

1 AN ACT concerning education.

2 WHEREAS, This Act may be referred to as the Evidence-Based
3 Funding for Student Success Act; therefore

4 **Be it enacted by the People of the State of Illinois,**
5 **represented in the General Assembly:**

6 Section 1. Short title. This Act may be cited as the Invest
7 in Kids Act.

8 Section 5. Definitions. As used in this Act:

9 "Authorized contribution" means the contribution amount
10 that is listed on the contribution authorization certificate
11 issued to the taxpayer.

12 "Board" means the State Board of Education.

13 "Contribution" means a donation made by the taxpayer during
14 the taxable year for providing scholarships as provided in this
15 Act.

16 "Custodian" means, with respect to eligible students, an
17 Illinois resident who is a parent or legal guardian of the
18 eligible student or students.

19 "Department" means the Department of Revenue.

20 "Eligible student" means a child who:

21 (1) is a member of a household whose federal adjusted
22 gross income the year before he or she initially receives a

1 scholarship under this program, as determined by the
2 Department, does not exceed 300% of the federal poverty
3 level and, once the child receives a scholarship, does not
4 exceed 400% of the federal poverty level;

5 (2) is eligible to attend a public elementary school or
6 high school in Illinois in the semester immediately
7 preceding the semester for which he or she first receives a
8 scholarship or is starting school in Illinois for the first
9 time when he or she first receives a scholarship; and

10 (3) resides in Illinois while receiving a scholarship.

11 "Family member" means a parent, child, or sibling, whether
12 by whole blood, half blood, or adoption; spouse; or stepchild.

13 "Focus district" means a school district which has a school
14 that is either (i) a school that has one or more subgroups in
15 which the average student performance is at or below the State
16 average for the lowest 10% of student performance in that
17 subgroup or (ii) a school with an average graduation rate of
18 less than 60% and not identified for priority.

19 "Necessary costs and fees" includes the customary charge
20 for instruction and use of facilities in general and the
21 additional fixed fees charged for specified purposes that are
22 required generally of non-scholarship recipients for each
23 academic period for which the scholarship applicant actually
24 enrolls, including costs associated with student assessments,
25 but does not include fees payable only once and other
26 contingent deposits that are refundable in whole or in part.

1 The Board may prescribe, by rules consistent with this Act,
2 detailed provisions concerning the computation of necessary
3 costs and fees.

4 "Scholarship granting organization" means an entity that:

5 (1) is exempt from taxation under Section 501(c)(3) of
6 the Internal Revenue Code;

7 (2) uses at least 95% of the qualified contributions
8 received during a taxable year for scholarships;

9 (3) provides scholarships to students according to the
10 guidelines of this Act;

11 (4) deposits and holds qualified contributions and any
12 income derived from qualified contributions in an account
13 that is separate from the organization's operating fund or
14 other funds until such qualified contributions or income
15 are withdrawn for use; and

16 (5) is approved to issue certificates of receipt.

17 "Qualified contribution" means the authorized contribution
18 made by a taxpayer to a scholarship granting organization for
19 which the taxpayer has received a certificate of receipt from
20 such organization.

21 "Qualified school" means a non-public school located in
22 Illinois and recognized by the Board pursuant to Section
23 2-3.250 of the School Code.

24 "Scholarship" means an educational scholarship awarded to
25 an eligible student to attend a qualified school of their
26 custodians' choice in an amount not exceeding the necessary

1 costs and fees to attend that school.

2 "Taxpayer" means any individual, corporation, partnership,
3 trust, or other entity subject to the Illinois income tax. For
4 the purposes of this Act, 2 individuals filing a joint return
5 shall be considered one taxpayer.

6 Section 10. Credit awards.

7 (a) The Department shall award credits against the tax
8 imposed under subsections (a) and (b) of Section 201 of the
9 Illinois Income Tax Act to taxpayers who make qualified
10 contributions. For contributions made under this Act, the
11 credit shall be equal to 75% of the total amount of qualified
12 contributions made by the taxpayer during a taxable year, not
13 to exceed a credit of \$1,000,000 per taxpayer.

14 (b) The aggregate amount of all credits the Department may
15 award under this Act in any calendar year may not exceed
16 \$75,000,000.

17 (c) Contributions made by corporations (including
18 Subchapter S corporations), partnerships, and trusts under
19 this Act may not be directed to a particular subset of schools,
20 a particular school, a particular group of students, or a
21 particular student. Contributions made by individuals under
22 this Act may be directed to a particular subset of schools or a
23 particular school but may not be directed to a particular group
24 of students or a particular student.

25 (d) No credit shall be taken under this Act for any

1 qualified contribution for which the taxpayer claims a federal
2 income tax deduction.

3 (e) Credits shall be awarded in a manner, as determined by
4 the Department, that is geographically proportionate to
5 enrollment in recognized non-public schools in Illinois. If the
6 cap on the aggregate credits that may be awarded by the
7 Department is not reached by June 1 of a given year, the
8 Department shall award remaining credits on a first-come,
9 first-served basis, without regard to the limitation of this
10 subsection.

11 Section 15. Approval to issue certificates of receipt.

12 (a) A scholarship granting organization shall submit an
13 application for approval to issue certificates of receipt in
14 the form and manner prescribed by the Department, provided that
15 each application shall include:

16 (1) documentary evidence that the scholarship granting
17 organization has been granted an exemption from taxation
18 under Section 501(c) (3) of the Internal Revenue Code;

19 (2) certification that all qualified contributions and
20 any income derived from qualified contributions are
21 deposited and held in an account that is separate from the
22 scholarship granting organization's operating or other
23 funds until such qualified contributions or income are
24 withdrawn for use;

25 (3) certification that the scholarship granting

1 organization will use at least 95% of its annual revenue
2 from qualified contributions for scholarships;

3 (4) certification that the scholarship granting
4 organization will provide scholarships to eligible
5 students;

6 (5) a list of the names and addresses of all members of
7 the governing board of the scholarship granting
8 organization; and

9 (6) a copy of the most recent financial audit of the
10 scholarship granting organization's accounts and records
11 conducted by an independent certified public accountant in
12 accordance with auditing standards generally accepted in
13 the United States, government auditing standards, and
14 rules adopted by the Department.

15 (b) A scholarship granting organization whose owner or
16 operator in the last 7 years has filed for personal bankruptcy
17 or corporate bankruptcy in a corporation of which he or she
18 owned more than 20% shall not be eligible to provide
19 scholarships.

20 (c) A scholarship granting organization must not have an
21 owner or operator who owns or operates a qualified school or
22 has a family member who is a paid staff or board member of a
23 participating qualified school.

24 (d) A scholarship granting organization shall comply with
25 the anti-discrimination provisions of 42 U.S.C. 2000d.

26 (e) The Department shall review and either approve or deny

1 each application to issue certificates of receipt pursuant to
2 this Act. Approval or denial of an application shall be made on
3 a periodic basis. Applicants shall be notified of the
4 Department's determination within 30 business days after the
5 application is received.

6 (f) No scholarship granting organization shall issue any
7 certificates of receipt without first being approved to issue
8 certificates of receipt.

9 Section 20. Annual review.

10 (a) Each scholarship granting organization that receives
11 approval to issue certificates of receipt shall file an
12 application for recertification on an annual basis. Such
13 application for recertification shall be in the form and manner
14 prescribed by the Department and shall include:

15 (1) certification from the Director or Chief Executive
16 Officer of the organization that the organization has
17 complied with and continues to comply with the requirements
18 of this Act, including evidence of that compliance; and

19 (2) a copy of the organization's current financial
20 statements.

21 (b) The Department may revoke the approval of a scholarship
22 granting organization to issue certificates of receipt upon a
23 finding that the organization has violated this Act or any
24 rules adopted under this Act. These violations shall include,
25 but need not be limited to, any of the following:

- 1 (1) failure to meet the requirements of this Act;
- 2 (2) failure to maintain full and adequate records with
3 respect to the receipt of qualified contributions;
- 4 (3) failure to supply such records to the Department;
- 5 or
- 6 (4) failure to provide notice to the Department of the
7 issuance of certificates of receipt pursuant to Section 35
8 of this Act.
- 9 (c) Within 5 days after the determination to revoke
10 approval, the Department shall provide notice of the
11 determination to the scholarship granting organization and
12 information regarding the process to request a hearing to
13 appeal the determination.

14 Section 25. Contribution authorization certificates.

15 (a) A taxpayer shall not be allowed a credit pursuant to
16 this Act for any contribution to a scholarship granting
17 organization that was made prior to the Department's issuance
18 of a contribution authorization certificate for such
19 contribution to the taxpayer.

20 (b) Prior to making a contribution to a scholarship
21 granting organization, the taxpayer shall apply to the
22 Department for a contribution authorization certificate.

23 (c) A taxpayer who makes more than one contribution to a
24 scholarship granting organization must make a separate
25 application for each such contribution authorization

1 certificate. The application shall be in the form and manner
2 prescribed by the Department, provided that the application
3 includes:

- 4 (1) the taxpayer's name and address;
- 5 (2) the amount the taxpayer will contribute; and
- 6 (3) any other information the Department deems
7 necessary.

8 (d) The Department may allow taxpayers to make multiple
9 applications on the same form, provided that each application
10 shall be treated as a separate application.

11 (e) The Department shall issue credit authorization
12 certificates on a first-come, first-served basis based upon the
13 date that the Department received the taxpayer's application
14 for the certificate subject to the provisions of subsection (e)
15 of Section 10 of this Act.

16 (f) A taxpayer's aggregate authorized contribution amount
17 as listed on one or more authorized contribution certificates
18 issued to the taxpayer shall not exceed the aggregate of the
19 amounts listed on the taxpayer's applications submitted in
20 accordance with this Section.

21 (g) Each contribution authorization certificate shall
22 state:

- 23 (1) the date such certificate was issued;
- 24 (2) the date by which the authorized contributions
25 listed in the certificate must be made, which shall be 60
26 days from the date of the issuance of a credit

1 authorization certificate;

2 (3) the total amount of authorized contributions; and

3 (4) any other information the Department deems
4 necessary.

5 (h) Credit authorization certificates shall be mailed to
6 the appropriate taxpayers within 3 business days after their
7 issuance.

8 (i) A taxpayer may rescind all or part of an authorized
9 contribution approved under this Act by providing written
10 notice to the Department. Amounts rescinded shall no longer be
11 deducted from the cap prescribed in Section 10 of this Act.

12 (j) The Department shall maintain on its website a running
13 total of the amount of credits for which taxpayers may make
14 applications for contribution authorization certification. The
15 running total shall be updated every business day.

16 Section 30. Certificates of receipt.

17 (a) No scholarship granting organization shall issue a
18 certificate of receipt for any qualified contribution made by a
19 taxpayer under this Act unless that scholarship granting
20 organization has been approved to issue certificates of receipt
21 pursuant to Section 15 of this Act.

22 (b) No scholarship granting organization shall issue a
23 certificate of receipt for a contribution made by a taxpayer
24 unless the taxpayer has been issued a credit authorization
25 certificate by the Department.

1 (c) If a taxpayer makes a contribution to a scholarship
2 granting organization prior to the date by which the authorized
3 contribution shall be made, the scholarship granting
4 organization shall, within 30 days of receipt of the authorized
5 contribution, issue to the taxpayer a written certificate of
6 receipt.

7 (d) If a taxpayer fails to make all or a portion of a
8 contribution prior to the date by which such authorized
9 contribution is required to be made, the taxpayer shall not be
10 entitled to a certificate of receipt for that portion of the
11 authorized contribution not made.

12 (e) Each certificate of receipt shall state:

13 (1) the name and address of the issuing scholarship
14 granting organization;

15 (2) the taxpayer's name and address;

16 (3) the date for each qualified contribution;

17 (4) the amount of each qualified contribution;

18 (5) the total qualified contribution amount; and

19 (6) any other information that the Department may deem
20 necessary.

21 (f) Upon the issuance of a certificate of receipt, the
22 issuing scholarship granting organization shall, within 10
23 days after issuing the certificate of receipt, provide the
24 Department with notification of the issuance of such
25 certificate in the form and manner prescribed by the
26 Department, provided that such notification shall include:

- 1 (1) the taxpayer's name and address;
- 2 (2) the date of the issuance of a certificate of
3 receipt;
- 4 (3) the qualified contribution date or dates and the
5 amounts contributed on such dates;
- 6 (4) the total qualified contribution listed on such
7 certificates;
- 8 (5) the issuing scholarship granting organization's
9 name and address; and
- 10 (6) any other information the Department may deem
11 necessary.

12 (g) Any portion of a contribution that a taxpayer fails to
13 make by the date indicated on the authorized contribution
14 certificate shall no longer be deducted from the cap prescribed
15 in Section 10 of this Act.

16 Section 35. Reports.

17 (a) Within 180 days after the end of its fiscal year, each
18 scholarship granting organization must provide to the
19 Department a copy of a financial audit of its accounts and
20 records conducted by an independent certified public
21 accountant in accordance with auditing standards generally
22 accepted in the United States, government auditing standards,
23 and rules adopted by the Department. The audit must include a
24 report on financial statements presented in accordance with
25 generally accepted accounting principles. The audit must

1 include evidence that no less than 95% of qualified
2 contributions received were used to provide scholarships to
3 eligible students. The Department shall review all audits
4 submitted pursuant to this subsection. The Department shall
5 request any significant items that were omitted in violation of
6 a rule adopted by the Department. The items must be provided
7 within 45 days after the date of request. If a scholarship
8 granting organization does not comply with the Department's
9 request, the Department may revoke the scholarship granting
10 organization's ability to issue certificates of receipt.

11 (b) A scholarship granting organization that is approved to
12 receive qualified contributions shall report to the
13 Department, on a form prescribed by the Department, by January
14 31 of each calendar year. The report shall include:

15 (1) the total number of certificates of receipt issued
16 during the immediately preceding calendar year;

17 (2) the total dollar amount of qualified contributions
18 received, as set forth in the certificates of receipt
19 issued during the immediately preceding calendar year;

20 (3) the total number of eligible students utilizing
21 scholarships for the immediately preceding calendar year
22 and the school year in progress and the total dollar value
23 of the scholarships;

24 (4) the name and address of each qualified school for
25 which scholarships using qualified contributions were
26 issued during the immediately preceding calendar year,

1 detailing the number, grade, race, gender, income level,
2 and residency by Zip Code of eligible students and the
3 total dollar value of scholarships being utilized at each
4 qualified school by priority group, as identified in
5 subsection (d) of Section 40 of this Act; and

6 (5) any additional information requested by the
7 Department.

8 (c) On or before the last day of March for each calendar
9 year, for the immediately preceding calendar year, the
10 Department shall submit a written report to the Governor, the
11 President of the Senate, the Speaker of the House of
12 Representatives, the Minority Leader of the Senate, and the
13 Minority Leader of the House of Representatives regarding this
14 Act. The report shall include, but not be limited to, the
15 following information:

16 (1) the names and addresses of all scholarship granting
17 organizations approved to issue certificates of receipt;

18 (2) the number and aggregate total of certificates of
19 receipt issued by each scholarship granting organization;
20 and

21 (3) the information reported to the Department
22 required by subsection (b) of this Section.

23 (d) The sharing and reporting of student data under this
24 Section must be in accordance with the requirements of the
25 Family Educational Rights and Privacy Act and the Illinois
26 School Student Records Act. All parties must preserve the

1 confidentiality of such information as required by law. Data
2 reported by the Department under subsection (c) of this Section
3 must not disaggregate data to a level that will disclose
4 demographic data of individual students.

5 Section 40. Scholarship granting organization
6 responsibilities.

7 (a) Before granting a scholarship for an academic year, all
8 scholarship granting organizations shall assess and document
9 each student's eligibility for the academic year.

10 (b) A scholarship granting organization shall grant
11 scholarships only to eligible students.

12 (c) A scholarship granting organization shall allow an
13 eligible student to attend any qualified school of the
14 student's choosing, subject to the availability of funds.

15 (d) In granting scholarships, a scholarship granting
16 organization shall give priority to the following priority
17 groups:

18 (1) eligible students who received a scholarship from a
19 scholarship granting organization during the previous
20 school year;

21 (2) eligible students who are members of a household
22 whose previous year's total annual income does not exceed
23 185% of the federal poverty level;

24 (3) eligible students who reside within a focus
25 district; and

1 (4) eligible students who are siblings of students
2 currently receiving a scholarship.

3 (d-5) A scholarship granting organization shall begin
4 granting scholarships no later than February 1 preceding the
5 school year for which the scholarship is sought. The priority
6 groups identified in subsection (d) of this Section shall be
7 eligible to receive scholarships on a first-come, first-served
8 basis until the April 1 immediately preceding the school year
9 for which the scholarship is sought. Applications for
10 scholarships for eligible students meeting the qualifications
11 of one or more priority groups that are received before April 1
12 must be either approved or denied within 10 business days after
13 receipt. Beginning April 1, all eligible students shall be
14 eligible to receive scholarships without regard to the priority
15 groups identified in subsection (d) of this Section.

16 (e) Except as provided in subsection (e-5) of this Section,
17 scholarships shall not exceed the lesser of (i) the statewide
18 average operational expense per student among public schools or
19 (ii) the necessary costs and fees for attendance at the
20 qualified school. Scholarships shall be prorated as follows:

21 (1) for eligible students whose household income is
22 less than 185% of the federal poverty level, the
23 scholarship shall be 100% of the amount determined pursuant
24 to this subsection (e) and subsection (e-5) of this
25 Section;

26 (2) for eligible students whose household income is

1 185% or more of the federal poverty level but less than
2 250% of the federal poverty level, the average of
3 scholarships shall be 75% of the amount determined pursuant
4 to this subsection (e) and subsection (e-5) of this
5 Section; and

6 (3) for eligible students whose household income is
7 250% or more of the federal poverty level, the average of
8 scholarships shall be 50% of the amount determined pursuant
9 to this subsection (e) and subsection (e-5) of this
10 Section.

11 (e-5) The statewide average operational expense per
12 student among public schools shall be multiplied by the
13 following factors:

14 (1) for students determined eligible to receive
15 services under the federal Individuals with Disabilities
16 Education Act, 2;

17 (2) for students who are English learners, as defined
18 in subsection (d) of Section 14C-2 of the School Code, 1.2;
19 and

20 (3) for students who are gifted and talented children,
21 as defined in Section 14A-20 of the School Code, 1.1.

22 (f) A scholarship granting organization shall distribute
23 scholarship payments to the participating school where the
24 student is enrolled.

25 (g) For the 2018-2019 school year through the 2021-2022
26 school year, each scholarship granting organization shall

1 expend no less than 75% of the qualified contributions received
2 during the calendar year in which the qualified contributions
3 were received. No more than 25% of the qualified contributions
4 may be carried forward to the following calendar year.

5 (h) For the 2022-2023 school year, each scholarship
6 granting organization shall expend all qualified contributions
7 received during the calendar year in which the qualified
8 contributions were received. No qualified contributions may be
9 carried forward to the following calendar year.

10 (i) A scholarship granting organization shall allow an
11 eligible student to transfer a scholarship during a school year
12 to any other participating school of the custodian's choice.
13 Such scholarships shall be prorated.

14 (j) With the prior approval of the Department, a
15 scholarship granting organization may transfer funds to
16 another scholarship granting organization if additional funds
17 are required to meet scholarship demands at the receiving
18 scholarship granting organization. All transferred funds must
19 be deposited by the receiving scholarship granting
20 organization into its scholarship accounts. All transferred
21 amounts received by any scholarship granting organization must
22 be separately disclosed to the Department.

23 (k) If the approval of a scholarship granting organization
24 is revoked as provided in Section 20 of this Act or the
25 scholarship granting organization is dissolved, all remaining
26 qualified contributions of the scholarship granting

1 organization shall be transferred to another scholarship
2 granting organization. All transferred funds must be deposited
3 by the receiving scholarship granting organization into its
4 scholarship accounts.

5 (1) Scholarship granting organizations shall make
6 reasonable efforts to advertise the availability of
7 scholarships to eligible students.

8 Section 45. State Board responsibilities.

9 (a) Beginning in the 2019-2020 school year, students who
10 have been granted a scholarship under this Act shall be
11 annually assessed at the qualified school where the student
12 attends school in the same manner in which students that attend
13 public schools are annually assessed pursuant to Section
14 2-3.64a-5 of the School Code. Such qualified school shall pay
15 costs associated with this requirement.

16 (b) The Board shall select an independent research
17 organization, which may be a public or private entity or
18 university, to which participating qualified schools must
19 report the scores of students who are receiving scholarships
20 and are assessed pursuant to subsection (a) of this Section.
21 Costs associated with the independent research organization
22 shall be paid by the scholarship granting organizations on a
23 per-pupil basis or by gifts, grants, or donations received by
24 the Board under subsection (d) of this Section, as determined
25 by the Board. The independent research organization must

1 annually report to the Board on the year-to-year learning gains
2 of students receiving scholarships on a statewide basis. The
3 report shall also include, to the extent possible, a comparison
4 of these learning gains to the statewide learning gains of
5 public school students with socioeconomic backgrounds similar
6 to those of students receiving scholarships. The annual report
7 shall be delivered to the Board and published on its website.

8 (c) Beginning within 120 days after the Board first
9 receives the annual report by the independent research
10 organization as provided in subsection (b) of this Section and
11 on an annual basis thereafter, the Board shall submit a written
12 report to the Governor, the President of the Senate, the
13 Speaker of the House of Representatives, the Minority Leader of
14 the Senate, and the Minority Leader of the House of
15 Representatives regarding this Act. Such report shall include
16 an evaluation of the academic performance of students receiving
17 scholarships and recommendations for improving student
18 performance.

19 (d) Subject to the State Officials and Employees Ethics
20 Act, the Board may receive and expend gifts, grants, and
21 donations of any kind from any public or private entity to
22 carry out the purposes of this Section, subject to the terms
23 and conditions under which the gifts are given, provided that
24 all such terms and conditions are permissible under law.

25 (e) The sharing and reporting of student learning gain data
26 under this Section must be in accordance with requirements of

1 the Family Educational Rights and Privacy Act and the Illinois
2 School Student Records Act. All parties must preserve the
3 confidentiality of such information as required by law. The
4 annual report must not disaggregate data to a level that will
5 disclose the academic level of individual students.

6 Section 50. Qualified school responsibilities. A qualified
7 school that accepts scholarship students must do all of the
8 following:

9 (1) provide to a scholarship granting organization,
10 upon request, all documentation required for the student's
11 participation, including the non-public school's cost and
12 student's fee schedules;

13 (2) be academically accountable to the custodian for
14 meeting the educational needs of the student by:

15 (A) at a minimum, annually providing to the
16 custodian a written explanation of the student's
17 progress; and

18 (B) annually administering assessments required by
19 subsection (a) of Section 45 of this Act in the same
20 manner in which they are administered at public schools
21 pursuant to Section 2-3.64a-5 of the School Code; the
22 Board shall bill participating qualified schools for
23 all costs associated with administering assessments
24 required by this paragraph; the participating
25 qualified schools shall ensure that all test security

1 and assessment administration procedures are followed;
2 participating qualified schools must report individual
3 student scores to the custodians of the students; the
4 independent research organization described in
5 subsection (b) of Section 45 of this Act shall be
6 provided all student score data in a secure manner by
7 the participating qualified school.

8 The inability of a qualified school to meet the
9 requirements of this Section shall constitute a basis for the
10 ineligibility of the qualified school to participate in the
11 scholarship program as determined by the Board.

12 Section 55. Custodian and student responsibilities.

13 (a) The custodian must select a qualified school and apply
14 for the admission of his or her child.

15 (b) The custodian shall ensure that the student
16 participating in the scholarship program takes the assessment
17 required by subsection (a) of Section 45 of this Act.

18 (c) Each custodian and each student has an obligation to
19 comply with the qualified school's published policies.

20 (d) The custodian shall authorize the scholarship granting
21 organization to access information needed for income
22 eligibility determinations.

23 Section 60. Recordkeeping; rulemaking; violations.

24 (a) Each taxpayer shall, for each taxable year for which

1 the tax credit provided for under this Act is claimed, maintain
2 records of the following information: (i) contribution
3 authorization certificates obtained under Section 25 of this
4 Act and (ii) certificates of receipt obtained under Section 30
5 of this Act.

6 (b) The Board and the Department may adopt rules consistent
7 with and necessary for the implementation of this Act.

8 (c) Violations of State laws or rules and complaints
9 relating to program participation shall be referred to the
10 Attorney General.

11 Section 65. Credit period; repeal.

12 (a) A taxpayer may take a credit under this Act for tax
13 years beginning on or after January 1, 2018 and ending before
14 January 1, 2023. A taxpayer may not take a credit pursuant to
15 this Act for tax years beginning on or after January 1, 2023.

16 (b) This Act is repealed on January 1, 2024.

17 Section 900. The Open Meetings Act is amended by changing
18 Section 2 as follows:

19 (5 ILCS 120/2) (from Ch. 102, par. 42)

20 Sec. 2. Open meetings.

21 (a) Openness required. All meetings of public bodies shall
22 be open to the public unless excepted in subsection (c) and
23 closed in accordance with Section 2a.

1 (b) Construction of exceptions. The exceptions contained
2 in subsection (c) are in derogation of the requirement that
3 public bodies meet in the open, and therefore, the exceptions
4 are to be strictly construed, extending only to subjects
5 clearly within their scope. The exceptions authorize but do not
6 require the holding of a closed meeting to discuss a subject
7 included within an enumerated exception.

8 (c) Exceptions. A public body may hold closed meetings to
9 consider the following subjects:

10 (1) The appointment, employment, compensation,
11 discipline, performance, or dismissal of specific
12 employees of the public body or legal counsel for the
13 public body, including hearing testimony on a complaint
14 lodged against an employee of the public body or against
15 legal counsel for the public body to determine its
16 validity. However, a meeting to consider an increase in
17 compensation to a specific employee of a public body that
18 is subject to the Local Government Wage Increase
19 Transparency Act may not be closed and shall be open to the
20 public and posted and held in accordance with this Act.

21 (2) Collective negotiating matters between the public
22 body and its employees or their representatives, or
23 deliberations concerning salary schedules for one or more
24 classes of employees.

25 (3) The selection of a person to fill a public office,
26 as defined in this Act, including a vacancy in a public

1 office, when the public body is given power to appoint
2 under law or ordinance, or the discipline, performance or
3 removal of the occupant of a public office, when the public
4 body is given power to remove the occupant under law or
5 ordinance.

6 (4) Evidence or testimony presented in open hearing, or
7 in closed hearing where specifically authorized by law, to
8 a quasi-adjudicative body, as defined in this Act, provided
9 that the body prepares and makes available for public
10 inspection a written decision setting forth its
11 determinative reasoning.

12 (5) The purchase or lease of real property for the use
13 of the public body, including meetings held for the purpose
14 of discussing whether a particular parcel should be
15 acquired.

16 (6) The setting of a price for sale or lease of
17 property owned by the public body.

18 (7) The sale or purchase of securities, investments, or
19 investment contracts. This exception shall not apply to the
20 investment of assets or income of funds deposited into the
21 Illinois Prepaid Tuition Trust Fund.

22 (8) Security procedures, school building safety and
23 security, and the use of personnel and equipment to respond
24 to an actual, a threatened, or a reasonably potential
25 danger to the safety of employees, students, staff, the
26 public, or public property.

1 (9) Student disciplinary cases.

2 (10) The placement of individual students in special
3 education programs and other matters relating to
4 individual students.

5 (11) Litigation, when an action against, affecting or
6 on behalf of the particular public body has been filed and
7 is pending before a court or administrative tribunal, or
8 when the public body finds that an action is probable or
9 imminent, in which case the basis for the finding shall be
10 recorded and entered into the minutes of the closed
11 meeting.

12 (12) The establishment of reserves or settlement of
13 claims as provided in the Local Governmental and
14 Governmental Employees Tort Immunity Act, if otherwise the
15 disposition of a claim or potential claim might be
16 prejudiced, or the review or discussion of claims, loss or
17 risk management information, records, data, advice or
18 communications from or with respect to any insurer of the
19 public body or any intergovernmental risk management
20 association or self insurance pool of which the public body
21 is a member.

22 (13) Conciliation of complaints of discrimination in
23 the sale or rental of housing, when closed meetings are
24 authorized by the law or ordinance prescribing fair housing
25 practices and creating a commission or administrative
26 agency for their enforcement.

1 (14) Informant sources, the hiring or assignment of
2 undercover personnel or equipment, or ongoing, prior or
3 future criminal investigations, when discussed by a public
4 body with criminal investigatory responsibilities.

5 (15) Professional ethics or performance when
6 considered by an advisory body appointed to advise a
7 licensing or regulatory agency on matters germane to the
8 advisory body's field of competence.

9 (16) Self evaluation, practices and procedures or
10 professional ethics, when meeting with a representative of
11 a statewide association of which the public body is a
12 member.

13 (17) The recruitment, credentialing, discipline or
14 formal peer review of physicians or other health care
15 professionals, or for the discussion of matters protected
16 under the federal Patient Safety and Quality Improvement
17 Act of 2005, and the regulations promulgated thereunder,
18 including 42 C.F.R. Part 3 (73 FR 70732), or the federal
19 Health Insurance Portability and Accountability Act of
20 1996, and the regulations promulgated thereunder,
21 including 45 C.F.R. Parts 160, 162, and 164, by a hospital,
22 or other institution providing medical care, that is
23 operated by the public body.

24 (18) Deliberations for decisions of the Prisoner
25 Review Board.

26 (19) Review or discussion of applications received

1 under the Experimental Organ Transplantation Procedures
2 Act.

3 (20) The classification and discussion of matters
4 classified as confidential or continued confidential by
5 the State Government Suggestion Award Board.

6 (21) Discussion of minutes of meetings lawfully closed
7 under this Act, whether for purposes of approval by the
8 body of the minutes or semi-annual review of the minutes as
9 mandated by Section 2.06.

10 (22) Deliberations for decisions of the State
11 Emergency Medical Services Disciplinary Review Board.

12 (23) The operation by a municipality of a municipal
13 utility or the operation of a municipal power agency or
14 municipal natural gas agency when the discussion involves
15 (i) contracts relating to the purchase, sale, or delivery
16 of electricity or natural gas or (ii) the results or
17 conclusions of load forecast studies.

18 (24) Meetings of a residential health care facility
19 resident sexual assault and death review team or the
20 Executive Council under the Abuse Prevention Review Team
21 Act.

22 (25) Meetings of an independent team of experts under
23 Brian's Law.

24 (26) Meetings of a mortality review team appointed
25 under the Department of Juvenile Justice Mortality Review
26 Team Act.

1 (27) (Blank).

2 (28) Correspondence and records (i) that may not be
3 disclosed under Section 11-9 of the Illinois Public Aid
4 Code or (ii) that pertain to appeals under Section 11-8 of
5 the Illinois Public Aid Code.

6 (29) Meetings between internal or external auditors
7 and governmental audit committees, finance committees, and
8 their equivalents, when the discussion involves internal
9 control weaknesses, identification of potential fraud risk
10 areas, known or suspected frauds, and fraud interviews
11 conducted in accordance with generally accepted auditing
12 standards of the United States of America.

13 (30) Those meetings or portions of meetings of a
14 fatality review team or the Illinois Fatality Review Team
15 Advisory Council during which a review of the death of an
16 eligible adult in which abuse or neglect is suspected,
17 alleged, or substantiated is conducted pursuant to Section
18 15 of the Adult Protective Services Act.

19 (31) Meetings and deliberations for decisions of the
20 Concealed Carry Licensing Review Board under the Firearm
21 Concealed Carry Act.

22 (32) Meetings between the Regional Transportation
23 Authority Board and its Service Boards when the discussion
24 involves review by the Regional Transportation Authority
25 Board of employment contracts under Section 28d of the
26 Metropolitan Transit Authority Act and Sections 3A.18 and

1 3B.26 of the Regional Transportation Authority Act.

2 (33) Those meetings or portions of meetings of the
3 advisory committee and peer review subcommittee created
4 under Section 320 of the Illinois Controlled Substances Act
5 during which specific controlled substance prescriber,
6 dispenser, or patient information is discussed.

7 (34) Meetings of the Tax Increment Financing Reform
8 Task Force under Section 2505-800 of the Department of
9 Revenue Law of the Civil Administrative Code of Illinois.

10 (d) Definitions. For purposes of this Section:

11 "Employee" means a person employed by a public body whose
12 relationship with the public body constitutes an
13 employer-employee relationship under the usual common law
14 rules, and who is not an independent contractor.

15 "Public office" means a position created by or under the
16 Constitution or laws of this State, the occupant of which is
17 charged with the exercise of some portion of the sovereign
18 power of this State. The term "public office" shall include
19 members of the public body, but it shall not include
20 organizational positions filled by members thereof, whether
21 established by law or by a public body itself, that exist to
22 assist the body in the conduct of its business.

23 "Quasi-adjudicative body" means an administrative body
24 charged by law or ordinance with the responsibility to conduct
25 hearings, receive evidence or testimony and make
26 determinations based thereon, but does not include local

1 electoral boards when such bodies are considering petition
2 challenges.

3 (e) Final action. No final action may be taken at a closed
4 meeting. Final action shall be preceded by a public recital of
5 the nature of the matter being considered and other information
6 that will inform the public of the business being conducted.

7 (Source: P.A. 98-49, eff. 7-1-13; 98-63, eff. 7-9-13; 98-756,
8 eff. 7-16-14; 98-1027, eff. 1-1-15; 98-1039, eff. 8-25-14;
9 99-78, eff. 7-20-15; 99-235, eff. 1-1-16; 99-480, eff. 9-9-15;
10 99-642, eff. 7-28-16; 99-646, eff. 7-28-16; 99-687, eff.
11 1-1-17; revised 9-21-16.)

12 Section 902. The Freedom of Information Act is amended by
13 changing Section 7.5 as follows:

14 (5 ILCS 140/7.5)

15 Sec. 7.5. Statutory exemptions. To the extent provided for
16 by the statutes referenced below, the following shall be exempt
17 from inspection and copying:

18 (a) All information determined to be confidential
19 under Section 4002 of the Technology Advancement and
20 Development Act.

21 (b) Library circulation and order records identifying
22 library users with specific materials under the Library
23 Records Confidentiality Act.

24 (c) Applications, related documents, and medical

1 records received by the Experimental Organ Transplantation
2 Procedures Board and any and all documents or other records
3 prepared by the Experimental Organ Transplantation
4 Procedures Board or its staff relating to applications it
5 has received.

6 (d) Information and records held by the Department of
7 Public Health and its authorized representatives relating
8 to known or suspected cases of sexually transmissible
9 disease or any information the disclosure of which is
10 restricted under the Illinois Sexually Transmissible
11 Disease Control Act.

12 (e) Information the disclosure of which is exempted
13 under Section 30 of the Radon Industry Licensing Act.

14 (f) Firm performance evaluations under Section 55 of
15 the Architectural, Engineering, and Land Surveying
16 Qualifications Based Selection Act.

17 (g) Information the disclosure of which is restricted
18 and exempted under Section 50 of the Illinois Prepaid
19 Tuition Act.

20 (h) Information the disclosure of which is exempted
21 under the State Officials and Employees Ethics Act, and
22 records of any lawfully created State or local inspector
23 general's office that would be exempt if created or
24 obtained by an Executive Inspector General's office under
25 that Act.

26 (i) Information contained in a local emergency energy

1 plan submitted to a municipality in accordance with a local
2 emergency energy plan ordinance that is adopted under
3 Section 11-21.5-5 of the Illinois Municipal Code.

4 (j) Information and data concerning the distribution
5 of surcharge moneys collected and remitted by wireless
6 carriers under the Wireless Emergency Telephone Safety
7 Act.

8 (k) Law enforcement officer identification information
9 or driver identification information compiled by a law
10 enforcement agency or the Department of Transportation
11 under Section 11-212 of the Illinois Vehicle Code.

12 (l) Records and information provided to a residential
13 health care facility resident sexual assault and death
14 review team or the Executive Council under the Abuse
15 Prevention Review Team Act.

16 (m) Information provided to the predatory lending
17 database created pursuant to Article 3 of the Residential
18 Real Property Disclosure Act, except to the extent
19 authorized under that Article.

20 (n) Defense budgets and petitions for certification of
21 compensation and expenses for court appointed trial
22 counsel as provided under Sections 10 and 15 of the Capital
23 Crimes Litigation Act. This subsection (n) shall apply
24 until the conclusion of the trial of the case, even if the
25 prosecution chooses not to pursue the death penalty prior
26 to trial or sentencing.

1 (o) Information that is prohibited from being
2 disclosed under Section 4 of the Illinois Health and
3 Hazardous Substances Registry Act.

4 (p) Security portions of system safety program plans,
5 investigation reports, surveys, schedules, lists, data, or
6 information compiled, collected, or prepared by or for the
7 Regional Transportation Authority under Section 2.11 of
8 the Regional Transportation Authority Act or the St. Clair
9 County Transit District under the Bi-State Transit Safety
10 Act.

11 (q) Information prohibited from being disclosed by the
12 Personnel Records Review Act.

13 (r) Information prohibited from being disclosed by the
14 Illinois School Student Records Act.

15 (s) Information the disclosure of which is restricted
16 under Section 5-108 of the Public Utilities Act.

17 (t) All identified or deidentified health information
18 in the form of health data or medical records contained in,
19 stored in, submitted to, transferred by, or released from
20 the Illinois Health Information Exchange, and identified
21 or deidentified health information in the form of health
22 data and medical records of the Illinois Health Information
23 Exchange in the possession of the Illinois Health
24 Information Exchange Authority due to its administration
25 of the Illinois Health Information Exchange. The terms
26 "identified" and "deidentified" shall be given the same

1 meaning as in the Health Insurance Portability and
2 Accountability Act of 1996, Public Law 104-191, or any
3 subsequent amendments thereto, and any regulations
4 promulgated thereunder.

5 (u) Records and information provided to an independent
6 team of experts under Brian's Law.

7 (v) Names and information of people who have applied
8 for or received Firearm Owner's Identification Cards under
9 the Firearm Owners Identification Card Act or applied for
10 or received a concealed carry license under the Firearm
11 Concealed Carry Act, unless otherwise authorized by the
12 Firearm Concealed Carry Act; and databases under the
13 Firearm Concealed Carry Act, records of the Concealed Carry
14 Licensing Review Board under the Firearm Concealed Carry
15 Act, and law enforcement agency objections under the
16 Firearm Concealed Carry Act.

17 (w) Personally identifiable information which is
18 exempted from disclosure under subsection (g) of Section
19 19.1 of the Toll Highway Act.

20 (x) Information which is exempted from disclosure
21 under Section 5-1014.3 of the Counties Code or Section
22 8-11-21 of the Illinois Municipal Code.

23 (y) Confidential information under the Adult
24 Protective Services Act and its predecessor enabling
25 statute, the Elder Abuse and Neglect Act, including
26 information about the identity and administrative finding

1 against any caregiver of a verified and substantiated
2 decision of abuse, neglect, or financial exploitation of an
3 eligible adult maintained in the Registry established
4 under Section 7.5 of the Adult Protective Services Act.

5 (z) Records and information provided to a fatality
6 review team or the Illinois Fatality Review Team Advisory
7 Council under Section 15 of the Adult Protective Services
8 Act.

9 (aa) Information which is exempted from disclosure
10 under Section 2.37 of the Wildlife Code.

11 (bb) Information which is or was prohibited from
12 disclosure by the Juvenile Court Act of 1987.

13 (cc) Recordings made under the Law Enforcement
14 Officer-Worn Body Camera Act, except to the extent
15 authorized under that Act.

16 (dd) Information that is prohibited from being
17 disclosed under Section 45 of the Condominium and Common
18 Interest Community Ombudsperson Act.

19 (ee) ~~(dd)~~ Information that is exempted from disclosure
20 under Section 30.1 of the Pharmacy Practice Act.

21 (ff) Information which is exempted from disclosure
22 under Section 2505-800 of the Department of Revenue Law of
23 the Civil Administrative Code of Illinois.

24 (Source: P.A. 98-49, eff. 7-1-13; 98-63, eff. 7-9-13; 98-756,
25 eff. 7-16-14; 98-1039, eff. 8-25-14; 98-1045, eff. 8-25-14;
26 99-78, eff. 7-20-15; 99-298, eff. 8-6-15; 99-352, eff. 1-1-16;

1 99-642, eff. 7-28-16; 99-776, eff. 8-12-16; 99-863, eff.
2 8-19-16; revised 9-1-16.)

3 Section 904. The Election Code is amended by changing
4 Section 28-2 as follows:

5 (10 ILCS 5/28-2) (from Ch. 46, par. 28-2)

6 Sec. 28-2. (a) Except as otherwise provided in this
7 Section, petitions for the submission of public questions to
8 referendum must be filed with the appropriate officer or board
9 not less than 92 days prior to a regular election to be
10 eligible for submission on the ballot at such election; and
11 petitions for the submission of a question under Section 18-120
12 or Section 18-206 of the Property Tax Code must be filed with
13 the appropriate officer or board not more than 10 months nor
14 less than 6 months prior to the election at which such question
15 is to be submitted to the voters.

16 (b) However, petitions for the submission of a public
17 question to referendum which proposes the creation or formation
18 of a political subdivision must be filed with the appropriate
19 officer or board not less than 122 days prior to a regular
20 election to be eligible for submission on the ballot at such
21 election.

22 (c) Resolutions or ordinances of governing boards of
23 political subdivisions which initiate the submission of public
24 questions pursuant to law must be adopted not less than 79 days

1 before a regularly scheduled election to be eligible for
2 submission on the ballot at such election.

3 (d) A petition, resolution or ordinance initiating the
4 submission of a public question may specify a regular election
5 at which the question is to be submitted, and must so specify
6 if the statute authorizing the public question requires
7 submission at a particular election. However, no petition,
8 resolution or ordinance initiating the submission of a public
9 question, other than a legislative resolution initiating an
10 amendment to the Constitution, may specify such submission at
11 an election more than one year, or 15 months in the case of a
12 back door referendum as defined in subsection (f), after the
13 date on which it is filed or adopted, as the case may be. A
14 petition, resolution or ordinance initiating a public question
15 which specifies a particular election at which the question is
16 to be submitted shall be so limited, and shall not be valid as
17 to any other election, other than an emergency referendum
18 ordered pursuant to Section 2A-1.4.

19 (e) If a petition initiating a public question does not
20 specify a regularly scheduled election, the public question
21 shall be submitted to referendum at the next regular election
22 occurring not less than 92 days after the filing of the
23 petition, or not less than 122 days after the filing of a
24 petition for referendum to create a political subdivision. If a
25 resolution or ordinance initiating a public question does not
26 specify a regularly scheduled election, the public question

1 shall be submitted to referendum at the next regular election
2 occurring not less than 79 days after the adoption of the
3 resolution or ordinance.

4 (f) In the case of back door referenda, any limitations in
5 another statute authorizing such a referendum which restrict
6 the time in which the initiating petition may be validly filed
7 shall apply to such petition, in addition to the filing
8 deadlines specified in this Section for submission at a
9 particular election. In the case of any back door referendum,
10 the publication of the ordinance or resolution of the political
11 subdivision shall include a notice of (1) the specific number
12 of voters required to sign a petition requesting that a public
13 question be submitted to the voters of the subdivision; (2) the
14 time within which the petition must be filed; and (3) the date
15 of the prospective referendum. The secretary or clerk of the
16 political subdivision shall provide a petition form to any
17 individual requesting one. The legal sufficiency of that form,
18 if provided by the secretary or clerk of the political
19 subdivision, cannot be the basis of a challenge to placing the
20 back door referendum on the ballot. As used herein, a "back
21 door referendum" is the submission of a public question to the
22 voters of a political subdivision, initiated by a petition of
23 voters or residents of such political subdivision, to determine
24 whether an action by the governing body of such subdivision
25 shall be adopted or rejected.

26 (g) A petition for the incorporation or formation of a new

1 political subdivision whose officers are to be elected rather
 2 than appointed must have attached to it an affidavit attesting
 3 that at least 122 days and no more than 152 days prior to such
 4 election notice of intention to file such petition was
 5 published in a newspaper published within the proposed
 6 political subdivision, or if none, in a newspaper of general
 7 circulation within the territory of the proposed political
 8 subdivision in substantially the following form:

9 NOTICE OF PETITION TO FORM A NEW.....

10 Residents of the territory described below are notified
 11 that a petition will or has been filed in the Office
 12 of.....requesting a referendum to establish a
 13 new....., to be called the.....

14 *The officers of the new.....will be elected on the
 15 same day as the referendum. Candidates for the governing board
 16 of the new.....may file nominating petitions with the officer
 17 named above until.....

18 The territory proposed to comprise the new.....is
 19 described as follows:

20 (description of territory included in petition)

21 (signature).....

22 Name and address of person or persons proposing
 23 the new political subdivision.

24 * Where applicable.

25 Failure to file such affidavit, or failure to publish the
 26 required notice with the correct information contained therein

1 shall render the petition, and any referendum held pursuant to
2 such petition, null and void.

3 Notwithstanding the foregoing provisions of this
4 subsection (g) or any other provisions of this Code, the
5 publication of notice and affidavit requirements of this
6 subsection (g) shall not apply to any petition filed under
7 Article 7 or 11E of the School Code nor to any referendum held
8 pursuant to any such petition, and neither any petition filed
9 under any of those Articles nor any referendum held pursuant to
10 any such petition shall be rendered null and void because of
11 the failure to file an affidavit or publish a notice with
12 respect to the petition or referendum as required under this
13 subsection (g) for petitions that are not filed under any of
14 those Articles of the School Code.

15 (Source: P.A. 96-1008, eff. 7-6-10.)

16 Section 905. The Economic Development Area Tax Increment
17 Allocation Act is amended by changing Section 7 as follows:

18 (20 ILCS 620/7) (from Ch. 67 1/2, par. 1007)

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

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

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

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

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

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

21 When the economic development project costs, including
22 without limitation all municipal obligations financing
23 economic development project costs incurred under this Act,
24 have been paid, all surplus funds then remaining in the special
25 tax allocation fund shall be distributed by being paid by the
26 municipal treasurer to the county collector, who shall

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

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

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

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

25 Section 910. The Civil Administrative Code of Illinois

1 (Department of Revenue Law) is amended by adding Section
2 2505-800 as follows:

3 (20 ILCS 2505/2505-800 new)

4 Sec. 2505-800. Tax Increment Financing Reform Task Force.

5 (a) There is hereby created the Tax Increment Financing
6 Reform Task Force which shall consist of the following members:

7 (1) 3 members of the General Assembly, appointed by the
8 President of the Senate;

9 (2) 3 members of the General Assembly, appointed by the
10 Minority Leader of the Senate;

11 (3) 3 members of the General Assembly, appointed by the
12 Speaker of the House of Representatives; and

13 (4) 3 members of the General Assembly, appointed by the
14 Minority Leader of the House of Representatives.

15 (b) The members of the Task Force shall elect one co-chair
16 from each legislative caucus, who shall call meetings of the
17 Task Force to order. The Task Force shall hold an initial
18 meeting within 60 days after the effective date of this
19 amendatory Act of the 100th General Assembly.

20 (c) The Task Force shall conduct a study examining current
21 Tax Increment Financing (TIF) laws in this State and issues
22 that include, but are not limited to:

23 (1) the benefits and costs of TIF districts;

24 (2) the interaction between TIF law and school funding;

25 (3) the expenditure of TIF funds; and

1 (4) the expenditure of TIF surplus funds.

2 (d) The Task Force shall report the findings of the study
3 and any recommendations to the General Assembly on or before
4 April 1, 2018, at which time the Task Force shall be dissolved.

5 (e) The Department of Revenue shall provide staff and
6 administrative support to the Task Force, and shall post on its
7 website the report under subsection (d) of this Section.

8 (f) The Task Force is exempt from any requirements under
9 the Freedom of Information Act and Open Meetings Act.

10 (g) This Section is repealed on April 30, 2018.

11 Section 915. The State Finance Act is amended by changing
12 Section 13.2 as follows:

13 (30 ILCS 105/13.2) (from Ch. 127, par. 149.2)

14 Sec. 13.2. Transfers among line item appropriations.

15 (a) Transfers among line item appropriations from the same
16 treasury fund for the objects specified in this Section may be
17 made in the manner provided in this Section when the balance
18 remaining in one or more such line item appropriations is
19 insufficient for the purpose for which the appropriation was
20 made.

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

1 (a-2) Except as otherwise provided in this Section,
2 transfers may be made only among the objects of expenditure
3 enumerated in this Section, except that no funds may be
4 transferred from any appropriation for personal services, from
5 any appropriation for State contributions to the State
6 Employees' Retirement System, from any separate appropriation
7 for employee retirement contributions paid by the employer, nor
8 from any appropriation for State contribution for employee
9 group insurance. During State fiscal year 2005, an agency may
10 transfer amounts among its appropriations within the same
11 treasury fund for personal services, employee retirement
12 contributions paid by employer, and State Contributions to
13 retirement systems; notwithstanding and in addition to the
14 transfers authorized in subsection (c) of this Section, the
15 fiscal year 2005 transfers authorized in this sentence may be
16 made in an amount not to exceed 2% of the aggregate amount
17 appropriated to an agency within the same treasury fund. During
18 State fiscal year 2007, the Departments of Children and Family
19 Services, Corrections, Human Services, and Juvenile Justice
20 may transfer amounts among their respective appropriations
21 within the same treasury fund for personal services, employee
22 retirement contributions paid by employer, and State
23 contributions to retirement systems. During State fiscal year
24 2010, the Department of Transportation may transfer amounts
25 among their respective appropriations within the same treasury
26 fund for personal services, employee retirement contributions

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

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

19 (a-3) Further, if an agency receives a separate
20 appropriation for employee retirement contributions paid by
21 the employer, any transfer by that agency into an appropriation
22 for personal services must be accompanied by a corresponding
23 transfer into the appropriation for employee retirement
24 contributions paid by the employer, in an amount sufficient to
25 meet the employer share of the employee contributions required
26 to be remitted to the retirement system.

1 (a-4) Long-Term Care Rebalancing. The Governor may
2 designate amounts set aside for institutional services
3 appropriated from the General Revenue Fund or any other State
4 fund that receives monies for long-term care services to be
5 transferred to all State agencies responsible for the
6 administration of community-based long-term care programs,
7 including, but not limited to, community-based long-term care
8 programs administered by the Department of Healthcare and
9 Family Services, the Department of Human Services, and the
10 Department on Aging, provided that the Director of Healthcare
11 and Family Services first certifies that the amounts being
12 transferred are necessary for the purpose of assisting persons
13 in or at risk of being in institutional care to transition to
14 community-based settings, including the financial data needed
15 to prove the need for the transfer of funds. The total amounts
16 transferred shall not exceed 4% in total of the amounts
17 appropriated from the General Revenue Fund or any other State
18 fund that receives monies for long-term care services for each
19 fiscal year. A notice of the fund transfer must be made to the
20 General Assembly and posted at a minimum on the Department of
21 Healthcare and Family Services website, the Governor's Office
22 of Management and Budget website, and any other website the
23 Governor sees fit. These postings shall serve as notice to the
24 General Assembly of the amounts to be transferred. Notice shall
25 be given at least 30 days prior to transfer.

26 (b) In addition to the general transfer authority provided

1 under subsection (c), the following agencies have the specific
2 transfer authority granted in this subsection:

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

10 The Department of Children and Family Services is
11 authorized to make transfers not exceeding 2% of the aggregate
12 amount appropriated to it within the same treasury fund for the
13 following line items among these same line items: Foster Home
14 and Specialized Foster Care and Prevention, Institutions and
15 Group Homes and Prevention, and Purchase of Adoption and
16 Guardianship Services.

17 The Department on Aging is authorized to make transfers not
18 exceeding 2% of the aggregate amount appropriated to it within
19 the same treasury fund for the following Community Care Program
20 line items among these same line items: purchase of services
21 covered by the Community Care Program and Comprehensive Case
22 Coordination.

23 The State Treasurer is authorized to make transfers among
24 line item appropriations from the Capital Litigation Trust
25 Fund, with respect to costs incurred in fiscal years 2002 and
26 2003 only, when the balance remaining in one or more such line

1 item appropriations is insufficient for the purpose for which
2 the appropriation was made, provided that no such transfer may
3 be made unless the amount transferred is no longer required for
4 the purpose for which that appropriation was made.

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

15 The State Board of Education is authorized to make
16 transfers between the following line item appropriations
17 within the same treasury fund: Disabled Student
18 Services/Materials (Section 14-13.01 of the School Code),
19 Disabled Student Transportation Reimbursement (Section
20 14-13.01 of the School Code), Disabled Student Tuition -
21 Private Tuition (Section 14-7.02 of the School Code),
22 Extraordinary Special Education (Section 14-7.02b of the
23 School Code), Reimbursement for Free Lunch/Breakfast Program,
24 Summer School Payments (Section 18-4.3 of the School Code), and
25 Transportation - Regular/Vocational Reimbursement (Section
26 29-5 of the School Code). Such transfers shall be made only

1 when the balance remaining in one or more such line item
2 appropriations is insufficient for the purpose for which the
3 appropriation was made and provided that no such transfer may
4 be made unless the amount transferred is no longer required for
5 the purpose for which that appropriation was made.

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

10 (c) The sum of such transfers for an agency in a fiscal
11 year shall not exceed 2% of the aggregate amount appropriated
12 to it within the same treasury fund for the following objects:
13 Personal Services; Extra Help; Student and Inmate
14 Compensation; State Contributions to Retirement Systems; State
15 Contributions to Social Security; State Contribution for
16 Employee Group Insurance; Contractual Services; Travel;
17 Commodities; Printing; Equipment; Electronic Data Processing;
18 Operation of Automotive Equipment; Telecommunications
19 Services; Travel and Allowance for Committed, Paroled and
20 Discharged Prisoners; Library Books; Federal Matching Grants
21 for Student Loans; Refunds; Workers' Compensation,
22 Occupational Disease, and Tort Claims; and, in appropriations
23 to institutions of higher education, Awards and Grants.
24 Notwithstanding the above, any amounts appropriated for
25 payment of workers' compensation claims to an agency to which
26 the authority to evaluate, administer and pay such claims has

1 been delegated by the Department of Central Management Services
2 may be transferred to any other expenditure object where such
3 amounts exceed the amount necessary for the payment of such
4 claims.

5 (c-1) Special provisions for State fiscal year 2003.
6 Notwithstanding any other provision of this Section to the
7 contrary, for State fiscal year 2003 only, transfers among line
8 item appropriations to an agency from the same treasury fund
9 may be made provided that the sum of such transfers for an
10 agency in State fiscal year 2003 shall not exceed 3% of the
11 aggregate amount appropriated to that State agency for State
12 fiscal year 2003 for the following objects: personal services,
13 except that no transfer may be approved which reduces the
14 aggregate appropriations for personal services within an
15 agency; extra help; student and inmate compensation; State
16 contributions to retirement systems; State contributions to
17 social security; State contributions for employee group
18 insurance; contractual services; travel; commodities;
19 printing; equipment; electronic data processing; operation of
20 automotive equipment; telecommunications services; travel and
21 allowance for committed, paroled, and discharged prisoners;
22 library books; federal matching grants for student loans;
23 refunds; workers' compensation, occupational disease, and tort
24 claims; and, in appropriations to institutions of higher
25 education, awards and grants.

26 (c-2) Special provisions for State fiscal year 2005.

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

10 (c-3) Special provisions for State fiscal year 2015.
11 Notwithstanding any other provision of this Section, for State
12 fiscal year 2015, transfers among line item appropriations to a
13 State agency from the same State treasury fund may be made for
14 operational or lump sum expenses only, provided that the sum of
15 such transfers for a State agency in State fiscal year 2015
16 shall not exceed 4% of the aggregate amount appropriated to
17 that State agency for operational or lump sum expenses for
18 State fiscal year 2015. For the purpose of this subsection,
19 "operational or lump sum expenses" includes the following
20 objects: personal services; extra help; student and inmate
21 compensation; State contributions to retirement systems; State
22 contributions to social security; State contributions for
23 employee group insurance; contractual services; travel;
24 commodities; printing; equipment; electronic data processing;
25 operation of automotive equipment; telecommunications
26 services; travel and allowance for committed, paroled, and

1 discharged prisoners; library books; federal matching grants
2 for student loans; refunds; workers' compensation,
3 occupational disease, and tort claims; lump sum and other
4 purposes; and lump sum operations. For the purpose of this
5 subsection (c-3), "State agency" does not include the Attorney
6 General, the Secretary of State, the Comptroller, the
7 Treasurer, or the legislative or judicial branches.

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

22 The officer responsible for approval shall certify that the
23 transfer is necessary to carry out the programs and purposes
24 for which the appropriations were made by the General Assembly
25 and shall transmit to the State Comptroller a certified copy of
26 the approval which shall set forth the specific amounts

1 transferred so that the Comptroller may change his records
2 accordingly. The Comptroller shall furnish the Governor with
3 information copies of all transfers approved for agencies of
4 the Legislative and Judicial departments and transfers
5 approved by the constitutionally elected officials of the
6 Executive branch other than the Governor, showing the amounts
7 transferred and indicating the dates such changes were entered
8 on the Comptroller's records.

