time of enrollment, a dependent of United
25 States military personnel is housed in temporary housing
26 located outside of a school district, but will be living within

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

14 (b) Nonresident pupils and foreign exchange students
15 attending school on a tuition free basis under such agreements
16 and nonresident dependents of United States military personnel
17 attending school on a tuition free basis may be counted for the
18 purposes of determining the apportionment of State aid provided
19 under Section 18-8.05 or 18-8.15 of this Code. No organization
20 or institution participating in agreements authorized under
21 this Section may exclude any individual for participation in
22 its program on account of the person's race, color, sex,
23 religion or nationality.

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

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

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

16 The board shall pay the necessary expenses of such classes
17 out of school funds of the district, including costs of student
18 transportation and such facilities or provision for child-care
19 as may be necessary in the judgment of the board to permit
20 maximum utilization of the courses by students with children,
21 and other special needs of the students directly related to
22 such instruction. The expenses thus incurred shall be subject
23 to State reimbursement, as provided in this Section. The board
24 may make a tuition charge for persons taking instruction who
25 are not subject to State reimbursement, such tuition charge not
26 to exceed the per capita cost of such classes.

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

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

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

25 (2) the method for calculating hours of instruction, as
26 defined by the Illinois Community College Board, claimable

1 for reimbursement and a method to phase in the calculation
2 and for adjusting the calculations in cases where the
3 services of a program are interrupted due to circumstances
4 beyond the control of the program provider;

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

8 (4) the development of standards for determining
9 grants based upon performance as set forth in subsection
10 (d) below and a plan for the phased-in implementation of
11 those standards.

12 For instruction provided by school districts and community
13 college districts beginning July 1, 1996 and thereafter,
14 reimbursement provided by the Illinois Community College Board
15 for classes authorized by this Section shall be provided from
16 funds appropriated for the reimbursement criteria set forth in
17 subsection (c) below.

18 (c) Upon the annual approval of the Illinois Community
19 College Board, reimbursement shall be first provided for
20 transportation, child care services, and other special needs of
21 the students directly related to instruction and then from the
22 funds remaining an amount equal to the product of the total
23 credit hours or units of instruction approved by the Illinois
24 Community College Board, multiplied by the following:

25 (1) For adult basic education, the maximum
26 reimbursement per credit hour or per unit of instruction

1 shall be equal to (i) through fiscal year 2017, the general
2 state aid per pupil foundation level established in
3 subsection (B) of Section 18-8.05, divided by 60, or (ii)
4 in fiscal year 2018 and thereafter, the prior fiscal year
5 reimbursement level;

6 (2) The maximum reimbursement per credit hour or per
7 unit of instruction in subparagraph (1) above shall be
8 weighted for students enrolled in classes defined as
9 vocational skills and approved by the Illinois Community
10 College Board by 1.25;

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

16 (4) (Blank); and

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

19 (d) Upon its annual approval, the Illinois Community
20 College Board shall provide grants to eligible programs for
21 supplemental activities to improve or expand services under the
22 Adult Education Act. Eligible programs shall be determined
23 based upon performance outcomes of students in the programs as
24 set by the Illinois Community College Board.

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

1 If the amount appropriated to the Illinois Community
2 College Board for reimbursement under this Section is less than
3 the amount required under this Act, the apportionment shall be
4 proportionately reduced.

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

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

13 Each school board and community college shall keep an
14 accurate and detailed account of the students assigned to and
15 receiving instruction under this Section who are subject to
16 State reimbursement and shall submit reports of services
17 provided commencing with fiscal year 1997 as required by the
18 Illinois Community College Board.

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

24 (g) Upon proof submitted to the Illinois Department of
25 Human Services of the payment of all claims submitted under
26 this Section, that Department shall apply for federal funds

1 made available therefor and any federal funds so received shall
2 be paid into the General Revenue Fund in the State Treasury.

3 School districts or community colleges providing classes
4 under this Section shall submit applications to the Illinois
5 Community College Board for preapproval in accordance with the
6 standards established by the Illinois Community College Board.
7 Payments shall be made by the Illinois Community College Board
8 based upon approved programs. Interim expenditure reports may
9 be required by the Illinois Community College Board. Final
10 claims for the school year shall be submitted to the regional
11 superintendents for transmittal to the Illinois Community
12 College Board. Final adjusted payments shall be made by
13 September 30.

14 If a school district or community college district fails to
15 provide, or is providing unsatisfactory or insufficient
16 classes under this Section, the Illinois Community College
17 Board may enter into agreements with public or private
18 educational or other agencies other than the public schools for
19 the establishment of such classes.

20 (h) If a school district or community college district
21 establishes child-care facilities for the children of
22 participants in classes established under this Section, it may
23 extend the use of these facilities to students who have
24 obtained employment and to other persons in the community whose
25 children require care and supervision while the parent or other
26 person in charge of the children is employed or otherwise

1 absent from the home during all or part of the day. It may make
2 the facilities available before and after as well as during
3 regular school hours to school age and preschool age children
4 who may benefit thereby, including children who require care
5 and supervision pending the return of their parent or other
6 person in charge of their care from employment or other
7 activity requiring absence from the home.

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

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

18 After July 1, 1970 when the provisions of Section 10-20.20
19 become operative in the district, children in a child-care
20 facility shall be transferred to the kindergarten established
21 under that Section for such portion of the day as may be
22 required for the kindergarten program, and only the prorated
23 costs of care and training provided in the Center for the
24 remaining period shall be charged to the Illinois Department of
25 Human Services or other persons or agencies paying for such
26 care.

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

3 (j) In addition to claiming reimbursement under this
4 Section, a school district may claim general State aid under
5 Section 18-8.05 or evidence-based funding under Section
6 18-8.15 for any student under age 21 who is enrolled in courses
7 accepted for graduation from elementary or high school and who
8 otherwise meets the requirements of Section 18-8.05 or 18-8.15,
9 as applicable.

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

11 (105 ILCS 5/10-29)

12 Sec. 10-29. Remote educational programs.

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

17 (1) A student may participate in the program only after
18 the school district, pursuant to adopted school board
19 policy, and a person authorized to enroll the student under
20 Section 10-20.12b of this Code determine that a remote
21 educational program will best serve the student's
22 individual learning needs. The adopted school board policy
23 shall include, but not be limited to, all of the following:

24 (A) Criteria for determining that a remote
25 educational program will best serve a student's

1 individual learning needs. The criteria must include
2 consideration of, at a minimum, a student's prior
3 attendance, disciplinary record, and academic history.

4 (B) Any limitations on the number of students or
5 grade levels that may participate in a remote
6 educational program.

7 (C) A description of the process that the school
8 district will use to approve participation in the
9 remote educational program. The process must include
10 without limitation a requirement that, for any student
11 who qualifies to receive services pursuant to the
12 federal Individuals with Disabilities Education
13 Improvement Act of 2004, the student's participation
14 in a remote educational program receive prior approval
15 from the student's individualized education program
16 team.

17 (D) A description of the process the school
18 district will use to develop and approve a written
19 remote educational plan that meets the requirements of
20 subdivision (5) of this subsection (a).

21 (E) A description of the system the school district
22 will establish to calculate the number of clock hours a
23 student is participating in instruction in accordance
24 with the remote educational program.

25 (F) A description of the process for renewing a
26 remote educational program at the expiration of its

1 term.

2 (G) Such other terms and provisions as the school
3 district deems necessary to provide for the
4 establishment and delivery of a remote educational
5 program.

6 (2) The school district has determined that the remote
7 educational program's curriculum is aligned to State
8 learning standards and that the program offers instruction
9 and educational experiences consistent with those given to
10 students at the same grade level in the district.

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

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

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

17 (C) they have responsibility for all of the
18 following elements of the program: planning
19 instruction, diagnosing learning needs, prescribing
20 content delivery through class activities, assessing
21 learning, reporting outcomes to administrators and
22 parents and guardians, and evaluating the effects of
23 instruction.

24 (4) During the period of time from and including the
25 opening date to the closing date of the regular school term
26 of the school district established pursuant to Section

1 10-19 of this Code, participation in a remote educational
2 program may be claimed for general State aid purposes under
3 Section 18-8.05 of this Code or evidence-based funding
4 purposes under Section 18-8.15 of this Code on any calendar
5 day, notwithstanding whether the day is a day of pupil
6 attendance or institute day on the school district's
7 calendar or any other provision of law restricting
8 instruction on that day. If the district holds year-round
9 classes in some buildings, the district shall classify each
10 student's participation in a remote educational program as
11 either on a year-round or a non-year-round schedule for
12 purposes of claiming general State aid or evidence-based
13 funding. Outside of the regular school term of the
14 district, the remote educational program may be offered as
15 part of any summer school program authorized by this Code.

16 (5) Each student participating in a remote educational
17 program must have a written remote educational plan that
18 has been approved by the school district and a person
19 authorized to enroll the student under Section 10-20.12b of
20 this Code. The school district and a person authorized to
21 enroll the student under Section 10-20.12b of this Code
22 must approve any amendment to a remote educational plan.
23 The remote educational plan must include, but is not
24 limited to, all of the following:

25 (A) Specific achievement goals for the student
26 aligned to State learning standards.

1 (B) A description of all assessments that will be
2 used to measure student progress, which description
3 shall indicate the assessments that will be
4 administered at an attendance center within the school
5 district.

6 (C) A description of the progress reports that will
7 be provided to the school district and the person or
8 persons authorized to enroll the student under Section
9 10-20.12b of this Code.

10 (D) Expectations, processes, and schedules for
11 interaction between a teacher and student.

12 (E) A description of the specific responsibilities
13 of the student's family and the school district with
14 respect to equipment, materials, phone and Internet
15 service, and any other requirements applicable to the
16 home or other location outside of a school building
17 necessary for the delivery of the remote educational
18 program.

19 (F) If applicable, a description of how the remote
20 educational program will be delivered in a manner
21 consistent with the student's individualized education
22 program required by Section 614(d) of the federal
23 Individuals with Disabilities Education Improvement
24 Act of 2004 or plan to ensure compliance with Section
25 504 of the federal Rehabilitation Act of 1973.

26 (G) A description of the procedures and

1 opportunities for participation in academic and
2 extra-curricular activities and programs within the
3 school district.

4 (H) The identification of a parent, guardian, or
5 other responsible adult who will provide direct
6 supervision of the program. The plan must include an
7 acknowledgment by the parent, guardian, or other
8 responsible adult that he or she may engage only in
9 non-teaching duties not requiring instructional
10 judgment or the evaluation of a student. The plan shall
11 designate the parent, guardian, or other responsible
12 adult as non-teaching personnel or volunteer personnel
13 under subsection (a) of Section 10-22.34 of this Code.

14 (I) The identification of a school district
15 administrator who will oversee the remote educational
16 program on behalf of the school district and who may be
17 contacted by the student's parents with respect to any
18 issues or concerns with the program.

19 (J) The term of the student's participation in the
20 remote educational program, which may not extend for
21 longer than 12 months, unless the term is renewed by
22 the district in accordance with subdivision (7) of this
23 subsection (a).

24 (K) A description of the specific location or
25 locations in which the program will be delivered. If
26 the remote educational program is to be delivered to a

1 student in any location other than the student's home,
2 the plan must include a written determination by the
3 school district that the location will provide a
4 learning environment appropriate for the delivery of
5 the program. The location or locations in which the
6 program will be delivered shall be deemed a long
7 distance teaching reception area under subsection (a)
8 of Section 10-22.34 of this Code.

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

11 (6) Students participating in a remote educational
12 program must be enrolled in a school district attendance
13 center pursuant to the school district's enrollment policy
14 or policies. A student participating in a remote
15 educational program must be tested as part of all
16 assessments administered by the school district pursuant
17 to Section 2-3.64a-5 of this Code at the attendance center
18 in which the student is enrolled and in accordance with the
19 attendance center's assessment policies and schedule. The
20 student must be included within all accountability
21 determinations for the school district and attendance
22 center under State and federal law.

23 (7) The term of a student's participation in a remote
24 educational program may not extend for longer than 12
25 months, unless the term is renewed by the school district.
26 The district may only renew a student's participation in a

1 remote educational program following an evaluation of the
2 student's progress in the program, a determination that the
3 student's continuation in the program will best serve the
4 student's individual learning needs, and an amendment to
5 the student's written remote educational plan addressing
6 any changes for the upcoming term of the program.

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

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

13 (c) Clock hours of instruction by students in a remote
14 educational program meeting the requirements of this Section
15 may be claimed by the school district and shall be counted as
16 school work for general State aid purposes in accordance with
17 and subject to the limitations of Section 18-8.05 of this Code
18 or evidence-based funding purposes in accordance with and
19 subject to the limitations of Section 18-8.15 of this Code.

20 (d) The impact of remote educational programs on wages,
21 hours, and terms and conditions of employment of educational
22 employees within the school district shall be subject to local
23 collective bargaining agreements.

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

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

7 (g) School districts that, pursuant to this Section, adopt
8 a policy for a remote educational program must submit to the
9 State Board of Education a copy of the policy and any
10 amendments thereto, as well as data on student participation in
11 a format specified by the State Board of Education. The State
12 Board of Education may perform or contract with an outside
13 entity to perform an evaluation of remote educational programs
14 in this State.

15 (h) The State Board of Education may adopt any rules
16 necessary to ensure compliance by remote educational programs
17 with the requirements of this Section and other applicable
18 legal requirements.

19 (Source: P.A. 98-972, eff. 8-15-14; 99-193, eff. 7-30-15;
20 99-194, eff. 7-30-15; 99-642, eff. 7-28-16.)

21 (105 ILCS 5/11E-135)

22 Sec. 11E-135. Incentives. For districts reorganizing under
23 this Article and for a district or districts that annex all of
24 the territory of one or more entire other school districts in
25 accordance with Article 7 of this Code, the following payments

1 shall be made from appropriations made for these purposes:

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

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

1 and annexed districts as constituted prior to the annexation is
2 greater, then a supplementary payment equal to the difference
3 shall be made for the first 4 years of existence of the
4 annexing school district as constituted upon the annexation.

5 (3) For 2 or more school districts that annex all of the
6 territory of one or more entire other school districts, as
7 defined in Article 7 of this Code, for the first year during
8 which the change of boundaries attributable to the annexation
9 becomes effective for all purposes, as determined under Section
10 7-9 of this Code, the general State aid and supplemental
11 general State aid calculated under Section 18-8.05 of this Code
12 or the evidence-based funding calculated under Section 18-8.15
13 of this Code, as applicable, shall be computed for each
14 annexing district as constituted after the annexation and for
15 each annexing and annexed district as constituted prior to the
16 annexation; and if the aggregate of the general State aid and
17 supplemental general State aid or evidence-based funding, as
18 applicable, as so computed for the annexing districts as
19 constituted after the annexation is less than the aggregate of
20 the general State aid and supplemental general State aid or
21 evidence-based funding, as applicable, as so computed for the
22 annexing and annexed districts, as constituted prior to the
23 annexation, then a supplementary payment equal to the
24 difference shall be made and allocated between or among the
25 annexing districts, as constituted upon the annexation, for the
26 first 4 years of their existence. The total difference payment

1 shall be allocated between or among the annexing districts in
2 the same ratio as the pupil enrollment from that portion of the
3 annexed district or districts that is annexed to each annexing
4 district bears to the total pupil enrollment from the entire
5 annexed district or districts, as such pupil enrollment is
6 determined for the school year last ending prior to the date
7 when the change of boundaries attributable to the annexation
8 becomes effective for all purposes. The amount of the total
9 difference payment and the amount thereof to be allocated to
10 the annexing districts shall be computed by the State Board of
11 Education on the basis of pupil enrollment and other data that
12 shall be certified to the State Board of Education, on forms
13 that it shall provide for that purpose, by the regional
14 superintendent of schools for each educational service region
15 in which the annexing and annexed districts are located.

16 (4) For a school district conversion, as defined in Section
17 11E-15 of this Code, or a multi-unit conversion, as defined in
18 subsection (b) of Section 11E-30 of this Code, if in their
19 first year of existence the newly created elementary districts
20 and the newly created high school district, from a school
21 district conversion, or the newly created elementary district
22 or districts and newly created combined high school - unit
23 district, from a multi-unit conversion, qualify for less
24 general State aid under Section 18-8.05 of this Code or
25 evidence-based funding under Section 18-8.15 of this Code than
26 would have been payable under Section 18-8.05 or 18-8.15, as

1 applicable, for that same year to the previously existing
2 districts, then a supplementary payment equal to that
3 difference shall be made for the first 4 years of existence of
4 the newly created districts. The aggregate amount of each
5 supplementary payment shall be allocated among the newly
6 created districts in the proportion that the deemed pupil
7 enrollment in each district during its first year of existence
8 bears to the actual aggregate pupil enrollment in all of the
9 districts during their first year of existence. For purposes of
10 each allocation:

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

15 (B) the deemed pupil enrollment of each newly created
16 elementary district from a school district conversion
17 shall be an amount equal to its actual pupil enrollment for
18 its first year of existence reduced by an amount equal to
19 the product obtained when the amount by which the newly
20 created high school district's deemed pupil enrollment
21 exceeds its actual pupil enrollment for its first year of
22 existence is multiplied by a fraction, the numerator of
23 which is the actual pupil enrollment of the newly created
24 elementary district for its first year of existence and the
25 denominator of which is the actual aggregate pupil
26 enrollment of all of the newly created elementary districts

1 for their first year of existence;

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

7 (D) the deemed elementary pupil enrollment of each
8 newly created district from a multi-unit conversion shall
9 be an amount equal to each district's actual grade K
10 through 8 pupil enrollment for its first year of existence,
11 reduced by an amount equal to the product obtained when the
12 amount by which the newly created combined high school -
13 unit district's deemed high school pupil enrollment
14 exceeds its actual grade 9 through 12 pupil enrollment for
15 its first year of existence is multiplied by a fraction,
16 the numerator of which is the actual grade K through 8
17 pupil enrollment of each newly created district for its
18 first year of existence and the denominator of which is the
19 actual aggregate grade K through 8 pupil enrollment of all
20 such newly created districts for their first year of
21 existence.

22 The aggregate amount of each supplementary payment under
23 this subdivision (4) and the amount thereof to be allocated to
24 the newly created districts shall be computed by the State
25 Board of Education on the basis of pupil enrollment and other
26 data, which shall be certified to the State Board of Education,

1 on forms that it shall provide for that purpose, by the
2 regional superintendent of schools for each educational
3 service region in which the newly created districts are
4 located.

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

18 (6) For an elementary opt-in, as described in subsection
19 (d) of Section 11E-30 of this Code, the general State aid or
20 evidence-based funding difference shall be computed in
21 accordance with paragraph (5) of this subsection (a) as if the
22 elementary opt-in was included in an optional elementary unit
23 district at the optional elementary unit district's original
24 effective date. If the calculation in this paragraph (6) is
25 less than that calculated in paragraph (5) of this subsection
26 (a) at the optional elementary unit district's original

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

6 (A) If the effective date for the elementary opt-in is
7 one year after the effective date for the optional
8 elementary unit district, 100% 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 (B) If the effective date for the elementary opt-in is
13 2 years after the effective date for the optional
14 elementary unit district, 75% of the calculated excess
15 shall be paid to the optional elementary unit district in
16 each of the first 4 years after the effective date of the
17 elementary opt-in.

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

24 (D) If the effective date for the elementary opt-in is
25 4 years after the effective date for the optional
26 elementary unit district, 25% of the calculated excess

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

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

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

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

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

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

4 (b) (1) After the formation of a combined school district,
5 as defined in Section 11E-20 of this Code, or a unit district,
6 as defined in Section 11E-25 of this Code, a computation shall
7 be made to determine the difference between the salaries
8 effective in each of the previously existing districts on June
9 30, prior to the creation of the new district. For the first 4
10 years after the formation of the new district, a supplementary
11 State aid reimbursement shall be paid to the new district equal
12 to the difference between the sum of the salaries earned by
13 each of the certificated members of the new district, while
14 employed in one of the previously existing districts during the
15 year immediately preceding the formation of the new district,
16 and the sum of the salaries those certificated members would
17 have been paid during the year immediately prior to the
18 formation of the new district if placed on the salary schedule
19 of the previously existing district with the highest salary
20 schedule.

21 (2) After the territory of one or more school districts is
22 annexed by one or more other school districts as defined in
23 Article 7 of this Code, a computation shall be made to
24 determine the difference between the salaries effective in each
25 annexed district and in the annexing district or districts as
26 they were each constituted on June 30 preceding the date when

1 the change of boundaries attributable to the annexation became
2 effective for all purposes, as determined under Section 7-9 of
3 this Code. For the first 4 years after the annexation, a
4 supplementary State aid reimbursement shall be paid to each
5 annexing district as constituted after the annexation equal to
6 the difference between the sum of the salaries earned by each
7 of the certificated members of the annexing district as
8 constituted after the annexation, while employed in an annexed
9 or annexing district during the year immediately preceding the
10 annexation, and the sum of the salaries those certificated
11 members would have been paid during the immediately preceding
12 year if placed on the salary schedule of whichever of the
13 annexing or annexed districts had the highest salary schedule
14 during the immediately preceding year.

15 (3) For each new high school district formed under a school
16 district conversion, as defined in Section 11E-15 of this Code,
17 the State shall make a supplementary payment for 4 years equal
18 to the difference between the sum of the salaries earned by
19 each certified member of the new high school district, while
20 employed in one of the previously existing districts, and the
21 sum of the salaries those certified members would have been
22 paid if placed on the salary schedule of the previously
23 existing district with the highest salary schedule.

24 (4) For each newly created partial elementary unit
25 district, the State shall make a supplementary payment for 4
26 years equal to the difference between the sum of the salaries

1 earned by each certified member of the newly created partial
2 elementary unit district, while employed in one of the
3 previously existing districts that formed the partial
4 elementary unit district, and the sum of the salaries those
5 certified members would have been paid if placed on the salary
6 schedule of the previously existing district with the highest
7 salary schedule. The salary schedules used in the calculation
8 shall be those in effect in the previously existing districts
9 for the school year prior to the creation of the new partial
10 elementary unit district.

11 (5) For an elementary district opt-in, as described in
12 subsection (d) of Section 11E-30 of this Code, the salary
13 difference incentive shall be computed in accordance with
14 paragraph (4) of this subsection (b) as if the opted-in
15 elementary district was included in the optional elementary
16 unit district at the optional elementary unit district's
17 original effective date. If the calculation in this paragraph
18 (5) is less than that calculated in paragraph (4) of this
19 subsection (b) at the optional elementary unit district's
20 original effective date, then no adjustments may be made. If
21 the calculation in this paragraph (5) is more than that
22 calculated in paragraph (4) of this subsection (b) at the
23 optional elementary unit district's original effective date,
24 then the excess must be paid as follows:

25 (A) If the effective date for the elementary opt-in is
26 one year after the effective date for the optional

1 elementary unit district, 100% of the calculated excess
2 shall be paid to the optional elementary unit district in
3 each of the first 4 years after the effective date of the
4 elementary opt-in.

5 (B) If the effective date for the elementary opt-in is
6 2 years after the effective date for the optional
7 elementary unit district, 75% of the calculated excess
8 shall be paid to the optional elementary unit district in
9 each of the first 4 years after the effective date of the
10 elementary opt-in.

11 (C) If the effective date for the elementary opt-in is
12 3 years after the effective date for the optional
13 elementary unit district, 50% of the calculated excess
14 shall be paid to the optional elementary unit district in
15 each of the first 4 years after the effective date of the
16 elementary opt-in.

17 (D) If the effective date for the elementary opt-in is
18 4 years after the effective date for the partial elementary
19 unit district, 25% of the calculated excess shall be paid
20 to the optional elementary unit district in each of the
21 first 4 years after the effective date of the elementary
22 opt-in.

23 (E) If the effective date for the elementary opt-in is
24 5 years after the effective date for the optional
25 elementary unit district, the optional elementary unit
26 district is not eligible for any additional incentives due

1 to the elementary opt-in.

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

19 (5.10) After the annexation of territory detached from
20 another school district whereby the enrollment of the annexing
21 district increases by 90% or more as a result of the
22 annexation, a computation shall be made to determine the
23 difference between the salaries effective in the district
24 gaining territory and the district losing territory as they
25 each were constituted on June 30 preceding the date when the
26 change of boundaries attributable to the annexation became

1 effective for all purposes as determined under Section 7-9 of
2 this Code. For the first 4 years after the annexation, a
3 supplementary State aid reimbursement shall be paid to the
4 annexing district equal to the difference between the sum of
5 the salaries earned by each of the certificated members of the
6 annexing district as constituted after the annexation while
7 employed in the district gaining territory or the district
8 losing territory during the year immediately preceding the
9 annexation and the sum of the salaries those certificated
10 members would have been paid during such immediately preceding
11 year if placed on the salary schedule of whichever of the
12 district gaining territory or district losing territory had the
13 highest salary schedule during the immediately preceding year.
14 To be eligible for supplementary State aid reimbursement under
15 this Section, the intergovernmental agreement to be submitted
16 pursuant to Section 7-14A of this Code must show that staff
17 members were transferred from the control of the district
18 losing territory to the control of the district gaining
19 territory in the annexation. The changes to this Section made
20 by Public Act 95-707 are intended to be retroactive and
21 applicable to any annexation taking effect on or after July 1,
22 2004. For annexations that are eligible for payments under this
23 paragraph (5.10) and that are effective on or after July 1,
24 2004, but before January 11, 2008 (the effective date of Public
25 Act 95-707), the first required yearly payment under this
26 paragraph (5.10) shall be paid in the fiscal year of January

1 11, 2008 (the effective date of Public Act 95-707). Subsequent
2 required yearly payments shall be paid in subsequent fiscal
3 years until the payment obligation under this paragraph (5.10)
4 is complete.

5 (5.15) After the deactivation of a school facility in
6 accordance with Section 10-22.22b of this Code, a computation
7 shall be made to determine the difference between the salaries
8 effective in the sending school district and each receiving
9 school district on June 30 prior to the deactivation of the
10 school facility. For the lesser of the first 4 years after the
11 deactivation of the school facility or the length of the
12 deactivation agreement, including any renewals of the original
13 deactivation agreement, a supplementary State aid
14 reimbursement shall be paid to each receiving district equal to
15 the difference between the sum of the salaries earned by each
16 of the certificated members transferred to that receiving
17 district as a result of the deactivation while employed in the
18 sending district during the year immediately preceding the
19 deactivation and the sum of the salaries those certificated
20 members would have been paid during the year immediately
21 preceding the deactivation if placed on the salary schedule of
22 the sending or receiving district with the highest salary
23 schedule.

24 (6) The supplementary State aid reimbursement under this
25 subsection (b) shall be treated as separate from all other
26 payments made pursuant to Section 18-8.05 of this Code. In the

1 case of the formation of a new district or cooperative high
2 school or a deactivation, reimbursement shall begin during the
3 first year of operation of the new district or cooperative high
4 school or the first year of the deactivation, and in the case
5 of an annexation of the territory of one or more school
6 districts by one or more other school districts or the
7 annexation of territory detached from a school district whereby
8 the enrollment of the annexing district increases by 90% or
9 more as a result of the annexation, reimbursement shall begin
10 during the first year when the change in boundaries
11 attributable to the annexation becomes effective for all
12 purposes as determined pursuant to Section 7-9 of this Code,
13 except that for an annexation of territory detached from a
14 school district that is effective on or after July 1, 2004, but
15 before January 11, 2008 (the effective date of Public Act
16 95-707), whereby the enrollment of the annexing district
17 increases by 90% or more as a result of the annexation,
18 reimbursement shall begin during the fiscal year of January 11,
19 2008 (the effective date of Public Act 95-707). Each year that
20 the new, annexing, or receiving district or cooperative high
21 school, as the case may be, is entitled to receive
22 reimbursement, the number of eligible certified members who are
23 employed on October 1 in the district or cooperative high
24 school shall be certified to the State Board of Education on
25 prescribed forms by October 15 and payment shall be made on or
26 before November 15 of that year.

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

13 (2) For the first year after the annexation of all of the
14 territory of one or more entire school districts by another
15 school district, as defined in 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 issued by the
19 regional board of school trustees under Section 7-6 of this
20 Code, notwithstanding any effort to seek administrative review
21 of the decision, totaling the annexing district's and totaling
22 each annexed district's audited fund balances in their
23 respective educational, working cash, operations and
24 maintenance, and transportation funds. The annexing district
25 as constituted after the annexation shall be paid supplementary
26 State aid equal to the sum of the differences between the

1 deficit of whichever of the annexing or annexed districts as
2 constituted prior to the annexation had the smallest deficit
3 and the deficits of each of the other districts as constituted
4 prior to the annexation.

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

26 (A) the regional superintendent of schools for each

1 educational service region in which an annexed district is
2 located prior to the annexation shall certify to the State
3 Board of Education, on forms that it shall provide for that
4 purpose, the value of all taxable property in each annexed
5 district, as last equalized or assessed by the Department
6 of Revenue prior to the annexation, and the equalized
7 assessed value of each part of the annexed district that
8 was annexed to or included as a part of an annexing
9 district;

10 (B) using equalized assessed values as certified by the
11 regional superintendent of schools under clause (A) of this
12 paragraph (3), the combined audited fund balance deficit of
13 each annexed district as determined under this Section
14 shall be apportioned between or among the annexing
15 districts in the same ratio as the equalized assessed value
16 of that part of the annexed district that was annexed to or
17 included as a part of an annexing district bears to the
18 total equalized assessed value of the annexed district; and

19 (C) the aggregate supplementary State aid payment
20 under this paragraph (3) shall be allocated between or
21 among, and shall be paid to, the annexing districts in the
22 same ratio as the sum of the combined audited fund balance
23 deficit of each annexing district as constituted prior to
24 the annexation, plus all combined audited fund balance
25 deficit amounts apportioned to that annexing district
26 under clause (B) of this subsection, bears to the aggregate

1 of the combined audited fund balance deficits of all of the
2 annexing and annexed districts as constituted prior to the
3 annexation.

4 (4) For the new elementary districts and new high school
5 district formed through a school district conversion, as
6 defined in Section 11E-15 of this Code or the new elementary
7 district or districts and new combined high school - unit
8 district formed through a multi-unit conversion, as defined in
9 subsection (b) of Section 11E-30 of this Code, a computation
10 shall be made totaling each previously existing district's
11 audited fund balances in the educational fund, working cash
12 fund, operations and maintenance fund, and transportation fund
13 for the year ending June 30 prior to the referendum
14 establishing the new districts. In the first year of the new
15 districts, the State shall make a one-time supplementary
16 payment equal to the sum of the differences between the deficit
17 of the previously existing district with the smallest deficit
18 and the deficits of each of the other previously existing
19 districts. A district with a combined balance among the 4 funds
20 that is positive shall be considered to have a deficit of zero.
21 The supplementary payment shall be allocated among the newly
22 formed high school and elementary districts in the manner
23 provided by the petition for the formation of the districts, in
24 the form in which the petition is approved by the regional
25 superintendent of schools or State Superintendent of Education
26 under Section 11E-50 of this Code.

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

17 (6) For an elementary opt-in as defined in subsection (d)
18 of Section 11E-30 of this Code, the deficit fund balance
19 incentive shall be computed in accordance with paragraph (5) of
20 this subsection (c) as if the opted-in elementary was included
21 in the optional elementary unit district at the optional
22 elementary unit district's original effective date. If the
23 calculation in this paragraph (6) is less than that calculated
24 in paragraph (5) of this subsection (c) at the optional
25 elementary unit district's original effective date, then no
26 adjustments may be made. If the calculation in this paragraph

1 (6) is more than that calculated in paragraph (5) of this
2 subsection (c) at the optional elementary unit district's
3 original effective date, then the excess must be paid as
4 follows:

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

17 (C) If the effective date for the elementary opt-in is
18 3 years after the effective date for the optional
19 elementary unit district, 50% of the calculated excess
20 shall be paid to the optional elementary unit district in
21 the first year after the effective date of the elementary
22 opt-in.

23 (D) If the effective date for the elementary opt-in is
24 4 years after the effective date for the optional
25 elementary unit district, 25% of the calculated excess
26 shall be paid to the optional elementary unit district in

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

3 (E) If the effective date for the elementary opt-in is
4 5 years after the effective date for the optional
5 elementary unit district, the optional elementary unit
6 district is not eligible for any additional incentives due
7 to the elementary opt-in.

8 (6.5) For the first year after the annexation of territory
9 detached from another school district whereby the enrollment of
10 the annexing district increases by 90% or more as a result of
11 the annexation, a computation shall be made totaling the
12 audited fund balances of the district gaining territory and the
13 audited fund balances of the district losing territory in the
14 educational fund, working cash fund, operations and
15 maintenance fund, and transportation fund for the year ending
16 June 30 prior to the date that the change of boundaries
17 attributable to the annexation is allowed by the affirmative
18 decision of the regional board of school trustees under Section
19 7-6 of this Code, notwithstanding any action for administrative
20 review of the decision. The annexing district as constituted
21 after the annexation shall be paid supplementary State aid
22 equal to the difference between the deficit of whichever
23 district included in this calculation as constituted prior to
24 the annexation had the smallest deficit and the deficit of each
25 other district included in this calculation as constituted
26 prior to the annexation, multiplied by the ratio of equalized

1 assessed value of the territory detached to the total equalized
2 assessed value of the district losing territory. The regional
3 superintendent of schools for the educational service region in
4 which a district losing territory is located prior to the
5 annexation shall certify to the State Board of Education the
6 value of all taxable property in the district losing territory
7 and the value of all taxable property in the territory being
8 detached, as last equalized or assessed by the Department of
9 Revenue prior to the annexation. To be eligible for
10 supplementary State aid reimbursement under this Section, the
11 intergovernmental agreement to be submitted pursuant to
12 Section 7-14A of this Code must show that fund balances were
13 transferred from the district losing territory to the district
14 gaining territory in the annexation. The changes to this
15 Section made by Public Act 95-707 are intended to be
16 retroactive and applicable to any annexation taking effect on
17 or after July 1, 2004. For annexations that are eligible for
18 payments under this paragraph (6.5) and that are effective on
19 or after July 1, 2004, but before January 11, 2008 (the
20 effective date of Public Act 95-707), the required payment
21 under this paragraph (6.5) shall be paid in the fiscal year of
22 January 11, 2008 (the effective date of Public Act 95-707).

23 (7) For purposes of any calculation required under
24 paragraph (1), (2), (3), (4), (5), (6), or (6.5) of this
25 subsection (c), a district with a combined fund balance that is
26 positive shall be considered to have a deficit of zero. For

1 purposes of determining each district's audited fund balances
2 in its educational fund, working cash fund, operations and
3 maintenance fund, and transportation fund for the specified
4 year ending June 30, as provided in paragraphs (1), (2), (3),
5 (4), (5), (6), and (6.5) of this subsection (c), the balance of
6 each fund shall be deemed decreased by an amount equal to the
7 amount of the annual property tax theretofore levied in the
8 fund by the district for collection and payment to the district
9 during the calendar year in which the June 30 fell, but only to
10 the extent that the tax so levied in the fund actually was
11 received by the district on or before or comprised a part of
12 the fund on such June 30. For purposes of determining each
13 district's audited fund balances, a calculation shall be made
14 for each fund to determine the average for the 3 years prior to
15 the specified year ending June 30, as provided in paragraphs
16 (1), (2), (3), (4), (5), (6), and (6.5) of this subsection (c),
17 of the district's expenditures in the categories "purchased
18 services", "supplies and materials", and "capital outlay", as
19 those categories are defined in rules of the State Board of
20 Education. If this 3-year average is less than the district's
21 expenditures in these categories for the specified year ending
22 June 30, as provided in paragraphs (1), (2), (3), (4), (5),
23 (6), and (6.5) of this subsection (c), then the 3-year average
24 shall be used in calculating the amounts payable under this
25 Section in place of the amounts shown in these categories for
26 the specified year ending June 30, as provided in paragraphs

1 (1), (2), (3), (4), (5), (6), and (6.5) of this subsection (c).
2 Any deficit because of State aid not yet received may not be
3 considered in determining the June 30 deficits. The same basis
4 of accounting shall be used by all previously existing
5 districts and by all annexing or annexed districts, as
6 constituted prior to the annexation, in making any computation
7 required under paragraphs (1), (2), (3), (4), (5), (6), and
8 (6.5) of this subsection (c).

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

12 (d)(1) Following the formation of a combined school
13 district, as defined in Section 11E-20 of this Code, a new unit
14 district, as defined in Section 11E-25 of this Code, a new
15 elementary district or districts and a new high school district
16 formed through a school district conversion, as defined in
17 Section 11E-15 of this Code, a new partial elementary unit
18 district, as defined in Section 11E-30 of this Code, or a new
19 elementary district or districts formed through a multi-unit
20 conversion, as defined in subsection (b) of Section 11E-30 of
21 this Code, or the annexation of all of the territory of one or
22 more entire school districts by one or more other school
23 districts, as defined in Article 7 of this Code, a
24 supplementary State aid reimbursement shall be paid for the
25 number of school years determined under the following table to
26 each new or annexing district equal to the sum of \$4,000 for

1 each certified employee who is employed by the district on a
2 full-time basis for the regular term of the school year:

3	Reorganized District's Rank	Reorganized District's Rank		
4	by type of district (unit, high school, elementary)	in Average Daily Attendance		
5	in Equalized Assessed Value	By Quintile		
6	Per Pupil by Quintile			
7				3rd, 4th,
8		1st	2nd	or 5th
9		Quintile	Quintile	Quintile
10	1st Quintile	1 year	1 year	1 year
11	2nd Quintile	1 year	2 years	2 years
12	3rd Quintile	2 years	3 years	3 years
13	4th Quintile	2 years	3 years	3 years
14	5th Quintile	2 years	3 years	3 years
15				

16 The State Board of Education shall make a one-time calculation
17 of a reorganized district's quintile ranks. The average daily
18 attendance used in this calculation shall be the best 3 months'
19 average daily attendance for the district's first year. The
20 equalized assessed value per pupil shall be the district's real
21 property equalized assessed value used in calculating the
22 district's first-year general State aid claim, under Section
23 18-8.05 of this Code, or first-year evidence-based funding
24 claim, under Section 18-8.15 of this Code, as applicable,

1 divided by the best 3 months' average daily attendance.

2 No annexing or resulting school district shall be entitled
3 to supplementary State aid under this subsection (d) unless the
4 district acquires at least 30% of the average daily attendance
5 of the district from which the territory is being detached or
6 divided.

7 If a district results from multiple reorganizations that
8 would otherwise qualify the district for multiple payments
9 under this subsection (d) in any year, then the district shall
10 receive a single payment only for that year based solely on the
11 most recent reorganization.

12 (2) For an elementary opt-in, as defined in subsection (d)
13 of Section 11E-30 of this Code, the full-time certified staff
14 incentive shall be computed in accordance with paragraph (1) of
15 this subsection (d), equal to the sum of \$4,000 for each
16 certified employee of the elementary district that opts-in who
17 is employed by the optional elementary unit district on a
18 full-time basis for the regular term of the school year. The
19 calculation from this paragraph (2) must be paid as follows:

20 (A) If the effective date for the elementary opt-in is
21 one year after the effective date for the optional
22 elementary unit district, 100% 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 (B) If the effective date for the elementary opt-in is
4 2 years after the effective date for the optional
5 elementary unit district, 75% 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 (C) If the effective date for the elementary opt-in is
13 3 years after the effective date for the optional
14 elementary unit district, 50% of the amount calculated in
15 this paragraph (2) shall be paid to the optional elementary
16 unit district for the number of years calculated in
17 paragraph (1) of this subsection (d) at the optional
18 elementary unit district's original effective date,
19 starting in the second year after the effective date of the
20 elementary opt-in.