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

18 (1) Disabled Student Personnel Reimbursement (Section
19 14-13.01 of the School Code);

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

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

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

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

1 (6) Summer School Payments (Section 18-4.3 of the
2 School Code);

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

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

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

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

11 Section 920. The Illinois Income Tax Act is amended by
12 adding Section 224 as follows:

13 (35 ILCS 5/224 new)

14 Sec. 224. Invest in Kids credit.

15 (a) For taxable years beginning on or after January 1, 2018
16 and ending before January 1, 2023, each taxpayer for whom a tax
17 credit has been awarded by the Department under the Invest in
18 Kids Act is entitled to a credit against the tax imposed under
19 subsections (a) and (b) of Section 201 of this Act in an amount
20 equal to the amount awarded under the Invest in Kids Act.

21 (b) For partners, shareholders of subchapter S
22 corporations, and owners of limited liability companies, if the
23 liability company is treated as a partnership for purposes of
24 federal and State income taxation, the credit under this

1 Section shall be determined in accordance with the
2 determination of income and distributive share of income under
3 Sections 702 and 704 and subchapter S of the Internal Revenue
4 Code.

5 (c) The credit may not be carried back and may not reduce
6 the taxpayer's liability to less than zero. If the amount of
7 the credit exceeds the tax liability for the year, the excess
8 may be carried forward and applied to the tax liability of the
9 5 taxable years following the excess credit year. The tax
10 credit shall be applied to the earliest year for which there is
11 a tax liability. If there are credits for more than one year
12 that are available to offset the liability, the earlier credit
13 shall be applied first.

14 (d) A tax credit awarded by the Department under the Invest
15 in Kids Act may not be claimed for any qualified contribution
16 for which the taxpayer claims a federal income tax deduction.

17 Section 925. The Property Tax Code is amended by changing
18 Sections 18-185, 18-200, and 18-249 and by adding Section
19 18-206 as follows:

20 (35 ILCS 200/18-185)

21 Sec. 18-185. Short title; definitions. This Division 5 may
22 be cited as the Property Tax Extension Limitation Law. As used
23 in this Division 5:

24 "Consumer Price Index" means the Consumer Price Index for

1 All Urban Consumers for all items published by the United
2 States Department of Labor.

3 "Extension limitation" means (a) the lesser of 5% or the
4 percentage increase in the Consumer Price Index during the
5 12-month calendar year preceding the levy year or (b) the rate
6 of increase approved by voters under Section 18-205.

7 "Affected county" means a county of 3,000,000 or more
8 inhabitants or a county contiguous to a county of 3,000,000 or
9 more inhabitants.

10 "Taxing district" has the same meaning provided in Section
11 1-150, except as otherwise provided in this Section. For the
12 1991 through 1994 levy years only, "taxing district" includes
13 only each non-home rule taxing district having the majority of
14 its 1990 equalized assessed value within any county or counties
15 contiguous to a county with 3,000,000 or more inhabitants.
16 Beginning with the 1995 levy year, "taxing district" includes
17 only each non-home rule taxing district subject to this Law
18 before the 1995 levy year and each non-home rule taxing
19 district not subject to this Law before the 1995 levy year
20 having the majority of its 1994 equalized assessed value in an
21 affected county or counties. Beginning with the levy year in
22 which this Law becomes applicable to a taxing district as
23 provided in Section 18-213, "taxing district" also includes
24 those taxing districts made subject to this Law as provided in
25 Section 18-213.

26 "Aggregate extension" for taxing districts to which this

1 Law applied before the 1995 levy year means the annual
2 corporate extension for the taxing district and those special
3 purpose extensions that are made annually for the taxing
4 district, excluding special purpose extensions: (a) made for
5 the taxing district to pay interest or principal on general
6 obligation bonds that were approved by referendum; (b) made for
7 any taxing district to pay interest or principal on general
8 obligation bonds issued before October 1, 1991; (c) made for
9 any taxing district to pay interest or principal on bonds
10 issued to refund or continue to refund those bonds issued
11 before October 1, 1991; (d) made for any taxing district to pay
12 interest or principal on bonds issued to refund or continue to
13 refund bonds issued after October 1, 1991 that were approved by
14 referendum; (e) made for any taxing district to pay interest or
15 principal on revenue bonds issued before October 1, 1991 for
16 payment of which a property tax levy or the full faith and
17 credit of the unit of local government is pledged; however, a
18 tax for the payment of interest or principal on those bonds
19 shall be made only after the governing body of the unit of
20 local government finds that all other sources for payment are
21 insufficient to make those payments; (f) made for payments
22 under a building commission lease when the lease payments are
23 for the retirement of bonds issued by the commission before
24 October 1, 1991, to pay for the building project; (g) made for
25 payments due under installment contracts entered into before
26 October 1, 1991; (h) made for payments of principal and

1 interest on bonds issued under the Metropolitan Water
2 Reclamation District Act to finance construction projects
3 initiated before October 1, 1991; (i) made for payments of
4 principal and interest on limited bonds, as defined in Section
5 3 of the Local Government Debt Reform Act, in an amount not to
6 exceed the debt service extension base less the amount in items
7 (b), (c), (e), and (h) of this definition for non-referendum
8 obligations, except obligations initially issued pursuant to
9 referendum; (j) made for payments of principal and interest on
10 bonds issued under Section 15 of the Local Government Debt
11 Reform Act; (k) made by a school district that participates in
12 the Special Education District of Lake County, created by
13 special education joint agreement under Section 10-22.31 of the
14 School Code, for payment of the school district's share of the
15 amounts required to be contributed by the Special Education
16 District of Lake County to the Illinois Municipal Retirement
17 Fund under Article 7 of the Illinois Pension Code; the amount
18 of any extension under this item (k) shall be certified by the
19 school district to the county clerk; (l) made to fund expenses
20 of providing joint recreational programs for persons with
21 disabilities under Section 5-8 of the Park District Code or
22 Section 11-95-14 of the Illinois Municipal Code; (m) made for
23 temporary relocation loan repayment purposes pursuant to
24 Sections 2-3.77 and 17-2.2d of the School Code; (n) made for
25 payment of principal and interest on any bonds issued under the
26 authority of Section 17-2.2d of the School Code; (o) made for

1 contributions to a firefighter's pension fund created under
2 Article 4 of the Illinois Pension Code, to the extent of the
3 amount certified under item (5) of Section 4-134 of the
4 Illinois Pension Code; and (p) made for road purposes in the
5 first year after a township assumes the rights, powers, duties,
6 assets, property, liabilities, obligations, and
7 responsibilities of a road district abolished under the
8 provisions of Section 6-133 of the Illinois Highway Code.

9 "Aggregate extension" for the taxing districts to which
10 this Law did not apply before the 1995 levy year (except taxing
11 districts subject to this Law in accordance with Section
12 18-213) means the annual corporate extension for the taxing
13 district and those special purpose extensions that are made
14 annually for the taxing district, excluding special purpose
15 extensions: (a) made for the taxing district to pay interest or
16 principal on general obligation bonds that were approved by
17 referendum; (b) made for any taxing district to pay interest or
18 principal on general obligation bonds issued before March 1,
19 1995; (c) made for any taxing district to pay interest or
20 principal on bonds issued to refund or continue to refund those
21 bonds issued before March 1, 1995; (d) made for any taxing
22 district to pay interest or principal on bonds issued to refund
23 or continue to refund bonds issued after March 1, 1995 that
24 were approved by referendum; (e) made for any taxing district
25 to pay interest or principal on revenue bonds issued before
26 March 1, 1995 for payment of which a property tax levy or the

1 full faith and credit of the unit of local government is
2 pledged; however, a tax for the payment of interest or
3 principal on those bonds shall be made only after the governing
4 body of the unit of local government finds that all other
5 sources for payment are insufficient to make those payments;
6 (f) made for payments under a building commission lease when
7 the lease payments are for the retirement of bonds issued by
8 the commission before March 1, 1995 to pay for the building
9 project; (g) made for payments due under installment contracts
10 entered into before March 1, 1995; (h) made for payments of
11 principal and interest on bonds issued under the Metropolitan
12 Water Reclamation District Act to finance construction
13 projects initiated before October 1, 1991; (h-4) made for
14 stormwater management purposes by the Metropolitan Water
15 Reclamation District of Greater Chicago under Section 12 of the
16 Metropolitan Water Reclamation District Act; (i) made for
17 payments of principal and interest on limited bonds, as defined
18 in Section 3 of the Local Government Debt Reform Act, in an
19 amount not to exceed the debt service extension base less the
20 amount in items (b), (c), and (e) of this definition for
21 non-referendum obligations, except obligations initially
22 issued pursuant to referendum and bonds described in subsection
23 (h) of this definition; (j) made for payments of principal and
24 interest on bonds issued under Section 15 of the Local
25 Government Debt Reform Act; (k) made for payments of principal
26 and interest on bonds authorized by Public Act 88-503 and

1 issued under Section 20a of the Chicago Park District Act for
2 aquarium or museum projects; (l) made for payments of principal
3 and interest on bonds authorized by Public Act 87-1191 or
4 93-601 and (i) issued pursuant to Section 21.2 of the Cook
5 County Forest Preserve District Act, (ii) issued under Section
6 42 of the Cook County Forest Preserve District Act for
7 zoological park projects, or (iii) issued under Section 44.1 of
8 the Cook County Forest Preserve District Act for botanical
9 gardens projects; (m) made pursuant to Section 34-53.5 of the
10 School Code, whether levied annually or not; (n) made to fund
11 expenses of providing joint recreational programs for persons
12 with disabilities under Section 5-8 of the Park District Code
13 or Section 11-95-14 of the Illinois Municipal Code; (o) made by
14 the Chicago Park District for recreational programs for persons
15 with disabilities under subsection (c) of Section 7.06 of the
16 Chicago Park District Act; (p) made for contributions to a
17 firefighter's pension fund created under Article 4 of the
18 Illinois Pension Code, to the extent of the amount certified
19 under item (5) of Section 4-134 of the Illinois Pension Code;
20 (q) made by Ford Heights School District 169 under Section
21 17-9.02 of the School Code; and (r) made for the purpose of
22 making employer contributions to the Public School Teachers'
23 Pension and Retirement Fund of Chicago under Section 34-53 of
24 the School Code.

25 "Aggregate extension" for all taxing districts to which
26 this Law applies in accordance with Section 18-213, except for

1 those taxing districts subject to paragraph (2) of subsection
2 (e) of Section 18-213, means the annual corporate extension for
3 the taxing district and those special purpose extensions that
4 are made annually for the taxing district, excluding special
5 purpose extensions: (a) made for the taxing district to pay
6 interest or principal on general obligation bonds that were
7 approved by referendum; (b) made for any taxing district to pay
8 interest or principal on general obligation bonds issued before
9 the date on which the referendum making this Law applicable to
10 the taxing district is held; (c) made for any taxing district
11 to pay interest or principal on bonds issued to refund or
12 continue to refund those bonds issued before the date on which
13 the referendum making this Law applicable to the taxing
14 district is held; (d) made for any taxing district to pay
15 interest or principal on bonds issued to refund or continue to
16 refund bonds issued after the date on which the referendum
17 making this Law applicable to the taxing district is held if
18 the bonds were approved by referendum after the date on which
19 the referendum making this Law applicable to the taxing
20 district is held; (e) made for any taxing district to pay
21 interest or principal on revenue bonds issued before the date
22 on which the referendum making this Law applicable to the
23 taxing district is held for payment of which a property tax
24 levy or the full faith and credit of the unit of local
25 government is pledged; however, a tax for the payment of
26 interest or principal on those bonds shall be made only after

1 the governing body of the unit of local government finds that
2 all other sources for payment are insufficient to make those
3 payments; (f) made for payments under a building commission
4 lease when the lease payments are for the retirement of bonds
5 issued by the commission before the date on which the
6 referendum making this Law applicable to the taxing district is
7 held to pay for the building project; (g) made for payments due
8 under installment contracts entered into before the date on
9 which the referendum making this Law applicable to the taxing
10 district is held; (h) made for payments of principal and
11 interest on limited bonds, as defined in Section 3 of the Local
12 Government Debt Reform Act, in an amount not to exceed the debt
13 service extension base less the amount in items (b), (c), and
14 (e) of this definition for non-referendum obligations, except
15 obligations initially issued pursuant to referendum; (i) made
16 for payments of principal and interest on bonds issued under
17 Section 15 of the Local Government Debt Reform Act; (j) made
18 for a qualified airport authority to pay interest or principal
19 on general obligation bonds issued for the purpose of paying
20 obligations due under, or financing airport facilities
21 required to be acquired, constructed, installed or equipped
22 pursuant to, contracts entered into before March 1, 1996 (but
23 not including any amendments to such a contract taking effect
24 on or after that date); (k) made to fund expenses of providing
25 joint recreational programs for persons with disabilities
26 under Section 5-8 of the Park District Code or Section 11-95-14

1 of the Illinois Municipal Code; (l) made for contributions to a
2 firefighter's pension fund created under Article 4 of the
3 Illinois Pension Code, to the extent of the amount certified
4 under item (5) of Section 4-134 of the Illinois Pension Code;
5 and (m) made for the taxing district to pay interest or
6 principal on general obligation bonds issued pursuant to
7 Section 19-3.10 of the School Code.

8 "Aggregate extension" for all taxing districts to which
9 this Law applies in accordance with paragraph (2) of subsection
10 (e) of Section 18-213 means the annual corporate extension for
11 the taxing district and those special purpose extensions that
12 are made annually for the taxing district, excluding special
13 purpose extensions: (a) made for the taxing district to pay
14 interest or principal on general obligation bonds that were
15 approved by referendum; (b) made for any taxing district to pay
16 interest or principal on general obligation bonds issued before
17 the effective date of this amendatory Act of 1997; (c) made for
18 any taxing district to pay interest or principal on bonds
19 issued to refund or continue to refund those bonds issued
20 before the effective date of this amendatory Act of 1997; (d)
21 made for any taxing district to pay interest or principal on
22 bonds issued to refund or continue to refund bonds issued after
23 the effective date of this amendatory Act of 1997 if the bonds
24 were approved by referendum after the effective date of this
25 amendatory Act of 1997; (e) made for any taxing district to pay
26 interest or principal on revenue bonds issued before the

1 effective date of this amendatory Act of 1997 for payment of
2 which a property tax levy or the full faith and credit of the
3 unit of local government is pledged; however, a tax for the
4 payment of interest or principal on those bonds shall be made
5 only after the governing body of the unit of local government
6 finds that all other sources for payment are insufficient to
7 make those payments; (f) made for payments under a building
8 commission lease when the lease payments are for the retirement
9 of bonds issued by the commission before the effective date of
10 this amendatory Act of 1997 to pay for the building project;
11 (g) made for payments due under installment contracts entered
12 into before the effective date of this amendatory Act of 1997;
13 (h) made for payments of principal and interest on limited
14 bonds, as defined in Section 3 of the Local Government Debt
15 Reform Act, in an amount not to exceed the debt service
16 extension base less the amount in items (b), (c), and (e) of
17 this definition for non-referendum obligations, except
18 obligations initially issued pursuant to referendum; (i) made
19 for payments of principal and interest on bonds issued under
20 Section 15 of the Local Government Debt Reform Act; (j) made
21 for a qualified airport authority to pay interest or principal
22 on general obligation bonds issued for the purpose of paying
23 obligations due under, or financing airport facilities
24 required to be acquired, constructed, installed or equipped
25 pursuant to, contracts entered into before March 1, 1996 (but
26 not including any amendments to such a contract taking effect

1 on or after that date); (k) made to fund expenses of providing
2 joint recreational programs for persons with disabilities
3 under Section 5-8 of the Park District Code or Section 11-95-14
4 of the Illinois Municipal Code; and (l) made for contributions
5 to a firefighter's pension fund created under Article 4 of the
6 Illinois Pension Code, to the extent of the amount certified
7 under item (5) of Section 4-134 of the Illinois Pension Code.

8 "Debt service extension base" means an amount equal to that
9 portion of the extension for a taxing district for the 1994
10 levy year, or for those taxing districts subject to this Law in
11 accordance with Section 18-213, except for those subject to
12 paragraph (2) of subsection (e) of Section 18-213, for the levy
13 year in which the referendum making this Law applicable to the
14 taxing district is held, or for those taxing districts subject
15 to this Law in accordance with paragraph (2) of subsection (e)
16 of Section 18-213 for the 1996 levy year, constituting an
17 extension for payment of principal and interest on bonds issued
18 by the taxing district without referendum, but not including
19 excluded non-referendum bonds. For park districts (i) that were
20 first subject to this Law in 1991 or 1995 and (ii) whose
21 extension for the 1994 levy year for the payment of principal
22 and interest on bonds issued by the park district without
23 referendum (but not including excluded non-referendum bonds)
24 was less than 51% of the amount for the 1991 levy year
25 constituting an extension for payment of principal and interest
26 on bonds issued by the park district without referendum (but

1 not including excluded non-referendum bonds), "debt service
2 extension base" means an amount equal to that portion of the
3 extension for the 1991 levy year constituting an extension for
4 payment of principal and interest on bonds issued by the park
5 district without referendum (but not including excluded
6 non-referendum bonds). A debt service extension base
7 established or increased at any time pursuant to any provision
8 of this Law, except Section 18-212, shall be increased each
9 year commencing with the later of (i) the 2009 levy year or
10 (ii) the first levy year in which this Law becomes applicable
11 to the taxing district, by the lesser of 5% or the percentage
12 increase in the Consumer Price Index during the 12-month
13 calendar year preceding the levy year. The debt service
14 extension base may be established or increased as provided
15 under Section 18-212. "Excluded non-referendum bonds" means
16 (i) bonds authorized by Public Act 88-503 and issued under
17 Section 20a of the Chicago Park District Act for aquarium and
18 museum projects; (ii) bonds issued under Section 15 of the
19 Local Government Debt Reform Act; or (iii) refunding
20 obligations issued to refund or to continue to refund
21 obligations initially issued pursuant to referendum.

22 "Special purpose extensions" include, but are not limited
23 to, extensions for levies made on an annual basis for
24 unemployment and workers' compensation, self-insurance,
25 contributions to pension plans, and extensions made pursuant to
26 Section 6-601 of the Illinois Highway Code for a road

1 district's permanent road fund whether levied annually or not.
2 The extension for a special service area is not included in the
3 aggregate extension.

4 "Aggregate extension base" means the taxing district's
5 last preceding aggregate extension as adjusted under Sections
6 18-135, 18-215, ~~and~~ 18-230, and 18-206. An adjustment under
7 Section 18-135 shall be made for the 2007 levy year and all
8 subsequent levy years whenever one or more counties within
9 which a taxing district is located (i) used estimated
10 valuations or rates when extending taxes in the taxing district
11 for the last preceding levy year that resulted in the over or
12 under extension of taxes, or (ii) increased or decreased the
13 tax extension for the last preceding levy year as required by
14 Section 18-135(c). Whenever an adjustment is required under
15 Section 18-135, the aggregate extension base of the taxing
16 district shall be equal to the amount that the aggregate
17 extension of the taxing district would have been for the last
18 preceding levy year if either or both (i) actual, rather than
19 estimated, valuations or rates had been used to calculate the
20 extension of taxes for the last levy year, or (ii) the tax
21 extension for the last preceding levy year had not been
22 adjusted as required by subsection (c) of Section 18-135.

23 Notwithstanding any other provision of law, for levy year
24 2012, the aggregate extension base for West Northfield School
25 District No. 31 in Cook County shall be \$12,654,592.

26 "Levy year" has the same meaning as "year" under Section

1 1-155.

2 "New property" means (i) the assessed value, after final
3 board of review or board of appeals action, of new improvements
4 or additions to existing improvements on any parcel of real
5 property that increase the assessed value of that real property
6 during the levy year multiplied by the equalization factor
7 issued by the Department under Section 17-30, (ii) the assessed
8 value, after final board of review or board of appeals action,
9 of real property not exempt from real estate taxation, which
10 real property was exempt from real estate taxation for any
11 portion of the immediately preceding levy year, multiplied by
12 the equalization factor issued by the Department under Section
13 17-30, including the assessed value, upon final stabilization
14 of occupancy after new construction is complete, of any real
15 property located within the boundaries of an otherwise or
16 previously exempt military reservation that is intended for
17 residential use and owned by or leased to a private corporation
18 or other entity, (iii) in counties that classify in accordance
19 with Section 4 of Article IX of the Illinois Constitution, an
20 incentive property's additional assessed value resulting from
21 a scheduled increase in the level of assessment as applied to
22 the first year final board of review market value, and (iv) any
23 increase in assessed value due to oil or gas production from an
24 oil or gas well required to be permitted under the Hydraulic
25 Fracturing Regulatory Act that was not produced in or accounted
26 for during the previous levy year. In addition, the county

1 clerk in a county containing a population of 3,000,000 or more
2 shall include in the 1997 recovered tax increment value for any
3 school district, any recovered tax increment value that was
4 applicable to the 1995 tax year calculations.

5 "Qualified airport authority" means an airport authority
6 organized under the Airport Authorities Act and located in a
7 county bordering on the State of Wisconsin and having a
8 population in excess of 200,000 and not greater than 500,000.

9 "Recovered tax increment value" means, except as otherwise
10 provided in this paragraph, the amount of the current year's
11 equalized assessed value, in the first year after a
12 municipality terminates the designation of an area as a
13 redevelopment project area previously established under the
14 Tax Increment Allocation Development Act in the Illinois
15 Municipal Code, previously established under the Industrial
16 Jobs Recovery Law in the Illinois Municipal Code, previously
17 established under the Economic Development Project Area Tax
18 Increment Act of 1995, or previously established under the
19 Economic Development Area Tax Increment Allocation Act, of each
20 taxable lot, block, tract, or parcel of real property in the
21 redevelopment project area over and above the initial equalized
22 assessed value of each property in the redevelopment project
23 area. For the taxes which are extended for the 1997 levy year,
24 the recovered tax increment value for a non-home rule taxing
25 district that first became subject to this Law for the 1995
26 levy year because a majority of its 1994 equalized assessed

1 value was in an affected county or counties shall be increased
2 if a municipality terminated the designation of an area in 1993
3 as a redevelopment project area previously established under
4 the Tax Increment Allocation Development Act in the Illinois
5 Municipal Code, previously established under the Industrial
6 Jobs Recovery Law in the Illinois Municipal Code, or previously
7 established under the Economic Development Area Tax Increment
8 Allocation Act, by an amount equal to the 1994 equalized
9 assessed value of each taxable lot, block, tract, or parcel of
10 real property in the redevelopment project area over and above
11 the initial equalized assessed value of each property in the
12 redevelopment project area. In the first year after a
13 municipality removes a taxable lot, block, tract, or parcel of
14 real property from a redevelopment project area established
15 under the Tax Increment Allocation Development Act in the
16 Illinois Municipal Code, the Industrial Jobs Recovery Law in
17 the Illinois Municipal Code, or the Economic Development Area
18 Tax Increment Allocation Act, "recovered tax increment value"
19 means the amount of the current year's equalized assessed value
20 of each taxable lot, block, tract, or parcel of real property
21 removed from the redevelopment project area over and above the
22 initial equalized assessed value of that real property before
23 removal from the redevelopment project area.

24 Except as otherwise provided in this Section, "limiting
25 rate" means a fraction the numerator of which is the last
26 preceding aggregate extension base times an amount equal to one

1 plus the extension limitation defined in this Section and the
2 denominator of which is the current year's equalized assessed
3 value of all real property in the territory under the
4 jurisdiction of the taxing district during the prior levy year.
5 For those taxing districts that reduced their aggregate
6 extension for the last preceding levy year, except for school
7 districts that reduced their extension for educational
8 purposes pursuant to Section 18-206, the highest aggregate
9 extension in any of the last 3 preceding levy years shall be
10 used for the purpose of computing the limiting rate. The
11 denominator shall not include new property or the recovered tax
12 increment value. If a new rate, a rate decrease, or a limiting
13 rate increase has been approved at an election held after March
14 21, 2006, then (i) the otherwise applicable limiting rate shall
15 be increased by the amount of the new rate or shall be reduced
16 by the amount of the rate decrease, as the case may be, or (ii)
17 in the case of a limiting rate increase, the limiting rate
18 shall be equal to the rate set forth in the proposition
19 approved by the voters for each of the years specified in the
20 proposition, after which the limiting rate of the taxing
21 district shall be calculated as otherwise provided. In the case
22 of a taxing district that obtained referendum approval for an
23 increased limiting rate on March 20, 2012, the limiting rate
24 for tax year 2012 shall be the rate that generates the
25 approximate total amount of taxes extendable for that tax year,
26 as set forth in the proposition approved by the voters; this

1 rate shall be the final rate applied by the county clerk for
2 the aggregate of all capped funds of the district for tax year
3 2012.

4 (Source: P.A. 98-6, eff. 3-29-13; 98-23, eff. 6-17-13; 99-143,
5 eff. 7-27-15; 99-521, eff. 6-1-17.)

6 (35 ILCS 200/18-200)

7 Sec. 18-200. School Code. A school district's State aid
8 shall not be reduced under the computation under subsections
9 5(a) through 5(h) of Part A of Section 18-8 of the School Code
10 or under Section 18-8.15 of the School Code due to the
11 operating tax rate falling from above the minimum requirement
12 of that Section of the School Code to below the minimum
13 requirement of that Section of the School Code due to the
14 operation of this Law.

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

16 (35 ILCS 200/18-206 new)

17 Sec. 18-206. Decrease in extension for educational
18 purposes.

19 (a) Notwithstanding any other provision of law, for those
20 school districts whose adequacy targets, as defined in Section
21 18-8.15 of this Code, exceed 110% for the school year that
22 begins during the calendar year immediately preceding the levy
23 year for which the reduction under this Section is sought, the
24 question of whether the school district shall reduce its

1 extension for educational purposes for the levy year in which
2 the election is held to an amount that is less than the
3 extension for educational purposes for the immediately
4 preceding levy year shall be submitted to the voters of the
5 school district at the next consolidated election but only upon
6 submission of a petition signed by not fewer than 10% of the
7 registered voters in the school district. In no event shall the
8 reduced extension be more than 10% lower than the amount
9 extended for educational purposes in the previous levy year,
10 and in no event shall the reduction cause the school district's
11 adequacy target to fall below 110% for the levy year for which
12 the reduction is sought.

13 (b) The petition shall be filed with the applicable
14 election authority, as defined in Section 1-3 of the Election
15 Code, or, in the case of multiple election authorities, with
16 the State Board of Elections, not more than 10 months nor less
17 than 6 months prior to the election at which the question is to
18 be submitted to the voters, and its validity shall be
19 determined as provided by Article 28 of the Election Code and
20 general election law. The election authority or Board, as
21 applicable, shall certify the question and the proper election
22 authority or authorities shall submit the question to the
23 voters. Except as otherwise provided in this Section, this
24 referendum shall be subject to all other general election law
25 requirements.

26 (c) The proposition seeking to reduce the extension for

1 educational purposes shall be in substantially the following
2 form:

3 Shall the amount extended for educational purposes by
4 (school district) be reduced from (previous levy year's
5 extension) to (proposed extension) for (levy year), but in
6 no event lower than the amount required to maintain an
7 adequacy target of 110%?

8 Votes shall be recorded as "Yes" or "No".

9 If a majority of all votes cast on the proposition are in
10 favor of the proposition, then, for the levy year in which the
11 election is held, the amount extended by the school district
12 for educational purposes shall be reduced as provided in the
13 referendum; however, in no event shall the reduction exceed the
14 amount that would cause the school district to have an adequacy
15 target of 110% for the applicable school year.

16 Once the question is submitted to the voters, then the
17 question may not be submitted again for the same school
18 district at any of the next 2 consolidated elections.

19 (d) For school districts that approve a reduction under
20 this Section, the county clerk shall extend a rate for
21 educational purposes that is no greater than the limiting rate
22 for educational purposes. If the school district is otherwise
23 subject to this Law for the applicable levy year, then, for the
24 levy year in which the reduction occurs, the county clerk shall
25 calculate separate limiting rates for educational purposes and
26 for the aggregate of the school district's other funds.

1 As used in this Section:

2 "School district" means each school district in the State,
3 regardless of whether or not that school district is otherwise
4 subject to this Law.

5 "Limiting rate for educational purposes" means a fraction
6 the numerator of which is the greater of (i) the amount
7 approved by the voters in the referendum under subsection (c)
8 of this Section or (ii) the amount that would cause the school
9 district to have an adequacy target of 110% for the applicable
10 school year, but in no event more than the school district's
11 extension for educational purposes in the immediately
12 preceding levy year, and the denominator of which is the
13 current year's equalized assessed value of all real property
14 under the jurisdiction of the school district during the prior
15 levy year.

16 (35 ILCS 200/18-249)

17 Sec. 18-249. Miscellaneous provisions.

18 (a) Certification of new property. For the 1994 levy year,
19 the chief county assessment officer shall certify to the county
20 clerk, after all changes by the board of review or board of
21 appeals, as the case may be, the assessed value of new property
22 by taxing district for the 1994 levy year under rules
23 promulgated by the Department.

24 (b) School Code. A school district's State aid shall not be
25 reduced under the computation under subsections 5(a) through

1 5(h) of Part A of Section 18-8 of the School Code or under
2 Section 18-8.15 of the School Code due to the operating tax
3 rate falling from above the minimum requirement of that Section
4 of the School Code to below the minimum requirement of that
5 Section of the School Code due to the operation of this Law.

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

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

11 Section 930. The Illinois Pension Code is amended by
12 changing Section 17-127 as follows:

13 (40 ILCS 5/17-127) (from Ch. 108 1/2, par. 17-127)

14 Sec. 17-127. Financing; revenues for the Fund.

15 (a) The revenues for the Fund shall consist of: (1) amounts
16 paid into the Fund by contributors thereto and from employer
17 contributions and State appropriations in accordance with this
18 Article; (2) amounts contributed to the Fund by an Employer;
19 (3) amounts contributed to the Fund pursuant to any law now in
20 force or hereafter to be enacted; (4) contributions from any
21 other source; and (5) the earnings on investments.

22 (b) The General Assembly finds that for many years the
23 State has contributed to the Fund an annual amount that is
24 between 20% and 30% of the amount of the annual State

1 contribution to the Article 16 retirement system, and the
2 General Assembly declares that it is its goal and intention to
3 continue this level of contribution to the Fund in the future.

4 (c) Beginning in State fiscal year 1999, the State shall
5 include in its annual contribution to the Fund an additional
6 amount equal to 0.544% of the Fund's total teacher payroll;
7 except that this additional contribution need not be made in a
8 fiscal year if the Board has certified in the previous fiscal
9 year that the Fund is at least 90% funded, based on actuarial
10 determinations. These additional State contributions are
11 intended to offset a portion of the cost to the Fund of the
12 increases in retirement benefits resulting from this
13 amendatory Act of 1998.

14 (d) In addition to any other contribution required under
15 this Article, including the contribution required under
16 subsection (c), the State shall contribute to the Fund the
17 following amounts:

18 (1) For State fiscal year 2018, the State shall
19 contribute \$221,300,000 for the employer normal cost for
20 fiscal year 2018 and the amount allowed under paragraph (3)
21 of Section 17-142.1 of this Code to defray health insurance
22 costs. Funds for this paragraph (1) shall come from funds
23 appropriated for Evidence-Based Funding pursuant to
24 Section 18-8.15 of the School Code.

25 (2) Beginning in State fiscal year 2019, the State
26 shall contribute for each fiscal year an amount to be

1 determined by the Fund, equal to the employer normal cost
2 for that fiscal year, plus the amount allowed pursuant to
3 paragraph (3) of Section 17-142.1 to defray health
4 insurance costs.

5 (e) The Board shall determine the amount of State
6 contributions required for each fiscal year on the basis of the
7 actuarial tables and other assumptions adopted by the Board and
8 the recommendations of the actuary. On or before November 1 of
9 each year, beginning November 1, 2017, the Board shall submit
10 to the State Actuary, the Governor, and the General Assembly a
11 proposed certification of the amount of the required State
12 contribution to the Fund for the next fiscal year, along with
13 all of the actuarial assumptions, calculations, and data upon
14 which that proposed certification is based.

15 On or before January 1 of each year, beginning January 1,
16 2018, the State Actuary shall issue a preliminary report
17 concerning the proposed certification and identifying, if
18 necessary, recommended changes in actuarial assumptions that
19 the Board must consider before finalizing its certification of
20 the required State contributions.

21 (f) On or before January 15, 2018 and each January 15
22 thereafter, the Board shall certify to the Governor and the
23 General Assembly the amount of the required State contribution
24 for the next fiscal year. The certification shall include a
25 copy of the actuarial recommendations upon which it is based
26 and shall specifically identify the Fund's projected employer

1 normal cost for that fiscal year. The Board's certification
2 must note any deviations from the State Actuary's recommended
3 changes, the reason or reasons for not following the State
4 Actuary's recommended changes, and the fiscal impact of not
5 following the State Actuary's recommended changes on the
6 required State contribution.

7 For the purposes of this Article, including issuing
8 vouchers, and for the purposes of subsection (h) of Section 1.1
9 of the State Pension Funds Continuing Appropriation Act, the
10 State contribution specified for State fiscal year 2018 shall
11 be deemed to have been certified, by operation of law and
12 without official action by the Board or the State Actuary, in
13 the amount provided in subsection (c) and subsection (d) of
14 this Section.

15 (g) For State fiscal year 2018, the State Board of
16 Education shall submit vouchers, as directed by the Board, for
17 payment of State contributions to the Fund for the required
18 annual State contribution under subsection (d) of this Section.
19 These vouchers shall be paid by the State Comptroller and
20 Treasurer by warrants drawn on the amount appropriated to the
21 State Board of Education from the Common School Fund in Section
22 5 of Article 97 of Public Act 100-21. If State appropriations
23 for State fiscal year 2018 are less than the amount lawfully
24 vouchered under this subsection, the difference shall be paid
25 from the Common School Fund under the continuing appropriation
26 authority provided in Section 1.1 of the State Pension Funds

1 Continuing Appropriation Act.

2 (h) For State fiscal year 2018, the Board shall submit
3 vouchers for the payment of State contributions to the Fund for
4 the required annual State contribution under subsection (c) of
5 this Section. Beginning in State fiscal year 2019, the Board
6 shall submit vouchers for payment of State contributions to the
7 Fund for the required annual State contribution under
8 subsections (c) and (d) of this Section. These vouchers shall
9 be paid by the State Comptroller and Treasurer by warrants
10 drawn on the funds appropriated to the Fund for that fiscal
11 year. If State appropriations to the Fund for the applicable
12 fiscal year are less than the amount lawfully vouchered under
13 this subsection, the difference shall be paid from the Common
14 School Fund under the continuing appropriation authority
15 provided in Section 1.1 of the State Pension Funds Continuing
16 Appropriation Act.

17 (Source: P.A. 90-548, eff. 12-4-97; 90-566, eff. 1-2-98;
18 90-582, eff. 5-27-98; 90-655, eff. 7-30-98.)

19 Section 935. The State Pension Funds Continuing
20 Appropriation Act is amended by changing Section 1.1 as
21 follows:

22 (40 ILCS 15/1.1)

23 Sec. 1.1. Appropriations to certain retirement systems.

24 (a) There is hereby appropriated from the General Revenue

1 Fund to the General Assembly Retirement System, on a continuing
2 monthly basis, the amount, if any, by which the total available
3 amount of all other appropriations to that retirement system
4 for the payment of State contributions is less than the total
5 amount of the vouchers for required State contributions
6 lawfully submitted by the retirement system for that month
7 under Section 2-134 of the Illinois Pension Code.

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

19 (c) There is hereby appropriated from the Common School
20 Fund to the Teachers' Retirement System of the State of
21 Illinois, on a continuing monthly basis, the amount, if any, by
22 which the total available amount of all other appropriations to
23 that retirement system for the payment of State contributions
24 is less than the total amount of the vouchers for required
25 State contributions lawfully submitted by the retirement
26 system for that month under Section 16-158 of the Illinois

1 Pension Code.

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

10 (e) The continuing appropriations provided by subsections
11 (a), (b), (c), and (d) of this Section shall first be available
12 in State fiscal year 1996. The continuing appropriations
13 provided by subsection (h) of this Section shall first be
14 available as provided in that subsection (h).

15 (f) For State fiscal year 2010 only, the continuing
16 appropriations provided by this Section are equal to the amount
17 certified by each System on or before December 31, 2008, less
18 (i) the gross proceeds of the bonds sold in fiscal year 2010
19 under the authorization contained in subsection (a) of Section
20 7.2 of the General Obligation Bond Act and (ii) any amounts
21 received from the State Pensions Fund.

22 (g) For State fiscal year 2011 only, the continuing
23 appropriations provided by this Section are equal to the amount
24 certified by each System on or before April 1, 2011, less (i)
25 the gross proceeds of the bonds sold in fiscal year 2011 under
26 the authorization contained in subsection (a) of Section 7.2 of

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

3 (h) There is hereby appropriated from the Common School
4 Fund to the Public School Teachers' Pension and Retirement Fund
5 of Chicago, on a continuing basis, the amount, if any, by which
6 the total available amount of all other State appropriations to
7 that Retirement Fund for the payment of State contributions
8 under Section 17-127 of the Illinois Pension Code is less than
9 the total amount of the vouchers for required State
10 contributions lawfully submitted by the Retirement Fund or the
11 State Board of Education, under that Section 17-127.

12 (Source: P.A. 96-43, eff. 7-15-09; 96-1497, eff. 1-14-11;
13 96-1511, eff. 1-27-11.)

14 Section 940. The Innovation Development and Economy Act is
15 amended by changing Section 33 as follows:

16 (50 ILCS 470/33)

17 Sec. 33. STAR Bonds School Improvement and Operations Trust
18 Fund.

19 (a) The STAR Bonds School Improvement and Operations Trust
20 Fund is created as a trust fund in the State treasury. Deposits
21 into the Trust Fund shall be made as provided under this
22 Section. Moneys in the Trust Fund shall be used by the
23 Department of Revenue only for the purpose of making payments
24 to school districts in educational service regions that include

1 or are adjacent to the STAR bond district. Moneys in the Trust
2 Fund are not subject to appropriation and shall be used solely
3 as provided in this Section. All deposits into the Trust Fund
4 shall be held in the Trust Fund by the State Treasurer as ex
5 officio custodian separate and apart from all public moneys or
6 funds of this State and shall be administered by the Department
7 exclusively for the purposes set forth in this Section. All
8 moneys in the Trust Fund shall be invested and reinvested by
9 the State Treasurer. All interest accruing from these
10 investments shall be deposited in the Trust Fund.

11 (b) Upon approval of a STAR bond district, the political
12 subdivision shall immediately transmit to the county clerk of
13 the county in which the district is located a certified copy of
14 the ordinance creating the district, a legal description of the
15 district, a map of the district, identification of the year
16 that the county clerk shall use for determining the total
17 initial equalized assessed value of the district consistent
18 with subsection (c), and a list of the parcel or tax
19 identification number of each parcel of property included in
20 the district.

21 (c) Upon approval of a STAR bond district, the county clerk
22 immediately thereafter shall determine (i) the most recently
23 ascertained equalized assessed value of each lot, block, tract,
24 or parcel of real property within the STAR bond district, from
25 which shall be deducted the homestead exemptions under Article
26 15 of the Property Tax Code, which value shall be the initial

1 equalized assessed value of each such piece of property, and
2 (ii) the total equalized assessed value of all taxable real
3 property within the district by adding together the most
4 recently ascertained equalized assessed value of each taxable
5 lot, block, tract, or parcel of real property within the
6 district, from which shall be deducted the homestead exemptions
7 under Article 15 of the Property Tax Code, and shall certify
8 that amount as the total initial equalized assessed value of
9 the taxable real property within the STAR bond district.

10 (d) In reference to any STAR bond district created within
11 any political subdivision, and in respect to which the county
12 clerk has certified the total initial equalized assessed value
13 of the property in the area, the political subdivision may
14 thereafter request the clerk in writing to adjust the initial
15 equalized value of all taxable real property within the STAR
16 bond district by deducting therefrom the exemptions under
17 Article 15 of the Property Tax Code applicable to each lot,
18 block, tract, or parcel of real property within the STAR bond
19 district. The county clerk shall immediately, after the written
20 request to adjust the total initial equalized value is
21 received, determine the total homestead exemptions in the STAR
22 bond district as provided under Article 15 of the Property Tax
23 Code by adding together the homestead exemptions provided by
24 said Article on each lot, block, tract, or parcel of real
25 property within the STAR bond district and then shall deduct
26 the total of said exemptions from the total initial equalized

1 assessed value. The county clerk shall then promptly certify
2 that amount as the total initial equalized assessed value as
3 adjusted of the taxable real property within the STAR bond
4 district.

5 (e) The county clerk or other person authorized by law
6 shall compute the tax rates for each taxing district with all
7 or a portion of its equalized assessed value located in the
8 STAR bond district. The rate per cent of tax determined shall
9 be extended to the current equalized assessed value of all
10 property in the district in the same manner as the rate per
11 cent of tax is extended to all other taxable property in the
12 taxing district.

13 (f) Beginning with the assessment year in which the first
14 destination user in the first STAR bond project in a STAR bond
15 district makes its first retail sales and for each assessment
16 year thereafter until final maturity of the last STAR bonds
17 issued in the district, the county clerk or other person
18 authorized by law shall determine the increase in equalized
19 assessed value of all real property within the STAR bond
20 district by subtracting the initial equalized assessed value of
21 all property in the district certified under subsection (c)
22 from the current equalized assessed value of all property in
23 the district. Each year, the property taxes arising from the
24 increase in equalized assessed value in the STAR bond district
25 shall be determined for each taxing district and shall be
26 certified to the county collector.

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

12 (h) The Department shall pay to the regional superintendent
13 of schools whose educational service region includes Franklin
14 and Williamson Counties, for each year for which money is
15 remitted to the Department and paid into the STAR Bonds School
16 Improvement and Operations Trust Fund, the money in the Fund as
17 provided in this Section. The amount paid to each school
18 district shall be allocated proportionately, based on each
19 qualifying school district's fall enrollment for the
20 then-current school year, such that the school district with
21 the largest fall enrollment receives the largest proportionate
22 share of money paid out of the Fund or by any other method or
23 formula that the regional superintendent of schools deems fit,
24 equitable, and in the public interest. The regional
25 superintendent may allocate moneys to school districts that are
26 outside of his or her educational service region or to other

1 regional superintendents.

2 The Department shall determine the distributions under
3 this Section using its best judgment and information. The
4 Department shall be held harmless for the distributions made
5 under this Section and all distributions shall be final.

6 (i) In any year that an assessment appeal is filed, the
7 extension of taxes on any assessment so appealed shall not be
8 delayed. In the case of an assessment that is altered, any
9 taxes extended upon the unauthorized assessment or part thereof
10 shall be abated, or, if already paid, shall be refunded with
11 interest as provided in Section 23-20 of the Property Tax Code.
12 In the case of an assessment appeal, the county collector shall
13 notify the Department that an assessment appeal has been filed
14 and the amount of the tax that would have been deposited in the
15 STAR Bonds School Improvement and Operations Trust Fund. The
16 county collector shall hold that amount in a separate fund
17 until the appeal process is final. After the appeal process is
18 finalized, the county collector shall transmit to the
19 Department the amount of tax that remains, if any, after all
20 required refunds are made. The Department shall pay any amount
21 deposited into the Trust Fund under this Section in the same
22 proportion as determined for payments for that taxable year
23 under subsection (h).

24 (j) In any year that ad valorem taxes are allocated to the
25 STAR Bonds School Improvement and Operations Trust Fund, that
26 allocation shall not reduce or otherwise impact the school aid

1 provided to any school district under the general State school
2 aid formula provided for in Section 18-8.05 of the School Code
3 or the evidence-based funding formula provided for in Section
4 18-8.15 of the School Code.

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

6 Section 945. The County Economic Development Project Area
7 Property Tax Allocation Act is amended by changing Section 7 as
8 follows:

9 (55 ILCS 85/7) (from Ch. 34, par. 7007)

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

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

12 (2) That portion, if any, of those taxes which 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 are, over and above the initial equalized assessed value of
17 each property existing at the time property tax allocation
18 financing was adopted shall be allocated to and when
19 collected shall be paid to the county treasurer, who shall
20 deposit those taxes into a special fund called the special
21 tax allocation fund of the county for the purpose of paying
22 economic development project costs and obligations
23 incurred in the payment thereof.

24 The county, by an ordinance adopting property tax
25 allocation financing, may pledge the funds in and to be
26 deposited in the special tax allocation fund for the payment of

1 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 such properties shall
6 be used in calculating the general State school aid formula,
7 provided for in Section 18-8 of the School Code, or the
8 evidence-based funding formula, provided for in Section
9 18-8.15 of the School Code, until such time as all economic
10 development projects costs have been paid as provided for in
11 this Section.

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

1 outstanding and unpaid. Upon retirement of the bonds, the
2 trustee shall pay over any excess amounts held to the county
3 for deposit in the special tax allocation fund.

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

16 Upon the payment of all economic development project costs,
17 retirement of obligations and the distribution of any excess
18 monies pursuant to this Section and not later than 23 years
19 from the date of adoption of the ordinance adopting property
20 tax allocation financing, the county shall adopt an ordinance
21 dissolving the special tax allocation fund for the economic
22 development project area and terminating the designation of the
23 economic development project area as an economic development
24 project area; however, in relation to one or more contiguous
25 parcels not exceeding a total area of 120 acres within which an
26 electric generating facility is intended to be constructed, and

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

22 Nothing in this Section shall be construed as relieving
23 property in economic development project areas from being
24 assessed as provided in the Property Tax Code or as relieving
25 owners of that property from paying a uniform rate of taxes, as
26 required by Section 4 of Article IX of the Illinois

1 Constitution of 1970.

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

3 Section 950. The County Economic Development Project Area
4 Tax Increment Allocation Act of 1991 is amended by changing
5 Section 50 as follows:

6 (55 ILCS 90/50) (from Ch. 34, par. 8050)

7 Sec. 50. Special tax allocation fund.

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

20 (1) That portion of the taxes levied upon each taxable
21 lot, block, tract, or parcel of real property that is
22 attributable to the lower of the current equalized assessed
23 value or the initial equalized assessed value of each
24 taxable lot, block, tract, or parcel of real property

1 existing at the time tax increment financing was adopted
2 shall be allocated to (and when collected shall be paid by
3 the county collector to) the respective affected taxing
4 districts in the manner required by law in the absence of
5 the adoption of tax increment allocation financing.

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

18 (b) The county, by an ordinance adopting tax increment
19 allocation financing, may pledge the monies in and to be
20 deposited into the special tax allocation fund for the payment
21 of obligations issued under this Act and for the payment of
22 economic development project costs. No part of the current
23 equalized assessed valuation of each property in the economic
24 development project area attributable to any increase above the
25 total initial equalized assessed value of those properties
26 shall be used in calculating the general State ~~school~~ aid

1 formula under Section 18-8 of the School Code or the
2 evidence-based funding formula under Section 18-8.15 of the
3 School Code until all economic development projects costs have
4 been paid as provided for in this Section.

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

17 (d) Upon the payment of all economic development project
18 costs, retirement of obligations, and distribution of any
19 excess monies under this Section, the county shall adopt an
20 ordinance dissolving the special tax allocation fund for the
21 economic development project area and terminating the
22 designation of the economic development project area as an
23 economic development project area. Thereafter, the rates of the
24 taxing districts shall be extended and taxes shall be levied,
25 collected, and distributed in the manner applicable in the
26 absence of the adoption of tax increment allocation financing.

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

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

8 Section 955. The Illinois Municipal Code is amended by
9 changing Sections 11-74.4-3, 11-74.4-8, and 11-74.6-35 as
10 follows:

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

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

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

21 On and after November 1, 1999, "blighted area" means any
22 improved or vacant area within the boundaries of a
23 redevelopment project area located within the territorial
24 limits of the municipality where:

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

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

17 (B) Obsolescence. The condition or process of
18 falling into disuse. Structures have become ill-suited
19 for the original use.

20 (C) Deterioration. With respect to buildings,
21 defects including, but not limited to, major defects in
22 the secondary building components such as doors,
23 windows, porches, gutters and downspouts, and fascia.
24 With respect to surface improvements, that the
25 condition of roadways, alleys, curbs, gutters,
26 sidewalks, off-street parking, and surface storage

1 areas evidence deterioration, including, but not
2 limited to, surface cracking, crumbling, potholes,
3 depressions, loose paving material, and weeds
4 protruding through paved surfaces.

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

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

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

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

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

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

16 (I) Excessive land coverage and overcrowding of
17 structures and community facilities. The
18 over-intensive use of property and the crowding of
19 buildings and accessory facilities onto a site.
20 Examples of problem conditions warranting the
21 designation of an area as one exhibiting excessive land
22 coverage are: (i) the presence of buildings either
23 improperly situated on parcels or located on parcels of
24 inadequate size and shape in relation to present-day
25 standards of development for health and safety and (ii)
26 the presence of multiple buildings on a single parcel.

1 For there to be a finding of excessive land coverage,
2 these parcels must exhibit one or more of the following
3 conditions: insufficient provision for light and air
4 within or around buildings, increased threat of spread
5 of fire due to the close proximity of buildings, lack
6 of adequate or proper access to a public right-of-way,
7 lack of reasonably required off-street parking, or
8 inadequate provision for loading and service.

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

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

26 (L) Lack of community planning. The proposed

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

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

26 (2) If vacant, the sound growth of the redevelopment

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

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

18 (B) Diversity of ownership of parcels of vacant
19 land sufficient in number to retard or impede the
20 ability to assemble the land for development.

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

24 (D) Deterioration of structures or site
25 improvements in neighboring areas adjacent to the
26 vacant land.

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

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

25 (3) If vacant, the sound growth of the redevelopment
26 project area is impaired by one of the following factors

1 that (i) is present, with that presence documented, to a
2 meaningful extent so that a municipality may reasonably
3 find that the factor is clearly present within the intent
4 of the Act and (ii) is reasonably distributed throughout
5 the vacant part of the redevelopment project area to which
6 it pertains:

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

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

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

20 (D) The area consists of an unused or illegal
21 disposal site containing earth, stone, building
22 debris, or similar materials that were removed from
23 construction, demolition, excavation, or dredge sites.

24 (E) Prior to November 1, 1999, the area is not less
25 than 50 nor more than 100 acres and 75% of which is
26 vacant (notwithstanding that the area has been used for

1 commercial agricultural purposes within 5 years prior
2 to the designation of the redevelopment project area),
3 and the area meets at least one of the factors itemized
4 in paragraph (1) of this subsection, the area has been
5 designated as a town or village center by ordinance or
6 comprehensive plan adopted prior to January 1, 1982,
7 and the area has not been developed for that designated
8 purpose.

9 (F) The area qualified as a blighted improved area
10 immediately prior to becoming vacant, unless there has
11 been substantial private investment in the immediately
12 surrounding area.

13 (b) For any redevelopment project area that has been
14 designated pursuant to this Section by an ordinance adopted
15 prior to November 1, 1999 (the effective date of Public Act
16 91-478), "conservation area" shall have the meaning set forth
17 in this Section prior to that date.

18 On and after November 1, 1999, "conservation area" means
19 any improved area within the boundaries of a redevelopment
20 project area located within the territorial limits of the
21 municipality in which 50% or more of the structures in the area
22 have an age of 35 years or more. Such an area is not yet a
23 blighted area but because of a combination of 3 or more of the
24 following factors is detrimental to the public safety, health,
25 morals or welfare and such an area may become a blighted area:

26 (1) Dilapidation. An advanced state of disrepair or

1 neglect of necessary repairs to the primary structural
2 components of buildings or improvements in such a
3 combination that a documented building condition analysis
4 determines that major repair is required or the defects are
5 so serious and so extensive that the buildings must be
6 removed.

7 (2) Obsolescence. The condition or process of falling
8 into disuse. Structures have become ill-suited for the
9 original use.

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

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

25 (5) Illegal use of individual structures. The use of
26 structures in violation of applicable federal, State, or

1 local laws, exclusive of those applicable to the presence
2 of structures below minimum code standards.

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

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

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

1 (iii) lacking within the redevelopment project area.

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

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

25 (11) Lack of community planning. The proposed
26 redevelopment project area was developed prior to or

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

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

22 (13) The total equalized assessed value of the proposed
23 redevelopment project area has declined 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 balance
26 of the municipality for 3 of the last 5 calendar years for

1 which information is available or is increasing at an
2 annual rate that is less than the Consumer Price Index for
3 All Urban Consumers published by the United States
4 Department of Labor or successor agency for 3 of the last 5
5 calendar years for which information is available.

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

15 (d) "Industrial park conservation area" means an area
16 within the boundaries of a redevelopment project area located
17 within the territorial limits of a municipality that is a labor
18 surplus municipality or within 1 1/2 miles of the territorial
19 limits of a municipality that is a labor surplus municipality
20 if the area is annexed to the municipality; which area is zoned
21 as industrial no later than at the time the municipality by
22 ordinance designates the redevelopment project area, and which
23 area includes both vacant land suitable for use as an
24 industrial park and a blighted area or conservation area
25 contiguous to such vacant land.

26 (e) "Labor surplus municipality" means a municipality in

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

13 (f) "Municipality" shall mean a city, village,
14 incorporated town, or a township that is located in the
15 unincorporated portion of a county with 3 million or more
16 inhabitants, if the county adopted an ordinance that approved
17 the township's redevelopment plan.

18 (g) "Initial Sales Tax Amounts" means the amount of taxes
19 paid under the Retailers' Occupation Tax Act, Use Tax Act,
20 Service Use Tax Act, the Service Occupation Tax Act, the
21 Municipal Retailers' Occupation Tax Act, and the Municipal
22 Service Occupation Tax Act by retailers and servicemen on
23 transactions at places located in a State Sales Tax Boundary
24 during the calendar year 1985.

25 (g-1) "Revised Initial Sales Tax Amounts" means the amount
26 of taxes paid under the Retailers' Occupation Tax Act, Use Tax

1 Act, Service Use Tax Act, the Service Occupation Tax Act, the
2 Municipal Retailers' Occupation Tax Act, and the Municipal
3 Service Occupation Tax Act by retailers and servicemen on
4 transactions at places located within the State Sales Tax
5 Boundary revised pursuant to Section 11-74.4-8a(9) of this Act.

6 (h) "Municipal Sales Tax Increment" means an amount equal
7 to the increase in the aggregate amount of taxes paid to a
8 municipality from the Local Government Tax Fund arising from
9 sales by retailers and servicemen within the redevelopment
10 project area or State Sales Tax Boundary, as the case may be,
11 for as long as the redevelopment project area or State Sales
12 Tax Boundary, as the case may be, exist over and above the
13 aggregate amount of taxes as certified by the Illinois
14 Department of Revenue and paid under the Municipal Retailers'
15 Occupation Tax Act and the Municipal Service Occupation Tax Act
16 by retailers and servicemen, on transactions at places of
17 business located in the redevelopment project area or State
18 Sales Tax Boundary, as the case may be, during the base year
19 which shall be the calendar year immediately prior to the year
20 in which the municipality adopted tax increment allocation
21 financing. For purposes of computing the aggregate amount of
22 such taxes for base years occurring prior to 1985, the
23 Department of Revenue shall determine the Initial Sales Tax
24 Amounts for such taxes and deduct therefrom an amount equal to
25 4% of the aggregate amount of taxes per year for each year the
26 base year is prior to 1985, but not to exceed a total deduction

1 of 12%. The amount so determined shall be known as the
2 "Adjusted Initial Sales Tax Amounts". For purposes of
3 determining the Municipal Sales Tax Increment, the Department
4 of Revenue shall for each period subtract from the amount paid
5 to the municipality from the Local Government Tax Fund arising
6 from sales by retailers and servicemen on transactions located
7 in the redevelopment project area or the State Sales Tax
8 Boundary, as the case may be, the certified Initial Sales Tax
9 Amounts, the Adjusted Initial Sales Tax Amounts or the Revised
10 Initial Sales Tax Amounts for the Municipal Retailers'
11 Occupation Tax Act and the Municipal Service Occupation Tax
12 Act. For the State Fiscal Year 1989, this calculation shall be
13 made by utilizing the calendar year 1987 to determine the tax
14 amounts received. For the State Fiscal Year 1990, this
15 calculation shall be made by utilizing the period from January
16 1, 1988, until September 30, 1988, to determine the tax amounts
17 received from retailers and servicemen pursuant to the
18 Municipal Retailers' Occupation Tax and the Municipal Service
19 Occupation Tax Act, which shall have deducted therefrom
20 nine-twelfths of the certified Initial Sales Tax Amounts, the
21 Adjusted Initial Sales Tax Amounts or the Revised Initial Sales
22 Tax Amounts as appropriate. For the State Fiscal Year 1991,
23 this calculation shall be made by utilizing the period from
24 October 1, 1988, to June 30, 1989, to determine the tax amounts
25 received from retailers and servicemen pursuant to the
26 Municipal Retailers' Occupation Tax and the Municipal Service

1 Occupation Tax Act which shall have deducted therefrom
2 nine-twelfths of the certified Initial Sales Tax Amounts,
3 Adjusted Initial Sales Tax Amounts or the Revised Initial Sales
4 Tax Amounts as appropriate. For every State Fiscal Year
5 thereafter, the applicable period shall be the 12 months
6 beginning July 1 and ending June 30 to determine the tax
7 amounts received which shall have deducted therefrom the
8 certified Initial Sales Tax Amounts, the Adjusted Initial Sales
9 Tax Amounts or the Revised Initial Sales Tax Amounts, as the
10 case may be.