21 (D) If the effective date for the elementary opt-in is
22 4 years after the effective date for the optional
23 elementary unit district, 25% of the amount calculated in
24 this paragraph (2) shall be paid to the optional elementary
25 unit district for the number of years calculated in
26 paragraph (1) of this subsection (d) at the optional

1 elementary unit district's original effective date,
2 starting in the second year after the effective date of the
3 elementary opt-in.

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

9 (2.5) Following the formation of a cooperative high school
10 by 2 or more school districts under Section 10-22.22c of this
11 Code, a supplementary State aid reimbursement shall be paid for
12 3 school years to the cooperative high school equal to the sum
13 of \$4,000 for each certified employee who is employed by the
14 cooperative high school on a full-time basis for the regular
15 term of any such school year. If a cooperative high school
16 results from multiple agreements that would otherwise qualify
17 the cooperative high school for multiple payments under this
18 Section in any year, the cooperative high school shall receive
19 a single payment for that year based solely on the most recent
20 agreement.

21 (2.10) Following the annexation of territory detached from
22 another school district whereby the enrollment of the annexing
23 district increases 90% or more as a result of the annexation, a
24 supplementary State aid reimbursement shall be paid to the
25 annexing district equal to the sum of \$4,000 for each certified
26 employee who is employed by the annexing district on a

1 full-time basis and shall be calculated in accordance with
2 subsection (a) of this Section. To be eligible for
3 supplementary State aid reimbursement under this Section, the
4 intergovernmental agreement to be submitted pursuant to
5 Section 7-14A of this Code must show that certified staff
6 members were transferred from the control of the district
7 losing territory to the control of the district gaining
8 territory in the annexation. The changes to this Section made
9 by Public Act 95-707 are intended to be retroactive and
10 applicable to any annexation taking effect on or after July 1,
11 2004. For annexations that are eligible for payments under this
12 paragraph (2.10) and that are effective on or after July 1,
13 2004, but before January 11, 2008 (the effective date of Public
14 Act 95-707), the first required yearly payment under this
15 paragraph (2.10) shall be paid in the second fiscal year after
16 January 11, 2008 (the effective date of Public Act 95-707). Any
17 subsequent required yearly payments shall be paid in subsequent
18 fiscal years until the payment obligation under this paragraph
19 (2.10) is complete.

20 (2.15) Following the deactivation of a school facility in
21 accordance with Section 10-22.22b of this Code, a supplementary
22 State aid reimbursement shall be paid for the lesser of 3
23 school years or the length of the deactivation agreement,
24 including any renewals of the original deactivation agreement,
25 to each receiving school district equal to the sum of \$4,000
26 for each certified employee who is employed by that receiving

1 district on a full-time basis for the regular term of any such
2 school year who was originally transferred to the control of
3 that receiving district as a result of the deactivation.
4 Receiving districts are eligible for payments under this
5 paragraph (2.15) based on the certified employees transferred
6 to that receiving district as a result of the deactivation and
7 are not required to receive at least 30% of the deactivating
8 district's average daily attendance as required under
9 paragraph (1) of this subsection (d) to be eligible for
10 payments.

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

15 (4) During May of each school year for which a
16 supplementary State aid reimbursement is to be paid to a new,
17 annexing, or receiving school district or cooperative high
18 school pursuant to this subsection (d), the school board or
19 governing board shall certify to the State Board of Education,
20 on forms furnished to the school board or governing board by
21 the State Board of Education for purposes of this subsection
22 (d), the number of certified employees for which the district
23 or cooperative high school is entitled to reimbursement under
24 this Section, together with the names, certificate numbers, and
25 positions held by the certified employees.

26 (5) Upon certification by the State Board of Education to

1 the State Comptroller of the amount of the supplementary State
2 aid reimbursement to which a school district or cooperative
3 high school is entitled under this subsection (d), the State
4 Comptroller shall draw his or her warrant upon the State
5 Treasurer for the payment thereof to the school district or
6 cooperative high school and shall promptly transmit the payment
7 to the school district or cooperative high school through the
8 appropriate school treasurer.

9 (Source: P.A. 95-331, eff. 8-21-07; 95-707, eff. 1-11-08;
10 95-903, eff. 8-25-08; 96-328, eff. 8-11-09.)

11 (105 ILCS 5/13A-8)

12 Sec. 13A-8. Funding.

13 (a) The State of Illinois shall provide funding for the
14 alternative school programs within each educational service
15 region and within the Chicago public school system by line item
16 appropriation made to the State Board of Education for that
17 purpose. This money, when appropriated, shall be provided to
18 the regional superintendent and to the Chicago Board of
19 Education, who shall establish a budget, including salaries,
20 for their alternative school programs. Each program shall
21 receive funding in the amount of \$30,000 plus an amount based
22 on the ratio of the region's or Chicago's best 3 months'
23 average daily attendance in grades pre-kindergarten through 12
24 to the statewide totals of these amounts. For purposes of this
25 calculation, the best 3 months' average daily attendance for

1 each region or Chicago shall be calculated by adding to the
2 best 3 months' average daily attendance the number of
3 low-income students identified in the most recently available
4 federal census multiplied by one-half times the percentage of
5 the region's or Chicago's low-income students to the State's
6 total low-income students. The State Board of Education shall
7 retain up to 1.1% of the appropriation to be used to provide
8 technical assistance, professional development, and
9 evaluations for the programs.

10 (a-5) Notwithstanding any other provisions of this
11 Section, for the 1998-1999 fiscal year, the total amount
12 distributed under subsection (a) for an alternative school
13 program shall be not less than the total amount that was
14 distributed under that subsection for that alternative school
15 program for the 1997-1998 fiscal year. If an alternative school
16 program is to receive a total distribution under subsection (a)
17 for the 1998-1999 fiscal year that is less than the total
18 distribution that the program received under that subsection
19 for the 1997-1998 fiscal year, that alternative school program
20 shall also receive, from a separate appropriation made for
21 purposes of this subsection (a-5), a supplementary payment
22 equal to the amount by which its total distribution under
23 subsection (a) for the 1997-1998 fiscal year exceeds the amount
24 of the total distribution that the alternative school program
25 receives under that subsection for the 1998-1999 fiscal year.
26 If the amount appropriated for supplementary payments to

1 alternative school programs under this subsection (a-5) is
2 insufficient for that purpose, those supplementary payments
3 shall be prorated among the alternative school programs
4 entitled to receive those supplementary payments according to
5 the aggregate amount of the appropriation made for purposes of
6 this subsection (a-5).

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

18 (c) An alternative school program may receive additional
19 funding from its school districts in such amount as may be
20 agreed upon by the parties and necessary to support the
21 program. In addition, an alternative school program is
22 authorized to accept and expend gifts, legacies, and grants,
23 including but not limited to federal grants, from any source
24 for purposes directly related to the conduct and operation of
25 the program.

26 (Source: P.A. 89-383, eff. 8-18-95; 89-629, eff. 8-9-96;

1 89-636, eff. 8-9-96; 90-14, eff. 7-1-97; 90-283, eff. 7-31-97;
2 90-802, eff. 12-15-98.)

3 (105 ILCS 5/13B-20.20)

4 Sec. 13B-20.20. Enrollment in other programs. High school
5 equivalency testing preparation programs are not eligible for
6 funding under this Article. A student may enroll in a program
7 approved under Section 18-8.05 or 18-8.15 of this Code, as
8 appropriate, or attend both the alternative learning
9 opportunities program and the regular school program to enhance
10 student performance and facilitate on-time graduation.

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

12 (105 ILCS 5/13B-45)

13 Sec. 13B-45. Days and hours of attendance. An alternative
14 learning opportunities program shall provide students with at
15 least the minimum number of days of pupil attendance required
16 under Section 10-19 of this Code and the minimum number of
17 daily hours of school work required under Section 18-8.05 or
18 18-8.15 of this Code, provided that the State Board may approve
19 exceptions to these requirements if the program meets all of
20 the following conditions:

21 (1) The district plan submitted under Section
22 13B-25.15 of this Code establishes that a program providing
23 the required minimum number of days of attendance or daily
24 hours of school work would not serve the needs of the

1 program's students.

2 (2) Each day of attendance shall provide no fewer than
3 3 clock hours of school work, as defined under paragraph
4 (1) of subsection (F) of Section 18-8.05 of this Code.

5 (3) Each day of attendance that provides fewer than 5
6 clock hours of school work shall also provide supplementary
7 services, including without limitation work-based
8 learning, student assistance programs, counseling, case
9 management, health and fitness programs, or life-skills or
10 conflict resolution training, in order to provide a total
11 daily program to the student of 5 clock hours. A program
12 may claim general State aid or evidence-based funding for
13 up to 2 hours of the time each day that a student is
14 receiving supplementary services.

15 (4) Each program shall provide no fewer than 174 days
16 of actual pupil attendance during the school term; however,
17 approved evening programs that meet the requirements of
18 Section 13B-45 of this Code may offer less than 174 days of
19 actual pupil attendance during the school term.

20 (Source: P.A. 92-42, eff. 1-1-02.)

21 (105 ILCS 5/13B-50)

22 Sec. 13B-50. Eligibility to receive general State aid or
23 evidence-based funding. In order to receive general State aid
24 or evidence-based funding, alternative learning opportunities
25 programs must meet the requirements for claiming general State

1 aid as specified in Section 18-8.05 of this Code or
2 evidence-based funding as specified in Section 18-8.15 of this
3 Code, as applicable, with the exception of the length of the
4 instructional day, which may be less than 5 hours of school
5 work if the program meets the criteria set forth under Sections
6 13B-50.5 and 13B-50.10 of this Code and if the program is
7 approved by the State Board.

8 (Source: P.A. 92-42, eff. 1-1-02.)

9 (105 ILCS 5/13B-50.10)

10 Sec. 13B-50.10. Additional criteria for general State aid
11 or evidence-based funding. In order to claim general State aid
12 or evidence-based funding, an alternative learning
13 opportunities program must meet the following criteria:

14 (1) Teacher professional development plans should include
15 education in the instruction of at-risk students.

16 (2) Facilities must meet the health, life, and safety
17 requirements in this Code.

18 (3) The program must comply with all other State and
19 federal laws applicable to education providers.

20 (Source: P.A. 92-42, eff. 1-1-02.)

21 (105 ILCS 5/13B-50.15)

22 Sec. 13B-50.15. Level of funding. Approved alternative
23 learning opportunities programs are entitled to claim general
24 State aid or evidence-based funding, subject to Sections

1 13B-50, 13B-50.5, and 13B-50.10 of this Code. Approved programs
2 operated by regional offices of education are entitled to
3 receive general State aid at the foundation level of support. A
4 school district or consortium must ensure that an approved
5 program receives supplemental general State aid,
6 transportation reimbursements, and special education
7 resources, if appropriate, for students enrolled in the
8 program.

9 (Source: P.A. 92-42, eff. 1-1-02.)

10 (105 ILCS 5/14-7.02b)

11 Sec. 14-7.02b. Funding for children requiring special
12 education services. Payments to school districts for children
13 requiring special education services documented in their
14 individualized education program regardless of the program
15 from which these services are received, excluding children
16 claimed under Sections 14-7.02 and 14-7.03 of this Code, shall
17 be made in accordance with this Section. Funds received under
18 this Section may be used only for the provision of special
19 educational facilities and services as defined in Section
20 14-1.08 of this Code.

21 The appropriation for fiscal year 2005 through fiscal year
22 2017 and thereafter shall be based upon the IDEA child count of
23 all students in the State, excluding students claimed under
24 Sections 14-7.02 and 14-7.03 of this Code, on December 1 of the
25 fiscal year 2 years preceding, multiplied by 17.5% of the

1 general State aid foundation level of support established for
2 that fiscal year under Section 18-8.05 of this Code.

3 Beginning with fiscal year 2005 and through fiscal year
4 2007, individual school districts shall not receive payments
5 under this Section totaling less than they received under the
6 funding authorized under Section 14-7.02a of this Code during
7 fiscal year 2004, pursuant to the provisions of Section
8 14-7.02a as they were in effect before the effective date of
9 this amendatory Act of the 93rd General Assembly. This base
10 level funding shall be computed first.

11 Beginning with fiscal year 2008 through fiscal year 2017
12 ~~and each fiscal year thereafter~~, individual school districts
13 must not receive payments under this Section totaling less than
14 they received in fiscal year 2007. This funding shall be
15 computed last and shall be a separate calculation from any
16 other calculation set forth in this Section. This amount is
17 exempt from the requirements of Section 1D-1 of this Code.

18 Through fiscal year 2017, an An amount equal to 85% of the
19 funds remaining in the appropriation shall be allocated to
20 school districts based upon the district's average daily
21 attendance reported for purposes of Section 18-8.05 of this
22 Code for the preceding school year. Fifteen percent of the
23 funds remaining in the appropriation shall be allocated to
24 school districts based upon the district's low income eligible
25 pupil count used in the calculation of general State aid under
26 Section 18-8.05 of this Code for the same fiscal year. One

1 hundred percent of the funds computed and allocated to
2 districts under this Section shall be distributed and paid to
3 school districts.

4 For individual students with disabilities whose program
5 costs exceed 4 times the district's per capita tuition rate as
6 calculated under Section 10-20.12a of this Code, the costs in
7 excess of 4 times the district's per capita tuition rate shall
8 be paid by the State Board of Education from unexpended IDEA
9 discretionary funds originally designated for room and board
10 reimbursement pursuant to Section 14-8.01 of this Code. The
11 amount of tuition for these children shall be determined by the
12 actual cost of maintaining classes for these children, using
13 the per capita cost formula set forth in Section 14-7.01 of
14 this Code, with the program and cost being pre-approved by the
15 State Superintendent of Education. Reimbursement for
16 individual students with disabilities whose program costs
17 exceed 4 times the district's per capita tuition rate shall be
18 claimed beginning with costs encumbered for the 2004-2005
19 school year and thereafter.

20 The State Board of Education shall prepare vouchers equal
21 to one-fourth the amount allocated to districts, for
22 transmittal to the State Comptroller on the 30th day of
23 September, December, and March, respectively, and the final
24 voucher, no later than June 20. The Comptroller shall make
25 payments pursuant to this Section to school districts as soon
26 as possible after receipt of vouchers. If the money

1 appropriated from the General Assembly for such purposes for
2 any year is insufficient, it shall be apportioned on the basis
3 of the payments due to school districts.

4 Nothing in this Section shall be construed to decrease or
5 increase the percentage of all special education funds that are
6 allocated annually under Article 1D of this Code or to alter
7 the requirement that a school district provide special
8 education services.

9 Nothing in this amendatory Act of the 93rd General Assembly
10 shall eliminate any reimbursement obligation owed as of the
11 effective date of this amendatory Act of the 93rd General
12 Assembly to a school district with in excess of 500,000
13 inhabitants.

14 Except for reimbursement for individual students with
15 disabilities whose program costs exceed 4 times the district's
16 per capita tuition rate, no funding shall be provided to school
17 districts under this Section after fiscal year 2017.

18 In fiscal year 2018 and each fiscal year thereafter, all
19 funding received by a school district from the State pursuant
20 to Section 18-8.15 of this Code that is attributable to
21 students requiring special education services must be used for
22 special education services authorized under this Code.

23 (Source: P.A. 93-1022, eff. 8-24-08; 95-705, eff. 1-8-08.)

24 (105 ILCS 5/14-13.01) (from Ch. 122, par. 14-13.01)

25 Sec. 14-13.01. Reimbursement payable by State; amounts for

1 personnel and transportation.

2 (a) Through fiscal year 2017, for ~~For~~ staff working on
3 behalf of children who have not been identified as eligible for
4 special education and for eligible children with physical
5 disabilities, including all eligible children whose placement
6 has been determined under Section 14-8.02 in hospital or home
7 instruction, 1/2 of the teacher's salary but not more than
8 \$1,000 annually per child or \$9,000 per teacher, whichever is
9 less.

10 (a-5) A child qualifies for home or hospital instruction if
11 it is anticipated that, due to a medical condition, the child
12 will be unable to attend school, and instead must be instructed
13 at home or in the hospital, for a period of 2 or more
14 consecutive weeks or on an ongoing intermittent basis. For
15 purposes of this Section, "ongoing intermittent basis" means
16 that the child's medical condition is of such a nature or
17 severity that it is anticipated that the child will be absent
18 from school due to the medical condition for periods of at
19 least 2 days at a time multiple times during the school year
20 totaling at least 10 days or more of absences. There shall be
21 no requirement that a child be absent from school a minimum
22 number of days before the child qualifies for home or hospital
23 instruction. In order to establish eligibility for home or
24 hospital services, a student's parent or guardian must submit
25 to the child's school district of residence a written statement
26 from a physician licensed to practice medicine in all of its

1 branches stating the existence of such medical condition, the
2 impact on the child's ability to participate in education, and
3 the anticipated duration or nature of the child's absence from
4 school. Home or hospital instruction may commence upon receipt
5 of a written physician's statement in accordance with this
6 Section, but instruction shall commence not later than 5 school
7 days after the school district receives the physician's
8 statement. Special education and related services required by
9 the child's IEP or services and accommodations required by the
10 child's federal Section 504 plan must be implemented as part of
11 the child's home or hospital instruction, unless the IEP team
12 or federal Section 504 plan team determines that modifications
13 are necessary during the home or hospital instruction due to
14 the child's condition.

15 (a-10) Through fiscal year 2017, eligible ~~Eligible~~
16 children to be included in any reimbursement under this
17 paragraph must regularly receive a minimum of one hour of
18 instruction each school day, or in lieu thereof of a minimum of
19 5 hours of instruction in each school week in order to qualify
20 for full reimbursement under this Section. If the attending
21 physician for such a child has certified that the child should
22 not receive as many as 5 hours of instruction in a school week,
23 however, reimbursement under this paragraph on account of that
24 child shall be computed proportionate to the actual hours of
25 instruction per week for that child divided by 5.

26 (a-15) The State Board of Education shall establish rules

1 governing the required qualifications of staff providing home
2 or hospital instruction.

3 (b) For children described in Section 14-1.02, 80% of the
4 cost of transportation approved as a related service in the
5 Individualized Education Program for each student in order to
6 take advantage of special educational facilities.
7 Transportation costs shall be determined in the same fashion as
8 provided in Section 29-5 of this Code. For purposes of this
9 subsection (b), the dates for processing claims specified in
10 Section 29-5 shall apply.

11 (c) Through fiscal year 2017, for ~~For~~ each qualified
12 worker, the annual sum of \$9,000.

13 (d) Through fiscal year 2017, for ~~For~~ one full time
14 qualified director of the special education program of each
15 school district which maintains a fully approved program of
16 special education the annual sum of \$9,000. Districts
17 participating in a joint agreement special education program
18 shall not receive such reimbursement if reimbursement is made
19 for a director of the joint agreement program.

20 (e) (Blank).

21 (f) (Blank).

22 (g) Through fiscal year 2017, for ~~For~~ readers, working with
23 blind or partially seeing children 1/2 of their salary but not
24 more than \$400 annually per child. Readers may be employed to
25 assist such children and shall not be required to be certified
26 but prior to employment shall meet standards set up by the

1 State Board of Education.

2 (h) Through fiscal year 2017, for ~~For~~ non-certified
3 employees, as defined by rules promulgated by the State Board
4 of Education, who deliver services to students with IEPs, 1/2
5 of the salary paid or \$3,500 per employee, whichever is less.

6 (i) The State Board of Education shall set standards and
7 prescribe rules for determining the allocation of
8 reimbursement under this section on less than a full time basis
9 and for less than a school year.

10 When any school district eligible for reimbursement under
11 this Section operates a school or program approved by the State
12 Superintendent of Education for a number of days in excess of
13 the adopted school calendar but not to exceed 235 school days,
14 such reimbursement shall be increased by 1/180 of the amount or
15 rate paid hereunder for each day such school is operated in
16 excess of 180 days per calendar year.

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 29-5 of this Code may classify
20 all or a portion of the funds that it receives in a particular
21 fiscal year or from evidence-based funding ~~general State aid~~
22 pursuant to Section 18-8.15 ~~18-8.05~~ of this Code as funds
23 received in connection with any funding program for which it is
24 entitled to receive funds from the State in that fiscal year
25 (including, without limitation, any funding program referenced
26 in this Section), regardless of the source or timing of the

1 receipt. The district may not classify more funds as funds
2 received in connection with the funding program than the
3 district is entitled to receive in that fiscal year for that
4 program. Any classification by a district must be made by a
5 resolution of its board of education. The resolution must
6 identify the amount of any payments or evidence-based funding
7 ~~general State aid~~ to be classified under this paragraph and
8 must specify the funding program to which the funds are to be
9 treated as received in connection therewith. This resolution is
10 controlling as to the classification of funds referenced
11 therein. A certified copy of the resolution must be sent to the
12 State Superintendent of Education. The resolution shall still
13 take effect even though a copy of the resolution has not been
14 sent to the State Superintendent of Education in a timely
15 manner. No classification under this paragraph by a district
16 shall affect the total amount or timing of money the district
17 is entitled to receive under this Code. No classification under
18 this paragraph by a district shall in any way relieve the
19 district from or affect any requirements that otherwise would
20 apply with respect to that funding program, including any
21 accounting of funds by source, reporting expenditures by
22 original source and purpose, reporting requirements, or
23 requirements of providing services.

24 No funding shall be provided to school districts under this
25 Section after fiscal year 2017. In fiscal year 2018 and each
26 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 personnel reimbursements for
3 special education pupils must be used for special education
4 services authorized under this Code.

5 (Source: P.A. 96-257, eff. 8-11-09; 97-123, eff. 7-14-11.)

6 (105 ILCS 5/14C-1) (from Ch. 122, par. 14C-1)

7 Sec. 14C-1. The General Assembly finds that there are large
8 numbers of children in this State who come from environments
9 where the primary language is other than English. Experience
10 has shown that public school classes in which instruction is
11 given only in English are often inadequate for the education of
12 children whose native tongue is another language. The General
13 Assembly believes that a program of transitional bilingual
14 education can meet the needs of these children and facilitate
15 their integration into the regular public school curriculum.
16 Therefore, pursuant to the policy of this State to ensure equal
17 educational opportunity to every child, and in recognition of
18 the educational needs of English learners, it is the purpose of
19 this Act to provide for the establishment of transitional
20 bilingual education programs in the public schools, to provide
21 supplemental financial assistance through fiscal year 2017 to
22 help local school districts meet the extra costs of such
23 programs, and to allow this State through the State Board of
24 Education to directly or indirectly provide technical
25 assistance and professional development to support

1 transitional bilingual education or a transitional program of
2 instruction programs statewide through contractual services by
3 a not-for-profit entity for technical assistance, professional
4 development, and other support to school districts and
5 educators for services for English learner pupils. In no case
6 may aggregate funding for contractual services by a
7 not-for-profit entity for support to school districts and
8 educators for services for English learner pupils be less than
9 the aggregate amount expended for such purposes in Fiscal Year
10 2017. Not-for-profit entities providing support to school
11 districts and educators for services for English learner pupils
12 must have experience providing those services in a school
13 district having a population exceeding 500,000; one or more
14 school districts in any of the counties of Lake, McHenry,
15 DuPage, Kane, and Will; and one or more school districts
16 elsewhere in this State. Funding for not-for-profit entities
17 providing support to school districts and educators for
18 services for English learner pupils may be increased subject to
19 an agreement with the State Board of Education. Funding for
20 not-for-profit entities providing support to school districts
21 and educators for services for English learner pupils shall
22 come from funds allocated pursuant to Section 18-8.15 of this
23 Code.

24 (Source: P.A. 99-30, eff. 7-10-15.)

1 Sec. 14C-12. Account of expenditures; Cost report;
2 Reimbursement. Each school district with at least one English
3 learner shall keep an accurate, detailed and separate account
4 of all monies paid out by it for the programs in transitional
5 bilingual education required or permitted by this Article,
6 including transportation costs, and shall annually report
7 thereon for the school year ending June 30 indicating the
8 average per pupil expenditure. Through fiscal year 2017, each
9 ~~Each~~ school district shall be reimbursed for the amount by
10 which such costs exceed the average per pupil expenditure by
11 such school district for the education of children of
12 comparable age who are not in any special education program. No
13 funding shall be provided to school districts under this
14 Section after fiscal year 2017. In fiscal year 2018 and each
15 fiscal year thereafter, all funding received by a school
16 district from the State pursuant to Section 18-8.15 of this
17 Code that is attributable to instructions, supports, and
18 interventions for English learner pupils must be used for
19 programs and services authorized under this Article. At least
20 60% of transitional bilingual education funding received from
21 the State must be used for the instructional costs of programs
22 and services authorized under this Article ~~transitional~~
23 ~~bilingual education.~~

24 Applications for preapproval ~~for reimbursement~~ for costs
25 of transitional bilingual education programs must be submitted
26 to the State Superintendent of Education at least 60 days

1 before a transitional bilingual education program is started,
2 unless a justifiable exception is granted by the State
3 Superintendent of Education. Applications shall set forth a
4 plan for transitional bilingual education established and
5 maintained in accordance with this Article.

6 Through fiscal year 2017, reimbursement ~~Reimbursement~~
7 claims for transitional bilingual education programs shall be
8 made as follows:

9 Each school district shall claim reimbursement on a current
10 basis for the first 3 quarters of the fiscal year and file a
11 final adjusted claim for the school year ended June 30
12 preceding computed in accordance with rules prescribed by the
13 State Superintendent's Office. The State Superintendent of
14 Education before approving any such claims shall determine
15 their accuracy and whether they are based upon services and
16 facilities provided under approved programs. Upon approval he
17 shall transmit to the Comptroller the vouchers showing the
18 amounts due for school district reimbursement claims. Upon
19 receipt of the final adjusted claims the State Superintendent
20 of Education shall make a final determination of the accuracy
21 of such claims. If the money appropriated by the General
22 Assembly for such purpose for any year is insufficient, it
23 shall be apportioned on the basis of the claims approved.

24 Failure on the part of the school district to prepare and
25 certify the final adjusted claims due under this Section may
26 constitute a forfeiture by the school district of its right to

1 be reimbursed by the State under this Section.

2 (Source: P.A. 96-1170, eff. 1-1-11.)

3 (105 ILCS 5/17-1) (from Ch. 122, par. 17-1)

4 Sec. 17-1. Annual Budget. The board of education of each
5 school district under 500,000 inhabitants shall, within or
6 before the first quarter of each fiscal year, adopt and file
7 with the State Board of Education an annual balanced budget
8 which it deems necessary to defray all necessary expenses and
9 liabilities of the district, and in such annual budget shall
10 specify the objects and purposes of each item and amount needed
11 for each object or purpose.

12 The budget shall be entered upon a School District Budget
13 form prepared and provided by the State Board of Education and
14 therein shall contain a statement of the cash on hand at the
15 beginning of the fiscal year, an estimate of the cash expected
16 to be received during such fiscal year from all sources, an
17 estimate of the expenditures contemplated for such fiscal year,
18 and a statement of the estimated cash expected to be on hand at
19 the end of such year. The estimate of taxes to be received may
20 be based upon the amount of actual cash receipts that may
21 reasonably be expected by the district during such fiscal year,
22 estimated from the experience of the district in prior years
23 and with due regard for other circumstances that may
24 substantially affect such receipts. Nothing in this Section
25 shall be construed as requiring any district to change or

1 preventing any district from changing from a cash basis of
2 financing to a surplus or deficit basis of financing; or as
3 requiring any district to change or preventing any district
4 from changing its system of accounting. The budget shall
5 conform to the requirements adopted by the State Board of
6 Education pursuant to Section 2-3.28 of this Code.

7 To the extent that a school district's budget is not
8 balanced, the district shall also adopt and file with the State
9 Board of Education a deficit reduction plan to balance the
10 district's budget within 3 years. The deficit reduction plan
11 must be filed at the same time as the budget, but the State
12 Superintendent of Education may extend this deadline if the
13 situation warrants.

14 If, as the result of an audit performed in compliance with
15 Section 3-7 of this Code, the resulting Annual Financial Report
16 required to be submitted pursuant to Section 3-15.1 of this
17 Code reflects a deficit as defined for purposes of the
18 preceding paragraph, then the district shall, within 30 days
19 after acceptance of such audit report, submit a deficit
20 reduction plan.

21 The board of education of each district shall fix a fiscal
22 year therefor. If the beginning of the fiscal year of a
23 district is subsequent to the time that the tax levy due to be
24 made in such fiscal year shall be made, then such annual budget
25 shall be adopted prior to the time such tax levy shall be made.
26 The failure by a board of education of any district to adopt an

1 annual budget, or to comply in any respect with the provisions
2 of this Section, shall not affect the validity of any tax levy
3 of the district otherwise in conformity with the law. With
4 respect to taxes levied either before, on, or after the
5 effective date of this amendatory Act of the 91st General
6 Assembly, (i) a tax levy is made for the fiscal year in which
7 the levy is due to be made regardless of which fiscal year the
8 proceeds of the levy are expended or are intended to be
9 expended, and (ii) except as otherwise provided by law, a board
10 of education's adoption of an annual budget in conformity with
11 this Section is not a prerequisite to the adoption of a valid
12 tax levy and is not a limit on the amount of the levy.

13 Such budget shall be prepared in tentative form by some
14 person or persons designated by the board, and in such
15 tentative form shall be made conveniently available to public
16 inspection for at least 30 days prior to final action thereon.
17 At least 1 public hearing shall be held as to such budget prior
18 to final action thereon. Notice of availability for public
19 inspection and of such public hearing shall be given by
20 publication in a newspaper published in such district, at least
21 30 days prior to the time of such hearing. If there is no
22 newspaper published in such district, notice of such public
23 hearing shall be given by posting notices thereof in 5 of the
24 most public places in such district. It shall be the duty of
25 the secretary of such board to make such tentative budget
26 available to public inspection, and to arrange for such public

1 hearing. The board may from time to time make transfers between
2 the various items in any fund not exceeding in the aggregate
3 10% of the total of such fund as set forth in the budget. The
4 board may from time to time amend such budget by the same
5 procedure as is herein provided for its original adoption.

6 Beginning July 1, 1976, the board of education, or regional
7 superintendent, or governing board responsible for the
8 administration of a joint agreement shall, by September 1 of
9 each fiscal year thereafter, adopt an annual budget for the
10 joint agreement in the same manner and subject to the same
11 requirements as are provided in this Section.

12 The State Board of Education shall exercise powers and
13 duties relating to budgets as provided in Section 2-3.27 of
14 this Code and shall require school districts to submit their
15 annual budgets, deficit reduction plans, and other financial
16 information, including revenue and expenditure reports and
17 borrowing and interfund transfer plans, in such form and within
18 the timelines designated by the State Board of Education.

19 By fiscal year 1982 all school districts shall use the
20 Program Budget Accounting System.

21 In the case of a school district receiving emergency State
22 financial assistance under Article 1B, the school board shall
23 also be subject to the requirements established under Article
24 1B with respect to the annual budget.

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

1 (105 ILCS 5/17-1.2)

2 Sec. 17-1.2. Post annual budget on web site. If a school
3 district has an Internet web site, the school district shall
4 post its current annual budget, itemized by receipts and
5 expenditures, on the district's Internet web site. The budget
6 shall include information conforming to the rules adopted by
7 the State Board of Education pursuant to Section 2-3.28 of this
8 Code. The school district shall notify the parents or guardians
9 of its students that the budget has been posted on the
10 district's web site and what the web site's address is.

11 (Source: P.A. 92-438, eff. 1-1-02.)

12 (105 ILCS 5/17-1.5)

13 Sec. 17-1.5. Limitation of administrative costs.

14 (a) It is the purpose of this Section to establish
15 limitations on the growth of administrative expenditures in
16 order to maximize the proportion of school district resources
17 available for the instructional program, building maintenance,
18 and safety services for the students of each district.

19 (b) Definitions. For the purposes of this Section:

20 "Administrative expenditures" mean the annual expenditures
21 of school districts properly attributable to expenditure
22 functions defined by the rules of the State Board of Education
23 as: 2320 (Executive Administration Services); 2330 (Special
24 Area Administration Services); 2490 (Other Support Services -
25 School Administration); 2510 (Direction of Business Support

1 Services); 2570 (Internal Services); and 2610 (Direction of
2 Central Support Services); provided, however, that
3 "administrative expenditures" shall not include early
4 retirement or other pension system obligations required by
5 State law.

6 "School district" means all school districts having a
7 population of less than 500,000.

8 (c) For the 1998-99 school year and each school year
9 thereafter, each school district shall undertake budgetary and
10 expenditure control actions so that the increase in
11 administrative expenditures for that school year over the prior
12 school year does not exceed 5%. School districts with
13 administrative expenditures per pupil in the 25th percentile
14 and below for all districts of the same type, as defined by the
15 State Board of Education, may waive the limitation imposed
16 under this Section for any year following a public hearing and
17 with the affirmative vote of at least two-thirds of the members
18 of the school board of the district. Any district waiving the
19 limitation shall notify the State Board within 45 days of such
20 action.

21 (d) School districts shall file with the State Board of
22 Education by November 15, 1998 and by each November 15th
23 thereafter a one-page report that lists (i) the actual
24 administrative expenditures for the prior year from the
25 district's audited Annual Financial Report, and (ii) the
26 projected administrative expenditures for the current year

1 from the budget adopted by the school board pursuant to Section
2 17-1 of this Code.

3 If a school district that is ineligible to waive the
4 limitation imposed by subsection (c) of this Section by board
5 action exceeds the limitation solely because of circumstances
6 beyond the control of the district and the district has
7 exhausted all available and reasonable remedies to comply with
8 the limitation, the district may request a waiver pursuant to
9 Section 2-3.25g. The waiver application shall specify the
10 amount, nature, and reason for the relief requested, as well as
11 all remedies the district has exhausted to comply with the
12 limitation. Any emergency relief so requested shall apply only
13 to the specific school year for which the request is made. The
14 State Board of Education shall analyze all such waivers
15 submitted and shall recommend that the General Assembly
16 disapprove any such waiver requested that is not due solely to
17 circumstances beyond the control of the district and for which
18 the district has not exhausted all available and reasonable
19 remedies to comply with the limitation. The State
20 Superintendent shall have no authority to impose any sanctions
21 pursuant to this Section for any expenditures for which a
22 waiver has been requested until such waiver has been reviewed
23 by the General Assembly.

24 If the report and information required under this
25 subsection (d) are not provided by the school district in a
26 timely manner, or are subsequently determined by the State

1 Superintendent of Education to be incomplete or inaccurate, the
2 State Superintendent shall notify the district in writing of
3 reporting deficiencies. The school district shall, within 60
4 days of the notice, address the reporting deficiencies
5 identified.

6 (e) If the State Superintendent determines that a school
7 district has failed to comply with the administrative
8 expenditure limitation imposed in subsection (c) of this
9 Section, the State Superintendent shall notify the district of
10 the violation and direct the district to undertake corrective
11 action to bring the district's budget into compliance with the
12 administrative expenditure limitation. The district shall,
13 within 60 days of the notice, provide adequate assurance to the
14 State Superintendent that appropriate corrective actions have
15 been or will be taken. If the district fails to provide
16 adequate assurance or fails to undertake the necessary
17 corrective actions, the State Superintendent may impose
18 progressive sanctions against the district that may culminate
19 in withholding all subsequent payments of general State aid due
20 the district under Section 18-8.05 of this Code or
21 evidence-based funding due the district under Section 18-8.15
22 of this Code until the assurance is provided or the corrective
23 actions taken.

24 (f) The State Superintendent shall publish a list each year
25 of the school districts that violate the limitation imposed by
26 subsection (c) of this Section and a list of the districts that

1 waive the limitation by board action as provided in subsection
2 (c) of this Section.

3 (Source: P.A. 90-548, eff. 1-1-98; 90-653, eff. 7-29-98.)

4 (105 ILCS 5/17-2.11) (from Ch. 122, par. 17-2.11)

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

9 (a) Whenever, as a result of any lawful order of any
10 agency, other than a school board, having authority to enforce
11 any school building code applicable to any facility that houses
12 students, or any law or regulation for the protection and
13 safety of the environment, pursuant to the Environmental
14 Protection Act, any school district having a population of less
15 than 500,000 inhabitants is required to alter or reconstruct
16 any school building or permanent, fixed equipment; the district
17 may, by proper resolution, levy a tax for the purpose of making
18 such alteration or reconstruction, based on a survey report by
19 an architect or engineer licensed in this State, upon all of
20 the taxable property of the district at the value as assessed
21 by the Department of Revenue and at a rate not to exceed 0.05%
22 per year for a period sufficient to finance such alteration or
23 reconstruction, upon the following conditions:

24 (1) When there are not sufficient funds available in
25 the operations and maintenance fund of the school district,

1 the school facility occupation tax fund of the district, or
2 the fire prevention and safety fund of the district, as
3 determined by the district on the basis of rules adopted by
4 the State Board of Education, to make such alteration or
5 reconstruction or to purchase and install such permanent,
6 fixed equipment so ordered or determined as necessary.
7 Appropriate school district records must be made available
8 to the State Superintendent of Education, upon request, to
9 confirm this insufficiency.

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

26 In the case of an emergency situation, where the estimated

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

23 (b) Whenever any such district determines that it is
24 necessary for energy conservation purposes that any school
25 building or permanent, fixed equipment should be altered or
26 reconstructed and that such alterations or reconstruction will

1 be made with funds not necessary for the completion of approved
2 and recommended projects contained in any safety survey report
3 or amendments thereto authorized by Section 2-3.12 of this Act;
4 the district may levy a tax or issue bonds as provided in
5 subsection (a) of this Section.

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

15 (d) Whenever any such district determines that it is
16 necessary for school security purposes and the related
17 protection and safety of pupils and school personnel that any
18 school building or property should be altered or reconstructed
19 or that security systems and equipment (including but not
20 limited to intercom, early detection and warning, access
21 control and television monitoring systems) should be purchased
22 and installed, and that such alterations, reconstruction or
23 purchase and installation of equipment will be made with funds
24 not necessary for the completion of approved and recommended
25 projects contained in any safety survey report or amendment
26 thereto authorized by Section 2-3.12 of this Act and will deter

1 and prevent unauthorized entry or activities upon school
2 property by unknown or dangerous persons, assure early
3 detection and advance warning of any such actual or attempted
4 unauthorized entry or activities and help assure the continued
5 safety of pupils and school staff if any such unauthorized
6 entry or activity is attempted or occurs; the district may levy
7 a tax or issue bonds as provided in subsection (a) of this
8 Section.

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

24 (f) For purposes of this Section a school district may
25 replace a school building or build additions to replace
26 portions of a building when it is determined that the

1 effectuation of the recommendations for the existing building
2 will cost more than the replacement costs. Such determination
3 shall be based on a comparison of estimated costs made by an
4 architect or engineer licensed in the State of Illinois. The
5 new building or addition shall be equivalent in area (square
6 feet) and comparable in purpose and grades served and may be on
7 the same site or another site. Such replacement may only be
8 done upon order of the regional superintendent of schools and
9 the approval of the State Superintendent of Education.

10 (g) The filing of a certified copy of the resolution
11 levying the tax when accompanied by the certificates of the
12 regional superintendent of schools and State Superintendent of
13 Education shall be the authority of the county clerk to extend
14 such tax.

15 (h) The county clerk of the county in which any school
16 district levying a tax under the authority of this Section is
17 located, in reducing raised levies, shall not consider any such
18 tax as a part of the general levy for school purposes and shall
19 not include the same in the limitation of any other tax rate
20 which may be extended.

21 Such tax shall be levied and collected in like manner as
22 all other taxes of school districts, subject to the provisions
23 contained in this Section.