11 (i) "Net State Sales Tax Increment" means the sum of the
12 following: (a) 80% of the first \$100,000 of State Sales Tax
13 Increment annually generated within a State Sales Tax Boundary;
14 (b) 60% of the amount in excess of \$100,000 but not exceeding
15 \$500,000 of State Sales Tax Increment annually generated within
16 a State Sales Tax Boundary; and (c) 40% of all amounts in
17 excess of \$500,000 of State Sales Tax Increment annually
18 generated within a State Sales Tax Boundary. If, however, a
19 municipality established a tax increment financing district in
20 a county with a population in excess of 3,000,000 before
21 January 1, 1986, and the municipality entered into a contract
22 or issued bonds after January 1, 1986, but before December 31,
23 1986, to finance redevelopment project costs within a State
24 Sales Tax Boundary, then the Net State Sales Tax Increment
25 means, for the fiscal years beginning July 1, 1990, and July 1,
26 1991, 100% of the State Sales Tax Increment annually generated

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

20 Municipalities that issued bonds in connection with a
21 redevelopment project in a redevelopment project area within
22 the State Sales Tax Boundary prior to July 29, 1991, or that
23 entered into contracts in connection with a redevelopment
24 project in a redevelopment project area before June 1, 1988,
25 shall continue to receive their proportional share of the
26 Illinois Tax Increment Fund distribution until the date on

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

20 (j) "State Utility Tax Increment Amount" means an amount
21 equal to the aggregate increase in State electric and gas tax
22 charges imposed on owners and tenants, other than residential
23 customers, of properties located within the redevelopment
24 project area under Section 9-222 of the Public Utilities Act,
25 over and above the aggregate of such charges as certified by
26 the Department of Revenue and paid by owners and tenants, other

1 than residential customers, of properties within the
2 redevelopment project area during the base year, which shall be
3 the calendar year immediately prior to the year of the adoption
4 of the ordinance authorizing tax increment allocation
5 financing.

6 (k) "Net State Utility Tax Increment" means the sum of the
7 following: (a) 80% of the first \$100,000 of State Utility Tax
8 Increment annually generated by a redevelopment project area;
9 (b) 60% of the amount in excess of \$100,000 but not exceeding
10 \$500,000 of the State Utility Tax Increment annually generated
11 by a redevelopment project area; and (c) 40% of all amounts in
12 excess of \$500,000 of State Utility Tax Increment annually
13 generated by a redevelopment project area. For the State Fiscal
14 Year 1999, and every year thereafter until the year 2007, for
15 any municipality that has not entered into a contract or has
16 not issued bonds prior to June 1, 1988 to finance redevelopment
17 project costs within a redevelopment project area, the Net
18 State Utility Tax Increment shall be calculated as follows: By
19 multiplying the Net State Utility Tax Increment by 90% in the
20 State Fiscal Year 1999; 80% in the State Fiscal Year 2000; 70%
21 in the State Fiscal Year 2001; 60% in the State Fiscal Year
22 2002; 50% in the State Fiscal Year 2003; 40% in the State
23 Fiscal Year 2004; 30% in the State Fiscal Year 2005; 20% in the
24 State Fiscal Year 2006; and 10% in the State Fiscal Year 2007.
25 No payment shall be made for the State Fiscal Year 2008 and
26 thereafter.

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

14 (1) "Obligations" mean bonds, loans, debentures, notes,
15 special certificates or other evidence of indebtedness issued
16 by the municipality to carry out a redevelopment project or to
17 refund outstanding obligations.

18 (m) "Payment in lieu of taxes" means those estimated tax
19 revenues from real property in a redevelopment project area
20 derived from real property that has been acquired by a
21 municipality which according to the redevelopment project or
22 plan is to be used for a private use which taxing districts
23 would have received had a municipality not acquired the real
24 property and adopted tax increment allocation financing and
25 which would result from levies made after the time of the
26 adoption of tax increment allocation financing to the time the

1 current equalized value of real property in the redevelopment
2 project area exceeds the total initial equalized value of real
3 property in said area.

4 (n) "Redevelopment plan" means the comprehensive program
5 of the municipality for development or redevelopment intended
6 by the payment of redevelopment project costs to reduce or
7 eliminate those conditions the existence of which qualified the
8 redevelopment project area as a "blighted area" or
9 "conservation area" or combination thereof or "industrial park
10 conservation area," and thereby to enhance the tax bases of the
11 taxing districts which extend into the redevelopment project
12 area, provided that, with respect to redevelopment project
13 areas described in subsections (p-1) and (p-2), "redevelopment
14 plan" means the comprehensive program of the affected
15 municipality for the development of qualifying transit
16 facilities. On and after November 1, 1999 (the effective date
17 of Public Act 91-478), no redevelopment plan may be approved or
18 amended that includes the development of vacant land (i) with a
19 golf course and related clubhouse and other facilities or (ii)
20 designated by federal, State, county, or municipal government
21 as public land for outdoor recreational activities or for
22 nature preserves and used for that purpose within 5 years prior
23 to the adoption of the redevelopment plan. For the purpose of
24 this subsection, "recreational activities" is limited to mean
25 camping and hunting. Each redevelopment plan shall set forth in
26 writing the program to be undertaken to accomplish the

1 objectives and shall include but not be limited to:

2 (A) an itemized list of estimated redevelopment
3 project costs;

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

11 (C) an assessment of any financial impact of the
12 redevelopment project area on or any increased demand for
13 services from any taxing district affected by the plan and
14 any program to address such financial impact or increased
15 demand;

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

17 (E) the nature and term of the obligations to be
18 issued;

19 (F) the most recent equalized assessed valuation of the
20 redevelopment project area;

21 (G) an estimate as to the equalized assessed valuation
22 after redevelopment and the general land uses to apply in
23 the redevelopment project area;

24 (H) a commitment to fair employment practices and an
25 affirmative action plan;

26 (I) if it concerns an industrial park conservation

1 area, the plan shall also include a general description of
2 any proposed developer, user and tenant of any property, a
3 description of the type, structure and general character of
4 the facilities to be developed, a description of the type,
5 class and number of new employees to be employed in the
6 operation of the facilities to be developed; and

7 (J) if property is to be annexed to the municipality,
8 the plan shall include the terms of the annexation
9 agreement.

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

18 (1) The municipality finds that the redevelopment
19 project area on the whole has not been subject to growth
20 and development through investment by private enterprise
21 and would not reasonably be anticipated to be developed
22 without the adoption of the redevelopment plan, provided,
23 however, that such a finding shall not be required with
24 respect to any redevelopment project area located within a
25 transit facility improvement area established pursuant to
26 Section 11-74.4-3.3.

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

12 (3) The redevelopment plan establishes the estimated
13 dates of completion of the redevelopment project and
14 retirement of obligations issued to finance redevelopment
15 project costs. Those dates may not be later than the dates
16 set forth under Section 11-74.4-3.5.

17 A municipality may by municipal ordinance amend an
18 existing redevelopment plan to conform to this paragraph
19 (3) as amended by Public Act 91-478, which municipal
20 ordinance may be adopted without further hearing or notice
21 and without complying with the procedures provided in this
22 Act pertaining to an amendment to or the initial approval
23 of a redevelopment plan and project and designation of a
24 redevelopment project area.

25 (3.5) The municipality finds, in the case of an
26 industrial park conservation area, also that the

1 municipality is a labor surplus municipality and that the
2 implementation of the redevelopment plan will reduce
3 unemployment, create new jobs and by the provision of new
4 facilities enhance the tax base of the taxing districts
5 that extend into the redevelopment project area.

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

15 (5) If: (a) the redevelopment plan will not result in
16 displacement of residents from 10 or more inhabited
17 residential units, and the municipality certifies in the
18 plan that such displacement will not result from the plan;
19 or (b) the redevelopment plan is for a redevelopment
20 project area located within a transit facility improvement
21 area established pursuant to Section 11-74.4-3.3, and the
22 applicable project is subject to the process for evaluation
23 of environmental effects under the National Environmental
24 Policy Act of 1969, 42 U.S.C. § 4321 et seq., then a
25 housing impact study need not be performed. If, however,
26 the redevelopment plan would result in the displacement of

1 residents from 10 or more inhabited residential units, or
2 if the redevelopment project area contains 75 or more
3 inhabited residential units and no certification is made,
4 then the municipality shall prepare, as part of the
5 separate feasibility report required by subsection (a) of
6 Section 11-74.4-5, a housing impact study.

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

20 Part II of the housing impact study shall identify the
21 inhabited residential units in the proposed redevelopment
22 project area that are to be or may be removed. If inhabited
23 residential units are to be removed, then the housing
24 impact study shall identify (i) the number and location of
25 those units that will or may be removed, (ii) the
26 municipality's plans for relocation assistance for those

1 residents in the proposed redevelopment project area whose
2 residences are to be removed, (iii) the availability of
3 replacement housing for those residents whose residences
4 are to be removed, and shall identify the type, location,
5 and cost of the housing, and (iv) the type and extent of
6 relocation assistance to be provided.

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

10 (7) On and after November 1, 1999, no redevelopment
11 plan shall be adopted, nor an existing plan amended, nor
12 shall residential housing that is occupied by households of
13 low-income and very low-income persons in currently
14 existing redevelopment project areas be removed after
15 November 1, 1999 unless the redevelopment plan provides,
16 with respect to inhabited housing units that are to be
17 removed for households of low-income and very low-income
18 persons, affordable housing and relocation assistance not
19 less than that which would be provided under the federal
20 Uniform Relocation Assistance and Real Property
21 Acquisition Policies Act of 1970 and the regulations under
22 that Act, including the eligibility criteria. Affordable
23 housing may be either existing or newly constructed
24 housing. For purposes of this paragraph (7), "low-income
25 households", "very low-income households", and "affordable
26 housing" have the meanings set forth in the Illinois

1 Affordable Housing Act. The municipality shall make a good
2 faith effort to ensure that this affordable housing is
3 located in or near the redevelopment project area within
4 the municipality.

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

12 (9) For redevelopment project areas designated prior
13 to November 1, 1999, the redevelopment plan may be amended
14 without further joint review board meeting or hearing,
15 provided that the municipality shall give notice of any
16 such changes by mail to each affected taxing district and
17 registrant on the interested party registry, to authorize
18 the municipality to expend tax increment revenues for
19 redevelopment project costs defined by paragraphs (5) and
20 (7.5), subparagraphs (E) and (F) of paragraph (11), and
21 paragraph (11.5) of subsection (q) of Section 11-74.4-3, so
22 long as the changes do not increase the total estimated
23 redevelopment project costs set out in the redevelopment
24 plan by more than 5% after adjustment for inflation from
25 the date the plan was adopted.

26 (o) "Redevelopment project" means any public and private

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

12 (p) "Redevelopment project area" means an area designated
13 by the municipality, which is not less in the aggregate than 1
14 1/2 acres and in respect to which the municipality has made a
15 finding that there exist conditions which cause the area to be
16 classified as an industrial park conservation area or a
17 blighted area or a conservation area, or a combination of both
18 blighted areas and conservation areas.

19 (p-1) Notwithstanding any provision of this Act to the
20 contrary, on and after August 25, 2009 (the effective date of
21 Public Act 96-680), a redevelopment project area may include
22 areas within a one-half mile radius of an existing or proposed
23 Regional Transportation Authority Suburban Transit Access
24 Route (STAR Line) station without a finding that the area is
25 classified as an industrial park conservation area, a blighted
26 area, a conservation area, or a combination thereof, but only

1 if the municipality receives unanimous consent from the joint
2 review board created to review the proposed redevelopment
3 project area.

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

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

19 (1) Costs of studies, surveys, development of plans,
20 and specifications, implementation and administration of
21 the redevelopment plan including but not limited to staff
22 and professional service costs for architectural,
23 engineering, legal, financial, planning or other services,
24 provided however that no charges for professional services
25 may be based on a percentage of the tax increment
26 collected; except that on and after November 1, 1999 (the

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

21 (1.5) After July 1, 1999, annual administrative costs
22 shall not include general overhead or administrative costs
23 of the municipality that would still have been incurred by
24 the municipality if the municipality had not designated a
25 redevelopment project area or approved a redevelopment
26 plan;

1 (1.6) The cost of marketing sites within the
2 redevelopment project area to prospective businesses,
3 developers, and investors;

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

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

23 (4) Costs of the construction of public works or
24 improvements, 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, except that on and after November 1, 1999,
2 redevelopment project costs shall not include the cost of
3 constructing a new municipal public building principally
4 used to provide offices, storage space, or conference
5 facilities or vehicle storage, maintenance, or repair for
6 administrative, public safety, or public works personnel
7 and that is not intended to replace an existing public
8 building as provided under paragraph (3) of subsection (q)
9 of Section 11-74.4-3 unless either (i) the construction of
10 the new municipal building implements a redevelopment
11 project that was included in a redevelopment plan that was
12 adopted by the municipality prior to November 1, 1999, (ii)
13 the municipality makes a reasonable determination in the
14 redevelopment plan, supported by information that provides
15 the basis for that determination, that the new municipal
16 building is required to meet an increase in the need for
17 public safety purposes anticipated to result from the
18 implementation of the redevelopment plan, or (iii) the new
19 municipal public building is for the storage, maintenance,
20 or repair of transit vehicles and is located in a transit
21 facility improvement area that has been established
22 pursuant to Section 11-74.4-3.3;

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

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

9 (7) To the extent the municipality by written agreement
10 accepts and approves the same, all or a portion of a taxing
11 district's capital costs resulting from the redevelopment
12 project necessarily incurred or to be incurred within a
13 taxing district in furtherance of the objectives of the
14 redevelopment plan and project;i

15 (7.5) For redevelopment project areas designated (or
16 redevelopment project areas amended to add or increase the
17 number of tax-increment-financing assisted housing units)
18 on or after November 1, 1999, an elementary, secondary, or
19 unit school district's increased costs attributable to
20 assisted housing units located within the redevelopment
21 project area for which the developer or redeveloper
22 receives financial assistance through an agreement with
23 the municipality or because the municipality incurs the
24 cost of necessary infrastructure improvements within the
25 boundaries of the assisted housing sites necessary for the
26 completion of that housing as authorized by this Act, and

1 which costs shall be paid by the municipality from the
2 Special Tax Allocation Fund when the tax increment revenue
3 is received as a result of the assisted housing units and
4 shall be calculated annually as follows:

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

25 (i) for unit school districts with a district
26 average 1995-96 Per Capita Tuition Charge of less

1 than \$5,900, no more than 25% of the total amount
2 of property tax increment revenue produced by
3 those housing units that have received tax
4 increment finance assistance under this Act;

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

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

17 (B) For alternate method districts, flat grant
18 districts, and foundation districts with a district
19 average 1995-96 Per Capita Tuition Charge equal to or
20 more than \$5,900, excluding any school district with a
21 population in excess of 1,000,000, by multiplying the
22 district's increase in attendance resulting from the
23 net increase in new students enrolled in that school
24 district who reside in housing units within the
25 redevelopment project area that have received
26 financial assistance through an agreement with the

1 assistance under this Act.

2 (C) For any school district in a municipality with
3 a population in excess of 1,000,000, the following
4 restrictions shall apply to the reimbursement of
5 increased costs under this paragraph (7.5):

6 (i) no increased costs shall be reimbursed
7 unless the school district certifies that each of
8 the schools affected by the assisted housing
9 project is at or over its student capacity;

10 (ii) the amount reimbursable shall be reduced
11 by the value of any land donated to the school
12 district by the municipality or developer, and by
13 the value of any physical improvements made to the
14 schools by the municipality or developer; and

15 (iii) the amount reimbursed may not affect
16 amounts otherwise obligated by the terms of any
17 bonds, notes, or other funding instruments, or the
18 terms of any redevelopment agreement.

19 Any school district seeking payment under this
20 paragraph (7.5) shall, after July 1 and before
21 September 30 of each year, provide the municipality
22 with reasonable evidence to support its claim for
23 reimbursement before the municipality shall be
24 required to approve or make the payment to the school
25 district. If the school district fails to provide the
26 information during this period in any year, it shall

1 forfeit any claim to reimbursement for that year.
2 School districts may adopt a resolution waiving the
3 right to all or a portion of the reimbursement
4 otherwise required by this paragraph (7.5). By
5 acceptance of this reimbursement the school district
6 waives the right to directly or indirectly set aside,
7 modify, or contest in any manner the establishment of
8 the redevelopment project area or projects;

9 (7.7) For redevelopment project areas designated (or
10 redevelopment project areas amended to add or increase the
11 number of tax-increment-financing assisted housing units)
12 on or after January 1, 2005 (the effective date of Public
13 Act 93-961), a public library district's increased costs
14 attributable to assisted housing units located within the
15 redevelopment project area for which the developer or
16 redeveloper receives financial assistance through an
17 agreement with the municipality or because the
18 municipality incurs the cost of necessary infrastructure
19 improvements within the boundaries of the assisted housing
20 sites necessary for the completion of that housing as
21 authorized by this Act shall be paid to the library
22 district by the municipality from the Special Tax
23 Allocation Fund when the tax increment revenue is received
24 as a result of the assisted housing units. This paragraph
25 (7.7) applies only if (i) the library district is located
26 in a county that is subject to the Property Tax Extension

1 Limitation Law or (ii) the library district is not located
2 in a county that is subject to the Property Tax Extension
3 Limitation Law but the district is prohibited by any other
4 law from increasing its tax levy rate without a prior voter
5 referendum.

6 The amount paid to a library district under this
7 paragraph (7.7) shall be calculated by multiplying (i) the
8 net increase in the number of persons eligible to obtain a
9 library card in that district who reside in housing units
10 within the redevelopment project area that have received
11 financial assistance through an agreement with the
12 municipality or because the municipality incurs the cost of
13 necessary infrastructure improvements within the
14 boundaries of the housing sites necessary for the
15 completion of that housing as authorized by this Act since
16 the designation of the redevelopment project area by (ii)
17 the per-patron cost of providing library services so long
18 as it does not exceed \$120. The per-patron cost shall be
19 the Total Operating Expenditures Per Capita for the library
20 in the previous fiscal year. The municipality may deduct
21 from the amount that it must pay to a library district
22 under this paragraph any amount that it has voluntarily
23 paid to the library district from the tax increment
24 revenue. The amount paid to a library district under this
25 paragraph (7.7) shall be no more than 2% of the amount
26 produced by the assisted housing units and deposited into

1 the Special Tax Allocation Fund.

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

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

23 (8) Relocation costs to the extent that a municipality
24 determines that relocation costs shall be paid or is
25 required to make payment of relocation costs by federal or
26 State law or in order to satisfy subparagraph (7) of

1 subsection (n);

2 (9) Payment in lieu of taxes;

3 (10) Costs of job training, retraining, advanced
4 vocational education or career education, including but
5 not limited to courses in occupational, semi-technical or
6 technical fields leading directly to employment, incurred
7 by one or more taxing districts, provided that such costs
8 (i) are related to the establishment and maintenance of
9 additional job training, advanced vocational education or
10 career education programs for persons employed or to be
11 employed by employers located in a redevelopment project
12 area; and (ii) when incurred by a taxing district or taxing
13 districts other than the municipality, are set forth in a
14 written agreement by or among the municipality and the
15 taxing district or taxing districts, which agreement
16 describes the program to be undertaken, including but not
17 limited to the number of employees to be trained, a
18 description of the training and services to be provided,
19 the number and type of positions available or to be
20 available, itemized costs of the program and sources of
21 funds to pay for the same, and the term of the agreement.
22 Such costs include, specifically, the payment by community
23 college districts of costs pursuant to Sections 3-37, 3-38,
24 3-40 and 3-40.1 of the Public Community College Act and by
25 school districts of costs pursuant to Sections 10-22.20a
26 and 10-23.3a of the ~~The~~ School Code;

1 (11) Interest cost incurred by a redeveloper related to
2 the construction, renovation or rehabilitation of a
3 redevelopment project provided that:

4 (A) such costs are to be paid directly from the
5 special tax allocation fund established pursuant to
6 this Act;

7 (B) such payments in any one year may not exceed
8 30% of the annual interest costs incurred by the
9 redeveloper with regard to the redevelopment project
10 during that year;

11 (C) if there are not sufficient funds available in
12 the special tax allocation fund to make the payment
13 pursuant to this paragraph (11) then the amounts so due
14 shall accrue and be payable when sufficient funds are
15 available in the special tax allocation fund;

16 (D) the total of such interest payments paid
17 pursuant to this Act may not exceed 30% of the total
18 (i) cost paid or incurred by the redeveloper for the
19 redevelopment project plus (ii) redevelopment project
20 costs excluding any property assembly costs and any
21 relocation costs incurred by a municipality pursuant
22 to this Act; ~~and~~

23 (E) the cost limits set forth in subparagraphs (B)
24 and (D) of paragraph (11) shall be modified for the
25 financing of rehabilitated or new housing units for
26 low-income households and very low-income households,

1 as defined in Section 3 of the Illinois Affordable
2 Housing Act. The percentage of 75% shall be substituted
3 for 30% in subparagraphs (B) and (D) of paragraph (11);
4 and-

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

21 The eligible costs provided under this
22 subparagraph (F) of paragraph (11) shall be an eligible
23 cost for the construction, renovation, and
24 rehabilitation of all low and very low-income housing
25 units, as defined in Section 3 of the Illinois
26 Affordable Housing Act, within the redevelopment

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

1 time; the guidelines, however, shall be in effect for
2 as long as tax increment revenue is being used to pay
3 for costs associated with the units or for the
4 retirement of bonds issued to finance the units or for
5 the life of the redevelopment project area, whichever
6 is later;~~;~~

7 (11.5) If the redevelopment project area is located
8 within a municipality with a population of more than
9 100,000, the cost of day care services for children of
10 employees from low-income families working for businesses
11 located within the redevelopment project area and all or a
12 portion of the cost of operation of day care centers
13 established by redevelopment project area businesses to
14 serve employees from low-income families working in
15 businesses located in the redevelopment project area. For
16 the purposes of this paragraph, "low-income families"
17 means families whose annual income does not exceed 80% of
18 the municipal, county, or regional median income, adjusted
19 for family size, as the annual income and municipal,
20 county, or regional median income are determined from time
21 to time by the United States Department of Housing and
22 Urban Development.

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

26 ~~(13)~~ After November 1, 1999 (the effective date of Public

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

18 ~~(14)~~ No cost shall be a redevelopment project cost in a
19 redevelopment project area if used to demolish, remove, or
20 substantially modify a historic resource, after August 26, 2008
21 (the effective date of Public Act 95-934), unless no prudent
22 and feasible alternative exists. "Historic resource" for the
23 purpose of this paragraph ~~item (14)~~ means (i) a place or
24 structure that is included or eligible for inclusion on the
25 National Register of Historic Places or (ii) a contributing
26 structure in a district on the National Register of Historic

1 Places. This paragraph item ~~(14)~~ does not apply to a place or
2 structure for which demolition, removal, or modification is
3 subject to review by the preservation agency of a Certified
4 Local Government designated as such by the National Park
5 Service of the United States Department of the Interior.

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

13 (q-1) For redevelopment project areas created pursuant to
14 subsection (p-1), redevelopment project costs are limited to
15 those costs in paragraph (q) that are related to the existing
16 or proposed Regional Transportation Authority Suburban Transit
17 Access Route (STAR Line) station.

18 (q-2) For a redevelopment project area located within a
19 transit facility improvement area established pursuant to
20 Section 11-74.4-3.3, redevelopment project costs means those
21 costs described in subsection (q) that are related to the
22 construction, reconstruction, rehabilitation, remodeling, or
23 repair of any existing or proposed transit facility.

24 (r) "State Sales Tax Boundary" means the redevelopment
25 project area or the amended redevelopment project area
26 boundaries which are determined pursuant to subsection (9) of

1 Section 11-74.4-8a of this Act. The Department of Revenue shall
2 certify pursuant to subsection (9) of Section 11-74.4-8a the
3 appropriate boundaries eligible for the determination of State
4 Sales Tax Increment.

5 (s) "State Sales Tax Increment" means an amount equal to
6 the increase in the aggregate amount of taxes paid by retailers
7 and servicemen, other than retailers and servicemen subject to
8 the Public Utilities Act, on transactions at places of business
9 located within a State Sales Tax Boundary pursuant to the
10 Retailers' Occupation Tax Act, the Use Tax Act, the Service Use
11 Tax Act, and the Service Occupation Tax Act, except such
12 portion of such increase that is paid into the State and Local
13 Sales Tax Reform Fund, the Local Government Distributive Fund,
14 the Local Government Tax Fund and the County and Mass Transit
15 District Fund, for as long as State participation exists, over
16 and above the Initial Sales Tax Amounts, Adjusted Initial Sales
17 Tax Amounts or the Revised Initial Sales Tax Amounts for such
18 taxes as certified by the Department of Revenue and paid under
19 those Acts by retailers and servicemen on transactions at
20 places of business located within the State Sales Tax Boundary
21 during the base year which shall be the calendar year
22 immediately prior to the year in which the municipality adopted
23 tax increment allocation financing, less 3.0% of such amounts
24 generated under the Retailers' Occupation Tax Act, Use Tax Act
25 and Service Use Tax Act and the Service Occupation Tax Act,
26 which sum shall be appropriated to the Department of Revenue to

1 cover its costs of administering and enforcing this Section.
2 For purposes of computing the aggregate amount of such taxes
3 for base years occurring prior to 1985, the Department of
4 Revenue shall compute the Initial Sales Tax Amount for such
5 taxes and deduct therefrom an amount equal to 4% of the
6 aggregate amount of taxes per year for each year the base year
7 is prior to 1985, but not to exceed a total deduction of 12%.
8 The amount so determined shall be known as the "Adjusted
9 Initial Sales Tax Amount". For purposes of determining the
10 State Sales Tax Increment the Department of Revenue shall for
11 each period subtract from the tax amounts received from
12 retailers and servicemen on transactions located in the State
13 Sales Tax Boundary, the certified Initial Sales Tax Amounts,
14 Adjusted Initial Sales Tax Amounts or Revised Initial Sales Tax
15 Amounts for the Retailers' Occupation Tax Act, the Use Tax Act,
16 the Service Use Tax Act and the Service Occupation Tax Act. For
17 the State Fiscal Year 1989 this calculation shall be made by
18 utilizing the calendar year 1987 to determine the tax amounts
19 received. For the State Fiscal Year 1990, this calculation
20 shall be made by utilizing the period from January 1, 1988,
21 until September 30, 1988, to determine the tax amounts received
22 from retailers and servicemen, which shall have deducted
23 therefrom nine-twelfths of the certified Initial Sales Tax
24 Amounts, Adjusted Initial Sales Tax Amounts or the Revised
25 Initial Sales Tax Amounts as appropriate. For the State Fiscal
26 Year 1991, this calculation shall be made by utilizing the

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

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

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

25 (v) As used in subsection (a) of Section 11-74.4-3 of this
26 Act, "vacant land" means any parcel or combination of parcels

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

25 (w) "Annual Total Increment" means the sum of each
26 municipality's annual Net Sales Tax Increment and each

1 municipality's annual Net Utility Tax Increment. The ratio of
2 the Annual Total Increment of each municipality to the Annual
3 Total Increment for all municipalities, as most recently
4 calculated by the Department, shall determine the proportional
5 shares of the Illinois Tax Increment Fund to be distributed to
6 each municipality.

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

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

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

15 (65 ILCS 5/11-74.4-8) (from Ch. 24, par. 11-74.4-8)

16 Sec. 11-74.4-8. Tax increment allocation financing. A
17 municipality may not adopt tax increment financing in a
18 redevelopment project area after the effective date of this
19 amendatory Act of 1997 that will encompass an area that is
20 currently included in an enterprise zone created under the
21 Illinois Enterprise Zone Act unless that municipality,
22 pursuant to Section 5.4 of the Illinois Enterprise Zone Act,
23 amends the enterprise zone designating ordinance to limit the
24 eligibility for tax abatements as provided in Section 5.4.1 of
25 the Illinois Enterprise Zone Act. A municipality, at the time a

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

17 (a) That portion of taxes levied upon each taxable lot,
18 block, tract or parcel of real property which is
19 attributable to the lower of the current equalized assessed
20 value or the initial equalized assessed value of each such
21 taxable lot, block, tract or parcel of real property in the
22 redevelopment project area shall be allocated to and when
23 collected shall be paid by the county collector to the
24 respective affected taxing districts in the manner
25 required by law in the absence of the adoption of tax
26 increment allocation financing.

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

1 subsection (c) of Section 11-74.4-9 by the initial
2 equalized assessed value of the property divided by the
3 number of installments in which real estate taxes are
4 billed and collected within the county; provided that the
5 payments on or before December 31, 1999 to a municipal
6 treasurer shall be made only if each of the following
7 conditions are met:

8 (1) The total equalized assessed value of the
9 redevelopment project area as last determined was not
10 less than 175% of the total initial equalized assessed
11 value.

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

16 (3) The municipal clerk has certified to the county
17 clerk that the municipality has issued its obligations
18 to which there has been pledged the incremental
19 property taxes of the redevelopment project area or
20 taxes levied and collected on any or all property in
21 the municipality or the full faith and credit of the
22 municipality to pay or secure payment for all or a
23 portion of the redevelopment project costs. The
24 certification shall be filed annually no later than
25 September 1 for the estimated taxes to be distributed
26 in the following year; however, for the year 1992 the

1 certification shall be made at any time on or before
2 March 31, 1992.

3 (4) The municipality has not requested that the total
4 initial equalized assessed value of real property be
5 adjusted as provided in subsection (b) of Section
6 11-74.4-9.

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

19 It is the intent of this Division that after the
20 effective date of this amendatory Act of 1988 a
21 municipality's own ad valorem tax arising from levies on
22 taxable real property be included in the determination of
23 incremental revenue in the manner provided in paragraph (c)
24 of Section 11-74.4-9. If the municipality does not extend
25 such a tax, it shall annually deposit in the municipality's
26 Special Tax Increment Fund an amount equal to 10% of the

1 total contributions to the fund from all other taxing
2 districts in that year. The annual 10% deposit required by
3 this paragraph shall be limited to the actual amount of
4 municipally produced incremental tax revenues available to
5 the municipality from taxpayers located in the
6 redevelopment project area in that year if: (a) the plan
7 for the area restricts the use of the property primarily to
8 industrial purposes, (b) the municipality establishing the
9 redevelopment project area is a home-rule community with a
10 1990 population of between 25,000 and 50,000, (c) the
11 municipality is wholly located within a county with a 1990
12 population of over 750,000 and (d) the redevelopment
13 project area was established by the municipality prior to
14 June 1, 1990. This payment shall be in lieu of a
15 contribution of ad valorem taxes on real property. If no
16 such payment is made, any redevelopment project area of the
17 municipality shall be dissolved.

18 If a municipality has adopted tax increment allocation
19 financing by ordinance and the County Clerk thereafter
20 certifies the "total initial equalized assessed value as
21 adjusted" of the taxable real property within such
22 redevelopment project area in the manner provided in
23 paragraph (b) of Section 11-74.4-9, each year after the
24 date of the certification of the total initial equalized
25 assessed value as adjusted until redevelopment project
26 costs and all municipal obligations financing

1 redevelopment project costs have been paid the ad valorem
2 taxes, if any, arising from the levies upon the taxable
3 real property in such redevelopment project area by taxing
4 districts and tax rates determined in the manner provided
5 in paragraph (c) of Section 11-74.4-9 shall be divided as
6 follows, provided, however, that with respect to any
7 redevelopment project area located within a transit
8 facility improvement area established pursuant to Section
9 11-74.4-3.3 in a municipality with a population of
10 1,000,000 or more, ad valorem taxes, if any, arising from
11 the levies upon the taxable real property in such
12 redevelopment project area shall be allocated as
13 specifically provided in this Section:

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

1 adoption of tax increment allocation financing.

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

18 The municipality may pledge in the ordinance the funds
19 in and to be deposited in the special tax allocation fund
20 for the payment of such costs and obligations. No part of
21 the current equalized assessed valuation of each property
22 in the redevelopment project area attributable to any
23 increase above the total initial equalized assessed value,
24 or the total initial equalized assessed value as adjusted,
25 of such properties shall be used in calculating the general
26 State ~~school~~ aid formula, provided for in Section 18-8 of

1 the School Code, or the evidence-based funding formula,
2 provided for in Section 18-8.15 of the School Code, until
3 such time as all redevelopment project costs have been paid
4 as provided for in this Section.

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

25 When such redevelopment projects costs, including
26 without limitation all municipal obligations financing

1 redevelopment project costs incurred under this Division,
2 have been paid, all surplus funds then remaining in the
3 special tax allocation fund shall be distributed by being
4 paid by the municipal treasurer to the Department of
5 Revenue, the municipality and the county collector; first
6 to the Department of Revenue and the municipality in direct
7 proportion to the tax incremental revenue received from the
8 State and the municipality, but not to exceed the total
9 incremental revenue received from the State or the
10 municipality less any annual surplus distribution of
11 incremental revenue previously made; with any remaining
12 funds to be paid to the County Collector who shall
13 immediately thereafter pay said funds to the taxing
14 districts in the redevelopment project area in the same
15 manner and proportion as the most recent distribution by
16 the county collector to the affected districts of real
17 property taxes from real property in the redevelopment
18 project area.

19 Upon the payment of all redevelopment project costs,
20 the retirement of obligations, the distribution of any
21 excess monies pursuant to this Section, and final closing
22 of the books and records of the redevelopment project area,
23 the municipality shall adopt an ordinance dissolving the
24 special tax allocation fund for the redevelopment project
25 area and terminating the designation of the redevelopment
26 project area as a redevelopment project area. Title to real

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

18 If a municipality with a population of 1,000,000 or
19 more has adopted by ordinance tax increment allocation
20 financing for a redevelopment project area located in a
21 transit facility improvement area established pursuant to
22 Section 11-74.4-3.3, for each year after the effective date
23 of the ordinance until redevelopment project costs and all
24 municipal obligations financing redevelopment project
25 costs have been paid, the ad valorem taxes, if any, arising
26 from the levies upon the taxable real property in that

1 redevelopment project area by taxing districts and tax
2 rates determined in the manner provided in paragraph (c) of
3 Section 11-74.4-9 shall be divided as follows:

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

19 (2) That portion, if any, of such taxes which is
20 attributable to the increase in the current equalized
21 assessed valuation of each taxable lot, block, tract,
22 or parcel of real property in the redevelopment project
23 area, over and above the initial equalized assessed
24 value of each property existing at the time tax
25 increment financing was adopted, minus the total
26 current homestead exemptions pertaining to each piece

1 of property provided by Article 15 of the Property Tax
2 Code in the redevelopment project area, shall be
3 allocated to and when collected shall be paid by the
4 county collector as follows:

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

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

20 (C) 20% of the remaining portion shall be paid
21 to the respective affected taxing districts, other
22 than the school district described in clause (a)
23 above, in the manner required by law in the absence
24 of the adoption of tax increment allocation
25 financing.

26 Nothing in this Section shall be construed as relieving

1 property in such redevelopment project areas from being
2 assessed as provided in the Property Tax Code or as relieving
3 owners of such property from paying a uniform rate of taxes, as
4 required by Section 4 of Article IX of the Illinois
5 Constitution.

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

7 (65 ILCS 5/11-74.6-35)

8 Sec. 11-74.6-35. Ordinance for tax increment allocation
9 financing.

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

21 (1) That portion of the taxes levied upon each taxable
22 lot, block, tract or parcel of real property that is
23 attributable to the lower of the current equalized assessed
24 value or the initial equalized assessed value or the
25 updated initial equalized assessed value of each taxable

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

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

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

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

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

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

1 the municipality or the full faith and credit of the
2 municipality to pay or secure payment for all or a
3 portion of the redevelopment project costs. The
4 certification shall be filed annually no later than
5 September 1 for the estimated taxes to be distributed
6 in the following year.

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

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

23 (c) If a municipality has adopted tax increment allocation
24 financing for a redevelopment project area by ordinance and the
25 county clerk thereafter certifies the total initial equalized
26 assessed value or the total updated initial equalized assessed

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

13 (1) That portion of the taxes levied upon each taxable
14 lot, block, tract or parcel of real property that is
15 attributable to the lower of the current equalized assessed
16 value or the initial equalized assessed value, or the
17 updated initial equalized assessed value of each parcel if
18 the updated initial equalized assessed value of that parcel
19 has been certified in accordance with Section 11-74.6-40,
20 whichever has been most recently certified, of each taxable
21 lot, block, tract, or parcel of real property existing at
22 the time tax increment allocation financing was adopted in
23 the redevelopment project area, shall be allocated to and
24 when collected shall be paid by the county collector to the
25 respective affected taxing districts in the manner
26 required by law without regard to the adoption of tax

1 increment allocation financing.

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

18 (d) The municipality may pledge in the ordinance the funds
19 in and to be deposited in the special tax allocation fund for
20 the payment of redevelopment project costs and obligations. No
21 part of the current equalized assessed value of each property
22 in the redevelopment project area attributable to any increase
23 above the total initial equalized assessed value or the total
24 initial updated equalized assessed value of the property, shall
25 be used in calculating the general ~~General~~ State aid formula
26 ~~School Aid Formula~~, provided for in Section 18-8 of the School

1 Code, or the evidence-based funding formula, provided for in
2 Section 18-8.15 of the School Code, until all redevelopment
3 project costs have been paid as provided for in this Section.

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

23 When the redevelopment projects costs, including without
24 limitation all municipal obligations financing redevelopment
25 project costs incurred under this Law, have been paid, all
26 surplus funds then remaining in the special tax allocation fund

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

14 Upon the payment of all redevelopment project costs,
15 retirement of obligations and the distribution of any excess
16 moneys under this Section, the municipality shall adopt an
17 ordinance dissolving the special tax allocation fund for the
18 redevelopment project area and terminating the designation of
19 the redevelopment project area as a redevelopment project area.
20 Thereafter the tax levies of taxing districts shall be
21 extended, collected and distributed in the same manner
22 applicable before the adoption of tax increment allocation
23 financing. Municipality shall notify affected taxing districts
24 prior to November if the redevelopment project area is to be
25 terminated by December 31 of that same year.

26 Nothing in this Section shall be construed as relieving

1 property in a redevelopment project area from being assessed as
2 provided in the Property Tax Code or as relieving owners of
3 that property from paying a uniform rate of taxes, as required
4 by Section 4 of Article IX of the Illinois Constitution.

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

6 Section 960. The Economic Development Project Area Tax
7 Increment Allocation Act of 1995 is amended by changing Section
8 50 as follows:

9 (65 ILCS 110/50)

10 Sec. 50. Special tax allocation fund.

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

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

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

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

21 (b) The municipality, by an ordinance adopting tax
22 increment allocation financing, may pledge the monies in and to
23 be deposited into the special tax allocation fund for the
24 payment of obligations issued under this Act and for the
25 payment of economic development project costs. No part of the
26 current equalized assessed valuation of each property in the

1 economic development project area attributable to any increase
2 above the total initial equalized assessed value of those
3 properties shall be used in calculating the general State
4 ~~school~~ aid formula under Section 18-8 of the School Code or the
5 evidence-based funding formula under Section 18-8.15 of the
6 School Code, until all economic development projects costs have
7 been paid as provided for in this Section.

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

20 (d) Upon the payment of all economic development project
21 costs, retirement of obligations, and distribution of any
22 excess monies under this Section and not later than 23 years
23 from the date of the adoption of the ordinance establishing the
24 economic development project area, the municipality shall
25 adopt an ordinance dissolving the special tax allocation fund
26 for the 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 or lessees of that property from paying a uniform rate
10 of taxes as required by Section 4 of Article IX of the Illinois
11 Constitution.

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

13 Section 965. The School Code is amended by changing
14 Sections 1A-8, 1B-5, 1B-6, 1B-7, 1B-8, 1C-1, 1C-2, 1D-1, 1E-20,
15 1F-20, 1F-62, 1H-20, 1H-70, 2-3.25g, 2-3.33, 2-3.51.5, 2-3.66,
16 2-3.66b, 2-3.84, 2-3.109a, 3-14.21, 7-14A, 10-17a, 10-19,
17 10-22.5a, 10-22.20, 10-29, 11E-135, 13A-8, 13B-20.20, 13B-45,
18 13B-50, 13B-50.10, 13B-50.15, 14-7.02b, 14-13.01, 14C-1,
19 14C-12, 17-1, 17-1.2, 17-1.5, 17-2.11, 17-2A, 18-4.3, 18-8.05,
20 18-8.10, 18-9, 18-12, 26-16, 27-6, 27-7, 27-8.1, 27-24.2,
21 27A-9, 27A-11, 29-5, 34-2.3, 34-18, 34-18.30, 34-43.1, and
22 34-53 and by adding Sections 2-3.170, 17-3.6, and 18-8.15 as
23 follows:

24 (105 ILCS 5/1A-8) (from Ch. 122, par. 1A-8)

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

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

1 consultant to assist the district review its financial
2 condition and options.

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

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

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

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

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

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

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

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

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

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

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

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

20 (105 ILCS 5/1B-5) (from Ch. 122, par. 1B-5)

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

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

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

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

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

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

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

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

25 (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
26 the positions of treasurer in a Class I county school unit and

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

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

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

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

26 (h) to approve and require revisions of the school district

1 budget;

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

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

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

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

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

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

26 (o) to procure insurance against any loss in such amounts

1 and from such insurers as it deems necessary;

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

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

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

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

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

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

22 (105 ILCS 5/1B-7) (from Ch. 122, par. 1B-7)

23 Sec. 1B-7. Financial Administrator; Powers and Duties. The
24 Financial Administrator appointed by the Financial Oversight
25 Panel shall serve as the Panel's chief executive officer. The

1 Financial Administrator shall exercise the powers and duties
2 required by the Panel, including but not limited to the
3 following:

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

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

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

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

24 (e) to require the local board to prepare and submit
25 preliminary staffing and budgetary analyses annually prior to
26 February 1 in such manner and form as the Financial

1 Administrator shall prescribe; and

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

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

6 (105 ILCS 5/1B-8) (from Ch. 122, par. 1B-8)

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

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

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

18 The maximum amount of an emergency financial assistance
19 loan which may be allocated to any school district under this
20 Article, including moneys necessary for the operations of the
21 Panel, shall not exceed \$4,000 times the number of pupils
22 enrolled in the school district during the school year ending
23 June 30 prior to the date of approval by the State Board of the
24 petition for emergency financial assistance, as certified to
25 the local board and the Panel by the State Superintendent. An
26 emergency financial assistance grant shall not exceed \$1,000

1 times the number of such pupils. A district may receive both a
2 loan and a grant.

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

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

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

23 In establishing the terms and conditions for the repayment
24 obligation of the school district the Panel shall annually
25 determine whether a separate local property tax levy is
26 required. The board of any school district with a tax rate for

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

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

15 (105 ILCS 5/1C-1)

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

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

24 (Source: P.A. 88-555, eff. 7-27-94; 89-15, eff. 5-30-95;
25 89-397, eff. 8-20-95; 89-626, eff. 8-9-96.)

1 (105 ILCS 5/1C-2)

2 Sec. 1C-2. Block grants.

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

11 (b) (Blank).

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

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

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

16 (105 ILCS 5/1D-1)

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

18 (a) For fiscal year 1996 through fiscal year 2017 ~~and each~~
19 ~~fiscal year thereafter~~, the State Board of Education shall
20 award to a school district having a population exceeding
21 500,000 inhabitants a general education block grant and an
22 educational services block grant, determined as provided in
23 this Section, in lieu of distributing to the district separate
24 State funding for the programs described in subsections (b) and
25 (c). The provisions of this Section, however, do not apply to

1 any federal funds that the district is entitled to receive. In
2 accordance with Section 2-3.32, all block grants are subject to
3 an audit. Therefore, block grant receipts and block grant
4 expenditures shall be recorded to the appropriate fund code for
5 the designated block grant.

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

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

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

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

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

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

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

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

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

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

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

24 (h) Notwithstanding any other provision of law, any school
25 district receiving a block grant under this Section may
26 classify all or a portion of the funds that it receives in a

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

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

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

8 (105 ILCS 5/1E-20)

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

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

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

1 cause.

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

10 Authority members shall serve without compensation, but
11 may be reimbursed by the State Board for travel and other
12 necessary expenses incurred in the performance of their
13 official duties. Unless paid from bonds issued under Section
14 1E-65 of this Code, the amount reimbursed members for their
15 expenses shall be charged to the school district as part of any
16 emergency financial assistance and incorporated as a part of
17 the terms and conditions for repayment of the assistance or
18 shall be 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. 92-547, eff. 6-13-02.)

7 (105 ILCS 5/1F-20)

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

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

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

25 Members of the Authority shall be selected primarily on the

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

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

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

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

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

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

6 (105 ILCS 5/1F-62)

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

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

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

1 approved emergency financial assistance in conjunction with
2 the appointment of a School Finance Authority, the Authority's
3 approved costs shall be paid from deductions from the
4 district's general State aid or evidence-based funding.

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

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

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

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

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

25 The School Finance Authority shall establish and the
26 Illinois Finance Authority shall approve the terms and

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

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

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

1 (105 ILCS 5/1H-20)

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

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

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

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

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

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

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

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

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

17 (105 ILCS 5/1H-70)

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

25 (1) issue tax anticipation warrants under the

1 provisions of Section 17-16 of this Code against taxes
2 levied by either the school board or the Panel pursuant to
3 Section 1H-25 of this Code;

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

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

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

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

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

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

21 (105 ILCS 5/2-3.25g) (from Ch. 122, par. 2-3.25g)

22 Sec. 2-3.25g. Waiver or modification of mandates within the
23 School Code and administrative rules and regulations.

24 (a) In this Section:

25 "Board" means a school board or the governing board or

1 administrative district, as the case may be, for a joint
2 agreement.

3 "Eligible applicant" means a school district, joint
4 agreement made up of school districts, or regional
5 superintendent of schools on behalf of schools and programs
6 operated by the regional office of education.

7 "Implementation date" has the meaning set forth in
8 Section 24A-2.5 of this Code.

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

10 (b) Notwithstanding any other provisions of this School
11 Code or any other law of this State to the contrary, eligible
12 applicants may petition the State Board of Education for the
13 waiver or modification of the mandates of this School Code or
14 of the administrative rules and regulations promulgated by the
15 State Board of Education. Waivers or modifications of
16 administrative rules and regulations and modifications of
17 mandates of this School Code may be requested when an eligible
18 applicant demonstrates that it can address the intent of the
19 rule or mandate in a more effective, efficient, or economical
20 manner or when necessary to stimulate innovation or improve
21 student performance. Waivers of mandates of the School Code may
22 be requested when the waivers are necessary to stimulate
23 innovation or improve student performance or when the applicant
24 demonstrates that it can address the intent of the mandate of
25 the School Code in a more effective, efficient, or economical
26 manner. Waivers may not be requested from laws, rules, and

1 regulations pertaining to special education, teacher educator
2 licensure, teacher tenure and seniority, or Section 5-2.1 of
3 this Code or from compliance with the Every Student Succeeds
4 Act (Public Law 114-95) ~~No Child Left Behind Act of 2001~~
5 ~~(Public Law 107-110)~~. Eligible applicants may not seek a waiver
6 or seek a modification of a mandate regarding the requirements
7 for (i) student performance data to be a significant factor in
8 teacher or principal evaluations or (ii) teachers and
9 principals to be rated using the 4 categories of "excellent",
10 "proficient", "needs improvement", or "unsatisfactory". On
11 September 1, 2014, any previously authorized waiver or
12 modification from such requirements shall terminate.

13 (c) Eligible applicants, as a matter of inherent managerial
14 policy, and any Independent Authority established under
15 Section 2-3.25f-5 of this Code may submit an application for a
16 waiver or modification authorized under this Section. Each
17 application must include a written request by the eligible
18 applicant or Independent Authority and must demonstrate that
19 the intent of the mandate can be addressed in a more effective,
20 efficient, or economical manner or be based upon a specific
21 plan for improved student performance and school improvement.
22 Any eligible applicant requesting a waiver or modification for
23 the reason that intent of the mandate can be addressed in a
24 more economical manner shall include in the application a
25 fiscal analysis showing current expenditures on the mandate and
26 projected savings resulting from the waiver or modification.

1 Applications and plans developed by eligible applicants must be
2 approved by the board or regional superintendent of schools
3 applying on behalf of schools or programs operated by the
4 regional office of education following a public hearing on the
5 application and plan and the opportunity for the board or
6 regional superintendent to hear testimony from staff directly
7 involved in its implementation, parents, and students. The time
8 period for such testimony shall be separate from the time
9 period established by the eligible applicant for public comment
10 on other matters. ~~If the applicant is a school district or~~
11 ~~joint agreement requesting a waiver or modification of Section~~
12 ~~27-6 of this Code, the public hearing shall be held on a day~~
13 ~~other than the day on which a regular meeting of the board is~~
14 ~~held.~~

15 (c-5) If the applicant is a school district, then the
16 district shall post information that sets forth the time, date,
17 place, and general subject matter of the public hearing on its
18 Internet website at least 14 days prior to the hearing. If the
19 district is requesting to increase the fee charged for driver
20 education authorized pursuant to Section 27-24.2 of this Code,
21 the website information shall include the proposed amount of
22 the fee the district will request. All school districts must
23 publish a notice of the public hearing at least 7 days prior to
24 the hearing in a newspaper of general circulation within the
25 school district that sets forth the time, date, place, and
26 general subject matter of the hearing. Districts requesting to

1 increase the fee charged for driver education shall include in
2 the published notice the proposed amount of the fee the
3 district will request. If the applicant is a joint agreement or
4 regional superintendent, then the joint agreement or regional
5 superintendent shall post information that sets forth the time,
6 date, place, and general subject matter of the public hearing
7 on its Internet website at least 14 days prior to the hearing.
8 If the joint agreement or regional superintendent is requesting
9 to increase the fee charged for driver education authorized
10 pursuant to Section 27-24.2 of this Code, the website
11 information shall include the proposed amount of the fee the
12 applicant will request. All joint agreements and regional
13 superintendents must publish a notice of the public hearing at
14 least 7 days prior to the hearing in a newspaper of general
15 circulation in each school district that is a member of the
16 joint agreement or that is served by the educational service
17 region that sets forth the time, date, place, and general
18 subject matter of the hearing, provided that a notice appearing
19 in a newspaper generally circulated in more than one school
20 district shall be deemed to fulfill this requirement with
21 respect to all of the affected districts. Joint agreements or
22 regional superintendents requesting to increase the fee
23 charged for driver education shall include in the published
24 notice the proposed amount of the fee the applicant will
25 request. The eligible applicant must notify in writing the
26 affected exclusive collective bargaining agent and those State

1 legislators representing the eligible applicant's territory of
2 its intent to seek approval of a waiver or modification and of
3 the hearing to be held to take testimony from staff. The
4 affected exclusive collective bargaining agents shall be
5 notified of such public hearing at least 7 days prior to the
6 date of the hearing and shall be allowed to attend such public
7 hearing. The eligible applicant shall attest to compliance with
8 all of the notification and procedural requirements set forth
9 in this Section.

10 (d) A request for a waiver or modification of
11 administrative rules and regulations or for a modification of
12 mandates contained in this School Code shall be submitted to
13 the State Board of Education within 15 days after approval by
14 the board or regional superintendent of schools. The
15 application as submitted to the State Board of Education shall
16 include a description of the public hearing. ~~Except with~~
17 ~~respect to contracting for adaptive driver education, an~~
18 ~~eligible applicant wishing to request a modification or waiver~~
19 ~~of administrative rules of the State Board of Education~~
20 ~~regarding contracting with a commercial driver training school~~
21 ~~to provide the course of study authorized under Section 27-24.2~~
22 ~~of this Code must provide evidence with its application that~~
23 ~~the commercial driver training school with which it will~~
24 ~~contract holds a license issued by the Secretary of State under~~
25 ~~Article IV of Chapter 6 of the Illinois Vehicle Code and that~~
26 ~~each instructor employed by the commercial driver training~~

1 ~~school to provide instruction to students served by the school~~
2 ~~district holds a valid teaching certificate or teaching~~
3 ~~license, as applicable, issued under the requirements of this~~
4 ~~Code and rules of the State Board of Education. Such evidence~~
5 ~~must include, but need not be limited to, a list of each~~
6 ~~instructor assigned to teach students served by the school~~
7 ~~district, which list shall include the instructor's name,~~
8 ~~personal identification number as required by the State Board~~
9 ~~of Education, birth date, and driver's license number. If the~~
10 ~~modification or waiver is granted, then the eligible applicant~~
11 ~~shall notify the State Board of Education of any changes in the~~
12 ~~personnel providing instruction within 15 calendar days after~~
13 ~~an instructor leaves the program or a new instructor is hired.~~
14 ~~Such notification shall include the instructor's name,~~
15 ~~personal identification number as required by the State Board~~
16 ~~of Education, birth date, and driver's license number. If a~~
17 ~~school district maintains an Internet website, then the~~
18 ~~district shall post a copy of the final contract between the~~
19 ~~district and the commercial driver training school on the~~
20 ~~district's Internet website. If no Internet website exists,~~
21 ~~then the district shall make available the contract upon~~
22 ~~request. A record of all materials in relation to the~~
23 ~~application for contracting must be maintained by the school~~
24 ~~district and made available to parents and guardians upon~~
25 ~~request. The instructor's date of birth and driver's license~~
26 ~~number and any other personally identifying information as~~

1 ~~deemed by the federal Driver's Privacy Protection Act of 1994~~
2 ~~must be redacted from any public materials.~~ Following receipt
3 of the waiver or modification request, the State Board shall
4 have 45 days to review the application and request. If the
5 State Board fails to disapprove the application within that 45
6 day period, the waiver or modification shall be deemed granted.
7 The State Board may disapprove any request if it is not based
8 upon sound educational practices, endangers the health or
9 safety of students or staff, compromises equal opportunities
10 for learning, or fails to demonstrate that the intent of the
11 rule or mandate can be addressed in a more effective,
12 efficient, or economical manner or have improved student
13 performance as a primary goal. Any request disapproved by the
14 State Board may be appealed to the General Assembly by the
15 eligible applicant as outlined in this Section.

16 A request for a waiver from mandates contained in this
17 School Code shall be submitted to the State Board within 15
18 days after approval by the board or regional superintendent of
19 schools. The application as submitted to the State Board of
20 Education shall include a description of the public hearing.
21 The description shall include, but need not be limited to, the
22 means of notice, the number of people in attendance, the number
23 of people who spoke as proponents or opponents of the waiver, a
24 brief description of their comments, and whether there were any
25 written statements submitted. The State Board shall review the
26 applications and requests for completeness and shall compile

1 the requests in reports to be filed with the General Assembly.
2 The State Board shall file reports outlining the waivers
3 requested by eligible applicants and appeals by eligible
4 applicants of requests disapproved by the State Board with the
5 Senate and the House of Representatives before each March 1 and
6 October 1.

7 The report shall be reviewed by a panel of 4 members
8 consisting of:

9 (1) the Speaker of the House of Representatives;

10 (2) the Minority Leader of the House of
11 Representatives;

12 (3) the President of the Senate; and

13 (4) the Minority Leader of the Senate.

14 The State Board of Education may provide the panel
15 recommendations on waiver requests. The members of the panel
16 shall review the report submitted by the State Board of
17 Education and submit to the State Board of Education any notice
18 of further consideration to any waiver request within 14 days
19 after the member receives the report. If 3 or more of the panel
20 members submit a notice of further consideration to any waiver
21 request contained within the report, the State Board of
22 Education shall submit the waiver request to the General
23 Assembly for consideration. If less than 3 panel members submit
24 a notice of further consideration to a waiver request, the
25 waiver may be approved, denied, or modified by the State Board.
26 If the State Board does not act on a waiver request within 10

1 days, then the waiver request is approved. If the waiver
2 request is denied by the State Board, it shall submit the
3 waiver request to the General Assembly for consideration.

4 The General Assembly may disapprove any waiver request
5 submitted to the General Assembly pursuant to this subsection
6 (d) the report of the State Board in whole or in part within 60
7 calendar days after each house of the General Assembly next
8 convenes after the waiver request is submitted ~~report is filed~~
9 by adoption of a resolution by a record vote of the majority of
10 members elected in each house. If the General Assembly fails to
11 disapprove any waiver request or appealed request within such
12 60 day period, the waiver or modification shall be deemed
13 granted. Any resolution adopted by the General Assembly
14 disapproving a report of the State Board in whole or in part
15 shall be binding on the State Board.