24 (i) The tax rate limit specified in this Section may be
25 increased to .10% upon the approval of a proposition to effect
26 such increase by a majority of the electors voting on that

1 proposition at a regular scheduled election. Such proposition
2 may be initiated by resolution of the school board and shall be
3 certified by the secretary to the proper election authorities
4 for submission in accordance with the general election law.

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

14 (1) for other authorized fire prevention, safety,
15 energy conservation, required safety inspections, school
16 security purposes, sampling for lead in drinking water in
17 schools, and for repair and mitigation due to lead levels
18 in the drinking water supply; or

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

22 Notwithstanding subdivision (2) of this subsection (j) and
23 subsection (k) of this Section, through June 30, 2020 ~~2019~~, the
24 school board may, by proper resolution following a public
25 hearing set by the school board or the president of the school
26 board (that is preceded (i) by at least one published notice

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

12 (k) If any transfer is made to the Operation and
13 Maintenance Fund, the secretary of the school board shall
14 within 30 days notify the county clerk of the amount of that
15 transfer and direct the clerk to abate the taxes to be extended
16 for the purposes of operations and maintenance authorized under
17 Section 17-2 of this Act by an amount equal to such transfer.

18 (l) If the proceeds from the tax levy authorized by this
19 Section are insufficient to complete the work approved under
20 this Section, the school board is authorized to sell bonds
21 without referendum under the provisions of this Section in an
22 amount that, when added to the proceeds of the tax levy
23 authorized by this Section, will allow completion of the
24 approved work.

25 (m) Any bonds issued pursuant to this Section shall bear
26 interest at a rate not to exceed the maximum rate authorized by

1 law at the time of the making of the contract, shall mature
2 within 20 years from date, and shall be signed by the president
3 of the school board and the treasurer of the school district.

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

18 (o) After the time such bonds are issued as provided for by
19 this Section, if additional alterations or reconstructions are
20 required to be made because of surveys conducted by an
21 architect or engineer licensed in the State of Illinois, the
22 district may levy a tax at a rate not to exceed .05% per year
23 upon all the taxable property of the district or issue
24 additional bonds, whichever action shall be the most feasible.

25 (p) This Section is cumulative and constitutes complete
26 authority for the issuance of bonds as provided in this Section

1 notwithstanding any other statute or law to the contrary.

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

17 (r) When the purposes for which the bonds are issued have
18 been accomplished and paid for in full and there remain funds
19 on hand from the proceeds of the bond sale and interest
20 earnings therefrom, the board shall, by resolution, use such
21 excess funds in accordance with the provisions of Section
22 10-22.14 of this Act.

23 (s) Whenever any tax is levied or bonds issued for fire
24 prevention, safety, energy conservation, and school security
25 purposes, such proceeds shall be deposited and accounted for
26 separately within the Fire Prevention and Safety Fund.

1 (Source: P.A. 98-26, eff. 6-21-13; 98-1066, eff. 8-26-14;
2 99-143, eff. 7-27-15; 99-713, eff. 8-5-16; 99-922, eff.
3 1-17-17.)

4 (105 ILCS 5/17-2A) (from Ch. 122, par. 17-2A)
5 Sec. 17-2A. Interfund transfers.

6 (a) The school board of any district having a population of
7 less than 500,000 inhabitants may, by proper resolution
8 following a public hearing set by the school board or the
9 president of the school board (that is preceded (i) by at least
10 one published notice over the name of the clerk or secretary of
11 the board, occurring at least 7 days and not more than 30 days
12 prior to the hearing, in a newspaper of general circulation
13 within the school district and (ii) by posted notice over the
14 name of the clerk or secretary of the board, at least 48 hours
15 before the hearing, at the principal office of the school board
16 or at the building where the hearing is to be held if a
17 principal office does not exist, with both notices setting
18 forth the time, date, place, and subject matter of the
19 hearing), transfer money from (1) the Educational Fund to the
20 Operations and Maintenance Fund or the Transportation Fund, (2)
21 the Operations and Maintenance Fund to the Educational Fund or
22 the Transportation Fund, (3) the Transportation Fund to the
23 Educational Fund or the Operations and Maintenance Fund, or (4)
24 the Tort Immunity Fund to the Operations and Maintenance Fund
25 of said district, provided that, except during the period from

1 July 1, 2003 through June 30, 2020 ~~2019~~, such transfer is made
2 solely for the purpose of meeting one-time, non-recurring
3 expenses. Except during the period from July 1, 2003 through
4 June 30, 2020 ~~2019~~ and except as otherwise provided in
5 subsection (b) of this Section, any other permanent interfund
6 transfers authorized by any provision or judicial
7 interpretation of this Code for which the transferee fund is
8 not precisely and specifically set forth in the provision of
9 this Code authorizing such transfer shall be made to the fund
10 of the school district most in need of the funds being
11 transferred, as determined by resolution of the school board.

12 (b) (Blank).

13 (c) Notwithstanding subsection (a) of this Section or any
14 other provision of this Code to the contrary, the school board
15 of any school district (i) that is subject to the Property Tax
16 Extension Limitation Law, (ii) that is an elementary district
17 servicing students in grades K through 8, (iii) whose territory
18 is in one county, (iv) that is eligible for Section 7002
19 Federal Impact Aid, and (v) that has no more than \$81,000 in
20 funds remaining from refinancing bonds that were refinanced a
21 minimum of 5 years prior to January 20, 2017 (the effective
22 date of Public Act 99-926) ~~this amendatory Act of the 99th~~
23 ~~General Assembly~~ may make a one-time transfer of the funds
24 remaining from the refinancing bonds to the Operations and
25 Maintenance Fund of the district by proper resolution following
26 a public hearing set by the school board or the president of

1 the school board, with notice as provided in subsection (a) of
2 this Section, so long as the district meets the qualifications
3 set forth in this subsection (c) on January 20, 2017 (the
4 effective date of Public Act 99-926) ~~this amendatory Act of the~~
5 ~~99th General Assembly.~~

6 (Source: P.A. 98-26, eff. 6-21-13; 98-131, eff. 1-1-14; 99-713,
7 eff. 8-5-16; 99-922, eff. 1-17-17; 99-926, eff. 1-20-17;
8 revised 1-23-17.)

9 (105 ILCS 5/17-3.6 new)

10 Sec. 17-3.6. Educational purposes tax rate for school
11 districts subject to Property Tax Extension Limitation Law.
12 Notwithstanding the provisions, requirements, or limitations
13 of this Code or any other law, any tax levied for educational
14 purposes by a school district subject to the Property Tax
15 Extension Limitation Law for the 2016 levy year or any
16 subsequent levy year may be extended at a rate exceeding the
17 rate established for educational purposes by referendum or this
18 Code, provided that the rate does not cause the school district
19 to exceed the limiting rate applicable to the school district
20 under the Property Tax Extension Limitation Law for that levy
21 year.

22 (105 ILCS 5/18-4.3) (from Ch. 122, par. 18-4.3)

23 Sec. 18-4.3. Summer school grants. Through fiscal year
24 2017, grants ~~Grants~~ shall be determined for pupil attendance in

1 summer schools conducted under Sections 10-22.33A and 34-18 and
2 approved under Section 2-3.25 in the following manner.

3 The amount of grant for each accredited summer school
4 attendance pupil shall be obtained by dividing the total amount
5 of apportionments determined under Section 18-8.05 by the
6 actual number of pupils in average daily attendance used for
7 such apportionments. The number of credited summer school
8 attendance pupils shall be determined (a) by counting clock
9 hours of class instruction by pupils enrolled in grades 1
10 through 12 in approved courses conducted at least 60 clock
11 hours in summer sessions; (b) by dividing such total of clock
12 hours of class instruction by 4 to produce days of credited
13 pupil attendance; (c) by dividing such days of credited pupil
14 attendance by the actual number of days in the regular term as
15 used in computation in the general apportionment in Section
16 18-8.05; and (d) by multiplying by 1.25.

17 The amount of the grant for a summer school program
18 approved by the State Superintendent of Education for children
19 with disabilities, as defined in Sections 14-1.02 through
20 14-1.07, shall be determined in the manner contained above
21 except that average daily membership shall be utilized in lieu
22 of average daily attendance.

23 In the case of an apportionment based on summer school
24 attendance or membership pupils, the claim therefor shall be
25 presented as a separate claim for the particular school year in
26 which such summer school session ends. On or before November 1

1 of each year the superintendent of each eligible school
2 district shall certify to the State Superintendent of Education
3 the claim of the district for the summer session just ended.
4 Failure on the part of the school board to so certify shall
5 constitute a forfeiture of its right to such payment. The State
6 Superintendent of Education shall transmit to the Comptroller
7 no later than December 15th of each year vouchers for payment
8 of amounts due school districts for summer school. The State
9 Superintendent of Education shall direct the Comptroller to
10 draw his warrants for payments thereof by the 30th day of
11 December. If the money appropriated by the General Assembly for
12 such purpose for any year is insufficient, it shall be
13 apportioned on the basis of claims approved.

14 However, notwithstanding the foregoing provisions, for
15 each fiscal year the money appropriated by the General Assembly
16 for the purposes of this Section shall only be used for grants
17 for approved summer school programs for those children with
18 disabilities served pursuant to Section 14-7.02 or 14-7.02b of
19 this Code.

20 No funding shall be provided to school districts under this
21 Section after fiscal year 2017. In fiscal year 2018 and each
22 fiscal year thereafter, all funding received by a school
23 district from the State pursuant to Section 18-8.15 of this
24 Code that is attributable to summer school for special
25 education pupils must be used for special education services
26 authorized under this Code.

1 (Source: P.A. 93-1022, eff. 8-24-04.)

2 (105 ILCS 5/18-8.05)

3 Sec. 18-8.05. Basis for apportionment of general State
4 financial aid and supplemental general State aid to the common
5 schools for the 1998-1999 through the 2016-2017 ~~and subsequent~~
6 school years.

7 (A) General Provisions.

8 (1) The provisions of this Section relating to the
9 calculation and apportionment of general State financial aid
10 and supplemental general State aid apply to the 1998-1999
11 through the 2016-2017 ~~and subsequent~~ school years. The system
12 of general State financial aid provided for in this Section is
13 designed to assure that, through a combination of State
14 financial aid and required local resources, the financial
15 support provided each pupil in Average Daily Attendance equals
16 or exceeds a prescribed per pupil Foundation Level. This
17 formula approach imputes a level of per pupil Available Local
18 Resources and provides for the basis to calculate a per pupil
19 level of general State financial aid that, when added to
20 Available Local Resources, equals or exceeds the Foundation
21 Level. The amount of per pupil general State financial aid for
22 school districts, in general, varies in inverse relation to
23 Available Local Resources. Per pupil amounts are based upon
24 each school district's Average Daily Attendance as that term is

1 defined in this Section.

2 (2) In addition to general State financial aid, school
3 districts with specified levels or concentrations of pupils
4 from low income households are eligible to receive supplemental
5 general State financial aid grants as provided pursuant to
6 subsection (H). The supplemental State aid grants provided for
7 school districts under subsection (H) shall be appropriated for
8 distribution to school districts as part of the same line item
9 in which the general State financial aid of school districts is
10 appropriated under this Section.

11 (3) To receive financial assistance under this Section,
12 school districts are required to file claims with the State
13 Board of Education, subject to the following requirements:

14 (a) Any school district which fails for any given
15 school year to maintain school as required by law, or to
16 maintain a recognized school is not eligible to file for
17 such school year any claim upon the Common School Fund. In
18 case of nonrecognition of one or more attendance centers in
19 a school district otherwise operating recognized schools,
20 the claim of the district shall be reduced in the
21 proportion which the Average Daily Attendance in the
22 attendance center or centers bear to the Average Daily
23 Attendance in the school district. A "recognized school"
24 means any public school which meets the standards as
25 established for recognition by the State Board of
26 Education. A school district or attendance center not

1 having recognition status at the end of a school term is
2 entitled to receive State aid payments due upon a legal
3 claim which was filed while it was recognized.

4 (b) School district claims filed under this Section are
5 subject to Sections 18-9 and 18-12, except as otherwise
6 provided in this Section.

7 (c) If a school district operates a full year school
8 under Section 10-19.1, the general State aid to the school
9 district shall be determined by the State Board of
10 Education in accordance with this Section as near as may be
11 applicable.

12 (d) (Blank).

13 (4) Except as provided in subsections (H) and (L), the
14 board of any district receiving any of the grants provided for
15 in this Section may apply those funds to any fund so received
16 for which that board is authorized to make expenditures by law.

17 School districts are not required to exert a minimum
18 Operating Tax Rate in order to qualify for assistance under
19 this Section.

20 (5) As used in this Section the following terms, when
21 capitalized, shall have the meaning ascribed herein:

22 (a) "Average Daily Attendance": A count of pupil
23 attendance in school, averaged as provided for in
24 subsection (C) and utilized in deriving per pupil financial
25 support levels.

26 (b) "Available Local Resources": A computation of

1 local financial support, calculated on the basis of Average
2 Daily Attendance and derived as provided pursuant to
3 subsection (D).

4 (c) "Corporate Personal Property Replacement Taxes":
5 Funds paid to local school districts pursuant to "An Act in
6 relation to the abolition of ad valorem personal property
7 tax and the replacement of revenues lost thereby, and
8 amending and repealing certain Acts and parts of Acts in
9 connection therewith", certified August 14, 1979, as
10 amended (Public Act 81-1st S.S.-1).

11 (d) "Foundation Level": A prescribed level of per pupil
12 financial support as provided for in subsection (B).

13 (e) "Operating Tax Rate": All school district property
14 taxes extended for all purposes, except Bond and Interest,
15 Summer School, Rent, Capital Improvement, and Vocational
16 Education Building purposes.

17 (B) Foundation Level.

18 (1) The Foundation Level is a figure established by the
19 State representing the minimum level of per pupil financial
20 support that should be available to provide for the basic
21 education of each pupil in Average Daily Attendance. As set
22 forth in this Section, each school district is assumed to exert
23 a sufficient local taxing effort such that, in combination with
24 the aggregate of general State financial aid provided the
25 district, an aggregate of State and local resources are

1 available to meet the basic education needs of pupils in the
2 district.

3 (2) For the 1998-1999 school year, the Foundation Level of
4 support is \$4,225. For the 1999-2000 school year, the
5 Foundation Level of support is \$4,325. For the 2000-2001 school
6 year, the Foundation Level of support is \$4,425. For the
7 2001-2002 school year and 2002-2003 school year, the Foundation
8 Level of support is \$4,560. For the 2003-2004 school year, the
9 Foundation Level of support is \$4,810. For the 2004-2005 school
10 year, the Foundation Level of support is \$4,964. For the
11 2005-2006 school year, the Foundation Level of support is
12 \$5,164. For the 2006-2007 school year, the Foundation Level of
13 support is \$5,334. For the 2007-2008 school year, the
14 Foundation Level of support is \$5,734. For the 2008-2009 school
15 year, the Foundation Level of support is \$5,959.

16 (3) For the 2009-2010 school year and each school year
17 thereafter, the Foundation Level of support is \$6,119 or such
18 greater amount as may be established by law by the General
19 Assembly.

20 (C) Average Daily Attendance.

21 (1) For purposes of calculating general State aid pursuant
22 to subsection (E), an Average Daily Attendance figure shall be
23 utilized. The Average Daily Attendance figure for formula
24 calculation purposes shall be the monthly average of the actual
25 number of pupils in attendance of each school district, as

1 further averaged for the best 3 months of pupil attendance for
2 each school district. In compiling the figures for the number
3 of pupils in attendance, school districts and the State Board
4 of Education shall, for purposes of general State aid funding,
5 conform attendance figures to the requirements of subsection
6 (F).

7 (2) The Average Daily Attendance figures utilized in
8 subsection (E) shall be the requisite attendance data for the
9 school year immediately preceding the school year for which
10 general State aid is being calculated or the average of the
11 attendance data for the 3 preceding school years, whichever is
12 greater. The Average Daily Attendance figures utilized in
13 subsection (H) shall be the requisite attendance data for the
14 school year immediately preceding the school year for which
15 general State aid is being calculated.

16 (D) Available Local Resources.

17 (1) For purposes of calculating general State aid pursuant
18 to subsection (E), a representation of Available Local
19 Resources per pupil, as that term is defined and determined in
20 this subsection, shall be utilized. Available Local Resources
21 per pupil shall include a calculated dollar amount representing
22 local school district revenues from local property taxes and
23 from Corporate Personal Property Replacement Taxes, expressed
24 on the basis of pupils in Average Daily Attendance. Calculation
25 of Available Local Resources shall exclude any tax amnesty

1 funds received as a result of Public Act 93-26.

2 (2) In determining a school district's revenue from local
3 property taxes, the State Board of Education shall utilize the
4 equalized assessed valuation of all taxable property of each
5 school district as of September 30 of the previous year. The
6 equalized assessed valuation utilized shall be obtained and
7 determined as provided in subsection (G).

8 (3) For school districts maintaining grades kindergarten
9 through 12, local property tax revenues per pupil shall be
10 calculated as the product of the applicable equalized assessed
11 valuation for the district multiplied by 3.00%, and divided by
12 the district's Average Daily Attendance figure. For school
13 districts maintaining grades kindergarten through 8, local
14 property tax revenues per pupil shall be calculated as the
15 product of the applicable equalized assessed valuation for the
16 district multiplied by 2.30%, and divided by the district's
17 Average Daily Attendance figure. For school districts
18 maintaining grades 9 through 12, local property tax revenues
19 per pupil shall be the applicable equalized assessed valuation
20 of the district multiplied by 1.05%, and divided by the
21 district's Average Daily Attendance figure.

22 For partial elementary unit districts created pursuant to
23 Article 11E of this Code, local property tax revenues per pupil
24 shall be calculated as the product of the equalized assessed
25 valuation for property within the partial elementary unit
26 district for elementary purposes, as defined in Article 11E of

1 this Code, multiplied by 2.06% and divided by the district's
2 Average Daily Attendance figure, plus the product of the
3 equalized assessed valuation for property within the partial
4 elementary unit district for high school purposes, as defined
5 in Article 11E of this Code, multiplied by 0.94% and divided by
6 the district's Average Daily Attendance figure.

7 (4) The Corporate Personal Property Replacement Taxes paid
8 to each school district during the calendar year one year
9 before the calendar year in which a school year begins, divided
10 by the Average Daily Attendance figure for that district, shall
11 be added to the local property tax revenues per pupil as
12 derived by the application of the immediately preceding
13 paragraph (3). The sum of these per pupil figures for each
14 school district shall constitute Available Local Resources as
15 that term is utilized in subsection (E) in the calculation of
16 general State aid.

17 (E) Computation of General State Aid.

18 (1) For each school year, the amount of general State aid
19 allotted to a school district shall be computed by the State
20 Board of Education as provided in this subsection.

21 (2) For any school district for which Available Local
22 Resources per pupil is less than the product of 0.93 times the
23 Foundation Level, general State aid for that district shall be
24 calculated as an amount equal to the Foundation Level minus
25 Available Local Resources, multiplied by the Average Daily

1 Attendance of the school district.

2 (3) For any school district for which Available Local
3 Resources per pupil is equal to or greater than the product of
4 0.93 times the Foundation Level and less than the product of
5 1.75 times the Foundation Level, the general State aid per
6 pupil shall be a decimal proportion of the Foundation Level
7 derived using a linear algorithm. Under this linear algorithm,
8 the calculated general State aid per pupil shall decline in
9 direct linear fashion from 0.07 times the Foundation Level for
10 a school district with Available Local Resources equal to the
11 product of 0.93 times the Foundation Level, to 0.05 times the
12 Foundation Level for a school district with Available Local
13 Resources equal to the product of 1.75 times the Foundation
14 Level. The allocation of general State aid for school districts
15 subject to this paragraph 3 shall be the calculated general
16 State aid per pupil figure multiplied by the Average Daily
17 Attendance of the school district.

18 (4) For any school district for which Available Local
19 Resources per pupil equals or exceeds the product of 1.75 times
20 the Foundation Level, the general State aid for the school
21 district shall be calculated as the product of \$218 multiplied
22 by the Average Daily Attendance of the school district.

23 (5) The amount of general State aid allocated to a school
24 district for the 1999-2000 school year meeting the requirements
25 set forth in paragraph (4) of subsection (G) shall be increased
26 by an amount equal to the general State aid that would have

1 been received by the district for the 1998-1999 school year by
2 utilizing the Extension Limitation Equalized Assessed
3 Valuation as calculated in paragraph (4) of subsection (G) less
4 the general State aid allotted for the 1998-1999 school year.
5 This amount shall be deemed a one time increase, and shall not
6 affect any future general State aid allocations.

7 (F) Compilation of Average Daily Attendance.

8 (1) Each school district shall, by July 1 of each year,
9 submit to the State Board of Education, on forms prescribed by
10 the State Board of Education, attendance figures for the school
11 year that began in the preceding calendar year. The attendance
12 information so transmitted shall identify the average daily
13 attendance figures for each month of the school year. Beginning
14 with the general State aid claim form for the 2002-2003 school
15 year, districts shall calculate Average Daily Attendance as
16 provided in subdivisions (a), (b), and (c) of this paragraph
17 (1).

18 (a) In districts that do not hold year-round classes,
19 days of attendance in August shall be added to the month of
20 September and any days of attendance in June shall be added
21 to the month of May.

22 (b) In districts in which all buildings hold year-round
23 classes, days of attendance in July and August shall be
24 added to the month of September and any days of attendance
25 in June shall be added to the month of May.

1 (c) In districts in which some buildings, but not all,
2 hold year-round classes, for the non-year-round buildings,
3 days of attendance in August shall be added to the month of
4 September and any days of attendance in June shall be added
5 to the month of May. The average daily attendance for the
6 year-round buildings shall be computed as provided in
7 subdivision (b) of this paragraph (1). To calculate the
8 Average Daily Attendance for the district, the average
9 daily attendance for the year-round buildings shall be
10 multiplied by the days in session for the non-year-round
11 buildings for each month and added to the monthly
12 attendance of the non-year-round buildings.

13 Except as otherwise provided in this Section, days of
14 attendance by pupils shall be counted only for sessions of not
15 less than 5 clock hours of school work per day under direct
16 supervision of: (i) teachers, or (ii) non-teaching personnel or
17 volunteer personnel when engaging in non-teaching duties and
18 supervising in those instances specified in subsection (a) of
19 Section 10-22.34 and paragraph 10 of Section 34-18, with pupils
20 of legal school age and in kindergarten and grades 1 through
21 12. Days of attendance by pupils through verified participation
22 in an e-learning program approved by the State Board of
23 Education under Section 10-20.56 of the Code shall be
24 considered as full days of attendance for purposes of this
25 Section.

26 Days of attendance by tuition pupils shall be accredited

1 only to the districts that pay the tuition to a recognized
2 school.

3 (2) Days of attendance by pupils of less than 5 clock hours
4 of school shall be subject to the following provisions in the
5 compilation of Average Daily Attendance.

6 (a) Pupils regularly enrolled in a public school for
7 only a part of the school day may be counted on the basis
8 of 1/6 day for every class hour of instruction of 40
9 minutes or more attended pursuant to such enrollment,
10 unless a pupil is enrolled in a block-schedule format of 80
11 minutes or more of instruction, in which case the pupil may
12 be counted on the basis of the proportion of minutes of
13 school work completed each day to the minimum number of
14 minutes that school work is required to be held that day.

15 (b) (Blank).

16 (c) A session of 4 or more clock hours may be counted
17 as a day of attendance upon certification by the regional
18 superintendent, and approved by the State Superintendent
19 of Education to the extent that the district has been
20 forced to use daily multiple sessions.

21 (d) A session of 3 or more clock hours may be counted
22 as a day of attendance (1) when the remainder of the school
23 day or at least 2 hours in the evening of that day is
24 utilized for an in-service training program for teachers,
25 up to a maximum of 5 days per school year, provided a
26 district conducts an in-service training program for

1 teachers in accordance with Section 10-22.39 of this Code;
2 or, in lieu of 4 such days, 2 full days may be used, in
3 which event each such day may be counted as a day required
4 for a legal school calendar pursuant to Section 10-19 of
5 this Code; (1.5) when, of the 5 days allowed under item
6 (1), a maximum of 4 days are used for parent-teacher
7 conferences, or, in lieu of 4 such days, 2 full days are
8 used, in which case each such day may be counted as a
9 calendar day required under Section 10-19 of this Code,
10 provided that the full-day, parent-teacher conference
11 consists of (i) a minimum of 5 clock hours of
12 parent-teacher conferences, (ii) both a minimum of 2 clock
13 hours of parent-teacher conferences held in the evening
14 following a full day of student attendance, as specified in
15 subsection (F)(1)(c), and a minimum of 3 clock hours of
16 parent-teacher conferences held on the day immediately
17 following evening parent-teacher conferences, or (iii)
18 multiple parent-teacher conferences held in the evenings
19 following full days of student attendance, as specified in
20 subsection (F)(1)(c), in which the time used for the
21 parent-teacher conferences is equivalent to a minimum of 5
22 clock hours; and (2) when days in addition to those
23 provided in items (1) and (1.5) are scheduled by a school
24 pursuant to its school improvement plan adopted under
25 Article 34 or its revised or amended school improvement
26 plan adopted under Article 2, provided that (i) such

1 sessions of 3 or more clock hours are scheduled to occur at
2 regular intervals, (ii) the remainder of the school days in
3 which such sessions occur are utilized for in-service
4 training programs or other staff development activities
5 for teachers, and (iii) a sufficient number of minutes of
6 school work under the direct supervision of teachers are
7 added to the school days between such regularly scheduled
8 sessions to accumulate not less than the number of minutes
9 by which such sessions of 3 or more clock hours fall short
10 of 5 clock hours. Any full days used for the purposes of
11 this paragraph shall not be considered for computing
12 average daily attendance. Days scheduled for in-service
13 training programs, staff development activities, or
14 parent-teacher conferences may be scheduled separately for
15 different grade levels and different attendance centers of
16 the district.

17 (e) A session of not less than one clock hour of
18 teaching hospitalized or homebound pupils on-site or by
19 telephone to the classroom may be counted as 1/2 day of
20 attendance, however these pupils must receive 4 or more
21 clock hours of instruction to be counted for a full day of
22 attendance.

23 (f) A session of at least 4 clock hours may be counted
24 as a day of attendance for first grade pupils, and pupils
25 in full day kindergartens, and a session of 2 or more hours
26 may be counted as 1/2 day of attendance by pupils in

1 kindergartens which provide only 1/2 day of attendance.

2 (g) For children with disabilities who are below the
3 age of 6 years and who cannot attend 2 or more clock hours
4 because of their disability or immaturity, a session of not
5 less than one clock hour may be counted as 1/2 day of
6 attendance; however for such children whose educational
7 needs so require a session of 4 or more clock hours may be
8 counted as a full day of attendance.

9 (h) A recognized kindergarten which provides for only
10 1/2 day of attendance by each pupil shall not have more
11 than 1/2 day of attendance counted in any one day. However,
12 kindergartens may count 2 1/2 days of attendance in any 5
13 consecutive school days. When a pupil attends such a
14 kindergarten for 2 half days on any one school day, the
15 pupil shall have the following day as a day absent from
16 school, unless the school district obtains permission in
17 writing from the State Superintendent of Education.
18 Attendance at kindergartens which provide for a full day of
19 attendance by each pupil shall be counted the same as
20 attendance by first grade pupils. Only the first year of
21 attendance in one kindergarten shall be counted, except in
22 case of children who entered the kindergarten in their
23 fifth year whose educational development requires a second
24 year of kindergarten as determined under the rules and
25 regulations of the State Board of Education.

26 (i) On the days when the assessment that includes a

1 college and career ready determination is administered
2 under subsection (c) of Section 2-3.64a-5 of this Code, the
3 day of attendance for a pupil whose school day must be
4 shortened to accommodate required testing procedures may
5 be less than 5 clock hours and shall be counted towards the
6 176 days of actual pupil attendance required under Section
7 10-19 of this Code, provided that a sufficient number of
8 minutes of school work in excess of 5 clock hours are first
9 completed on other school days to compensate for the loss
10 of school work on the examination days.

11 (j) Pupils enrolled in a remote educational program
12 established under Section 10-29 of this Code may be counted
13 on the basis of one-fifth day of attendance for every clock
14 hour of instruction attended in the remote educational
15 program, provided that, in any month, the school district
16 may not claim for a student enrolled in a remote
17 educational program more days of attendance than the
18 maximum number of days of attendance the district can claim

19 (i) for students enrolled in a building holding year-round
20 classes if the student is classified as participating in
21 the remote educational program on a year-round schedule or

22 (ii) for students enrolled in a building not holding
23 year-round classes if the student is not classified as
24 participating in the remote educational program on a
25 year-round schedule.

1 (G) Equalized Assessed Valuation Data.

2 (1) For purposes of the calculation of Available Local
3 Resources required pursuant to subsection (D), the State Board
4 of Education shall secure from the Department of Revenue the
5 value as equalized or assessed by the Department of Revenue of
6 all taxable property of every school district, together with
7 (i) the applicable tax rate used in extending taxes for the
8 funds of the district as of September 30 of the previous year
9 and (ii) the limiting rate for all school districts subject to
10 property tax extension limitations as imposed under the
11 Property Tax Extension Limitation Law.

12 The Department of Revenue shall add to the equalized
13 assessed value of all taxable property of each school district
14 situated entirely or partially within a county that is or was
15 subject to the provisions of Section 15-176 or 15-177 of the
16 Property Tax Code (a) an amount equal to the total amount by
17 which the homestead exemption allowed under Section 15-176 or
18 15-177 of the Property Tax Code for real property situated in
19 that school district exceeds the total amount that would have
20 been allowed in that school district if the maximum reduction
21 under Section 15-176 was (i) \$4,500 in Cook County or \$3,500 in
22 all other counties in tax year 2003 or (ii) \$5,000 in all
23 counties in tax year 2004 and thereafter and (b) an amount
24 equal to the aggregate amount for the taxable year of all
25 additional exemptions under Section 15-175 of the Property Tax
26 Code for owners with a household income of \$30,000 or less. The

1 county clerk of any county that is or was subject to the
2 provisions of Section 15-176 or 15-177 of the Property Tax Code
3 shall annually calculate and certify to the Department of
4 Revenue for each school district all homestead exemption
5 amounts under Section 15-176 or 15-177 of the Property Tax Code
6 and all amounts of additional exemptions under Section 15-175
7 of the Property Tax Code for owners with a household income of
8 \$30,000 or less. It is the intent of this paragraph that if the
9 general homestead exemption for a parcel of property is
10 determined under Section 15-176 or 15-177 of the Property Tax
11 Code rather than Section 15-175, then the calculation of
12 Available Local Resources shall not be affected by the
13 difference, if any, between the amount of the general homestead
14 exemption allowed for that parcel of property under Section
15 15-176 or 15-177 of the Property Tax Code and the amount that
16 would have been allowed had the general homestead exemption for
17 that parcel of property been determined under Section 15-175 of
18 the Property Tax Code. It is further the intent of this
19 paragraph that if additional exemptions are allowed under
20 Section 15-175 of the Property Tax Code for owners with a
21 household income of less than \$30,000, then the calculation of
22 Available Local Resources shall not be affected by the
23 difference, if any, because of those additional exemptions.

24 This equalized assessed valuation, as adjusted further by
25 the requirements of this subsection, shall be utilized in the
26 calculation of Available Local Resources.

1 (2) The equalized assessed valuation in paragraph (1) shall
2 be adjusted, as applicable, in the following manner:

3 (a) For the purposes of calculating State aid under
4 this Section, with respect to any part of a school district
5 within a redevelopment project area in respect to which a
6 municipality has adopted tax increment allocation
7 financing pursuant to the Tax Increment Allocation
8 Redevelopment Act, Sections 11-74.4-1 through 11-74.4-11
9 of the Illinois Municipal Code or the Industrial Jobs
10 Recovery Law, Sections 11-74.6-1 through 11-74.6-50 of the
11 Illinois Municipal Code, no part of the current equalized
12 assessed valuation of real property located in any such
13 project area which is attributable to an increase above the
14 total initial equalized assessed valuation of such
15 property shall be used as part of the equalized assessed
16 valuation of the district, until such time as all
17 redevelopment project costs have been paid, as provided in
18 Section 11-74.4-8 of the Tax Increment Allocation
19 Redevelopment Act or in Section 11-74.6-35 of the
20 Industrial Jobs Recovery Law. For the purpose of the
21 equalized assessed valuation of the district, the total
22 initial equalized assessed valuation or the current
23 equalized assessed valuation, whichever is lower, shall be
24 used until such time as all redevelopment project costs
25 have been paid.

26 (b) The real property equalized assessed valuation for

1 a school district shall be adjusted by subtracting from the
2 real property value as equalized or assessed by the
3 Department of Revenue for the district an amount computed
4 by dividing the amount of any abatement of taxes under
5 Section 18-170 of the Property Tax Code by 3.00% for a
6 district maintaining grades kindergarten through 12, by
7 2.30% for a district maintaining grades kindergarten
8 through 8, or by 1.05% for a district maintaining grades 9
9 through 12 and adjusted by an amount computed by dividing
10 the amount of any abatement of taxes under subsection (a)
11 of Section 18-165 of the Property Tax Code by the same
12 percentage rates for district type as specified in this
13 subparagraph (b).

14 (3) For the 1999-2000 school year and each school year
15 thereafter, if a school district meets all of the criteria of
16 this subsection (G) (3), the school district's Available Local
17 Resources shall be calculated under subsection (D) using the
18 district's Extension Limitation Equalized Assessed Valuation
19 as calculated under this subsection (G) (3).

20 For purposes of this subsection (G) (3) the following terms
21 shall have the following meanings:

22 "Budget Year": The school year for which general State
23 aid is calculated and awarded under subsection (E).

24 "Base Tax Year": The property tax levy year used to
25 calculate the Budget Year allocation of general State aid.

26 "Preceding Tax Year": The property tax levy year

1 immediately preceding the Base Tax Year.

2 "Base Tax Year's Tax Extension": The product of the
3 equalized assessed valuation utilized by the County Clerk
4 in the Base Tax Year multiplied by the limiting rate as
5 calculated by the County Clerk and defined in the Property
6 Tax Extension Limitation Law.

7 "Preceding Tax Year's Tax Extension": The product of
8 the equalized assessed valuation utilized by the County
9 Clerk in the Preceding Tax Year multiplied by the Operating
10 Tax Rate as defined in subsection (A).

11 "Extension Limitation Ratio": A numerical ratio,
12 certified by the County Clerk, in which the numerator is
13 the Base Tax Year's Tax Extension and the denominator is
14 the Preceding Tax Year's Tax Extension.

15 "Operating Tax Rate": The operating tax rate as defined
16 in subsection (A).

17 If a school district is subject to property tax extension
18 limitations as imposed under the Property Tax Extension
19 Limitation Law, the State Board of Education shall calculate
20 the Extension Limitation Equalized Assessed Valuation of that
21 district. For the 1999-2000 school year, the Extension
22 Limitation Equalized Assessed Valuation of a school district as
23 calculated by the State Board of Education shall be equal to
24 the product of the district's 1996 Equalized Assessed Valuation
25 and the district's Extension Limitation Ratio. Except as
26 otherwise provided in this paragraph for a school district that

1 has approved or does approve an increase in its limiting rate,
2 for the 2000-2001 school year and each school year thereafter,
3 the Extension Limitation Equalized Assessed Valuation of a
4 school district as calculated by the State Board of Education
5 shall be equal to the product of the Equalized Assessed
6 Valuation last used in the calculation of general State aid and
7 the district's Extension Limitation Ratio. If the Extension
8 Limitation Equalized Assessed Valuation of a school district as
9 calculated under this subsection (G)(3) is less than the
10 district's equalized assessed valuation as calculated pursuant
11 to subsections (G)(1) and (G)(2), then for purposes of
12 calculating the district's general State aid for the Budget
13 Year pursuant to subsection (E), that Extension Limitation
14 Equalized Assessed Valuation shall be utilized to calculate the
15 district's Available Local Resources under subsection (D). For
16 the 2009-2010 school year and each school year thereafter, if a
17 school district has approved or does approve an increase in its
18 limiting rate, pursuant to Section 18-190 of the Property Tax
19 Code, affecting the Base Tax Year, the Extension Limitation
20 Equalized Assessed Valuation of the school district, as
21 calculated by the State Board of Education, shall be equal to
22 the product of the Equalized Assessed Valuation last used in
23 the calculation of general State aid times an amount equal to
24 one plus the percentage increase, if any, in the Consumer Price
25 Index for all Urban Consumers for all items published by the
26 United States Department of Labor for the 12-month calendar

1 year preceding the Base Tax Year, plus the Equalized Assessed
2 Valuation of new property, annexed property, and recovered tax
3 increment value and minus the Equalized Assessed Valuation of
4 disconnected property. New property and recovered tax
5 increment value shall have the meanings set forth in the
6 Property Tax Extension Limitation Law.

7 Partial elementary unit districts created in accordance
8 with Article 11E of this Code shall not be eligible for the
9 adjustment in this subsection (G)(3) until the fifth year
10 following the effective date of the reorganization.

11 (3.5) For the 2010-2011 school year and each school year
12 thereafter, if a school district's boundaries span multiple
13 counties, then the Department of Revenue shall send to the
14 State Board of Education, for the purpose of calculating
15 general State aid, the limiting rate and individual rates by
16 purpose for the county that contains the majority of the school
17 district's Equalized Assessed Valuation.

18 (4) For the purposes of calculating general State aid for
19 the 1999-2000 school year only, if a school district
20 experienced a triennial reassessment on the equalized assessed
21 valuation used in calculating its general State financial aid
22 apportionment for the 1998-1999 school year, the State Board of
23 Education shall calculate the Extension Limitation Equalized
24 Assessed Valuation that would have been used to calculate the
25 district's 1998-1999 general State aid. This amount shall equal
26 the product of the equalized assessed valuation used to

1 calculate general State aid for the 1997-1998 school year and
2 the district's Extension Limitation Ratio. If the Extension
3 Limitation Equalized Assessed Valuation of the school district
4 as calculated under this paragraph (4) is less than the
5 district's equalized assessed valuation utilized in
6 calculating the district's 1998-1999 general State aid
7 allocation, then for purposes of calculating the district's
8 general State aid pursuant to paragraph (5) of subsection (E),
9 that Extension Limitation Equalized Assessed Valuation shall
10 be utilized to calculate the district's Available Local
11 Resources.

12 (5) For school districts having a majority of their
13 equalized assessed valuation in any county except Cook, DuPage,
14 Kane, Lake, McHenry, or Will, if the amount of general State
15 aid allocated to the school district for the 1999-2000 school
16 year under the provisions of subsection (E), (H), and (J) of
17 this Section is less than the amount of general State aid
18 allocated to the district for the 1998-1999 school year under
19 these subsections, then the general State aid of the district
20 for the 1999-2000 school year only shall be increased by the
21 difference between these amounts. The total payments made under
22 this paragraph (5) shall not exceed \$14,000,000. Claims shall
23 be prorated if they exceed \$14,000,000.

24 (H) Supplemental General State Aid.

25 (1) In addition to the general State aid a school district

1 is allotted pursuant to subsection (E), qualifying school
2 districts shall receive a grant, paid in conjunction with a
3 district's payments of general State aid, for supplemental
4 general State aid based upon the concentration level of
5 children from low-income households within the school
6 district. Supplemental State aid grants provided for school
7 districts under this subsection shall be appropriated for
8 distribution to school districts as part of the same line item
9 in which the general State financial aid of school districts is
10 appropriated under this Section.

11 (1.5) This paragraph (1.5) applies only to those school
12 years preceding the 2003-2004 school year. For purposes of this
13 subsection (H), the term "Low-Income Concentration Level"
14 shall be the low-income eligible pupil count from the most
15 recently available federal census divided by the Average Daily
16 Attendance of the school district. If, however, (i) the
17 percentage decrease from the 2 most recent federal censuses in
18 the low-income eligible pupil count of a high school district
19 with fewer than 400 students exceeds by 75% or more the
20 percentage change in the total low-income eligible pupil count
21 of contiguous elementary school districts, whose boundaries
22 are coterminous with the high school district, or (ii) a high
23 school district within 2 counties and serving 5 elementary
24 school districts, whose boundaries are coterminous with the
25 high school district, has a percentage decrease from the 2 most
26 recent federal censuses in the low-income eligible pupil count

1 and there is a percentage increase in the total low-income
2 eligible pupil count of a majority of the elementary school
3 districts in excess of 50% from the 2 most recent federal
4 censuses, then the high school district's low-income eligible
5 pupil count from the earlier federal census shall be the number
6 used as the low-income eligible pupil count for the high school
7 district, for purposes of this subsection (H). The changes made
8 to this paragraph (1) by Public Act 92-28 shall apply to
9 supplemental general State aid grants for school years
10 preceding the 2003-2004 school year that are paid in fiscal
11 year 1999 or thereafter and to any State aid payments made in
12 fiscal year 1994 through fiscal year 1998 pursuant to
13 subsection 1(n) of Section 18-8 of this Code (which was
14 repealed on July 1, 1998), and any high school district that is
15 affected by Public Act 92-28 is entitled to a recomputation of
16 its supplemental general State aid grant or State aid paid in
17 any of those fiscal years. This recomputation shall not be
18 affected by any other funding.

19 (1.10) This paragraph (1.10) applies to the 2003-2004
20 school year and each school year thereafter through the
21 2016-2017 school year. For purposes of this subsection (H), the
22 term "Low-Income Concentration Level" shall, for each fiscal
23 year, be the low-income eligible pupil count as of July 1 of
24 the immediately preceding fiscal year (as determined by the
25 Department of Human Services based on the number of pupils who
26 are eligible for at least one of the following low income

1 programs: Medicaid, the Children's Health Insurance Program,
2 TANF, or Food Stamps, excluding pupils who are eligible for
3 services provided by the Department of Children and Family
4 Services, averaged over the 2 immediately preceding fiscal
5 years for fiscal year 2004 and over the 3 immediately preceding
6 fiscal years for each fiscal year thereafter) divided by the
7 Average Daily Attendance of the school district.

8 (2) Supplemental general State aid pursuant to this
9 subsection (H) shall be provided as follows for the 1998-1999,
10 1999-2000, and 2000-2001 school years only:

11 (a) For any school district with a Low Income
12 Concentration Level of at least 20% and less than 35%, the
13 grant for any school year shall be \$800 multiplied by the
14 low income eligible pupil count.

15 (b) For any school district with a Low Income
16 Concentration Level of at least 35% and less than 50%, the
17 grant for the 1998-1999 school year shall be \$1,100
18 multiplied by the low income eligible pupil count.

19 (c) For any school district with a Low Income
20 Concentration Level of at least 50% and less than 60%, the
21 grant for the 1998-99 school year shall be \$1,500
22 multiplied by the low income eligible pupil count.

23 (d) For any school district with a Low Income
24 Concentration Level of 60% or more, the grant for the
25 1998-99 school year shall be \$1,900 multiplied by the low
26 income eligible pupil count.

1 (e) For the 1999-2000 school year, the per pupil amount
2 specified in subparagraphs (b), (c), and (d) immediately
3 above shall be increased to \$1,243, \$1,600, and \$2,000,
4 respectively.

5 (f) For the 2000-2001 school year, the per pupil
6 amounts specified in subparagraphs (b), (c), and (d)
7 immediately above shall be \$1,273, \$1,640, and \$2,050,
8 respectively.

9 (2.5) Supplemental general State aid pursuant to this
10 subsection (H) shall be provided as follows for the 2002-2003
11 school year:

12 (a) For any school district with a Low Income
13 Concentration Level of less than 10%, the grant for each
14 school year shall be \$355 multiplied by the low income
15 eligible pupil count.

16 (b) For any school district with a Low Income
17 Concentration Level of at least 10% and less than 20%, the
18 grant for each school year shall be \$675 multiplied by the
19 low income eligible pupil count.

20 (c) For any school district with a Low Income
21 Concentration Level of at least 20% and less than 35%, the
22 grant for each school year shall be \$1,330 multiplied by
23 the low income eligible pupil count.

24 (d) For any school district with a Low Income
25 Concentration Level of at least 35% and less than 50%, the
26 grant for each school year shall be \$1,362 multiplied by

1 the low income eligible pupil count.

2 (e) For any school district with a Low Income
3 Concentration Level of at least 50% and less than 60%, the
4 grant for each school year shall be \$1,680 multiplied by
5 the low income eligible pupil count.

6 (f) For any school district with a Low Income
7 Concentration Level of 60% or more, the grant for each
8 school year shall be \$2,080 multiplied by the low income
9 eligible pupil count.

10 (2.10) Except as otherwise provided, supplemental general
11 State aid pursuant to this subsection (H) shall be provided as
12 follows for the 2003-2004 school year and each school year
13 thereafter:

14 (a) For any school district with a Low Income
15 Concentration Level of 15% or less, the grant for each
16 school year shall be \$355 multiplied by the low income
17 eligible pupil count.

18 (b) For any school district with a Low Income
19 Concentration Level greater than 15%, the grant for each
20 school year shall be \$294.25 added to the product of \$2,700
21 and the square of the Low Income Concentration Level, all
22 multiplied by the low income eligible pupil count.

23 For the 2003-2004 school year and each school year
24 thereafter through the 2008-2009 school year only, the grant
25 shall be no less than the grant for the 2002-2003 school year.
26 For the 2009-2010 school year only, the grant shall be no less

1 than the grant for the 2002-2003 school year multiplied by
2 0.66. For the 2010-2011 school year only, the grant shall be no
3 less than the grant for the 2002-2003 school year multiplied by
4 0.33. Notwithstanding the provisions of this paragraph to the
5 contrary, if for any school year supplemental general State aid
6 grants are prorated as provided in paragraph (1) of this
7 subsection (H), then the grants under this paragraph shall be
8 prorated.

9 For the 2003-2004 school year only, the grant shall be no
10 greater than the grant received during the 2002-2003 school
11 year added to the product of 0.25 multiplied by the difference
12 between the grant amount calculated under subsection (a) or (b)
13 of this paragraph (2.10), whichever is applicable, and the
14 grant received during the 2002-2003 school year. For the
15 2004-2005 school year only, the grant shall be no greater than
16 the grant received during the 2002-2003 school year added to
17 the product of 0.50 multiplied by the difference between the
18 grant amount calculated under subsection (a) or (b) of this
19 paragraph (2.10), whichever is applicable, and the grant
20 received during the 2002-2003 school year. For the 2005-2006
21 school year only, the grant shall be no greater than the grant
22 received during the 2002-2003 school year added to the product
23 of 0.75 multiplied by the difference between the grant amount
24 calculated under subsection (a) or (b) of this paragraph
25 (2.10), whichever is applicable, and the grant received during
26 the 2002-2003 school year.

1 (3) School districts with an Average Daily Attendance of
2 more than 1,000 and less than 50,000 that qualify for
3 supplemental general State aid pursuant to this subsection
4 shall submit a plan to the State Board of Education prior to
5 October 30 of each year for the use of the funds resulting from
6 this grant of supplemental general State aid for the
7 improvement of instruction in which priority is given to
8 meeting the education needs of disadvantaged children. Such
9 plan shall be submitted in accordance with rules and
10 regulations promulgated by the State Board of Education.

11 (4) School districts with an Average Daily Attendance of
12 50,000 or more that qualify for supplemental general State aid
13 pursuant to this subsection shall be required to distribute
14 from funds available pursuant to this Section, no less than
15 \$261,000,000 in accordance with the following requirements:

16 (a) The required amounts shall be distributed to the
17 attendance centers within the district in proportion to the
18 number of pupils enrolled at each attendance center who are
19 eligible to receive free or reduced-price lunches or
20 breakfasts under the federal Child Nutrition Act of 1966
21 and under the National School Lunch Act during the
22 immediately preceding school year.

23 (b) The distribution of these portions of supplemental
24 and general State aid among attendance centers according to
25 these requirements shall not be compensated for or
26 contravened by adjustments of the total of other funds

1 appropriated to any attendance centers, and the Board of
2 Education shall utilize funding from one or several sources
3 in order to fully implement this provision annually prior
4 to the opening of school.

5 (c) Each attendance center shall be provided by the
6 school district a distribution of noncategorical funds and
7 other categorical funds to which an attendance center is
8 entitled under law in order that the general State aid and
9 supplemental general State aid provided by application of
10 this subsection supplements rather than supplants the
11 noncategorical funds and other categorical funds provided
12 by the school district to the attendance centers.

13 (d) Any funds made available under this subsection that
14 by reason of the provisions of this subsection are not
15 required to be allocated and provided to attendance centers
16 may be used and appropriated by the board of the district
17 for any lawful school purpose.

18 (e) Funds received by an attendance center pursuant to
19 this subsection shall be used by the attendance center at
20 the discretion of the principal and local school council
21 for programs to improve educational opportunities at
22 qualifying schools through the following programs and
23 services: early childhood education, reduced class size or
24 improved adult to student classroom ratio, enrichment
25 programs, remedial assistance, attendance improvement, and
26 other educationally beneficial expenditures which

1 supplement the regular and basic programs as determined by
2 the State Board of Education. Funds provided shall not be
3 expended for any political or lobbying purposes as defined
4 by board rule.

5 (f) Each district subject to the provisions of this
6 subdivision (H) (4) shall submit an acceptable plan to meet
7 the educational needs of disadvantaged children, in
8 compliance with the requirements of this paragraph, to the
9 State Board of Education prior to July 15 of each year.
10 This plan shall be consistent with the decisions of local
11 school councils concerning the school expenditure plans
12 developed in accordance with part 4 of Section 34-2.3. The
13 State Board shall approve or reject the plan within 60 days
14 after its submission. If the plan is rejected, the district
15 shall give written notice of intent to modify the plan
16 within 15 days of the notification of rejection and then
17 submit a modified plan within 30 days after the date of the
18 written notice of intent to modify. Districts may amend
19 approved plans pursuant to rules promulgated by the State
20 Board of Education.

21 Upon notification by the State Board of Education that
22 the district has not submitted a plan prior to July 15 or a
23 modified plan within the time period specified herein, the
24 State aid funds affected by that plan or modified plan
25 shall be withheld by the State Board of Education until a
26 plan or modified plan is submitted.

1 If the district fails to distribute State aid to
2 attendance centers in accordance with an approved plan, the
3 plan for the following year shall allocate funds, in
4 addition to the funds otherwise required by this
5 subsection, to those attendance centers which were
6 underfunded during the previous year in amounts equal to
7 such underfunding.

8 For purposes of determining compliance with this
9 subsection in relation to the requirements of attendance
10 center funding, each district subject to the provisions of
11 this subsection shall submit as a separate document by
12 December 1 of each year a report of expenditure data for
13 the prior year in addition to any modification of its
14 current plan. If it is determined that there has been a
15 failure to comply with the expenditure provisions of this
16 subsection regarding contravention or supplanting, the
17 State Superintendent of Education shall, within 60 days of
18 receipt of the report, notify the district and any affected
19 local school council. The district shall within 45 days of
20 receipt of that notification inform the State
21 Superintendent of Education of the remedial or corrective
22 action to be taken, whether by amendment of the current
23 plan, if feasible, or by adjustment in the plan for the
24 following year. Failure to provide the expenditure report
25 or the notification of remedial or corrective action in a
26 timely manner shall result in a withholding of the affected

1 funds.

2 The State Board of Education shall promulgate rules and
3 regulations to implement the provisions of this
4 subsection. No funds shall be released under this
5 subdivision (H) (4) to any district that has not submitted a
6 plan that has been approved by the State Board of
7 Education.

8 (I) (Blank).

9 (J) (Blank).

10 (K) Grants to Laboratory and Alternative Schools.

11 In calculating the amount to be paid to the governing board
12 of a public university that operates a laboratory school under
13 this Section or to any alternative school that is operated by a
14 regional superintendent of schools, the State Board of
15 Education shall require by rule such reporting requirements as
16 it deems necessary.

17 As used in this Section, "laboratory school" means a public
18 school which is created and operated by a public university and
19 approved by the State Board of Education. The governing board
20 of a public university which receives funds from the State
21 Board under this subsection (K) or subsection (g) of Section
22 18-8.15 of this Code may not increase the number of students
23 enrolled in its laboratory school from a single district, if

1 that district is already sending 50 or more students, except
2 under a mutual agreement between the school board of a
3 student's district of residence and the university which
4 operates the laboratory school. A laboratory school may not
5 have more than 1,000 students, excluding students with
6 disabilities in a special education program.

7 As used in this Section, "alternative school" means a
8 public school which is created and operated by a Regional
9 Superintendent of Schools and approved by the State Board of
10 Education. Such alternative schools may offer courses of
11 instruction for which credit is given in regular school
12 programs, courses to prepare students for the high school
13 equivalency testing program or vocational and occupational
14 training. A regional superintendent of schools may contract
15 with a school district or a public community college district
16 to operate an alternative school. An alternative school serving
17 more than one educational service region may be established by
18 the regional superintendents of schools of the affected
19 educational service regions. An alternative school serving
20 more than one educational service region may be operated under
21 such terms as the regional superintendents of schools of those
22 educational service regions may agree.

23 Each laboratory and alternative school shall file, on forms
24 provided by the State Superintendent of Education, an annual
25 State aid claim which states the Average Daily Attendance of
26 the school's students by month. The best 3 months' Average

1 Daily Attendance shall be computed for each school. The general
2 State aid entitlement shall be computed by multiplying the
3 applicable Average Daily Attendance by the Foundation Level as
4 determined under this Section.

5 (L) Payments, Additional Grants in Aid and Other Requirements.

6 (1) For a school district operating under the financial
7 supervision of an Authority created under Article 34A, the
8 general State aid otherwise payable to that district under this
9 Section, but not the supplemental general State aid, shall be
10 reduced by an amount equal to the budget for the operations of
11 the Authority as certified by the Authority to the State Board
12 of Education, and an amount equal to such reduction shall be
13 paid to the Authority created for such district for its
14 operating expenses in the manner provided in Section 18-11. The
15 remainder of general State school aid for any such district
16 shall be paid in accordance with Article 34A when that Article
17 provides for a disposition other than that provided by this
18 Article.

19 (2) (Blank).

20 (3) Summer school. Summer school payments shall be made as
21 provided in Section 18-4.3.

22 (M) (Blank). ~~Education Funding Advisory Board.~~

23 ~~The Education Funding Advisory Board, hereinafter in this~~
24 ~~subsection (M) referred to as the "Board", is hereby created.~~

1 ~~The Board shall consist of 5 members who are appointed by the~~
2 ~~Governor, by and with the advice and consent of the Senate. The~~
3 ~~members appointed shall include representatives of education,~~
4 ~~business, and the general public. One of the members so~~
5 ~~appointed shall be designated by the Governor at the time the~~
6 ~~appointment is made as the chairperson of the Board. The~~
7 ~~initial members of the Board may be appointed any time after~~
8 ~~the effective date of this amendatory Act of 1997. The regular~~
9 ~~term of each member of the Board shall be for 4 years from the~~
10 ~~third Monday of January of the year in which the term of the~~
11 ~~member's appointment is to commence, except that of the 5~~
12 ~~initial members appointed to serve on the Board, the member who~~
13 ~~is appointed as the chairperson shall serve for a term that~~
14 ~~commences on the date of his or her appointment and expires on~~
15 ~~the third Monday of January, 2002, and the remaining 4 members,~~
16 ~~by lots drawn at the first meeting of the Board that is held~~
17 ~~after all 5 members are appointed, shall determine 2 of their~~
18 ~~number to serve for terms that commence on the date of their~~
19 ~~respective appointments and expire on the third Monday of~~
20 ~~January, 2001, and 2 of their number to serve for terms that~~
21 ~~commence on the date of their respective appointments and~~
22 ~~expire on the third Monday of January, 2000. All members~~
23 ~~appointed to serve on the Board shall serve until their~~
24 ~~respective successors are appointed and confirmed. Vacancies~~
25 ~~shall be filled in the same manner as original appointments. If~~
26 ~~a vacancy in membership occurs at a time when the Senate is not~~

1 ~~in session, the Governor shall make a temporary appointment~~
2 ~~until the next meeting of the Senate, when he or she shall~~
3 ~~appoint, by and with the advice and consent of the Senate, a~~
4 ~~person to fill that membership for the unexpired term. If the~~
5 ~~Senate is not in session when the initial appointments are~~
6 ~~made, those appointments shall be made as in the case of~~
7 ~~vacancies.~~

8 ~~The Education Funding Advisory Board shall be deemed~~
9 ~~established, and the initial members appointed by the Governor~~
10 ~~to serve as members of the Board shall take office, on the date~~
11 ~~that the Governor makes his or her appointment of the fifth~~
12 ~~initial member of the Board, whether those initial members are~~
13 ~~then serving pursuant to appointment and confirmation or~~
14 ~~pursuant to temporary appointments that are made by the~~
15 ~~Governor as in the case of vacancies.~~

16 ~~The State Board of Education shall provide such staff~~
17 ~~assistance to the Education Funding Advisory Board as is~~
18 ~~reasonably required for the proper performance by the Board of~~
19 ~~its responsibilities.~~

20 ~~For school years after the 2000-2001 school year, the~~
21 ~~Education Funding Advisory Board, in consultation with the~~
22 ~~State Board of Education, shall make recommendations as~~
23 ~~provided in this subsection (M) to the General Assembly for the~~
24 ~~foundation level under subdivision (B)(3) of this Section and~~
25 ~~for the supplemental general State aid grant level under~~
26 ~~subsection (H) of this Section for districts with high~~

1 ~~concentrations of children from poverty. The recommended~~
2 ~~foundation level shall be determined based on a methodology~~
3 ~~which incorporates the basic education expenditures of~~
4 ~~low spending schools exhibiting high academic performance. The~~
5 ~~Education Funding Advisory Board shall make such~~
6 ~~recommendations to the General Assembly on January 1 of odd~~
7 ~~numbered years, beginning January 1, 2001.~~

8 (N) (Blank).

9 (O) References.

10 (1) References in other laws to the various subdivisions of
11 Section 18-8 as that Section existed before its repeal and
12 replacement by this Section 18-8.05 shall be deemed to refer to
13 the corresponding provisions of this Section 18-8.05, to the
14 extent that those references remain applicable.

15 (2) References in other laws to State Chapter 1 funds shall
16 be deemed to refer to the supplemental general State aid
17 provided under subsection (H) of this Section.

18 (P) Public Act 93-838 and Public Act 93-808 make inconsistent
19 changes to this Section. Under Section 6 of the Statute on
20 Statutes there is an irreconcilable conflict between Public Act
21 93-808 and Public Act 93-838. Public Act 93-838, being the last
22 acted upon, is controlling. The text of Public Act 93-838 is
23 the law regardless of the text of Public Act 93-808.

1 (Q) State Fiscal Year 2015 Payments.

2 For payments made for State fiscal year 2015, the State
3 Board of Education shall, for each school district, calculate
4 that district's pro-rata share of a minimum sum of \$13,600,000
5 or additional amounts as needed from the total net General
6 State Aid funding as calculated under this Section that shall
7 be deemed attributable to the provision of special educational
8 facilities and services, as defined in Section 14-1.08 of this
9 Code, in a manner that ensures compliance with maintenance of
10 State financial support requirements under the federal
11 Individuals with Disabilities Education Act. Each school
12 district must use such funds only for the provision of special
13 educational facilities and services, as defined in Section
14 14-1.08 of this Code, and must comply with any expenditure
15 verification procedures adopted by the State Board of
16 Education.

17 (R) State Fiscal Year 2016 Payments.

18 For payments made for State fiscal year 2016, the State
19 Board of Education shall, for each school district, calculate
20 that district's pro rata share of a minimum sum of \$1 or
21 additional amounts as needed from the total net General State
22 Aid funding as calculated under this Section that shall be
23 deemed attributable to the provision of special educational
24 facilities and services, as defined in Section 14-1.08 of this

1 Code, in a manner that ensures compliance with maintenance of
2 State financial support requirements under the federal
3 Individuals with Disabilities Education Act. Each school
4 district must use such funds only for the provision of special
5 educational facilities and services, as defined in Section
6 14-1.08 of this Code, and must comply with any expenditure
7 verification procedures adopted by the State Board of
8 Education.

9 (Source: P.A. 98-972, eff. 8-15-14; 99-2, eff. 3-26-15; 99-194,
10 eff. 7-30-15; 99-523, eff. 6-30-16.)

11 (105 ILCS 5/18-8.10)

12 Sec. 18-8.10. Fast growth grants.

13 (a) If there has been an increase in a school district's
14 student population over the most recent 2 school years of (i)
15 over 1.5% in a district with over 10,000 pupils in average
16 daily attendance (as defined in Section 18-8.05 or 18-8.15 of
17 this Code) or (ii) over 7.5% in any other district, then the
18 district is eligible for a grant under this Section, subject to
19 appropriation.

20 (b) The State Board of Education shall determine a per
21 pupil grant amount for each school district. The total grant
22 amount for a district for any given school year shall equal the
23 per pupil grant amount multiplied by the difference between the
24 number of pupils in average daily attendance for the 2 most
25 recent school years.

1 (c) Funds for grants under this Section must be
2 appropriated to the State Board of Education in a separate line
3 item for this purpose. If the amount appropriated in any fiscal
4 year is insufficient to pay all grants for a school year, then
5 the amount appropriated shall be prorated among eligible
6 districts. As soon as possible after funds have been
7 appropriated to the State Board of Education, the State Board
8 of Education shall distribute the grants to eligible districts.

9 (d) If a school district intentionally reports incorrect
10 average daily attendance numbers to receive a grant under this
11 Section, then the district shall be denied State aid in the
12 same manner as State aid is denied for intentional incorrect
13 reporting of average daily attendance numbers under Section
14 18-8.05 or 18-8.15 of this Code.

15 (Source: P.A. 93-1042, eff. 10-8-04.)

16 (105 ILCS 5/18-8.15 new)

17 Sec. 18-8.15. Evidence-based funding for student success
18 for the 2017-2018 and subsequent school years.

19 (a) General provisions.

20 (1) The purpose of this Section is to ensure that, by June
21 30, 2027 and beyond, this State has a kindergarten through
22 grade 12 public education system with the capacity to ensure
23 the educational development of all persons to the limits of
24 their capacities in accordance with Section 1 of Article X of
25 the Constitution of the State of Illinois. To accomplish that

1 objective, this Section creates a method of funding public
2 education that is evidence-based; is sufficient to ensure every
3 student receives a meaningful opportunity to learn
4 irrespective of race, ethnicity, sexual orientation, gender,
5 or community-income level; and is sustainable and predictable.
6 When fully funded under this Section, every school shall have
7 the resources, based on what the evidence indicates is needed,
8 to:

9 (A) provide all students with a high quality education
10 that offers the academic, enrichment, social and emotional
11 support, technical, and career-focused programs that will
12 allow them to become competitive workers, responsible
13 parents, productive citizens of this State, and active
14 members of our national democracy;

15 (B) ensure all students receive the education they need
16 to graduate from high school with the skills required to
17 pursue post-secondary education and training for a
18 rewarding career;

19 (C) reduce, with a goal of eliminating, the achievement
20 gap between at-risk and non-at-risk students by raising the
21 performance of at-risk students and not by reducing
22 standards; and

23 (D) ensure this State satisfies its obligation to
24 assume the primary responsibility to fund public education
25 and simultaneously relieve the disproportionate burden
26 placed on local property taxes to fund schools.

1 (2) The evidence-based funding formula under this Section
2 shall be applied to all Organizational Units in this State. As
3 further defined and described in this Section, there are 4
4 major components of the evidence-based funding model:

5 (A) First, the model calculates a unique adequacy
6 target for each Organizational Unit in this State that
7 considers the costs to implement research-based
8 activities, the unit's student demographics, and regional
9 wage difference.

10 (B) Second, the model calculates each Organizational
11 Unit's local capacity, or the amount each Organizational
12 Unit is assumed to contribute towards its adequacy target
13 from local resources.

14 (C) Third, the model calculates how much funding the
15 State currently contributes to the Organizational Unit,
16 and adds that to the unit's local capacity to determine the
17 unit's overall current adequacy of funding.

18 (D) Finally, the model's distribution method allocates
19 new State funding to those Organizational Units that are
20 least well-funded, considering both local capacity and
21 State funding, in relation to their adequacy target.

22 (3) An Organizational Unit receiving any funding under this
23 Section may apply those funds to any fund so received for which
24 that Organizational Unit is authorized to make expenditures by
25 law.

26 (4) As used in this Section, the following terms shall have

1 the meanings ascribed in this paragraph (4):

2 "Adequacy Target" is defined in paragraph (1) of subsection
3 (b) of this Section.

4 "Adjusted EAV" is defined in paragraph (4) of subsection
5 (d) of this Section.

6 "Adjusted Local Capacity Target" is defined in paragraph
7 (3) of subsection (c) of this Section.

8 "Adjusted Operating Tax Rate" means a tax rate for all
9 Organizational Units, for which the State Superintendent shall
10 calculate and subtract for the Operating Tax Rate a
11 transportation rate based on total expenses for transportation
12 services under this Code, as reported on the most recent Annual
13 Financial Report in Pupil Transportation Services, function
14 2550 in both the Education and Transportation funds and
15 functions 4110 and 4120 in the Transportation fund, less any
16 corresponding fiscal year State of Illinois scheduled payments
17 excluding net adjustments for prior years for regular,
18 vocational, or special education transportation reimbursement
19 pursuant to Section 29-5 or subsection (b) of Section 14-13.01
20 of this Code divided by the Adjusted EAV. If an Organizational
21 Unit's corresponding fiscal year State of Illinois scheduled
22 payments excluding net adjustments for prior years for regular,
23 vocational, or special education transportation reimbursement
24 pursuant to Section 29-5 or subsection (b) of Section 14-13.01
25 of this Code exceed the total transportation expenses, as
26 defined in this paragraph, no transportation rate shall be

1 subtracted from the Operating Tax Rate.

2 "Allocation Rate" is defined in paragraph (3) of subsection
3 (g) of this Section.

4 "Alternative School" means a public school that is created
5 and operated by a regional superintendent of schools and
6 approved by the State Board.

7 "Applicable Tax Rate" is defined in paragraph (1) of
8 subsection (d) of this Section.

9 "Assessment" means any of those benchmark, progress
10 monitoring, formative, diagnostic, and other assessments, in
11 addition to the State accountability assessment, that assist
12 teachers' needs in understanding the skills and meeting the
13 needs of the students they serve.

14 "Assistant principal" means a school administrator duly
15 endorsed to be employed as an assistant principal in this
16 State.

17 "At-risk student" means a student who is at risk of not
18 meeting the Illinois Learning Standards or not graduating from
19 elementary or high school and who demonstrates a need for
20 vocational support or social services beyond that provided by
21 the regular school program. All students included in an
22 Organizational Unit's Low-Income Count, as well as all EL and
23 disabled students attending the Organizational Unit, shall be
24 considered at-risk students under this Section.

25 "Average Student Enrollment" or "ASE" means, for an
26 Organizational Unit in a given school year, the greater of the

1 average number of students (grades K through 12) reported to
2 the State Board as enrolled in the Organizational Unit on
3 October 1 and March 1, plus the special education
4 pre-kindergarten students with services of at least more than 2
5 hours a day as reported to the State Board on December 1, in
6 the immediately preceding school year or the average number of
7 students (grades K through 12) reported to the State Board as
8 enrolled in the Organizational Unit on October 1 and March 1,
9 plus the special education pre-kindergarten students with
10 services of at least more than 2 hours a day as reported to the
11 State Board on December 1, for each of the immediately
12 preceding 3 school years. For the purposes of this definition,
13 "enrolled in the Organizational Unit" means the number of
14 students reported to the State Board who are enrolled in
15 schools within the Organizational Unit that the student attends
16 or would attend if not placed or transferred to another school
17 or program to receive needed services. For the purposes of
18 calculating "ASE", all students, grades K through 12, excluding
19 those attending kindergarten for a half day, shall be counted
20 as 1.0. All students attending kindergarten for a half day
21 shall be counted as 0.5, unless in 2017 by June 15 or by March 1
22 in subsequent years, the school district reports to the State
23 Board of Education the intent to implement full-day
24 kindergarten district-wide for all students, then all students
25 attending kindergarten shall be counted as 1.0. Special
26 education pre-kindergarten students shall be counted as 0.5

1 each. If the State Board does not collect or has not collected
2 both an October 1 and March 1 enrollment count by grade or a
3 December 1 collection of special education pre-kindergarten
4 students as of the effective date of this amendatory Act of the
5 100th General Assembly, it shall establish such collection for
6 all future years. For any year where a count by grade level was
7 collected only once, that count shall be used as the single
8 count available for computing a 3-year average ASE. School
9 districts shall submit the data for the ASE calculation to the
10 State Board within 45 days of the dates required in this
11 Section for submission of enrollment data in order for it to be
12 included in the ASE calculation.

13 "Base Funding Guarantee" is defined in paragraph (7) of
14 subsection (g) of this Section.

15 "Base Funding Minimum" is defined in subsection (e) of this
16 Section.

17 "Bilingual Education Allocation" means the amount of an
18 Organizational Unit's final Adequacy Target attributable to
19 bilingual education divided by the Organizational Unit's final
20 Adequacy Target, the product of which shall be multiplied by
21 the amount of new funding received pursuant to this Section. An
22 Organizational Unit's final Adequacy Target attributable to
23 bilingual education shall include all additional investments
24 in EL student's adequacy elements.

25 "Budget Year" means the school year for which primary State
26 aid is calculated and awarded under this Section.

1 "Central office" means individual administrators and
2 support service personnel charged with managing the
3 instructional programs, business and operations, and security
4 of the Organizational Unit.

5 "Comparable Wage Index" or "CWI" means a regional cost
6 differentiation metric that measures systemic, regional
7 variations in the salaries of college graduates who are not
8 educators. The CWI utilized for this Section shall, for the
9 first 3 years of Evidence-Based Funding implementation, be the
10 CWI initially developed by the National Center for Education
11 Statistics, as most recently updated by Texas A & M University.
12 In the fourth and subsequent years of Evidence-Based Funding
13 implementation, the State Superintendent shall re-determine
14 the CWI using a similar methodology to that identified in the
15 Texas A & M University study, with adjustments made no less
16 frequently than once every 5 years.

17 "Computer technology and equipment" means computers
18 servers, notebooks, network equipment, copiers, printers,
19 instructional software, security software, curriculum
20 management courseware, and other similar materials and
21 equipment.

22 "Core subject" means mathematics; science; reading,
23 English, writing, and language arts; history and social
24 studies; world languages; and subjects taught as Advanced
25 Placement in high schools.

26 "Core teacher" means a regular classroom teacher in

1 elementary schools and teachers of a core subject in middle and
2 high schools.

3 "Core Intervention teacher (tutor)" means a licensed
4 teacher providing one-on-one or small group tutoring to
5 students struggling to meet proficiency in core subjects.

6 "CPPRT" means corporate personal property replacement tax
7 funds paid to an Organizational Unit during the calendar year
8 one year before the calendar year in which a school year
9 begins, pursuant to "An Act in relation to the abolition of ad
10 valorem personal property tax and the replacement of revenues
11 lost thereby, and amending and repealing certain Acts and parts
12 of Acts in connection therewith", certified August 14, 1979, as
13 amended (Public Act 81-1st S.S.-1).

14 "EAV" means equalized assessed valuation as defined in
15 paragraph (2) of subsection (d) of this Section and calculated
16 in accordance with paragraph (3) of subsection (d) of this
17 Section.

18 "EIS Data" means the employment information system data
19 maintained by the State Board on educators within
20 Organizational Units.

21 "Employee benefits" means health, dental, and vision
22 insurance offered to employees of an Organizational Unit,
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 "Essential Elements" means those elements, resources, and
9 educational programs that have been identified through
10 academic research as necessary to improve student success,
11 improve academic performance, close achievement gaps, and
12 provide for other per student costs related to the delivery and
13 leadership of the Organizational Unit, as well as the
14 maintenance and operations of the unit, and which are specified
15 in paragraph (2) of subsection (b) of this Section.

16 "Evidence-Based Funding" means State funding provided to
17 an Organizational Unit pursuant to 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 Until such time that grade level low-income populations become
3 available, grade level low-income populations shall be
4 determined by applying the low-income percentage to total
5 student enrollments by grade level. The low-income percentage
6 is determined by dividing the Low-Income Count by the Average
7 Student Enrollment.

8 "Maintenance and operations" means custodial services,
9 facility and ground maintenance, facility operations, facility
10 security, routine facility repairs, and other similar services
11 and functions.

12 "New State Funds" means, for a given school year, all State
13 funds appropriated for Evidence-Based Funding in excess of the
14 amount needed to fund the Base Funding Minimum for all
15 Organizational Units in that school year.

16 "Net State Contribution Target" means, for a given school
17 year, the amount of State funds that would be necessary to
18 fully meet the Adequacy Target of an Operational Unit minus the
19 Preliminary Resources available to each unit.

20 "Nurse" means an individual licensed as a certified school
21 nurse, in accordance with the rules established for nursing
22 services by the State Board, who is an employee of and is
23 available to provide health care-related services for students
24 of an Organizational Unit.

25 "Operating Tax Rate" means the rate utilized in the
26 previous year to extend property taxes for all purposes,

1 except, Bond and Interest, Summer School, Rent, Capital
2 Improvement, and Vocational Education Building purposes. For
3 Hybrid Districts, the Operating Tax Rate shall be the combined
4 elementary and high school rates utilized in the previous year
5 to extend property taxes for all purposes, except, Bond and
6 Interest, Summer School, Rent, Capital Improvement, and
7 Vocational Education Building purposes.

8 "Organizational Unit" means a Laboratory School, an
9 Alternative School, or any public school district that is
10 recognized as such by the State Board and that contains
11 elementary schools typically serving kindergarten through 5th
12 grades, middle schools typically serving 6th through 8th
13 grades, or high schools typically serving 9th through 12th
14 grades. The General Assembly acknowledges that the actual grade
15 levels served by a particular Organizational Unit may vary
16 slightly from what is typical.

17 "Organizational Unit CWI" is determined by calculating the
18 CWI in the region and original county in which an
19 Organizational Unit's primary administrative office is located
20 as set forth in this paragraph, provided that if the
21 Organizational Unit CWI as calculated in accordance with this
22 paragraph is less than 0.9, the Organizational Unit CWI shall
23 be increased to 0.9, and provided that if the Organizational
24 Unit CWI as calculated in accordance with this paragraph is
25 greater than 1.04, the Organizational Unit CWI shall be
26 decreased to 1.04. Each county's current CWI value shall be

1 increased to 0.9. Each county's current CWI value shall be
2 adjusted based on the CWI value of that county's neighboring
3 Illinois counties, to create a "weighted adjusted index value".
4 This shall be calculated by summing the CWI values of all of a
5 county's adjacent Illinois counties and dividing by the number
6 of adjacent Illinois counties, then taking the weighted value
7 of the original county's CWI value and the adjacent Illinois
8 county average. To calculate this weighted value, if the number
9 of adjacent Illinois counties is greater than 2, the original
10 county's CWI value will be weighted at 0.25 and the adjacent
11 Illinois county average will be weighted at 0.75. If the number
12 of adjacent Illinois counties is 2, the original county's CWI
13 value will be weighted at 0.33 and the adjacent Illinois county
14 average will be weighted at 0.66. The greater of the county's
15 current CWI value and its weighted adjusted index value shall
16 be used as the Organizational Unit CWI.

17 "Preliminary Percent of Adequacy" is defined in paragraph
18 (2) of subsection (f) of this Section.

19 "Preliminary Resources" is defined in paragraph (2) of
20 subsection (f) of this Section.

21 "Principal" means a school administrator duly endorsed to
22 be employed as a principal in this State.

23 "Professional development" means training programs for
24 licensed staff in schools, including, but not limited to,
25 programs that assist in implementing new curriculum programs,
26 provide data focused or academic assessment data training to

1 help staff identify a student's weaknesses and strengths,
2 target interventions, improve instruction, encompass
3 instructional strategies for EL, gifted, or at-risk students,
4 address inclusivity, cultural sensitivity, or implicit bias,
5 or otherwise provide professional support for licensed staff.

6 "Prototypical" means 450 special education
7 pre-kindergarten and kindergarten through grade 5 students for
8 an elementary school, 450 grade 6 through 8 students for a
9 middle school, and 600 grade 9 through 12 students for a high
10 school.

11 "PTELL" means the Property Tax Extension Limitation Law.

12 "Pupil support staff" means a nurse, psychologist, social
13 worker, family liaison personnel, or other staff member who
14 provides support to at-risk or struggling students.

15 "Real Receipts" is defined in paragraph (1) of subsection
16 (d) of this Section.

17 "Regionalization Factor" means, for a particular
18 Organizational Unit, the figure derived by dividing the
19 Organizational Unit CWI by the Statewide Weighted CWI.

20 "School site staff" means the primary school secretary and
21 any additional clerical personnel assigned to a school.

22 "Special education" means special educational facilities
23 and services, as defined in Section 14-1.08 of this Code.

24 "Special Education Allocation" means the amount of an
25 Organizational Unit's final Adequacy Target attributable to
26 special education divided by the Organizational Unit's final

1 Adequacy Target, the product of which shall be multiplied by
2 the amount of new funding received pursuant to this Section. An
3 Organizational Unit's final Adequacy Target attributable to
4 special education shall include all special education
5 investment adequacy elements.

6 "Specialist teacher" means a teacher who provides
7 instruction in subject areas not included in core subjects,
8 including, but not limited to, art, music, physical education,
9 health, driver education, career-technical education, and such
10 other subject areas as may be mandated by State law or provided
11 by an Organizational Unit.

12 "Specially Funded Unit" means an Alternative School, safe
13 school, Department of Juvenile Justice school, special
14 education cooperative or entity recognized by the State Board
15 as a special education cooperative, State-approved charter
16 school, or alternative learning opportunities program that
17 received direct funding from the State Board during the
18 2016-2017 school year through any of the funding sources
19 included within the calculation of the Base Funding Minimum or
20 Glenwood Academy.

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
2 the following maximum numbers:

3 (1) For grades kindergarten through 3, the
4 Organizational Unit shall receive funding required to
5 support one FTE core teacher position for every 15
6 Low-Income Count students in those grades and one FTE
7 core teacher position for every 20 non-Low-Income
8 Count students in those grades.

9 (2) For grades 4 through 12, the Organizational
10 Unit shall receive funding required to support one FTE
11 core teacher position for every 20 Low-Income Count
12 students in those grades and one FTE core teacher
13 position for every 25 non-Low-Income Count students in
14 those grades.

15 The number of non-Low-Income Count students in a grade
16 shall be determined by subtracting the Low-Income students
17 in that grade from the ASE of the Organizational Unit for
18 that grade.