16 (e) An approved waiver or modification ~~(except a waiver~~
17 ~~from or modification to a physical education mandate)~~ may
18 remain in effect for a period not to exceed 5 school years and
19 may be renewed upon application by the eligible applicant.
20 However, such waiver or modification may be changed within that
21 5-year period by a board or regional superintendent of schools
22 applying on behalf of schools or programs operated by the
23 regional office of education following the procedure as set
24 forth in this Section for the initial waiver or modification
25 request. If neither the State Board of Education nor the
26 General Assembly disapproves, the change is deemed granted.

1 ~~An approved waiver from or modification to a physical~~
2 ~~education mandate may remain in effect for a period not to~~
3 ~~exceed 2 school years and may be renewed no more than 2 times~~
4 ~~upon application by the eligible applicant. An approved waiver~~
5 ~~from or modification to a physical education mandate may be~~
6 ~~changed within the 2 year period by the board or regional~~
7 ~~superintendent of schools, whichever is applicable, following~~
8 ~~the procedure set forth in this Section for the initial waiver~~
9 ~~or modification request. If neither the State Board of~~
10 ~~Education nor the General Assembly disapproves, the change is~~
11 ~~deemed granted.~~

12 (f) (Blank).

13 (Source: P.A. 98-513, eff. 1-1-14; 98-739, eff. 7-16-14;
14 98-1155, eff. 1-9-15; 99-78, eff. 7-20-15.)

15 (105 ILCS 5/2-3.33) (from Ch. 122, par. 2-3.33)

16 Sec. 2-3.33. Recomputation of claims. To recompute within
17 3 years from the final date for filing of a claim any claim for
18 general State aid reimbursement to any school district and one
19 year from the final date for filing of a claim for
20 evidence-based funding if the claim has been found to be
21 incorrect and to adjust subsequent claims accordingly, and to
22 recompute and adjust any such claims within 6 years from the
23 final date for filing when there has been an adverse court or
24 administrative agency decision on the merits affecting the tax
25 revenues of the school district. However, no such adjustment

1 shall be made regarding equalized assessed valuation unless the
2 district's equalized assessed valuation is changed by greater
3 than \$250,000 or 2%. Any adjustments for claims recomputed for
4 the 2016-2017 school year and prior school years shall be
5 applied to the apportionment of evidence-based funding in
6 Section 18-8.15 of this Code beginning in the 2017-2018 school
7 year and thereafter. However, the recomputation of a claim for
8 evidence-based funding for a school district shall not require
9 the recomputation of claims for all districts, and the State
10 Board of Education shall only make recomputations of
11 evidence-based funding for those districts where an adjustment
12 is required.

13 Except in the case of an adverse court or administrative
14 agency decision, no recomputation of a State aid claim shall be
15 made pursuant to this Section as a result of a reduction in the
16 assessed valuation of a school district from the assessed
17 valuation of the district reported to the State Board of
18 Education by the Department of Revenue under Section 18-8.05 or
19 18-8.15 of this Code unless the requirements of Section 16-15
20 of the Property Tax Code and Section 2-3.84 of this Code are
21 complied with in all respects.

22 This paragraph applies to all requests for recomputation of
23 a general State aid or evidence-based funding claim received
24 after June 30, 2003. In recomputing a general State aid or
25 evidence-based funding claim that was originally calculated
26 using an extension limitation equalized assessed valuation

1 under paragraph (3) of subsection (G) of Section 18-8.05 of
2 this Code or Section 18-8.15 of this Code, a qualifying
3 reduction in equalized assessed valuation shall be deducted
4 from the extension limitation equalized assessed valuation
5 that was used in calculating the original claim.

6 From the total amount of general State aid or
7 evidence-based funding to be provided to districts,
8 adjustments as a result of recomputation under this Section
9 together with adjustments under Section 2-3.84 must not exceed
10 \$25 million, in the aggregate for all districts under both
11 Sections combined, of the general State aid or evidence-based
12 funding appropriation in any fiscal year; if necessary, amounts
13 shall be prorated among districts. If it is necessary to
14 prorate claims under this paragraph, then that portion of each
15 prorated claim that is approved but not paid in the current
16 fiscal year may be resubmitted as a valid claim in the
17 following fiscal year.

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

19 (105 ILCS 5/2-3.51.5)

20 Sec. 2-3.51.5. School Safety and Educational Improvement
21 Block Grant Program. To improve the level of education and
22 safety of students from kindergarten through grade 12 in school
23 districts and State-recognized, non-public schools. The State
24 Board of Education is authorized to fund a School Safety and
25 Educational Improvement Block Grant Program.

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

1 attendance figure prior to receiving funds under this Section.
2 The State Board of Education shall promulgate rules and
3 regulations necessary for the implementation of this program.

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

8 (3) Grants under the School Safety and Educational
9 Improvement Block Grant Program shall be awarded provided there
10 is an appropriation for the program, and funding levels for
11 each district shall be prorated according to the amount of the
12 appropriation.

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

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

17 (105 ILCS 5/2-3.66) (from Ch. 122, par. 2-3.66)

18 Sec. 2-3.66. Truants' alternative and optional education
19 programs. To establish projects to offer modified
20 instructional programs or other services designed to prevent
21 students from dropping out of school, including programs
22 pursuant to Section 2-3.41, and to serve as a part time or full
23 time option in lieu of regular school attendance and to award
24 grants to local school districts, educational service regions
25 or community college districts from appropriated funds to

1 assist districts in establishing such projects. The education
2 agency may operate its own program or enter into a contract
3 with another not-for-profit entity to implement the program.
4 The projects shall allow dropouts, up to and including age 21,
5 potential dropouts, including truants, uninvolved, unmotivated
6 and disaffected students, as defined by State Board of
7 Education rules and regulations, to enroll, as an alternative
8 to regular school attendance, in an optional education program
9 which may be established by school board policy and is in
10 conformance with rules adopted by the State Board of Education.
11 Truants' Alternative and Optional Education programs funded
12 pursuant to this Section shall be planned by a student, the
13 student's parents or legal guardians, unless the student is 18
14 years or older, and school officials and shall culminate in an
15 individualized optional education plan. Such plan shall focus
16 on academic or vocational skills, or both, and may include, but
17 not be limited to, evening school, summer school, community
18 college courses, adult education, preparation courses for high
19 school equivalency testing, vocational training, work
20 experience, programs to enhance self concept and parenting
21 courses. School districts which are awarded grants pursuant to
22 this Section shall be authorized to provide day care services
23 to children of students who are eligible and desire to enroll
24 in programs established and funded under this Section, but only
25 if and to the extent that such day care is necessary to enable
26 those eligible students to attend and participate in the

1 programs and courses which are conducted pursuant to this
2 Section. School districts and regional offices of education may
3 claim general State aid under Section 18-8.05 or evidence-based
4 funding under Section 18-8.15 for students enrolled in truants'
5 alternative and optional education programs, provided that
6 such students are receiving services that are supplemental to a
7 program leading to a high school diploma and are otherwise
8 eligible to be claimed for general State aid under Section
9 18-8.05 or evidence-based funding under Section 18-8.15, as
10 applicable.

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

12 (105 ILCS 5/2-3.66b)

13 Sec. 2-3.66b. IHOPE Program.

14 (a) There is established the Illinois Hope and Opportunity
15 Pathways through Education (IHOPE) Program. The State Board of
16 Education shall implement and administer the IHOPE Program. The
17 goal of the IHOPE Program is to develop a comprehensive system
18 in this State to re-enroll significant numbers of high school
19 dropouts in programs that will enable them to earn their high
20 school diploma.

21 (b) The IHOPE Program shall award grants, subject to
22 appropriation for this purpose, to educational service regions
23 and a school district organized under Article 34 of this Code
24 from appropriated funds to assist in establishing
25 instructional programs and other services designed to

1 re-enroll high school dropouts. From any funds appropriated for
2 the IHOPE Program, the State Board of Education may use up to
3 5% for administrative costs, including the performance of a
4 program evaluation and the hiring of staff to implement and
5 administer the program.

6 The IHOPE Program shall provide incentive grant funds for
7 regional offices of education and a school district organized
8 under Article 34 of this Code to develop partnerships with
9 school districts, public community colleges, and community
10 groups to build comprehensive plans to re-enroll high school
11 dropouts in their regions or districts.

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

1 as graduating from his or her district of residence.

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

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

22 A regional office of education or a school district
23 organized under Article 34 of this Code that receives an IHOPE
24 grant from the State Board of Education may provide funds under
25 a sub-grant, as specified in the IHOPE Plan, to other
26 not-for-profit entities to provide services according to the

1 IHOPE Plan that was developed. These other entities may include
2 school districts, public community colleges, or not-for-profit
3 community-based organizations or a cooperative partnership
4 among these entities.

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

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

1 (f) IHOPE categories of programming may include the
2 following:

3 (1) Full-time programs that are comprehensive,
4 year-round programs.

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

8 (3) Online programs and courses in which students take
9 courses and complete on-site, supervised tests that
10 measure the student's mastery of a specific course needed
11 for graduation. Students may take courses online and earn
12 credit or students may prepare to take supervised tests for
13 specific courses for credit leading to receipt of a high
14 school diploma.

15 (4) Dual enrollment in which students attend high
16 school classes in combination with community college
17 classes or students attend community college classes while
18 simultaneously earning high school credit and eventually a
19 high school diploma.

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

24 (1) Small programs (70 to 100 students) at a separate
25 school site with a distinct identity. Programs may be
26 larger with specific need and justification, keeping in

1 mind that it is crucial to keep programs small to be
2 effective.

3 (2) Specific performance-based goals and outcomes and
4 measures of enrollment, attendance, skills, credits,
5 graduation, and the transition to college, training, and
6 employment.

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

9 (4) Voluntary enrollment.

10 (5) High standards for student learning, integrating
11 work experience, and education, including during the
12 school year and after school, and summer school programs
13 that link internships, work, and learning.

14 (6) Comprehensive programs providing extensive support
15 services.

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

19 (8) A comprehensive technology learning center with
20 Internet access and broad-based curriculum focusing on
21 academic and career subject areas.

22 (9) Learning opportunities that incorporate action
23 into study.

24 (h) Programs funded through the IHOPE Program must report
25 data to the State Board of Education as requested. This
26 information shall include, but is not limited to, student

1 enrollment figures, attendance information, course completion
2 data, graduation information, and post-graduation information,
3 as available.

4 (i) Rules must be developed by the State Board of Education
5 to set forth the fund distribution process to regional offices
6 of education and a school district organized under Article 34
7 of this Code, the planning and the conditions upon which an
8 IHOPE Plan would be approved by State Board, and other rules to
9 develop the IHOPE Program.

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

11 (105 ILCS 5/2-3.84) (from Ch. 122, par. 2-3.84)

12 Sec. 2-3.84. In calculating the amount of State aid to be
13 apportioned to the various school districts in this State, the
14 State Board of Education shall incorporate and deduct the total
15 aggregate adjustments to assessments made by the State Property
16 Tax Appeal Board or Cook County Board of Appeals, as reported
17 pursuant to Section 16-15 of the Property Tax Code or Section
18 129.1 of the Revenue Act of 1939 by the Department of Revenue,
19 from the equalized assessed valuation that is otherwise to be
20 utilized in the initial calculation.

21 From the total amount of general State aid or
22 evidence-based funding to be provided to districts,
23 adjustments under this Section together with adjustments as a
24 result of recomputation under Section 2-3.33 must not exceed
25 \$25 million, in the aggregate for all districts under both

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

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

9 (105 ILCS 5/2-3.109a)

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

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

17 (105 ILCS 5/2-3.170 new)

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

19 (a) As used in this Section,

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

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

24 "Unit equivalent tax rate" means the Adjusted Operating Tax

1 Rate, as defined in Section 18-8.15 of this Code, multiplied by
2 a factor of 1 for unit school districts, 13/9 for elementary
3 school districts, and 13/4 for high school districts.

4 (b) Subject to appropriation, the State Board shall provide
5 grants to eligible school districts that provide tax relief to
6 the school district's residents, up to a limit of 1% of the
7 school district's equalized assessed value, as provided in this
8 Section.

9 (c) By August 1 of each year, the State Board shall publish
10 an estimated threshold unit equivalent tax rate. School
11 districts whose adjusted operating tax rate, as defined in this
12 Section, is greater than the estimated threshold unit
13 equivalent tax rate are eligible for relief under this Section.
14 This estimated tax rate shall be based on the most recent
15 available data provided by school districts pursuant to Section
16 18-8.15 of this Code. The State Board shall estimate this
17 property tax rate based on the amount appropriated to the grant
18 program and the assumption that a set of school districts,
19 based on criteria established by the State Board, will apply
20 for grants under this Section. The criteria shall be based on
21 reasonable assumptions about when school districts will apply
22 for the grant.

23 (d) School districts seeking grants under this Section
24 shall apply to the State Board by October 1 of each year. All
25 applications to the State Board for grants shall include the
26 amount of the grant requested.

1 (e) By December 1 of each year, based on the most recent
2 available data provided by school districts pursuant to Section
3 18-8.15 of this Code, the State Board shall calculate the unit
4 equivalent tax rate, based on the applications received by the
5 State Board, above which the appropriations are sufficient to
6 provide relief and publish a list of the school districts
7 eligible for relief.

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

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

15 (h) The total grant to a school district under this Section
16 shall be calculated based on the total amount of reduction in
17 the school district's aggregate extension, up to a limit of 1%
18 of a district's equalized assessed value for a unit school
19 district, 0.69% for an elementary school district, and 0.31%
20 for a high school district, multiplied by the property tax
21 multiplier or the amount that the unit equivalent tax rate is
22 greater than the rate determined by the State Board, whichever
23 is less.

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

1 (j) The State Board shall prioritize payments under Section
2 18-8.15 of this Code over payments under this Section, if
3 necessary.

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

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

13 (105 ILCS 5/3-14.21) (from Ch. 122, par. 3-14.21)

14 Sec. 3-14.21. Inspection of schools.

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

25 (b) If the regional superintendent determines that a school

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

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

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

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

25 (105 ILCS 5/7-14A) (from Ch. 122, par. 7-14A)

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

1 this Code for the school year following the effective date of
2 the change in boundaries. The changes to this Section made by
3 this amendatory Act of the 95th General Assembly are intended
4 to be retroactive and applicable to any annexation taking
5 effect on or after July 1, 2004.

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

7 (105 ILCS 5/10-17a) (from Ch. 122, par. 10-17a)

8 Sec. 10-17a. State, school district, and school report
9 cards.

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

18 (2) In addition to any information required by federal law,
19 the State Superintendent shall determine the indicators and
20 presentation of the school report card, which must include, at
21 a minimum, the most current data possessed by the State Board
22 of Education related to the following:

23 (A) school characteristics and student demographics,
24 including average class size, average teaching experience,
25 student racial/ethnic breakdown, and the percentage of

1 students classified as low-income; the percentage of
2 students classified as English learners; the percentage of
3 students who have individualized education plans or 504
4 plans that provide for special education services; the
5 percentage of students who annually transferred in or out
6 of the school district; the per-pupil operating
7 expenditure of the school district; and the per-pupil State
8 average operating expenditure for the district type
9 (elementary, high school, or unit);

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

23 (C) student outcomes, including, where applicable, the
24 percentage of students deemed proficient on assessments of
25 State standards, the percentage of students in the eighth
26 grade who pass Algebra, the percentage of students enrolled

1 in post-secondary institutions (including colleges,
2 universities, community colleges, trade/vocational
3 schools, and training programs leading to career
4 certification within 2 semesters of high school
5 graduation), the percentage of students graduating from
6 high school who are college and career ready, and the
7 percentage of graduates enrolled in community colleges,
8 colleges, and universities who are in one or more courses
9 that the community college, college, or university
10 identifies as a developmental course;

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

17 (E) the school environment, including, where
18 applicable, the percentage of students with less than 10
19 absences in a school year, the percentage of teachers with
20 less than 10 absences in a school year for reasons other
21 than professional development, leaves taken pursuant to
22 the federal Family Medical Leave Act of 1993, long-term
23 disability, or parental leaves, the 3-year average of the
24 percentage of teachers returning to the school from the
25 previous year, the number of different principals at the
26 school in the last 6 years, 2 or more indicators from any

1 school climate survey selected or approved by the State and
2 administered pursuant to Section 2-3.153 of this Code, with
3 the same or similar indicators included on school report
4 cards for all surveys selected or approved by the State
5 pursuant to Section 2-3.153 of this Code, and the combined
6 percentage of teachers rated as proficient or excellent in
7 their most recent evaluation; ~~and~~

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

11 (G) a school district's Final Percent of Adequacy, as
12 defined in paragraph (4) of subsection (f) of Section
13 18-8.15 of this Code;

14 (H) a school district's Local Capacity Target, as
15 defined in paragraph (2) of subsection (c) of Section
16 18-8.15 of this Code, displayed as a percentage amount; and

17 (I) a school district's Real Receipts, as defined in
18 paragraph (1) of subsection (d) of Section 18-8.15 of this
19 Code, divided by a school district's Adequacy Target, as
20 defined in paragraph (1) of subsection (b) of Section
21 18-8.15 of this Code, displayed as a percentage amount.

22 The school report card shall also provide information that
23 allows for comparing the current outcome, progress, and
24 environment data to the State average, to the school data from
25 the past 5 years, and to the outcomes, progress, and
26 environment of similar schools based on the type of school and

1 enrollment of low-income students, special education students,
2 and English learners.

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

11 (4) Notwithstanding anything to the contrary in this
12 Section, in consultation with key education stakeholders, the
13 State Superintendent shall at any time have the discretion to
14 amend or update any and all metrics on the school, district, or
15 State report card.

16 (5) Annually, no more than 30 calendar days after receipt
17 of the school district and school report cards from the State
18 Superintendent of Education, each school district, including
19 special charter districts and districts subject to the
20 provisions of Article 34, shall present such report cards at a
21 regular school board meeting subject to applicable notice
22 requirements, post the report cards on the school district's
23 Internet web site, if the district maintains an Internet web
24 site, make the report cards available to a newspaper of general
25 circulation serving the district, and, upon request, send the
26 report cards home to a parent (unless the district does not

1 maintain an Internet web site, in which case the report card
2 shall be sent home to parents without request). If the district
3 posts the report card on its Internet web site, the district
4 shall send a written notice home to parents stating (i) that
5 the report card is available on the web site, (ii) the address
6 of the web site, (iii) that a printed copy of the report card
7 will be sent to parents upon request, and (iv) the telephone
8 number that parents may call to request a printed copy of the
9 report card.

10 (6) Nothing contained in this amendatory Act of the 98th
11 General Assembly repeals, supersedes, invalidates, or
12 nullifies final decisions in lawsuits pending on the effective
13 date of this amendatory Act of the 98th General Assembly in
14 Illinois courts involving the interpretation of Public Act
15 97-8.

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

18 (105 ILCS 5/10-19) (from Ch. 122, par. 10-19)

19 Sec. 10-19. Length of school term - experimental programs.
20 Each school board shall annually prepare a calendar for the
21 school term, specifying the opening and closing dates and
22 providing a minimum term of at least 185 days to insure 176
23 days of actual pupil attendance, computable under Section
24 18-8.05 or 18-8.15, except that for the 1980-1981 school year
25 only 175 days of actual pupil attendance shall be required

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

24 A school board may make such changes in its calendar for
25 the school term as may be required by any changes in the legal
26 school holidays prescribed in Section 24-2. A school board may

1 make changes in its calendar for the school term as may be
2 necessary to reflect the utilization of teachers' institute
3 days as parental institute days as provided in Section
4 10-22.18d.

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

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

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

21 (105 ILCS 5/10-22.5a) (from Ch. 122, par. 10-22.5a)

22 Sec. 10-22.5a. Attendance by dependents of United States
23 military personnel, foreign exchange students, and certain
24 nonresident pupils.

25 (a) To enter into written agreements with cultural exchange

1 organizations, or with nationally recognized eleemosynary
2 institutions that promote excellence in the arts, mathematics,
3 or science. The written agreements may provide for tuition free
4 attendance at the local district school by foreign exchange
5 students, or by nonresident pupils of eleemosynary
6 institutions. The local board of education, as part of the
7 agreement, may require that the cultural exchange program or
8 the eleemosynary institutions provide services to the district
9 in exchange for the waiver of nonresident tuition.

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

19 (a-5) If, at the time of enrollment, a dependent of United
20 States military personnel is housed in temporary housing
21 located outside of a school district, but will be living within
22 the district within 60 days after the time of initial
23 enrollment, the dependent must be allowed to enroll, subject to
24 the requirements of this subsection (a-5), and must not be
25 charged tuition. Any United States military personnel
26 attempting to enroll a dependent under this subsection (a-5)

1 shall provide proof that the dependent will be living within
2 the district within 60 days after the time of initial
3 enrollment. Proof of residency may include, but is not limited
4 to, postmarked mail addressed to the military personnel and
5 sent to an address located within the district, a lease
6 agreement for occupancy of a residence located within the
7 district, or proof of ownership of a residence located within
8 the district.

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

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

20 (105 ILCS 5/10-22.20) (from Ch. 122, par. 10-22.20)

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

24 (a) To establish special classes for the instruction (1) of
25 persons of age 21 years or over and (2) of persons less than

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

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

22 The cost of such instruction, including the additional
23 expenses herein authorized, incurred for recipients of
24 financial aid under the Illinois Public Aid Code, or for
25 persons for whom education and training aid has been authorized
26 under Section 9-8 of that Code, shall be assumed in its

1 entirety from funds appropriated by the State to the Illinois
2 Community College Board.

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

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

20 (2) the method for calculating hours of instruction, as
21 defined by the Illinois Community College Board, claimable
22 for reimbursement and a method to phase in the calculation
23 and for adjusting the calculations in cases where the
24 services of a program are interrupted due to circumstances
25 beyond the control of the program provider;

26 (3) a plan for the reallocation of funds to increase

1 the amount allocated for grants based upon program
2 performance as set forth in subsection (d) below; and

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

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

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

20 (1) For adult basic education, the maximum
21 reimbursement per credit hour or per unit of instruction
22 shall be equal to (i) through fiscal year 2017, the general
23 state aid per pupil foundation level established in
24 subsection (B) of Section 18-8.05, divided by 60, or (ii)
25 in fiscal year 2018 and thereafter, the prior fiscal year
26 reimbursement level multiplied by the Consumer Price Index

1 for All Urban Consumers for all items published by the
2 United States Department of Labor;

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

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

13 (4) (Blank); and

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

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

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

24 If the amount appropriated to the Illinois Community
25 College Board for reimbursement under this Section is less than
26 the amount required under this Act, the apportionment shall be

1 proportionately reduced.

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

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

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

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

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

26 School districts or community colleges providing classes

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

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

17 (h) If a school district or community college district
18 establishes child-care facilities for the children of
19 participants in classes established under this Section, it may
20 extend the use of these facilities to students who have
21 obtained employment and to other persons in the community whose
22 children require care and supervision while the parent or other
23 person in charge of the children is employed or otherwise
24 absent from the home during all or part of the day. It may make
25 the facilities available before and after as well as during
26 regular school hours to school age and preschool age children

1 who may benefit thereby, including children who require care
2 and supervision pending the return of their parent or other
3 person in charge of their care from employment or other
4 activity requiring absence from the home.

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

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

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

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

26 (j) In addition to claiming reimbursement under this

1 Section, a school district may claim general State aid under
2 Section 18-8.05 or evidence-based funding under Section
3 18-8.15 for any student under age 21 who is enrolled in courses
4 accepted for graduation from elementary or high school and who
5 otherwise meets the requirements of Section 18-8.05 or 18-8.15,
6 as applicable.

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

8 (105 ILCS 5/10-29)

9 Sec. 10-29. Remote educational programs.

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

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

21 (A) Criteria for determining that a remote
22 educational program will best serve a student's
23 individual learning needs. The criteria must include
24 consideration of, at a minimum, a student's prior
25 attendance, disciplinary record, and academic history.

1 (B) Any limitations on the number of students or
2 grade levels that may participate in a remote
3 educational program.

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

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

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

22 (F) A description of the process for renewing a
23 remote educational program at the expiration of its
24 term.

25 (G) Such other terms and provisions as the school
26 district deems necessary to provide for the

1 establishment and delivery of a remote educational
2 program.

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

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

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

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

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

21 (4) During the period of time from and including the
22 opening date to the closing date of the regular school term
23 of the school district established pursuant to Section
24 10-19 of this Code, participation in a remote educational
25 program may be claimed for general State aid purposes under
26 Section 18-8.05 of this Code or evidence-based funding

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

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

22 (A) Specific achievement goals for the student
23 aligned to State learning standards.

24 (B) A description of all assessments that will be
25 used to measure student progress, which description
26 shall indicate the assessments that will be

1 administered at an attendance center within the school
2 district.

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

7 (D) Expectations, processes, and schedules for
8 interaction between a teacher and student.

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

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

23 (G) A description of the procedures and
24 opportunities for participation in academic and
25 extra-curricular activities and programs within the
26 school district.

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

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

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

21 (K) A description of the specific location or
22 locations in which the program will be delivered. If
23 the remote educational program is to be delivered to a
24 student in any location other than the student's home,
25 the plan must include a written determination by the
26 school district that the location will provide a

1 learning environment appropriate for the delivery of
2 the program. The location or locations in which the
3 program will be delivered shall be deemed a long
4 distance teaching reception area under subsection (a)
5 of Section 10-22.34 of this Code.

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

8 (6) Students participating in a remote educational
9 program must be enrolled in a school district attendance
10 center pursuant to the school district's enrollment policy
11 or policies. A student participating in a remote
12 educational program must be tested as part of all
13 assessments administered by the school district pursuant
14 to Section 2-3.64a-5 of this Code at the attendance center
15 in which the student is enrolled and in accordance with the
16 attendance center's assessment policies and schedule. The
17 student must be included within all accountability
18 determinations for the school district and attendance
19 center under State and federal law.

20 (7) The term of a student's participation in a remote
21 educational program may not extend for longer than 12
22 months, unless the term is renewed by the school district.
23 The district may only renew a student's participation in a
24 remote educational program following an evaluation of the
25 student's progress in the program, a determination that the
26 student's continuation in the program will best serve the

1 student's individual learning needs, and an amendment to
2 the student's written remote educational plan addressing
3 any changes for the upcoming term of the program.

4 For purposes of this Section, a remote educational program
5 does not include instruction delivered to students through an
6 e-learning program approved under Section 10-20.56 of this
7 Code.

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

10 (c) Clock hours of instruction by students in a remote
11 educational program meeting the requirements of this Section
12 may be claimed by the school district and shall be counted as
13 school work for general State aid purposes in accordance with
14 and subject to the limitations of Section 18-8.05 of this Code
15 or evidence-based funding purposes in accordance with and
16 subject to the limitations of Section 18-8.15 of this Code.

17 (d) The impact of remote educational programs on wages,
18 hours, and terms and conditions of employment of educational
19 employees within the school district shall be subject to local
20 collective bargaining agreements.

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

24 (f) A remote educational program may be used, but is not
25 required, for instruction delivered to a student in the home or
26 other location outside of a school building that is not claimed

1 for general State aid purposes under Section 18-8.05 of this
2 Code or evidence-based funding purposes under Section 18-8.15
3 of this Code.

4 (g) School districts that, pursuant to this Section, adopt
5 a policy for a remote educational program must submit to the
6 State Board of Education a copy of the policy and any
7 amendments thereto, as well as data on student participation in
8 a format specified by the State Board of Education. The State
9 Board of Education may perform or contract with an outside
10 entity to perform an evaluation of remote educational programs
11 in this State.

12 (h) The State Board of Education may adopt any rules
13 necessary to ensure compliance by remote educational programs
14 with the requirements of this Section and other applicable
15 legal requirements.

16 (Source: P.A. 98-972, eff. 8-15-14; 99-193, eff. 7-30-15;
17 99-194, eff. 7-30-15; 99-642, eff. 7-28-16.)

18 (105 ILCS 5/11E-135)

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

24 (a)(1) For a combined school district, as defined in
25 Section 11E-20 of this Code, or for a unit district, as defined

1 in Section 11E-25 of this Code, for its first year of
2 existence, the general State aid and supplemental general State
3 aid calculated under Section 18-8.05 of this Code or the
4 evidence-based funding calculated under Section 18-8.15 of
5 this Code, as applicable, shall be computed for the new
6 district and for the previously existing districts for which
7 property is totally included within the new district. If the
8 computation on the basis of the previously existing districts
9 is greater, a supplementary payment equal to the difference
10 shall be made for the first 4 years of existence of the new
11 district.

12 (2) For a school district that annexes all of the territory
13 of one or more entire other school districts as defined in
14 Article 7 of this Code, for the first year during which the
15 change of boundaries attributable to the annexation becomes
16 effective for all purposes, as determined under Section 7-9 of
17 this Code, the general State aid and supplemental general State
18 aid calculated under Section 18-8.05 of this Code or the
19 evidence-based funding calculated under Section 18-8.15 of
20 this Code, as applicable, shall be computed for the annexing
21 district as constituted after the annexation and for the
22 annexing and each annexed district as constituted prior to the
23 annexation; and if the computation on the basis of the annexing
24 and annexed districts as constituted prior to the annexation is
25 greater, then a supplementary payment equal to the difference
26 shall be made for the first 4 years of existence of the

1 annexing school district as constituted upon the annexation.

2 (3) For 2 or more school districts that annex all of the
3 territory of one or more entire other school districts, as
4 defined in Article 7 of this Code, for the first year during
5 which the change of boundaries attributable to the annexation
6 becomes effective for all purposes, as determined under Section
7 7-9 of this Code, the general State aid and supplemental
8 general State aid calculated under Section 18-8.05 of this Code
9 or the evidence-based funding calculated under Section 18-8.15
10 of this Code, as applicable, shall be computed for each
11 annexing district as constituted after the annexation and for
12 each annexing and annexed district as constituted prior to the
13 annexation; and if the aggregate of the general State aid and
14 supplemental general State aid or evidence-based funding, as
15 applicable, as so computed for the annexing districts as
16 constituted after the annexation is less than the aggregate of
17 the general State aid and supplemental general State aid or
18 evidence-based funding, as applicable, as so computed for the
19 annexing and annexed districts, as constituted prior to the
20 annexation, then a supplementary payment equal to the
21 difference shall be made and allocated between or among the
22 annexing districts, as constituted upon the annexation, for the
23 first 4 years of their existence. The total difference payment
24 shall be allocated between or among the annexing districts in
25 the same ratio as the pupil enrollment from that portion of the
26 annexed district or districts that is annexed to each annexing

1 district bears to the total pupil enrollment from the entire
2 annexed district or districts, as such pupil enrollment is
3 determined for the school year last ending prior to the date
4 when the change of boundaries attributable to the annexation
5 becomes effective for all purposes. The amount of the total
6 difference payment and the amount thereof to be allocated to
7 the annexing districts shall be computed by the State Board of
8 Education on the basis of pupil enrollment and other data that
9 shall be certified to the State Board of Education, on forms
10 that it shall provide for that purpose, by the regional
11 superintendent of schools for each educational service region
12 in which the annexing and annexed districts are located.

13 (4) For a school district conversion, as defined in Section
14 11E-15 of this Code, or a multi-unit conversion, as defined in
15 subsection (b) of Section 11E-30 of this Code, if in their
16 first year of existence the newly created elementary districts
17 and the newly created high school district, from a school
18 district conversion, or the newly created elementary district
19 or districts and newly created combined high school - unit
20 district, from a multi-unit conversion, qualify for less
21 general State aid under Section 18-8.05 of this Code or
22 evidence-based funding under Section 18-8.15 of this Code than
23 would have been payable under Section 18-8.05 or 18-8.15, as
24 applicable, for that same year to the previously existing
25 districts, then a supplementary payment equal to that
26 difference shall be made for the first 4 years of existence of

1 the newly created districts. The aggregate amount of each
2 supplementary payment shall be allocated among the newly
3 created districts in the proportion that the deemed pupil
4 enrollment in each district during its first year of existence
5 bears to the actual aggregate pupil enrollment in all of the
6 districts during their first year of existence. For purposes of
7 each allocation:

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

12 (B) the deemed pupil enrollment of each newly created
13 elementary district from a school district conversion
14 shall be an amount equal to its actual pupil enrollment for
15 its first year of existence reduced by an amount equal to
16 the product obtained when the amount by which the newly
17 created high school district's deemed pupil enrollment
18 exceeds its actual pupil enrollment for its first year of
19 existence is multiplied by a fraction, the numerator of
20 which is the actual pupil enrollment of the newly created
21 elementary district for its first year of existence and the
22 denominator of which is the actual aggregate pupil
23 enrollment of all of the newly created elementary districts
24 for their first year of existence;

25 (C) the deemed high school pupil enrollment of the
26 newly created combined high school - unit district from a

1 multi-unit conversion shall be an amount equal to its
2 actual grades 9 through 12 pupil enrollment for its first
3 year of existence multiplied by 1.25; and

4 (D) the deemed elementary pupil enrollment of each
5 newly created district from a multi-unit conversion shall
6 be an amount equal to each district's actual grade K
7 through 8 pupil enrollment for its first year of existence,
8 reduced by an amount equal to the product obtained when the
9 amount by which the newly created combined high school -
10 unit district's deemed high school pupil enrollment
11 exceeds its actual grade 9 through 12 pupil enrollment for
12 its first year of existence is multiplied by a fraction,
13 the numerator of which is the actual grade K through 8
14 pupil enrollment of each newly created district for its
15 first year of existence and the denominator of which is the
16 actual aggregate grade K through 8 pupil enrollment of all
17 such newly created districts for their first year of
18 existence.

19 The aggregate amount of each supplementary payment under
20 this subdivision (4) and the amount thereof to be allocated to
21 the newly created districts shall be computed by the State
22 Board of Education on the basis of pupil enrollment and other
23 data, which shall be certified to the State Board of Education,
24 on forms that it shall provide for that purpose, by the
25 regional superintendent of schools for each educational
26 service region in which the newly created districts are

1 located.

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

15 (6) For an elementary opt-in, as described in subsection
16 (d) of Section 11E-30 of this Code, the general State aid or
17 evidence-based funding difference shall be computed in
18 accordance with paragraph (5) of this subsection (a) as if the
19 elementary opt-in was included in an optional elementary unit
20 district at the optional elementary unit district's original
21 effective date. If the calculation in this paragraph (6) is
22 less than that calculated in paragraph (5) of this subsection
23 (a) at the optional elementary unit district's original
24 effective date, then no adjustments may be made. If the
25 calculation in this paragraph (6) is more than that calculated
26 in paragraph (5) of this subsection (a) at the optional

1 elementary unit district's original effective date, then the
2 excess must be paid as follows:

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

9 (B) If the effective date for the elementary opt-in is
10 2 years after the effective date for the optional
11 elementary unit district, 75% of the calculated excess
12 shall be paid to the optional elementary unit district in
13 each of the first 4 years after the effective date of the
14 elementary opt-in.

15 (C) If the effective date for the elementary opt-in is
16 3 years after the effective date for the optional
17 elementary unit district, 50% of the calculated excess
18 shall be paid to the optional elementary unit district in
19 each of the first 4 years 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 calculated excess
24 shall be paid to the optional elementary unit district in
25 each of the first 4 years after the effective date of the
26 elementary opt-in.

1 (E) If the effective date for the elementary opt-in is
2 5 years after the effective date for the optional
3 elementary unit district, the optional elementary unit
4 district is not eligible for any additional incentives due
5 to the elementary opt-in.

6 (6.5) For a school district that annexes territory detached
7 from another school district whereby the enrollment of the
8 annexing district increases by 90% or more as a result of the
9 annexation, for the first year during which the change of
10 boundaries attributable to the annexation becomes effective
11 for all purposes as determined under Section 7-9 of this Code,
12 the general State aid and supplemental general State aid or
13 evidence-based funding, as applicable, calculated under this
14 Section shall be computed for the district gaining territory
15 and the district losing territory as constituted after the
16 annexation and for the same districts as constituted prior to
17 the annexation; and if the aggregate of the general State aid
18 and supplemental general State aid or evidence-based funding,
19 as applicable, as so computed for the district gaining
20 territory and the district losing territory as constituted
21 after the annexation is less than the aggregate of the general
22 State aid and supplemental general State aid or evidence-based
23 funding, as applicable, as so computed for the district gaining
24 territory and the district losing territory as constituted
25 prior to the annexation, then a supplementary payment shall be
26 made to the annexing district for the first 4 years of

1 existence after the annexation, equal to the difference
2 multiplied by the ratio of student enrollment in the territory
3 detached to the total student enrollment in the district losing
4 territory for the year prior to the effective date of the
5 annexation. The amount of the total difference and the
6 proportion paid to the annexing district shall be computed by
7 the State Board of Education on the basis of pupil enrollment
8 and other data that must be submitted to the State Board of
9 Education in accordance with Section 7-14A of this Code. The
10 changes to this Section made by Public Act 95-707 are intended
11 to be retroactive and applicable to any annexation taking
12 effect on or after July 1, 2004. For annexations that are
13 eligible for payments under this paragraph (6.5) and that are
14 effective on or after July 1, 2004, but before January 11, 2008
15 (the effective date of Public Act 95-707), the first required
16 yearly payment under this paragraph (6.5) shall be paid in the
17 fiscal year of January 11, 2008 (the effective date of Public
18 Act 95-707). Subsequent required yearly payments shall be paid
19 in subsequent fiscal years until the payment obligation under
20 this paragraph (6.5) is complete.

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

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

1 (b) (1) After the formation of a combined school district,
2 as defined in Section 11E-20 of this Code, or a unit district,
3 as defined in Section 11E-25 of this Code, a computation shall
4 be made to determine the difference between the salaries
5 effective in each of the previously existing districts on June
6 30, prior to the creation of the new district. For the first 4
7 years after the formation of the new district, a supplementary
8 State aid reimbursement shall be paid to the new district equal
9 to the difference between the sum of the salaries earned by
10 each of the certificated members of the new district, while
11 employed in one of the previously existing districts during the
12 year immediately preceding the formation of the new district,
13 and the sum of the salaries those certificated members would
14 have been paid during the year immediately prior to the
15 formation of the new district if placed on the salary schedule
16 of the previously existing district with the highest salary
17 schedule.

18 (2) After the territory of one or more school districts is
19 annexed by one or more other school districts as defined in
20 Article 7 of this Code, a computation shall be made to
21 determine the difference between the salaries effective in each
22 annexed district and in the annexing district or districts as
23 they were each constituted on June 30 preceding the date when
24 the change of boundaries attributable to the annexation became
25 effective for all purposes, as determined under Section 7-9 of
26 this Code. For the first 4 years after the annexation, a

1 supplementary State aid reimbursement shall be paid to each
2 annexing district as constituted after the annexation equal to
3 the difference between the sum of the salaries earned by each
4 of the certificated members of the annexing district as
5 constituted after the annexation, while employed in an annexed
6 or annexing district during the year immediately preceding the
7 annexation, and the sum of the salaries those certificated
8 members would have been paid during the immediately preceding
9 year if placed on the salary schedule of whichever of the
10 annexing or annexed districts had the highest salary schedule
11 during the immediately preceding year.

12 (3) For each new high school district formed under a school
13 district conversion, as defined in Section 11E-15 of this Code,
14 the State shall make a supplementary payment for 4 years equal
15 to the difference between the sum of the salaries earned by
16 each certified member of the new high school district, while
17 employed in one of the previously existing districts, and the
18 sum of the salaries those certified members would have been
19 paid if placed on the salary schedule of the previously
20 existing district with the highest salary schedule.

21 (4) For each newly created partial elementary unit
22 district, the State shall make a supplementary payment for 4
23 years equal to the difference between the sum of the salaries
24 earned by each certified member of the newly created partial
25 elementary unit district, while employed in one of the
26 previously existing districts that formed the partial

1 elementary unit district, and the sum of the salaries those
2 certified members would have been paid if placed on the salary
3 schedule of the previously existing district with the highest
4 salary schedule. The salary schedules used in the calculation
5 shall be those in effect in the previously existing districts
6 for the school year prior to the creation of the new partial
7 elementary unit district.

8 (5) For an elementary district opt-in, as described in
9 subsection (d) of Section 11E-30 of this Code, the salary
10 difference incentive shall be computed in accordance with
11 paragraph (4) of this subsection (b) as if the opted-in
12 elementary district was included in the optional elementary
13 unit district at the optional elementary unit district's
14 original effective date. If the calculation in this paragraph
15 (5) is less than that calculated in paragraph (4) of this
16 subsection (b) at the optional elementary unit district's
17 original effective date, then no adjustments may be made. If
18 the calculation in this paragraph (5) is more than that
19 calculated in paragraph (4) of this subsection (b) at the
20 optional elementary unit district's original effective date,
21 then the excess must be paid as follows:

22 (A) If the effective date for the elementary opt-in is
23 one year after the effective date for the optional
24 elementary unit district, 100% of the calculated excess
25 shall be paid to the optional elementary unit district in
26 each of the first 4 years after the effective date of the

1 elementary opt-in.

2 (B) If the effective date for the elementary opt-in is
3 2 years after the effective date for the optional
4 elementary unit district, 75% of the calculated excess
5 shall be paid to the optional elementary unit district in
6 each of the first 4 years after the effective date of the
7 elementary opt-in.

8 (C) If the effective date for the elementary opt-in is
9 3 years after the effective date for the optional
10 elementary unit district, 50% of the calculated excess
11 shall be paid to the optional elementary unit district in
12 each of the first 4 years after the effective date of the
13 elementary opt-in.

14 (D) If the effective date for the elementary opt-in is
15 4 years after the effective date for the partial elementary
16 unit district, 25% of the calculated excess shall be paid
17 to the optional elementary unit district in each of the
18 first 4 years after the effective date of the elementary
19 opt-in.

20 (E) If the effective date for the elementary opt-in is
21 5 years after the effective date for the optional
22 elementary unit district, the optional elementary unit
23 district is not eligible for any additional incentives due
24 to the elementary opt-in.

25 (5.5) After the formation of a cooperative high school by 2
26 or more school districts under Section 10-22.22c of this Code,

1 a computation shall be made to determine the difference between
2 the salaries effective in each of the previously existing high
3 schools on June 30 prior to the formation of the cooperative
4 high school. For the first 4 years after the formation of the
5 cooperative high school, a supplementary State aid
6 reimbursement shall be paid to the cooperative high school
7 equal to the difference between the sum of the salaries earned
8 by each of the certificated members of the cooperative high
9 school while employed in one of the previously existing high
10 schools during the year immediately preceding the formation of
11 the cooperative high school and the sum of the salaries those
12 certificated members would have been paid during the year
13 immediately prior to the formation of the cooperative high
14 school if placed on the salary schedule of the previously
15 existing high school with the highest salary schedule.

16 (5.10) After the annexation of territory detached from
17 another school district whereby the enrollment of the annexing
18 district increases by 90% or more as a result of the
19 annexation, a computation shall be made to determine the
20 difference between the salaries effective in the district
21 gaining territory and the district losing territory as they
22 each were constituted on June 30 preceding the date when the
23 change of boundaries attributable to the annexation became
24 effective for all purposes as determined under Section 7-9 of
25 this Code. For the first 4 years after the annexation, a
26 supplementary State aid reimbursement shall be paid to the

1 annexing district equal to the difference between the sum of
2 the salaries earned by each of the certificated members of the
3 annexing district as constituted after the annexation while
4 employed in the district gaining territory or the district
5 losing territory during the year immediately preceding the
6 annexation and the sum of the salaries those certificated
7 members would have been paid during such immediately preceding
8 year if placed on the salary schedule of whichever of the
9 district gaining territory or district losing territory had the
10 highest salary schedule during the immediately preceding year.
11 To be eligible for supplementary State aid reimbursement under
12 this Section, the intergovernmental agreement to be submitted
13 pursuant to Section 7-14A of this Code must show that staff
14 members were transferred from the control of the district
15 losing territory to the control of the district gaining
16 territory in the annexation. The changes to this Section made
17 by Public Act 95-707 are intended to be retroactive and
18 applicable to any annexation taking effect on or after July 1,
19 2004. For annexations that are eligible for payments under this
20 paragraph (5.10) and that are effective on or after July 1,
21 2004, but before January 11, 2008 (the effective date of Public
22 Act 95-707), the first required yearly payment under this
23 paragraph (5.10) shall be paid in the fiscal year of January
24 11, 2008 (the effective date of Public Act 95-707). Subsequent
25 required yearly payments shall be paid in subsequent fiscal
26 years until the payment obligation under this paragraph (5.10)

1 is complete.

2 (5.15) After the deactivation of a school facility in
3 accordance with Section 10-22.22b of this Code, a computation
4 shall be made to determine the difference between the salaries
5 effective in the sending school district and each receiving
6 school district on June 30 prior to the deactivation of the
7 school facility. For the lesser of the first 4 years after the
8 deactivation of the school facility or the length of the
9 deactivation agreement, including any renewals of the original
10 deactivation agreement, a supplementary State aid
11 reimbursement shall be paid to each receiving district equal to
12 the difference between the sum of the salaries earned by each
13 of the certificated members transferred to that receiving
14 district as a result of the deactivation while employed in the
15 sending district during the year immediately preceding the
16 deactivation and the sum of the salaries those certificated
17 members would have been paid during the year immediately
18 preceding the deactivation if placed on the salary schedule of
19 the sending or receiving district with the highest salary
20 schedule.

21 (6) The supplementary State aid reimbursement under this
22 subsection (b) shall be treated as separate from all other
23 payments made pursuant to Section 18-8.05 of this Code. In the
24 case of the formation of a new district or cooperative high
25 school or a deactivation, reimbursement shall begin during the
26 first year of operation of the new district or cooperative high

1 school or the first year of the deactivation, and in the case
2 of an annexation of the territory of one or more school
3 districts by one or more other school districts or the
4 annexation of territory detached from a school district whereby
5 the enrollment of the annexing district increases by 90% or
6 more as a result of the annexation, reimbursement shall begin
7 during the first year when the change in boundaries
8 attributable to the annexation becomes effective for all
9 purposes as determined pursuant to Section 7-9 of this Code,
10 except that for an annexation of territory detached from a
11 school district that is effective on or after July 1, 2004, but
12 before January 11, 2008 (the effective date of Public Act
13 95-707), whereby the enrollment of the annexing district
14 increases by 90% or more as a result of the annexation,
15 reimbursement shall begin during the fiscal year of January 11,
16 2008 (the effective date of Public Act 95-707). Each year that
17 the new, annexing, or receiving district or cooperative high
18 school, as the case may be, is entitled to receive
19 reimbursement, the number of eligible certified members who are
20 employed on October 1 in the district or cooperative high
21 school shall be certified to the State Board of Education on
22 prescribed forms by October 15 and payment shall be made on or
23 before November 15 of that year.

24 (c) (1) For the first year after the formation of a combined
25 school district, as defined in Section 11E-20 of this Code or a
26 unit district, as defined in Section 11E-25 of this Code, a

1 computation shall be made totaling each previously existing
2 district's audited fund balances in the educational fund,
3 working cash fund, operations and maintenance fund, and
4 transportation fund for the year ending June 30 prior to the
5 referendum for the creation of the new district. The new
6 district shall be paid supplementary State aid equal to the sum
7 of the differences between the deficit of the previously
8 existing district with the smallest deficit and the deficits of
9 each of the other previously existing districts.

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

1 prior to the annexation.

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

23 (A) the regional superintendent of schools for each
24 educational service region in which an annexed district is
25 located prior to the annexation shall certify to the State
26 Board of Education, on forms that it shall provide for that

1 purpose, the value of all taxable property in each annexed
2 district, as last equalized or assessed by the Department
3 of Revenue prior to the annexation, and the equalized
4 assessed value of each part of the annexed district that
5 was annexed to or included as a part of an annexing
6 district;

7 (B) using equalized assessed values as certified by the
8 regional superintendent of schools under clause (A) of this
9 paragraph (3), the combined audited fund balance deficit of
10 each annexed district as determined under this Section
11 shall be apportioned between or among the annexing
12 districts in the same ratio as the equalized assessed value
13 of that part of the annexed district that was annexed to or
14 included as a part of an annexing district bears to the
15 total equalized assessed value of the annexed district; and

16 (C) the aggregate supplementary State aid payment
17 under this paragraph (3) shall be allocated between or
18 among, and shall be paid to, the annexing districts in the
19 same ratio as the sum of the combined audited fund balance
20 deficit of each annexing district as constituted prior to
21 the annexation, plus all combined audited fund balance
22 deficit amounts apportioned to that annexing district
23 under clause (B) of this subsection, bears to the aggregate
24 of the combined audited fund balance deficits of all of the
25 annexing and annexed districts as constituted prior to the
26 annexation.

1 (4) For the new elementary districts and new high school
2 district formed through a school district conversion, as
3 defined in Section 11E-15 of this Code or the new elementary
4 district or districts and new combined high school - unit
5 district formed through a multi-unit conversion, as defined in
6 subsection (b) of Section 11E-30 of this Code, a computation
7 shall be made totaling each previously existing district's
8 audited fund balances in the educational fund, working cash
9 fund, operations and maintenance fund, and transportation fund
10 for the year ending June 30 prior to the referendum
11 establishing the new districts. In the first year of the new
12 districts, the State shall make a one-time supplementary
13 payment equal to the sum of the differences between the deficit
14 of the previously existing district with the smallest deficit
15 and the deficits of each of the other previously existing
16 districts. A district with a combined balance among the 4 funds
17 that is positive shall be considered to have a deficit of zero.
18 The supplementary payment shall be allocated among the newly
19 formed high school and elementary districts in the manner
20 provided by the petition for the formation of the districts, in
21 the form in which the petition is approved by the regional
22 superintendent of schools or State Superintendent of Education
23 under Section 11E-50 of this Code.

24 (5) For each newly created partial elementary unit
25 district, as defined in subsection (a) or (c) of Section 11E-30
26 of this Code, a computation shall be made totaling the audited

1 fund balances of each previously existing district that formed
2 the new partial elementary unit district in the educational
3 fund, working cash fund, operations and maintenance fund, and
4 transportation fund for the year ending June 30 prior to the
5 referendum for the formation of the partial elementary unit
6 district. In the first year of the new partial elementary unit
7 district, the State shall make a one-time supplementary payment
8 to the new district equal to the sum of the differences between
9 the deficit of the previously existing district with the
10 smallest deficit and the deficits of each of the other
11 previously existing districts. A district with a combined
12 balance among the 4 funds that is positive shall be considered
13 to have a deficit of zero.

14 (6) For an elementary opt-in as defined in subsection (d)
15 of Section 11E-30 of this Code, the deficit fund balance
16 incentive shall be computed in accordance with paragraph (5) of
17 this subsection (c) as if the opted-in elementary was included
18 in the optional elementary unit district at the optional
19 elementary unit district's original effective date. If the
20 calculation in this paragraph (6) is less than that calculated
21 in paragraph (5) of this subsection (c) at the optional
22 elementary unit district's original effective date, then no
23 adjustments may be made. If the calculation in this paragraph
24 (6) is more than that calculated in paragraph (5) of this
25 subsection (c) at the optional elementary unit district's
26 original effective date, then the excess must be paid as

1 follows:

2 (A) If the effective date for the elementary opt-in is
3 one year after the effective date for the optional
4 elementary unit district, 100% of the calculated excess
5 shall be paid to the optional elementary unit district in
6 the first year after the effective date of the elementary
7 opt-in.

8 (B) If the effective date for the elementary opt-in is
9 2 years after the effective date for the optional
10 elementary unit district, 75% of the calculated excess
11 shall be paid to the optional elementary unit district in
12 the first year after the effective date of the elementary
13 opt-in.

14 (C) If the effective date for the elementary opt-in is
15 3 years after the effective date for the optional
16 elementary unit district, 50% of the calculated excess
17 shall be paid to the optional elementary unit district in
18 the first year after the effective date of the elementary
19 opt-in.

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

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

1 5 years after the effective date for the optional
2 elementary unit district, the optional elementary unit
3 district is not eligible for any additional incentives due
4 to the elementary opt-in.

5 (6.5) For the first year after the annexation of territory
6 detached from another school district whereby the enrollment of
7 the annexing district increases by 90% or more as a result of
8 the annexation, a computation shall be made totaling the
9 audited fund balances of the district gaining territory and the
10 audited fund balances of the district losing territory in the
11 educational fund, working cash fund, operations and
12 maintenance fund, and transportation fund for the year ending
13 June 30 prior to the date that the change of boundaries
14 attributable to the annexation is allowed by the affirmative
15 decision of the regional board of school trustees under Section
16 7-6 of this Code, notwithstanding any action for administrative
17 review of the decision. The annexing district as constituted
18 after the annexation shall be paid supplementary State aid
19 equal to the difference between the deficit of whichever
20 district included in this calculation as constituted prior to
21 the annexation had the smallest deficit and the deficit of each
22 other district included in this calculation as constituted
23 prior to the annexation, multiplied by the ratio of equalized
24 assessed value of the territory detached to the total equalized
25 assessed value of the district losing territory. The regional
26 superintendent of schools for the educational service region in

1 which a district losing territory is located prior to the
2 annexation shall certify to the State Board of Education the
3 value of all taxable property in the district losing territory
4 and the value of all taxable property in the territory being
5 detached, as last equalized or assessed by the Department of
6 Revenue prior to the annexation. To be eligible for
7 supplementary State aid reimbursement under this Section, the
8 intergovernmental agreement to be submitted pursuant to
9 Section 7-14A of this Code must show that fund balances were
10 transferred from the district losing territory to the district
11 gaining territory in the annexation. The changes to this
12 Section made by Public Act 95-707 are intended to be
13 retroactive and applicable to any annexation taking effect on
14 or after July 1, 2004. For annexations that are eligible for
15 payments under this paragraph (6.5) and that are effective on
16 or after July 1, 2004, but before January 11, 2008 (the
17 effective date of Public Act 95-707), the required payment
18 under this paragraph (6.5) shall be paid in the fiscal year of
19 January 11, 2008 (the effective date of Public Act 95-707).

20 (7) For purposes of any calculation required under
21 paragraph (1), (2), (3), (4), (5), (6), or (6.5) of this
22 subsection (c), a district with a combined fund balance that is
23 positive shall be considered to have a deficit of zero. For
24 purposes of determining each district's audited fund balances
25 in its educational fund, working cash fund, operations and
26 maintenance fund, and transportation fund for the specified

1 year ending June 30, as provided in paragraphs (1), (2), (3),
2 (4), (5), (6), and (6.5) of this subsection (c), the balance of
3 each fund shall be deemed decreased by an amount equal to the
4 amount of the annual property tax theretofore levied in the
5 fund by the district for collection and payment to the district
6 during the calendar year in which the June 30 fell, but only to
7 the extent that the tax so levied in the fund actually was
8 received by the district on or before or comprised a part of
9 the fund on such June 30. For purposes of determining each
10 district's audited fund balances, a calculation shall be made
11 for each fund to determine the average for the 3 years prior to
12 the specified year ending June 30, as provided in paragraphs
13 (1), (2), (3), (4), (5), (6), and (6.5) of this subsection (c),
14 of the district's expenditures in the categories "purchased
15 services", "supplies and materials", and "capital outlay", as
16 those categories are defined in rules of the State Board of
17 Education. If this 3-year average is less than the district's
18 expenditures in these categories for the specified year ending
19 June 30, as provided in paragraphs (1), (2), (3), (4), (5),
20 (6), and (6.5) of this subsection (c), then the 3-year average
21 shall be used in calculating the amounts payable under this
22 Section in place of the amounts shown in these categories for
23 the specified year ending June 30, as provided in paragraphs
24 (1), (2), (3), (4), (5), (6), and (6.5) of this subsection (c).
25 Any deficit because of State aid not yet received may not be
26 considered in determining the June 30 deficits. The same basis

1 of accounting shall be used by all previously existing
2 districts and by all annexing or annexed districts, as
3 constituted prior to the annexation, in making any computation
4 required under paragraphs (1), (2), (3), (4), (5), (6), and
5 (6.5) of this subsection (c).