19 (B) Specialist teacher investments. Each
20 Organizational Unit shall receive the funding needed to
21 cover that number of FTE specialist teacher positions that
22 correspond to the following percentages:

23 (i) if the Organizational Unit operates an
24 elementary or middle school, then 20.00% of the number
25 of the Organizational Unit's core teachers, as
26 determined under subparagraph (A) of this paragraph

1 (2); and

2 (ii) if such Organizational Unit operates a high
3 school, then 33.33% of the number of the Organizational
4 Unit's core teachers.

5 (C) Instructional facilitator investments. Each
6 Organizational Unit shall receive the funding needed to
7 cover one FTE instructional facilitator position for every
8 200 combined ASE of pre-kindergarten children with
9 disabilities and all kindergarten through grade 12
10 students of the Organizational Unit.

11 (D) Core intervention teacher (tutor) investments.
12 Each Organizational Unit shall receive the funding needed
13 to cover one FTE teacher position for each prototypical
14 elementary, middle, and high school.

15 (E) Substitute teacher investments. Each
16 Organizational Unit shall receive the funding needed to
17 cover substitute teacher costs that is equal to 5.70% of
18 the minimum pupil attendance days required under Section
19 10-19 of this code for all full-time equivalent core,
20 specialist, and intervention teachers, school nurses,
21 special education teachers and instructional assistants,
22 instructional facilitators, and summer school and
23 extended-day teacher positions, as determined under this
24 paragraph (2), at a salary rate of 33.33% of the average
25 salary for grade K through 12 teachers and 33.33% of the
26 average salary of each instructional assistant position.

1 (F) Core guidance counselor investments. Each
2 Organizational Unit shall receive the funding needed to
3 cover one FTE guidance counselor for each 450 combined ASE
4 of pre-kindergarten children with disabilities and all
5 kindergarten through grade 5 students, plus one FTE
6 guidance counselor for each 250 grades 6 through 8 ASE
7 middle school students, plus one FTE guidance counselor for
8 each 250 grades 9 through 12 ASE high school students.

9 (G) Nurse investments. Each Organizational Unit shall
10 receive the funding needed to cover one FTE nurse for each
11 750 combined ASE of pre-kindergarten children with
12 disabilities and all kindergarten through grade 12
13 students across all grade levels it serves.

14 (H) Supervisory aide investments. Each Organizational
15 Unit shall receive the funding needed to cover one FTE for
16 each 225 combined ASE of pre-kindergarten children with
17 disabilities and all kindergarten through grade 5
18 students, plus one FTE for each 225 ASE middle school
19 students, plus one FTE for each 200 ASE high school
20 students.

21 (I) Librarian investments. Each Organizational Unit
22 shall receive the funding needed to cover one FTE librarian
23 for each prototypical elementary school, middle school,
24 and high school and one FTE aide or media technician for
25 every 300 combined ASE of pre-kindergarten children with
26 disabilities and all kindergarten through grade 12

1 students.

2 (J) Principal investments. Each Organizational Unit
3 shall receive the funding needed to cover one FTE principal
4 position for each prototypical elementary school, plus one
5 FTE principal position for each prototypical middle
6 school, plus one FTE principal position for each
7 prototypical high school.

8 (K) Assistant principal investments. Each
9 Organizational Unit shall receive the funding needed to
10 cover one FTE assistant principal position for each
11 prototypical elementary school, plus one FTE assistant
12 principal position for each prototypical middle school,
13 plus one FTE assistant principal position for each
14 prototypical high school.

15 (L) School site staff investments. Each Organizational
16 Unit shall receive the funding needed for one FTE position
17 for each 225 ASE of pre-kindergarten children with
18 disabilities and all kindergarten through grade 5
19 students, plus one FTE position for each 225 ASE middle
20 school students, plus one FTE position for each 200 ASE
21 high school students.

22 (M) Gifted investments. Each Organizational Unit shall
23 receive \$40 per kindergarten through grade 12 ASE.

24 (N) Professional development investments. Each
25 Organizational Unit shall receive \$125 per student of the
26 combined ASE of pre-kindergarten children with

1 disabilities and all kindergarten through grade 12
2 students for trainers and other professional
3 development-related expenses for supplies and materials.

4 (O) Instructional material investments. Each
5 Organizational Unit shall receive \$190 per student of the
6 combined ASE of pre-kindergarten children with
7 disabilities and all kindergarten through grade 12
8 students to cover instructional material costs.

9 (P) Assessment investments. Each Organizational Unit
10 shall receive \$25 per student of the combined ASE of
11 pre-kindergarten children with disabilities and all
12 kindergarten through grade 12 students student to cover
13 assessment costs.

14 (Q) Computer technology and equipment investments.
15 Each Organizational Unit shall receive \$285.50 per student
16 of the combined ASE of pre-kindergarten children with
17 disabilities and all kindergarten through grade 12
18 students to cover computer technology and equipment costs.
19 For the 2018-2019 school year and subsequent school years,
20 Tier 1 and Tier 2 Organizational Units selected by the
21 State Board through a request for proposals process shall,
22 upon the State Board's approval of an Organizational Unit's
23 one-to-one computing technology plan, receive an
24 additional \$285.50 per student of the combined ASE of
25 pre-kindergarten children with disabilities and all
26 kindergarten through grade 12 students to cover computer

1 technology and equipment costs. The State Board may
2 establish additional requirements for Organizational Unit
3 expenditures of funds received pursuant to this
4 subparagraph (Q). It is the intent of this amendatory Act
5 of the 100th General Assembly that all Tier 1 and Tier 2
6 districts that apply for the technology grant receive the
7 addition to their Adequacy Target, subject to compliance
8 with the requirements of the State Board.

9 (R) Student activities investments. Each
10 Organizational Unit shall receive the following funding
11 amounts to cover student activities: \$100 per kindergarten
12 through grade 5 ASE student in elementary school, plus \$200
13 per ASE student in middle school, plus \$675 per ASE student
14 in high school.

15 (S) Maintenance and operations investments. Each
16 Organizational Unit shall receive \$1,038 per student of the
17 combined ASE of pre-kindergarten children with
18 disabilities and all kindergarten through grade 12 for
19 day-to-day maintenance and operations expenditures,
20 including salary, supplies, and materials, as well as
21 purchased services, but excluding employee benefits. The
22 proportion of salary for the application of a
23 Regionalization Factor and the calculation of benefits is
24 equal to \$352.92.

25 (T) Central office investments. Each Organizational
26 Unit shall receive \$742 per student of the combined ASE of

1 pre-kindergarten children with disabilities and all
2 kindergarten through grade 12 students to cover central
3 office operations, including administrators and classified
4 personnel charged with managing the instructional
5 programs, business and operations of the school district,
6 and security personnel. The proportion of salary for the
7 application of a Regionalization Factor and the
8 calculation of benefits is equal to \$368.48.

9 (U) Employee benefit investments. Each Organizational
10 Unit shall receive 30% of the total of all
11 salary-calculated elements of the Adequacy Target,
12 excluding substitute teachers and student activities
13 investments, to cover benefit costs. For central office and
14 maintenance and operations investments, the benefit
15 calculation shall be based upon the salary proportion of
16 each investment.

17 (V) Additional investments in low-income students. In
18 addition 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: (i) one FTE intervention
22 teacher (tutor) position for every 125 Low-Income Count
23 students; (ii) one FTE pupil support staff position for
24 every 125 Low-Income Count students; (iii) one FTE extended
25 day teacher position for every 120 Low-Income Count
26 students; and (iv) one FTE summer school teacher position

1 for every 120 Low-Income Count students.

2 (W) Additional investments in EL students. In addition
3 to and not in lieu of all other funding under this
4 paragraph (2), each Organizational Unit shall receive
5 funding based on the average teacher salary for grades K
6 through 12 to cover the costs of:

7 (i) one FTE intervention teacher (tutor) position
8 for every 125 EL students;

9 (ii) one FTE pupil support staff position for every
10 125 EL students;

11 (iii) one FTE extended day teacher position for
12 every 120 EL students;

13 (iv) one FTE summer school teacher position for
14 every 120 EL students; and

15 (v) one FTE core teacher position for every 100 EL
16 students.

17 (X) Special education investments. Each Organizational
18 Unit shall receive funding based on the average teacher
19 salary for grades K through 12 to cover special education
20 as follows:

21 (i) one FTE teacher position for every 141 combined
22 ASE of pre-kindergarten children with disabilities and
23 all kindergarten through grade 12 students;

24 (ii) one FTE instructional assistant for every 141
25 combined ASE of pre-kindergarten children with
26 disabilities and all kindergarten through grade 12

1 students; and

2 (iii) one FTE psychologist position for every
3 1,000 combined ASE of pre-kindergarten children with
4 disabilities and all kindergarten through grade 12
5 students.

6 (3) For calculating the salaries included within the
7 Essential Elements, the State Superintendent shall calculate
8 average salaries to the nearest dollar using the employment
9 information system data maintained by the State Board, limited
10 to public schools only and excluding special education and
11 vocational cooperatives, schools operated by the Department of
12 Juvenile Justice, and charter schools, for the following
13 positions:

14 (A) Teacher for grades K through 8.

15 (B) Teacher for grades 9 through 12.

16 (C) Teacher for grades K through 12.

17 (D) Guidance counselor for grades K through 8.

18 (E) Guidance counselor for grades 9 through 12.

19 (F) Guidance counselor for grades K through 12.

20 (G) Social worker.

21 (H) Psychologist.

22 (I) Librarian.

23 (J) Nurse.

24 (K) Principal.

25 (L) Assistant principal.

26 For the purposes of this paragraph (3), "teacher" includes core

1 teachers, specialist and elective teachers, instructional
2 facilitators, tutors, special education teachers, pupil
3 support staff teachers, English learner teachers, extended-day
4 teachers, and summer school teachers. Where specific grade data
5 is not required for the Essential Elements, the average salary
6 for corresponding positions shall apply. For substitute
7 teachers, the average teacher salary for grades K through 12
8 shall apply.

9 For calculating the salaries included within the Essential
10 Elements for positions not included within EIS Data, the
11 following salaries shall be used:

12 (i) school site staff, \$30,000; and

13 (ii) on-instructional assistant, instructional
14 assistant, library aide, library media tech, or
15 supervisory aide: \$25,000.

16 The salary amounts for the Essential Elements determined
17 pursuant to subparagraphs (A) through (L), (S) and (T), and (V)
18 through (X) of paragraph (2) of subsection (b) of this Section
19 shall be multiplied by a Regionalization Factor.

20 (c) Local capacity calculation.

21 (1) Each Organizational Unit's Local Capacity represents
22 an amount of funding it is assumed to contribute toward its
23 Adequacy Target for purposes of the Evidence-Based Funding
24 formula calculation. "Local Capacity" means either (i) the
25 Organizational Unit's Local Capacity Target as calculated in
26 accordance with paragraph (2) of this subsection (c) if its

1 Real Receipts are equal to or less than its Local Capacity
2 Target or (ii) the Organizational Unit's Adjusted Local
3 Capacity, as calculated in accordance with paragraph (3) of
4 this subsection (c) if Real Receipts are more than its Local
5 Capacity Target.

6 (2) "Local Capacity Target" means, for an Organizational
7 Unit, that dollar amount that is obtained by multiplying its
8 Adequacy Target by its Local Capacity Ratio.

9 (A) An Organizational Unit's Local Capacity Percentage
10 is the conversion of the Organizational Unit's Local
11 Capacity Ratio, as such ratio is determined in accordance
12 with subparagraph (B) of this paragraph (2), into a normal
13 curve equivalent score to determine each Organizational
14 Unit's relative position to all other Organizational Units
15 in this State. The calculation of Local Capacity Percentage
16 is described in subparagraph (C) of this paragraph (2).

17 (B) An Organizational Unit's Local Capacity Ratio in a
18 given year is the percentage obtained by dividing its
19 Adjusted EAV by its Adequacy Target, with the resulting
20 ratio further adjusted as follows:

21 (i) for Organizational Units serving grades
22 kindergarten through 12 and Hybrid Districts, no
23 further adjustments shall be made;

24 (ii) for Organizational Units serving grades
25 kindergarten through 8, the ratio shall be multiplied
26 by 9/13;

1 (iii) for Organizational Units serving grades 9
2 through 12, the Local Capacity Ratio shall be
3 multiplied by 4/13; and

4 (iv) for an Organizational Unit with a different
5 grade configuration than those specified in items (i)
6 through (iii) of this subparagraph (B), the State
7 Superintendent shall determine a comparable adjustment
8 based on the grades served.

9 (C) Local Capacity Percentage converts each
10 Organizational Unit's Local Capacity Ratio to a normal
11 curve equivalent score to determine each Organizational
12 Unit's relative position to all other Organizational Units
13 in this State. The Local Capacity Percentage normal curve
14 equivalent score for each Organizational Unit shall be
15 calculated using the standard normal distribution of the
16 score in relation to the weighted mean and weighted
17 standard deviation and Local Capacity Ratios of all
18 Organizational Units. If the value assigned to any
19 Organizational Unit is in excess of 90%, the value shall be
20 adjusted to 90%. For Laboratory Schools, the Local Capacity
21 Percentage shall be set at 10% in recognition of the
22 absence of EAV and resources from the public university
23 that are allocated to the Laboratory School. The weighted
24 mean for the Local Capacity Percentage shall be determined
25 by multiplying each Organizational Unit's Local Capacity
26 Ratio times the ASE for the unit creating a weighted value,

1 summing the weighted values of all Organizational Units,
2 and dividing by the total ASE of all Organizational Units.
3 The weighted standard deviation shall be determined by
4 taking the square root of the weighted variance of all
5 Organizational Units' Local Capacity Ratio, where the
6 variance is calculated by squaring the difference between
7 each unit's Local Capacity Ratio and the weighted mean,
8 then multiplying the variance for each unit times the ASE
9 for the unit to create a weighted variance for each unit,
10 then summing all units' weighted variance and dividing by
11 the total ASE of all units.

12 (3) If an Organizational Unit's Real Receipts are more than
13 its Local Capacity Target, then its Local Capacity shall equal
14 an Adjusted Local Capacity Target as calculated in accordance
15 with this paragraph (3). The Adjusted Local Capacity Target is
16 calculated as the sum of the Organizational Unit's Local
17 Capacity Target and its Real Receipts Adjustment. The Real
18 Receipts Adjustment equals the Organizational Unit's Real
19 Receipts less its Local Capacity Target, with the resulting
20 figure multiplied by the Local Capacity Percentage.

21 As used in this paragraph (3), "Real Percent of Adequacy"
22 means the sum of an Organizational Unit's Real Receipts, CPPRT,
23 and Base Funding Minimum, with the resulting figure divided by
24 the Organizational Unit's Adequacy Target.

25 (d) Calculation of Real Receipts, EAV, and Adjusted EAV for
26 purposes of the Local Capacity calculation.

1 (1) An Organizational Unit's Real Receipts are the product
2 of its Applicable Tax Rate and its Adjusted EAV. An
3 Organizational Unit's Applicable Tax Rate is its Adjusted
4 Operating Tax Rate for property within the Organizational Unit.

5 (2) The State Superintendent shall calculate the Equalized
6 Assessed Valuation, or EAV, of all taxable property of each
7 Organizational Unit as of September 30 of the previous year in
8 accordance with paragraph (3) of this subsection (d). The State
9 Superintendent shall then determine the Adjusted EAV of each
10 Organizational Unit in accordance with paragraph (4) of this
11 subsection (d), which Adjusted EAV figure shall be used for the
12 purposes of calculating Local Capacity.

13 (3) To calculate Real Receipts and EAV, the Department of
14 Revenue shall supply to the State Superintendent the value as
15 equalized or assessed by the Department of Revenue of all
16 taxable property of every Organizational Unit, together with
17 (i) the applicable tax rate used in extending taxes for the
18 funds of the Organizational Unit as of September 30 of the
19 previous year and (ii) the limiting rate for all Organizational
20 Units subject to property tax extension limitations as imposed
21 under PTELL.

22 (A) The Department of Revenue shall add to the
23 equalized assessed value of all taxable property of each
24 Organizational Unit situated entirely or partially within
25 a county that is or was subject to the provisions of
26 Section 15-176 or 15-177 of the Property Tax Code (i) an

1 amount equal to the total amount by which the homestead
2 exemption allowed under Section 15-176 or 15-177 of the
3 Property Tax Code for real property situated in that
4 Organizational Unit exceeds the total amount that would
5 have been allowed in that Organizational Unit if the
6 maximum reduction under Section 15-176 was (I) \$4,500 in
7 Cook County or \$3,500 in all other counties in tax year
8 2003 or (II) \$5,000 in all counties in tax year 2004 and
9 thereafter and (ii) an amount equal to the aggregate amount
10 for the taxable year of all additional exemptions under
11 Section 15-175 of the Property Tax Code for owners with a
12 household income of \$30,000 or less. The county clerk of
13 any county that is or was subject to the provisions of
14 Section 15-176 or 15-177 of the Property Tax Code shall
15 annually calculate and certify to the Department of Revenue
16 for each Organizational Unit all homestead exemption
17 amounts under Section 15-176 or 15-177 of the Property Tax
18 Code and all amounts of additional exemptions under Section
19 15-175 of the Property Tax Code for owners with a household
20 income of \$30,000 or less. It is the intent of this
21 subparagraph (A) that if the general homestead exemption
22 for a parcel of property is determined under Section 15-176
23 or 15-177 of the Property Tax Code rather than Section
24 15-175, then the calculation of EAV shall not be affected
25 by the difference, if any, between the amount of the
26 general homestead exemption allowed for that parcel of

1 property under Section 15-176 or 15-177 of the Property Tax
2 Code and the amount that would have been allowed had the
3 general homestead exemption for that parcel of property
4 been determined under Section 15-175 of the Property Tax
5 Code. It is further the intent of this subparagraph (A)
6 that if additional exemptions are allowed under Section
7 15-175 of the Property Tax Code for owners with a household
8 income of less than \$30,000, then the calculation of EAV
9 shall not be affected by the difference, if any, because of
10 those additional exemptions.

11 (C) For Organizational Units that are Hybrid
12 Districts, the State Superintendent shall use the lesser of
13 the equalized assessed valuation for property within the
14 partial elementary unit district for elementary purposes,
15 as defined in Article 11E of this Code, or the equalized
16 assessed valuation for property within the partial
17 elementary unit district for high school purposes, as
18 defined in Article 11E of this Code.

19 (4) An Organizational Unit's Adjusted EAV shall be the
20 average of its EAV over the immediately preceding 3 years or
21 its EAV in the immediately preceding year if the EAV in the
22 immediately preceding year has declined by 10% or more compared
23 to the 3-year average. In the event of Organizational Unit
24 reorganization, consolidation, or annexation, the
25 Organizational Unit's Adjusted EAV for the first 3 years after
26 such change shall be as follows: the most current EAV shall be

1 used in the first year, the average of a 2-year EAV or its EAV
2 in the immediately preceding year if the EAV declines by 10% or
3 more compared to the 2-year average for the second year, and a
4 3-year average EAV or its EAV in the immediately preceding year
5 if the adjusted EAV declines by 10% or more compared to the
6 3-year average for the third year.

7 (e) Base Funding Minimum calculation.

8 (1) For the 2017-2018 school year, the Base Funding Minimum
9 of an Organizational Unit, other than a Specially Funded Unit,
10 shall be the amount of State funds distributed to the
11 Organizational Unit during the 2016-2017 school year prior to
12 any adjustments and specified appropriation amounts described
13 in this paragraph (1) from the following Sections, as
14 calculated by the State Superintendent: Section 18-8.05 of this
15 Code (general State aid); Section 5 of Article 224 of Public
16 Act 99-524 (equity grants); Section 14-7.02b of this Code
17 (funding for children requiring special education services);
18 Section 14-13.01 of this Code (special education facilities and
19 staffing), except for reimbursement of the cost of
20 transportation pursuant to Section 14-13.01; Section 14C-12 of
21 this Code (English learners); and Section 18-4.3 of this Code
22 (summer school), based on an appropriation level of
23 \$13,121,600. For Specially Funded Units, the Base Funding
24 Minimum shall be the total amount of State funds allotted to
25 the Specially Funded Unit during the 2016-2017 school year. The
26 Base Funding Minimum for Glenwood Academy shall be \$625,500.

1 (2) For the 2018-2019 school year through the 2019-2020
2 school year, the Base Funding Minimum of Organizational Units
3 and Specially Funded Units shall be the sum of (i) the amount
4 of Evidence-Based Funding for the prior school year and (ii)
5 the Base Funding Minimum for the prior school year.

6 (3) Beginning with the 2020-2021 school year and every
7 school year thereafter, the Base Funding Minimum of an
8 Organizational Unit shall be the sum of (i) the Evidence-Based
9 Funding for the prior school year and (ii) the Base Funding
10 Minimum for the prior school year divided by the Organizational
11 Unit's ASE for the prior school year multiplied by the
12 Organizational Unit's ASE for the current school year. For
13 Specially Funded Units, the Base Funding Minimum shall be the
14 sum of (i) the Evidence-Based Funding for the prior school year
15 and (ii) the Base Funding Minimum for the prior school year.

16 (f) Percent of Adequacy and Final Resources calculation.

17 (1) The Evidence-Based Funding formula establishes a
18 Percent of Adequacy for each Organizational Unit in order to
19 place such units into tiers for the purposes of the funding
20 distribution system described in subsection (g) of this
21 Section. Initially, an Organizational Unit's Preliminary
22 Resources and Preliminary Percent of Adequacy are calculated
23 pursuant to paragraph (2) of this subsection (f). Then, an
24 Organizational Unit's Final Resources and Final Percent of
25 Adequacy are calculated to account for the Organizational
26 Unit's poverty concentration levels pursuant to paragraphs (3)

1 and (4) of this subsection (f).

2 (2) An Organizational Unit's Preliminary Resources are
3 equal to the sum of its Local Capacity Target, CPPRT, and Base
4 Funding Minimum. An Organizational Unit's Preliminary Percent
5 of Adequacy is the lesser of (i) its Preliminary Resources
6 divided by its Adequacy Target or (ii) 100%.

7 (3) Except for Specially Funded Units, an Organizational
8 Unit's Final Resources are equal the sum of its Local Capacity,
9 CPPRT, and Adjusted Base Funding Minimum. The Base Funding
10 Minimum of each Specially Funded Unit shall serve as its Final
11 Resources, except that the Base Funding Minimum for
12 State-approved charter schools shall not include any portion of
13 general State aid allocated in the prior year based on the per
14 capita tuition charge times the charter school enrollment.

15 (4) An Organizational Unit's Final Percent of Adequacy is
16 its Final Resources divided by its Adequacy Target. A
17 Organizational Unit's Adjusted Base Funding Minimum is equal to
18 its Base Funding Minimum less its Supplemental Grant Funding,
19 with the resulting figure added to the product of its
20 Supplemental Grant Funding and Preliminary Percent of
21 Adequacy.

22 (g) Evidence-Based Funding formula distribution system.

23 (1) In each school year under the Evidence-Based Funding
24 formula, each Organizational Unit receives funding equal to the
25 sum of its Base Funding Minimum and the unit's allocation of
26 New State Funds determined pursuant to this subsection (g). To

1 allocate New State Funds, the Evidence-Based Funding formula
2 distribution system first places all Organizational Units into
3 one of 4 tiers in accordance with paragraph (3) of this
4 subsection (g), based on the Organizational Unit's Final
5 Percent of Adequacy. New State Funds are allocated to each of
6 the 4 tiers as follows: Tier 1 Aggregate Funding equals 50% of
7 all New State Funds, Tier 2 Aggregate Funding equals 49% of all
8 New State Funds, Tier 3 Aggregate Funding equals 0.9% of all
9 New State Funds, and Tier 4 Aggregate Funding equals 0.1% of
10 all New State Funds. Each Organizational Unit within Tier 1 or
11 Tier 2 receives an allocation of New State Funds equal to its
12 tier Funding Gap, as defined in the following sentence,
13 multiplied by the tier's Allocation Rate determined pursuant to
14 paragraph (4) of this subsection (g). For Tier 1, an
15 Organizational Unit's Funding Gap equals the tier's Target
16 Ratio, as specified in paragraph (5) of this subsection (g),
17 multiplied by the Organizational Unit's Adequacy Target, with
18 the resulting amount reduced by the Organizational Unit's Final
19 Resources. For Tier 2, an Organizational Unit's Funding Gap
20 equals the tier's Target Ratio, as described in paragraph (5)
21 of this subsection (g), multiplied by the Organizational Unit's
22 Adequacy Target, with the resulting amount reduced by the
23 Organizational Unit's Final Resources and its Tier 1 funding
24 allocation. To determine the Organizational Unit's Funding
25 Gap, the resulting amount is then multiplied by a factor equal
26 to one minus the Organizational Unit's Local Capacity

1 Percentage. Each Organizational Unit within Tier 3 or Tier 4
2 receives an allocation of New State Funds equal to the product
3 of its Adequacy Target and the tier's Allocation Rate, as
4 specified in paragraph (4) of this subsection (g).

5 (2) To ensure equitable distribution of dollars for all
6 Tier 2 Organizational Units, no Tier 2 Organizational Unit
7 shall receive fewer dollars per ASE than any Tier 3
8 Organizational Unit. Each Tier 2 and Tier 3 Organizational Unit
9 shall have its funding allocation divided by its ASE. Any Tier
10 2 Organizational Unit with a funding allocation per ASE below
11 the greatest Tier 3 allocation per ASE shall get a funding
12 allocation equal to the greatest Tier 3 funding allocation per
13 ASE multiplied by the Organizational Unit's ASE. Each Tier 2
14 Organizational Unit's Tier 2 funding allocation shall be
15 multiplied by the percentage calculated by dividing the
16 original Tier 2 Aggregate Funding by the sum of all Tier 2
17 Organizational Unit's Tier 2 funding allocation after
18 adjusting districts' funding below Tier 3 levels.

19 (3) Organizational Units are placed into one of 4 tiers as
20 follows:

21 (A) Tier 1 consists of all Organizational Units, except
22 for Specially Funded Units, with a Percent of Adequacy less
23 than the Tier 1 Target Ratio. The Tier 1 Target Ratio is
24 the ratio level that allows for Tier 1 Aggregate Funding to
25 be distributed, with the Tier 1 Allocation Rate determined
26 pursuant to paragraph (4) of this subsection (g).

1 (B) Tier 2 consists of all Tier 1 Units and all other
2 Organizational Units, except for Specially Funded Units,
3 with a Percent of Adequacy of less than 0.90.

4 (C) Tier 3 consists of all Organizational Units, except
5 for Specially Funded Units, with a Percent of Adequacy of
6 at least 0.90 and less than 1.0.

7 (D) Tier 4 consists of all Organizational Units with a
8 Percent of Adequacy of at least 1.0 and Specially Funded
9 Units, excluding Glenwood Academy.

10 (4) The Allocation Rates for Tiers 1 through 4 is
11 determined as follows:

12 (A) The Tier 1 Allocation Rate is 30%.

13 (B) The Tier 2 Allocation Rate is the result of the
14 following equation: Tier 2 Aggregate Funding, divided by
15 the sum of the Funding Gaps for all Tier 2 Organizational
16 Units, unless the result of such equation is higher than
17 1.0. If the result of such equation is higher than 1.0,
18 then the Tier 2 Allocation Rate is 1.0.

19 (C) The Tier 3 Allocation Rate is the result of the
20 following equation: Tier 3 Aggregate Funding, divided by
21 the sum of the Adequacy Targets of all Tier 3
22 Organizational Units.

23 (D) The Tier 4 Allocation Rate is the result of the
24 following equation: Tier 4 Aggregate Funding, divided by
25 the sum of the Adequacy Targets of all Tier 4
26 Organizational Units.

1 (5) A tier's Target Ratio is determined as follows:

2 (A) The Tier 1 Target Ratio is the ratio level that
3 allows for Tier 1 Aggregate Funding to be distributed with
4 the Tier 1 Allocation Rate.

5 (B) The Tier 2 Target Ratio is 0.90.

6 (C) The Tier 3 Target Ratio is 1.0.

7 (6) If, at any point, the Tier 1 Target Ratio is greater
8 than 90%, than all Tier 1 funding shall be allocated to Tier 2
9 and no Tier 1 Organizational Unit's funding may be identified.

10 (7) In the event that all Tier 2 Organizational Units
11 receive funding at the Tier 2 Target Ratio level, any remaining
12 New State Funds shall be allocated to Tier 3 and Tier 4
13 Organizational Units.

14 (8) If any Specially Funded Units, excluding Glenwood
15 Academy, recognized by the State Board do not qualify for
16 direct funding following the implementation of this amendatory
17 Act of the 100th General Assembly from any of the funding
18 sources included within the definition of Base Funding Minimum,
19 the unqualified portion of the Base Funding Minimum shall be
20 transferred to one or more appropriate Organizational Units as
21 determined by the State Superintendent based on the prior year
22 ASE of the Organizational Units.

23 (9) In the event of a decrease in the amount of the
24 appropriation for this Section in any fiscal year after
25 implementation of this Section, the Organizational Units
26 receiving Tier 1 and Tier 2 funding, as determined under

1 paragraph (3) of this subsection (g), shall be held harmless by
2 establishing a Base Funding Guarantee equal to the per pupil
3 kindergarten through grade 12 funding received in accordance
4 with this Section in the prior fiscal year. Reductions shall be
5 made to the Base Funding Minimum of Organizational Units in
6 Tier 3 and Tier 4 on a per pupil basis equivalent to the total
7 number of the ASE in Tier 3-funded and Tier 4-funded
8 Organizational Units divided by the total reduction in State
9 funding. The Base Funding Minimum as reduced shall continue to
10 be applied to Tier 3 and Tier 4 Organizational Units and
11 adjusted by the relative formula when increases in
12 appropriations for this Section resume. In no event may State
13 funding reductions to Organizational Units in Tier 3 or Tier 4
14 exceed an amount that would be less than the Base Funding
15 Minimum established in the first year of implementation of this
16 Section. If additional reductions are required, all school
17 districts shall receive a reduction by a per pupil amount equal
18 to the aggregate additional appropriation reduction divided by
19 the total ASE of all Organizational Units.

20 (10) The State Superintendent shall make minor adjustments
21 to the distribution formulae set forth in this subsection (g)
22 to account for the rounding of percentages to the nearest tenth
23 of a percentage and dollar amounts to the nearest whole dollar.

24 (h) State Superintendent administration of funding and
25 district submission requirements.

26 (1) The State Superintendent shall, in accordance with

1 appropriations made by the General Assembly, meet the funding
2 obligations created under this Section.

3 (2) The State Superintendent shall calculate the Adequacy
4 Target for each Organizational Unit and Net State Contribution
5 Target for each Organizational Unit under this Section. The
6 State Superintendent shall also certify the actual amounts of
7 the New State Funds payable for each eligible Organizational
8 Unit based on the equitable distribution calculation to the
9 unit's treasurer, as soon as possible after such amounts are
10 calculated, including any applicable adjusted charge-off
11 increase. No Evidence-Based Funding shall be distributed
12 within an Organizational Unit without the approval of the
13 unit's school board.

14 (3) Annually, the State Superintendent shall calculate and
15 report to each Organizational Unit the unit's aggregate
16 financial adequacy amount, which shall be the sum of the
17 Adequacy Target for each Organizational Unit. The State
18 Superintendent shall calculate and report separately for each
19 Organizational Unit the unit's total State funds allocated for
20 its students with disabilities. The State Superintendent shall
21 calculate and report separately for each Organizational Unit
22 the amount of funding and applicable FTE calculated for each
23 Essential Element of the unit's Adequacy Target.

24 (4) Annually, the State Superintendent shall calculate and
25 report to each Organizational Unit the amount the unit must
26 expend on special education and bilingual education pursuant to

1 the unit's Base Funding Minimum, Special Education Allocation,
2 and Bilingual Education Allocation.

3 (5) Moneys distributed under this Section shall be
4 calculated on a school year basis, but paid on a fiscal year
5 basis, with payments beginning in August and extending through
6 June. Unless otherwise provided, the moneys appropriated for
7 each fiscal year shall be distributed in 22 equal payments at
8 least 2 times monthly to each Organizational Unit. The State
9 Board shall publish a yearly distribution schedule at its
10 meeting in June. If moneys appropriated for any fiscal year are
11 distributed other than monthly, the distribution shall be on
12 the same basis for each Organizational Unit.

13 (6) Any school district that fails, for any given school
14 year, to maintain school as required by law or to maintain a
15 recognized school is not eligible to receive Evidence-Based
16 Funding. In case of non-recognition of one or more attendance
17 centers in a school district otherwise operating recognized
18 schools, the claim of the district shall be reduced in the
19 proportion that the enrollment in the attendance center or
20 centers bears to the enrollment of the school district.
21 "Recognized school" means any public school that meets the
22 standards for recognition by the State Board. A school district
23 or attendance center not having recognition status at the end
24 of a school term is entitled to receive State aid payments due
25 upon a legal claim that was filed while it was recognized.

26 (7) School district claims filed under this Section are

1 subject to Sections 18-9 and 18-12 of this Code, except as
2 otherwise provided in this Section.

3 (8) Each fiscal year, the State Superintendent shall
4 calculate for each Organizational Unit an amount of its Base
5 Funding Minimum and Evidence-Based Funding that shall be deemed
6 attributable to the provision of special educational
7 facilities and services, as defined in Section 14-1.08 of this
8 Code, in a manner that ensures compliance with maintenance of
9 State financial support requirements under the federal
10 Individuals with Disabilities Education Act. An Organizational
11 Unit must use such funds only for the provision of special
12 educational facilities and services, as defined in Section
13 14-1.08 of this Code, and must comply with any expenditure
14 verification procedures adopted by the State Board.

15 (9) All Organizational Units in this State must submit
16 annual spending plans by the end of September of each year to
17 the State Board as part of the annual budget process, which
18 shall describe how each Organizational Unit will utilize the
19 Base Minimum Funding and Evidence-Based funding it receives
20 from this State under this Section with specific identification
21 of the intended utilization of Low-Income, EL, and special
22 education resources. Additionally, the annual spending plans
23 of each Organizational Unit shall describe how the
24 Organizational Unit expects to achieve student growth and how
25 the Organizational Unit will achieve State education goals, as
26 defined by the State Board. The State Superintendent may, from

1 time to time, identify additional requisites for
2 Organizational Units to satisfy when compiling the annual
3 spending plans required under this subsection (h). The format
4 and scope of annual spending plans shall be developed by the
5 State Superintendent in conjunction with the Professional
6 Review Panel.

7 (10) No later than January 1, 2018, the State
8 Superintendent shall develop a 5-year strategic plan for all
9 Organizational Units to help in planning for adequacy funding
10 under this Section. The State Superintendent shall submit the
11 plan to the Governor and the General Assembly, as provided in
12 Section 3.1 of the General Assembly Organization Act. The plan
13 shall include recommendations for:

14 (A) a framework for collaborative, professional,
15 innovative, and 21st century learning environments using
16 the Evidence-Based Funding model;

17 (B) ways to prepare and support this State's educators
18 for successful instructional careers;

19 (C) application and enhancement of the current
20 financial accountability measures, the approved State plan
21 to comply with the federal Every Student Succeeds Act, and
22 the Illinois Balanced Accountability Measures in relation
23 to student growth and elements of the Evidence-Based
24 Funding model; and

25 (D) implementation of an effective school adequacy
26 funding system based on projected and recommended funding

1 levels from the General Assembly.

2 (i) Professional Review Panel.

3 (1) A Professional Review Panel is created to study and
4 review the implementation and effect of the Evidence-Based
5 Funding model under this Section and to recommend continual
6 recalibration and future study topics and modifications to the
7 Evidence-Based Funding model. The Panel shall elect a
8 chairperson and vice chairperson by a majority vote of the
9 Panel and shall advance recommendations based on a majority
10 vote of the Panel. A minority opinion may also accompany any
11 recommendation of the majority of the Panel. The Panel shall be
12 appointed by the State Superintendent, except as otherwise
13 provided in paragraph (2) of this subsection (i) and include
14 the following members:

15 (A) Two appointees that represent district
16 superintendents, recommended by a statewide organization
17 that represents district superintendents.

18 (B) Two appointees that represent school boards,
19 recommended by a statewide organization that represents
20 school boards.

21 (C) Two appointees from districts that represent
22 school business officials, recommended by a statewide
23 organization that represents school business officials.

24 (D) Two appointees that represent school principals,
25 recommended by a statewide organization that represents
26 school principals.

1 (E) Two appointees that represent teachers,
2 recommended by a statewide organization that represents
3 teachers.

4 (F) Two appointees that represent teachers,
5 recommended by another statewide organization that
6 represents teachers.

7 (G) Two appointees that represent regional
8 superintendents of schools, recommended by organizations
9 that represent regional superintendents.

10 (H) Two independent experts selected solely by the
11 State Superintendent.

12 (I) Two independent experts recommended by public
13 universities in this State.

14 (J) One member recommended by a statewide organization
15 that represents parents.

16 (K) Two representatives recommended by collective
17 impact organizations that represent major metropolitan
18 areas or geographic areas in Illinois.

19 (L) One member from a statewide organization focused on
20 research-based education policy to support a school system
21 that prepares all students for college, a career, and
22 democratic citizenship.

23 (M) One representative from a school district
24 organized under Article 34 of this Code.

25 The State Superintendent shall ensure that the membership of
26 the Panel includes representatives from school districts and

1 communities reflecting the geographic, socio-economic, racial,
2 and ethnic diversity of this State. The State Superintendent
3 shall additionally ensure that the membership of the Panel
4 includes representatives with expertise in bilingual education
5 and special education. Staff from the State Board shall staff
6 the Panel.

7 (2) In addition to those Panel members appointed by the
8 State Superintendent, 4 members of the General Assembly shall
9 be appointed as follows: one member of the House of
10 Representatives appointed by the Speaker of the House of
11 Representatives, one member of the Senate appointed by the
12 President of the Senate, one member of the House of
13 Representatives appointed by the Minority Leader of the House
14 of Representatives, and one member of the Senate appointed by
15 the Minority Leader of the Senate. There shall be one
16 additional member appointed by the Governor. All members
17 appointed by legislative leaders or the Governor shall be
18 non-voting, ex officio members.

19 (3) On an annual basis, the State Superintendent shall
20 recalibrate the following per pupil elements of the Adequacy
21 Target and applied to the formulas, based on the Panel's study
22 of average expenses as reported in the most recent annual
23 financial report:

24 (A) gifted under subparagraph (M) of paragraph (2) of
25 subsection (b) of this Section;

26 (B) instructional materials under subparagraph (O) of

1 paragraph (2) of subsection (b) of this Section;

2 (C) assessment under subparagraph (P) of paragraph (2)
3 of subsection (b) of this Section;

4 (D) student activities under subparagraph (R) of
5 paragraph (2) of subsection (b) of this Section;

6 (E) maintenance and operations under subparagraph (S)
7 of paragraph (2) of subsection (b) of this Section; and

8 (F) central office under subparagraph (T) of paragraph
9 (2) of subsection (b) of this Section.

10 (4) On a periodic basis, the Panel shall study all the
11 following elements and make recommendations to the State Board,
12 the General Assembly, and the Governor for modification of this
13 Section:

14 (A) The format and scope of annual spending plans
15 referenced in paragraph (9) of subsection (h) of this
16 Section.

17 (B) The Comparable Wage Index under this Section, to be
18 studied by the Panel and reestablished by the State
19 Superintendent every 5 years.

20 (C) Maintenance and operations. Within 5 years after
21 the implementation of this Section, the Panel shall make
22 recommendations for the further study of maintenance and
23 operations costs, including capital maintenance costs, and
24 recommend any additional reporting data required from
25 Organizational Units.