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

9 (d)(1) Following the formation of a combined school
10 district, as defined in Section 11E-20 of this Code, a new unit
11 district, as defined in Section 11E-25 of this Code, a new
12 elementary district or districts and a new high school district
13 formed through a school district conversion, as defined in
14 Section 11E-15 of this Code, a new partial elementary unit
15 district, as defined in Section 11E-30 of this Code, or a new
16 elementary district or districts formed through a multi-unit
17 conversion, as defined in subsection (b) of Section 11E-30 of
18 this Code, or the annexation of all of the territory of one or
19 more entire school districts by one or more other school
20 districts, as defined in Article 7 of this Code, a
21 supplementary State aid reimbursement shall be paid for the
22 number of school years determined under the following table to
23 each new or annexing district equal to the sum of \$4,000 for
24 each certified employee who is employed by the district on a
25 full-time basis for the regular term of the school year:

1	Reorganized District's Rank	Reorganized District's Rank		
2	by type of district (unit,	in Average Daily Attendance		
3	high school, elementary)	By Quintile		
4	in Equalized Assessed Value			
5	Per Pupil by Quintile			
6				3rd, 4th,
7		1st	2nd	or 5th
8		Quintile	Quintile	Quintile
9	1st Quintile	1 year	1 year	1 year
10	2nd Quintile	1 year	2 years	2 years
11	3rd Quintile	2 years	3 years	3 years
12	4th Quintile	2 years	3 years	3 years
13	5th Quintile	2 years	3 years	3 years

14 The State Board of Education shall make a one-time calculation
 15 of a reorganized district's quintile ranks. The average daily
 16 attendance used in this calculation shall be the best 3 months'
 17 average daily attendance for the district's first year. The
 18 equalized assessed value per pupil shall be the district's real
 19 property equalized assessed value used in calculating the
 20 district's first-year general State aid claim, under Section
 21 18-8.05 of this Code, or first-year evidence-based funding
 22 claim, under Section 18-8.15 of this Code, as applicable,
 23 divided by the best 3 months' average daily attendance.

24 No annexing or resulting school district shall be entitled
 25 to supplementary State aid under this subsection (d) unless the

1 district acquires at least 30% of the average daily attendance
2 of the district from which the territory is being detached or
3 divided.

4 If a district results from multiple reorganizations that
5 would otherwise qualify the district for multiple payments
6 under this subsection (d) in any year, then the district shall
7 receive a single payment only for that year based solely on the
8 most recent reorganization.

9 (2) For an elementary opt-in, as defined in subsection (d)
10 of Section 11E-30 of this Code, the full-time certified staff
11 incentive shall be computed in accordance with paragraph (1) of
12 this subsection (d), equal to the sum of \$4,000 for each
13 certified employee of the elementary district that opts-in who
14 is employed by the optional elementary unit district on a
15 full-time basis for the regular term of the school year. The
16 calculation from this paragraph (2) must be paid as follows:

17 (A) If the effective date for the elementary opt-in is
18 one year after the effective date for the optional
19 elementary unit district, 100% of the amount calculated in
20 this paragraph (2) shall be paid to the optional elementary
21 unit district for the number of years calculated in
22 paragraph (1) of this subsection (d) at the optional
23 elementary unit district's original effective date,
24 starting in the second year after the effective date of the
25 elementary opt-in.

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

1 2 years after the effective date for the optional
2 elementary unit district, 75% of the amount calculated in
3 this paragraph (2) shall be paid to the optional elementary
4 unit district for the number of years calculated in
5 paragraph (1) of this subsection (d) at the optional
6 elementary unit district's original effective date,
7 starting in the second year after the effective date of the
8 elementary opt-in.

9 (C) If the effective date for the elementary opt-in is
10 3 years after the effective date for the optional
11 elementary unit district, 50% of the amount calculated in
12 this paragraph (2) shall be paid to the optional elementary
13 unit district for the number of years calculated in
14 paragraph (1) of this subsection (d) at the optional
15 elementary unit district's original effective date,
16 starting in the second year after the effective date of the
17 elementary opt-in.

18 (D) If the effective date for the elementary opt-in is
19 4 years after the effective date for the optional
20 elementary unit district, 25% of the amount calculated in
21 this paragraph (2) shall be paid to the optional elementary
22 unit district for the number of years calculated in
23 paragraph (1) of this subsection (d) at the optional
24 elementary unit district's original effective date,
25 starting in the second year after the effective date of the
26 elementary opt-in.

1 (E) If the effective date for the elementary opt-in is
2 5 years after the effective date for the optional
3 elementary unit district, the optional elementary unit
4 district is not eligible for any additional incentives due
5 to the elementary opt-in.

6 (2.5) Following the formation of a cooperative high school
7 by 2 or more school districts under Section 10-22.22c of this
8 Code, a supplementary State aid reimbursement shall be paid for
9 3 school years to the cooperative high school equal to the sum
10 of \$4,000 for each certified employee who is employed by the
11 cooperative high school on a full-time basis for the regular
12 term of any such school year. If a cooperative high school
13 results from multiple agreements that would otherwise qualify
14 the cooperative high school for multiple payments under this
15 Section in any year, the cooperative high school shall receive
16 a single payment for that year based solely on the most recent
17 agreement.

18 (2.10) Following the annexation of territory detached from
19 another school district whereby the enrollment of the annexing
20 district increases 90% or more as a result of the annexation, a
21 supplementary State aid reimbursement shall be paid to the
22 annexing district equal to the sum of \$4,000 for each certified
23 employee who is employed by the annexing district on a
24 full-time basis and shall be calculated in accordance with
25 subsection (a) of this Section. To be eligible for
26 supplementary State aid reimbursement under this Section, the

1 intergovernmental agreement to be submitted pursuant to
2 Section 7-14A of this Code must show that certified staff
3 members were transferred from the control of the district
4 losing territory to the control of the district gaining
5 territory in the annexation. The changes to this Section made
6 by Public Act 95-707 are intended to be retroactive and
7 applicable to any annexation taking effect on or after July 1,
8 2004. For annexations that are eligible for payments under this
9 paragraph (2.10) and that are effective on or after July 1,
10 2004, but before January 11, 2008 (the effective date of Public
11 Act 95-707), the first required yearly payment under this
12 paragraph (2.10) shall be paid in the second fiscal year after
13 January 11, 2008 (the effective date of Public Act 95-707). Any
14 subsequent required yearly payments shall be paid in subsequent
15 fiscal years until the payment obligation under this paragraph
16 (2.10) is complete.

17 (2.15) Following the deactivation of a school facility in
18 accordance with Section 10-22.22b of this Code, a supplementary
19 State aid reimbursement shall be paid for the lesser of 3
20 school years or the length of the deactivation agreement,
21 including any renewals of the original deactivation agreement,
22 to each receiving school district equal to the sum of \$4,000
23 for each certified employee who is employed by that receiving
24 district on a full-time basis for the regular term of any such
25 school year who was originally transferred to the control of
26 that receiving district as a result of the deactivation.

1 Receiving districts are eligible for payments under this
2 paragraph (2.15) based on the certified employees transferred
3 to that receiving district as a result of the deactivation and
4 are not required to receive at least 30% of the deactivating
5 district's average daily attendance as required under
6 paragraph (1) of this subsection (d) to be eligible for
7 payments.

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

12 (4) During May of each school year for which a
13 supplementary State aid reimbursement is to be paid to a new,
14 annexing, or receiving school district or cooperative high
15 school pursuant to this subsection (d), the school board or
16 governing board shall certify to the State Board of Education,
17 on forms furnished to the school board or governing board by
18 the State Board of Education for purposes of this subsection
19 (d), the number of certified employees for which the district
20 or cooperative high school is entitled to reimbursement under
21 this Section, together with the names, certificate numbers, and
22 positions held by the certified employees.

23 (5) Upon certification by the State Board of Education to
24 the State Comptroller of the amount of the supplementary State
25 aid reimbursement to which a school district or cooperative
26 high school is entitled under this subsection (d), the State

1 Comptroller shall draw his or her warrant upon the State
2 Treasurer for the payment thereof to the school district or
3 cooperative high school and shall promptly transmit the payment
4 to the school district or cooperative high school through the
5 appropriate school treasurer.

6 (Source: P.A. 95-331, eff. 8-21-07; 95-707, eff. 1-11-08;
7 95-903, eff. 8-25-08; 96-328, eff. 8-11-09.)

8 (105 ILCS 5/13A-8)

9 Sec. 13A-8. Funding.

10 (a) The State of Illinois shall provide funding for the
11 alternative school programs within each educational service
12 region and within the Chicago public school system by line item
13 appropriation made to the State Board of Education for that
14 purpose. This money, when appropriated, shall be provided to
15 the regional superintendent and to the Chicago Board of
16 Education, who shall establish a budget, including salaries,
17 for their alternative school programs. Each program shall
18 receive funding in the amount of \$30,000 plus an amount based
19 on the ratio of the region's or Chicago's best 3 months'
20 average daily attendance in grades pre-kindergarten through 12
21 to the statewide totals of these amounts. For purposes of this
22 calculation, the best 3 months' average daily attendance for
23 each region or Chicago shall be calculated by adding to the
24 best 3 months' average daily attendance the number of
25 low-income students identified in the most recently available

1 federal census multiplied by one-half times the percentage of
2 the region's or Chicago's low-income students to the State's
3 total low-income students. The State Board of Education shall
4 retain up to 1.1% of the appropriation to be used to provide
5 technical assistance, professional development, and
6 evaluations for the programs.

7 (a-5) Notwithstanding any other provisions of this
8 Section, for the 1998-1999 fiscal year, the total amount
9 distributed under subsection (a) for an alternative school
10 program shall be not less than the total amount that was
11 distributed under that subsection for that alternative school
12 program for the 1997-1998 fiscal year. If an alternative school
13 program is to receive a total distribution under subsection (a)
14 for the 1998-1999 fiscal year that is less than the total
15 distribution that the program received under that subsection
16 for the 1997-1998 fiscal year, that alternative school program
17 shall also receive, from a separate appropriation made for
18 purposes of this subsection (a-5), a supplementary payment
19 equal to the amount by which its total distribution under
20 subsection (a) for the 1997-1998 fiscal year exceeds the amount
21 of the total distribution that the alternative school program
22 receives under that subsection for the 1998-1999 fiscal year.
23 If the amount appropriated for supplementary payments to
24 alternative school programs under this subsection (a-5) is
25 insufficient for that purpose, those supplementary payments
26 shall be prorated among the alternative school programs

1 entitled to receive those supplementary payments according to
2 the aggregate amount of the appropriation made for purposes of
3 this subsection (a-5).

4 (b) An alternative school program shall be entitled to
5 receive general State aid as calculated in subsection (K) of
6 Section 18-8.05 or evidence-based funding as calculated in
7 subsection (g) of Section 18-8.15 upon filing a claim as
8 provided therein. Any time that a student who is enrolled in an
9 alternative school program spends in work-based learning,
10 community service, or a similar alternative educational
11 setting shall be included in determining the student's minimum
12 number of clock hours of daily school work that constitute a
13 day of attendance for purposes of calculating general State aid
14 or evidence-based funding.

15 (c) An alternative school program may receive additional
16 funding from its school districts in such amount as may be
17 agreed upon by the parties and necessary to support the
18 program. In addition, an alternative school program is
19 authorized to accept and expend gifts, legacies, and grants,
20 including but not limited to federal grants, from any source
21 for purposes directly related to the conduct and operation of
22 the program.

23 (Source: P.A. 89-383, eff. 8-18-95; 89-629, eff. 8-9-96;
24 89-636, eff. 8-9-96; 90-14, eff. 7-1-97; 90-283, eff. 7-31-97;
25 90-802, eff. 12-15-98.)

1 (105 ILCS 5/13B-20.20)

2 Sec. 13B-20.20. Enrollment in other programs. High school
3 equivalency testing preparation programs are not eligible for
4 funding under this Article. A student may enroll in a program
5 approved under Section 18-8.05 or 18-8.15 of this Code, as
6 appropriate, or attend both the alternative learning
7 opportunities program and the regular school program to enhance
8 student performance and facilitate on-time graduation.

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

10 (105 ILCS 5/13B-45)

11 Sec. 13B-45. Days and hours of attendance. An alternative
12 learning opportunities program shall provide students with at
13 least the minimum number of days of pupil attendance required
14 under Section 10-19 of this Code and the minimum number of
15 daily hours of school work required under Section 18-8.05 or
16 18-8.15 of this Code, provided that the State Board may approve
17 exceptions to these requirements if the program meets all of
18 the following conditions:

19 (1) The district plan submitted under Section
20 13B-25.15 of this Code establishes that a program providing
21 the required minimum number of days of attendance or daily
22 hours of school work would not serve the needs of the
23 program's students.

24 (2) Each day of attendance shall provide no fewer than
25 3 clock hours of school work, as defined under paragraph

1 (1) of subsection (F) of Section 18-8.05 of this Code.

2 (3) Each day of attendance that provides fewer than 5
3 clock hours of school work shall also provide supplementary
4 services, including without limitation work-based
5 learning, student assistance programs, counseling, case
6 management, health and fitness programs, or life-skills or
7 conflict resolution training, in order to provide a total
8 daily program to the student of 5 clock hours. A program
9 may claim general State aid or evidence-based funding for
10 up to 2 hours of the time each day that a student is
11 receiving supplementary services.

12 (4) Each program shall provide no fewer than 174 days
13 of actual pupil attendance during the school term; however,
14 approved evening programs that meet the requirements of
15 Section 13B-45 of this Code may offer less than 174 days of
16 actual pupil attendance during the school term.

17 (Source: P.A. 92-42, eff. 1-1-02.)

18 (105 ILCS 5/13B-50)

19 Sec. 13B-50. Eligibility to receive general State aid or
20 evidence-based funding. In order to receive general State aid
21 or evidence-based funding, alternative learning opportunities
22 programs must meet the requirements for claiming general State
23 aid as specified in Section 18-8.05 of this Code or
24 evidence-based funding as specified in Section 18-8.15 of this
25 Code, as applicable, with the exception of the length of the

1 instructional day, which may be less than 5 hours of school
2 work if the program meets the criteria set forth under Sections
3 13B-50.5 and 13B-50.10 of this Code and if the program is
4 approved by the State Board.

5 (Source: P.A. 92-42, eff. 1-1-02.)

6 (105 ILCS 5/13B-50.10)

7 Sec. 13B-50.10. Additional criteria for general State aid
8 or evidence-based funding. In order to claim general State aid
9 or evidence-based funding, an alternative learning
10 opportunities program must meet the following criteria:

11 (1) Teacher professional development plans should include
12 education in the instruction of at-risk students.

13 (2) Facilities must meet the health, life, and safety
14 requirements in this Code.

15 (3) The program must comply with all other State and
16 federal laws applicable to education providers.

17 (Source: P.A. 92-42, eff. 1-1-02.)

18 (105 ILCS 5/13B-50.15)

19 Sec. 13B-50.15. Level of funding. Approved alternative
20 learning opportunities programs are entitled to claim general
21 State aid or evidence-based funding, subject to Sections
22 13B-50, 13B-50.5, and 13B-50.10 of this Code. Approved programs
23 operated by regional offices of education are entitled to
24 receive general State aid at the foundation level of support. A

1 school district or consortium must ensure that an approved
2 program receives supplemental general State aid,
3 transportation reimbursements, and special education
4 resources, if appropriate, for students enrolled in the
5 program.

6 (Source: P.A. 92-42, eff. 1-1-02.)

7 (105 ILCS 5/14-7.02b)

8 Sec. 14-7.02b. Funding for children requiring special
9 education services. Payments to school districts for children
10 requiring special education services documented in their
11 individualized education program regardless of the program
12 from which these services are received, excluding children
13 claimed under Sections 14-7.02 and 14-7.03 of this Code, shall
14 be made in accordance with this Section. Funds received under
15 this Section may be used only for the provision of special
16 educational facilities and services as defined in Section
17 14-1.08 of this Code.

18 The appropriation for fiscal year 2005 through fiscal year
19 2017 ~~and thereafter~~ shall be based upon the IDEA child count of
20 all students in the State, excluding students claimed under
21 Sections 14-7.02 and 14-7.03 of this Code, on December 1 of the
22 fiscal year 2 years preceding, multiplied by 17.5% of the
23 general State aid foundation level of support established for
24 that fiscal year under Section 18-8.05 of this Code.

25 Beginning with fiscal year 2005 and through fiscal year

1 2007, individual school districts shall not receive payments
2 under this Section totaling less than they received under the
3 funding authorized under Section 14-7.02a of this Code during
4 fiscal year 2004, pursuant to the provisions of Section
5 14-7.02a as they were in effect before the effective date of
6 this amendatory Act of the 93rd General Assembly. This base
7 level funding shall be computed first.

8 Beginning with fiscal year 2008 through fiscal year 2017
9 ~~and each fiscal year thereafter~~, individual school districts
10 must not receive payments under this Section totaling less than
11 they received in fiscal year 2007. This funding shall be
12 computed last and shall be a separate calculation from any
13 other calculation set forth in this Section. This amount is
14 exempt from the requirements of Section 1D-1 of this Code.

15 Through fiscal year 2017, an An amount equal to 85% of the
16 funds remaining in the appropriation shall be allocated to
17 school districts based upon the district's average daily
18 attendance reported for purposes of Section 18-8.05 of this
19 Code for the preceding school year. Fifteen percent of the
20 funds remaining in the appropriation shall be allocated to
21 school districts based upon the district's low income eligible
22 pupil count used in the calculation of general State aid under
23 Section 18-8.05 of this Code for the same fiscal year. One
24 hundred percent of the funds computed and allocated to
25 districts under this Section shall be distributed and paid to
26 school districts.

1 For individual students with disabilities whose program
2 costs exceed 4 times the district's per capita tuition rate as
3 calculated under Section 10-20.12a of this Code, the costs in
4 excess of 4 times the district's per capita tuition rate shall
5 be paid by the State Board of Education from unexpended IDEA
6 discretionary funds originally designated for room and board
7 reimbursement pursuant to Section 14-8.01 of this Code. The
8 amount of tuition for these children shall be determined by the
9 actual cost of maintaining classes for these children, using
10 the per capita cost formula set forth in Section 14-7.01 of
11 this Code, with the program and cost being pre-approved by the
12 State Superintendent of Education. Reimbursement for
13 individual students with disabilities whose program costs
14 exceed 4 times the district's per capita tuition rate shall be
15 claimed beginning with costs encumbered for the 2004-2005
16 school year and thereafter.

17 The State Board of Education shall prepare vouchers equal
18 to one-fourth the amount allocated to districts, for
19 transmittal to the State Comptroller on the 30th day of
20 September, December, and March, respectively, and the final
21 voucher, no later than June 20. The Comptroller shall make
22 payments pursuant to this Section to school districts as soon
23 as possible after receipt of vouchers. If the money
24 appropriated from the General Assembly for such purposes for
25 any year is insufficient, it shall be apportioned on the basis
26 of the payments due to school districts.

1 Nothing in this Section shall be construed to decrease or
2 increase the percentage of all special education funds that are
3 allocated annually under Article 1D of this Code or to alter
4 the requirement that a school district provide special
5 education services.

6 Nothing in this amendatory Act of the 93rd General Assembly
7 shall eliminate any reimbursement obligation owed as of the
8 effective date of this amendatory Act of the 93rd General
9 Assembly to a school district with in excess of 500,000
10 inhabitants.

11 Except for reimbursement for individual students with
12 disabilities whose program costs exceed 4 times the district's
13 per capita tuition rate, no funding shall be provided to school
14 districts under this Section after fiscal year 2017.

15 In fiscal year 2018 and each fiscal year thereafter, all
16 funding received by a school district from the State pursuant
17 to Section 18-8.15 of this Code that is attributable to
18 students requiring special education services must be used for
19 special education services authorized under this Code.

20 (Source: P.A. 93-1022, eff. 8-24-08; 95-705, eff. 1-8-08.)

21 (105 ILCS 5/14-13.01) (from Ch. 122, par. 14-13.01)

22 Sec. 14-13.01. Reimbursement payable by State; amounts for
23 personnel and transportation.

24 (a) Through fiscal year 2017, for ~~For~~ staff working on
25 behalf of children who have not been identified as eligible for

1 special education and for eligible children with physical
2 disabilities, including all eligible children whose placement
3 has been determined under Section 14-8.02 in hospital or home
4 instruction, 1/2 of the teacher's salary but not more than
5 \$1,000 annually per child or \$9,000 per teacher, whichever is
6 less.

7 (a-5) A child qualifies for home or hospital instruction if
8 it is anticipated that, due to a medical condition, the child
9 will be unable to attend school, and instead must be instructed
10 at home or in the hospital, for a period of 2 or more
11 consecutive weeks or on an ongoing intermittent basis. For
12 purposes of this Section, "ongoing intermittent basis" means
13 that the child's medical condition is of such a nature or
14 severity that it is anticipated that the child will be absent
15 from school due to the medical condition for periods of at
16 least 2 days at a time multiple times during the school year
17 totaling at least 10 days or more of absences. There shall be
18 no requirement that a child be absent from school a minimum
19 number of days before the child qualifies for home or hospital
20 instruction. In order to establish eligibility for home or
21 hospital services, a student's parent or guardian must submit
22 to the child's school district of residence a written statement
23 from a physician licensed to practice medicine in all of its
24 branches stating the existence of such medical condition, the
25 impact on the child's ability to participate in education, and
26 the anticipated duration or nature of the child's absence from

1 school. Home or hospital instruction may commence upon receipt
2 of a written physician's statement in accordance with this
3 Section, but instruction shall commence not later than 5 school
4 days after the school district receives the physician's
5 statement. Special education and related services required by
6 the child's IEP or services and accommodations required by the
7 child's federal Section 504 plan must be implemented as part of
8 the child's home or hospital instruction, unless the IEP team
9 or federal Section 504 plan team determines that modifications
10 are necessary during the home or hospital instruction due to
11 the child's condition.

12 (a-10) Through fiscal year 2017, eligible ~~Eligible~~
13 children to be included in any reimbursement under this
14 paragraph must regularly receive a minimum of one hour of
15 instruction each school day, or in lieu thereof of a minimum of
16 5 hours of instruction in each school week in order to qualify
17 for full reimbursement under this Section. If the attending
18 physician for such a child has certified that the child should
19 not receive as many as 5 hours of instruction in a school week,
20 however, reimbursement under this paragraph on account of that
21 child shall be computed proportionate to the actual hours of
22 instruction per week for that child divided by 5.

23 (a-15) The State Board of Education shall establish rules
24 governing the required qualifications of staff providing home
25 or hospital instruction.

26 (b) For children described in Section 14-1.02, 80% of the

1 cost of transportation approved as a related service in the
2 Individualized Education Program for each student in order to
3 take advantage of special educational facilities.
4 Transportation costs shall be determined in the same fashion as
5 provided in Section 29-5 of this Code. For purposes of this
6 subsection (b), the dates for processing claims specified in
7 Section 29-5 shall apply.

8 (c) Through fiscal year 2017, for ~~For~~ each qualified
9 worker, the annual sum of \$9,000.

10 (d) Through fiscal year 2017, for ~~For~~ one full time
11 qualified director of the special education program of each
12 school district which maintains a fully approved program of
13 special education the annual sum of \$9,000. Districts
14 participating in a joint agreement special education program
15 shall not receive such reimbursement if reimbursement is made
16 for a director of the joint agreement program.

17 (e) (Blank).

18 (f) (Blank).

19 (g) Through fiscal year 2017, for ~~For~~ readers, working with
20 blind or partially seeing children 1/2 of their salary but not
21 more than \$400 annually per child. Readers may be employed to
22 assist such children and shall not be required to be certified
23 but prior to employment shall meet standards set up by the
24 State Board of Education.

25 (h) Through fiscal year 2017, for ~~For~~ non-certified
26 employees, as defined by rules promulgated by the State Board

1 of Education, who deliver services to students with IEPs, 1/2
2 of the salary paid or \$3,500 per employee, whichever is less.

3 (i) The State Board of Education shall set standards and
4 prescribe rules for determining the allocation of
5 reimbursement under this section on less than a full time basis
6 and for less than a school year.

7 When any school district eligible for reimbursement under
8 this Section operates a school or program approved by the State
9 Superintendent of Education for a number of days in excess of
10 the adopted school calendar but not to exceed 235 school days,
11 such reimbursement shall be increased by 1/180 of the amount or
12 rate paid hereunder for each day such school is operated in
13 excess of 180 days per calendar year.

14 Notwithstanding any other provision of law, any school
15 district receiving a payment under this Section or under
16 Section 14-7.02, 14-7.02b, or 29-5 of this Code may classify
17 all or a portion of the funds that it receives in a particular
18 fiscal year or from evidence-based funding ~~general State aid~~
19 pursuant to Section 18-8.15 ~~18-8.05~~ of this Code as funds
20 received in connection with any funding program for which it is
21 entitled to receive funds from the State in that fiscal year
22 (including, without limitation, any funding program referenced
23 in this Section), regardless of the source or timing of the
24 receipt. The district may not classify more funds as funds
25 received in connection with the funding program than the
26 district is entitled to receive in that fiscal year for that

1 program. Any classification by a district must be made by a
2 resolution of its board of education. The resolution must
3 identify the amount of any payments or evidence-based funding
4 ~~general State aid~~ to be classified under this paragraph and
5 must specify the funding program to which the funds are to be
6 treated as received in connection therewith. This resolution is
7 controlling as to the classification of funds referenced
8 therein. A certified copy of the resolution must be sent to the
9 State Superintendent of Education. The resolution shall still
10 take effect even though a copy of the resolution has not been
11 sent to the State Superintendent of Education in a timely
12 manner. No classification under this paragraph by a district
13 shall affect the total amount or timing of money the district
14 is entitled to receive under this Code. No classification under
15 this paragraph by a district shall in any way relieve the
16 district from or affect any requirements that otherwise would
17 apply with respect to that funding program, including any
18 accounting of funds by source, reporting expenditures by
19 original source and purpose, reporting requirements, or
20 requirements of providing services.

21 No funding shall be provided to school districts under this
22 Section after fiscal year 2017. In fiscal year 2018 and each
23 fiscal year thereafter, all funding received by a school
24 district from the State pursuant to Section 18-8.15 of this
25 Code that is attributable to personnel reimbursements for
26 special education pupils must be used for special education

1 services authorized under this Code.

2 (Source: P.A. 96-257, eff. 8-11-09; 97-123, eff. 7-14-11.)

3 (105 ILCS 5/14C-1) (from Ch. 122, par. 14C-1)

4 Sec. 14C-1. The General Assembly finds that there are large
5 numbers of children in this State who come from environments
6 where the primary language is other than English. Experience
7 has shown that public school classes in which instruction is
8 given only in English are often inadequate for the education of
9 children whose native tongue is another language. The General
10 Assembly believes that a program of transitional bilingual
11 education can meet the needs of these children and facilitate
12 their integration into the regular public school curriculum.
13 Therefore, pursuant to the policy of this State to ensure equal
14 educational opportunity to every child, and in recognition of
15 the educational needs of English learners, it is the purpose of
16 this Act to provide for the establishment of transitional
17 bilingual education programs in the public schools, to provide
18 supplemental financial assistance through fiscal year 2017 to
19 help local school districts meet the extra costs of such
20 programs, and to allow this State through the State Board of
21 Education to directly or indirectly provide technical
22 assistance and professional development to support
23 transitional bilingual education or a transitional program of
24 instruction ~~programs~~ statewide through contractual services by
25 a not-for-profit entity for technical assistance, professional

1 development, and other support to school districts and
2 educators for services for English learner pupils. In no case
3 may aggregate funding for contractual services by a
4 not-for-profit entity for support to school districts and
5 educators for services for English learner pupils be less than
6 the aggregate amount expended for such purposes in Fiscal Year
7 2017. Not-for-profit entities providing support to school
8 districts and educators for services for English learner pupils
9 must have experience providing those services in a school
10 district having a population exceeding 500,000; one or more
11 school districts in any of the counties of Lake, McHenry,
12 DuPage, Kane, and Will; and one or more school districts
13 elsewhere in this State. Funding for not-for-profit entities
14 providing support to school districts and educators for
15 services for English learner pupils may be increased subject to
16 an agreement with the State Board of Education. Funding for
17 not-for-profit entities providing support to school districts
18 and educators for services for English learner pupils shall
19 come from funds allocated pursuant to Section 18-8.15 of this
20 Code.

21 (Source: P.A. 99-30, eff. 7-10-15.)

22 (105 ILCS 5/14C-12) (from Ch. 122, par. 14C-12)

23 Sec. 14C-12. Account of expenditures; Cost report;
24 Reimbursement. Each school district with at least one English
25 learner shall keep an accurate, detailed and separate account

1 of all monies paid out by it for the programs in transitional
2 bilingual education required or permitted by this Article,
3 including transportation costs, and shall annually report
4 thereon for the school year ending June 30 indicating the
5 average per pupil expenditure. Through fiscal year 2017, each
6 ~~Each~~ school district shall be reimbursed for the amount by
7 which such costs exceed the average per pupil expenditure by
8 such school district for the education of children of
9 comparable age who are not in any special education program. No
10 funding shall be provided to school districts under this
11 Section after fiscal year 2017. In fiscal year 2018 and each
12 fiscal year thereafter, all funding received by a school
13 district from the State pursuant to Section 18-8.15 of this
14 Code that is attributable to instructions, supports, and
15 interventions for English learner pupils must be used for
16 programs and services authorized under this Article. At least
17 60% of transitional bilingual education funding received from
18 the State must be used for the instructional costs of programs
19 and services authorized under this Article ~~transitional~~
20 ~~bilingual education.~~

21 Applications for preapproval ~~for reimbursement~~ for costs
22 of transitional bilingual education programs must be submitted
23 to the State Superintendent of Education at least 60 days
24 before a transitional bilingual education program is started,
25 unless a justifiable exception is granted by the State
26 Superintendent of Education. Applications shall set forth a

1 plan for transitional bilingual education established and
2 maintained in accordance with this Article.

3 Through fiscal year 2017, reimbursement ~~Reimbursement~~
4 claims for transitional bilingual education programs shall be
5 made as follows:

6 Each school district shall claim reimbursement on a current
7 basis for the first 3 quarters of the fiscal year and file a
8 final adjusted claim for the school year ended June 30
9 preceding computed in accordance with rules prescribed by the
10 State Superintendent's Office. The State Superintendent of
11 Education before approving any such claims shall determine
12 their accuracy and whether they are based upon services and
13 facilities provided under approved programs. Upon approval he
14 shall transmit to the Comptroller the vouchers showing the
15 amounts due for school district reimbursement claims. Upon
16 receipt of the final adjusted claims the State Superintendent
17 of Education shall make a final determination of the accuracy
18 of such claims. If the money appropriated by the General
19 Assembly for such purpose for any year is insufficient, it
20 shall be apportioned on the basis of the claims approved.

21 Failure on the part of the school district to prepare and
22 certify the final adjusted claims due under this Section may
23 constitute a forfeiture by the school district of its right to
24 be reimbursed by the State under this Section.

25 (Source: P.A. 96-1170, eff. 1-1-11.)

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

2 Sec. 17-1. Annual Budget. The board of education of each
3 school district under 500,000 inhabitants shall, within or
4 before the first quarter of each fiscal year, adopt and file
5 with the State Board of Education an annual balanced budget
6 which it deems necessary to defray all necessary expenses and
7 liabilities of the district, and in such annual budget shall
8 specify the objects and purposes of each item and amount needed
9 for each object or purpose.

10 The budget shall be entered upon a School District Budget
11 form prepared and provided by the State Board of Education and
12 therein shall contain a statement of the cash on hand at the
13 beginning of the fiscal year, an estimate of the cash expected
14 to be received during such fiscal year from all sources, an
15 estimate of the expenditures contemplated for such fiscal year,
16 and a statement of the estimated cash expected to be on hand at
17 the end of such year. The estimate of taxes to be received may
18 be based upon the amount of actual cash receipts that may
19 reasonably be expected by the district during such fiscal year,
20 estimated from the experience of the district in prior years
21 and with due regard for other circumstances that may
22 substantially affect such receipts. Nothing in this Section
23 shall be construed as requiring any district to change or
24 preventing any district from changing from a cash basis of
25 financing to a surplus or deficit basis of financing; or as
26 requiring any district to change or preventing any district

1 from changing its system of accounting. The budget shall
2 conform to the requirements adopted by the State Board of
3 Education pursuant to Section 2-3.28 of this Code.

4 To the extent that a school district's budget is not
5 balanced, the district shall also adopt and file with the State
6 Board of Education a deficit reduction plan to balance the
7 district's budget within 3 years. The deficit reduction plan
8 must be filed at the same time as the budget, but the State
9 Superintendent of Education may extend this deadline if the
10 situation warrants.

11 If, as the result of an audit performed in compliance with
12 Section 3-7 of this Code, the resulting Annual Financial Report
13 required to be submitted pursuant to Section 3-15.1 of this
14 Code reflects a deficit as defined for purposes of the
15 preceding paragraph, then the district shall, within 30 days
16 after acceptance of such audit report, submit a deficit
17 reduction plan.

18 The board of education of each district shall fix a fiscal
19 year therefor. If the beginning of the fiscal year of a
20 district is subsequent to the time that the tax levy due to be
21 made in such fiscal year shall be made, then such annual budget
22 shall be adopted prior to the time such tax levy shall be made.
23 The failure by a board of education of any district to adopt an
24 annual budget, or to comply in any respect with the provisions
25 of this Section, shall not affect the validity of any tax levy
26 of the district otherwise in conformity with the law. With

1 respect to taxes levied either before, on, or after the
2 effective date of this amendatory Act of the 91st General
3 Assembly, (i) a tax levy is made for the fiscal year in which
4 the levy is due to be made regardless of which fiscal year the
5 proceeds of the levy are expended or are intended to be
6 expended, and (ii) except as otherwise provided by law, a board
7 of education's adoption of an annual budget in conformity with
8 this Section is not a prerequisite to the adoption of a valid
9 tax levy and is not a limit on the amount of the levy.

10 Such budget shall be prepared in tentative form by some
11 person or persons designated by the board, and in such
12 tentative form shall be made conveniently available to public
13 inspection for at least 30 days prior to final action thereon.
14 At least 1 public hearing shall be held as to such budget prior
15 to final action thereon. Notice of availability for public
16 inspection and of such public hearing shall be given by
17 publication in a newspaper published in such district, at least
18 30 days prior to the time of such hearing. If there is no
19 newspaper published in such district, notice of such public
20 hearing shall be given by posting notices thereof in 5 of the
21 most public places in such district. It shall be the duty of
22 the secretary of such board to make such tentative budget
23 available to public inspection, and to arrange for such public
24 hearing. The board may from time to time make transfers between
25 the various items in any fund not exceeding in the aggregate
26 10% of the total of such fund as set forth in the budget. The

1 board may from time to time amend such budget by the same
2 procedure as is herein provided for its original adoption.

3 Beginning July 1, 1976, the board of education, or regional
4 superintendent, or governing board responsible for the
5 administration of a joint agreement shall, by September 1 of
6 each fiscal year thereafter, adopt an annual budget for the
7 joint agreement in the same manner and subject to the same
8 requirements as are provided in this Section.

9 The State Board of Education shall exercise powers and
10 duties relating to budgets as provided in Section 2-3.27 of
11 this Code and shall require school districts to submit their
12 annual budgets, deficit reduction plans, and other financial
13 information, including revenue and expenditure reports and
14 borrowing and interfund transfer plans, in such form and within
15 the timelines designated by the State Board of Education.

16 By fiscal year 1982 all school districts shall use the
17 Program Budget Accounting System.

18 In the case of a school district receiving emergency State
19 financial assistance under Article 1B, the school board shall
20 also be subject to the requirements established under Article
21 1B with respect to the annual budget.

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

23 (105 ILCS 5/17-1.2)

24 Sec. 17-1.2. Post annual budget on web site. If a school
25 district has an Internet web site, the school district shall

1 post its current annual budget, itemized by receipts and
2 expenditures, on the district's Internet web site. The budget
3 shall include information conforming to the rules adopted by
4 the State Board of Education pursuant to Section 2-3.28 of this
5 Code. The school district shall notify the parents or guardians
6 of its students that the budget has been posted on the
7 district's web site and what the web site's address is.

8 (Source: P.A. 92-438, eff. 1-1-02.)

9 (105 ILCS 5/17-1.5)

10 Sec. 17-1.5. Limitation of administrative costs.

11 (a) It is the purpose of this Section to establish
12 limitations on the growth of administrative expenditures in
13 order to maximize the proportion of school district resources
14 available for the instructional program, building maintenance,
15 and safety services for the students of each district.

16 (b) Definitions. For the purposes of this Section:

17 "Administrative expenditures" mean the annual expenditures
18 of school districts properly attributable to expenditure
19 functions defined by the rules of the State Board of Education
20 as: 2320 (Executive Administration Services); 2330 (Special
21 Area Administration Services); 2490 (Other Support Services -
22 School Administration); 2510 (Direction of Business Support
23 Services); 2570 (Internal Services); and 2610 (Direction of
24 Central Support Services); provided, however, that
25 "administrative expenditures" shall not include early

1 retirement or other pension system obligations required by
2 State law.

3 "School district" means all school districts having a
4 population of less than 500,000.

5 (c) For the 1998-99 school year and each school year
6 thereafter, each school district shall undertake budgetary and
7 expenditure control actions so that the increase in
8 administrative expenditures for that school year over the prior
9 school year does not exceed 5%. School districts with
10 administrative expenditures per pupil in the 25th percentile
11 and below for all districts of the same type, as defined by the
12 State Board of Education, may waive the limitation imposed
13 under this Section for any year following a public hearing and
14 with the affirmative vote of at least two-thirds of the members
15 of the school board of the district. Any district waiving the
16 limitation shall notify the State Board within 45 days of such
17 action.

18 (d) School districts shall file with the State Board of
19 Education by November 15, 1998 and by each November 15th
20 thereafter a one-page report that lists (i) the actual
21 administrative expenditures for the prior year from the
22 district's audited Annual Financial Report, and (ii) the
23 projected administrative expenditures for the current year
24 from the budget adopted by the school board pursuant to Section
25 17-1 of this Code.

26 If a school district that is ineligible to waive the

1 limitation imposed by subsection (c) of this Section by board
2 action exceeds the limitation solely because of circumstances
3 beyond the control of the district and the district has
4 exhausted all available and reasonable remedies to comply with
5 the limitation, the district may request a waiver pursuant to
6 Section 2-3.25g. The waiver application shall specify the
7 amount, nature, and reason for the relief requested, as well as
8 all remedies the district has exhausted to comply with the
9 limitation. Any emergency relief so requested shall apply only
10 to the specific school year for which the request is made. The
11 State Board of Education shall analyze all such waivers
12 submitted and shall recommend that the General Assembly
13 disapprove any such waiver requested that is not due solely to
14 circumstances beyond the control of the district and for which
15 the district has not exhausted all available and reasonable
16 remedies to comply with the limitation. The State
17 Superintendent shall have no authority to impose any sanctions
18 pursuant to this Section for any expenditures for which a
19 waiver has been requested until such waiver has been reviewed
20 by the General Assembly.

21 If the report and information required under this
22 subsection (d) are not provided by the school district in a
23 timely manner, or are subsequently determined by the State
24 Superintendent of Education to be incomplete or inaccurate, the
25 State Superintendent shall notify the district in writing of
26 reporting deficiencies. The school district shall, within 60

1 days of the notice, address the reporting deficiencies
2 identified.

3 (e) If the State Superintendent determines that a school
4 district has failed to comply with the administrative
5 expenditure limitation imposed in subsection (c) of this
6 Section, the State Superintendent shall notify the district of
7 the violation and direct the district to undertake corrective
8 action to bring the district's budget into compliance with the
9 administrative expenditure limitation. The district shall,
10 within 60 days of the notice, provide adequate assurance to the
11 State Superintendent that appropriate corrective actions have
12 been or will be taken. If the district fails to provide
13 adequate assurance or fails to undertake the necessary
14 corrective actions, the State Superintendent may impose
15 progressive sanctions against the district that may culminate
16 in withholding all subsequent payments of general State aid due
17 the district under Section 18-8.05 of this Code or
18 evidence-based funding due the district under Section 18-8.15
19 of this Code until the assurance is provided or the corrective
20 actions taken.

21 (f) The State Superintendent shall publish a list each year
22 of the school districts that violate the limitation imposed by
23 subsection (c) of this Section and a list of the districts that
24 waive the limitation by board action as provided in subsection
25 (c) of this Section.

26 (Source: P.A. 90-548, eff. 1-1-98; 90-653, eff. 7-29-98.)

1 (105 ILCS 5/17-2.11) (from Ch. 122, par. 17-2.11)

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

6 (a) Whenever, as a result of any lawful order of any
7 agency, other than a school board, having authority to enforce
8 any school building code applicable to any facility that houses
9 students, or any law or regulation for the protection and
10 safety of the environment, pursuant to the Environmental
11 Protection Act, any school district having a population of less
12 than 500,000 inhabitants is required to alter or reconstruct
13 any school building or permanent, fixed equipment; the district
14 may, by proper resolution, levy a tax for the purpose of making
15 such alteration or reconstruction, based on a survey report by
16 an architect or engineer licensed in this State, upon all of
17 the taxable property of the district at the value as assessed
18 by the Department of Revenue and at a rate not to exceed 0.05%
19 per year for a period sufficient to finance such alteration or
20 reconstruction, upon the following conditions:

21 (1) When there are not sufficient funds available in
22 the operations and maintenance fund of the school district,
23 the school facility occupation tax fund of the district, or
24 the fire prevention and safety fund of the district, as
25 determined by the district on the basis of rules adopted by

1 the State Board of Education, to make such alteration or
2 reconstruction or to purchase and install such permanent,
3 fixed equipment so ordered or determined as necessary.
4 Appropriate school district records must be made available
5 to the State Superintendent of Education, upon request, to
6 confirm this insufficiency.

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

23 In the case of an emergency situation, where the estimated
24 cost to effectuate emergency repairs is less than the amount
25 specified in Section 10-20.21 of this Code, the school district
26 may proceed with such repairs prior to approval by the State

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

20 (b) Whenever any such district determines that it is
21 necessary for energy conservation purposes that any school
22 building or permanent, fixed equipment should be altered or
23 reconstructed and that such alterations or reconstruction will
24 be made with funds not necessary for the completion of approved
25 and recommended projects contained in any safety survey report
26 or amendments thereto authorized by Section 2-3.12 of this Act;

1 the district may levy a tax or issue bonds as provided in
2 subsection (a) of this Section.

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

12 (d) Whenever any such district determines that it is
13 necessary for school security purposes and the related
14 protection and safety of pupils and school personnel that any
15 school building or property should be altered or reconstructed
16 or that security systems and equipment (including but not
17 limited to intercom, early detection and warning, access
18 control and television monitoring systems) should be purchased
19 and installed, and that such alterations, reconstruction or
20 purchase and installation of equipment will be made with funds
21 not necessary for the completion of approved and recommended
22 projects contained in any safety survey report or amendment
23 thereto authorized by Section 2-3.12 of this Act and will deter
24 and prevent unauthorized entry or activities upon school
25 property by unknown or dangerous persons, assure early
26 detection and advance warning of any such actual or attempted

1 unauthorized entry or activities and help assure the continued
2 safety of pupils and school staff if any such unauthorized
3 entry or activity is attempted or occurs; the district may levy
4 a tax or issue bonds as provided in subsection (a) of this
5 Section.

6 (e) If a school district does not need funds for other fire
7 prevention and safety projects, including the completion of
8 approved and recommended projects contained in any safety
9 survey report or amendments thereto authorized by Section
10 2-3.12 of this Act, and it is determined after a public hearing
11 (which is preceded by at least one published notice (i)
12 occurring at least 7 days prior to the hearing in a newspaper
13 of general circulation within the school district and (ii)
14 setting forth the time, date, place, and general subject matter
15 of the hearing) that there is a substantial, immediate, and
16 otherwise unavoidable threat to the health, safety, or welfare
17 of pupils due to disrepair of school sidewalks, playgrounds,
18 parking lots, or school bus turnarounds and repairs must be
19 made; then the district may levy a tax or issue bonds as
20 provided in subsection (a) of this Section.

21 (f) For purposes of this Section a school district may
22 replace a school building or build additions to replace
23 portions of a building when it is determined that the
24 effectuation of the recommendations for the existing building
25 will cost more than the replacement costs. Such determination
26 shall be based on a comparison of estimated costs made by an

1 architect or engineer licensed in the State of Illinois. The
2 new building or addition shall be equivalent in area (square
3 feet) and comparable in purpose and grades served and may be on
4 the same site or another site. Such replacement may only be
5 done upon order of the regional superintendent of schools and
6 the approval of the State Superintendent of Education.

7 (g) The filing of a certified copy of the resolution
8 levying the tax when accompanied by the certificates of the
9 regional superintendent of schools and State Superintendent of
10 Education shall be the authority of the county clerk to extend
11 such tax.

12 (h) The county clerk of the county in which any school
13 district levying a tax under the authority of this Section is
14 located, in reducing raised levies, shall not consider any such
15 tax as a part of the general levy for school purposes and shall
16 not include the same in the limitation of any other tax rate
17 which may be extended.

18 Such tax shall be levied and collected in like manner as
19 all other taxes of school districts, subject to the provisions
20 contained in this Section.

21 (i) The tax rate limit specified in this Section may be
22 increased to .10% upon the approval of a proposition to effect
23 such increase by a majority of the electors voting on that
24 proposition at a regular scheduled election. Such proposition
25 may be initiated by resolution of the school board and shall be
26 certified by the secretary to the proper election authorities

1 for submission in accordance with the general election law.

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

11 (1) for other authorized fire prevention, safety,
12 energy conservation, required safety inspections, school
13 security purposes, sampling for lead in drinking water in
14 schools, and for repair and mitigation due to lead levels
15 in the drinking water supply; or

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

19 Notwithstanding subdivision (2) of this subsection (j) and
20 subsection (k) of this Section, through June 30, 2020 ~~2019~~, the
21 school board may, by proper resolution following a public
22 hearing set by the school board or the president of the school
23 board (that is preceded (i) by at least one published notice
24 over the name of the clerk or secretary of the board, occurring
25 at least 7 days and not more than 30 days prior to the hearing,
26 in a newspaper of general circulation within the school

1 district and (ii) by posted notice over the name of the clerk
2 or secretary of the board, at least 48 hours before the
3 hearing, at the principal office of the school board or at the
4 building where the hearing is to be held if a principal office
5 does not exist, with both notices setting forth the time, date,
6 place, and subject matter of the hearing), transfer surplus
7 life safety taxes and interest earnings thereon to the
8 Operations and Maintenance Fund for building repair work.

9 (k) If any transfer is made to the Operation and
10 Maintenance Fund, the secretary of the school board shall
11 within 30 days notify the county clerk of the amount of that
12 transfer and direct the clerk to abate the taxes to be extended
13 for the purposes of operations and maintenance authorized under
14 Section 17-2 of this Act by an amount equal to such transfer.

15 (l) If the proceeds from the tax levy authorized by this
16 Section are insufficient to complete the work approved under
17 this Section, the school board is authorized to sell bonds
18 without referendum under the provisions of this Section in an
19 amount that, when added to the proceeds of the tax levy
20 authorized by this Section, will allow completion of the
21 approved work.

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

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

15 (o) After the time such bonds are issued as provided for by
16 this Section, if additional alterations or reconstructions are
17 required to be made because of surveys conducted by an
18 architect or engineer licensed in the State of Illinois, the
19 district may levy a tax at a rate not to exceed .05% per year
20 upon all the taxable property of the district or issue
21 additional bonds, whichever action shall be the most feasible.

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

25 (q) With respect to instruments for the payment of money
26 issued under this Section either before, on, or after the

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

14 (r) When the purposes for which the bonds are issued have
15 been accomplished and paid for in full and there remain funds
16 on hand from the proceeds of the bond sale and interest
17 earnings therefrom, the board shall, by resolution, use such
18 excess funds in accordance with the provisions of Section
19 10-22.14 of this Act.

20 (s) Whenever any tax is levied or bonds issued for fire
21 prevention, safety, energy conservation, and school security
22 purposes, such proceeds shall be deposited and accounted for
23 separately within the Fire Prevention and Safety Fund.

24 (Source: P.A. 98-26, eff. 6-21-13; 98-1066, eff. 8-26-14;
25 99-143, eff. 7-27-15; 99-713, eff. 8-5-16; 99-922, eff.
26 1-17-17.)

1 (105 ILCS 5/17-2A) (from Ch. 122, par. 17-2A)

2 Sec. 17-2A. Interfund transfers.

3 (a) The school board of any district having a population of
4 less than 500,000 inhabitants may, by proper resolution
5 following a public hearing set by the school board or the
6 president of the school board (that is preceded (i) by at least
7 one published notice over the name of the clerk or secretary of
8 the board, occurring at least 7 days and not more than 30 days
9 prior to the hearing, in a newspaper of general circulation
10 within the school district and (ii) by posted notice over the
11 name of the clerk or secretary of the board, at least 48 hours
12 before the hearing, at the principal office of the school board
13 or at the building where the hearing is to be held if a
14 principal office does not exist, with both notices setting
15 forth the time, date, place, and subject matter of the
16 hearing), transfer money from (1) the Educational Fund to the
17 Operations and Maintenance Fund or the Transportation Fund, (2)
18 the Operations and Maintenance Fund to the Educational Fund or
19 the Transportation Fund, (3) the Transportation Fund to the
20 Educational Fund or the Operations and Maintenance Fund, or (4)
21 the Tort Immunity Fund to the Operations and Maintenance Fund
22 of said district, provided that, except during the period from
23 July 1, 2003 through June 30, 2020 ~~2019~~, such transfer is made
24 solely for the purpose of meeting one-time, non-recurring
25 expenses. Except during the period from July 1, 2003 through

1 June 30, 2020 ~~2019~~ and except as otherwise provided in
2 subsection (b) of this Section, any other permanent interfund
3 transfers authorized by any provision or judicial
4 interpretation of this Code for which the transferee fund is
5 not precisely and specifically set forth in the provision of
6 this Code authorizing such transfer shall be made to the fund
7 of the school district most in need of the funds being
8 transferred, as determined by resolution of the school board.

9 (b) (Blank).

10 (c) Notwithstanding subsection (a) of this Section or any
11 other provision of this Code to the contrary, the school board
12 of any school district (i) that is subject to the Property Tax
13 Extension Limitation Law, (ii) that is an elementary district
14 servicing students in grades K through 8, (iii) whose territory
15 is in one county, (iv) that is eligible for Section 7002
16 Federal Impact Aid, and (v) that has no more than \$81,000 in
17 funds remaining from refinancing bonds that were refinanced a
18 minimum of 5 years prior to January 20, 2017 (the effective
19 date of Public Act 99-926) ~~this amendatory Act of the 99th~~
20 ~~General Assembly~~ may make a one-time transfer of the funds
21 remaining from the refinancing bonds to the Operations and
22 Maintenance Fund of the district by proper resolution following
23 a public hearing set by the school board or the president of
24 the school board, with notice as provided in subsection (a) of
25 this Section, so long as the district meets the qualifications
26 set forth in this subsection (c) on January 20, 2017 (the

1 effective date of Public Act 99-926) ~~this amendatory Act of the~~
2 ~~99th General Assembly.~~

3 (Source: P.A. 98-26, eff. 6-21-13; 98-131, eff. 1-1-14; 99-713,
4 eff. 8-5-16; 99-922, eff. 1-17-17; 99-926, eff. 1-20-17;
5 revised 1-23-17.)

6 (105 ILCS 5/17-3.6 new)

7 Sec. 17-3.6. Educational purposes tax rate for school
8 districts subject to Property Tax Extension Limitation Law.
9 Notwithstanding the provisions, requirements, or limitations
10 of this Code or any other law, any tax levied for educational
11 purposes by a school district subject to the Property Tax
12 Extension Limitation Law for the 2016 levy year or any
13 subsequent levy year may be extended at a rate exceeding the
14 rate established for educational purposes by referendum or this
15 Code, provided that the rate does not cause the school district
16 to exceed the limiting rate applicable to the school district
17 under the Property Tax Extension Limitation Law for that levy
18 year.

19 (105 ILCS 5/18-4.3) (from Ch. 122, par. 18-4.3)

20 Sec. 18-4.3. Summer school grants. Through fiscal year
21 2017, grants ~~Grants~~ shall be determined for pupil attendance in
22 summer schools conducted under Sections 10-22.33A and 34-18 and
23 approved under Section 2-3.25 in the following manner.

24 The amount of grant for each accredited summer school

1 attendance pupil shall be obtained by dividing the total amount
2 of apportionments determined under Section 18-8.05 by the
3 actual number of pupils in average daily attendance used for
4 such apportionments. The number of credited summer school
5 attendance pupils shall be determined (a) by counting clock
6 hours of class instruction by pupils enrolled in grades 1
7 through 12 in approved courses conducted at least 60 clock
8 hours in summer sessions; (b) by dividing such total of clock
9 hours of class instruction by 4 to produce days of credited
10 pupil attendance; (c) by dividing such days of credited pupil
11 attendance by the actual number of days in the regular term as
12 used in computation in the general apportionment in Section
13 18-8.05; and (d) by multiplying by 1.25.

14 The amount of the grant for a summer school program
15 approved by the State Superintendent of Education for children
16 with disabilities, as defined in Sections 14-1.02 through
17 14-1.07, shall be determined in the manner contained above
18 except that average daily membership shall be utilized in lieu
19 of average daily attendance.

20 In the case of an apportionment based on summer school
21 attendance or membership pupils, the claim therefor shall be
22 presented as a separate claim for the particular school year in
23 which such summer school session ends. On or before November 1
24 of each year the superintendent of each eligible school
25 district shall certify to the State Superintendent of Education
26 the claim of the district for the summer session just ended.

1 Failure on the part of the school board to so certify shall
2 constitute a forfeiture of its right to such payment. The State
3 Superintendent of Education shall transmit to the Comptroller
4 no later than December 15th of each year vouchers for payment
5 of amounts due school districts for summer school. The State
6 Superintendent of Education shall direct the Comptroller to
7 draw his warrants for payments thereof by the 30th day of
8 December. If the money appropriated by the General Assembly for
9 such purpose for any year is insufficient, it shall be
10 apportioned on the basis of claims approved.

11 However, notwithstanding the foregoing provisions, for
12 each fiscal year the money appropriated by the General Assembly
13 for the purposes of this Section shall only be used for grants
14 for approved summer school programs for those children with
15 disabilities served pursuant to Section 14-7.02 or 14-7.02b of
16 this Code.

17 No funding shall be provided to school districts under this
18 Section after fiscal year 2017. In fiscal year 2018 and each
19 fiscal year thereafter, all funding received by a school
20 district from the State pursuant to Section 18-8.15 of this
21 Code that is attributable to summer school for special
22 education pupils must be used for special education services
23 authorized under this Code.

24 (Source: P.A. 93-1022, eff. 8-24-04.)

1 Sec. 18-8.05. Basis for apportionment of general State
2 financial aid and supplemental general State aid to the common
3 schools for the 1998-1999 through the 2016-2017 ~~and subsequent~~
4 school years.

5 (A) General Provisions.

6 (1) The provisions of this Section relating to the
7 calculation and apportionment of general State financial aid
8 and supplemental general State aid apply to the 1998-1999
9 through the 2016-2017 ~~and subsequent~~ school years. The system
10 of general State financial aid provided for in this Section is
11 designed to assure that, through a combination of State
12 financial aid and required local resources, the financial
13 support provided each pupil in Average Daily Attendance equals
14 or exceeds a prescribed per pupil Foundation Level. This
15 formula approach imputes a level of per pupil Available Local
16 Resources and provides for the basis to calculate a per pupil
17 level of general State financial aid that, when added to
18 Available Local Resources, equals or exceeds the Foundation
19 Level. The amount of per pupil general State financial aid for
20 school districts, in general, varies in inverse relation to
21 Available Local Resources. Per pupil amounts are based upon
22 each school district's Average Daily Attendance as that term is
23 defined in this Section.

24 (2) In addition to general State financial aid, school
25 districts with specified levels or concentrations of pupils

1 from low income households are eligible to receive supplemental
2 general State financial aid grants as provided pursuant to
3 subsection (H). The supplemental State aid grants provided for
4 school districts under subsection (H) shall be appropriated for
5 distribution to school districts as part of the same line item
6 in which the general State financial aid of school districts is
7 appropriated under this Section.

8 (3) To receive financial assistance under this Section,
9 school districts are required to file claims with the State
10 Board of Education, subject to the following requirements:

11 (a) Any school district which fails for any given
12 school year to maintain school as required by law, or to
13 maintain a recognized school is not eligible to file for
14 such school year any claim upon the Common School Fund. In
15 case of nonrecognition of one or more attendance centers in
16 a school district otherwise operating recognized schools,
17 the claim of the district shall be reduced in the
18 proportion which the Average Daily Attendance in the
19 attendance center or centers bear to the Average Daily
20 Attendance in the school district. A "recognized school"
21 means any public school which meets the standards as
22 established for recognition by the State Board of
23 Education. A school district or attendance center not
24 having recognition status at the end of a school term is
25 entitled to receive State aid payments due upon a legal
26 claim which was filed while it was recognized.

1 (b) School district claims filed under this Section are
2 subject to Sections 18-9 and 18-12, except as otherwise
3 provided in this Section.

4 (c) If a school district operates a full year school
5 under Section 10-19.1, the general State aid to the school
6 district shall be determined by the State Board of
7 Education in accordance with this Section as near as may be
8 applicable.

9 (d) (Blank).

10 (4) Except as provided in subsections (H) and (L), the
11 board of any district receiving any of the grants provided for
12 in this Section may apply those funds to any fund so received
13 for which that board is authorized to make expenditures by law.

14 School districts are not required to exert a minimum
15 Operating Tax Rate in order to qualify for assistance under
16 this Section.