26 (D) "At-risk student" definition. Within 5 years after

1 the implementation of this Section, the Panel shall make
2 recommendations for the further study and determination of
3 an "at-risk student" definition. Within 5 years after the
4 implementation of this Section, the Panel shall evaluate
5 and make recommendations regarding adequate funding for
6 poverty concentration under the Evidence-Based Funding
7 model.

8 (E) Benefits. Within 5 years after the implementation
9 of this Section, the Panel shall make recommendations for
10 further study of benefit costs.

11 (F) Technology. The per pupil target for technology
12 shall be reviewed every 3 years to determine whether
13 current allocations are sufficient to develop 21st century
14 learning in all classrooms in this State and supporting a
15 one-to-one technological device program in each school.
16 Recommendations shall be made no later than 3 years after
17 the implementation of this Section.

18 (G) Local Capacity Target. Within 3 years after the
19 implementation of this Section, the Panel shall make
20 recommendations for any additional data desired to analyze
21 possible modifications to the Local Capacity Target, to be
22 based on measures in addition to solely EAV and to be
23 completed within 5 years after implementation of this
24 Section.

25 (H) Funding for Alternative Schools, Laboratory
26 Schools, safe schools, and alternative learning

1 opportunities programs. By the beginning of the 2021-2022
2 school year, the Panel shall study and make recommendations
3 regarding the funding levels for Alternative Schools,
4 Laboratory Schools, safe schools, and alternative learning
5 opportunities programs in this State.

6 (I) Funding for college and career acceleration
7 strategies. By the beginning of the 2021-2022 school year,
8 the Panel shall study and make recommendations regarding
9 funding levels to support college and career acceleration
10 strategies in high school that have been demonstrated to
11 result in improved secondary and postsecondary outcomes,
12 including Advanced Placement, dual-credit opportunities,
13 and college and career pathway systems.

14 (J) Special education investments. By the beginning of
15 the 2021-2022 school year, the Panel shall study and make
16 recommendations on whether and how to account for
17 disability types within the special education funding
18 category.

19 (K) Early childhood investments. In collaboration with
20 the Illinois Early Learning Council, the Panel shall
21 include an analysis of what level of Preschool for All
22 Children funding would be necessary to serve all children
23 ages 0 through 5 years in the highest-priority service
24 tier, as specified in paragraph (4.5) of subsection (a) of
25 Section 2-3.71 of this Code, and an analysis of the
26 potential cost savings that that level of Preschool for All

1 Children investment would have on the kindergarten through
2 grade 12 system.

3 (5) Within 5 years after the implementation of this
4 Section, the Panel shall complete an evaluative study of the
5 entire Evidence-Based Funding model, including an assessment
6 of whether or not the formula is achieving State goals. The
7 Panel shall report to the State Board, the General Assembly,
8 and the Governor on the findings of the study.

9 (6) Within 3 years after the implementation of this
10 Section, the Panel shall evaluate and provide recommendations
11 to the Governor and the General Assembly on the hold-harmless
12 provisions of this Section found in the Base Funding Minimum.

13 (j) References. Beginning July 1, 2017, references in other
14 laws to general State aid funds or calculations under Section
15 18-8.05 of this Code shall be deemed to be references to
16 evidence-based model formula funds or calculations under this
17 Section.

18 (105 ILCS 5/18-9) (from Ch. 122, par. 18-9)
19 Sec. 18-9. Requirement for special equalization and
20 supplementary State aid. If property comprising an aggregate
21 assessed valuation equal to 6% or more of the total assessed
22 valuation of all taxable property in a school district is owned
23 by a person or corporation that is the subject of bankruptcy
24 proceedings or that has been adjudged bankrupt and, as a result
25 thereof, has not paid taxes on the property, then the district

1 may amend its general State aid or evidence-based funding claim
2 (i) back to the inception of the bankruptcy, not to exceed 6
3 years, in which time those taxes were not paid and (ii) for
4 each succeeding year that those taxes remain unpaid, by adding
5 to the claim an amount determined by multiplying the assessed
6 valuation of the property on which taxes have not been paid due
7 to the bankruptcy by the lesser of the total tax rate for the
8 district for the tax year for which the taxes are unpaid or the
9 applicable rate used in calculating the district's general
10 State aid under paragraph (3) of subsection (D) of Section
11 18-8.05 of this Code or evidence-based funding under Section
12 18-8.15 of this Code, as applicable. If at any time a district
13 that receives additional State aid under this Section receives
14 tax revenue from the property for the years that taxes were not
15 paid, the district's next claim for State aid shall be reduced
16 in an amount equal to the taxes paid on the property, not to
17 exceed the additional State aid received under this Section.
18 Claims under this Section shall be filed on forms prescribed by
19 the State Superintendent of Education, and the State
20 Superintendent of Education, upon receipt of a claim, shall
21 adjust the claim in accordance with the provisions of this
22 Section. Supplementary State aid for each succeeding year under
23 this Section shall be paid beginning with the first general
24 State aid or evidence-based funding claim paid after the
25 district has filed a completed claim in accordance with this
26 Section.

1 (Source: P.A. 95-496, eff. 8-28-07.)

2 (105 ILCS 5/18-12) (from Ch. 122, par. 18-12)

3 Sec. 18-12. Dates for filing State aid claims. The school
4 board of each school district, a regional office of education,
5 a laboratory school, or a State-authorized charter school shall
6 require teachers, principals, or superintendents to furnish
7 from records kept by them such data as it needs in preparing
8 and certifying to the State Superintendent of Education its
9 report of claims provided in Section 18-8.05 of this Code. The
10 claim shall be based on the latest available equalized assessed
11 valuation and tax rates, as provided in Section 18-8.05 or
12 18-8.15, shall use the average daily attendance as determined
13 by the method outlined in Section 18-8.05 or 18-8.15, and shall
14 be certified and filed with the State Superintendent of
15 Education by June 21 for districts and State-authorized charter
16 schools with an official school calendar end date before June
17 15 or within 2 weeks following the official school calendar end
18 date for districts, regional offices of education, laboratory
19 schools, or State-authorized charter schools with a school year
20 end date of June 15 or later. Failure to so file by these
21 deadlines constitutes a forfeiture of the right to receive
22 payment by the State until such claim is filed. The State
23 Superintendent of Education shall voucher for payment those
24 claims to the State Comptroller as provided in Section 18-11.

25 Except as otherwise provided in this Section, if any school

1 district fails to provide the minimum school term specified in
2 Section 10-19, the State aid claim for that year shall be
3 reduced by the State Superintendent of Education in an amount
4 equivalent to 1/176 or .56818% for each day less than the
5 number of days required by this Code.

6 If the State Superintendent of Education determines that
7 the failure to provide the minimum school term was occasioned
8 by an act or acts of God, or was occasioned by conditions
9 beyond the control of the school district which posed a
10 hazardous threat to the health and safety of pupils, the State
11 aid claim need not be reduced.

12 If a school district is precluded from providing the
13 minimum hours of instruction required for a full day of
14 attendance due to an adverse weather condition or a condition
15 beyond the control of the school district that poses a
16 hazardous threat to the health and safety of students, then the
17 partial day of attendance may be counted if (i) the school
18 district has provided at least one hour of instruction prior to
19 the closure of the school district, (ii) a school building has
20 provided at least one hour of instruction prior to the closure
21 of the school building, or (iii) the normal start time of the
22 school district is delayed.

23 If, prior to providing any instruction, a school district
24 must close one or more but not all school buildings after
25 consultation with a local emergency response agency or due to a
26 condition beyond the control of the school district, then the

1 school district may claim attendance for up to 2 school days
2 based on the average attendance of the 3 school days
3 immediately preceding the closure of the affected school
4 building or, if approved by the State Board of Education,
5 utilize the provisions of an e-learning program for the
6 affected school building as prescribed in Section 10-20.56 of
7 this Code. The partial or no day of attendance described in
8 this Section and the reasons therefore shall be certified
9 within a month of the closing or delayed start by the school
10 district superintendent to the regional superintendent of
11 schools for forwarding to the State Superintendent of Education
12 for approval.

13 Other than the utilization of any e-learning days as
14 prescribed in Section 10-20.56 of this Code, no exception to
15 the requirement of providing a minimum school term may be
16 approved by the State Superintendent of Education pursuant to
17 this Section unless a school district has first used all
18 emergency days provided for in its regular calendar.

19 If the State Superintendent of Education declares that an
20 energy shortage exists during any part of the school year for
21 the State or a designated portion of the State, a district may
22 operate the school attendance centers within the district 4
23 days of the week during the time of the shortage by extending
24 each existing school day by one clock hour of school work, and
25 the State aid claim shall not be reduced, nor shall the
26 employees of that district suffer any reduction in salary or

1 benefits as a result thereof. A district may operate all
2 attendance centers on this revised schedule, or may apply the
3 schedule to selected attendance centers, taking into
4 consideration such factors as pupil transportation schedules
5 and patterns and sources of energy for individual attendance
6 centers.

7 Electronically submitted State aid claims shall be
8 submitted by duly authorized district individuals over a secure
9 network that is password protected. The electronic submission
10 of a State aid claim must be accompanied with an affirmation
11 that all of the provisions of Sections 18-8.05, 10-22.5, and
12 24-4 of this Code are met in all respects.

13 (Source: P.A. 99-194, eff. 7-30-15; 99-657, eff. 7-28-16.)

14 (105 ILCS 5/26-16)

15 Sec. 26-16. Graduation incentives program.

16 (a) The General Assembly finds that it is critical to
17 provide options for children to succeed in school. The purpose
18 of this Section is to provide incentives for and encourage all
19 Illinois students who have experienced or are experiencing
20 difficulty in the traditional education system to enroll in
21 alternative programs.

22 (b) Any student who is below the age of 20 years is
23 eligible to enroll in a graduation incentives program if he or
24 she:

25 (1) is considered a dropout pursuant to Section 26-2a

1 of this Code;

2 (2) has been suspended or expelled pursuant to Section
3 10-22.6 or 34-19 of this Code;

4 (3) is pregnant or is a parent;

5 (4) has been assessed as chemically dependent; or

6 (5) is enrolled in a bilingual education or LEP
7 program.

8 (c) The following programs qualify as graduation
9 incentives programs for students meeting the criteria
10 established in this Section:

11 (1) Any public elementary or secondary education
12 graduation incentives program established by a school
13 district or by a regional office of education.

14 (2) Any alternative learning opportunities program
15 established pursuant to Article 13B of this Code.

16 (3) Vocational or job training courses approved by the
17 State Superintendent of Education that are available
18 through the Illinois public community college system.
19 Students may apply for reimbursement of 50% of tuition
20 costs for one course per semester or a maximum of 3 courses
21 per school year. Subject to available funds, students may
22 apply for reimbursement of up to 100% of tuition costs upon
23 a showing of employment within 6 months after completion of
24 a vocational or job training program. The qualifications
25 for reimbursement shall be established by the State
26 Superintendent of Education by rule.

1 (4) Job and career programs approved by the State
2 Superintendent of Education that are available through
3 Illinois-accredited private business and vocational
4 schools. Subject to available funds, pupils may apply for
5 reimbursement of up to 100% of tuition costs upon a showing
6 of employment within 6 months after completion of a job or
7 career program. The State Superintendent of Education
8 shall establish, by rule, the qualifications for
9 reimbursement, criteria for determining reimbursement
10 amounts, and limits on reimbursement.

11 (5) Adult education courses that offer preparation for
12 high school equivalency testing.

13 (d) Graduation incentives programs established by school
14 districts are entitled to claim general State aid and
15 evidence-based funding, subject to Sections 13B-50, 13B-50.5,
16 and 13B-50.10 of this Code. Graduation incentives programs
17 operated by regional offices of education are entitled to
18 receive general State aid and evidence-based funding at the
19 foundation level of support per pupil enrolled. A school
20 district must ensure that its graduation incentives program
21 receives supplemental general State aid, transportation
22 reimbursements, and special education resources, if
23 appropriate, for students enrolled in the program.

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

25 (105 ILCS 5/27-8.1) (from Ch. 122, par. 27-8.1)

1 (Text of Section before amendment by P.A. 99-927)

2 Sec. 27-8.1. Health examinations and immunizations.

3 (1) In compliance with rules and regulations which the
4 Department of Public Health shall promulgate, and except as
5 hereinafter provided, all children in Illinois shall have a
6 health examination as follows: within one year prior to
7 entering kindergarten or the first grade of any public,
8 private, or parochial elementary school; upon entering the
9 sixth and ninth grades of any public, private, or parochial
10 school; prior to entrance into any public, private, or
11 parochial nursery school; and, irrespective of grade,
12 immediately prior to or upon entrance into any public, private,
13 or parochial school or nursery school, each child shall present
14 proof of having been examined in accordance with this Section
15 and the rules and regulations promulgated hereunder. Any child
16 who received a health examination within one year prior to
17 entering the fifth grade for the 2007-2008 school year is not
18 required to receive an additional health examination in order
19 to comply with the provisions of Public Act 95-422 when he or
20 she attends school for the 2008-2009 school year, unless the
21 child is attending school for the first time as provided in
22 this paragraph.

23 A tuberculosis skin test screening shall be included as a
24 required part of each health examination included under this
25 Section if the child resides in an area designated by the
26 Department of Public Health as having a high incidence of

1 tuberculosis. Additional health examinations of pupils,
2 including eye examinations, may be required when deemed
3 necessary by school authorities. Parents are encouraged to have
4 their children undergo eye examinations at the same points in
5 time required for health examinations.

6 (1.5) In compliance with rules adopted by the Department of
7 Public Health and except as otherwise provided in this Section,
8 all children in kindergarten and the second and sixth grades of
9 any public, private, or parochial school shall have a dental
10 examination. Each of these children shall present proof of
11 having been examined by a dentist in accordance with this
12 Section and rules adopted under this Section before May 15th of
13 the school year. If a child in the second or sixth grade fails
14 to present proof by May 15th, the school may hold the child's
15 report card until one of the following occurs: (i) the child
16 presents proof of a completed dental examination or (ii) the
17 child presents proof that a dental examination will take place
18 within 60 days after May 15th. The Department of Public Health
19 shall establish, by rule, a waiver for children who show an
20 undue burden or a lack of access to a dentist. Each public,
21 private, and parochial school must give notice of this dental
22 examination requirement to the parents and guardians of
23 students at least 60 days before May 15th of each school year.

24 (1.10) Except as otherwise provided in this Section, all
25 children enrolling in kindergarten in a public, private, or
26 parochial school on or after the effective date of this

1 amendatory Act of the 95th General Assembly and any student
2 enrolling for the first time in a public, private, or parochial
3 school on or after the effective date of this amendatory Act of
4 the 95th General Assembly shall have an eye examination. Each
5 of these children shall present proof of having been examined
6 by a physician licensed to practice medicine in all of its
7 branches or a licensed optometrist within the previous year, in
8 accordance with this Section and rules adopted under this
9 Section, before October 15th of the school year. If the child
10 fails to present proof by October 15th, the school may hold the
11 child's report card until one of the following occurs: (i) the
12 child presents proof of a completed eye examination or (ii) the
13 child presents proof that an eye examination will take place
14 within 60 days after October 15th. The Department of Public
15 Health shall establish, by rule, a waiver for children who show
16 an undue burden or a lack of access to a physician licensed to
17 practice medicine in all of its branches who provides eye
18 examinations or to a licensed optometrist. Each public,
19 private, and parochial school must give notice of this eye
20 examination requirement to the parents and guardians of
21 students in compliance with rules of the Department of Public
22 Health. Nothing in this Section shall be construed to allow a
23 school to exclude a child from attending because of a parent's
24 or guardian's failure to obtain an eye examination for the
25 child.

26 (2) The Department of Public Health shall promulgate rules

1 and regulations specifying the examinations and procedures
2 that constitute a health examination, which shall include the
3 collection of data relating to obesity (including at a minimum,
4 date of birth, gender, height, weight, blood pressure, and date
5 of exam), and a dental examination and may recommend by rule
6 that certain additional examinations be performed. The rules
7 and regulations of the Department of Public Health shall
8 specify that a tuberculosis skin test screening shall be
9 included as a required part of each health examination included
10 under this Section if the child resides in an area designated
11 by the Department of Public Health as having a high incidence
12 of tuberculosis. The Department of Public Health shall specify
13 that a diabetes screening as defined by rule shall be included
14 as a required part of each health examination. Diabetes testing
15 is not required.

16 Physicians licensed to practice medicine in all of its
17 branches, licensed advanced practice nurses, or licensed
18 physician assistants shall be responsible for the performance
19 of the health examinations, other than dental examinations, eye
20 examinations, and vision and hearing screening, and shall sign
21 all report forms required by subsection (4) of this Section
22 that pertain to those portions of the health examination for
23 which the physician, advanced practice nurse, or physician
24 assistant is responsible. If a registered nurse performs any
25 part of a health examination, then a physician licensed to
26 practice medicine in all of its branches must review and sign

1 all required report forms. Licensed dentists shall perform all
2 dental examinations and shall sign all report forms required by
3 subsection (4) of this Section that pertain to the dental
4 examinations. Physicians licensed to practice medicine in all
5 its branches or licensed optometrists shall perform all eye
6 examinations required by this Section and shall sign all report
7 forms required by subsection (4) of this Section that pertain
8 to the eye examination. For purposes of this Section, an eye
9 examination shall at a minimum include history, visual acuity,
10 subjective refraction to best visual acuity near and far,
11 internal and external examination, and a glaucoma evaluation,
12 as well as any other tests or observations that in the
13 professional judgment of the doctor are necessary. Vision and
14 hearing screening tests, which shall not be considered
15 examinations as that term is used in this Section, shall be
16 conducted in accordance with rules and regulations of the
17 Department of Public Health, and by individuals whom the
18 Department of Public Health has certified. In these rules and
19 regulations, the Department of Public Health shall require that
20 individuals conducting vision screening tests give a child's
21 parent or guardian written notification, before the vision
22 screening is conducted, that states, "Vision screening is not a
23 substitute for a complete eye and vision evaluation by an eye
24 doctor. Your child is not required to undergo this vision
25 screening if an optometrist or ophthalmologist has completed
26 and signed a report form indicating that an examination has

1 been administered within the previous 12 months."

2 (3) Every child shall, at or about the same time as he or
3 she receives a health examination required by subsection (1) of
4 this Section, present to the local school proof of having
5 received such immunizations against preventable communicable
6 diseases as the Department of Public Health shall require by
7 rules and regulations promulgated pursuant to this Section and
8 the Communicable Disease Prevention Act.

9 (4) The individuals conducting the health examination,
10 dental examination, or eye examination shall record the fact of
11 having conducted the examination, and such additional
12 information as required, including for a health examination
13 data relating to obesity (including at a minimum, date of
14 birth, gender, height, weight, blood pressure, and date of
15 exam), on uniform forms which the Department of Public Health
16 and the State Board of Education shall prescribe for statewide
17 use. The examiner shall summarize on the report form any
18 condition that he or she suspects indicates a need for special
19 services, including for a health examination factors relating
20 to obesity. The individuals confirming the administration of
21 required immunizations shall record as indicated on the form
22 that the immunizations were administered.

23 (5) If a child does not submit proof of having had either
24 the health examination or the immunization as required, then
25 the child shall be examined or receive the immunization, as the
26 case may be, and present proof by October 15 of the current

1 school year, or by an earlier date of the current school year
2 established by a school district. To establish a date before
3 October 15 of the current school year for the health
4 examination or immunization as required, a school district must
5 give notice of the requirements of this Section 60 days prior
6 to the earlier established date. If for medical reasons one or
7 more of the required immunizations must be given after October
8 15 of the current school year, or after an earlier established
9 date of the current school year, then the child shall present,
10 by October 15, or by the earlier established date, a schedule
11 for the administration of the immunizations and a statement of
12 the medical reasons causing the delay, both the schedule and
13 the statement being issued by the physician, advanced practice
14 nurse, physician assistant, registered nurse, or local health
15 department that will be responsible for administration of the
16 remaining required immunizations. If a child does not comply by
17 October 15, or by the earlier established date of the current
18 school year, with the requirements of this subsection, then the
19 local school authority shall exclude that child from school
20 until such time as the child presents proof of having had the
21 health examination as required and presents proof of having
22 received those required immunizations which are medically
23 possible to receive immediately. During a child's exclusion
24 from school for noncompliance with this subsection, the child's
25 parents or legal guardian shall be considered in violation of
26 Section 26-1 and subject to any penalty imposed by Section

1 26-10. This subsection (5) does not apply to dental
2 examinations and eye examinations. If the student is an
3 out-of-state transfer student and does not have the proof
4 required under this subsection (5) before October 15 of the
5 current year or whatever date is set by the school district,
6 then he or she may only attend classes (i) if he or she has
7 proof that an appointment for the required vaccinations has
8 been scheduled with a party authorized to submit proof of the
9 required vaccinations. If the proof of vaccination required
10 under this subsection (5) is not submitted within 30 days after
11 the student is permitted to attend classes, then the student is
12 not to be permitted to attend classes until proof of the
13 vaccinations has been properly submitted. No school district or
14 employee of a school district shall be held liable for any
15 injury or illness to another person that results from admitting
16 an out-of-state transfer student to class that has an
17 appointment scheduled pursuant to this subsection (5).

18 (6) Every school shall report to the State Board of
19 Education by November 15, in the manner which that agency shall
20 require, the number of children who have received the necessary
21 immunizations and the health examination (other than a dental
22 examination or eye examination) as required, indicating, of
23 those who have not received the immunizations and examination
24 as required, the number of children who are exempt from health
25 examination and immunization requirements on religious or
26 medical grounds as provided in subsection (8). On or before

1 December 1 of each year, every public school district and
2 registered nonpublic school shall make publicly available the
3 immunization data they are required to submit to the State
4 Board of Education by November 15. The immunization data made
5 publicly available must be identical to the data the school
6 district or school has reported to the State Board of
7 Education.

8 Every school shall report to the State Board of Education
9 by June 30, in the manner that the State Board requires, the
10 number of children who have received the required dental
11 examination, indicating, of those who have not received the
12 required dental examination, the number of children who are
13 exempt from the dental examination on religious grounds as
14 provided in subsection (8) of this Section and the number of
15 children who have received a waiver under subsection (1.5) of
16 this Section.

17 Every school shall report to the State Board of Education
18 by June 30, in the manner that the State Board requires, the
19 number of children who have received the required eye
20 examination, indicating, of those who have not received the
21 required eye examination, the number of children who are exempt
22 from the eye examination as provided in subsection (8) of this
23 Section, the number of children who have received a waiver
24 under subsection (1.10) of this Section, and the total number
25 of children in noncompliance with the eye examination
26 requirement.

1 The reported information under this subsection (6) shall be
2 provided to the Department of Public Health by the State Board
3 of Education.

4 (7) Upon determining that the number of pupils who are
5 required to be in compliance with subsection (5) of this
6 Section is below 90% of the number of pupils enrolled in the
7 school district, 10% of each State aid payment made pursuant to
8 Section 18-8.05 to the school district for such year may be
9 withheld by the State Board of Education until the number of
10 students in compliance with subsection (5) is the applicable
11 specified percentage or higher.

12 (8) Children of parents or legal guardians who object to
13 health, dental, or eye examinations or any part thereof, to
14 immunizations, or to vision and hearing screening tests on
15 religious grounds shall not be required to undergo the
16 examinations, tests, or immunizations to which they so object
17 if such parents or legal guardians present to the appropriate
18 local school authority a signed Certificate of Religious
19 Exemption detailing the grounds for objection and the specific
20 immunizations, tests, or examinations to which they object. The
21 grounds for objection must set forth the specific religious
22 belief that conflicts with the examination, test,
23 immunization, or other medical intervention. The signed
24 certificate shall also reflect the parent's or legal guardian's
25 understanding of the school's exclusion policies in the case of
26 a vaccine-preventable disease outbreak or exposure. The

1 certificate must also be signed by the authorized examining
2 health care provider responsible for the performance of the
3 child's health examination confirming that the provider
4 provided education to the parent or legal guardian on the
5 benefits of immunization and the health risks to the student
6 and to the community of the communicable diseases for which
7 immunization is required in this State. However, the health
8 care provider's signature on the certificate reflects only that
9 education was provided and does not allow a health care
10 provider grounds to determine a religious exemption. Those
11 receiving immunizations required under this Code shall be
12 provided with the relevant vaccine information statements that
13 are required to be disseminated by the federal National
14 Childhood Vaccine Injury Act of 1986, which may contain
15 information on circumstances when a vaccine should not be
16 administered, prior to administering a vaccine. A healthcare
17 provider may consider including without limitation the
18 nationally accepted recommendations from federal agencies such
19 as the Advisory Committee on Immunization Practices, the
20 information outlined in the relevant vaccine information
21 statement, and vaccine package inserts, along with the
22 healthcare provider's clinical judgment, to determine whether
23 any child may be more susceptible to experiencing an adverse
24 vaccine reaction than the general population, and, if so, the
25 healthcare provider may exempt the child from an immunization
26 or adopt an individualized immunization schedule. The

1 Certificate of Religious Exemption shall be created by the
2 Department of Public Health and shall be made available and
3 used by parents and legal guardians by the beginning of the
4 2015-2016 school year. Parents or legal guardians must submit
5 the Certificate of Religious Exemption to their local school
6 authority prior to entering kindergarten, sixth grade, and
7 ninth grade for each child for which they are requesting an
8 exemption. The religious objection stated need not be directed
9 by the tenets of an established religious organization.
10 However, general philosophical or moral reluctance to allow
11 physical examinations, eye examinations, immunizations, vision
12 and hearing screenings, or dental examinations does not provide
13 a sufficient basis for an exception to statutory requirements.
14 The local school authority is responsible for determining if
15 the content of the Certificate of Religious Exemption
16 constitutes a valid religious objection. The local school
17 authority shall inform the parent or legal guardian of
18 exclusion procedures, in accordance with the Department's
19 rules under Part 690 of Title 77 of the Illinois Administrative
20 Code, at the time the objection is presented.

21 If the physical condition of the child is such that any one
22 or more of the immunizing agents should not be administered,
23 the examining physician, advanced practice nurse, or physician
24 assistant responsible for the performance of the health
25 examination shall endorse that fact upon the health examination
26 form.

1 Exempting a child from the health, dental, or eye
2 examination does not exempt the child from participation in the
3 program of physical education training provided in Sections
4 27-5 through 27-7 of this Code.

5 (9) For the purposes of this Section, "nursery schools"
6 means those nursery schools operated by elementary school
7 systems or secondary level school units or institutions of
8 higher learning.

9 (Source: P.A. 98-673, eff. 6-30-14; 99-173, eff. 7-29-15;
10 99-249, eff. 8-3-15; 99-642, eff. 7-28-16.)

11 (Text of Section after amendment by P.A. 99-927)

12 Sec. 27-8.1. Health examinations and immunizations.

13 (1) In compliance with rules and regulations which the
14 Department of Public Health shall promulgate, and except as
15 hereinafter provided, all children in Illinois shall have a
16 health examination as follows: within one year prior to
17 entering kindergarten or the first grade of any public,
18 private, or parochial elementary school; upon entering the
19 sixth and ninth grades of any public, private, or parochial
20 school; prior to entrance into any public, private, or
21 parochial nursery school; and, irrespective of grade,
22 immediately prior to or upon entrance into any public, private,
23 or parochial school or nursery school, each child shall present
24 proof of having been examined in accordance with this Section
25 and the rules and regulations promulgated hereunder. Any child

1 who received a health examination within one year prior to
2 entering the fifth grade for the 2007-2008 school year is not
3 required to receive an additional health examination in order
4 to comply with the provisions of Public Act 95-422 when he or
5 she attends school for the 2008-2009 school year, unless the
6 child is attending school for the first time as provided in
7 this paragraph.

8 A tuberculosis skin test screening shall be included as a
9 required part of each health examination included under this
10 Section if the child resides in an area designated by the
11 Department of Public Health as having a high incidence of
12 tuberculosis. Additional health examinations of pupils,
13 including eye examinations, may be required when deemed
14 necessary by school authorities. Parents are encouraged to have
15 their children undergo eye examinations at the same points in
16 time required for health examinations.

17 (1.5) In compliance with rules adopted by the Department of
18 Public Health and except as otherwise provided in this Section,
19 all children in kindergarten and the second and sixth grades of
20 any public, private, or parochial school shall have a dental
21 examination. Each of these children shall present proof of
22 having been examined by a dentist in accordance with this
23 Section and rules adopted under this Section before May 15th of
24 the school year. If a child in the second or sixth grade fails
25 to present proof by May 15th, the school may hold the child's
26 report card until one of the following occurs: (i) the child

1 presents proof of a completed dental examination or (ii) the
2 child presents proof that a dental examination will take place
3 within 60 days after May 15th. The Department of Public Health
4 shall establish, by rule, a waiver for children who show an
5 undue burden or a lack of access to a dentist. Each public,
6 private, and parochial school must give notice of this dental
7 examination requirement to the parents and guardians of
8 students at least 60 days before May 15th of each school year.

9 (1.10) Except as otherwise provided in this Section, all
10 children enrolling in kindergarten in a public, private, or
11 parochial school on or after the effective date of this
12 amendatory Act of the 95th General Assembly and any student
13 enrolling for the first time in a public, private, or parochial
14 school on or after the effective date of this amendatory Act of
15 the 95th General Assembly shall have an eye examination. Each
16 of these children shall present proof of having been examined
17 by a physician licensed to practice medicine in all of its
18 branches or a licensed optometrist within the previous year, in
19 accordance with this Section and rules adopted under this
20 Section, before October 15th of the school year. If the child
21 fails to present proof by October 15th, the school may hold the
22 child's report card until one of the following occurs: (i) the
23 child presents proof of a completed eye examination or (ii) the
24 child presents proof that an eye examination will take place
25 within 60 days after October 15th. The Department of Public
26 Health shall establish, by rule, a waiver for children who show

1 an undue burden or a lack of access to a physician licensed to
2 practice medicine in all of its branches who provides eye
3 examinations or to a licensed optometrist. Each public,
4 private, and parochial school must give notice of this eye
5 examination requirement to the parents and guardians of
6 students in compliance with rules of the Department of Public
7 Health. Nothing in this Section shall be construed to allow a
8 school to exclude a child from attending because of a parent's
9 or guardian's failure to obtain an eye examination for the
10 child.

11 (2) The Department of Public Health shall promulgate rules
12 and regulations specifying the examinations and procedures
13 that constitute a health examination, which shall include an
14 age-appropriate developmental screening, an age-appropriate
15 social and emotional screening, and the collection of data
16 relating to obesity (including at a minimum, date of birth,
17 gender, height, weight, blood pressure, and date of exam), and
18 a dental examination and may recommend by rule that certain
19 additional examinations be performed. The rules and
20 regulations of the Department of Public Health shall specify
21 that a tuberculosis skin test screening shall be included as a
22 required part of each health examination included under this
23 Section if the child resides in an area designated by the
24 Department of Public Health as having a high incidence of
25 tuberculosis. With respect to the developmental screening and
26 the social and emotional screening, the Department of Public

1 Health must develop rules and appropriate revisions to the
2 Child Health Examination form in conjunction with a statewide
3 organization representing school boards; a statewide
4 organization representing pediatricians; statewide
5 organizations representing individuals holding Illinois
6 educator licenses with school support personnel endorsements,
7 including school social workers, school psychologists, and
8 school nurses; a statewide organization representing
9 children's mental health experts; a statewide organization
10 representing school principals; the Director of Healthcare and
11 Family Services or his or her designee, the State
12 Superintendent of Education or his or her designee; and
13 representatives of other appropriate State agencies and, at a
14 minimum, must recommend the use of validated screening tools
15 appropriate to the child's age or grade, and, with regard to
16 the social and emotional screening, require recording only
17 whether or not the screening was completed. The rules shall
18 take into consideration the screening recommendations of the
19 American Academy of Pediatrics and must be consistent with the
20 State Board of Education's social and emotional learning
21 standards. The Department of Public Health shall specify that a
22 diabetes screening as defined by rule shall be included as a
23 required part of each health examination. Diabetes testing is
24 not required.

25 Physicians licensed to practice medicine in all of its
26 branches, licensed advanced practice nurses, or licensed

1 physician assistants shall be responsible for the performance
2 of the health examinations, other than dental examinations, eye
3 examinations, and vision and hearing screening, and shall sign
4 all report forms required by subsection (4) of this Section
5 that pertain to those portions of the health examination for
6 which the physician, advanced practice nurse, or physician
7 assistant is responsible. If a registered nurse performs any
8 part of a health examination, then a physician licensed to
9 practice medicine in all of its branches must review and sign
10 all required report forms. Licensed dentists shall perform all
11 dental examinations and shall sign all report forms required by
12 subsection (4) of this Section that pertain to the dental
13 examinations. Physicians licensed to practice medicine in all
14 its branches or licensed optometrists shall perform all eye
15 examinations required by this Section and shall sign all report
16 forms required by subsection (4) of this Section that pertain
17 to the eye examination. For purposes of this Section, an eye
18 examination shall at a minimum include history, visual acuity,
19 subjective refraction to best visual acuity near and far,
20 internal and external examination, and a glaucoma evaluation,
21 as well as any other tests or observations that in the
22 professional judgment of the doctor are necessary. Vision and
23 hearing screening tests, which shall not be considered
24 examinations as that term is used in this Section, shall be
25 conducted in accordance with rules and regulations of the
26 Department of Public Health, and by individuals whom the

1 Department of Public Health has certified. In these rules and
2 regulations, the Department of Public Health shall require that
3 individuals conducting vision screening tests give a child's
4 parent or guardian written notification, before the vision
5 screening is conducted, that states, "Vision screening is not a
6 substitute for a complete eye and vision evaluation by an eye
7 doctor. Your child is not required to undergo this vision
8 screening if an optometrist or ophthalmologist has completed
9 and signed a report form indicating that an examination has
10 been administered within the previous 12 months."

11 (2.5) With respect to the developmental screening and the
12 social and emotional screening portion of the health
13 examination, each child may present proof of having been
14 screened in accordance with this Section and the rules adopted
15 under this Section before October 15th of the school year. With
16 regard to the social and emotional screening only, the
17 examining health care provider shall only record whether or not
18 the screening was completed. If the child fails to present
19 proof of the developmental screening or the social and
20 emotional screening portions of the health examination by
21 October 15th of the school year, qualified school support
22 personnel may, with a parent's or guardian's consent, offer the
23 developmental screening or the social and emotional screening
24 to the child. Each public, private, and parochial school must
25 give notice of the developmental screening and social and
26 emotional screening requirements to the parents and guardians

1 of students in compliance with the rules of the Department of
2 Public Health. Nothing in this Section shall be construed to
3 allow a school to exclude a child from attending because of a
4 parent's or guardian's failure to obtain a developmental
5 screening or a social and emotional screening for the child.
6 Once a developmental screening or a social and emotional
7 screening is completed and proof has been presented to the
8 school, the school may, with a parent's or guardian's consent,
9 make available appropriate school personnel to work with the
10 parent or guardian, the child, and the provider who signed the
11 screening form to obtain any appropriate evaluations and
12 services as indicated on the form and in other information and
13 documentation provided by the parents, guardians, or provider.

14 (3) Every child shall, at or about the same time as he or
15 she receives a health examination required by subsection (1) of
16 this Section, present to the local school proof of having
17 received such immunizations against preventable communicable
18 diseases as the Department of Public Health shall require by
19 rules and regulations promulgated pursuant to this Section and
20 the Communicable Disease Prevention Act.

21 (4) The individuals conducting the health examination,
22 dental examination, or eye examination shall record the fact of
23 having conducted the examination, and such additional
24 information as required, including for a health examination
25 data relating to obesity (including at a minimum, date of
26 birth, gender, height, weight, blood pressure, and date of

1 exam), on uniform forms which the Department of Public Health
2 and the State Board of Education shall prescribe for statewide
3 use. The examiner shall summarize on the report form any
4 condition that he or she suspects indicates a need for special
5 services, including for a health examination factors relating
6 to obesity. The duty to summarize on the report form does not
7 apply to social and emotional screenings. The confidentiality
8 of the information and records relating to the developmental
9 screening and the social and emotional screening shall be
10 determined by the statutes, rules, and professional ethics
11 governing the type of provider conducting the screening. The
12 individuals confirming the administration of required
13 immunizations shall record as indicated on the form that the
14 immunizations were administered.

15 (5) If a child does not submit proof of having had either
16 the health examination or the immunization as required, then
17 the child shall be examined or receive the immunization, as the
18 case may be, and present proof by October 15 of the current
19 school year, or by an earlier date of the current school year
20 established by a school district. To establish a date before
21 October 15 of the current school year for the health
22 examination or immunization as required, a school district must
23 give notice of the requirements of this Section 60 days prior
24 to the earlier established date. If for medical reasons one or
25 more of the required immunizations must be given after October
26 15 of the current school year, or after an earlier established

1 date of the current school year, then the child shall present,
2 by October 15, or by the earlier established date, a schedule
3 for the administration of the immunizations and a statement of
4 the medical reasons causing the delay, both the schedule and
5 the statement being issued by the physician, advanced practice
6 nurse, physician assistant, registered nurse, or local health
7 department that will be responsible for administration of the
8 remaining required immunizations. If a child does not comply by
9 October 15, or by the earlier established date of the current
10 school year, with the requirements of this subsection, then the
11 local school authority shall exclude that child from school
12 until such time as the child presents proof of having had the
13 health examination as required and presents proof of having
14 received those required immunizations which are medically
15 possible to receive immediately. During a child's exclusion
16 from school for noncompliance with this subsection, the child's
17 parents or legal guardian shall be considered in violation of
18 Section 26-1 and subject to any penalty imposed by Section
19 26-10. This subsection (5) does not apply to dental
20 examinations, eye examinations, and the developmental
21 screening and the social and emotional screening portions of
22 the health examination. If the student is an out-of-state
23 transfer student and does not have the proof required under
24 this subsection (5) before October 15 of the current year or
25 whatever date is set by the school district, then he or she may
26 only attend classes (i) if he or she has proof that an

1 appointment for the required vaccinations has been scheduled
2 with a party authorized to submit proof of the required
3 vaccinations. If the proof of vaccination required under this
4 subsection (5) is not submitted within 30 days after the
5 student is permitted to attend classes, then the student is not
6 to be permitted to attend classes until proof of the
7 vaccinations has been properly submitted. No school district or
8 employee of a school district shall be held liable for any
9 injury or illness to another person that results from admitting
10 an out-of-state transfer student to class that has an
11 appointment scheduled pursuant to this subsection (5).

12 (6) Every school shall report to the State Board of
13 Education by November 15, in the manner which that agency shall
14 require, the number of children who have received the necessary
15 immunizations and the health examination (other than a dental
16 examination or eye examination) as required, indicating, of
17 those who have not received the immunizations and examination
18 as required, the number of children who are exempt from health
19 examination and immunization requirements on religious or
20 medical grounds as provided in subsection (8). On or before
21 December 1 of each year, every public school district and
22 registered nonpublic school shall make publicly available the
23 immunization data they are required to submit to the State
24 Board of Education by November 15. The immunization data made
25 publicly available must be identical to the data the school
26 district or school has reported to the State Board of

1 Education.

2 Every school shall report to the State Board of Education
3 by June 30, in the manner that the State Board requires, the
4 number of children who have received the required dental
5 examination, indicating, of those who have not received the
6 required dental examination, the number of children who are
7 exempt from the dental examination on religious grounds as
8 provided in subsection (8) of this Section and the number of
9 children who have received a waiver under subsection (1.5) of
10 this Section.

11 Every school shall report to the State Board of Education
12 by June 30, in the manner that the State Board requires, the
13 number of children who have received the required eye
14 examination, indicating, of those who have not received the
15 required eye examination, the number of children who are exempt
16 from the eye examination as provided in subsection (8) of this
17 Section, the number of children who have received a waiver
18 under subsection (1.10) of this Section, and the total number
19 of children in noncompliance with the eye examination
20 requirement.