17 (5) As used in this Section the following terms, when
18 capitalized, shall have the meaning ascribed herein:

19 (a) "Average Daily Attendance": A count of pupil
20 attendance in school, averaged as provided for in
21 subsection (C) and utilized in deriving per pupil financial
22 support levels.

23 (b) "Available Local Resources": A computation of
24 local financial support, calculated on the basis of Average
25 Daily Attendance and derived as provided pursuant to
26 subsection (D).

1 (c) "Corporate Personal Property Replacement Taxes":
2 Funds paid to local school districts pursuant to "An Act in
3 relation to the abolition of ad valorem personal property
4 tax and the replacement of revenues lost thereby, and
5 amending and repealing certain Acts and parts of Acts in
6 connection therewith", certified August 14, 1979, as
7 amended (Public Act 81-1st S.S.-1).

8 (d) "Foundation Level": A prescribed level of per pupil
9 financial support as provided for in subsection (B).

10 (e) "Operating Tax Rate": All school district property
11 taxes extended for all purposes, except Bond and Interest,
12 Summer School, Rent, Capital Improvement, and Vocational
13 Education Building purposes.

14 (B) Foundation Level.

15 (1) The Foundation Level is a figure established by the
16 State representing the minimum level of per pupil financial
17 support that should be available to provide for the basic
18 education of each pupil in Average Daily Attendance. As set
19 forth in this Section, each school district is assumed to exert
20 a sufficient local taxing effort such that, in combination with
21 the aggregate of general State financial aid provided the
22 district, an aggregate of State and local resources are
23 available to meet the basic education needs of pupils in the
24 district.

25 (2) For the 1998-1999 school year, the Foundation Level of

1 support is \$4,225. For the 1999-2000 school year, the
2 Foundation Level of support is \$4,325. For the 2000-2001 school
3 year, the Foundation Level of support is \$4,425. For the
4 2001-2002 school year and 2002-2003 school year, the Foundation
5 Level of support is \$4,560. For the 2003-2004 school year, the
6 Foundation Level of support is \$4,810. For the 2004-2005 school
7 year, the Foundation Level of support is \$4,964. For the
8 2005-2006 school year, the Foundation Level of support is
9 \$5,164. For the 2006-2007 school year, the Foundation Level of
10 support is \$5,334. For the 2007-2008 school year, the
11 Foundation Level of support is \$5,734. For the 2008-2009 school
12 year, the Foundation Level of support is \$5,959.

13 (3) For the 2009-2010 school year and each school year
14 thereafter, the Foundation Level of support is \$6,119 or such
15 greater amount as may be established by law by the General
16 Assembly.

17 (C) Average Daily Attendance.

18 (1) For purposes of calculating general State aid pursuant
19 to subsection (E), an Average Daily Attendance figure shall be
20 utilized. The Average Daily Attendance figure for formula
21 calculation purposes shall be the monthly average of the actual
22 number of pupils in attendance of each school district, as
23 further averaged for the best 3 months of pupil attendance for
24 each school district. In compiling the figures for the number
25 of pupils in attendance, school districts and the State Board

1 of Education shall, for purposes of general State aid funding,
2 conform attendance figures to the requirements of subsection
3 (F).

4 (2) The Average Daily Attendance figures utilized in
5 subsection (E) shall be the requisite attendance data for the
6 school year immediately preceding the school year for which
7 general State aid is being calculated or the average of the
8 attendance data for the 3 preceding school years, whichever is
9 greater. The Average Daily Attendance figures utilized in
10 subsection (H) shall be the requisite attendance data for the
11 school year immediately preceding the school year for which
12 general State aid is being calculated.

13 (D) Available Local Resources.

14 (1) For purposes of calculating general State aid pursuant
15 to subsection (E), a representation of Available Local
16 Resources per pupil, as that term is defined and determined in
17 this subsection, shall be utilized. Available Local Resources
18 per pupil shall include a calculated dollar amount representing
19 local school district revenues from local property taxes and
20 from Corporate Personal Property Replacement Taxes, expressed
21 on the basis of pupils in Average Daily Attendance. Calculation
22 of Available Local Resources shall exclude any tax amnesty
23 funds received as a result of Public Act 93-26.

24 (2) In determining a school district's revenue from local
25 property taxes, the State Board of Education shall utilize the

1 equalized assessed valuation of all taxable property of each
2 school district as of September 30 of the previous year. The
3 equalized assessed valuation utilized shall be obtained and
4 determined as provided in subsection (G).

5 (3) For school districts maintaining grades kindergarten
6 through 12, local property tax revenues per pupil shall be
7 calculated as the product of the applicable equalized assessed
8 valuation for the district multiplied by 3.00%, and divided by
9 the district's Average Daily Attendance figure. For school
10 districts maintaining grades kindergarten through 8, local
11 property tax revenues per pupil shall be calculated as the
12 product of the applicable equalized assessed valuation for the
13 district multiplied by 2.30%, and divided by the district's
14 Average Daily Attendance figure. For school districts
15 maintaining grades 9 through 12, local property tax revenues
16 per pupil shall be the applicable equalized assessed valuation
17 of the district multiplied by 1.05%, and divided by the
18 district's Average Daily Attendance figure.

19 For partial elementary unit districts created pursuant to
20 Article 11E of this Code, local property tax revenues per pupil
21 shall be calculated as the product of the equalized assessed
22 valuation for property within the partial elementary unit
23 district for elementary purposes, as defined in Article 11E of
24 this Code, multiplied by 2.06% and divided by the district's
25 Average Daily Attendance figure, plus the product of the
26 equalized assessed valuation for property within the partial

1 elementary unit district for high school purposes, as defined
2 in Article 11E of this Code, multiplied by 0.94% and divided by
3 the district's Average Daily Attendance figure.

4 (4) The Corporate Personal Property Replacement Taxes paid
5 to each school district during the calendar year one year
6 before the calendar year in which a school year begins, divided
7 by the Average Daily Attendance figure for that district, shall
8 be added to the local property tax revenues per pupil as
9 derived by the application of the immediately preceding
10 paragraph (3). The sum of these per pupil figures for each
11 school district shall constitute Available Local Resources as
12 that term is utilized in subsection (E) in the calculation of
13 general State aid.

14 (E) Computation of General State Aid.

15 (1) For each school year, the amount of general State aid
16 allotted to a school district shall be computed by the State
17 Board of Education as provided in this subsection.

18 (2) For any school district for which Available Local
19 Resources per pupil is less than the product of 0.93 times the
20 Foundation Level, general State aid for that district shall be
21 calculated as an amount equal to the Foundation Level minus
22 Available Local Resources, multiplied by the Average Daily
23 Attendance of the school district.

24 (3) For any school district for which Available Local
25 Resources per pupil is equal to or greater than the product of

1 0.93 times the Foundation Level and less than the product of
2 1.75 times the Foundation Level, the general State aid per
3 pupil shall be a decimal proportion of the Foundation Level
4 derived using a linear algorithm. Under this linear algorithm,
5 the calculated general State aid per pupil shall decline in
6 direct linear fashion from 0.07 times the Foundation Level for
7 a school district with Available Local Resources equal to the
8 product of 0.93 times the Foundation Level, to 0.05 times the
9 Foundation Level for a school district with Available Local
10 Resources equal to the product of 1.75 times the Foundation
11 Level. The allocation of general State aid for school districts
12 subject to this paragraph 3 shall be the calculated general
13 State aid per pupil figure multiplied by the Average Daily
14 Attendance of the school district.

15 (4) For any school district for which Available Local
16 Resources per pupil equals or exceeds the product of 1.75 times
17 the Foundation Level, the general State aid for the school
18 district shall be calculated as the product of \$218 multiplied
19 by the Average Daily Attendance of the school district.

20 (5) The amount of general State aid allocated to a school
21 district for the 1999-2000 school year meeting the requirements
22 set forth in paragraph (4) of subsection (G) shall be increased
23 by an amount equal to the general State aid that would have
24 been received by the district for the 1998-1999 school year by
25 utilizing the Extension Limitation Equalized Assessed
26 Valuation as calculated in paragraph (4) of subsection (G) less

1 the general State aid allotted for the 1998-1999 school year.
2 This amount shall be deemed a one time increase, and shall not
3 affect any future general State aid allocations.

4 (F) Compilation of Average Daily Attendance.

5 (1) Each school district shall, by July 1 of each year,
6 submit to the State Board of Education, on forms prescribed by
7 the State Board of Education, attendance figures for the school
8 year that began in the preceding calendar year. The attendance
9 information so transmitted shall identify the average daily
10 attendance figures for each month of the school year. Beginning
11 with the general State aid claim form for the 2002-2003 school
12 year, districts shall calculate Average Daily Attendance as
13 provided in subdivisions (a), (b), and (c) of this paragraph
14 (1).

15 (a) In districts that do not hold year-round classes,
16 days of attendance in August shall be added to the month of
17 September and any days of attendance in June shall be added
18 to the month of May.

19 (b) In districts in which all buildings hold year-round
20 classes, days of attendance in July and August shall be
21 added to the month of September and any days of attendance
22 in June shall be added to the month of May.

23 (c) In districts in which some buildings, but not all,
24 hold year-round classes, for the non-year-round buildings,
25 days of attendance in August shall be added to the month of

1 September and any days of attendance in June shall be added
2 to the month of May. The average daily attendance for the
3 year-round buildings shall be computed as provided in
4 subdivision (b) of this paragraph (1). To calculate the
5 Average Daily Attendance for the district, the average
6 daily attendance for the year-round buildings shall be
7 multiplied by the days in session for the non-year-round
8 buildings for each month and added to the monthly
9 attendance of the non-year-round buildings.

10 Except as otherwise provided in this Section, days of
11 attendance by pupils shall be counted only for sessions of not
12 less than 5 clock hours of school work per day under direct
13 supervision of: (i) teachers, or (ii) non-teaching personnel or
14 volunteer personnel when engaging in non-teaching duties and
15 supervising in those instances specified in subsection (a) of
16 Section 10-22.34 and paragraph 10 of Section 34-18, with pupils
17 of legal school age and in kindergarten and grades 1 through
18 12. Days of attendance by pupils through verified participation
19 in an e-learning program approved by the State Board of
20 Education under Section 10-20.56 of the Code shall be
21 considered as full days of attendance for purposes of this
22 Section.

23 Days of attendance by tuition pupils shall be accredited
24 only to the districts that pay the tuition to a recognized
25 school.

26 (2) Days of attendance by pupils of less than 5 clock hours

1 of school shall be subject to the following provisions in the
2 compilation of Average Daily Attendance.

3 (a) Pupils regularly enrolled in a public school for
4 only a part of the school day may be counted on the basis
5 of 1/6 day for every class hour of instruction of 40
6 minutes or more attended pursuant to such enrollment,
7 unless a pupil is enrolled in a block-schedule format of 80
8 minutes or more of instruction, in which case the pupil may
9 be counted on the basis of the proportion of minutes of
10 school work completed each day to the minimum number of
11 minutes that school work is required to be held that day.

12 (b) (Blank).

13 (c) A session of 4 or more clock hours may be counted
14 as a day of attendance upon certification by the regional
15 superintendent, and approved by the State Superintendent
16 of Education to the extent that the district has been
17 forced to use daily multiple sessions.

18 (d) A session of 3 or more clock hours may be counted
19 as a day of attendance (1) when the remainder of the school
20 day or at least 2 hours in the evening of that day is
21 utilized for an in-service training program for teachers,
22 up to a maximum of 5 days per school year, provided a
23 district conducts an in-service training program for
24 teachers in accordance with Section 10-22.39 of this Code;
25 or, in lieu of 4 such days, 2 full days may be used, in
26 which event each such day may be counted as a day required

1 for a legal school calendar pursuant to Section 10-19 of
2 this Code; (1.5) when, of the 5 days allowed under item
3 (1), a maximum of 4 days are used for parent-teacher
4 conferences, or, in lieu of 4 such days, 2 full days are
5 used, in which case each such day may be counted as a
6 calendar day required under Section 10-19 of this Code,
7 provided that the full-day, parent-teacher conference
8 consists of (i) a minimum of 5 clock hours of
9 parent-teacher conferences, (ii) both a minimum of 2 clock
10 hours of parent-teacher conferences held in the evening
11 following a full day of student attendance, as specified in
12 subsection (F)(1)(c), and a minimum of 3 clock hours of
13 parent-teacher conferences held on the day immediately
14 following evening parent-teacher conferences, or (iii)
15 multiple parent-teacher conferences held in the evenings
16 following full days of student attendance, as specified in
17 subsection (F)(1)(c), in which the time used for the
18 parent-teacher conferences is equivalent to a minimum of 5
19 clock hours; and (2) when days in addition to those
20 provided in items (1) and (1.5) are scheduled by a school
21 pursuant to its school improvement plan adopted under
22 Article 34 or its revised or amended school improvement
23 plan adopted under Article 2, provided that (i) such
24 sessions of 3 or more clock hours are scheduled to occur at
25 regular intervals, (ii) the remainder of the school days in
26 which such sessions occur are utilized for in-service

1 training programs or other staff development activities
2 for teachers, and (iii) a sufficient number of minutes of
3 school work under the direct supervision of teachers are
4 added to the school days between such regularly scheduled
5 sessions to accumulate not less than the number of minutes
6 by which such sessions of 3 or more clock hours fall short
7 of 5 clock hours. Any full days used for the purposes of
8 this paragraph shall not be considered for computing
9 average daily attendance. Days scheduled for in-service
10 training programs, staff development activities, or
11 parent-teacher conferences may be scheduled separately for
12 different grade levels and different attendance centers of
13 the district.

14 (e) A session of not less than one clock hour of
15 teaching hospitalized or homebound pupils on-site or by
16 telephone to the classroom may be counted as 1/2 day of
17 attendance, however these pupils must receive 4 or more
18 clock hours of instruction to be counted for a full day of
19 attendance.

20 (f) A session of at least 4 clock hours may be counted
21 as a day of attendance for first grade pupils, and pupils
22 in full day kindergartens, and a session of 2 or more hours
23 may be counted as 1/2 day of attendance by pupils in
24 kindergartens which provide only 1/2 day of attendance.

25 (g) For children with disabilities who are below the
26 age of 6 years and who cannot attend 2 or more clock hours

1 because of their disability or immaturity, a session of not
2 less than one clock hour may be counted as 1/2 day of
3 attendance; however for such children whose educational
4 needs so require a session of 4 or more clock hours may be
5 counted as a full day of attendance.

6 (h) A recognized kindergarten which provides for only
7 1/2 day of attendance by each pupil shall not have more
8 than 1/2 day of attendance counted in any one day. However,
9 kindergartens may count 2 1/2 days of attendance in any 5
10 consecutive school days. When a pupil attends such a
11 kindergarten for 2 half days on any one school day, the
12 pupil shall have the following day as a day absent from
13 school, unless the school district obtains permission in
14 writing from the State Superintendent of Education.
15 Attendance at kindergartens which provide for a full day of
16 attendance by each pupil shall be counted the same as
17 attendance by first grade pupils. Only the first year of
18 attendance in one kindergarten shall be counted, except in
19 case of children who entered the kindergarten in their
20 fifth year whose educational development requires a second
21 year of kindergarten as determined under the rules and
22 regulations of the State Board of Education.

23 (i) On the days when the assessment that includes a
24 college and career ready determination is administered
25 under subsection (c) of Section 2-3.64a-5 of this Code, the
26 day of attendance for a pupil whose school day must be

1 shortened to accommodate required testing procedures may
2 be less than 5 clock hours and shall be counted towards the
3 176 days of actual pupil attendance required under Section
4 10-19 of this Code, provided that a sufficient number of
5 minutes of school work in excess of 5 clock hours are first
6 completed on other school days to compensate for the loss
7 of school work on the examination days.

8 (j) Pupils enrolled in a remote educational program
9 established under Section 10-29 of this Code may be counted
10 on the basis of one-fifth day of attendance for every clock
11 hour of instruction attended in the remote educational
12 program, provided that, in any month, the school district
13 may not claim for a student enrolled in a remote
14 educational program more days of attendance than the
15 maximum number of days of attendance the district can claim

16 (i) for students enrolled in a building holding year-round
17 classes if the student is classified as participating in
18 the remote educational program on a year-round schedule or

19 (ii) for students enrolled in a building not holding
20 year-round classes if the student is not classified as
21 participating in the remote educational program on a
22 year-round schedule.

23 (G) Equalized Assessed Valuation Data.

24 (1) For purposes of the calculation of Available Local
25 Resources required pursuant to subsection (D), the State Board

1 of Education shall secure from the Department of Revenue the
2 value as equalized or assessed by the Department of Revenue of
3 all taxable property of every school district, together with
4 (i) the applicable tax rate used in extending taxes for the
5 funds of the district as of September 30 of the previous year
6 and (ii) the limiting rate for all school districts subject to
7 property tax extension limitations as imposed under the
8 Property Tax Extension Limitation Law.

9 The Department of Revenue shall add to the equalized
10 assessed value of all taxable property of each school district
11 situated entirely or partially within a county that is or was
12 subject to the provisions of Section 15-176 or 15-177 of the
13 Property Tax Code (a) an amount equal to the total amount by
14 which the homestead exemption allowed under Section 15-176 or
15 15-177 of the Property Tax Code for real property situated in
16 that school district exceeds the total amount that would have
17 been allowed in that school district if the maximum reduction
18 under Section 15-176 was (i) \$4,500 in Cook County or \$3,500 in
19 all other counties in tax year 2003 or (ii) \$5,000 in all
20 counties in tax year 2004 and thereafter and (b) an amount
21 equal to the aggregate amount for the taxable year of all
22 additional exemptions under Section 15-175 of the Property Tax
23 Code for owners with a household income of \$30,000 or less. The
24 county clerk of any county that is or was subject to the
25 provisions of Section 15-176 or 15-177 of the Property Tax Code
26 shall annually calculate and certify to the Department of

1 Revenue for each school district all homestead exemption
2 amounts under Section 15-176 or 15-177 of the Property Tax Code
3 and all amounts of additional exemptions under Section 15-175
4 of the Property Tax Code for owners with a household income of
5 \$30,000 or less. It is the intent of this paragraph that if the
6 general homestead exemption for a parcel of property is
7 determined under Section 15-176 or 15-177 of the Property Tax
8 Code rather than Section 15-175, then the calculation of
9 Available Local Resources shall not be affected by the
10 difference, if any, between the amount of the general homestead
11 exemption allowed for that parcel of property under Section
12 15-176 or 15-177 of the Property Tax Code and the amount that
13 would have been allowed had the general homestead exemption for
14 that parcel of property been determined under Section 15-175 of
15 the Property Tax Code. It is further the intent of this
16 paragraph that if additional exemptions are allowed under
17 Section 15-175 of the Property Tax Code for owners with a
18 household income of less than \$30,000, then the calculation of
19 Available Local Resources shall not be affected by the
20 difference, if any, because of those additional exemptions.

21 This equalized assessed valuation, as adjusted further by
22 the requirements of this subsection, shall be utilized in the
23 calculation of Available Local Resources.

24 (2) The equalized assessed valuation in paragraph (1) shall
25 be adjusted, as applicable, in the following manner:

26 (a) For the purposes of calculating State aid under

1 this Section, with respect to any part of a school district
2 within a redevelopment project area in respect to which a
3 municipality has adopted tax increment allocation
4 financing pursuant to the Tax Increment Allocation
5 Redevelopment Act, Sections 11-74.4-1 through 11-74.4-11
6 of the Illinois Municipal Code or the Industrial Jobs
7 Recovery Law, Sections 11-74.6-1 through 11-74.6-50 of the
8 Illinois Municipal Code, no part of the current equalized
9 assessed valuation of real property located in any such
10 project area which is attributable to an increase above the
11 total initial equalized assessed valuation of such
12 property shall be used as part of the equalized assessed
13 valuation of the district, until such time as all
14 redevelopment project costs have been paid, as provided in
15 Section 11-74.4-8 of the Tax Increment Allocation
16 Redevelopment Act or in Section 11-74.6-35 of the
17 Industrial Jobs Recovery Law. For the purpose of the
18 equalized assessed valuation of the district, the total
19 initial equalized assessed valuation or the current
20 equalized assessed valuation, whichever is lower, shall be
21 used until such time as all redevelopment project costs
22 have been paid.

23 (b) The real property equalized assessed valuation for
24 a school district shall be adjusted by subtracting from the
25 real property value as equalized or assessed by the
26 Department of Revenue for the district an amount computed

1 by dividing the amount of any abatement of taxes under
2 Section 18-170 of the Property Tax Code by 3.00% for a
3 district maintaining grades kindergarten through 12, by
4 2.30% for a district maintaining grades kindergarten
5 through 8, or by 1.05% for a district maintaining grades 9
6 through 12 and adjusted by an amount computed by dividing
7 the amount of any abatement of taxes under subsection (a)
8 of Section 18-165 of the Property Tax Code by the same
9 percentage rates for district type as specified in this
10 subparagraph (b).

11 (3) For the 1999-2000 school year and each school year
12 thereafter, if a school district meets all of the criteria of
13 this subsection (G) (3), the school district's Available Local
14 Resources shall be calculated under subsection (D) using the
15 district's Extension Limitation Equalized Assessed Valuation
16 as calculated under this subsection (G) (3).

17 For purposes of this subsection (G) (3) the following terms
18 shall have the following meanings:

19 "Budget Year": The school year for which general State
20 aid is calculated and awarded under subsection (E).

21 "Base Tax Year": The property tax levy year used to
22 calculate the Budget Year allocation of general State aid.

23 "Preceding Tax Year": The property tax levy year
24 immediately preceding the Base Tax Year.

25 "Base Tax Year's Tax Extension": The product of the
26 equalized assessed valuation utilized by the County Clerk

1 in the Base Tax Year multiplied by the limiting rate as
2 calculated by the County Clerk and defined in the Property
3 Tax Extension Limitation Law.

4 "Preceding Tax Year's Tax Extension": The product of
5 the equalized assessed valuation utilized by the County
6 Clerk in the Preceding Tax Year multiplied by the Operating
7 Tax Rate as defined in subsection (A).

8 "Extension Limitation Ratio": A numerical ratio,
9 certified by the County Clerk, in which the numerator is
10 the Base Tax Year's Tax Extension and the denominator is
11 the Preceding Tax Year's Tax Extension.

12 "Operating Tax Rate": The operating tax rate as defined
13 in subsection (A).

14 If a school district is subject to property tax extension
15 limitations as imposed under the Property Tax Extension
16 Limitation Law, the State Board of Education shall calculate
17 the Extension Limitation Equalized Assessed Valuation of that
18 district. For the 1999-2000 school year, the Extension
19 Limitation Equalized Assessed Valuation of a school district as
20 calculated by the State Board of Education shall be equal to
21 the product of the district's 1996 Equalized Assessed Valuation
22 and the district's Extension Limitation Ratio. Except as
23 otherwise provided in this paragraph for a school district that
24 has approved or does approve an increase in its limiting rate,
25 for the 2000-2001 school year and each school year thereafter,
26 the Extension Limitation Equalized Assessed Valuation of a

1 school district as calculated by the State Board of Education
2 shall be equal to the product of the Equalized Assessed
3 Valuation last used in the calculation of general State aid and
4 the district's Extension Limitation Ratio. If the Extension
5 Limitation Equalized Assessed Valuation of a school district as
6 calculated under this subsection (G)(3) is less than the
7 district's equalized assessed valuation as calculated pursuant
8 to subsections (G)(1) and (G)(2), then for purposes of
9 calculating the district's general State aid for the Budget
10 Year pursuant to subsection (E), that Extension Limitation
11 Equalized Assessed Valuation shall be utilized to calculate the
12 district's Available Local Resources under subsection (D). For
13 the 2009-2010 school year and each school year thereafter, if a
14 school district has approved or does approve an increase in its
15 limiting rate, pursuant to Section 18-190 of the Property Tax
16 Code, affecting the Base Tax Year, the Extension Limitation
17 Equalized Assessed Valuation of the school district, as
18 calculated by the State Board of Education, shall be equal to
19 the product of the Equalized Assessed Valuation last used in
20 the calculation of general State aid times an amount equal to
21 one plus the percentage increase, if any, in the Consumer Price
22 Index for all Urban Consumers for all items published by the
23 United States Department of Labor for the 12-month calendar
24 year preceding the Base Tax Year, plus the Equalized Assessed
25 Valuation of new property, annexed property, and recovered tax
26 increment value and minus the Equalized Assessed Valuation of

1 disconnected property. New property and recovered tax
2 increment value shall have the meanings set forth in the
3 Property Tax Extension Limitation Law.

4 Partial elementary unit districts created in accordance
5 with Article 11E of this Code shall not be eligible for the
6 adjustment in this subsection (G)(3) until the fifth year
7 following the effective date of the reorganization.

8 (3.5) For the 2010-2011 school year and each school year
9 thereafter, if a school district's boundaries span multiple
10 counties, then the Department of Revenue shall send to the
11 State Board of Education, for the purpose of calculating
12 general State aid, the limiting rate and individual rates by
13 purpose for the county that contains the majority of the school
14 district's Equalized Assessed Valuation.

15 (4) For the purposes of calculating general State aid for
16 the 1999-2000 school year only, if a school district
17 experienced a triennial reassessment on the equalized assessed
18 valuation used in calculating its general State financial aid
19 apportionment for the 1998-1999 school year, the State Board of
20 Education shall calculate the Extension Limitation Equalized
21 Assessed Valuation that would have been used to calculate the
22 district's 1998-1999 general State aid. This amount shall equal
23 the product of the equalized assessed valuation used to
24 calculate general State aid for the 1997-1998 school year and
25 the district's Extension Limitation Ratio. If the Extension
26 Limitation Equalized Assessed Valuation of the school district

1 as calculated under this paragraph (4) is less than the
2 district's equalized assessed valuation utilized in
3 calculating the district's 1998-1999 general State aid
4 allocation, then for purposes of calculating the district's
5 general State aid pursuant to paragraph (5) of subsection (E),
6 that Extension Limitation Equalized Assessed Valuation shall
7 be utilized to calculate the district's Available Local
8 Resources.

9 (5) For school districts having a majority of their
10 equalized assessed valuation in any county except Cook, DuPage,
11 Kane, Lake, McHenry, or Will, if the amount of general State
12 aid allocated to the school district for the 1999-2000 school
13 year under the provisions of subsection (E), (H), and (J) of
14 this Section is less than the amount of general State aid
15 allocated to the district for the 1998-1999 school year under
16 these subsections, then the general State aid of the district
17 for the 1999-2000 school year only shall be increased by the
18 difference between these amounts. The total payments made under
19 this paragraph (5) shall not exceed \$14,000,000. Claims shall
20 be prorated if they exceed \$14,000,000.

21 (H) Supplemental General State Aid.

22 (1) In addition to the general State aid a school district
23 is allotted pursuant to subsection (E), qualifying school
24 districts shall receive a grant, paid in conjunction with a
25 district's payments of general State aid, for supplemental

1 general State aid based upon the concentration level of
2 children from low-income households within the school
3 district. Supplemental State aid grants provided for school
4 districts under this subsection shall be appropriated for
5 distribution to school districts as part of the same line item
6 in which the general State financial aid of school districts is
7 appropriated under this Section.

8 (1.5) This paragraph (1.5) applies only to those school
9 years preceding the 2003-2004 school year. For purposes of this
10 subsection (H), the term "Low-Income Concentration Level"
11 shall be the low-income eligible pupil count from the most
12 recently available federal census divided by the Average Daily
13 Attendance of the school district. If, however, (i) the
14 percentage decrease from the 2 most recent federal censuses in
15 the low-income eligible pupil count of a high school district
16 with fewer than 400 students exceeds by 75% or more the
17 percentage change in the total low-income eligible pupil count
18 of contiguous elementary school districts, whose boundaries
19 are coterminous with the high school district, or (ii) a high
20 school district within 2 counties and serving 5 elementary
21 school districts, whose boundaries are coterminous with the
22 high school district, has a percentage decrease from the 2 most
23 recent federal censuses in the low-income eligible pupil count
24 and there is a percentage increase in the total low-income
25 eligible pupil count of a majority of the elementary school
26 districts in excess of 50% from the 2 most recent federal

1 censuses, then the high school district's low-income eligible
2 pupil count from the earlier federal census shall be the number
3 used as the low-income eligible pupil count for the high school
4 district, for purposes of this subsection (H). The changes made
5 to this paragraph (1) by Public Act 92-28 shall apply to
6 supplemental general State aid grants for school years
7 preceding the 2003-2004 school year that are paid in fiscal
8 year 1999 or thereafter and to any State aid payments made in
9 fiscal year 1994 through fiscal year 1998 pursuant to
10 subsection 1(n) of Section 18-8 of this Code (which was
11 repealed on July 1, 1998), and any high school district that is
12 affected by Public Act 92-28 is entitled to a recomputation of
13 its supplemental general State aid grant or State aid paid in
14 any of those fiscal years. This recomputation shall not be
15 affected by any other funding.

16 (1.10) This paragraph (1.10) applies to the 2003-2004
17 school year and each school year thereafter through the
18 2016-2017 school year. For purposes of this subsection (H), the
19 term "Low-Income Concentration Level" shall, for each fiscal
20 year, be the low-income eligible pupil count as of July 1 of
21 the immediately preceding fiscal year (as determined by the
22 Department of Human Services based on the number of pupils who
23 are eligible for at least one of the following low income
24 programs: Medicaid, the Children's Health Insurance Program,
25 TANF, or Food Stamps, excluding pupils who are eligible for
26 services provided by the Department of Children and Family

1 Services, averaged over the 2 immediately preceding fiscal
2 years for fiscal year 2004 and over the 3 immediately preceding
3 fiscal years for each fiscal year thereafter) divided by the
4 Average Daily Attendance of the school district.

5 (2) Supplemental general State aid pursuant to this
6 subsection (H) shall be provided as follows for the 1998-1999,
7 1999-2000, and 2000-2001 school years only:

8 (a) For any school district with a Low Income
9 Concentration Level of at least 20% and less than 35%, the
10 grant for any school year shall be \$800 multiplied by the
11 low income eligible pupil count.

12 (b) For any school district with a Low Income
13 Concentration Level of at least 35% and less than 50%, the
14 grant for the 1998-1999 school year shall be \$1,100
15 multiplied by the low income eligible pupil count.

16 (c) For any school district with a Low Income
17 Concentration Level of at least 50% and less than 60%, the
18 grant for the 1998-99 school year shall be \$1,500
19 multiplied by the low income eligible pupil count.

20 (d) For any school district with a Low Income
21 Concentration Level of 60% or more, the grant for the
22 1998-99 school year shall be \$1,900 multiplied by the low
23 income eligible pupil count.

24 (e) For the 1999-2000 school year, the per pupil amount
25 specified in subparagraphs (b), (c), and (d) immediately
26 above shall be increased to \$1,243, \$1,600, and \$2,000,

1 respectively.

2 (f) For the 2000-2001 school year, the per pupil
3 amounts specified in subparagraphs (b), (c), and (d)
4 immediately above shall be \$1,273, \$1,640, and \$2,050,
5 respectively.

6 (2.5) Supplemental general State aid pursuant to this
7 subsection (H) shall be provided as follows for the 2002-2003
8 school year:

9 (a) For any school district with a Low Income
10 Concentration Level of less than 10%, the grant for each
11 school year shall be \$355 multiplied by the low income
12 eligible pupil count.

13 (b) For any school district with a Low Income
14 Concentration Level of at least 10% and less than 20%, the
15 grant for each school year shall be \$675 multiplied by the
16 low income eligible pupil count.

17 (c) For any school district with a Low Income
18 Concentration Level of at least 20% and less than 35%, the
19 grant for each school year shall be \$1,330 multiplied by
20 the low income eligible pupil count.

21 (d) For any school district with a Low Income
22 Concentration Level of at least 35% and less than 50%, the
23 grant for each school year shall be \$1,362 multiplied by
24 the low income eligible pupil count.

25 (e) For any school district with a Low Income
26 Concentration Level of at least 50% and less than 60%, the

1 grant for each school year shall be \$1,680 multiplied by
2 the low income eligible pupil count.

3 (f) For any school district with a Low Income
4 Concentration Level of 60% or more, the grant for each
5 school year shall be \$2,080 multiplied by the low income
6 eligible pupil count.

7 (2.10) Except as otherwise provided, supplemental general
8 State aid pursuant to this subsection (H) shall be provided as
9 follows for the 2003-2004 school year and each school year
10 thereafter:

11 (a) For any school district with a Low Income
12 Concentration Level of 15% or less, the grant for each
13 school year shall be \$355 multiplied by the low income
14 eligible pupil count.

15 (b) For any school district with a Low Income
16 Concentration Level greater than 15%, the grant for each
17 school year shall be \$294.25 added to the product of \$2,700
18 and the square of the Low Income Concentration Level, all
19 multiplied by the low income eligible pupil count.

20 For the 2003-2004 school year and each school year
21 thereafter through the 2008-2009 school year only, the grant
22 shall be no less than the grant for the 2002-2003 school year.
23 For the 2009-2010 school year only, the grant shall be no less
24 than the grant for the 2002-2003 school year multiplied by
25 0.66. For the 2010-2011 school year only, the grant shall be no
26 less than the grant for the 2002-2003 school year multiplied by

1 0.33. Notwithstanding the provisions of this paragraph to the
2 contrary, if for any school year supplemental general State aid
3 grants are prorated as provided in paragraph (1) of this
4 subsection (H), then the grants under this paragraph shall be
5 prorated.

6 For the 2003-2004 school year only, the grant shall be no
7 greater than the grant received during the 2002-2003 school
8 year added to the product of 0.25 multiplied by the difference
9 between the grant amount calculated under subsection (a) or (b)
10 of this paragraph (2.10), whichever is applicable, and the
11 grant received during the 2002-2003 school year. For the
12 2004-2005 school year only, the grant shall be no greater than
13 the grant received during the 2002-2003 school year added to
14 the product of 0.50 multiplied by the difference between the
15 grant amount calculated under subsection (a) or (b) of this
16 paragraph (2.10), whichever is applicable, and the grant
17 received during the 2002-2003 school year. For the 2005-2006
18 school year only, the grant shall be no greater than the grant
19 received during the 2002-2003 school year added to the product
20 of 0.75 multiplied by the difference between the grant amount
21 calculated under subsection (a) or (b) of this paragraph
22 (2.10), whichever is applicable, and the grant received during
23 the 2002-2003 school year.

24 (3) School districts with an Average Daily Attendance of
25 more than 1,000 and less than 50,000 that qualify for
26 supplemental general State aid pursuant to this subsection

1 shall submit a plan to the State Board of Education prior to
2 October 30 of each year for the use of the funds resulting from
3 this grant of supplemental general State aid for the
4 improvement of instruction in which priority is given to
5 meeting the education needs of disadvantaged children. Such
6 plan shall be submitted in accordance with rules and
7 regulations promulgated by the State Board of Education.

8 (4) School districts with an Average Daily Attendance of
9 50,000 or more that qualify for supplemental general State aid
10 pursuant to this subsection shall be required to distribute
11 from funds available pursuant to this Section, no less than
12 \$261,000,000 in accordance with the following requirements:

13 (a) The required amounts shall be distributed to the
14 attendance centers within the district in proportion to the
15 number of pupils enrolled at each attendance center who are
16 eligible to receive free or reduced-price lunches or
17 breakfasts under the federal Child Nutrition Act of 1966
18 and under the National School Lunch Act during the
19 immediately preceding school year.

20 (b) The distribution of these portions of supplemental
21 and general State aid among attendance centers according to
22 these requirements shall not be compensated for or
23 contravened by adjustments of the total of other funds
24 appropriated to any attendance centers, and the Board of
25 Education shall utilize funding from one or several sources
26 in order to fully implement this provision annually prior

1 to the opening of school.

2 (c) Each attendance center shall be provided by the
3 school district a distribution of noncategorical funds and
4 other categorical funds to which an attendance center is
5 entitled under law in order that the general State aid and
6 supplemental general State aid provided by application of
7 this subsection supplements rather than supplants the
8 noncategorical funds and other categorical funds provided
9 by the school district to the attendance centers.

10 (d) Any funds made available under this subsection that
11 by reason of the provisions of this subsection are not
12 required to be allocated and provided to attendance centers
13 may be used and appropriated by the board of the district
14 for any lawful school purpose.

15 (e) Funds received by an attendance center pursuant to
16 this subsection shall be used by the attendance center at
17 the discretion of the principal and local school council
18 for programs to improve educational opportunities at
19 qualifying schools through the following programs and
20 services: early childhood education, reduced class size or
21 improved adult to student classroom ratio, enrichment
22 programs, remedial assistance, attendance improvement, and
23 other educationally beneficial expenditures which
24 supplement the regular and basic programs as determined by
25 the State Board of Education. Funds provided shall not be
26 expended for any political or lobbying purposes as defined

1 by board rule.

2 (f) Each district subject to the provisions of this
3 subdivision (H) (4) shall submit an acceptable plan to meet
4 the educational needs of disadvantaged children, in
5 compliance with the requirements of this paragraph, to the
6 State Board of Education prior to July 15 of each year.
7 This plan shall be consistent with the decisions of local
8 school councils concerning the school expenditure plans
9 developed in accordance with part 4 of Section 34-2.3. The
10 State Board shall approve or reject the plan within 60 days
11 after its submission. If the plan is rejected, the district
12 shall give written notice of intent to modify the plan
13 within 15 days of the notification of rejection and then
14 submit a modified plan within 30 days after the date of the
15 written notice of intent to modify. Districts may amend
16 approved plans pursuant to rules promulgated by the State
17 Board of Education.

18 Upon notification by the State Board of Education that
19 the district has not submitted a plan prior to July 15 or a
20 modified plan within the time period specified herein, the
21 State aid funds affected by that plan or modified plan
22 shall be withheld by the State Board of Education until a
23 plan or modified plan is submitted.

24 If the district fails to distribute State aid to
25 attendance centers in accordance with an approved plan, the
26 plan for the following year shall allocate funds, in

1 addition to the funds otherwise required by this
2 subsection, to those attendance centers which were
3 underfunded during the previous year in amounts equal to
4 such underfunding.

5 For purposes of determining compliance with this
6 subsection in relation to the requirements of attendance
7 center funding, each district subject to the provisions of
8 this subsection shall submit as a separate document by
9 December 1 of each year a report of expenditure data for
10 the prior year in addition to any modification of its
11 current plan. If it is determined that there has been a
12 failure to comply with the expenditure provisions of this
13 subsection regarding contravention or supplanting, the
14 State Superintendent of Education shall, within 60 days of
15 receipt of the report, notify the district and any affected
16 local school council. The district shall within 45 days of
17 receipt of that notification inform the State
18 Superintendent of Education of the remedial or corrective
19 action to be taken, whether by amendment of the current
20 plan, if feasible, or by adjustment in the plan for the
21 following year. Failure to provide the expenditure report
22 or the notification of remedial or corrective action in a
23 timely manner shall result in a withholding of the affected
24 funds.

25 The State Board of Education shall promulgate rules and
26 regulations to implement the provisions of this

1 subsection. No funds shall be released under this
2 subdivision (H) (4) to any district that has not submitted a
3 plan that has been approved by the State Board of
4 Education.

5 (I) (Blank).

6 (J) (Blank).

7 (K) Grants to Laboratory and Alternative Schools.

8 In calculating the amount to be paid to the governing board
9 of a public university that operates a laboratory school under
10 this Section or to any alternative school that is operated by a
11 regional superintendent of schools, the State Board of
12 Education shall require by rule such reporting requirements as
13 it deems necessary.

14 As used in this Section, "laboratory school" means a public
15 school which is created and operated by a public university and
16 approved by the State Board of Education. The governing board
17 of a public university which receives funds from the State
18 Board under this subsection (K) or subsection (g) of Section
19 18-8.15 of this Code may not increase the number of students
20 enrolled in its laboratory school from a single district, if
21 that district is already sending 50 or more students, except
22 under a mutual agreement between the school board of a
23 student's district of residence and the university which

1 operates the laboratory school. A laboratory school may not
2 have more than 1,000 students, excluding students with
3 disabilities in a special education program.

4 As used in this Section, "alternative school" means a
5 public school which is created and operated by a Regional
6 Superintendent of Schools and approved by the State Board of
7 Education. Such alternative schools may offer courses of
8 instruction for which credit is given in regular school
9 programs, courses to prepare students for the high school
10 equivalency testing program or vocational and occupational
11 training. A regional superintendent of schools may contract
12 with a school district or a public community college district
13 to operate an alternative school. An alternative school serving
14 more than one educational service region may be established by
15 the regional superintendents of schools of the affected
16 educational service regions. An alternative school serving
17 more than one educational service region may be operated under
18 such terms as the regional superintendents of schools of those
19 educational service regions may agree.

20 Each laboratory and alternative school shall file, on forms
21 provided by the State Superintendent of Education, an annual
22 State aid claim which states the Average Daily Attendance of
23 the school's students by month. The best 3 months' Average
24 Daily Attendance shall be computed for each school. The general
25 State aid entitlement shall be computed by multiplying the
26 applicable Average Daily Attendance by the Foundation Level as

1 determined under this Section.

2 (L) Payments, Additional Grants in Aid and Other Requirements.

3 (1) For a school district operating under the financial
4 supervision of an Authority created under Article 34A, the
5 general State aid otherwise payable to that district under this
6 Section, but not the supplemental general State aid, shall be
7 reduced by an amount equal to the budget for the operations of
8 the Authority as certified by the Authority to the State Board
9 of Education, and an amount equal to such reduction shall be
10 paid to the Authority created for such district for its
11 operating expenses in the manner provided in Section 18-11. The
12 remainder of general State school aid for any such district
13 shall be paid in accordance with Article 34A when that Article
14 provides for a disposition other than that provided by this
15 Article.

16 (2) (Blank).

17 (3) Summer school. Summer school payments shall be made as
18 provided in Section 18-4.3.

19 (M) (Blank). ~~Education Funding Advisory Board.~~

20 ~~The Education Funding Advisory Board, hereinafter in this~~
21 ~~subsection (M) referred to as the "Board", is hereby created.~~
22 ~~The Board shall consist of 5 members who are appointed by the~~
23 ~~Governor, by and with the advice and consent of the Senate. The~~
24 ~~members appointed shall include representatives of education,~~

1 ~~business, and the general public. One of the members so~~
2 ~~appointed shall be designated by the Governor at the time the~~
3 ~~appointment is made as the chairperson of the Board. The~~
4 ~~initial members of the Board may be appointed any time after~~
5 ~~the effective date of this amendatory Act of 1997. The regular~~
6 ~~term of each member of the Board shall be for 4 years from the~~
7 ~~third Monday of January of the year in which the term of the~~
8 ~~member's appointment is to commence, except that of the 5~~
9 ~~initial members appointed to serve on the Board, the member who~~
10 ~~is appointed as the chairperson shall serve for a term that~~
11 ~~commences on the date of his or her appointment and expires on~~
12 ~~the third Monday of January, 2002, and the remaining 4 members,~~
13 ~~by lots drawn at the first meeting of the Board that is held~~
14 ~~after all 5 members are appointed, shall determine 2 of their~~
15 ~~number to serve for terms that commence on the date of their~~
16 ~~respective appointments and expire on the third Monday of~~
17 ~~January, 2001, and 2 of their number to serve for terms that~~
18 ~~commence on the date of their respective appointments and~~
19 ~~expire on the third Monday of January, 2000. All members~~
20 ~~appointed to serve on the Board shall serve until their~~
21 ~~respective successors are appointed and confirmed. Vacancies~~
22 ~~shall be filled in the same manner as original appointments. If~~
23 ~~a vacancy in membership occurs at a time when the Senate is not~~
24 ~~in session, the Governor shall make a temporary appointment~~
25 ~~until the next meeting of the Senate, when he or she shall~~
26 ~~appoint, by and with the advice and consent of the Senate, a~~

1 ~~person to fill that membership for the unexpired term. If the~~
2 ~~Senate is not in session when the initial appointments are~~
3 ~~made, those appointments shall be made as in the case of~~
4 ~~vacancies.~~

5 ~~The Education Funding Advisory Board shall be deemed~~
6 ~~established, and the initial members appointed by the Governor~~
7 ~~to serve as members of the Board shall take office, on the date~~
8 ~~that the Governor makes his or her appointment of the fifth~~
9 ~~initial member of the Board, whether those initial members are~~
10 ~~then serving pursuant to appointment and confirmation or~~
11 ~~pursuant to temporary appointments that are made by the~~
12 ~~Governor as in the case of vacancies.~~

13 ~~The State Board of Education shall provide such staff~~
14 ~~assistance to the Education Funding Advisory Board as is~~
15 ~~reasonably required for the proper performance by the Board of~~
16 ~~its responsibilities.~~

17 ~~For school years after the 2000 2001 school year, the~~
18 ~~Education Funding Advisory Board, in consultation with the~~
19 ~~State Board of Education, shall make recommendations as~~
20 ~~provided in this subsection (M) to the General Assembly for the~~
21 ~~foundation level under subdivision (B) (3) of this Section and~~
22 ~~for the supplemental general State aid grant level under~~
23 ~~subsection (H) of this Section for districts with high~~
24 ~~concentrations of children from poverty. The recommended~~
25 ~~foundation level shall be determined based on a methodology~~
26 ~~which incorporates the basic education expenditures of~~

1 ~~low spending schools exhibiting high academic performance. The~~
2 ~~Education Funding Advisory Board shall make such~~
3 ~~recommendations to the General Assembly on January 1 of odd~~
4 ~~numbered years, beginning January 1, 2001.~~

5 (N) (Blank).

6 (O) References.

7 (1) References in other laws to the various subdivisions of
8 Section 18-8 as that Section existed before its repeal and
9 replacement by this Section 18-8.05 shall be deemed to refer to
10 the corresponding provisions of this Section 18-8.05, to the
11 extent that those references remain applicable.

12 (2) References in other laws to State Chapter 1 funds shall
13 be deemed to refer to the supplemental general State aid
14 provided under subsection (H) of this Section.

15 (P) Public Act 93-838 and Public Act 93-808 make inconsistent
16 changes to this Section. Under Section 6 of the Statute on
17 Statutes there is an irreconcilable conflict between Public Act
18 93-808 and Public Act 93-838. Public Act 93-838, being the last
19 acted upon, is controlling. The text of Public Act 93-838 is
20 the law regardless of the text of Public Act 93-808.

21 (Q) State Fiscal Year 2015 Payments.

22 For payments made for State fiscal year 2015, the State

1 Board of Education shall, for each school district, calculate
2 that district's pro-rata share of a minimum sum of \$13,600,000
3 or additional amounts as needed from the total net General
4 State Aid funding as calculated under this Section that shall
5 be deemed attributable to the provision of special educational
6 facilities and services, as defined in Section 14-1.08 of this
7 Code, in a manner that ensures compliance with maintenance of
8 State financial support requirements under the federal
9 Individuals with Disabilities Education Act. Each school
10 district must use such funds only for the provision of special
11 educational facilities and services, as defined in Section
12 14-1.08 of this Code, and must comply with any expenditure
13 verification procedures adopted by the State Board of
14 Education.

15 (R) State Fiscal Year 2016 Payments.

16 For payments made for State fiscal year 2016, the State
17 Board of Education shall, for each school district, calculate
18 that district's pro rata share of a minimum sum of \$1 or
19 additional amounts as needed from the total net General State
20 Aid funding as calculated under this Section that shall be
21 deemed attributable to the provision of special educational
22 facilities and services, as defined in Section 14-1.08 of this
23 Code, in a manner that ensures compliance with maintenance of
24 State financial support requirements under the federal
25 Individuals with Disabilities Education Act. Each school

1 district must use such funds only for the provision of special
2 educational facilities and services, as defined in Section
3 14-1.08 of this Code, and must comply with any expenditure
4 verification procedures adopted by the State Board of
5 Education.

6 (Source: P.A. 98-972, eff. 8-15-14; 99-2, eff. 3-26-15; 99-194,
7 eff. 7-30-15; 99-523, eff. 6-30-16.)

8 (105 ILCS 5/18-8.10)

9 Sec. 18-8.10. Fast growth grants.

10 (a) If there has been an increase in a school district's
11 student population over the most recent 2 school years of (i)
12 over 1.5% in a district with over 10,000 pupils in average
13 daily attendance (as defined in Section 18-8.05 or 18-8.15 of
14 this Code) or (ii) over 7.5% in any other district, then the
15 district is eligible for a grant under this Section, subject to
16 appropriation.

17 (b) The State Board of Education shall determine a per
18 pupil grant amount for each school district. The total grant
19 amount for a district for any given school year shall equal the
20 per pupil grant amount multiplied by the difference between the
21 number of pupils in average daily attendance for the 2 most
22 recent school years.

23 (c) Funds for grants under this Section must be
24 appropriated to the State Board of Education in a separate line
25 item for this purpose. If the amount appropriated in any fiscal

1 year is insufficient to pay all grants for a school year, then
2 the amount appropriated shall be prorated among eligible
3 districts. As soon as possible after funds have been
4 appropriated to the State Board of Education, the State Board
5 of Education shall distribute the grants to eligible districts.

6 (d) If a school district intentionally reports incorrect
7 average daily attendance numbers to receive a grant under this
8 Section, then the district shall be denied State aid in the
9 same manner as State aid is denied for intentional incorrect
10 reporting of average daily attendance numbers under Section
11 18-8.05 or 18-8.15 of this Code.

12 (Source: P.A. 93-1042, eff. 10-8-04.)

13 (105 ILCS 5/18-8.15 new)

14 Sec. 18-8.15. Evidence-based funding for student success
15 for the 2017-2018 and subsequent school years.

16 (a) General provisions.

17 (1) The purpose of this Section is to ensure that, by
18 June 30, 2027 and beyond, this State has a kindergarten
19 through grade 12 public education system with the capacity
20 to ensure the educational development of all persons to the
21 limits of their capacities in accordance with Section 1 of
22 Article X of the Constitution of the State of Illinois. To
23 accomplish that objective, this Section creates a method of
24 funding public education that is evidence-based; is
25 sufficient to ensure every student receives a meaningful

1 opportunity to learn irrespective of race, ethnicity,
2 sexual orientation, gender, or community-income level; and
3 is sustainable and predictable. When fully funded under
4 this Section, every school shall have the resources, based
5 on what the evidence indicates is needed, to:

6 (A) provide all students with a high quality
7 education that offers the academic, enrichment, social
8 and emotional support, technical, and career-focused
9 programs that will allow them to become competitive
10 workers, responsible parents, productive citizens of
11 this State, and active members of our national
12 democracy;

13 (B) ensure all students receive the education they
14 need to graduate from high school with the skills
15 required to pursue post-secondary education and
16 training for a rewarding career;

17 (C) reduce, with a goal of eliminating, the
18 achievement gap between at-risk and non-at-risk
19 students by raising the performance of at-risk
20 students and not by reducing standards; and

21 (D) ensure this State satisfies its obligation to
22 assume the primary responsibility to fund public
23 education and simultaneously relieve the
24 disproportionate burden placed on local property taxes
25 to fund schools.

26 (2) The evidence-based funding formula under this

1 Section shall be applied to all Organizational Units in
2 this State. The evidence-based funding formula outlined in
3 this Act is based on the formula outlined in Senate Bill 1
4 of the 100th General Assembly, as passed by both
5 legislative chambers. As further defined and described in
6 this Section, there are 4 major components of the
7 evidence-based funding model:

8 (A) First, the model calculates a unique adequacy
9 target for each Organizational Unit in this State that
10 considers the costs to implement research-based
11 activities, the unit's student demographics, and
12 regional wage difference.

13 (B) Second, the model calculates each
14 Organizational Unit's local capacity, or the amount
15 each Organizational Unit is assumed to contribute
16 towards its adequacy target from local resources.

17 (C) Third, the model calculates how much funding
18 the State currently contributes to the Organizational
19 Unit, and adds that to the unit's local capacity to
20 determine the unit's overall current adequacy of
21 funding.

22 (D) Finally, the model's distribution method
23 allocates new State funding to those Organizational
24 Units that are least well-funded, considering both
25 local capacity and State funding, in relation to their
26 adequacy target.

1 (3) An Organizational Unit receiving any funding under
2 this Section may apply those funds to any fund so received
3 for which that Organizational Unit is authorized to make
4 expenditures by law.

5 (4) As used in this Section, the following terms shall
6 have the meanings ascribed in this paragraph (4):

7 "Adequacy Target" is defined in paragraph (1) of
8 subsection (b) of this Section.

9 "Adjusted EAV" is defined in paragraph (4) of
10 subsection (d) of this Section.

11 "Adjusted Local Capacity Target" is defined in
12 paragraph (3) of subsection (c) of this Section.

13 "Adjusted Operating Tax Rate" means a tax rate for all
14 Organizational Units, for which the State Superintendent
15 shall calculate and subtract for the Operating Tax Rate a
16 transportation rate based on total expenses for
17 transportation services under this Code, as reported on the
18 most recent Annual Financial Report in Pupil
19 Transportation Services, function 2550 in both the
20 Education and Transportation funds and functions 4110 and
21 4120 in the Transportation fund, less any corresponding
22 fiscal year State of Illinois scheduled payments excluding
23 net adjustments for prior years for regular, vocational, or
24 special education transportation reimbursement pursuant to
25 Section 29-5 or subsection (b) of Section 14-13.01 of this
26 Code divided by the Adjusted EAV. If an Organizational

1 Unit's corresponding fiscal year State of Illinois
2 scheduled payments excluding net adjustments for prior
3 years for regular, vocational, or special education
4 transportation reimbursement pursuant to Section 29-5 or
5 subsection (b) of Section 14-13.01 of this Code exceed the
6 total transportation expenses, as defined in this
7 paragraph, no transportation rate shall be subtracted from
8 the Operating Tax Rate.

9 "Allocation Rate" is defined in paragraph (3) of
10 subsection (g) of this Section.

11 "Alternative School" means a public school that is
12 created and operated by a regional superintendent of
13 schools and approved by the State Board.

14 "Applicable Tax Rate" is defined in paragraph (1) of
15 subsection (d) of this Section.

16 "Assessment" means any of those benchmark, progress
17 monitoring, formative, diagnostic, and other assessments,
18 in addition to the State accountability assessment, that
19 assist teachers' needs in understanding the skills and
20 meeting the needs of the students they serve.

21 "Assistant principal" means a school administrator
22 duly endorsed to be employed as an assistant principal in
23 this State.

24 "At-risk student" means a student who is at risk of not
25 meeting the Illinois Learning Standards or not graduating
26 from elementary or high school and who demonstrates a need

1 for vocational support or social services beyond that
2 provided by the regular school program. All students
3 included in an Organizational Unit's Low-Income Count, as
4 well as all English learner and disabled students attending
5 the Organizational Unit, shall be considered at-risk
6 students under this Section.

7 "Average Student Enrollment" or "ASE" means, for an
8 Organizational Unit in a given school year, the greater of
9 the average number of students (grades K through 12)
10 reported to the State Board as enrolled in the
11 Organizational Unit on October 1 and March 1, plus the
12 special education pre-kindergarten students with services
13 of at least more than 2 hours a day as reported to the
14 State Board on December 1, in the immediately preceding
15 school year or the average number of students (grades K
16 through 12) reported to the State Board as enrolled in the
17 Organizational Unit on October 1 and March 1, plus the
18 special education pre-kindergarten students with services
19 of at least more than 2 hours a day as reported to the
20 State Board on December 1, for each of the immediately
21 preceding 3 school years. For the purposes of this
22 definition, "enrolled in the Organizational Unit" means
23 the number of students reported to the State Board who are
24 enrolled in schools within the Organizational Unit that the
25 student attends or would attend if not placed or
26 transferred to another school or program to receive needed

1 services. For the purposes of calculating "ASE", all
2 students, grades K through 12, excluding those attending
3 kindergarten for a half day, shall be counted as 1.0. All
4 students attending kindergarten for a half day shall be
5 counted as 0.5, unless in 2017 by June 15 or by March 1 in
6 subsequent years, the school district reports to the State
7 Board of Education the intent to implement full-day
8 kindergarten district-wide for all students, then all
9 students attending kindergarten shall be counted as 1.0.
10 Special education pre-kindergarten students shall be
11 counted as 0.5 each. If the State Board does not collect or
12 has not collected both an October 1 and March 1 enrollment
13 count by grade or a December 1 collection of special
14 education pre-kindergarten students as of the effective
15 date of this amendatory Act of the 100th General Assembly,
16 it shall establish such collection for all future years.
17 For any year where a count by grade level was collected
18 only once, that count shall be used as the single count
19 available for computing a 3-year average ASE. School
20 districts shall submit the data for the ASE calculation to
21 the State Board within 45 days of the dates required in
22 this Section for submission of enrollment data in order for
23 it to be included in the ASE calculation.

24 "Base Funding Guarantee" is defined in paragraph (10)
25 of subsection (g) of this Section.

26 "Base Funding Minimum" is defined in subsection (e) of

1 this Section.

2 "Base Tax Year" means the property tax levy year used
3 to calculate the Budget Year allocation of primary State
4 aid.