21 The reported information under this subsection (6) shall be
22 provided to the Department of Public Health by the State Board
23 of Education.

24 (7) Upon determining that the number of pupils who are
25 required to be in compliance with subsection (5) of this
26 Section is below 90% of the number of pupils enrolled in the

1 school district, 10% of each State aid payment made pursuant to
2 Section 18-8.05 or 18-8.15 to the school district for such year
3 may be withheld by the State Board of Education until the
4 number of students in compliance with subsection (5) is the
5 applicable specified percentage or higher.

6 (8) Children of parents or legal guardians who object to
7 health, dental, or eye examinations or any part thereof, to
8 immunizations, or to vision and hearing screening tests on
9 religious grounds shall not be required to undergo the
10 examinations, tests, or immunizations to which they so object
11 if such parents or legal guardians present to the appropriate
12 local school authority a signed Certificate of Religious
13 Exemption detailing the grounds for objection and the specific
14 immunizations, tests, or examinations to which they object. The
15 grounds for objection must set forth the specific religious
16 belief that conflicts with the examination, test,
17 immunization, or other medical intervention. The signed
18 certificate shall also reflect the parent's or legal guardian's
19 understanding of the school's exclusion policies in the case of
20 a vaccine-preventable disease outbreak or exposure. The
21 certificate must also be signed by the authorized examining
22 health care provider responsible for the performance of the
23 child's health examination confirming that the provider
24 provided education to the parent or legal guardian on the
25 benefits of immunization and the health risks to the student
26 and to the community of the communicable diseases for which

1 immunization is required in this State. However, the health
2 care provider's signature on the certificate reflects only that
3 education was provided and does not allow a health care
4 provider grounds to determine a religious exemption. Those
5 receiving immunizations required under this Code shall be
6 provided with the relevant vaccine information statements that
7 are required to be disseminated by the federal National
8 Childhood Vaccine Injury Act of 1986, which may contain
9 information on circumstances when a vaccine should not be
10 administered, prior to administering a vaccine. A healthcare
11 provider may consider including without limitation the
12 nationally accepted recommendations from federal agencies such
13 as the Advisory Committee on Immunization Practices, the
14 information outlined in the relevant vaccine information
15 statement, and vaccine package inserts, along with the
16 healthcare provider's clinical judgment, to determine whether
17 any child may be more susceptible to experiencing an adverse
18 vaccine reaction than the general population, and, if so, the
19 healthcare provider may exempt the child from an immunization
20 or adopt an individualized immunization schedule. The
21 Certificate of Religious Exemption shall be created by the
22 Department of Public Health and shall be made available and
23 used by parents and legal guardians by the beginning of the
24 2015-2016 school year. Parents or legal guardians must submit
25 the Certificate of Religious Exemption to their local school
26 authority prior to entering kindergarten, sixth grade, and

1 ninth grade for each child for which they are requesting an
2 exemption. The religious objection stated need not be directed
3 by the tenets of an established religious organization.
4 However, general philosophical or moral reluctance to allow
5 physical examinations, eye examinations, immunizations, vision
6 and hearing screenings, or dental examinations does not provide
7 a sufficient basis for an exception to statutory requirements.
8 The local school authority is responsible for determining if
9 the content of the Certificate of Religious Exemption
10 constitutes a valid religious objection. The local school
11 authority shall inform the parent or legal guardian of
12 exclusion procedures, in accordance with the Department's
13 rules under Part 690 of Title 77 of the Illinois Administrative
14 Code, at the time the objection is presented.

15 If the physical condition of the child is such that any one
16 or more of the immunizing agents should not be administered,
17 the examining physician, advanced practice nurse, or physician
18 assistant responsible for the performance of the health
19 examination shall endorse that fact upon the health examination
20 form.

21 Exempting a child from the health, dental, or eye
22 examination does not exempt the child from participation in the
23 program of physical education training provided in Sections
24 27-5 through 27-7 of this Code.

25 (9) For the purposes of this Section, "nursery schools"
26 means those nursery schools operated by elementary school

1 systems or secondary level school units or institutions of
2 higher learning.

3 (Source: P.A. 98-673, eff. 6-30-14; 99-173, eff. 7-29-15;
4 99-249, eff. 8-3-15; 99-642, eff. 7-28-16; 99-927, eff.
5 6-1-17.)

6 (105 ILCS 5/27A-9)

7 Sec. 27A-9. Term of charter; renewal.

8 (a) For charters granted before January 1, 2017 (the
9 effective date of Public Act 99-840) ~~this amendatory Act of the~~
10 ~~99th General Assembly~~, a charter may be granted for a period
11 not less than 5 and not more than 10 school years. For charters
12 granted on or after January 1, 2017 (the effective date of
13 Public Act 99-840) ~~this amendatory Act of the 99th General~~
14 ~~Assembly~~, a charter shall be granted for a period of 5 school
15 years. For charters renewed before January 1, 2017 (the
16 effective date of Public Act 99-840) ~~this amendatory Act of the~~
17 ~~99th General Assembly~~, a charter may be renewed in incremental
18 periods not to exceed 5 school years. For charters renewed on
19 or after January 1, 2017 (the effective date of Public Act
20 99-840) ~~this amendatory Act of the 99th General Assembly~~, a
21 charter may be renewed in incremental periods not to exceed 10
22 school years; however, the Commission may renew a charter only
23 in incremental periods not to exceed 5 years. Authorizers shall
24 ensure that every charter granted on or after January 1, 2017
25 (the effective date of Public Act 99-840) ~~this amendatory Act~~

1 ~~of the 99th General Assembly~~ includes standards and goals for
2 academic, organizational, and financial performance. A charter
3 must meet all standards and goals for academic, organizational,
4 and financial performance set forth by the authorizer in order
5 to be renewed for a term in excess of 5 years but not more than
6 10 years. If an authorizer fails to establish standards and
7 goals, a charter shall not be renewed for a term in excess of 5
8 years. Nothing contained in this Section shall require an
9 authorizer to grant a full 10-year renewal term to any
10 particular charter school, but an authorizer may award a full
11 10-year renewal term to charter schools that have a
12 demonstrated track record of improving student performance.

13 (b) A charter school renewal proposal submitted to the
14 local school board or the Commission, as the chartering entity,
15 shall contain:

16 (1) A report on the progress of the charter school in
17 achieving the goals, objectives, pupil performance
18 standards, content standards, and other terms of the
19 initial approved charter proposal; and

20 (2) A financial statement that discloses the costs of
21 administration, instruction, and other spending categories
22 for the charter school that is understandable to the
23 general public and that will allow comparison of those
24 costs to other schools or other comparable organizations,
25 in a format required by the State Board.

26 (c) A charter may be revoked or not renewed if the local

1 school board or the Commission, as the chartering entity,
2 clearly demonstrates that the charter school did any of the
3 following, or otherwise failed to comply with the requirements
4 of this law:

5 (1) Committed a material violation of any of the
6 conditions, standards, or procedures set forth in the
7 charter.

8 (2) Failed to meet or make reasonable progress toward
9 achievement of the content standards or pupil performance
10 standards identified in the charter.

11 (3) Failed to meet generally accepted standards of
12 fiscal management.

13 (4) Violated any provision of law from which the
14 charter school was not exempted.

15 In the case of revocation, the local school board or the
16 Commission, as the chartering entity, shall notify the charter
17 school in writing of the reason why the charter is subject to
18 revocation. The charter school shall submit a written plan to
19 the local school board or the Commission, whichever is
20 applicable, to rectify the problem. The plan shall include a
21 timeline for implementation, which shall not exceed 2 years or
22 the date of the charter's expiration, whichever is earlier. If
23 the local school board or the Commission, as the chartering
24 entity, finds that the charter school has failed to implement
25 the plan of remediation and adhere to the timeline, then the
26 chartering entity shall revoke the charter. Except in

1 situations of an emergency where the health, safety, or
2 education of the charter school's students is at risk, the
3 revocation shall take place at the end of a school year.
4 Nothing in Public Act 96-105 ~~this amendatory Act of the 96th~~
5 ~~General Assembly~~ shall be construed to prohibit an
6 implementation timetable that is less than 2 years in duration.

7 (d) (Blank).

8 (e) Notice of a local school board's decision to deny,
9 revoke, l or not ~~to~~ renew a charter shall be provided to the
10 Commission and the State Board. The Commission may reverse a
11 local board's decision if the Commission finds that the charter
12 school or charter school proposal (i) is in compliance with
13 this Article, and (ii) is in the best interests of the students
14 it is designed to serve. The Commission may condition the
15 granting of an appeal on the acceptance by the charter school
16 of funding in an amount less than that requested in the
17 proposal submitted to the local school board. Final decisions
18 of the Commission shall be subject to judicial review under the
19 Administrative Review Law.

20 (f) Notwithstanding other provisions of this Article, if
21 the Commission on appeal reverses a local board's decision or
22 if a charter school is approved by referendum, the Commission
23 shall act as the authorized chartering entity for the charter
24 school. The Commission shall approve the charter and shall
25 perform all functions under this Article otherwise performed by
26 the local school board. The State Board shall determine whether

1 the charter proposal approved by the Commission is consistent
2 with the provisions of this Article and, if the approved
3 proposal complies, certify the proposal pursuant to this
4 Article. The State Board shall report the aggregate number of
5 charter school pupils resident in a school district to that
6 district and shall notify the district of the amount of funding
7 to be paid by the State Board to the charter school enrolling
8 such students. The Commission shall require the charter school
9 to maintain accurate records of daily attendance that shall be
10 deemed sufficient to file claims under Section 18-8.05 or
11 18-8.15 notwithstanding any other requirements of that Section
12 regarding hours of instruction and teacher certification. The
13 State Board shall withhold from funds otherwise due the
14 district the funds authorized by this Article to be paid to the
15 charter school and shall pay such amounts to the charter
16 school.

17 (g) For charter schools authorized by the Commission, the
18 Commission shall quarterly certify to the State Board the
19 student enrollment for each of its charter schools.

20 (h) For charter schools authorized by the Commission, the
21 State Board shall pay directly to a charter school any federal
22 or State aid attributable to a student with a disability
23 attending the school.

24 (Source: P.A. 98-739, eff. 7-16-14; 99-840, eff. 1-1-17;
25 revised 10-27-16.)

1 (105 ILCS 5/27A-11)

2 Sec. 27A-11. Local financing.

3 (a) For purposes of the School Code, pupils enrolled in a
4 charter school shall be included in the pupil enrollment of the
5 school district within which the pupil resides. Each charter
6 school (i) shall determine the school district in which each
7 pupil who is enrolled in the charter school resides, (ii) shall
8 report the aggregate number of pupils resident of a school
9 district who are enrolled in the charter school to the school
10 district in which those pupils reside, and (iii) shall maintain
11 accurate records of daily attendance that shall be deemed
12 sufficient to file claims under Section 18-8 or 18-8.15
13 notwithstanding any other requirements of that Section
14 regarding hours of instruction and teacher certification.

15 (b) Except for a charter school established by referendum
16 under Section 27A-6.5, as part of a charter school contract,
17 the charter school and the local school board shall agree on
18 funding and any services to be provided by the school district
19 to the charter school. Agreed funding that a charter school is
20 to receive from the local school board for a school year shall
21 be paid in equal quarterly installments with the payment of the
22 installment for the first quarter being made not later than
23 July 1, unless the charter establishes a different payment
24 schedule. However, if a charter school dismisses a pupil from
25 the charter school after receiving a quarterly payment, the
26 charter school shall return to the school district, on a

1 quarterly basis, the prorated portion of public funding
2 provided for the education of that pupil for the time the
3 student is not enrolled at the charter school. Likewise, if a
4 pupil transfers to a charter school between quarterly payments,
5 the school district shall provide, on a quarterly basis, a
6 prorated portion of the public funding to the charter school to
7 provide for the education of that pupil.

8 All services centrally or otherwise provided by the school
9 district including, but not limited to, rent, food services,
10 custodial services, maintenance, curriculum, media services,
11 libraries, transportation, and warehousing shall be subject to
12 negotiation between a charter school and the local school board
13 and paid for out of the revenues negotiated pursuant to this
14 subsection (b); provided that the local school board shall not
15 attempt, by negotiation or otherwise, to obligate a charter
16 school to provide pupil transportation for pupils for whom a
17 district is not required to provide transportation under the
18 criteria set forth in subsection (a) (13) of Section 27A-7.

19 In no event shall the funding be less than 97% ~~75%~~ or more
20 than 103% ~~125%~~ of the school district's per capita student
21 tuition multiplied by the number of students residing in the
22 district who are enrolled in the charter school.

23 It is the intent of the General Assembly that funding and
24 service agreements under this subsection (b) shall be neither a
25 financial incentive nor a financial disincentive to the
26 establishment of a charter school.

1 The charter school may set and collect reasonable fees.
2 Fees collected from students enrolled at a charter school shall
3 be retained by the charter school.

4 (c) Notwithstanding subsection (b) of this Section, the
5 proportionate share of State and federal resources generated by
6 students with disabilities or staff serving them shall be
7 directed to charter schools enrolling those students by their
8 school districts or administrative units. The proportionate
9 share of moneys generated under other federal or State
10 categorical aid programs shall be directed to charter schools
11 serving students eligible for that aid.

12 (d) The governing body of a charter school is authorized to
13 accept gifts, donations, or grants of any kind made to the
14 charter school and to expend or use gifts, donations, or grants
15 in accordance with the conditions prescribed by the donor;
16 however, a gift, donation, or grant may not be accepted by the
17 governing body if it is subject to any condition contrary to
18 applicable law or contrary to the terms of the contract between
19 the charter school and the local school board. Charter schools
20 shall be encouraged to solicit and utilize community volunteer
21 speakers and other instructional resources when providing
22 instruction on the Holocaust and other historical events.

23 (e) (Blank).

24 (f) The Commission shall provide technical assistance to
25 persons and groups preparing or revising charter applications.

26 (g) At the non-renewal or revocation of its charter, each

1 charter school shall refund to the local board of education all
2 unspent funds.

3 (h) A charter school is authorized to incur temporary,
4 short term debt to pay operating expenses in anticipation of
5 receipt of funds from the local school board.

6 (Source: P.A. 98-640, eff. 6-9-14; 98-739, eff. 7-16-14; 99-78,
7 eff. 7-20-15.)

8 (105 ILCS 5/29-5) (from Ch. 122, par. 29-5)

9 Sec. 29-5. Reimbursement by State for transportation. Any
10 school district, maintaining a school, transporting resident
11 pupils to another school district's vocational program,
12 offered through a joint agreement approved by the State Board
13 of Education, as provided in Section 10-22.22 or transporting
14 its resident pupils to a school which meets the standards for
15 recognition as established by the State Board of Education
16 which provides transportation meeting the standards of safety,
17 comfort, convenience, efficiency and operation prescribed by
18 the State Board of Education for resident pupils in
19 kindergarten or any of grades 1 through 12 who: (a) reside at
20 least 1 1/2 miles as measured by the customary route of travel,
21 from the school attended; or (b) reside in areas where
22 conditions are such that walking constitutes a hazard to the
23 safety of the child when determined under Section 29-3; and (c)
24 are transported to the school attended from pick-up points at
25 the beginning of the school day and back again at the close of

1 the school day or transported to and from their assigned
2 attendance centers during the school day, shall be reimbursed
3 by the State as hereinafter provided in this Section.

4 The State will pay the cost of transporting eligible pupils
5 less the prior year assessed valuation in a dual school
6 district maintaining secondary grades 9 to 12 inclusive times a
7 qualifying rate of .05%; in elementary school districts
8 maintaining grades K to 8 times a qualifying rate of .06%; and
9 in unit districts maintaining grades K to 12, including
10 optional elementary unit districts and combined high school -
11 unit districts, times a qualifying rate of .07%; provided that
12 for optional elementary unit districts and combined high school
13 - unit districts, prior year assessed valuation for high school
14 purposes, as defined in Article 11E of this Code, must be used.
15 To be eligible to receive reimbursement in excess of 4/5 of the
16 cost to transport eligible pupils, a school district shall have
17 a Transportation Fund tax rate of at least .12%. If a school
18 district does not have a .12% Transportation Fund tax rate, the
19 amount of its claim in excess of 4/5 of the cost of
20 transporting pupils shall be reduced by the sum arrived at by
21 subtracting the Transportation Fund tax rate from .12% and
22 multiplying that amount by the district's prior year ~~districts~~
23 equalized or assessed valuation, provided, that in no case
24 shall said reduction result in reimbursement of less than 4/5
25 of the cost to transport eligible pupils.

26 The minimum amount to be received by a district is \$16

1 times the number of eligible pupils transported.

2 When calculating the reimbursement for transportation
3 costs, the State Board of Education may not deduct the number
4 of pupils enrolled in early education programs from the number
5 of pupils eligible for reimbursement if the pupils enrolled in
6 the early education programs are transported at the same time
7 as other eligible pupils.

8 Any such district transporting resident pupils during the
9 school day to an area vocational school or another school
10 district's vocational program more than 1 1/2 miles from the
11 school attended, as provided in Sections 10-22.20a and
12 10-22.22, shall be reimbursed by the State for 4/5 of the cost
13 of transporting eligible pupils.

14 School day means that period of time which the pupil is
15 required to be in attendance for instructional purposes.

16 If a pupil is at a location within the school district
17 other than his residence for child care purposes at the time
18 for transportation to school, that location may be considered
19 for purposes of determining the 1 1/2 miles from the school
20 attended.

21 Claims for reimbursement that include children who attend
22 any school other than a public school shall show the number of
23 such children transported.

24 Claims for reimbursement under this Section shall not be
25 paid for the transportation of pupils for whom transportation
26 costs are claimed for payment under other Sections of this Act.

1 The allowable direct cost of transporting pupils for
2 regular, vocational, and special education pupil
3 transportation shall be limited to the sum of the cost of
4 physical examinations required for employment as a school bus
5 driver; the salaries of full or part-time drivers and school
6 bus maintenance personnel; employee benefits excluding
7 Illinois municipal retirement payments, social security
8 payments, unemployment insurance payments and workers'
9 compensation insurance premiums; expenditures to independent
10 carriers who operate school buses; payments to other school
11 districts for pupil transportation services; pre-approved
12 contractual expenditures for computerized bus scheduling; the
13 cost of gasoline, oil, tires, and other supplies necessary for
14 the operation of school buses; the cost of converting buses'
15 gasoline engines to more fuel efficient engines or to engines
16 which use alternative energy sources; the cost of travel to
17 meetings and workshops conducted by the regional
18 superintendent or the State Superintendent of Education
19 pursuant to the standards established by the Secretary of State
20 under Section 6-106 of the Illinois Vehicle Code to improve the
21 driving skills of school bus drivers; the cost of maintenance
22 of school buses including parts and materials used;
23 expenditures for leasing transportation vehicles, except
24 interest and service charges; the cost of insurance and
25 licenses for transportation vehicles; expenditures for the
26 rental of transportation equipment; plus a depreciation

1 allowance of 20% for 5 years for school buses and vehicles
2 approved for transporting pupils to and from school and a
3 depreciation allowance of 10% for 10 years for other
4 transportation equipment so used. Each school year, if a school
5 district has made expenditures to the Regional Transportation
6 Authority or any of its service boards, a mass transit
7 district, or an urban transportation district under an
8 intergovernmental agreement with the district to provide for
9 the transportation of pupils and if the public transit carrier
10 received direct payment for services or passes from a school
11 district within its service area during the 2000-2001 school
12 year, then the allowable direct cost of transporting pupils for
13 regular, vocational, and special education pupil
14 transportation shall also include the expenditures that the
15 district has made to the public transit carrier. In addition to
16 the above allowable costs school districts shall also claim all
17 transportation supervisory salary costs, including Illinois
18 municipal retirement payments, and all transportation related
19 building and building maintenance costs without limitation.

20 Special education allowable costs shall also include
21 expenditures for the salaries of attendants or aides for that
22 portion of the time they assist special education pupils while
23 in transit and expenditures for parents and public carriers for
24 transporting special education pupils when pre-approved by the
25 State Superintendent of Education.

26 Indirect costs shall be included in the reimbursement claim

1 for districts which own and operate their own school buses.
2 Such indirect costs shall include administrative costs, or any
3 costs attributable to transporting pupils from their
4 attendance centers to another school building for
5 instructional purposes. No school district which owns and
6 operates its own school buses may claim reimbursement for
7 indirect costs which exceed 5% of the total allowable direct
8 costs for pupil transportation.

9 The State Board of Education shall prescribe uniform
10 regulations for determining the above standards and shall
11 prescribe forms of cost accounting and standards of determining
12 reasonable depreciation. Such depreciation shall include the
13 cost of equipping school buses with the safety features
14 required by law or by the rules, regulations and standards
15 promulgated by the State Board of Education, and the Department
16 of Transportation for the safety and construction of school
17 buses provided, however, any equipment cost reimbursed by the
18 Department of Transportation for equipping school buses with
19 such safety equipment shall be deducted from the allowable cost
20 in the computation of reimbursement under this Section in the
21 same percentage as the cost of the equipment is depreciated.

22 On or before August 15, annually, the chief school
23 administrator for the district shall certify to the State
24 Superintendent of Education the district's claim for
25 reimbursement for the school year ending on June 30 next
26 preceding. The State Superintendent of Education shall check

1 and approve the claims and prepare the vouchers showing the
2 amounts due for district reimbursement claims. Each fiscal
3 year, the State Superintendent of Education shall prepare and
4 transmit the first 3 vouchers to the Comptroller on the 30th
5 day of September, December and March, respectively, and the
6 final voucher, no later than June 20.

7 If the amount appropriated for transportation
8 reimbursement is insufficient to fund total claims for any
9 fiscal year, the State Board of Education shall reduce each
10 school district's allowable costs and flat grant amount
11 proportionately to make total adjusted claims equal the total
12 amount appropriated.

13 For purposes of calculating claims for reimbursement under
14 this Section for any school year beginning July 1, 1998, or
15 thereafter, the equalized assessed valuation for a school
16 district used to compute reimbursement shall be computed in the
17 same manner as it is computed under paragraph (2) of subsection
18 (G) of Section 18-8.05.

19 All reimbursements received from the State shall be
20 deposited into the district's transportation fund or into the
21 fund from which the allowable expenditures were made.

22 Notwithstanding any other provision of law, any school
23 district receiving a payment under this Section or under
24 Section 14-7.02, 14-7.02b, or 14-13.01 of this Code may
25 classify all or a portion of the funds that it receives in a
26 particular fiscal year or from general State aid pursuant to

1 Section 18-8.05 of this Code as funds received in connection
2 with any funding program for which it is entitled to receive
3 funds from the State in that fiscal year (including, without
4 limitation, any funding program referenced in this Section),
5 regardless of the source or timing of the receipt. The district
6 may not classify more funds as funds received in connection
7 with the funding program than the district is entitled to
8 receive in that fiscal year for that program. Any
9 classification by a district must be made by a resolution of
10 its board of education. The resolution must identify the amount
11 of any payments or general State aid to be classified under
12 this paragraph and must specify the funding program to which
13 the funds are to be treated as received in connection
14 therewith. This resolution is controlling as to the
15 classification of funds referenced therein. A certified copy of
16 the resolution must be sent to the State Superintendent of
17 Education. The resolution shall still take effect even though a
18 copy of the resolution has not been sent to the State
19 Superintendent of Education in a timely manner. No
20 classification under this paragraph by a district shall affect
21 the total amount or timing of money the district is entitled to
22 receive under this Code. No classification under this paragraph
23 by a district shall in any way relieve the district from or
24 affect any requirements that otherwise would apply with respect
25 to that funding program, including any accounting of funds by
26 source, reporting expenditures by original source and purpose,

1 reporting requirements, or requirements of providing services.

2 Any school district with a population of not more than
3 500,000 must deposit all funds received under this Article into
4 the transportation fund and use those funds for the provision
5 of transportation services.

6 (Source: P.A. 95-903, eff. 8-25-08; 96-1264, eff. 1-1-11.)

7 (105 ILCS 5/34-2.3) (from Ch. 122, par. 34-2.3)

8 Sec. 34-2.3. Local school councils - Powers and duties.

9 Each local school council shall have and exercise, consistent
10 with the provisions of this Article and the powers and duties
11 of the board of education, the following powers and duties:

12 1. (A) To annually evaluate the performance of the
13 principal of the attendance center using a Board approved
14 principal evaluation form, which shall include the evaluation
15 of (i) student academic improvement, as defined by the school
16 improvement plan, (ii) student absenteeism rates at the school,
17 (iii) instructional leadership, (iv) the effective
18 implementation of programs, policies, or strategies to improve
19 student academic achievement, (v) school management, and (vi)
20 any other factors deemed relevant by the local school council,
21 including, without limitation, the principal's communication
22 skills and ability to create and maintain a student-centered
23 learning environment, to develop opportunities for
24 professional development, and to encourage parental
25 involvement and community partnerships to achieve school

1 improvement;

2 (B) to determine in the manner provided by subsection (c)
3 of Section 34-2.2 and subdivision 1.5 of this Section whether
4 the performance contract of the principal shall be renewed; and

5 (C) to directly select, in the manner provided by
6 subsection (c) of Section 34-2.2, a new principal (including a
7 new principal to fill a vacancy) -- without submitting any list
8 of candidates for that position to the general superintendent
9 as provided in paragraph 2 of this Section -- to serve under a
10 4 year performance contract; provided that (i) the
11 determination of whether the principal's performance contract
12 is to be renewed, based upon the evaluation required by
13 subdivision 1.5 of this Section, shall be made no later than
14 150 days prior to the expiration of the current
15 performance-based contract of the principal, (ii) in cases
16 where such performance contract is not renewed -- a direct
17 selection of a new principal -- to serve under a 4 year
18 performance contract shall be made by the local school council
19 no later than 45 days prior to the expiration of the current
20 performance contract of the principal, and (iii) a selection by
21 the local school council of a new principal to fill a vacancy
22 under a 4 year performance contract shall be made within 90
23 days after the date such vacancy occurs. A Council shall be
24 required, if requested by the principal, to provide in writing
25 the reasons for the council's not renewing the principal's
26 contract.

1 1.5. The local school council's determination of whether to
2 renew the principal's contract shall be based on an evaluation
3 to assess the educational and administrative progress made at
4 the school during the principal's current performance-based
5 contract. The local school council shall base its evaluation on
6 (i) student academic improvement, as defined by the school
7 improvement plan, (ii) student absenteeism rates at the school,
8 (iii) instructional leadership, (iv) the effective
9 implementation of programs, policies, or strategies to improve
10 student academic achievement, (v) school management, and (vi)
11 any other factors deemed relevant by the local school council,
12 including, without limitation, the principal's communication
13 skills and ability to create and maintain a student-centered
14 learning environment, to develop opportunities for
15 professional development, and to encourage parental
16 involvement and community partnerships to achieve school
17 improvement. If a local school council fails to renew the
18 performance contract of a principal rated by the general
19 superintendent, or his or her designee, in the previous years'
20 evaluations as meeting or exceeding expectations, the
21 principal, within 15 days after the local school council's
22 decision not to renew the contract, may request a review of the
23 local school council's principal non-retention decision by a
24 hearing officer appointed by the American Arbitration
25 Association. A local school council member or members or the
26 general superintendent may support the principal's request for

1 review. During the period of the hearing officer's review of
2 the local school council's decision on whether or not to retain
3 the principal, the local school council shall maintain all
4 authority to search for and contract with a person to serve as
5 interim or acting principal, or as the principal of the
6 attendance center under a 4-year performance contract,
7 provided that any performance contract entered into by the
8 local school council shall be voidable or modified in
9 accordance with the decision of the hearing officer. The
10 principal may request review only once while at that attendance
11 center. If a local school council renews the contract of a
12 principal who failed to obtain a rating of "meets" or "exceeds
13 expectations" in the general superintendent's evaluation for
14 the previous year, the general superintendent, within 15 days
15 after the local school council's decision to renew the
16 contract, may request a review of the local school council's
17 principal retention decision by a hearing officer appointed by
18 the American Arbitration Association. The general
19 superintendent may request a review only once for that
20 principal at that attendance center. All requests to review the
21 retention or non-retention of a principal shall be submitted to
22 the general superintendent, who shall, in turn, forward such
23 requests, within 14 days of receipt, to the American
24 Arbitration Association. The general superintendent shall send
25 a contemporaneous copy of the request that was forwarded to the
26 American Arbitration Association to the principal and to each

1 local school council member and shall inform the local school
2 council of its rights and responsibilities under the
3 arbitration process, including the local school council's
4 right to representation and the manner and process by which the
5 Board shall pay the costs of the council's representation. If
6 the local school council retains the principal and the general
7 superintendent requests a review of the retention decision, the
8 local school council and the general superintendent shall be
9 considered parties to the arbitration, a hearing officer shall
10 be chosen between those 2 parties pursuant to procedures
11 promulgated by the State Board of Education, and the principal
12 may retain counsel and participate in the arbitration. If the
13 local school council does not retain the principal and the
14 principal requests a review of the retention decision, the
15 local school council and the principal shall be considered
16 parties to the arbitration and a hearing officer shall be
17 chosen between those 2 parties pursuant to procedures
18 promulgated by the State Board of Education. The hearing shall
19 begin (i) within 45 days after the initial request for review
20 is submitted by the principal to the general superintendent or
21 (ii) if the initial request for review is made by the general
22 superintendent, within 45 days after that request is mailed to
23 the American Arbitration Association. The hearing officer
24 shall render a decision within 45 days after the hearing begins
25 and within 90 days after the initial request for review. The
26 Board shall contract with the American Arbitration Association

1 for all of the hearing officer's reasonable and necessary
2 costs. In addition, the Board shall pay any reasonable costs
3 incurred by a local school council for representation before a
4 hearing officer.

5 1.10. The hearing officer shall conduct a hearing, which
6 shall include (i) a review of the principal's performance,
7 evaluations, and other evidence of the principal's service at
8 the school, (ii) reasons provided by the local school council
9 for its decision, and (iii) documentation evidencing views of
10 interested persons, including, without limitation, students,
11 parents, local school council members, school faculty and
12 staff, the principal, the general superintendent or his or her
13 designee, and members of the community. The burden of proof in
14 establishing that the local school council's decision was
15 arbitrary and capricious shall be on the party requesting the
16 arbitration, and this party shall sustain the burden by a
17 preponderance of the evidence. The hearing officer shall set
18 the local school council decision aside if that decision, in
19 light of the record developed at the hearing, is arbitrary and
20 capricious. The decision of the hearing officer may not be
21 appealed to the Board or the State Board of Education. If the
22 hearing officer decides that the principal shall be retained,
23 the retention period shall not exceed 2 years.

24 2. In the event (i) the local school council does not renew
25 the performance contract of the principal, or the principal
26 fails to receive a satisfactory rating as provided in

1 subsection (h) of Section 34-8.3, or the principal is removed
2 for cause during the term of his or her performance contract in
3 the manner provided by Section 34-85, or a vacancy in the
4 position of principal otherwise occurs prior to the expiration
5 of the term of a principal's performance contract, and (ii) the
6 local school council fails to directly select a new principal
7 to serve under a 4 year performance contract, the local school
8 council in such event shall submit to the general
9 superintendent a list of 3 candidates -- listed in the local
10 school council's order of preference -- for the position of
11 principal, one of which shall be selected by the general
12 superintendent to serve as principal of the attendance center.
13 If the general superintendent fails or refuses to select one of
14 the candidates on the list to serve as principal within 30 days
15 after being furnished with the candidate list, the general
16 superintendent shall select and place a principal on an interim
17 basis (i) for a period not to exceed one year or (ii) until the
18 local school council selects a new principal with 7 affirmative
19 votes as provided in subsection (c) of Section 34-2.2,
20 whichever occurs first. If the local school council fails or
21 refuses to select and appoint a new principal, as specified by
22 subsection (c) of Section 34-2.2, the general superintendent
23 may select and appoint a new principal on an interim basis for
24 an additional year or until a new contract principal is
25 selected by the local school council. There shall be no
26 discrimination on the basis of race, sex, creed, color or

1 disability unrelated to ability to perform in connection with
2 the submission of candidates for, and the selection of a
3 candidate to serve as principal of an attendance center. No
4 person shall be directly selected, listed as a candidate for,
5 or selected to serve as principal of an attendance center (i)
6 if such person has been removed for cause from employment by
7 the Board or (ii) if such person does not hold a valid
8 administrative certificate issued or exchanged under Article
9 21 and endorsed as required by that Article for the position of
10 principal. A principal whose performance contract is not
11 renewed as provided under subsection (c) of Section 34-2.2 may
12 nevertheless, if otherwise qualified and certified as herein
13 provided and if he or she has received a satisfactory rating as
14 provided in subsection (h) of Section 34-8.3, be included by a
15 local school council as one of the 3 candidates listed in order
16 of preference on any candidate list from which one person is to
17 be selected to serve as principal of the attendance center
18 under a new performance contract. The initial candidate list
19 required to be submitted by a local school council to the
20 general superintendent in cases where the local school council
21 does not renew the performance contract of its principal and
22 does not directly select a new principal to serve under a 4
23 year performance contract shall be submitted not later than 30
24 days prior to the expiration of the current performance
25 contract. In cases where the local school council fails or
26 refuses to submit the candidate list to the general

1 superintendent no later than 30 days prior to the expiration of
2 the incumbent principal's contract, the general superintendent
3 may appoint a principal on an interim basis for a period not to
4 exceed one year, during which time the local school council
5 shall be able to select a new principal with 7 affirmative
6 votes as provided in subsection (c) of Section 34-2.2. In cases
7 where a principal is removed for cause or a vacancy otherwise
8 occurs in the position of principal and the vacancy is not
9 filled by direct selection by the local school council, the
10 candidate list shall be submitted by the local school council
11 to the general superintendent within 90 days after the date
12 such removal or vacancy occurs. In cases where the local school
13 council fails or refuses to submit the candidate list to the
14 general superintendent within 90 days after the date of the
15 vacancy, the general superintendent may appoint a principal on
16 an interim basis for a period of one year, during which time
17 the local school council shall be able to select a new
18 principal with 7 affirmative votes as provided in subsection
19 (c) of Section 34-2.2.

20 2.5. Whenever a vacancy in the office of a principal occurs
21 for any reason, the vacancy shall be filled in the manner
22 provided by this Section by the selection of a new principal to
23 serve under a 4 year performance contract.

24 3. To establish additional criteria to be included as part
25 of the performance contract of its principal, provided that
26 such additional criteria shall not discriminate on the basis of

1 race, sex, creed, color or disability unrelated to ability to
2 perform, and shall not be inconsistent with the uniform 4 year
3 performance contract for principals developed by the board as
4 provided in Section 34-8.1 of the School Code or with other
5 provisions of this Article governing the authority and
6 responsibility of principals.

7 4. To approve the expenditure plan prepared by the
8 principal with respect to all funds allocated and distributed
9 to the attendance center by the Board. The expenditure plan
10 shall be administered by the principal. Notwithstanding any
11 other provision of this Act or any other law, any expenditure
12 plan approved and administered under this Section 34-2.3 shall
13 be consistent with and subject to the terms of any contract for
14 services with a third party entered into by the Chicago School
15 Reform Board of Trustees or the board under this Act.

16 Via a supermajority vote of 7 members of the local school
17 council or 8 members of a high school local school council, the
18 Council may transfer allocations pursuant to Section 34-2.3
19 within funds; provided that such a transfer is consistent with
20 applicable law and collective bargaining agreements.

21 Beginning in fiscal year 1991 and in each fiscal year
22 thereafter, the Board may reserve up to 1% of its total fiscal
23 year budget for distribution on a prioritized basis to schools
24 throughout the school system in order to assure adequate
25 programs to meet the needs of special student populations as
26 determined by the Board. This distribution shall take into

1 account the needs catalogued in the Systemwide Plan and the
2 various local school improvement plans of the local school
3 councils. Information about these centrally funded programs
4 shall be distributed to the local school councils so that their
5 subsequent planning and programming will account for these
6 provisions.

7 Beginning in fiscal year 1991 and in each fiscal year
8 thereafter, from other amounts available in the applicable
9 fiscal year budget, the board shall allocate a lump sum amount
10 to each local school based upon such formula as the board shall
11 determine taking into account the special needs of the student
12 body. The local school principal shall develop an expenditure
13 plan in consultation with the local school council, the
14 professional personnel leadership committee and with all other
15 school personnel, which reflects the priorities and activities
16 as described in the school's local school improvement plan and
17 is consistent with applicable law and collective bargaining
18 agreements and with board policies and standards; however, the
19 local school council shall have the right to request waivers of
20 board policy from the board of education and waivers of
21 employee collective bargaining agreements pursuant to Section
22 34-8.1a.

23 The expenditure plan developed by the principal with
24 respect to amounts available from the fund for prioritized
25 special needs programs and the allocated lump sum amount must
26 be approved by the local school council.

1 The lump sum allocation shall take into account the
2 following principles:

3 a. Teachers: Each school shall be allocated funds equal
4 to the amount appropriated in the previous school year for
5 compensation for teachers (regular grades kindergarten
6 through 12th grade) plus whatever increases in
7 compensation have been negotiated contractually or through
8 longevity as provided in the negotiated agreement.
9 Adjustments shall be made due to layoff or reduction in
10 force, lack of funds or work, change in subject
11 requirements, enrollment changes, or contracts with third
12 parties for the performance of services or to rectify any
13 inconsistencies with system-wide allocation formulas or
14 for other legitimate reasons.

15 b. Other personnel: Funds for other teacher
16 certificated and uncertificated personnel paid through
17 non-categorical funds shall be provided according to
18 system-wide formulas based on student enrollment and the
19 special needs of the school as determined by the Board.

20 c. Non-compensation items: Appropriations for all
21 non-compensation items shall be based on system-wide
22 formulas based on student enrollment and on the special
23 needs of the school or factors related to the physical
24 plant, including but not limited to textbooks, electronic
25 textbooks and the technological equipment necessary to
26 gain access to and use electronic textbooks, supplies,

1 electricity, equipment, and routine maintenance.

2 d. Funds for categorical programs: Schools shall
3 receive personnel and funds based on, and shall use such
4 personnel and funds in accordance with State and Federal
5 requirements applicable to each categorical program
6 provided to meet the special needs of the student body
7 (including but not limited to, Federal Chapter I,
8 Bilingual, and Special Education).

9 d.1. Funds for State Title I: Each school shall receive
10 funds based on State and Board requirements applicable to
11 each State Title I pupil provided to meet the special needs
12 of the student body. Each school shall receive the
13 proportion of funds as provided in Section 18-8 or 18-8.15
14 to which they are entitled. These funds shall be spent only
15 with the budgetary approval of the Local School Council as
16 provided in Section 34-2.3.

17 e. The Local School Council shall have the right to
18 request the principal to close positions and open new ones
19 consistent with the provisions of the local school
20 improvement plan provided that these decisions are
21 consistent with applicable law and collective bargaining
22 agreements. If a position is closed, pursuant to this
23 paragraph, the local school shall have for its use the
24 system-wide average compensation for the closed position.

25 f. Operating within existing laws and collective
26 bargaining agreements, the local school council shall have

1 the right to direct the principal to shift expenditures
2 within funds.

3 g. (Blank).

4 Any funds unexpended at the end of the fiscal year shall be
5 available to the board of education for use as part of its
6 budget for the following fiscal year.

7 5. To make recommendations to the principal concerning
8 textbook selection and concerning curriculum developed
9 pursuant to the school improvement plan which is consistent
10 with systemwide curriculum objectives in accordance with
11 Sections 34-8 and 34-18 of the School Code and in conformity
12 with the collective bargaining agreement.