5 "Base Tax Year's Extension" means the product of the
6 equalized assessed valuation utilized by the county clerk
7 in the Base Tax Year multiplied by the limiting rate as
8 calculated by the county clerk and defined in PTELL.

9 "Bilingual Education Allocation" means the amount of
10 an Organizational Unit's final Adequacy Target
11 attributable to bilingual education divided by the
12 Organizational Unit's final Adequacy Target, the product
13 of which shall be multiplied by the amount of new funding
14 received pursuant to this Section. An Organizational
15 Unit's final Adequacy Target attributable to bilingual
16 education shall include all additional investments in
17 English learner students' adequacy elements.

18 "Budget Year" means the school year for which primary
19 State aid is calculated and awarded under this Section.

20 "Central office" means individual administrators and
21 support service personnel charged with managing the
22 instructional programs, business and operations, and
23 security of the Organizational Unit.

24 "Comparable Wage Index" or "CWI" means a regional cost
25 differentiation metric that measures systemic, regional
26 variations in the salaries of college graduates who are not

1 educators. The CWI utilized for this Section shall, for the
2 first 3 years of Evidence-Based Funding implementation, be
3 the CWI initially developed by the National Center for
4 Education Statistics, as most recently updated by Texas A &
5 M University. In the fourth and subsequent years of
6 Evidence-Based Funding implementation, the State
7 Superintendent shall re-determine the CWI using a similar
8 methodology to that identified in the Texas A & M
9 University study, with adjustments made no less frequently
10 than once every 5 years.

11 "Computer technology and equipment" means computers
12 servers, notebooks, network equipment, copiers, printers,
13 instructional software, security software, curriculum
14 management courseware, and other similar materials and
15 equipment.

16 "Core subject" means mathematics; science; reading,
17 English, writing, and language arts; history and social
18 studies; world languages; and subjects taught as Advanced
19 Placement in high schools.

20 "Core teacher" means a regular classroom teacher in
21 elementary schools and teachers of a core subject in middle
22 and high schools.

23 "Core Intervention teacher (tutor)" means a licensed
24 teacher providing one-on-one or small group tutoring to
25 students struggling to meet proficiency in core subjects.

26 "CPPRT" means corporate personal property replacement

1 tax funds paid to an Organizational Unit during the
2 calendar year one year before the calendar year in which a
3 school year begins, pursuant to "An Act in relation to the
4 abolition of ad valorem personal property tax and the
5 replacement of revenues lost thereby, and amending and
6 repealing certain Acts and parts of Acts in connection
7 therewith", certified August 14, 1979, as amended (Public
8 Act 81-1st S.S.-1).

9 "EAV" means equalized assessed valuation as defined in
10 paragraph (2) of subsection (d) of this Section and
11 calculated in accordance with paragraph (3) of subsection
12 (d) of this Section.

13 "ECI" means the Bureau of Labor Statistics' national
14 employment cost index for civilian workers in educational
15 services in elementary and secondary schools on a
16 cumulative basis for the 12-month calendar year preceding
17 the fiscal year of the Evidence-Based Funding calculation.

18 "EIS Data" means the employment information system
19 data 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 the costs associated with statutorily required payment of
24 the normal cost of the Organizational Unit's teacher
25 pensions, Social Security employer contributions, and
26 Illinois Municipal Retirement Fund employer contributions.

1 "English learner" or "EL" means a child included in the
2 definition of "English learners" under Section 14C-2 of
3 this Code participating in a program of transitional
4 bilingual education or a transitional program of
5 instruction meeting the requirements and program
6 application procedures of Article 14C of this Code. For the
7 purposes of collecting the number of EL students enrolled,
8 the same collection and calculation methodology as defined
9 above for "ASE" shall apply to English learners.

10 "Essential Elements" means those elements, resources,
11 and educational programs that have been identified through
12 academic research as necessary to improve student success,
13 improve academic performance, close achievement gaps, and
14 provide for other per student costs related to the delivery
15 and leadership of the Organizational Unit, as well as the
16 maintenance and operations of the unit, and which are
17 specified in paragraph (2) of subsection (b) of this
18 Section.

19 "Evidence-Based Funding" means State funding provided
20 to an Organizational Unit pursuant to this Section.

21 "Extended day" means academic and enrichment programs
22 provided to students outside the regular school day before
23 and after school or during non-instructional times during
24 the school day.

25 "Extension Limitation Ratio" means a numerical ratio
26 in which the numerator is the Base Tax Year's Extension and

1 the denominator is the Preceding Tax Year's Extension.

2 "Final Percent of Adequacy" is defined in paragraph (4)
3 of subsection (f) of this Section.

4 "Final Resources" is defined in paragraph (3) of
5 subsection (f) of this Section.

6 "Full-time equivalent" or "FTE" means the full-time
7 equivalency compensation for staffing the relevant
8 position at an Organizational Unit.

9 "Funding Gap" is defined in paragraph (1) of subsection
10 (g).

11 "Guidance counselor" means a licensed guidance
12 counselor who provides guidance and counseling support for
13 students within an Organizational Unit.

14 "Hybrid District" means a partial elementary unit
15 district created pursuant to Article 11E of this Code.

16 "Instructional assistant" means a core or special
17 education, non-licensed employee who assists a teacher in
18 the classroom and provides academic support to students.

19 "Instructional facilitator" means a qualified teacher
20 or licensed teacher leader who facilitates and coaches
21 continuous improvement in classroom instruction; provides
22 instructional support to teachers in the elements of
23 research-based instruction or demonstrates the alignment
24 of instruction with curriculum standards and assessment
25 tools; develops or coordinates instructional programs or
26 strategies; develops and implements training; chooses

1 standards-based instructional materials; provides teachers
2 with an understanding of current research; serves as a
3 mentor, site coach, curriculum specialist, or lead
4 teacher; or otherwise works with fellow teachers, in
5 collaboration, to use data to improve instructional
6 practice or develop model lessons.

7 "Instructional materials" means relevant instructional
8 materials for student instruction, including, but not
9 limited to, textbooks, consumable workbooks, laboratory
10 equipment, library books, and other similar materials.

11 "Laboratory School" means a public school that is
12 created and operated by a public university and approved by
13 the State Board.

14 "Librarian" means a teacher with an endorsement as a
15 library information specialist or another individual whose
16 primary responsibility is overseeing library resources
17 within an Organizational Unit.

18 "Local Capacity" is defined in paragraph (1) of
19 subsection (c) of this Section.

20 "Local Capacity Percentage" is defined in subparagraph
21 (A) of paragraph (2) of subsection (c) of this Section.

22 "Local Capacity Ratio" is defined in subparagraph (B)
23 of paragraph (2) of subsection (c) of this Section.

24 "Local Capacity Target" is defined in paragraph (2) of
25 subsection (c) of this Section.

26 "Low-Income Count" means, for an Organizational Unit

1 in a fiscal year, the higher of the average number of
2 students for the prior school year or the immediately
3 preceding 3 school years who, as of July 1 of the
4 immediately preceding fiscal year (as determined by the
5 Department of Human Services), are eligible for at least
6 one of the following low income programs: Medicaid, the
7 Children's Health Insurance Program, TANF, or the
8 Supplemental Nutrition Assistance Program, excluding
9 pupils who are eligible for services provided by the
10 Department of Children and Family Services. Until such time
11 that grade level low-income populations become available,
12 grade level low-income populations shall be determined by
13 applying the low-income percentage to total student
14 enrollments by grade level. The low-income percentage is
15 determined by dividing the Low-Income Count by the Average
16 Student Enrollment.

17 "Maintenance and operations" means custodial services,
18 facility and ground maintenance, facility operations,
19 facility security, routine facility repairs, and other
20 similar services and functions.

21 "Minimum Funding Level" is defined in paragraph (9) of
22 subsection (g) of this Section.

23 "New Property Tax Relief Pool Funds" means, for any
24 given fiscal year, all State funds appropriated under
25 Section 2-3.170 of the School Code.

26 "New State Funds" means, for a given school year, all

1 State funds appropriated for Evidence-Based Funding in
2 excess of the amount needed to fund the Base Funding
3 Minimum for all Organizational Units in that school year.

4 "Net State Contribution Target" means, for a given
5 school year, the amount of State funds that would be
6 necessary to fully meet the Adequacy Target of an
7 Operational Unit minus the Preliminary Resources available
8 to each unit.

9 "Nurse" means an individual licensed as a certified
10 school nurse, in accordance with the rules established for
11 nursing services by the State Board, who is an employee of
12 and is available to provide health care-related services
13 for students of an Organizational Unit.

14 "Operating Tax Rate" means the rate utilized in the
15 previous year to extend property taxes for all purposes,
16 except, Bond and Interest, Summer School, Rent, Capital
17 Improvement, and Vocational Education Building purposes.
18 For Hybrid Districts, the Operating Tax Rate shall be the
19 combined elementary and high school rates utilized in the
20 previous year to extend property taxes for all purposes,
21 except, Bond and Interest, Summer School, Rent, Capital
22 Improvement, and Vocational Education Building purposes.

23 "Organizational Unit" means a Laboratory School, an
24 Alternative School, or any public school district that is
25 recognized as such by the State Board and that contains
26 elementary schools typically serving kindergarten through

1 5th grades, middle schools typically serving 6th through
2 8th grades, or high schools typically serving 9th through
3 12th grades. The General Assembly acknowledges that the
4 actual grade levels served by a particular Organizational
5 Unit may vary slightly from what is typical.

6 "Organizational Unit CWI" is determined by calculating
7 the CWI in the region and original county in which an
8 Organizational Unit's primary administrative office is
9 located as set forth in this paragraph, provided that if
10 the Organizational Unit CWI as calculated in accordance
11 with this paragraph is less than 0.9, the Organizational
12 Unit CWI shall be increased to 0.9. Each county's current
13 CWI value shall be adjusted based on the CWI value of that
14 county's neighboring Illinois counties, to create a
15 "weighted adjusted index value". This shall be calculated
16 by summing the CWI values of all of a county's adjacent
17 Illinois counties and dividing by the number of adjacent
18 Illinois counties, then taking the weighted value of the
19 original county's CWI value and the adjacent Illinois
20 county average. To calculate this weighted value, if the
21 number of adjacent Illinois counties is greater than 2, the
22 original county's CWI value will be weighted at 0.25 and
23 the adjacent Illinois county average will be weighted at
24 0.75. If the number of adjacent Illinois counties is 2, the
25 original county's CWI value will be weighted at 0.33 and
26 the adjacent Illinois county average will be weighted at

1 0.66. The greater of the county's current CWI value and its
2 weighted adjusted index value shall be used as the
3 Organizational Unit CWI.

4 "Preceding Tax Year" means the property tax levy year
5 immediately preceding the Base Tax Year.

6 "Preceding Tax Year's Extension" means the product of
7 the equalized assessed valuation utilized by the county
8 clerk in the Preceding Tax Year multiplied by the Operating
9 Tax Rate.

10 "Preliminary Percent of Adequacy" is defined in
11 paragraph (2) of subsection (f) of this Section.

12 "Preliminary Resources" is defined in paragraph (2) of
13 subsection (f) of this Section.

14 "Principal" means a school administrator duly endorsed
15 to be employed as a principal in this State.

16 "Professional development" means training programs for
17 licensed staff in schools, including, but not limited to,
18 programs that assist in implementing new curriculum
19 programs, provide data focused or academic assessment data
20 training to help staff identify a student's weaknesses and
21 strengths, target interventions, improve instruction,
22 encompass instructional strategies for English learner,
23 gifted, or at-risk students, address inclusivity, cultural
24 sensitivity, or implicit bias, or otherwise provide
25 professional support for licensed staff.

26 "Prototypical" means 450 special education

1 pre-kindergarten and kindergarten through grade 5 students
2 for an elementary school, 450 grade 6 through 8 students
3 for a middle school, and 600 grade 9 through 12 students
4 for a high school.

5 "PTELL" means the Property Tax Extension Limitation
6 Law.

7 "PTELL EAV" is defined in paragraph (4) of subsection
8 (d) of this Section.

9 "Pupil support staff" means a nurse, psychologist,
10 social worker, family liaison personnel, or other staff
11 member who provides support to at-risk or struggling
12 students.

13 "Real Receipts" is defined in paragraph (1) of
14 subsection (d) of this Section.

15 "Regionalization Factor" means, for a particular
16 Organizational Unit, the figure derived by dividing the
17 Organizational Unit CWI by the Statewide Weighted CWI.

18 "School site staff" means the primary school secretary
19 and any additional clerical personnel assigned to a school.

20 "Special education" means special educational
21 facilities and services, as defined in Section 14-1.08 of
22 this Code.

23 "Special Education Allocation" means the amount of an
24 Organizational Unit's final Adequacy Target attributable
25 to special education divided by the Organizational Unit's
26 final Adequacy Target, the product of which shall be

1 multiplied by the amount of new funding received pursuant
2 to this Section. An Organizational Unit's final Adequacy
3 Target attributable to special education shall include all
4 special education investment adequacy elements.

5 "Specialist teacher" means a teacher who provides
6 instruction in subject areas not included in core subjects,
7 including, but not limited to, art, music, physical
8 education, health, driver education, career-technical
9 education, and such other subject areas as may be mandated
10 by State law or provided by an Organizational Unit.

11 "Specially Funded Unit" means an Alternative School,
12 safe school, Department of Juvenile Justice school,
13 special education cooperative or entity recognized by the
14 State Board as a special education cooperative,
15 State-approved charter school, or alternative learning
16 opportunities program that received direct funding from
17 the State Board during the 2016-2017 school year through
18 any of the funding sources included within the calculation
19 of the Base Funding Minimum or Glenwood Academy.

20 "Supplemental Grant Funding" means supplemental
21 general State aid funding received by an Organization Unit
22 during the 2016-2017 school year pursuant to subsection (H)
23 of Section 18-8.05 of this Code.

24 "State Adequacy Level" is the sum of the Adequacy
25 Targets of all Organizational Units.

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

1 "State Superintendent" means the State Superintendent
2 of Education.

3 "Statewide Weighted CWI" means a figure determined by
4 multiplying each Organizational Unit CWI times the ASE for
5 that Organizational Unit creating a weighted value,
6 summing all Organizational Unit's weighted values, and
7 dividing by the total ASE of all Organizational Units,
8 thereby creating an average weighted index.

9 "Student activities" means non-credit producing
10 after-school programs, including, but not limited to,
11 clubs, bands, sports, and other activities authorized by
12 the school board of the Organizational Unit.

13 "Substitute teacher" means an individual teacher or
14 teaching assistant who is employed by an Organizational
15 Unit and is temporarily serving the Organizational Unit on
16 a per diem or per period-assignment basis replacing another
17 staff member.

18 "Summer school" means academic and enrichment programs
19 provided to students during the summer months outside of
20 the regular school year.

21 "Supervisory aide" means a non-licensed staff member
22 who helps in supervising students of an Organizational
23 Unit, but does so outside of the classroom, in situations
24 such as, but not limited to, monitoring hallways and
25 playgrounds, supervising lunchrooms, or supervising
26 students when being transported in buses serving the

1 Organizational Unit.

2 "Target Ratio" is defined in paragraph (4) of
3 subsection (g).

4 "Tier 1", "Tier 2", "Tier 3", and "Tier 4" are defined
5 in paragraph (3) of subsection (g).

6 "Tier 1 Aggregate Funding", "Tier 2 Aggregate
7 Funding", "Tier 3 Aggregate Funding", and "Tier 4 Aggregate
8 Funding" are defined in paragraph (1) of subsection (g).

9 (b) Adequacy Target calculation.

10 (1) Each Organizational Unit's Adequacy Target is the
11 sum of the Organizational Unit's cost of providing
12 Essential Elements, as calculated in accordance with this
13 subsection (b), with the salary amounts in the Essential
14 Elements multiplied by a Regionalization Factor calculated
15 pursuant to paragraph (3) of this subsection (b).

16 (2) The Essential Elements are attributable on a pro
17 rata basis related to defined subgroups of the ASE of each
18 Organizational Unit as specified in this paragraph (2),
19 with investments and FTE positions pro rata funded based on
20 ASE counts in excess or less than the thresholds set forth
21 in this paragraph (2). The method for calculating
22 attributable pro rata costs and the defined subgroups
23 thereto are as follows:

24 (A) Core class size investments. Each
25 Organizational Unit shall receive the funding required
26 to support that number of FTE core teacher positions as

1 is needed to keep the respective class sizes of the
2 Organizational Unit to the following maximum numbers:

3 (i) For grades kindergarten through 3, the
4 Organizational Unit shall receive funding required
5 to support one FTE core teacher position for every
6 15 Low-Income Count students in those grades and
7 one FTE core teacher position for every 20
8 non-Low-Income Count students in those grades.

9 (ii) For grades 4 through 12, the
10 Organizational Unit shall receive funding required
11 to support one FTE core teacher position for every
12 20 Low-Income Count students in those grades and
13 one FTE core teacher position for every 25
14 non-Low-Income Count students in those grades.

15 The number of non-Low-Income Count students in a
16 grade shall be determined by subtracting the
17 Low-Income students in that grade from the ASE of the
18 Organizational Unit for that grade.

19 (B) Specialist teacher investments. Each
20 Organizational Unit shall receive the funding needed
21 to cover that number of FTE specialist teacher
22 positions that correspond to the following
23 percentages:

24 (i) if the Organizational Unit operates an
25 elementary or middle school, then 20.00% of the
26 number of the Organizational Unit's core teachers,

1 as determined under subparagraph (A) of this
2 paragraph (2); and

3 (ii) if such Organizational Unit operates a
4 high school, then 33.33% of the number of the
5 Organizational Unit's core teachers.

6 (C) Instructional facilitator investments. Each
7 Organizational Unit shall receive the funding needed
8 to cover one FTE instructional facilitator position
9 for every 200 combined ASE of pre-kindergarten
10 children with disabilities and all kindergarten
11 through grade 12 students of the Organizational Unit.

12 (D) Core intervention teacher (tutor) investments.
13 Each Organizational Unit shall receive the funding
14 needed to cover one FTE teacher position for each
15 prototypical elementary, middle, and high school.

16 (E) Substitute teacher investments. Each
17 Organizational Unit shall receive the funding needed
18 to cover substitute teacher costs that is equal to
19 5.70% of the minimum pupil attendance days required
20 under Section 10-19 of this Code for all full-time
21 equivalent core, specialist, and intervention
22 teachers, school nurses, special education teachers
23 and instructional assistants, instructional
24 facilitators, and summer school and extended-day
25 teacher positions, as determined under this paragraph
26 (2), at a salary rate of 33.33% of the average salary

1 for grade K through 12 teachers and 33.33% of the
2 average salary of each instructional assistant
3 position.

4 (F) Core guidance counselor investments. Each
5 Organizational Unit shall receive the funding needed
6 to cover one FTE guidance counselor for each 450
7 combined ASE of pre-kindergarten children with
8 disabilities and all kindergarten through grade 5
9 students, plus one FTE guidance counselor for each 250
10 grades 6 through 8 ASE middle school students, plus one
11 FTE guidance counselor for each 250 grades 9 through 12
12 ASE high school students.

13 (G) Nurse investments. Each Organizational Unit
14 shall receive the funding needed to cover one FTE nurse
15 for each 750 combined ASE of pre-kindergarten children
16 with disabilities and all kindergarten through grade
17 12 students across all grade levels it serves.

18 (H) Supervisory aide investments. Each
19 Organizational Unit shall receive the funding needed
20 to cover one FTE for each 225 combined ASE of
21 pre-kindergarten children with disabilities and all
22 kindergarten through grade 5 students, plus one FTE for
23 each 225 ASE middle school students, plus one FTE for
24 each 200 ASE high school students.

25 (I) Librarian investments. Each Organizational
26 Unit shall receive the funding needed to cover one FTE

1 librarian for each prototypical elementary school,
2 middle school, and high school and one FTE aide or
3 media technician for every 300 combined ASE of
4 pre-kindergarten children with disabilities and all
5 kindergarten through grade 12 students.

6 (J) Principal investments. Each Organizational
7 Unit shall receive the funding needed to cover one FTE
8 principal position for each prototypical elementary
9 school, plus one FTE principal position for each
10 prototypical middle school, plus one FTE principal
11 position for each prototypical high school.

12 (K) Assistant principal investments. Each
13 Organizational Unit shall receive the funding needed
14 to cover one FTE assistant principal position for each
15 prototypical elementary school, plus one FTE assistant
16 principal position for each prototypical middle
17 school, plus one FTE assistant principal position for
18 each prototypical high school.

19 (L) School site staff investments. Each
20 Organizational Unit shall receive the funding needed
21 for one FTE position for each 225 ASE of
22 pre-kindergarten children with disabilities and all
23 kindergarten through grade 5 students, plus one FTE
24 position for each 225 ASE middle school students, plus
25 one FTE position for each 200 ASE high school students.

26 (M) Gifted investments. Each Organizational Unit

1 shall receive \$40 per kindergarten through grade 12
2 ASE.

3 (N) Professional development investments. Each
4 Organizational Unit shall receive \$125 per student of
5 the combined ASE of pre-kindergarten children with
6 disabilities and all kindergarten through grade 12
7 students for trainers and other professional
8 development-related expenses for supplies and
9 materials.

10 (O) Instructional material investments. Each
11 Organizational Unit shall receive \$190 per student of
12 the combined ASE of pre-kindergarten children with
13 disabilities and all kindergarten through grade 12
14 students to cover instructional material costs.

15 (P) Assessment investments. Each Organizational
16 Unit shall receive \$25 per student of the combined ASE
17 of pre-kindergarten children with disabilities and all
18 kindergarten through grade 12 students student to
19 cover assessment costs.

20 (Q) Computer technology and equipment investments.
21 Each Organizational Unit shall receive \$285.50 per
22 student of the combined ASE of pre-kindergarten
23 children with disabilities and all kindergarten
24 through grade 12 students to cover computer technology
25 and equipment costs. For the 2018-2019 school year and
26 subsequent school years, Tier 1 and Tier 2

1 Organizational Units selected by the State Board
2 through a request for proposals process shall, upon the
3 State Board's approval of an Organizational Unit's
4 one-to-one computing technology plan, receive an
5 additional \$285.50 per student of the combined ASE of
6 pre-kindergarten children with disabilities and all
7 kindergarten through grade 12 students to cover
8 computer technology and equipment costs. The State
9 Board may establish additional requirements for
10 Organizational Unit expenditures of funds received
11 pursuant to this subparagraph (Q). It is the intent of
12 this amendatory Act of the 100th General Assembly that
13 all Tier 1 and Tier 2 districts that apply for the
14 technology grant receive the addition to their
15 Adequacy Target, subject to compliance with the
16 requirements of the State Board.

17 (R) Student activities investments. Each
18 Organizational Unit shall receive the following
19 funding amounts to cover student activities: \$100 per
20 kindergarten through grade 5 ASE student in elementary
21 school, plus \$200 per ASE student in middle school,
22 plus \$675 per ASE student in high school.

23 (S) Maintenance and operations investments. Each
24 Organizational Unit shall receive \$1,038 per student
25 of the combined ASE of pre-kindergarten children with
26 disabilities and all kindergarten through grade 12 for

1 day-to-day maintenance and operations expenditures,
2 including salary, supplies, and materials, as well as
3 purchased services, but excluding employee benefits.
4 The proportion of salary for the application of a
5 Regionalization Factor and the calculation of benefits
6 is equal to \$352.92.

7 (T) Central office investments. Each
8 Organizational Unit shall receive \$742 per student of
9 the combined ASE of pre-kindergarten children with
10 disabilities and all kindergarten through grade 12
11 students to cover central office operations, including
12 administrators and classified personnel charged with
13 managing the instructional programs, business and
14 operations of the school district, and security
15 personnel. The proportion of salary for the
16 application of a Regionalization Factor and the
17 calculation of benefits is equal to \$368.48.

18 (U) Employee benefit investments. Each
19 Organizational Unit shall receive 30% of the total of
20 all salary-calculated elements of the Adequacy Target,
21 excluding substitute teachers and student activities
22 investments, to cover benefit costs. For central
23 office and maintenance and operations investments, the
24 benefit calculation shall be based upon the salary
25 proportion of each investment. If at any time the
26 responsibility for funding the employer normal cost of

1 teacher pensions is assigned to school districts, then
2 that amount certified by the Teachers' Retirement
3 System of the State of Illinois to be paid by the
4 Organizational Unit for the preceding school year
5 shall be added to the benefit investment. For any
6 fiscal year in which a school district organized under
7 Article 34 of this Code is responsible for paying the
8 employer normal cost of teacher pensions, then that
9 amount of its employer normal cost plus the amount for
10 retiree health insurance as certified by the Public
11 School Teachers' Pension and Retirement Fund of
12 Chicago to be paid by the school district for the
13 preceding school year that is statutorily required to
14 cover employer normal costs and the amount for retiree
15 health insurance shall be added to the 30% specified in
16 this subparagraph (U). The Public School Teachers'
17 Pension and Retirement Fund of Chicago shall submit
18 such information as the State Superintendent may
19 require for the calculations set forth in this
20 subparagraph (U).

21 (V) Additional investments in low-income students.

22 In addition to and not in lieu of all other funding
23 under this paragraph (2), each Organizational Unit
24 shall receive funding based on the average teacher
25 salary for grades K through 12 to cover the costs of:

26 (i) one FTE intervention teacher (tutor)

1 position for every 125 Low-Income Count students;

2 (ii) one FTE pupil support staff position for
3 every 125 Low-Income Count students;

4 (iii) one FTE extended day teacher position
5 for every 120 Low-Income Count students; and

6 (iv) one FTE summer school teacher position
7 for every 120 Low-Income Count students.

8 (W) Additional investments in English learner
9 students. In addition to and not in lieu of all other
10 funding under this paragraph (2), each Organizational
11 Unit shall receive funding based on the average teacher
12 salary for grades K through 12 to cover the costs of:

13 (i) one FTE intervention teacher (tutor)
14 position for every 125 English learner students;

15 (ii) one FTE pupil support staff position for
16 every 125 English learner students;

17 (iii) one FTE extended day teacher position
18 for every 120 English learner students;

19 (iv) one FTE summer school teacher position
20 for every 120 English learner students; and

21 (v) one FTE core teacher position for every 100
22 English learner students.

23 (X) Special education investments. Each
24 Organizational Unit shall receive funding based on the
25 average teacher salary for grades K through 12 to cover
26 special education as follows:

1 (i) one FTE teacher position for every 141
2 combined ASE of pre-kindergarten children with
3 disabilities and all kindergarten through grade 12
4 students;

5 (ii) one FTE instructional assistant for every
6 141 combined ASE of pre-kindergarten children with
7 disabilities and all kindergarten through grade 12
8 students; and

9 (iii) one FTE psychologist position for every
10 1,000 combined ASE of pre-kindergarten children
11 with disabilities and all kindergarten through
12 grade 12 students.

13 (3) For calculating the salaries included within the
14 Essential Elements, the State Superintendent shall
15 annually calculate average salaries to the nearest dollar
16 using the employment information system data maintained by
17 the State Board, limited to public schools only and
18 excluding special education and vocational cooperatives,
19 schools operated by the Department of Juvenile Justice, and
20 charter schools, for the following positions:

21 (A) Teacher for grades K through 8.

22 (B) Teacher for grades 9 through 12.

23 (C) Teacher for grades K through 12.

24 (D) Guidance counselor for grades K through 8.

25 (E) Guidance counselor for grades 9 through 12.

26 (F) Guidance counselor for grades K through 12.

1 (G) Social worker.

2 (H) Psychologist.

3 (I) Librarian.

4 (J) Nurse.

5 (K) Principal.

6 (L) Assistant principal.

7 For the purposes of this paragraph (3), "teacher"
8 includes core teachers, specialist and elective teachers,
9 instructional facilitators, tutors, special education
10 teachers, pupil support staff teachers, English learner
11 teachers, extended-day teachers, and summer school
12 teachers. Where specific grade data is not required for the
13 Essential Elements, the average salary for corresponding
14 positions shall apply. For substitute teachers, the
15 average teacher salary for grades K through 12 shall apply.

16 For calculating the salaries included within the
17 Essential Elements for positions not included within EIS
18 Data, the following salaries shall be used in the first
19 year of implementation of Evidence-Based Funding:

20 (i) school site staff, \$30,000; and

21 (ii) non-instructional assistant, instructional
22 assistant, library aide, library media tech, or
23 supervisory aide: \$25,000.

24 In the second and subsequent years of implementation of
25 Evidence-Based Funding, the amounts in items (i) and (ii)
26 of this paragraph (3) shall annually increase by the ECI.

1 The salary amounts for the Essential Elements
2 determined pursuant to subparagraphs (A) through (L), (S)
3 and (T), and (V) through (X) of paragraph (2) of subsection
4 (b) of this Section shall be multiplied by a
5 Regionalization Factor.

6 (c) Local capacity calculation.

7 (1) Each Organizational Unit's Local Capacity
8 represents an amount of funding it is assumed to contribute
9 toward its Adequacy Target for purposes of the
10 Evidence-Based Funding formula calculation. "Local
11 Capacity" means either (i) the Organizational Unit's Local
12 Capacity Target as calculated in accordance with paragraph
13 (2) of this subsection (c) if its Real Receipts are equal
14 to or less than its Local Capacity Target or (ii) the
15 Organizational Unit's Adjusted Local Capacity, as
16 calculated in accordance with paragraph (3) of this
17 subsection (c) if Real Receipts are more than its Local
18 Capacity Target.

19 (2) "Local Capacity Target" means, for an
20 Organizational Unit, that dollar amount that is obtained by
21 multiplying its Adequacy Target by its Local Capacity
22 Ratio.

23 (A) An Organizational Unit's Local Capacity
24 Percentage is the conversion of the Organizational
25 Unit's Local Capacity Ratio, as such ratio is
26 determined in accordance with subparagraph (B) of this

1 paragraph (2), into a normal curve equivalent score to
2 determine each Organizational Unit's relative position
3 to all other Organizational Units in this State. The
4 calculation of Local Capacity Percentage is described
5 in subparagraph (C) of this paragraph (2).

6 (B) An Organizational Unit's Local Capacity Ratio
7 in a given year is the percentage obtained by dividing
8 its Adjusted EAV or PTELL EAV, whichever is less, by
9 its Adequacy Target, with the resulting ratio further
10 adjusted as follows:

11 (i) for Organizational Units serving grades
12 kindergarten through 12 and Hybrid Districts, no
13 further adjustments shall be made;

14 (ii) for Organizational Units serving grades
15 kindergarten through 8, the ratio shall be
16 multiplied by 9/13;

17 (iii) for Organizational Units serving grades
18 9 through 12, the Local Capacity Ratio shall be
19 multiplied by 4/13; and

20 (iv) for an Organizational Unit with a
21 different grade configuration than those specified
22 in items (i) through (iii) of this subparagraph
23 (B), the State Superintendent shall determine a
24 comparable adjustment based on the grades served.

25 (C) Local Capacity Percentage converts each
26 Organizational Unit's Local Capacity Ratio to a normal

1 curve equivalent score to determine each
2 Organizational Unit's relative position to all other
3 Organizational Units in this State. The Local Capacity
4 Percentage normal curve equivalent score for each
5 Organizational Unit shall be calculated using the
6 standard normal distribution of the score in relation
7 to the weighted mean and weighted standard deviation
8 and Local Capacity Ratios of all Organizational Units.
9 If the value assigned to any Organizational Unit is in
10 excess of 90%, the value shall be adjusted to 90%. For
11 Laboratory Schools, the Local Capacity Percentage
12 shall be set at 10% in recognition of the absence of
13 EAV and resources from the public university that are
14 allocated to the Laboratory School. The weighted mean
15 for the Local Capacity Percentage shall be determined
16 by multiplying each Organizational Unit's Local
17 Capacity Ratio times the ASE for the unit creating a
18 weighted value, summing the weighted values of all
19 Organizational Units, and dividing by the total ASE of
20 all Organizational Units. The weighted standard
21 deviation shall be determined by taking the square root
22 of the weighted variance of all Organizational Units'
23 Local Capacity Ratio, where the variance is calculated
24 by squaring the difference between each unit's Local
25 Capacity Ratio and the weighted mean, then multiplying
26 the variance for each unit times the ASE for the unit

1 to create a weighted variance for each unit, then
2 summing all units' weighted variance and dividing by
3 the total ASE of all units.

4 (D) For any Organizational Unit, the
5 Organizational Unit's Adjusted Local Capacity Target
6 shall be reduced by either (i) the school board's
7 remaining contribution pursuant to paragraph (ii) of
8 subsection (b-4) of Section 16-158 of the Illinois
9 Pension Code in a given year, or (ii) the board of
10 education's remaining contribution pursuant to
11 paragraph (iv) of subsection (b) of Section 17-129 of
12 the Illinois Pension Code absent the employer normal
13 cost portion of the required contribution and amount
14 allowed pursuant to subdivision (3) of Section
15 17-142.1 of the Illinois Pension Code in a given year.
16 In the preceding sentence, item (i) shall be certified
17 to the State Board of Education by the Teachers'
18 Retirement System of the State of Illinois and item
19 (ii) shall be certified to the State Board of Education
20 by the Public School Teachers' Pension and Retirement
21 Fund of the City of Chicago.

22 (3) If an Organizational Unit's Real Receipts are more
23 than its Local Capacity Target, then its Local Capacity
24 shall equal an Adjusted Local Capacity Target as calculated
25 in accordance with this paragraph (3). The Adjusted Local
26 Capacity Target is calculated as the sum of the

1 Organizational Unit's Local Capacity Target and its Real
2 Receipts Adjustment. The Real Receipts Adjustment equals
3 the Organizational Unit's Real Receipts less its Local
4 Capacity Target, with the resulting figure multiplied by
5 the Local Capacity Percentage.

6 As used in this paragraph (3), "Real Percent of
7 Adequacy" means the sum of an Organizational Unit's Real
8 Receipts, CPPRT, and Base Funding Minimum, with the
9 resulting figure divided by the Organizational Unit's
10 Adequacy Target.

11 (d) Calculation of Real Receipts, EAV, and Adjusted EAV for
12 purposes of the Local Capacity calculation.

13 (1) An Organizational Unit's Real Receipts are the
14 product of its Applicable Tax Rate and its Adjusted EAV. An
15 Organizational Unit's Applicable Tax Rate is its Adjusted
16 Operating Tax Rate for property within the Organizational
17 Unit.

18 (2) The State Superintendent shall calculate the
19 Equalized Assessed Valuation, or EAV, of all taxable
20 property of each Organizational Unit as of September 30 of
21 the previous year in accordance with paragraph (3) of this
22 subsection (d). The State Superintendent shall then
23 determine the Adjusted EAV of each Organizational Unit in
24 accordance with paragraph (4) of this subsection (d), which
25 Adjusted EAV figure shall be used for the purposes of
26 calculating Local Capacity.

1 (3) To calculate Real Receipts and EAV, the Department
2 of Revenue shall supply to the State Superintendent the
3 value as equalized or assessed by the Department of Revenue
4 of all taxable property of every Organizational Unit,
5 together with (i) the applicable tax rate used in extending
6 taxes for the funds of the Organizational Unit as of
7 September 30 of the previous year and (ii) the limiting
8 rate for all Organizational Units subject to property tax
9 extension limitations as imposed under PTELL.

10 (A) The Department of Revenue shall add to the
11 equalized assessed value of all taxable property of
12 each Organizational Unit situated entirely or
13 partially within a county that is or was subject to the
14 provisions of Section 15-176 or 15-177 of the Property
15 Tax Code (i) an amount equal to the total amount by
16 which the homestead exemption allowed under Section
17 15-176 or 15-177 of the Property Tax Code for real
18 property situated in that Organizational Unit exceeds
19 the total amount that would have been allowed in that
20 Organizational Unit if the maximum reduction under
21 Section 15-176 was (I) \$4,500 in Cook County or \$3,500
22 in all other counties in tax year 2003 or (II) \$5,000
23 in all counties in tax year 2004 and thereafter and
24 (ii) an amount equal to the aggregate amount for the
25 taxable year of all additional exemptions under
26 Section 15-175 of the Property Tax Code for owners with

1 a household income of \$30,000 or less. The county clerk
2 of any county that is or was subject to the provisions
3 of Section 15-176 or 15-177 of the Property Tax Code
4 shall annually calculate and certify to the Department
5 of Revenue for each Organizational Unit all homestead
6 exemption amounts under Section 15-176 or 15-177 of the
7 Property Tax Code and all amounts of additional
8 exemptions under Section 15-175 of the Property Tax
9 Code for owners with a household income of \$30,000 or
10 less. It is the intent of this subparagraph (A) that if
11 the general homestead exemption for a parcel of
12 property is determined under Section 15-176 or 15-177
13 of the Property Tax Code rather than Section 15-175,
14 then the calculation of EAV shall not be affected by
15 the difference, if any, between the amount of the
16 general homestead exemption allowed for that parcel of
17 property under Section 15-176 or 15-177 of the Property
18 Tax Code and the amount that would have been allowed
19 had the general homestead exemption for that parcel of
20 property been determined under Section 15-175 of the
21 Property Tax Code. It is further the intent of this
22 subparagraph (A) that if additional exemptions are
23 allowed under Section 15-175 of the Property Tax Code
24 for owners with a household income of less than
25 \$30,000, then the calculation of EAV shall not be
26 affected by the difference, if any, because of those

1 additional exemptions.

2 (B) With respect to any part of an Organizational
3 Unit within a redevelopment project area in respect to
4 which a municipality has adopted tax increment
5 allocation financing pursuant to the Tax Increment
6 Allocation Redevelopment Act, Division 74.4 of the
7 Illinois Municipal Code, or the Industrial Jobs
8 Recovery Law, Division 74.6 of the Illinois Municipal
9 Code, no part of the current EAV of real property
10 located in any such project area which is attributable
11 to an increase above the total initial EAV of such
12 property shall be used as part of the EAV of the
13 Organizational Unit, until such time as all
14 redevelopment project costs have been paid, as
15 provided in Section 11-74.4-8 of the Tax Increment
16 Allocation Redevelopment Act or in Section 11-74.6-35
17 of the Industrial Jobs Recovery Law. For the purpose of
18 the EAV of the Organizational Unit, the total initial
19 EAV or the current EAV, whichever is lower, shall be
20 used until such time as all redevelopment project costs
21 have been paid.

22 (C) For Organizational Units that are Hybrid
23 Districts, the State Superintendent shall use the
24 lesser of the equalized assessed valuation for
25 property within the partial elementary unit district
26 for elementary purposes, as defined in Article 11E of

1 this Code, or the equalized assessed valuation for
2 property within the partial elementary unit district
3 for high school purposes, as defined in Article 11E of
4 this Code.

5 (4) An Organizational Unit's Adjusted EAV shall be the
6 average of its EAV over the immediately preceding 3 years
7 or its EAV in the immediately preceding year if the EAV in
8 the immediately preceding year has declined by 10% or more
9 compared to the 3-year average. In the event of
10 Organizational Unit reorganization, consolidation, or
11 annexation, the Organizational Unit's Adjusted EAV for the
12 first 3 years after such change shall be as follows: the
13 most current EAV shall be used in the first year, the
14 average of a 2-year EAV or its EAV in the immediately
15 preceding year if the EAV declines by 10% or more compared
16 to the 2-year average for the second year, and a 3-year
17 average EAV or its EAV in the immediately preceding year if
18 the adjusted EAV declines by 10% or more compared to the
19 3-year average for the third year.

20 "PTELL EAV" means a figure calculated by the State
21 Board for Organizational Units subject to PTELL as
22 described in this paragraph (4) for the purposes of
23 calculating an Organizational Unit's Local Capacity Ratio.
24 Except as otherwise provided in this paragraph (4), for an
25 Organizational Unit that has approved or does approve an
26 increase in its limiting rate, the PTELL EAV of an

1 Organizational Unit shall be equal to the product of the
2 equalized assessed valuation last used in the calculation
3 of general State aid under Section 18-8.05 of this Code or
4 Evidence-Based Funding under this Section and the
5 Organizational Unit's Extension Limitation Ratio. If an
6 Organizational Unit has approved or does approve an
7 increase in its limiting rate, pursuant to Section 18-190
8 of the Property Tax Code, affecting the Base Tax Year, the
9 PTELL EAV shall be equal to the product of the equalized
10 assessed valuation last used in the calculation of general
11 State aid under Section 18-8.05 of this Code or
12 Evidence-Based Funding under this Section multiplied by an
13 amount equal to one plus the percentage increase, if any,
14 in the Consumer Price Index for All Urban Consumers for all
15 items published by the United States Department of Labor
16 for the 12-month calendar year preceding the Base Tax Year,
17 plus the equalized assessed valuation of new property,
18 annexed property, and recovered tax increment value and
19 minus the equalized assessed valuation of disconnected
20 property.

21 As used in this paragraph (4), "new property" and
22 "recovered tax increment value" shall have the meanings set
23 forth in the Property Tax Extension Limitation Law.

24 (e) Base Funding Minimum calculation.

25 (1) For the 2017-2018 school year, the Base Funding
26 Minimum of an Organizational Unit, other than a Specially

1 Funded Unit, shall be the amount of State funds distributed
2 to the Organizational Unit during the 2016-2017 school year
3 prior to any adjustments and specified appropriation
4 amounts described in this paragraph (1) from the following
5 Sections, as calculated by the State Superintendent:
6 Section 18-8.05 of this Code (general State aid); Section 5
7 of Article 224 of Public Act 99-524 (equity grants);
8 Section 14-7.02b of this Code (funding for children
9 requiring special education services); Section 14-13.01 of
10 this Code (special education facilities and staffing),
11 except for reimbursement of the cost of transportation
12 pursuant to Section 14-13.01; Section 14C-12 of this Code
13 (English learners); and Section 18-4.3 of this Code (summer
14 school), based on an appropriation level of \$13,121,600.
15 For a school district organized under Article 34 of this
16 Code, the Base Funding Minimum also includes (i) the funds
17 allocated to the school district pursuant to Section 1D-1
18 of this Code attributable to funding programs authorized by
19 the Sections of this Code listed in the preceding sentence;
20 and (ii) the difference between (I) the funds allocated to
21 the school district pursuant to Section 1D-1 of this Code
22 attributable to the funding programs authorized by Section
23 14-7.02 (non-public special education reimbursement),
24 subsection (b) of Section 14-13.01 (special education
25 transportation), Section 29-5 (transportation), Section
26 2-3.80 (agricultural education), Section 2-3.66 (truants'

1 alternative education), Section 2-3.62 (educational
2 service centers), and Section 14-7.03 (special education -
3 orphanage) of this Code and Section 15 of the Childhood
4 Hunger Relief Act (free breakfast program) and (II) the
5 school district's actual expenditures for its non-public
6 special education, special education transportation,
7 transportation programs, agricultural education, truants'
8 alternative education, services that would otherwise be
9 performed by a regional office of education, special
10 education orphanage expenditures, and free breakfast, as
11 most recently calculated and reported pursuant to
12 subsection (f) of Section 1D-1 of this Code. For Specially
13 Funded Units, the Base Funding Minimum shall be the total
14 amount of State funds allotted to the Specially Funded Unit
15 during the 2016-2017 school year. The Base Funding Minimum
16 for Glenwood Academy shall be \$625,500.

17 (2) For the 2018-2019 and subsequent school years, the
18 Base Funding Minimum of Organizational Units and Specially
19 Funded Units shall be the sum of (i) the amount of
20 Evidence-Based Funding for the prior school year and (ii)
21 the Base Funding Minimum for the prior school year.

22 (f) Percent of Adequacy and Final Resources calculation.

23 (1) The Evidence-Based Funding formula establishes a
24 Percent of Adequacy for each Organizational Unit in order
25 to place such units into tiers for the purposes of the
26 funding distribution system described in subsection (g) of

1 this Section. Initially, an Organizational Unit's
2 Preliminary Resources and Preliminary Percent of Adequacy
3 are calculated pursuant to paragraph (2) of this subsection
4 (f). Then, an Organizational Unit's Final Resources and
5 Final Percent of Adequacy are calculated to account for the
6 Organizational Unit's poverty concentration levels
7 pursuant to paragraphs (3) and (4) of this subsection (f).

8 (2) An Organizational Unit's Preliminary Resources are
9 equal to the sum of its Local Capacity Target, CPPRT, and
10 Base Funding Minimum. An Organizational Unit's Preliminary
11 Percent of Adequacy is the lesser of (i) its Preliminary
12 Resources divided by its Adequacy Target or (ii) 100%.

13 (3) Except for Specially Funded Units, an
14 Organizational Unit's Final Resources are equal the sum of
15 its Local Capacity, CPPRT, and Adjusted Base Funding
16 Minimum. The Base Funding Minimum of each Specially Funded
17 Unit shall serve as its Final Resources, except that the
18 Base Funding Minimum for State-approved charter schools
19 shall not include any portion of general State aid
20 allocated in the prior year based on the per capita tuition
21 charge times the charter school enrollment.

22 (4) An Organizational Unit's Final Percent of Adequacy
23 is its Final Resources divided by its Adequacy Target. An
24 Organizational Unit's Adjusted Base Funding Minimum is
25 equal to its Base Funding Minimum less its Supplemental
26 Grant Funding, with the resulting figure added to the

1 product of its Supplemental Grant Funding and Preliminary
2 Percent of Adequacy.

3 (g) Evidence-Based Funding formula distribution system.

4 (1) In each school year under the Evidence-Based
5 Funding formula, each Organizational Unit receives funding
6 equal to the sum of its Base Funding Minimum and the unit's
7 allocation of New State Funds determined pursuant to this
8 subsection (g). To allocate New State Funds, the
9 Evidence-Based Funding formula distribution system first
10 places all Organizational Units into one of 4 tiers in
11 accordance with paragraph (3) of this subsection (g), based
12 on the Organizational Unit's Final Percent of Adequacy. New
13 State Funds are allocated to each of the 4 tiers as
14 follows: Tier 1 Aggregate Funding equals 50% of all New
15 State Funds, Tier 2 Aggregate Funding equals 49% of all New
16 State Funds, Tier 3 Aggregate Funding equals 0.9% of all
17 New State Funds, and Tier 4 Aggregate Funding equals 0.1%
18 of all New State Funds. Each Organizational Unit within
19 Tier 1 or Tier 2 receives an allocation of New State Funds
20 equal to its tier Funding Gap, as defined in the following
21 sentence, multiplied by the tier's Allocation Rate
22 determined pursuant to paragraph (4) of this subsection
23 (g). For Tier 1, an Organizational Unit's Funding Gap
24 equals the tier's Target Ratio, as specified in paragraph
25 (5) of this subsection (g), multiplied by the
26 Organizational Unit's Adequacy Target, with the resulting

1 amount reduced by the Organizational Unit's Final
2 Resources. For Tier 2, an Organizational Unit's Funding Gap
3 equals the tier's Target Ratio, as described in paragraph
4 (5) of this subsection (g), multiplied by the
5 Organizational Unit's Adequacy Target, with the resulting
6 amount reduced by the Organizational Unit's Final
7 Resources and its Tier 1 funding allocation. To determine
8 the Organizational Unit's Funding Gap, the resulting
9 amount is then multiplied by a factor equal to one minus
10 the Organizational Unit's Local Capacity Target
11 percentage. Each Organizational Unit within Tier 3 or Tier
12 4 receives an allocation of New State Funds equal to the
13 product of its Adequacy Target and the tier's Allocation
14 Rate, as specified in paragraph (4) of this subsection (g).

15 (2) To ensure equitable distribution of dollars for all
16 Tier 2 Organizational Units, no Tier 2 Organizational Unit
17 shall receive fewer dollars per ASE than any Tier 3
18 Organizational Unit. Each Tier 2 and Tier 3 Organizational
19 Unit shall have its funding allocation divided by its ASE.
20 Any Tier 2 Organizational Unit with a funding allocation
21 per ASE below the greatest Tier 3 allocation per ASE shall
22 get a funding allocation equal to the greatest Tier 3
23 funding allocation per ASE multiplied by the
24 Organizational Unit's ASE. Each Tier 2 Organizational
25 Unit's Tier 2 funding allocation shall be multiplied by the
26 percentage calculated by dividing the original Tier 2

1 Aggregate Funding by the sum of all Tier 2 Organizational
2 Unit's Tier 2 funding allocation after adjusting
3 districts' funding below Tier 3 levels.

4 (3) Organizational Units are placed into one of 4 tiers
5 as follows:

6 (A) Tier 1 consists of all Organizational Units,
7 except for Specially Funded Units, with a Percent of
8 Adequacy less than the Tier 1 Target Ratio. The Tier 1
9 Target Ratio is the ratio level that allows for Tier 1
10 Aggregate Funding to be distributed, with the Tier 1
11 Allocation Rate determined pursuant to paragraph (4)
12 of this subsection (g).

13 (B) Tier 2 consists of all Tier 1 Units and all
14 other Organizational Units, except for Specially
15 Funded Units, with a Percent of Adequacy of less than
16 0.90.

17 (C) Tier 3 consists of all Organizational Units,
18 except for Specially Funded Units, with a Percent of
19 Adequacy of at least 0.90 and less than 1.0.

20 (D) Tier 4 consists of all Organizational Units
21 with a Percent of Adequacy of at least 1.0 and
22 Specially Funded Units, excluding Glenwood Academy.

23 (4) The Allocation Rates for Tiers 1 through 4 is
24 determined as follows:

25 (A) The Tier 1 Allocation Rate is 30%.

26 (B) The Tier 2 Allocation Rate is the result of the

1 following equation: Tier 2 Aggregate Funding, divided
2 by the sum of the Funding Gaps for all Tier 2
3 Organizational Units, unless the result of such
4 equation is higher than 1.0. If the result of such
5 equation is higher than 1.0, then the Tier 2 Allocation
6 Rate is 1.0.

7 (C) The Tier 3 Allocation Rate is the result of the
8 following equation: Tier 3 Aggregate Funding, divided
9 by the sum of the Adequacy Targets of all Tier 3
10 Organizational Units.

11 (D) The Tier 4 Allocation Rate is the result of the
12 following equation: Tier 4 Aggregate Funding, divided
13 by the sum of the Adequacy Targets of all Tier 4
14 Organizational Units.

15 (5) A tier's Target Ratio is determined as follows:

16 (A) The Tier 1 Target Ratio is the ratio level that
17 allows for Tier 1 Aggregate Funding to be distributed
18 with the Tier 1 Allocation Rate.

19 (B) The Tier 2 Target Ratio is 0.90.

20 (C) The Tier 3 Target Ratio is 1.0.

21 (6) If, at any point, the Tier 1 Target Ratio is
22 greater than 90%, than all Tier 1 funding shall be
23 allocated to Tier 2 and no Tier 1 Organizational Unit's
24 funding may be identified.

25 (7) In the event that all Tier 2 Organizational Units
26 receive funding at the Tier 2 Target Ratio level, any

1 remaining New State Funds shall be allocated to Tier 3 and
2 Tier 4 Organizational Units.

3 (8) If any Specially Funded Units, excluding Glenwood
4 Academy, recognized by the State Board do not qualify for
5 direct funding following the implementation of this
6 amendatory Act of the 100th General Assembly from any of
7 the funding sources included within the definition of Base
8 Funding Minimum, the unqualified portion of the Base
9 Funding Minimum shall be transferred to one or more
10 appropriate Organizational Units as determined by the
11 State Superintendent based on the prior year ASE of the
12 Organizational Units.

13 (9) The Minimum Funding Level is intended to establish
14 a target for State funding that will keep pace with
15 inflation and continue to advance equity through the
16 Evidence-Based Funding formula. The target for State
17 funding of New Property Tax Relief Pool Funds is
18 \$50,000,000 for State fiscal year 2019 and subsequent State
19 fiscal years. The Minimum Funding Level is equal to
20 \$350,000,000. In addition to any New State Funds, no more
21 than \$50,000,000 New Property Tax Relief Pool Funds may be
22 counted towards the Minimum Funding Level. If the sum of
23 New State Funds and applicable New Property Tax Relief Pool
24 Funds are less than the Minimum Funding Level, than funding
25 for tiers shall be reduced in the following manner:

26 (A) First, Tier 4 funding shall be reduced by an

1 amount equal to the difference between the Minimum
2 Funding Level and New State Funds until such time as
3 Tier 4 funding is exhausted.

4 (B) Next, Tier 3 funding shall be reduced by an
5 amount equal to the difference between the Minimum
6 Funding Level and New State Funds and the reduction in
7 Tier 4 funding until such time as Tier 3 funding is
8 exhausted.

9 (C) Next, Tier 2 funding shall be reduced by an
10 amount equal to the difference between the Minimum
11 Funding level and new State Funds and the reduction
12 Tier 4 and Tier 3.

13 (D) Finally, Tier 1 funding shall be reduced by an
14 amount equal to the difference between the Minimum
15 Funding level and New State Funds and the reduction in
16 Tier 2, 3, and 4 funding. In addition, the Allocation
17 Rate for Tier 1 shall be reduced to a percentage equal
18 to 50%, multiplied by the result of New State Funds
19 divided by the Minimum Funding Level.

20 (9.5) For State fiscal year 2019 and subsequent State
21 fiscal years, if New State Funds exceed \$300,000,000, then
22 any amount in excess of \$300,000,000 shall be dedicated for
23 purposes of Section 2-3.170 of this Code up to a maximum of
24 \$50,000,000.

25 (10) In the event of a decrease in the amount of the
26 appropriation for this Section in any fiscal year after

1 implementation of this Section, the Organizational Units
2 receiving Tier 1 and Tier 2 funding, as determined under
3 paragraph (3) of this subsection (g), shall be held
4 harmless by establishing a Base Funding Guarantee equal to
5 the per pupil kindergarten through grade 12 funding
6 received in accordance with this Section in the prior
7 fiscal year. Reductions shall be made to the Base Funding
8 Minimum of Organizational Units in Tier 3 and Tier 4 on a
9 per pupil basis equivalent to the total number of the ASE
10 in Tier 3-funded and Tier 4-funded Organizational Units
11 divided by the total reduction in State funding. The Base
12 Funding Minimum as reduced shall continue to be applied to
13 Tier 3 and Tier 4 Organizational Units and adjusted by the
14 relative formula when increases in appropriations for this
15 Section resume. In no event may State funding reductions to
16 Organizational Units in Tier 3 or Tier 4 exceed an amount
17 that would be less than the Base Funding Minimum
18 established in the first year of implementation of this
19 Section. If additional reductions are required, all school
20 districts shall receive a reduction by a per pupil amount
21 equal to the aggregate additional appropriation reduction
22 divided by the total ASE of all Organizational Units.

23 (11) The State Superintendent shall make minor
24 adjustments to the distribution formula set forth in this
25 subsection (g) to account for the rounding of percentages
26 to the nearest tenth of a percentage and dollar amounts to

1 the nearest whole dollar.

2 (h) State Superintendent administration of funding and
3 district submission requirements.

4 (1) The State Superintendent shall, in accordance with
5 appropriations made by the General Assembly, meet the
6 funding obligations created under this Section.

7 (2) The State Superintendent shall calculate the
8 Adequacy Target for each Organizational Unit and Net State
9 Contribution Target for each Organizational Unit under
10 this Section. The State Superintendent shall also certify
11 the actual amounts of the New State Funds payable for each
12 eligible Organizational Unit based on the equitable
13 distribution calculation to the unit's treasurer, as soon
14 as possible after such amounts are calculated, including
15 any applicable adjusted charge-off increase. No
16 Evidence-Based Funding shall be distributed within an
17 Organizational Unit without the approval of the unit's
18 school board.

19 (3) Annually, the State Superintendent shall calculate
20 and report to each Organizational Unit the unit's aggregate
21 financial adequacy amount, which shall be the sum of the
22 Adequacy Target for each Organizational Unit. The State
23 Superintendent shall calculate and report separately for
24 each Organizational Unit the unit's total State funds
25 allocated for its students with disabilities. The State
26 Superintendent shall calculate and report separately for

1 each Organizational Unit the amount of funding and
2 applicable FTE calculated for each Essential Element of the
3 unit's Adequacy Target.

4 (4) Annually, the State Superintendent shall calculate
5 and report to each Organizational Unit the amount the unit
6 must expend on special education and bilingual education
7 pursuant to the unit's Base Funding Minimum, Special
8 Education Allocation, and Bilingual Education Allocation.

9 (5) Moneys distributed under this Section shall be
10 calculated on a school year basis, but paid on a fiscal
11 year basis, with payments beginning in August and extending
12 through June. Unless otherwise provided, the moneys
13 appropriated for each fiscal year shall be distributed in
14 22 equal payments at least 2 times monthly to each
15 Organizational Unit. The State Board shall publish a yearly
16 distribution schedule at its meeting in June. If moneys
17 appropriated for any fiscal year are distributed other than
18 monthly, the distribution shall be on the same basis for
19 each Organizational Unit.