13 6. To advise the principal concerning the attendance and
14 disciplinary policies for the attendance center, subject to the
15 provisions of this Article and Article 26, and consistent with
16 the uniform system of discipline established by the board
17 pursuant to Section 34-19.

18 7. To approve a school improvement plan developed as
19 provided in Section 34-2.4. The process and schedule for plan
20 development shall be publicized to the entire school community,
21 and the community shall be afforded the opportunity to make
22 recommendations concerning the plan. At least twice a year the
23 principal and local school council shall report publicly on
24 progress and problems with respect to plan implementation.

25 8. To evaluate the allocation of teaching resources and
26 other certificated and uncertificated staff to the attendance

1 center to determine whether such allocation is consistent with
2 and in furtherance of instructional objectives and school
3 programs reflective of the school improvement plan adopted for
4 the attendance center; and to make recommendations to the
5 board, the general superintendent and the principal concerning
6 any reallocation of teaching resources or other staff whenever
7 the council determines that any such reallocation is
8 appropriate because the qualifications of any existing staff at
9 the attendance center do not adequately match or support
10 instructional objectives or school programs which reflect the
11 school improvement plan.

12 9. To make recommendations to the principal and the general
13 superintendent concerning their respective appointments, after
14 August 31, 1989, and in the manner provided by Section 34-8 and
15 Section 34-8.1, of persons to fill any vacant, additional or
16 newly created positions for teachers at the attendance center
17 or at attendance centers which include the attendance center
18 served by the local school council.

19 10. To request of the Board the manner in which training
20 and assistance shall be provided to the local school council.
21 Pursuant to Board guidelines a local school council is
22 authorized to direct the Board of Education to contract with
23 personnel or not-for-profit organizations not associated with
24 the school district to train or assist council members. If
25 training or assistance is provided by contract with personnel
26 or organizations not associated with the school district, the

1 period of training or assistance shall not exceed 30 hours
2 during a given school year; person shall not be employed on a
3 continuous basis longer than said period and shall not have
4 been employed by the Chicago Board of Education within the
5 preceding six months. Council members shall receive training in
6 at least the following areas:

7 1. school budgets;

8 2. educational theory pertinent to the attendance
9 center's particular needs, including the development of
10 the school improvement plan and the principal's
11 performance contract; and

12 3. personnel selection.

13 Council members shall, to the greatest extent possible,
14 complete such training within 90 days of election.

15 11. In accordance with systemwide guidelines contained in
16 the System-Wide Educational Reform Goals and Objectives Plan,
17 criteria for evaluation of performance shall be established for
18 local school councils and local school council members. If a
19 local school council persists in noncompliance with systemwide
20 requirements, the Board may impose sanctions and take necessary
21 corrective action, consistent with Section 34-8.3.

22 12. Each local school council shall comply with the Open
23 Meetings Act and the Freedom of Information Act. Each local
24 school council shall issue and transmit to its school community
25 a detailed annual report accounting for its activities
26 programmatically and financially. Each local school council

1 shall convene at least 2 well-publicized meetings annually with
2 its entire school community. These meetings shall include
3 presentation of the proposed local school improvement plan, of
4 the proposed school expenditure plan, and the annual report,
5 and shall provide an opportunity for public comment.

6 13. Each local school council is encouraged to involve
7 additional non-voting members of the school community in
8 facilitating the council's exercise of its responsibilities.

9 14. The local school council may adopt a school uniform or
10 dress code policy that governs the attendance center and that
11 is necessary to maintain the orderly process of a school
12 function or prevent endangerment of student health or safety,
13 consistent with the policies and rules of the Board of
14 Education. A school uniform or dress code policy adopted by a
15 local school council: (i) shall not be applied in such manner
16 as to discipline or deny attendance to a transfer student or
17 any other student for noncompliance with that policy during
18 such period of time as is reasonably necessary to enable the
19 student to acquire a school uniform or otherwise comply with
20 the dress code policy that is in effect at the attendance
21 center into which the student's enrollment is transferred; and
22 (ii) shall include criteria and procedures under which the
23 local school council will accommodate the needs of or otherwise
24 provide appropriate resources to assist a student from an
25 indigent family in complying with an applicable school uniform
26 or dress code policy. A student whose parents or legal

1 guardians object on religious grounds to the student's
2 compliance with an applicable school uniform or dress code
3 policy shall not be required to comply with that policy if the
4 student's parents or legal guardians present to the local
5 school council a signed statement of objection detailing the
6 grounds for the objection.

7 15. All decisions made and actions taken by the local
8 school council in the exercise of its powers and duties shall
9 comply with State and federal laws, all applicable collective
10 bargaining agreements, court orders and rules properly
11 promulgated by the Board.

12 15a. To grant, in accordance with board rules and policies,
13 the use of assembly halls and classrooms when not otherwise
14 needed, including lighting, heat, and attendants, for public
15 lectures, concerts, and other educational and social
16 activities.

17 15b. To approve, in accordance with board rules and
18 policies, receipts and expenditures for all internal accounts
19 of the attendance center, and to approve all fund-raising
20 activities by nonschool organizations that use the school
21 building.

22 16. (Blank).

23 17. Names and addresses of local school council members
24 shall be a matter of public record.

25 (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
26 within the district, the board shall ensure that

1 supplemental general State aid or supplemental grant funds
2 are allocated and applied in accordance with Section 18-8,
3 ~~or~~ 18-8.05, or 18-8.15. To admit to such schools without
4 charge foreign exchange students who are participants in an
5 organized exchange student program which is authorized by
6 the board. The board shall permit all students to enroll in
7 apprenticeship programs in trade schools operated by the
8 board, whether those programs are union-sponsored or not.
9 No student shall be refused admission into or be excluded
10 from any course of instruction offered in the common
11 schools by reason of that student's sex. No student shall
12 be denied equal access to physical education and
13 interscholastic athletic programs supported from school
14 district funds or denied participation in comparable
15 physical education and athletic programs solely by reason
16 of the student's sex. Equal access to programs supported
17 from school district funds and comparable programs will be
18 defined in rules promulgated by the State Board of
19 Education in consultation with the Illinois High School
20 Association. Notwithstanding any other provision of this
21 Article, neither the board of education nor any local
22 school council or other school official shall recommend
23 that children with disabilities be placed into regular
24 education classrooms unless those children with
25 disabilities are provided with supplementary services to
26 assist them so that they benefit from the regular classroom

1 instruction and are included on the teacher's regular
2 education class register;

3 2. To furnish lunches to pupils, to make a reasonable
4 charge therefor, and to use school funds for the payment of
5 such expenses as the board may determine are necessary in
6 conducting the school lunch program;

7 3. To co-operate with the circuit court;

8 4. To make arrangements with the public or quasi-public
9 libraries and museums for the use of their facilities by
10 teachers and pupils of the public schools;

11 5. To employ dentists and prescribe their duties for
12 the purpose of treating the pupils in the schools, but
13 accepting such treatment shall be optional with parents or
14 guardians;

15 6. To grant the use of assembly halls and classrooms
16 when not otherwise needed, including light, heat, and
17 attendants, for free public lectures, concerts, and other
18 educational and social interests, free of charge, under
19 such provisions and control as the principal of the
20 affected attendance center may prescribe;

21 7. To apportion the pupils to the several schools;
22 provided that no pupil shall be excluded from or segregated
23 in any such school on account of his color, race, sex, or
24 nationality. The board shall take into consideration the
25 prevention of segregation and the elimination of
26 separation of children in public schools because of color,

1 race, sex, or nationality. Except that children may be
2 committed to or attend parental and social adjustment
3 schools established and maintained either for boys or girls
4 only. All records pertaining to the creation, alteration or
5 revision of attendance areas shall be open to the public.
6 Nothing herein shall limit the board's authority to
7 establish multi-area attendance centers or other student
8 assignment systems for desegregation purposes or
9 otherwise, and to apportion the pupils to the several
10 schools. Furthermore, beginning in school year 1994-95,
11 pursuant to a board plan adopted by October 1, 1993, the
12 board shall offer, commencing on a phased-in basis, the
13 opportunity for families within the school district to
14 apply for enrollment of their children in any attendance
15 center within the school district which does not have
16 selective admission requirements approved by the board.
17 The appropriate geographical area in which such open
18 enrollment may be exercised shall be determined by the
19 board of education. Such children may be admitted to any
20 such attendance center on a space available basis after all
21 children residing within such attendance center's area
22 have been accommodated. If the number of applicants from
23 outside the attendance area exceed the space available,
24 then successful applicants shall be selected by lottery.
25 The board of education's open enrollment plan must include
26 provisions that allow low income students to have access to

1 transportation needed to exercise school choice. Open
2 enrollment shall be in compliance with the provisions of
3 the Consent Decree and Desegregation Plan cited in Section
4 34-1.01;

5 8. To approve programs and policies for providing
6 transportation services to students. Nothing herein shall
7 be construed to permit or empower the State Board of
8 Education to order, mandate, or require busing or other
9 transportation of pupils for the purpose of achieving
10 racial balance in any school;

11 9. Subject to the limitations in this Article, to
12 establish and approve system-wide curriculum objectives
13 and standards, including graduation standards, which
14 reflect the multi-cultural diversity in the city and are
15 consistent with State law, provided that for all purposes
16 of this Article courses or proficiency in American Sign
17 Language shall be deemed to constitute courses or
18 proficiency in a foreign language; and to employ principals
19 and teachers, appointed as provided in this Article, and
20 fix their compensation. The board shall prepare such
21 reports related to minimal competency testing as may be
22 requested by the State Board of Education, and in addition
23 shall monitor and approve special education and bilingual
24 education programs and policies within the district to
25 assure that appropriate services are provided in
26 accordance with applicable State and federal laws to

1 children requiring services and education in those areas;

2 10. To employ non-teaching personnel or utilize
3 volunteer personnel for: (i) non-teaching duties not
4 requiring instructional judgment or evaluation of pupils,
5 including library duties; and (ii) supervising study
6 halls, long distance teaching reception areas used
7 incident to instructional programs transmitted by
8 electronic media such as computers, video, and audio,
9 detention and discipline areas, and school-sponsored
10 extracurricular activities. The board may further utilize
11 volunteer non-certificated personnel or employ
12 non-certificated personnel to assist in the instruction of
13 pupils under the immediate supervision of a teacher holding
14 a valid certificate, directly engaged in teaching subject
15 matter or conducting activities; provided that the teacher
16 shall be continuously aware of the non-certificated
17 persons' activities and shall be able to control or modify
18 them. The general superintendent shall determine
19 qualifications of such personnel and shall prescribe rules
20 for determining the duties and activities to be assigned to
21 such personnel;

22 10.5. To utilize volunteer personnel from a regional
23 School Crisis Assistance Team (S.C.A.T.), created as part
24 of the Safe to Learn Program established pursuant to
25 Section 25 of the Illinois Violence Prevention Act of 1995,
26 to provide assistance to schools in times of violence or

1 other traumatic incidents within a school community by
2 providing crisis intervention services to lessen the
3 effects of emotional trauma on individuals and the
4 community; the School Crisis Assistance Team Steering
5 Committee shall determine the qualifications for
6 volunteers;

7 11. To provide television studio facilities in not to
8 exceed one school building and to provide programs for
9 educational purposes, provided, however, that the board
10 shall not construct, acquire, operate, or maintain a
11 television transmitter; to grant the use of its studio
12 facilities to a licensed television station located in the
13 school district; and to maintain and operate not to exceed
14 one school radio transmitting station and provide programs
15 for educational purposes;

16 12. To offer, if deemed appropriate, outdoor education
17 courses, including field trips within the State of
18 Illinois, or adjacent states, and to use school educational
19 funds for the expense of the said outdoor educational
20 programs, whether within the school district or not;

21 13. During that period of the calendar year not
22 embraced within the regular school term, to provide and
23 conduct courses in subject matters normally embraced in the
24 program of the schools during the regular school term and
25 to give regular school credit for satisfactory completion
26 by the student of such courses as may be approved for

1 credit by the State Board of Education;

2 14. To insure against any loss or liability of the
3 board, the former School Board Nominating Commission,
4 Local School Councils, the Chicago Schools Academic
5 Accountability Council, or the former Subdistrict Councils
6 or of any member, officer, agent or employee thereof,
7 resulting from alleged violations of civil rights arising
8 from incidents occurring on or after September 5, 1967 or
9 from the wrongful or negligent act or omission of any such
10 person whether occurring within or without the school
11 premises, provided the officer, agent or employee was, at
12 the time of the alleged violation of civil rights or
13 wrongful act or omission, acting within the scope of his
14 employment or under direction of the board, the former
15 School Board Nominating Commission, the Chicago Schools
16 Academic Accountability Council, Local School Councils, or
17 the former Subdistrict Councils; and to provide for or
18 participate in insurance plans for its officers and
19 employees, including but not limited to retirement
20 annuities, medical, surgical and hospitalization benefits
21 in such types and amounts as may be determined by the
22 board; provided, however, that the board shall contract for
23 such insurance only with an insurance company authorized to
24 do business in this State. Such insurance may include
25 provision for employees who rely on treatment by prayer or
26 spiritual means alone for healing, in accordance with the

1 tenets and practice of a recognized religious
2 denomination;

3 15. To contract with the corporate authorities of any
4 municipality or the county board of any county, as the case
5 may be, to provide for the regulation of traffic in parking
6 areas of property used for school purposes, in such manner
7 as is provided by Section 11-209 of The Illinois Vehicle
8 Code, approved September 29, 1969, as amended;

9 16. (a) To provide, on an equal basis, access to a high
10 school campus and student directory information to the
11 official recruiting representatives of the armed forces of
12 Illinois and the United States for the purposes of
13 informing students of the educational and career
14 opportunities available in the military if the board has
15 provided such access to persons or groups whose purpose is
16 to acquaint students with educational or occupational
17 opportunities available to them. The board is not required
18 to give greater notice regarding the right of access to
19 recruiting representatives than is given to other persons
20 and groups. In this paragraph 16, "directory information"
21 means a high school student's name, address, and telephone
22 number.

23 (b) If a student or his or her parent or guardian
24 submits a signed, written request to the high school before
25 the end of the student's sophomore year (or if the student
26 is a transfer student, by another time set by the high

1 school) that indicates that the student or his or her
2 parent or guardian does not want the student's directory
3 information to be provided to official recruiting
4 representatives under subsection (a) of this Section, the
5 high school may not provide access to the student's
6 directory information to these recruiting representatives.
7 The high school shall notify its students and their parents
8 or guardians of the provisions of this subsection (b).

9 (c) A high school may require official recruiting
10 representatives of the armed forces of Illinois and the
11 United States to pay a fee for copying and mailing a
12 student's directory information in an amount that is not
13 more than the actual costs incurred by the high school.

14 (d) Information received by an official recruiting
15 representative under this Section may be used only to
16 provide information to students concerning educational and
17 career opportunities available in the military and may not
18 be released to a person who is not involved in recruiting
19 students for the armed forces of Illinois or the United
20 States;

21 17. (a) To sell or market any computer program
22 developed by an employee of the school district, provided
23 that such employee developed the computer program as a
24 direct result of his or her duties with the school district
25 or through the utilization of the school district resources
26 or facilities. The employee who developed the computer

1 program shall be entitled to share in the proceeds of such
2 sale or marketing of the computer program. The distribution
3 of such proceeds between the employee and the school
4 district shall be as agreed upon by the employee and the
5 school district, except that neither the employee nor the
6 school district may receive more than 90% of such proceeds.
7 The negotiation for an employee who is represented by an
8 exclusive bargaining representative may be conducted by
9 such bargaining representative at the employee's request.

10 (b) For the purpose of this paragraph 17:

11 (1) "Computer" means an internally programmed,
12 general purpose digital device capable of
13 automatically accepting data, processing data and
14 supplying the results of the operation.

15 (2) "Computer program" means a series of coded
16 instructions or statements in a form acceptable to a
17 computer, which causes the computer to process data in
18 order to achieve a certain result.

19 (3) "Proceeds" means profits derived from
20 marketing or sale of a product after deducting the
21 expenses of developing and marketing such product;

22 18. To delegate to the general superintendent of
23 schools, by resolution, the authority to approve contracts
24 and expenditures in amounts of \$10,000 or less;

25 19. Upon the written request of an employee, to
26 withhold from the compensation of that employee any dues,

1 payments or contributions payable by such employee to any
2 labor organization as defined in the Illinois Educational
3 Labor Relations Act. Under such arrangement, an amount
4 shall be withheld from each regular payroll period which is
5 equal to the pro rata share of the annual dues plus any
6 payments or contributions, and the board shall transmit
7 such withholdings to the specified labor organization
8 within 10 working days from the time of the withholding;

9 19a. Upon receipt of notice from the comptroller of a
10 municipality with a population of 500,000 or more, a county
11 with a population of 3,000,000 or more, the Cook County
12 Forest Preserve District, the Chicago Park District, the
13 Metropolitan Water Reclamation District, the Chicago
14 Transit Authority, or a housing authority of a municipality
15 with a population of 500,000 or more that a debt is due and
16 owing the municipality, the county, the Cook County Forest
17 Preserve District, the Chicago Park District, the
18 Metropolitan Water Reclamation District, the Chicago
19 Transit Authority, or the housing authority by an employee
20 of the Chicago Board of Education, to withhold, from the
21 compensation of that employee, the amount of the debt that
22 is due and owing and pay the amount withheld to the
23 municipality, the county, the Cook County Forest Preserve
24 District, the Chicago Park District, the Metropolitan
25 Water Reclamation District, the Chicago Transit Authority,
26 or the housing authority; provided, however, that the

1 amount deducted from any one salary or wage payment shall
2 not exceed 25% of the net amount of the payment. Before the
3 Board deducts any amount from any salary or wage of an
4 employee under this paragraph, the municipality, the
5 county, the Cook County Forest Preserve District, the
6 Chicago Park District, the Metropolitan Water Reclamation
7 District, the Chicago Transit Authority, or the housing
8 authority shall certify that (i) the employee has been
9 afforded an opportunity for a hearing to dispute the debt
10 that is due and owing the municipality, the county, the
11 Cook County Forest Preserve District, the Chicago Park
12 District, the Metropolitan Water Reclamation District, the
13 Chicago Transit Authority, or the housing authority and
14 (ii) the employee has received notice of a wage deduction
15 order and has been afforded an opportunity for a hearing to
16 object to the order. For purposes of this paragraph, "net
17 amount" means that part of the salary or wage payment
18 remaining after the deduction of any amounts required by
19 law to be deducted and "debt due and owing" means (i) a
20 specified sum of money owed to the municipality, the
21 county, the Cook County Forest Preserve District, the
22 Chicago Park District, the Metropolitan Water Reclamation
23 District, the Chicago Transit Authority, or the housing
24 authority for services, work, or goods, after the period
25 granted for payment has expired, or (ii) a specified sum of
26 money owed to the municipality, the county, the Cook County

1 Forest Preserve District, the Chicago Park District, the
2 Metropolitan Water Reclamation District, the Chicago
3 Transit Authority, or the housing authority pursuant to a
4 court order or order of an administrative hearing officer
5 after the exhaustion of, or the failure to exhaust,
6 judicial review;

7 20. The board is encouraged to employ a sufficient
8 number of certified school counselors to maintain a
9 student/counselor ratio of 250 to 1 by July 1, 1990. Each
10 counselor shall spend at least 75% of his work time in
11 direct contact with students and shall maintain a record of
12 such time;

13 21. To make available to students vocational and career
14 counseling and to establish 5 special career counseling
15 days for students and parents. On these days
16 representatives of local businesses and industries shall
17 be invited to the school campus and shall inform students
18 of career opportunities available to them in the various
19 businesses and industries. Special consideration shall be
20 given to counseling minority students as to career
21 opportunities available to them in various fields. For the
22 purposes of this paragraph, minority student means a person
23 who is any of the following:

24 (a) American Indian or Alaska Native (a person having
25 origins in any of the original peoples of North and South
26 America, including Central America, and who maintains

1 tribal affiliation or community attachment).

2 (b) Asian (a person having origins in any of the
3 original peoples of the Far East, Southeast Asia, or the
4 Indian subcontinent, including, but not limited to,
5 Cambodia, China, India, Japan, Korea, Malaysia, Pakistan,
6 the Philippine Islands, Thailand, and Vietnam).

7 (c) Black or African American (a person having origins
8 in any of the black racial groups of Africa). Terms such as
9 "Haitian" or "Negro" can be used in addition to "Black or
10 African American".

11 (d) Hispanic or Latino (a person of Cuban, Mexican,
12 Puerto Rican, South or Central American, or other Spanish
13 culture or origin, regardless of race).

14 (e) Native Hawaiian or Other Pacific Islander (a person
15 having origins in any of the original peoples of Hawaii,
16 Guam, Samoa, or other Pacific Islands).

17 Counseling days shall not be in lieu of regular school
18 days;

19 22. To report to the State Board of Education the
20 annual student dropout rate and number of students who
21 graduate from, transfer from or otherwise leave bilingual
22 programs;

23 23. Except as otherwise provided in the Abused and
24 Neglected Child Reporting Act or other applicable State or
25 federal law, to permit school officials to withhold, from
26 any person, information on the whereabouts of any child

1 removed from school premises when the child has been taken
2 into protective custody as a victim of suspected child
3 abuse. School officials shall direct such person to the
4 Department of Children and Family Services, or to the local
5 law enforcement agency if appropriate;

6 24. To develop a policy, based on the current state of
7 existing school facilities, projected enrollment and
8 efficient utilization of available resources, for capital
9 improvement of schools and school buildings within the
10 district, addressing in that policy both the relative
11 priority for major repairs, renovations and additions to
12 school facilities, and the advisability or necessity of
13 building new school facilities or closing existing schools
14 to meet current or projected demographic patterns within
15 the district;

16 25. To make available to the students in every high
17 school attendance center the ability to take all courses
18 necessary to comply with the Board of Higher Education's
19 college entrance criteria effective in 1993;

20 26. To encourage mid-career changes into the teaching
21 profession, whereby qualified professionals become
22 certified teachers, by allowing credit for professional
23 employment in related fields when determining point of
24 entry on teacher pay scale;

25 27. To provide or contract out training programs for
26 administrative personnel and principals with revised or

1 expanded duties pursuant to this Act in order to assure
2 they have the knowledge and skills to perform their duties;

3 28. To establish a fund for the prioritized special
4 needs programs, and to allocate such funds and other lump
5 sum amounts to each attendance center in a manner
6 consistent with the provisions of part 4 of Section 34-2.3.
7 Nothing in this paragraph shall be construed to require any
8 additional appropriations of State funds for this purpose;

9 29. (Blank);

10 30. Notwithstanding any other provision of this Act or
11 any other law to the contrary, to contract with third
12 parties for services otherwise performed by employees,
13 including those in a bargaining unit, and to layoff those
14 employees upon 14 days written notice to the affected
15 employees. Those contracts may be for a period not to
16 exceed 5 years and may be awarded on a system-wide basis.
17 The board may not operate more than 30 contract schools,
18 provided that the board may operate an additional 5
19 contract turnaround schools pursuant to item (5.5) of
20 subsection (d) of Section 34-8.3 of this Code;

21 31. To promulgate rules establishing procedures
22 governing the layoff or reduction in force of employees and
23 the recall of such employees, including, but not limited
24 to, criteria for such layoffs, reductions in force or
25 recall rights of such employees and the weight to be given
26 to any particular criterion. Such criteria shall take into

1 account factors including, but not be limited to,
2 qualifications, certifications, experience, performance
3 ratings or evaluations, and any other factors relating to
4 an employee's job performance;

5 32. To develop a policy to prevent nepotism in the
6 hiring of personnel or the selection of contractors;

7 33. To enter into a partnership agreement, as required
8 by Section 34-3.5 of this Code, and, notwithstanding any
9 other provision of law to the contrary, to promulgate
10 policies, enter into contracts, and take any other action
11 necessary to accomplish the objectives and implement the
12 requirements of that agreement; and

13 34. To establish a Labor Management Council to the
14 board comprised of representatives of the board, the chief
15 executive officer, and those labor organizations that are
16 the exclusive representatives of employees of the board and
17 to promulgate policies and procedures for the operation of
18 the Council.

19 The specifications of the powers herein granted are not to
20 be construed as exclusive but the board shall also exercise all
21 other powers that they may be requisite or proper for the
22 maintenance and the development of a public school system, not
23 inconsistent with the other provisions of this Article or
24 provisions of this Code which apply to all school districts.

25 In addition to the powers herein granted and authorized to
26 be exercised by the board, it shall be the duty of the board to

1 review or to direct independent reviews of special education
2 expenditures and services. The board shall file a report of
3 such review with the General Assembly on or before May 1, 1990.
4 (Source: P.A. 99-143, eff. 7-27-15.)

5 (105 ILCS 5/34-18.30)

6 Sec. 34-18.30. Dependents of military personnel; no
7 tuition charge. If, at the time of enrollment, a dependent of
8 United States military personnel is housed in temporary housing
9 located outside of the school district, but will be living
10 within the district within 60 days after the time of initial
11 enrollment, the dependent must be allowed to enroll, subject to
12 the requirements of this Section, and must not be charged
13 tuition. Any United States military personnel attempting to
14 enroll a dependent under this Section shall provide proof that
15 the dependent will be living within the district within 60 days
16 after the time of initial enrollment. Proof of residency may
17 include, but is not limited to, postmarked mail addressed to
18 the military personnel and sent to an address located within
19 the district, a lease agreement for occupancy of a residence
20 located within the district, or proof of ownership of a
21 residence located within the district. Non-resident dependents
22 of United States military personnel attending school on a
23 tuition-free basis may be counted for the purposes of
24 determining the apportionment of State aid provided under
25 Section 18-8.05 or 18-8.15 of this Code.

1 (Source: P.A. 95-331, eff. 8-21-07.)

2 (105 ILCS 5/34-43.1) (from Ch. 122, par. 34-43.1)

3 Sec. 34-43.1. (A) Limitation of noninstructional costs. It
4 is the purpose of this Section to establish for the Board of
5 Education and the general superintendent of schools
6 requirements and standards which maximize the proportion of
7 school district resources in direct support of educational,
8 program, and building maintenance and safety services for the
9 pupils of the district, and which correspondingly minimize the
10 amount and proportion of such resources associated with
11 centralized administration, administrative support services,
12 and other noninstructional services.

13 For the 1989-90 school year and for all subsequent school
14 years, the Board of Education shall undertake budgetary and
15 expenditure control actions which limit the administrative
16 expenditures of the Board of Education to levels, as provided
17 for in this Section, which represent an average of the
18 administrative expenses of all school districts in this State
19 not subject to Article 34.

20 (B) Certification of expenses by the State Superintendent
21 of Education. The State Superintendent of Education shall
22 annually certify, on or before May 1, to the Board of Education
23 and the School Finance Authority, for the applicable school
24 year, the following information:

25 (1) the annual expenditures of all school districts of

1 the State not subject to Article 34 properly attributable
2 to expenditure functions defined by the rules and
3 regulations of the State Board of Education as: 2210
4 (Improvement of Instructional Services); 2300 (Support
5 Services - General Administration) excluding, however,
6 2320 (Executive Administrative Services); 2490 (Other
7 Support Services - School Administration); 2500 (Support
8 Services - Business); 2600 (Support Services - Central);

9 (2) the total annual expenditures of all school
10 districts not subject to Article 34 attributable to the
11 Education Fund, the Operations, Building and Maintenance
12 Fund, the Transportation Fund and the Illinois Municipal
13 Retirement Fund of the several districts, as defined by the
14 rules and regulations of the State Board of Education; and

15 (3) a ratio, to be called the statewide average of
16 administrative expenditures, derived by dividing the
17 expenditures certified pursuant to paragraph (B) (1) by the
18 expenditures certified pursuant to paragraph (B) (2).

19 For purposes of the annual certification of expenditures
20 and ratios required by this Section, the "applicable year" of
21 certification shall initially be the 1986-87 school year and,
22 in sequent years, each succeeding school year.

23 The State Superintendent of Education shall consult with
24 the Board of Education to ascertain whether particular
25 expenditure items allocable to the administrative functions
26 enumerated in paragraph (B) (1) are appropriately or

1 necessarily higher in the applicable school district than in
2 the rest of the State due to noncomparable factors. The State
3 Superintendent shall also review the relevant cost proportions
4 in other large urban school districts. The State Superintendent
5 shall also review the expenditure categories in paragraph
6 (B)(1) to ascertain whether they contain school-level
7 expenses. If he or she finds that adjustments to the formula
8 are appropriate or necessary to establish a more fair and
9 comparable standard for administrative cost for the Board of
10 Education or to exclude school-level expenses, the State
11 Superintendent shall recommend to the School Finance Authority
12 rules and regulations adjusting particular subcategories in
13 this subsection (B) or adjusting certain costs in determining
14 the budget and expenditure items properly attributable to the
15 functions or otherwise adjust the formula.

16 (C) Administrative expenditure limitations. The annual
17 budget of the Board of Education, as adopted and implemented,
18 and the related annual expenditures for the school year, shall
19 reflect a limitation on administrative outlays as required by
20 the following provisions, taking into account any adjustments
21 established by the State Superintendent of Education: (1) the
22 budget and expenditures of the Board of Education for the
23 1989-90 school year shall reflect a ratio of administrative
24 expenditures to total expenditures equal to or less than the
25 statewide average of administrative expenditures for the
26 1986-87 school year as certified by the State Superintendent of

1 Education pursuant to paragraph (B)(3); (2) for the 1990-91
2 school year and for all subsequent school years, the budget and
3 expenditures of the Board of Education shall reflect a ratio of
4 administrative expenditures to total expenditures equal to or
5 less than the statewide average of administrative expenditures
6 certified by the State Superintendent of Education for the
7 applicable year pursuant to paragraph (B)(3); (3) if for any
8 school year the budget of the Board of Education reflects a
9 ratio of administrative expenditures to total expenditures
10 which exceeds the applicable statewide average, the Board of
11 Education shall reduce expenditure items allocable to the
12 administrative functions enumerated in paragraph (B)(1) such
13 that the Board of Education's ratio of administrative
14 expenditures to total expenditures is equal to or less than the
15 applicable statewide average ratio.

16 For purposes of this Section, the ratio of administrative
17 expenditures to the total expenditures of the Board of
18 Education, as applied to the budget of the Board of Education,
19 shall mean: the budgeted expenditure items of the Board of
20 Education properly attributable to the expenditure functions
21 identified in paragraph (B)(1) divided by the total budgeted
22 expenditures of the Board of Education properly attributable to
23 the Board of Education funds corresponding to those funds
24 identified in paragraph (B)(2), exclusive of any monies
25 budgeted for payment to the Public School Teachers' Pension and
26 Retirement System, attributable to payments due from the

1 General Funds of the State of Illinois.

2 The annual expenditure of the Board of Education for 2320
3 (Executive Administrative Services) for the 1989-90 school
4 year shall be no greater than the 2320 expenditure for the
5 1988-89 school year. The annual expenditure of the Board of
6 Education for 2320 for the 1990-91 school year and each
7 subsequent school year shall be no greater than the 2320
8 expenditure for the immediately preceding school year or the
9 1988-89 school year, whichever is less. This annual expenditure
10 limitation may be adjusted in each year in an amount not to
11 exceed any change effective during the applicable school year
12 in salary to be paid under the collective bargaining agreement
13 with instructional personnel to which the Board is a party and
14 in benefit costs either required by law or such collective
15 bargaining agreement.

16 (D) Cost control measures. In undertaking actions to
17 control or reduce expenditure items necessitated by the
18 administrative expenditure limitations of this Section, the
19 Board of Education shall give priority consideration to
20 reductions or cost controls with the least effect upon direct
21 services to students or instructional services for pupils, and
22 upon the safety and well-being of pupils, and, as applicable,
23 with the particular costs or functions to which the Board of
24 Education is higher than the statewide average.

25 For purposes of assuring that the cost control priorities
26 of this subsection (D) are met, the State Superintendent of

1 Education shall, with the assistance of the Board of Education,
2 review the cost allocation practices of the Board of Education,
3 and the State Superintendent of Education shall thereafter
4 recommend to the School Finance Authority rules and regulations
5 which define administrative areas which most impact upon the
6 direct and instructional needs of students and upon the safety
7 and well-being of the pupils of the district. No position
8 closed shall be reopened using State or federal categorical
9 funds.

10 (E) Report of Audited Information. For the 1988-89 school
11 year and for all subsequent school years, the Board of
12 Education shall file with the State Board of Education the
13 Annual Financial Report and its audit, as required by the rules
14 of the State Board of Education. Such reports shall be filed no
15 later than February 15 following the end of the school year of
16 the Board of Education, beginning with the report to be filed
17 no later than February 15, 1990 for the 1988-89 school year.

18 As part of the required Annual Financial Report, the Board
19 of Education shall provide a detailed accounting of the central
20 level, district, bureau and department costs and personnel
21 included within expenditure functions included in paragraph
22 (B)(1). The nature and detail of the reporting required for
23 these functions shall be prescribed by the State Board of
24 Education in rules and regulations. A copy of this detailed
25 accounting shall also be provided annually to the School
26 Finance Authority and the public. This report shall contain a

1 reconciliation to the board of education's adopted budget for
2 that fiscal year, specifically delineating administrative
3 functions.

4 If the information required under this Section is not
5 provided by the Board of Education in a timely manner, or is
6 initially or subsequently determined by the State
7 Superintendent of Education to be incomplete or inaccurate, the
8 State Superintendent shall, in writing, notify the Board of
9 Education of reporting deficiencies. The Board of Education
10 shall, within 60 days of such notice, address the reporting
11 deficiencies identified. If the State Superintendent of
12 Education does not receive satisfactory response to these
13 reporting deficiencies within 60 days, the next payment of
14 general State aid or evidence-based funding due the Board of
15 Education under Section 18-8 or Section 18-8.15, as applicable,
16 and all subsequent payments, shall be withheld by the State
17 Superintendent of Education until the enumerated deficiencies
18 have been addressed.

19 Utilizing the Annual Financial Report, the State
20 Superintendent of Education shall certify on or before May 1 to
21 the School Finance Authority the Board of Education's ratio of
22 administrative expenditures to total expenditures for the
23 1988-89 school year and for each succeeding school year. Such
24 certification shall indicate the extent to which the
25 administrative expenditure ratio of the Board of Education
26 conformed to the limitations required in subsection (C) of this

1 Section, taking into account any adjustments of the limitations
2 which may have been recommended by the State Superintendent of
3 Education to the School Finance Authority. In deriving the
4 administrative expenditure ratio of the Chicago Board of
5 Education, the State Superintendent of Education shall utilize
6 the definition of this ratio prescribed in subsection (C) of
7 this Section, except that the actual expenditures of the Board
8 of Education shall be substituted for budgeted expenditure
9 items.

10 (F) Approval and adjustments to administrative expenditure
11 limitations. The School Finance Authority organized under
12 Article 34A shall monitor the Board of Education's adherence to
13 the requirements of this Section. As part of its responsibility
14 the School Finance Authority shall determine whether the Board
15 of Education's budget for the next school year, and the
16 expenditures for a prior school year, comply with the
17 limitation of administrative expenditures required by this
18 Section. The Board of Education and the State Board of
19 Education shall provide such information as is required by the
20 School Finance Authority in order for the Authority to
21 determine compliance with the provisions of this Section. If
22 the Authority determines that the budget proposed by the Board
23 of Education does not meet the cost control requirements of
24 this Section, the Board of Education shall undertake budgetary
25 reductions, consistent with the requirements of this Section,
26 to bring the proposed budget into compliance with such cost

1 control limitations.

2 If, in formulating cost control and cost reduction
3 alternatives, the Board of Education believes that meeting the
4 cost control requirements of this Section related to the budget
5 for the ensuing year would impair the education, safety, or
6 well-being of the pupils of the school district, the Board of
7 Education may request that the School Finance Authority make
8 adjustments to the limitations required by this Section. The
9 Board of Education shall specify the amount, nature, and
10 reasons for the relief required and shall also identify cost
11 reductions which can be made in expenditure functions not
12 enumerated in paragraph (B) (1), which would serve the purposes
13 of this Section.

14 The School Finance Authority shall consult with the State
15 Superintendent of Education concerning the reasonableness from
16 an educational administration perspective of the adjustments
17 sought by the Board of Education. The School Finance Authority
18 shall provide an opportunity for the public to comment upon the
19 reasonableness of the Board's request. If, after such
20 consultation, the School Finance Authority determines that all
21 or a portion of the adjustments sought by the Board of
22 Education are reasonably appropriate or necessary, the
23 Authority may grant such relief from the provisions of this
24 Section which the Authority deems appropriate. Adjustments so
25 granted apply only to the specific school year for which the
26 request was made.

1 In the event that the School Finance Authority determines
2 that the Board of Education has failed to achieve the required
3 administrative expenditure limitations for a prior school
4 year, or if the Authority determines that the Board of
5 Education has not met the requirements of subsection (F), the
6 Authority shall make recommendations to the Board of Education
7 concerning appropriate corrective actions. If the Board of
8 Education fails to provide adequate assurance to the Authority
9 that appropriate corrective actions have been or will be taken,
10 the Authority may, within 60 days thereafter, require the board
11 to adjust its current budget to correct for the prior year's
12 shortage or may recommend to the members of the General
13 Assembly and the Governor such sanctions or remedial actions as
14 will serve to deter any further such failures on the part of
15 the Board of Education.

16 To assist the Authority in its monitoring
17 responsibilities, the Board of Education shall provide such
18 reports and information as are from time to time required by
19 the Authority.

20 (G) Independent reviews of administrative expenditures.
21 The School Finance Authority may direct independent reviews of
22 the administrative and administrative support expenditures and
23 services and other non-instructional expenditure functions of
24 the Board of Education. The Board of Education shall afford
25 full cooperation to the School Finance Authority in such review
26 activity. The purpose of such reviews shall be to verify

1 specific targets for improved operating efficiencies of the
2 Board of Education, to identify other areas of potential
3 efficiencies, and to assure full and proper compliance by the
4 Board of Education with all requirements of this Section.

5 In the conduct of reviews under this subsection, the
6 Authority may request the assistance and consultation of the
7 State Superintendent of Education with regard to questions of
8 efficiency and effectiveness in educational administration.

9 (H) Reports to Governor and General Assembly. On or before
10 May 1, 1991 and no less frequently than yearly thereafter, the
11 School Finance Authority shall provide to the Governor, the
12 State Board of Education, and the members of the General
13 Assembly an annual report, as outlined in Section 34A-606,
14 which includes the following information: (1) documenting the
15 compliance or non-compliance of the Board of Education with the
16 requirements of this Section; (2) summarizing the costs,
17 findings, and recommendations of any reviews directed by the
18 School Finance Authority, and the response to such
19 recommendations made by the Board of Education; and (3)
20 recommending sanctions or legislation necessary to fulfill the
21 intent of this Section.

22 (Source: P.A. 86-124; 86-1477.)

23 Section 50. The Educational Opportunity for Military
24 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
24 action now existing under any Section, Article, or Act repealed

1 or amended by this Act; the validity of any bonds or other
2 obligations issued or sold and constituting valid obligations
3 of the issuing authority at the time this Act takes effect; the
4 validity of any contract; the validity of any tax levied under
5 any law in effect prior to the effective date of this Act; or
6 any offense committed, act done, penalty, punishment, or
7 forfeiture incurred or any claim, right, power, or remedy
8 accrued under any law in effect prior to the effective date of
9 this Act.

10 Section 99. Effective date. This Act takes effect upon
11 becoming law."