20 (6) Any school district that fails, for any given
21 school year, to maintain school as required by law or to
22 maintain a recognized school is not eligible to receive
23 Evidence-Based Funding. In case of non-recognition of one
24 or more attendance centers in a school district otherwise
25 operating recognized schools, the claim of the district
26 shall be reduced in the proportion that the enrollment in

1 the attendance center or centers bears to the enrollment of
2 the school district. "Recognized school" means any public
3 school that meets the standards for recognition by the
4 State Board. A school district or attendance center not
5 having recognition status at the end of a school term is
6 entitled to receive State aid payments due upon a legal
7 claim that was filed while it was recognized.

8 (7) School district claims filed under this Section are
9 subject to Sections 18-9 and 18-12 of this Code, except as
10 otherwise provided in this Section.

11 (8) Each fiscal year, the State Superintendent shall
12 calculate for each Organizational Unit an amount of its
13 Base Funding Minimum and Evidence-Based Funding that shall
14 be deemed attributable to the provision of special
15 educational facilities and services, as defined in Section
16 14-1.08 of this Code, in a manner that ensures compliance
17 with maintenance of State financial support requirements
18 under the federal Individuals with Disabilities Education
19 Act. An Organizational Unit must use such funds only for
20 the provision of special educational facilities and
21 services, as defined in Section 14-1.08 of this Code, and
22 must comply with any expenditure verification procedures
23 adopted by the State Board.

24 (9) All Organizational Units in this State must submit
25 annual spending plans by the end of September of each year
26 to the State Board as part of the annual budget process,

1 which shall describe how each Organizational Unit will
2 utilize the Base Minimum Funding and Evidence-Based
3 funding it receives from this State under this Section with
4 specific identification of the intended utilization of
5 Low-Income, English learner, and special education
6 resources. Additionally, the annual spending plans of each
7 Organizational Unit shall describe how the Organizational
8 Unit expects to achieve student growth and how the
9 Organizational Unit will achieve State education goals, as
10 defined by the State Board. The State Superintendent may,
11 from time to time, identify additional requisites for
12 Organizational Units to satisfy when compiling the annual
13 spending plans required under this subsection (h). The
14 format and scope of annual spending plans shall be
15 developed by the State Superintendent in conjunction with
16 the Professional Review Panel.

17 (10) No later than January 1, 2018, the State
18 Superintendent shall develop a 5-year strategic plan for
19 all Organizational Units to help in planning for adequacy
20 funding under this Section. The State Superintendent shall
21 submit the plan to the Governor and the General Assembly,
22 as provided in Section 3.1 of the General Assembly
23 Organization Act. The plan shall include recommendations
24 for:

25 (A) a framework for collaborative, professional,
26 innovative, and 21st century learning environments

1 using the Evidence-Based Funding model;

2 (B) ways to prepare and support this State's
3 educators for successful instructional careers;

4 (C) application and enhancement of the current
5 financial accountability measures, the approved State
6 plan to comply with the federal Every Student Succeeds
7 Act, and the Illinois Balanced Accountability Measures
8 in relation to student growth and elements of the
9 Evidence-Based Funding model; and

10 (D) implementation of an effective school adequacy
11 funding system based on projected and recommended
12 funding levels from the General Assembly.

13 (i) Professional Review Panel.

14 (1) A Professional Review Panel is created to study and
15 review the implementation and effect of the Evidence-Based
16 Funding model under this Section and to recommend continual
17 recalibration and future study topics and modifications to
18 the Evidence-Based Funding model. The Panel shall elect a
19 chairperson and vice chairperson by a majority vote of the
20 Panel and shall advance recommendations based on a majority
21 vote of the Panel. A minority opinion may also accompany
22 any recommendation of the majority of the Panel. The Panel
23 shall be appointed by the State Superintendent, except as
24 otherwise provided in paragraph (2) of this subsection (i)
25 and include the following members:

26 (A) Two appointees that represent district

1 superintendents, recommended by a statewide
2 organization that represents district superintendents.

3 (B) Two appointees that represent school boards,
4 recommended by a statewide organization that
5 represents school boards.

6 (C) Two appointees from districts that represent
7 school business officials, recommended by a statewide
8 organization that represents school business
9 officials.

10 (D) Two appointees that represent school
11 principals, recommended by a statewide organization
12 that represents school principals.

13 (E) Two appointees that represent teachers,
14 recommended by a statewide organization that
15 represents teachers.

16 (F) Two appointees that represent teachers,
17 recommended by another statewide organization that
18 represents teachers.

19 (G) Two appointees that represent regional
20 superintendents of schools, recommended by
21 organizations that represent regional superintendents.

22 (H) Two independent experts selected solely by the
23 State Superintendent.

24 (I) Two independent experts recommended by public
25 universities in this State.

26 (J) One member recommended by a statewide

1 organization that represents parents.

2 (K) Two representatives recommended by collective
3 impact organizations that represent major metropolitan
4 areas or geographic areas in Illinois.

5 (L) One member from a statewide organization
6 focused on research-based education policy to support
7 a school system that prepares all students for college,
8 a career, and democratic citizenship.

9 (M) One representative from a school district
10 organized under Article 34 of this Code.

11 The State Superintendent shall ensure that the
12 membership of the Panel includes representatives from
13 school districts and communities reflecting the
14 geographic, socio-economic, racial, and ethnic diversity
15 of this State. The State Superintendent shall additionally
16 ensure that the membership of the Panel includes
17 representatives with expertise in bilingual education and
18 special education. Staff from the State Board shall staff
19 the Panel.

20 (2) In addition to those Panel members appointed by the
21 State Superintendent, 4 members of the General Assembly
22 shall be appointed as follows: one member of the House of
23 Representatives appointed by the Speaker of the House of
24 Representatives, one member of the Senate appointed by the
25 President of the Senate, one member of the House of
26 Representatives appointed by the Minority Leader of the

1 House of Representatives, and one member of the Senate
2 appointed by the Minority Leader of the Senate. There shall
3 be one additional member appointed by the Governor. All
4 members appointed by legislative leaders or the Governor
5 shall be non-voting, ex officio members.

6 (3) On an annual basis, the State Superintendent shall
7 recalibrate the following per pupil elements of the
8 Adequacy Target and applied to the formulas, based on the
9 Panel's study of average expenses as reported in the most
10 recent annual financial report:

11 (A) gifted under subparagraph (M) of paragraph (2)
12 of subsection (b) of this Section;

13 (B) instructional materials under subparagraph (O)
14 of paragraph (2) of subsection (b) of this Section;

15 (C) assessment under subparagraph (P) of paragraph
16 (2) of subsection (b) of this Section;

17 (D) student activities under subparagraph (R) of
18 paragraph (2) of subsection (b) of this Section;

19 (E) maintenance and operations under subparagraph
20 (S) of paragraph (2) of subsection (b) of this Section;

21 and

22 (F) central office under subparagraph (T) of
23 paragraph (2) of subsection (b) of this Section.

24 (4) On a periodic basis, the Panel shall study all the
25 following elements and make recommendations to the State
26 Board, the General Assembly, and the Governor for

1 modification of this Section:

2 (A) The format and scope of annual spending plans
3 referenced in paragraph (9) of subsection (h) of this
4 Section.

5 (B) The Comparable Wage Index under this Section,
6 to be studied by the Panel and reestablished by the
7 State Superintendent every 5 years.

8 (C) Maintenance and operations. Within 5 years
9 after the implementation of this Section, the Panel
10 shall make recommendations for the further study of
11 maintenance and operations costs, including capital
12 maintenance costs, and recommend any additional
13 reporting data required from Organizational Units.

14 (D) "At-risk student" definition. Within 5 years
15 after the implementation of this Section, the Panel
16 shall make recommendations for the further study and
17 determination of an "at-risk student" definition.
18 Within 5 years after the implementation of this
19 Section, the Panel shall evaluate and make
20 recommendations regarding adequate funding for poverty
21 concentration under the Evidence-Based Funding model.

22 (E) Benefits. Within 5 years after the
23 implementation of this Section, the Panel shall make
24 recommendations for further study of benefit costs.

25 (F) Technology. The per pupil target for
26 technology shall be reviewed every 3 years to determine

1 whether current allocations are sufficient to develop
2 21st century learning in all classrooms in this State
3 and supporting a one-to-one technological device
4 program in each school. Recommendations shall be made
5 no later than 3 years after the implementation of this
6 Section.

7 (G) Local Capacity Target. Within 3 years after the
8 implementation of this Section, the Panel shall make
9 recommendations for any additional data desired to
10 analyze possible modifications to the Local Capacity
11 Target, to be based on measures in addition to solely
12 EAV and to be completed within 5 years after
13 implementation of this Section.

14 (H) Funding for Alternative Schools, Laboratory
15 Schools, safe schools, and alternative learning
16 opportunities programs. By the beginning of the
17 2021-2022 school year, the Panel shall study and make
18 recommendations regarding the funding levels for
19 Alternative Schools, Laboratory Schools, safe schools,
20 and alternative learning opportunities programs in
21 this State.

22 (I) Funding for college and career acceleration
23 strategies. By the beginning of the 2021-2022 school
24 year, the Panel shall study and make recommendations
25 regarding funding levels to support college and career
26 acceleration strategies in high school that have been

1 demonstrated to result in improved secondary and
2 postsecondary outcomes, including Advanced Placement,
3 dual-credit opportunities, and college and career
4 pathway systems.

5 (J) Special education investments. By the
6 beginning of the 2021-2022 school year, the Panel shall
7 study and make recommendations on whether and how to
8 account for disability types within the special
9 education funding category.

10 (K) Early childhood investments. In collaboration
11 with the Illinois Early Learning Council, the Panel
12 shall include an analysis of what level of Preschool
13 for All Children funding would be necessary to serve
14 all children ages 0 through 5 years in the
15 highest-priority service tier, as specified in
16 paragraph (4.5) of subsection (a) of Section 2-3.71 of
17 this Code, and an analysis of the potential cost
18 savings that that level of Preschool for All Children
19 investment would have on the kindergarten through
20 grade 12 system.

21 (5) Within 5 years after the implementation of this
22 Section, the Panel shall complete an evaluative study of
23 the entire Evidence-Based Funding model, including an
24 assessment of whether or not the formula is achieving State
25 goals. The Panel shall report to the State Board, the
26 General Assembly, and the Governor on the findings of the

1 study.

2 (6) Within 3 years after the implementation of this
3 Section, the Panel shall evaluate and provide
4 recommendations to the Governor and the General Assembly on
5 the hold-harmless provisions of this Section found in the
6 Base Funding Minimum.

7 (j) References. Beginning July 1, 2017, references in other
8 laws to general State aid funds or calculations under Section
9 18-8.05 of this Code shall be deemed to be references to
10 evidence-based model formula funds or calculations under this
11 Section.

12 (105 ILCS 5/18-9) (from Ch. 122, par. 18-9)

13 Sec. 18-9. Requirement for special equalization and
14 supplementary State aid. If property comprising an aggregate
15 assessed valuation equal to 6% or more of the total assessed
16 valuation of all taxable property in a school district is owned
17 by a person or corporation that is the subject of bankruptcy
18 proceedings or that has been adjudged bankrupt and, as a result
19 thereof, has not paid taxes on the property, then the district
20 may amend its general State aid or evidence-based funding claim
21 (i) back to the inception of the bankruptcy, not to exceed 6
22 years, in which time those taxes were not paid and (ii) for
23 each succeeding year that those taxes remain unpaid, by adding
24 to the claim an amount determined by multiplying the assessed
25 valuation of the property on which taxes have not been paid due

1 to the bankruptcy by the lesser of the total tax rate for the
2 district for the tax year for which the taxes are unpaid or the
3 applicable rate used in calculating the district's general
4 State aid under paragraph (3) of subsection (D) of Section
5 18-8.05 of this Code or evidence-based funding under Section
6 18-8.15 of this Code, as applicable. If at any time a district
7 that receives additional State aid under this Section receives
8 tax revenue from the property for the years that taxes were not
9 paid, the district's next claim for State aid shall be reduced
10 in an amount equal to the taxes paid on the property, not to
11 exceed the additional State aid received under this Section.
12 Claims under this Section shall be filed on forms prescribed by
13 the State Superintendent of Education, and the State
14 Superintendent of Education, upon receipt of a claim, shall
15 adjust the claim in accordance with the provisions of this
16 Section. Supplementary State aid for each succeeding year under
17 this Section shall be paid beginning with the first general
18 State aid or evidence-based funding claim paid after the
19 district has filed a completed claim in accordance with this
20 Section.

21 (Source: P.A. 95-496, eff. 8-28-07.)

22 (105 ILCS 5/18-12) (from Ch. 122, par. 18-12)

23 Sec. 18-12. Dates for filing State aid claims. The school
24 board of each school district, a regional office of education,
25 a laboratory school, or a State-authorized charter school shall

1 require teachers, principals, or superintendents to furnish
2 from records kept by them such data as it needs in preparing
3 and certifying to the State Superintendent of Education its
4 report of claims provided in Section 18-8.05 of this Code. The
5 claim shall be based on the latest available equalized assessed
6 valuation and tax rates, as provided in Section 18-8.05 or
7 18-8.15, shall use the average daily attendance as determined
8 by the method outlined in Section 18-8.05 or 18-8.15, and shall
9 be certified and filed with the State Superintendent of
10 Education by June 21 for districts and State-authorized charter
11 schools with an official school calendar end date before June
12 15 or within 2 weeks following the official school calendar end
13 date for districts, regional offices of education, laboratory
14 schools, or State-authorized charter schools with a school year
15 end date of June 15 or later. Failure to so file by these
16 deadlines constitutes a forfeiture of the right to receive
17 payment by the State until such claim is filed. The State
18 Superintendent of Education shall voucher for payment those
19 claims to the State Comptroller as provided in Section 18-11.

20 Except as otherwise provided in this Section, if any school
21 district fails to provide the minimum school term specified in
22 Section 10-19, the State aid claim for that year shall be
23 reduced by the State Superintendent of Education in an amount
24 equivalent to 1/176 or .56818% for each day less than the
25 number of days required by this Code.

26 If the State Superintendent of Education determines that

1 the failure to provide the minimum school term was occasioned
2 by an act or acts of God, or was occasioned by conditions
3 beyond the control of the school district which posed a
4 hazardous threat to the health and safety of pupils, the State
5 aid claim need not be reduced.

6 If a school district is precluded from providing the
7 minimum hours of instruction required for a full day of
8 attendance due to an adverse weather condition or a condition
9 beyond the control of the school district that poses a
10 hazardous threat to the health and safety of students, then the
11 partial day of attendance may be counted if (i) the school
12 district has provided at least one hour of instruction prior to
13 the closure of the school district, (ii) a school building has
14 provided at least one hour of instruction prior to the closure
15 of the school building, or (iii) the normal start time of the
16 school district is delayed.

17 If, prior to providing any instruction, a school district
18 must close one or more but not all school buildings after
19 consultation with a local emergency response agency or due to a
20 condition beyond the control of the school district, then the
21 school district may claim attendance for up to 2 school days
22 based on the average attendance of the 3 school days
23 immediately preceding the closure of the affected school
24 building or, if approved by the State Board of Education,
25 utilize the provisions of an e-learning program for the
26 affected school building as prescribed in Section 10-20.56 of

1 this Code. The partial or no day of attendance described in
2 this Section and the reasons therefore shall be certified
3 within a month of the closing or delayed start by the school
4 district superintendent to the regional superintendent of
5 schools for forwarding to the State Superintendent of Education
6 for approval.

7 Other than the utilization of any e-learning days as
8 prescribed in Section 10-20.56 of this Code, no exception to
9 the requirement of providing a minimum school term may be
10 approved by the State Superintendent of Education pursuant to
11 this Section unless a school district has first used all
12 emergency days provided for in its regular calendar.

13 If the State Superintendent of Education declares that an
14 energy shortage exists during any part of the school year for
15 the State or a designated portion of the State, a district may
16 operate the school attendance centers within the district 4
17 days of the week during the time of the shortage by extending
18 each existing school day by one clock hour of school work, and
19 the State aid claim shall not be reduced, nor shall the
20 employees of that district suffer any reduction in salary or
21 benefits as a result thereof. A district may operate all
22 attendance centers on this revised schedule, or may apply the
23 schedule to selected attendance centers, taking into
24 consideration such factors as pupil transportation schedules
25 and patterns and sources of energy for individual attendance
26 centers.

1 Electronically submitted State aid claims shall be
2 submitted by duly authorized district individuals over a secure
3 network that is password protected. The electronic submission
4 of a State aid claim must be accompanied with an affirmation
5 that all of the provisions of Sections 18-8.05, 10-22.5, and
6 24-4 of this Code are met in all respects.

7 (Source: P.A. 99-194, eff. 7-30-15; 99-657, eff. 7-28-16.)

8 (105 ILCS 5/26-16)

9 Sec. 26-16. Graduation incentives program.

10 (a) The General Assembly finds that it is critical to
11 provide options for children to succeed in school. The purpose
12 of this Section is to provide incentives for and encourage all
13 Illinois students who have experienced or are experiencing
14 difficulty in the traditional education system to enroll in
15 alternative programs.

16 (b) Any student who is below the age of 20 years is
17 eligible to enroll in a graduation incentives program if he or
18 she:

19 (1) is considered a dropout pursuant to Section 26-2a
20 of this Code;

21 (2) has been suspended or expelled pursuant to Section
22 10-22.6 or 34-19 of this Code;

23 (3) is pregnant or is a parent;

24 (4) has been assessed as chemically dependent; or

25 (5) is enrolled in a bilingual education or LEP

1 program.

2 (c) The following programs qualify as graduation
3 incentives programs for students meeting the criteria
4 established in this Section:

5 (1) Any public elementary or secondary education
6 graduation incentives program established by a school
7 district or by a regional office of education.

8 (2) Any alternative learning opportunities program
9 established pursuant to Article 13B of this Code.

10 (3) Vocational or job training courses approved by the
11 State Superintendent of Education that are available
12 through the Illinois public community college system.
13 Students may apply for reimbursement of 50% of tuition
14 costs for one course per semester or a maximum of 3 courses
15 per school year. Subject to available funds, students may
16 apply for reimbursement of up to 100% of tuition costs upon
17 a showing of employment within 6 months after completion of
18 a vocational or job training program. The qualifications
19 for reimbursement shall be established by the State
20 Superintendent of Education by rule.

21 (4) Job and career programs approved by the State
22 Superintendent of Education that are available through
23 Illinois-accredited private business and vocational
24 schools. Subject to available funds, pupils may apply for
25 reimbursement of up to 100% of tuition costs upon a showing
26 of employment within 6 months after completion of a job or

1 career program. The State Superintendent of Education
2 shall establish, by rule, the qualifications for
3 reimbursement, criteria for determining reimbursement
4 amounts, and limits on reimbursement.

5 (5) Adult education courses that offer preparation for
6 high school equivalency testing.

7 (d) Graduation incentives programs established by school
8 districts are entitled to claim general State aid and
9 evidence-based funding, subject to Sections 13B-50, 13B-50.5,
10 and 13B-50.10 of this Code. Graduation incentives programs
11 operated by regional offices of education are entitled to
12 receive general State aid and evidence-based funding at the
13 foundation level of support per pupil enrolled. A school
14 district must ensure that its graduation incentives program
15 receives supplemental general State aid, transportation
16 reimbursements, and special education resources, if
17 appropriate, for students enrolled in the program.

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

19 (105 ILCS 5/27-6) (from Ch. 122, par. 27-6)

20 Sec. 27-6. Courses in physical education required; special
21 activities.

22 (a) Pupils enrolled in the public schools and State
23 universities engaged in preparing teachers shall be required to
24 engage ~~daily~~ during the school day, except on block scheduled
25 days for those public schools engaged in block scheduling, in

1 courses of physical education for such periods as are
2 compatible with the optimum growth and developmental needs of
3 individuals at the various age levels except when appropriate
4 excuses are submitted to the school by a pupil's parent or
5 guardian or by a person licensed under the Medical Practice Act
6 of 1987 and except as provided in subsection (b) of this
7 Section. A school board may determine the schedule or frequency
8 of physical education courses, provided that a pupil engages in
9 a course of physical education for a minimum of 3 days per
10 5-day week.

11 Special activities in physical education shall be provided
12 for pupils whose physical or emotional condition, as determined
13 by a person licensed under the Medical Practice Act of 1987,
14 prevents their participation in the courses provided for normal
15 children.

16 (b) A school board is authorized to excuse pupils enrolled
17 in grades 11 and 12 from engaging in physical education courses
18 if those pupils request to be excused for any of the following
19 reasons: (1) for ongoing participation in an interscholastic
20 athletic program; (2) to enroll in academic classes which are
21 required for admission to an institution of higher learning,
22 provided that failure to take such classes will result in the
23 pupil being denied admission to the institution of his or her
24 choice; or (3) to enroll in academic classes which are required
25 for graduation from high school, provided that failure to take
26 such classes will result in the pupil being unable to graduate.

1 A school board may also excuse pupils in grades 9 through 12
2 enrolled in a marching band program for credit from engaging in
3 physical education courses if those pupils request to be
4 excused for ongoing participation in such marching band
5 program. A school board may also, on a case-by-case basis,
6 excuse pupils in grades 7 through 12 who participate in an
7 interscholastic or extracurricular athletic program from
8 engaging in physical education courses. In addition, a pupil in
9 any of grades 3 through 12 who is eligible for special
10 education may be excused if the pupil's parent or guardian
11 agrees that the pupil must utilize the time set aside for
12 physical education to receive special education support and
13 services or, if there is no agreement, the individualized
14 education program team for the pupil determines that the pupil
15 must utilize the time set aside for physical education to
16 receive special education support and services, which
17 agreement or determination must be made a part of the
18 individualized education program. However, a pupil requiring
19 adapted physical education must receive that service in
20 accordance with the individualized education program developed
21 for the pupil. If requested, a school board is authorized to
22 excuse a pupil from engaging in a physical education course if
23 the pupil has an individualized educational program under
24 Article 14 of this Code, is participating in an adaptive
25 athletic program outside of the school setting, and documents
26 such participation as determined by the school board. A school

1 board may also excuse pupils in grades 9 through 12 enrolled in
2 a Reserve Officer's Training Corps (ROTC) program sponsored by
3 the school district from engaging in physical education
4 courses. School boards which choose to exercise this authority
5 shall establish a policy to excuse pupils on an individual
6 basis.

7 (c) The provisions of this Section are subject to the
8 provisions of Section 27-22.05.

9 (Source: P.A. 98-116, eff. 7-29-13.)

10 (105 ILCS 5/27-7) (from Ch. 122, par. 27-7)

11 Sec. 27-7. Physical education course of study. A physical
12 education course of study shall include a developmentally
13 planned and sequential curriculum that fosters the development
14 of movement skills, enhances health-related fitness, increases
15 students' knowledge, offers direct opportunities to learn how
16 to work cooperatively in a group setting, and encourages
17 healthy habits and attitudes for a healthy lifestyle. A
18 physical education course of study shall provide students with
19 an opportunity for an appropriate amount of ~~daily~~ physical
20 activity. A physical education course of study must be part of
21 the regular school curriculum and not extra-curricular in
22 nature or organization.

23 The State Board of Education shall prepare and make
24 available guidelines for the various grades and types of
25 schools in order to make effective the purposes set forth in

1 this Section and the requirements provided in Section 27-6, and
2 shall see that the general provisions and intent of Sections
3 27-5 to 27-9, inclusive, are enforced.

4 (Source: P.A. 94-189, eff. 7-12-05; 94-200, eff. 7-12-05.)

5 (105 ILCS 5/27-8.1) (from Ch. 122, par. 27-8.1)

6 Sec. 27-8.1. Health examinations and immunizations.

7 (1) In compliance with rules and regulations which the
8 Department of Public Health shall promulgate, and except as
9 hereinafter provided, all children in Illinois shall have a
10 health examination as follows: within one year prior to
11 entering kindergarten or the first grade of any public,
12 private, or parochial elementary school; upon entering the
13 sixth and ninth grades of any public, private, or parochial
14 school; prior to entrance into any public, private, or
15 parochial nursery school; and, irrespective of grade,
16 immediately prior to or upon entrance into any public, private,
17 or parochial school or nursery school, each child shall present
18 proof of having been examined in accordance with this Section
19 and the rules and regulations promulgated hereunder. Any child
20 who received a health examination within one year prior to
21 entering the fifth grade for the 2007-2008 school year is not
22 required to receive an additional health examination in order
23 to comply with the provisions of Public Act 95-422 when he or
24 she attends school for the 2008-2009 school year, unless the
25 child is attending school for the first time as provided in

1 this paragraph.

2 A tuberculosis skin test screening shall be included as a
3 required part of each health examination included under this
4 Section if the child resides in an area designated by the
5 Department of Public Health as having a high incidence of
6 tuberculosis. Additional health examinations of pupils,
7 including eye examinations, may be required when deemed
8 necessary by school authorities. Parents are encouraged to have
9 their children undergo eye examinations at the same points in
10 time required for health examinations.

11 (1.5) In compliance with rules adopted by the Department of
12 Public Health and except as otherwise provided in this Section,
13 all children in kindergarten and the second and sixth grades of
14 any public, private, or parochial school shall have a dental
15 examination. Each of these children shall present proof of
16 having been examined by a dentist in accordance with this
17 Section and rules adopted under this Section before May 15th of
18 the school year. If a child in the second or sixth grade fails
19 to present proof by May 15th, the school may hold the child's
20 report card until one of the following occurs: (i) the child
21 presents proof of a completed dental examination or (ii) the
22 child presents proof that a dental examination will take place
23 within 60 days after May 15th. The Department of Public Health
24 shall establish, by rule, a waiver for children who show an
25 undue burden or a lack of access to a dentist. Each public,
26 private, and parochial school must give notice of this dental

1 examination requirement to the parents and guardians of
2 students at least 60 days before May 15th of each school year.

3 (1.10) Except as otherwise provided in this Section, all
4 children enrolling in kindergarten in a public, private, or
5 parochial school on or after the effective date of this
6 amendatory Act of the 95th General Assembly and any student
7 enrolling for the first time in a public, private, or parochial
8 school on or after the effective date of this amendatory Act of
9 the 95th General Assembly shall have an eye examination. Each
10 of these children shall present proof of having been examined
11 by a physician licensed to practice medicine in all of its
12 branches or a licensed optometrist within the previous year, in
13 accordance with this Section and rules adopted under this
14 Section, before October 15th of the school year. If the child
15 fails to present proof by October 15th, the school may hold the
16 child's report card until one of the following occurs: (i) the
17 child presents proof of a completed eye examination or (ii) the
18 child presents proof that an eye examination will take place
19 within 60 days after October 15th. The Department of Public
20 Health shall establish, by rule, a waiver for children who show
21 an undue burden or a lack of access to a physician licensed to
22 practice medicine in all of its branches who provides eye
23 examinations or to a licensed optometrist. Each public,
24 private, and parochial school must give notice of this eye
25 examination requirement to the parents and guardians of
26 students in compliance with rules of the Department of Public

1 Health. Nothing in this Section shall be construed to allow a
2 school to exclude a child from attending because of a parent's
3 or guardian's failure to obtain an eye examination for the
4 child.

5 (2) The Department of Public Health shall promulgate rules
6 and regulations specifying the examinations and procedures
7 that constitute a health examination, which shall include an
8 age-appropriate developmental screening, an age-appropriate
9 social and emotional screening, and the collection of data
10 relating to obesity (including at a minimum, date of birth,
11 gender, height, weight, blood pressure, and date of exam), and
12 a dental examination and may recommend by rule that certain
13 additional examinations be performed. The rules and
14 regulations of the Department of Public Health shall specify
15 that a tuberculosis skin test screening shall be included as a
16 required part of each health examination included under this
17 Section if the child resides in an area designated by the
18 Department of Public Health as having a high incidence of
19 tuberculosis. With respect to the developmental screening and
20 the social and emotional screening, the Department of Public
21 Health must develop rules and appropriate revisions to the
22 Child Health Examination form in conjunction with a statewide
23 organization representing school boards; a statewide
24 organization representing pediatricians; statewide
25 organizations representing individuals holding Illinois
26 educator licenses with school support personnel endorsements,

1 including school social workers, school psychologists, and
2 school nurses; a statewide organization representing
3 children's mental health experts; a statewide organization
4 representing school principals; the Director of Healthcare and
5 Family Services or his or her designee, the State
6 Superintendent of Education or his or her designee; and
7 representatives of other appropriate State agencies and, at a
8 minimum, must recommend the use of validated screening tools
9 appropriate to the child's age or grade, and, with regard to
10 the social and emotional screening, require recording only
11 whether or not the screening was completed. The rules shall
12 take into consideration the screening recommendations of the
13 American Academy of Pediatrics and must be consistent with the
14 State Board of Education's social and emotional learning
15 standards. The Department of Public Health shall specify that a
16 diabetes screening as defined by rule shall be included as a
17 required part of each health examination. Diabetes testing is
18 not required.

19 Physicians licensed to practice medicine in all of its
20 branches, licensed advanced practice nurses, or licensed
21 physician assistants shall be responsible for the performance
22 of the health examinations, other than dental examinations, eye
23 examinations, and vision and hearing screening, and shall sign
24 all report forms required by subsection (4) of this Section
25 that pertain to those portions of the health examination for
26 which the physician, advanced practice nurse, or physician

1 assistant is responsible. If a registered nurse performs any
2 part of a health examination, then a physician licensed to
3 practice medicine in all of its branches must review and sign
4 all required report forms. Licensed dentists shall perform all
5 dental examinations and shall sign all report forms required by
6 subsection (4) of this Section that pertain to the dental
7 examinations. Physicians licensed to practice medicine in all
8 its branches or licensed optometrists shall perform all eye
9 examinations required by this Section and shall sign all report
10 forms required by subsection (4) of this Section that pertain
11 to the eye examination. For purposes of this Section, an eye
12 examination shall at a minimum include history, visual acuity,
13 subjective refraction to best visual acuity near and far,
14 internal and external examination, and a glaucoma evaluation,
15 as well as any other tests or observations that in the
16 professional judgment of the doctor are necessary. Vision and
17 hearing screening tests, which shall not be considered
18 examinations as that term is used in this Section, shall be
19 conducted in accordance with rules and regulations of the
20 Department of Public Health, and by individuals whom the
21 Department of Public Health has certified. In these rules and
22 regulations, the Department of Public Health shall require that
23 individuals conducting vision screening tests give a child's
24 parent or guardian written notification, before the vision
25 screening is conducted, that states, "Vision screening is not a
26 substitute for a complete eye and vision evaluation by an eye

1 doctor. Your child is not required to undergo this vision
2 screening if an optometrist or ophthalmologist has completed
3 and signed a report form indicating that an examination has
4 been administered within the previous 12 months."

5 (2.5) With respect to the developmental screening and the
6 social and emotional screening portion of the health
7 examination, each child may present proof of having been
8 screened in accordance with this Section and the rules adopted
9 under this Section before October 15th of the school year. With
10 regard to the social and emotional screening only, the
11 examining health care provider shall only record whether or not
12 the screening was completed. If the child fails to present
13 proof of the developmental screening or the social and
14 emotional screening portions of the health examination by
15 October 15th of the school year, qualified school support
16 personnel may, with a parent's or guardian's consent, offer the
17 developmental screening or the social and emotional screening
18 to the child. Each public, private, and parochial school must
19 give notice of the developmental screening and social and
20 emotional screening requirements to the parents and guardians
21 of students in compliance with the rules of the Department of
22 Public Health. Nothing in this Section shall be construed to
23 allow a school to exclude a child from attending because of a
24 parent's or guardian's failure to obtain a developmental
25 screening or a social and emotional screening for the child.
26 Once a developmental screening or a social and emotional

1 screening is completed and proof has been presented to the
2 school, the school may, with a parent's or guardian's consent,
3 make available appropriate school personnel to work with the
4 parent or guardian, the child, and the provider who signed the
5 screening form to obtain any appropriate evaluations and
6 services as indicated on the form and in other information and
7 documentation provided by the parents, guardians, or provider.

8 (3) Every child shall, at or about the same time as he or
9 she receives a health examination required by subsection (1) of
10 this Section, present to the local school proof of having
11 received such immunizations against preventable communicable
12 diseases as the Department of Public Health shall require by
13 rules and regulations promulgated pursuant to this Section and
14 the Communicable Disease Prevention Act.

15 (4) The individuals conducting the health examination,
16 dental examination, or eye examination shall record the fact of
17 having conducted the examination, and such additional
18 information as required, including for a health examination
19 data relating to obesity (including at a minimum, date of
20 birth, gender, height, weight, blood pressure, and date of
21 exam), on uniform forms which the Department of Public Health
22 and the State Board of Education shall prescribe for statewide
23 use. The examiner shall summarize on the report form any
24 condition that he or she suspects indicates a need for special
25 services, including for a health examination factors relating
26 to obesity. The duty to summarize on the report form does not

1 apply to social and emotional screenings. The confidentiality
2 of the information and records relating to the developmental
3 screening and the social and emotional screening shall be
4 determined by the statutes, rules, and professional ethics
5 governing the type of provider conducting the screening. The
6 individuals confirming the administration of required
7 immunizations shall record as indicated on the form that the
8 immunizations were administered.

9 (5) If a child does not submit proof of having had either
10 the health examination or the immunization as required, then
11 the child shall be examined or receive the immunization, as the
12 case may be, and present proof by October 15 of the current
13 school year, or by an earlier date of the current school year
14 established by a school district. To establish a date before
15 October 15 of the current school year for the health
16 examination or immunization as required, a school district must
17 give notice of the requirements of this Section 60 days prior
18 to the earlier established date. If for medical reasons one or
19 more of the required immunizations must be given after October
20 15 of the current school year, or after an earlier established
21 date of the current school year, then the child shall present,
22 by October 15, or by the earlier established date, a schedule
23 for the administration of the immunizations and a statement of
24 the medical reasons causing the delay, both the schedule and
25 the statement being issued by the physician, advanced practice
26 nurse, physician assistant, registered nurse, or local health

1 department that will be responsible for administration of the
2 remaining required immunizations. If a child does not comply by
3 October 15, or by the earlier established date of the current
4 school year, with the requirements of this subsection, then the
5 local school authority shall exclude that child from school
6 until such time as the child presents proof of having had the
7 health examination as required and presents proof of having
8 received those required immunizations which are medically
9 possible to receive immediately. During a child's exclusion
10 from school for noncompliance with this subsection, the child's
11 parents or legal guardian shall be considered in violation of
12 Section 26-1 and subject to any penalty imposed by Section
13 26-10. This subsection (5) does not apply to dental
14 examinations, eye examinations, and the developmental
15 screening and the social and emotional screening portions of
16 the health examination. If the student is an out-of-state
17 transfer student and does not have the proof required under
18 this subsection (5) before October 15 of the current year or
19 whatever date is set by the school district, then he or she may
20 only attend classes (i) if he or she has proof that an
21 appointment for the required vaccinations has been scheduled
22 with a party authorized to submit proof of the required
23 vaccinations. If the proof of vaccination required under this
24 subsection (5) is not submitted within 30 days after the
25 student is permitted to attend classes, then the student is not
26 to be permitted to attend classes until proof of the

1 vaccinations has been properly submitted. No school district or
2 employee of a school district shall be held liable for any
3 injury or illness to another person that results from admitting
4 an out-of-state transfer student to class that has an
5 appointment scheduled pursuant to this subsection (5).

6 (6) Every school shall report to the State Board of
7 Education by November 15, in the manner which that agency shall
8 require, the number of children who have received the necessary
9 immunizations and the health examination (other than a dental
10 examination or eye examination) as required, indicating, of
11 those who have not received the immunizations and examination
12 as required, the number of children who are exempt from health
13 examination and immunization requirements on religious or
14 medical grounds as provided in subsection (8). On or before
15 December 1 of each year, every public school district and
16 registered nonpublic school shall make publicly available the
17 immunization data they are required to submit to the State
18 Board of Education by November 15. The immunization data made
19 publicly available must be identical to the data the school
20 district or school has reported to the State Board of
21 Education.

22 Every school shall report to the State Board of Education
23 by June 30, in the manner that the State Board requires, the
24 number of children who have received the required dental
25 examination, indicating, of those who have not received the
26 required dental examination, the number of children who are

1 exempt from the dental examination on religious grounds as
2 provided in subsection (8) of this Section and the number of
3 children who have received a waiver under subsection (1.5) of
4 this Section.

5 Every school shall report to the State Board of Education
6 by June 30, in the manner that the State Board requires, the
7 number of children who have received the required eye
8 examination, indicating, of those who have not received the
9 required eye examination, the number of children who are exempt
10 from the eye examination as provided in subsection (8) of this
11 Section, the number of children who have received a waiver
12 under subsection (1.10) of this Section, and the total number
13 of children in noncompliance with the eye examination
14 requirement.

15 The reported information under this subsection (6) shall be
16 provided to the Department of Public Health by the State Board
17 of Education.

18 (7) Upon determining that the number of pupils who are
19 required to be in compliance with subsection (5) of this
20 Section is below 90% of the number of pupils enrolled in the
21 school district, 10% of each State aid payment made pursuant to
22 Section 18-8.05 or 18-8.15 to the school district for such year
23 may be withheld by the State Board of Education until the
24 number of students in compliance with subsection (5) is the
25 applicable specified percentage or higher.

26 (8) Children of parents or legal guardians who object to

1 health, dental, or eye examinations or any part thereof, to
2 immunizations, or to vision and hearing screening tests on
3 religious grounds shall not be required to undergo the
4 examinations, tests, or immunizations to which they so object
5 if such parents or legal guardians present to the appropriate
6 local school authority a signed Certificate of Religious
7 Exemption detailing the grounds for objection and the specific
8 immunizations, tests, or examinations to which they object. The
9 grounds for objection must set forth the specific religious
10 belief that conflicts with the examination, test,
11 immunization, or other medical intervention. The signed
12 certificate shall also reflect the parent's or legal guardian's
13 understanding of the school's exclusion policies in the case of
14 a vaccine-preventable disease outbreak or exposure. The
15 certificate must also be signed by the authorized examining
16 health care provider responsible for the performance of the
17 child's health examination confirming that the provider
18 provided education to the parent or legal guardian on the
19 benefits of immunization and the health risks to the student
20 and to the community of the communicable diseases for which
21 immunization is required in this State. However, the health
22 care provider's signature on the certificate reflects only that
23 education was provided and does not allow a health care
24 provider grounds to determine a religious exemption. Those
25 receiving immunizations required under this Code shall be
26 provided with the relevant vaccine information statements that

1 are required to be disseminated by the federal National
2 Childhood Vaccine Injury Act of 1986, which may contain
3 information on circumstances when a vaccine should not be
4 administered, prior to administering a vaccine. A healthcare
5 provider may consider including without limitation the
6 nationally accepted recommendations from federal agencies such
7 as the Advisory Committee on Immunization Practices, the
8 information outlined in the relevant vaccine information
9 statement, and vaccine package inserts, along with the
10 healthcare provider's clinical judgment, to determine whether
11 any child may be more susceptible to experiencing an adverse
12 vaccine reaction than the general population, and, if so, the
13 healthcare provider may exempt the child from an immunization
14 or adopt an individualized immunization schedule. The
15 Certificate of Religious Exemption shall be created by the
16 Department of Public Health and shall be made available and
17 used by parents and legal guardians by the beginning of the
18 2015-2016 school year. Parents or legal guardians must submit
19 the Certificate of Religious Exemption to their local school
20 authority prior to entering kindergarten, sixth grade, and
21 ninth grade for each child for which they are requesting an
22 exemption. The religious objection stated need not be directed
23 by the tenets of an established religious organization.
24 However, general philosophical or moral reluctance to allow
25 physical examinations, eye examinations, immunizations, vision
26 and hearing screenings, or dental examinations does not provide

1 a sufficient basis for an exception to statutory requirements.
2 The local school authority is responsible for determining if
3 the content of the Certificate of Religious Exemption
4 constitutes a valid religious objection. The local school
5 authority shall inform the parent or legal guardian of
6 exclusion procedures, in accordance with the Department's
7 rules under Part 690 of Title 77 of the Illinois Administrative
8 Code, at the time the objection is presented.

9 If the physical condition of the child is such that any one
10 or more of the immunizing agents should not be administered,
11 the examining physician, advanced practice nurse, or physician
12 assistant responsible for the performance of the health
13 examination shall endorse that fact upon the health examination
14 form.

15 Exempting a child from the health, dental, or eye
16 examination does not exempt the child from participation in the
17 program of physical education training provided in Sections
18 27-5 through 27-7 of this Code.

19 (9) For the purposes of this Section, "nursery schools"
20 means those nursery schools operated by elementary school
21 systems or secondary level school units or institutions of
22 higher learning.

23 (Source: P.A. 98-673, eff. 6-30-14; 99-173, eff. 7-29-15;
24 99-249, eff. 8-3-15; 99-642, eff. 7-28-16; 99-927, eff.
25 6-1-17.)

1 (105 ILCS 5/27-24.2) (from Ch. 122, par. 27-24.2)

2 Sec. 27-24.2. Safety education; driver education course.
3 Instruction shall be given in safety education in each of
4 grades one through 8, equivalent to one class period each week,
5 and any school district which maintains grades 9 through 12
6 shall offer a driver education course in any such school which
7 it operates. Its curriculum shall include content dealing with
8 Chapters 11, 12, 13, 15, and 16 of the Illinois Vehicle Code,
9 the rules adopted pursuant to those Chapters insofar as they
10 pertain to the operation of motor vehicles, and the portions of
11 the Litter Control Act relating to the operation of motor
12 vehicles. The course of instruction given in grades 10 through
13 12 shall include an emphasis on the development of knowledge,
14 attitudes, habits, and skills necessary for the safe operation
15 of motor vehicles, including motorcycles insofar as they can be
16 taught in the classroom, and instruction on distracted driving
17 as a major traffic safety issue. In addition, the course shall
18 include instruction on special hazards existing at and required
19 safety and driving precautions that must be observed at
20 emergency situations, highway construction and maintenance
21 zones, and railroad crossings and the approaches thereto.
22 Beginning with the 2017-2018 school year, the course shall also
23 include instruction concerning law enforcement procedures for
24 traffic stops, including a demonstration of the proper actions
25 to be taken during a traffic stop and appropriate interactions
26 with law enforcement. The course of instruction required of

1 each eligible student at the high school level shall consist of
2 a minimum of 30 clock hours of classroom instruction and a
3 minimum of 6 clock hours of individual behind-the-wheel
4 instruction in a dual control car on public roadways taught by
5 a driver education instructor endorsed by the State Board of
6 Education. Both the classroom instruction part and the practice
7 driving part of such driver education course shall be open to a
8 resident or non-resident student attending a non-public school
9 in the district wherein the course is offered. Each student
10 attending any public or non-public high school in the district
11 must receive a passing grade in at least 8 courses during the
12 previous 2 semesters prior to enrolling in a driver education
13 course, or the student shall not be permitted to enroll in the
14 course; provided that the local superintendent of schools (with
15 respect to a student attending a public high school in the
16 district) or chief school administrator (with respect to a
17 student attending a non-public high school in the district) may
18 waive the requirement if the superintendent or chief school
19 administrator, as the case may be, deems it to be in the best
20 interest of the student. A student may be allowed to commence
21 the classroom instruction part of such driver education course
22 prior to reaching age 15 if such student then will be eligible
23 to complete the entire course within 12 months after being
24 allowed to commence such classroom instruction.

25 A school district may offer a driver education course in a
26 school by contracting with a commercial driver training school

1 to provide both the classroom instruction part and the practice
2 driving part or either one without having to request a
3 modification or waiver of administrative rules of the State
4 Board of Education if the school district approves the action
5 during a public hearing on whether to enter into a contract
6 with a commercial driver training school. The public hearing
7 shall be held at a regular or special school board meeting
8 prior to entering into such a contract. If a school district
9 chooses to approve a contract with a commercial driver training
10 school, then the district must provide evidence to the State
11 Board of Education that the commercial driver training school
12 with which it will contract holds a license issued by the
13 Secretary of State under Article IV of Chapter 6 of the
14 Illinois Vehicle Code and that each instructor employed by the
15 commercial driver training school to provide instruction to
16 students served by the school district holds a valid teaching
17 license issued under the requirements of this Code and rules of
18 the State Board of Education. Such evidence must include, but
19 need not be limited to, a list of each instructor assigned to
20 teach students served by the school district, which list shall
21 include the instructor's name, personal identification number
22 as required by the State Board of Education, birth date, and
23 driver's license number. Once the contract is entered into, the
24 school district shall notify the State Board of Education of
25 any changes in the personnel providing instruction either (i)
26 within 15 calendar days after an instructor leaves the program

1 or (ii) before a new instructor is hired. Such notification
2 shall include the instructor's name, personal identification
3 number as required by the State Board of Education, birth date,
4 and driver's license number. If the school district maintains
5 an Internet website, then the district shall post a copy of the
6 final contract between the district and the commercial driver
7 training school on the district's Internet website. If no
8 Internet website exists, then the school district shall make
9 available the contract upon request. A record of all materials
10 in relation to the contract must be maintained by the school
11 district and made available to parents and guardians upon
12 request. The instructor's date of birth and driver's license
13 number and any other personally identifying information as
14 deemed by the federal Driver's Privacy Protection Act of 1994
15 must be redacted from any public materials.

16 Such a course may be commenced immediately after the
17 completion of a prior course. Teachers of such courses shall
18 meet the licensure ~~certification~~ requirements of this Code Act
19 and regulations of the State Board as to qualifications.

20 Subject to rules of the State Board of Education, the
21 school district may charge a reasonable fee, not to exceed \$50,
22 to students who participate in the course, unless a student is
23 unable to pay for such a course, in which event the fee for
24 such a student must be waived. However, the district may
25 increase this fee to an amount not to exceed \$250 by school
26 board resolution following a public hearing on the increase,

1 which increased fee must be waived for students who participate
2 in the course and are unable to pay for the course. The total
3 amount from driver education fees and reimbursement from the
4 State for driver education must not exceed the total cost of
5 the driver education program in any year and must be deposited
6 into the school district's driver education fund as a separate
7 line item budget entry. All moneys deposited into the school
8 district's driver education fund must be used solely for the
9 funding of a high school driver education program approved by
10 the State Board of Education that uses driver education
11 instructors endorsed by the State Board of Education.

12 (Source: P.A. 99-642, eff. 7-28-16; 99-720, eff. 1-1-17.)

13 (105 ILCS 5/27A-9)

14 Sec. 27A-9. Term of charter; renewal.

15 (a) For charters granted 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 granted for a period
18 not less than 5 and not more than 10 school years. For charters
19 granted on or after January 1, 2017 (the effective date of
20 Public Act 99-840) ~~this amendatory Act of the 99th General~~
21 ~~Assembly~~, a charter shall be granted for a period of 5 school
22 years. For charters renewed before January 1, 2017 (the
23 effective date of Public Act 99-840) ~~this amendatory Act of the~~
24 ~~99th General Assembly~~, a charter may be renewed in incremental
25 periods not to exceed 5 school years. For charters renewed on

1 or after January 1, 2017 (the effective date of Public Act
2 99-840) ~~this amendatory Act of the 99th General Assembly~~, a
3 charter may be renewed in incremental periods not to exceed 10
4 school years; however, the Commission may renew a charter only
5 in incremental periods not to exceed 5 years. Authorizers shall
6 ensure that every charter granted on or after January 1, 2017
7 (the effective date of Public Act 99-840) ~~this amendatory Act~~
8 ~~of the 99th General Assembly~~ includes standards and goals for
9 academic, organizational, and financial performance. A charter
10 must meet all standards and goals for academic, organizational,
11 and financial performance set forth by the authorizer in order
12 to be renewed for a term in excess of 5 years but not more than
13 10 years. If an authorizer fails to establish standards and
14 goals, a charter shall not be renewed for a term in excess of 5
15 years. Nothing contained in this Section shall require an
16 authorizer to grant a full 10-year renewal term to any
17 particular charter school, but an authorizer may award a full
18 10-year renewal term to charter schools that have a
19 demonstrated track record of improving student performance.

20 (b) A charter school renewal proposal submitted to the
21 local school board or the Commission, as the chartering entity,
22 shall contain:

23 (1) A report on the progress of the charter school in
24 achieving the goals, objectives, pupil performance
25 standards, content standards, and other terms of the
26 initial approved charter proposal; and

1 (2) A financial statement that discloses the costs of
2 administration, instruction, and other spending categories
3 for the charter school that is understandable to the
4 general public and that will allow comparison of those
5 costs to other schools or other comparable organizations,
6 in a format required by the State Board.

7 (c) A charter may be revoked or not renewed if the local
8 school board or the Commission, as the chartering entity,
9 clearly demonstrates that the charter school did any of the
10 following, or otherwise failed to comply with the requirements
11 of this law:

12 (1) Committed a material violation of any of the
13 conditions, standards, or procedures set forth in the
14 charter.

15 (2) Failed to meet or make reasonable progress toward
16 achievement of the content standards or pupil performance
17 standards identified in the charter.

18 (3) Failed to meet generally accepted standards of
19 fiscal management.

20 (4) Violated any provision of law from which the
21 charter school was not exempted.

22 In the case of revocation, the local school board or the
23 Commission, as the chartering entity, shall notify the charter
24 school in writing of the reason why the charter is subject to
25 revocation. The charter school shall submit a written plan to
26 the local school board or the Commission, whichever is

1 applicable, to rectify the problem. The plan shall include a
2 timeline for implementation, which shall not exceed 2 years or
3 the date of the charter's expiration, whichever is earlier. If
4 the local school board or the Commission, as the chartering
5 entity, finds that the charter school has failed to implement
6 the plan of remediation and adhere to the timeline, then the
7 chartering entity shall revoke the charter. Except in
8 situations of an emergency where the health, safety, or
9 education of the charter school's students is at risk, the
10 revocation shall take place at the end of a school year.
11 Nothing in Public Act 96-105 ~~this amendatory Act of the 96th~~
12 ~~General Assembly~~ shall be construed to prohibit an
13 implementation timetable that is less than 2 years in duration.

14 (d) (Blank).

15 (e) Notice of a local school board's decision to deny,
16 revoke, or not ~~to~~ renew a charter shall be provided to the
17 Commission and the State Board. The Commission may reverse a
18 local board's decision if the Commission finds that the charter
19 school or charter school proposal (i) is in compliance with
20 this Article, and (ii) is in the best interests of the students
21 it is designed to serve. The Commission may condition the
22 granting of an appeal on the acceptance by the charter school
23 of funding in an amount less than that requested in the
24 proposal submitted to the local school board. Final decisions
25 of the Commission shall be subject to judicial review under the
26 Administrative Review Law.

1 (f) Notwithstanding other provisions of this Article, if
2 the Commission on appeal reverses a local board's decision or
3 if a charter school is approved by referendum, the Commission
4 shall act as the authorized chartering entity for the charter
5 school. The Commission shall approve the charter and shall
6 perform all functions under this Article otherwise performed by
7 the local school board. The State Board shall determine whether
8 the charter proposal approved by the Commission is consistent
9 with the provisions of this Article and, if the approved
10 proposal complies, certify the proposal pursuant to this
11 Article. The State Board shall report the aggregate number of
12 charter school pupils resident in a school district to that
13 district and shall notify the district of the amount of funding
14 to be paid by the State Board to the charter school enrolling
15 such students. The Commission shall require the charter school
16 to maintain accurate records of daily attendance that shall be
17 deemed sufficient to file claims under Section 18-8.05 or
18 18-8.15 notwithstanding any other requirements of that Section
19 regarding hours of instruction and teacher certification. The
20 State Board shall withhold from funds otherwise due the
21 district the funds authorized by this Article to be paid to the
22 charter school and shall pay such amounts to the charter
23 school.

24 (g) For charter schools authorized by the Commission, the
25 Commission shall quarterly certify to the State Board the
26 student enrollment for each of its charter schools.

1 (h) For charter schools authorized by the Commission, the
2 State Board shall pay directly to a charter school any federal
3 or State aid attributable to a student with a disability
4 attending the school.

5 (Source: P.A. 98-739, eff. 7-16-14; 99-840, eff. 1-1-17;
6 revised 10-27-16.)

7 (105 ILCS 5/27A-11)

8 Sec. 27A-11. Local financing.

9 (a) For purposes of the School Code, pupils enrolled in a
10 charter school shall be included in the pupil enrollment of the
11 school district within which the pupil resides. Each charter
12 school (i) shall determine the school district in which each
13 pupil who is enrolled in the charter school resides, (ii) shall
14 report the aggregate number of pupils resident of a school
15 district who are enrolled in the charter school to the school
16 district in which those pupils reside, and (iii) shall maintain
17 accurate records of daily attendance that shall be deemed
18 sufficient to file claims under Section 18-8 or 18-8.15
19 notwithstanding any other requirements of that Section
20 regarding hours of instruction and teacher certification.

21 (b) Except for a charter school established by referendum
22 under Section 27A-6.5, as part of a charter school contract,
23 the charter school and the local school board shall agree on
24 funding and any services to be provided by the school district
25 to the charter school. Agreed funding that a charter school is

1 to receive from the local school board for a school year shall
2 be paid in equal quarterly installments with the payment of the
3 installment for the first quarter being made not later than
4 July 1, unless the charter establishes a different payment
5 schedule. However, if a charter school dismisses a pupil from
6 the charter school after receiving a quarterly payment, the
7 charter school shall return to the school district, on a
8 quarterly basis, the prorated portion of public funding
9 provided for the education of that pupil for the time the
10 student is not enrolled at the charter school. Likewise, if a
11 pupil transfers to a charter school between quarterly payments,
12 the school district shall provide, on a quarterly basis, a
13 prorated portion of the public funding to the charter school to
14 provide for the education of that pupil.

15 All services centrally or otherwise provided by the school
16 district including, but not limited to, rent, food services,
17 custodial services, maintenance, curriculum, media services,
18 libraries, transportation, and warehousing shall be subject to
19 negotiation between a charter school and the local school board
20 and paid for out of the revenues negotiated pursuant to this
21 subsection (b); provided that the local school board shall not
22 attempt, by negotiation or otherwise, to obligate a charter
23 school to provide pupil transportation for pupils for whom a
24 district is not required to provide transportation under the
25 criteria set forth in subsection (a) (13) of Section 27A-7.

26 In no event shall the funding be less than 97% ~~75%~~ or more

1 than 103% ~~125%~~ of the school district's per capita student
2 tuition multiplied by the number of students residing in the
3 district who are enrolled in the charter school.

4 It is the intent of the General Assembly that funding and
5 service agreements under this subsection (b) shall be neither a
6 financial incentive nor a financial disincentive to the
7 establishment of a charter school.

8 The charter school may set and collect reasonable fees.
9 Fees collected from students enrolled at a charter school shall
10 be retained by the charter school.

11 (c) Notwithstanding subsection (b) of this Section, the
12 proportionate share of State and federal resources generated by
13 students with disabilities or staff serving them shall be
14 directed to charter schools enrolling those students by their
15 school districts or administrative units. The proportionate
16 share of moneys generated under other federal or State
17 categorical aid programs shall be directed to charter schools
18 serving students eligible for that aid.

19 (d) The governing body of a charter school is authorized to
20 accept gifts, donations, or grants of any kind made to the
21 charter school and to expend or use gifts, donations, or grants
22 in accordance with the conditions prescribed by the donor;
23 however, a gift, donation, or grant may not be accepted by the
24 governing body if it is subject to any condition contrary to
25 applicable law or contrary to the terms of the contract between
26 the charter school and the local school board. Charter schools

1 shall be encouraged to solicit and utilize community volunteer
2 speakers and other instructional resources when providing
3 instruction on the Holocaust and other historical events.

4 (e) (Blank).

5 (f) The Commission shall provide technical assistance to
6 persons and groups preparing or revising charter applications.

7 (g) At the non-renewal or revocation of its charter, each
8 charter school shall refund to the local board of education all
9 unspent funds.

10 (h) A charter school is authorized to incur temporary,
11 short term debt to pay operating expenses in anticipation of
12 receipt of funds from the local school board.

13 (Source: P.A. 98-640, eff. 6-9-14; 98-739, eff. 7-16-14; 99-78,
14 eff. 7-20-15.)

15 (105 ILCS 5/29-5) (from Ch. 122, par. 29-5)

16 Sec. 29-5. Reimbursement by State for transportation. Any
17 school district, maintaining a school, transporting resident
18 pupils to another school district's vocational program,
19 offered through a joint agreement approved by the State Board
20 of Education, as provided in Section 10-22.22 or transporting
21 its resident pupils to a school which meets the standards for
22 recognition as established by the State Board of Education
23 which provides transportation meeting the standards of safety,
24 comfort, convenience, efficiency and operation prescribed by
25 the State Board of Education for resident pupils in

1 kindergarten or any of grades 1 through 12 who: (a) reside at
2 least 1 1/2 miles as measured by the customary route of travel,
3 from the school attended; or (b) reside in areas where
4 conditions are such that walking constitutes a hazard to the
5 safety of the child when determined under Section 29-3; and (c)
6 are transported to the school attended from pick-up points at
7 the beginning of the school day and back again at the close of
8 the school day or transported to and from their assigned
9 attendance centers during the school day, shall be reimbursed
10 by the State as hereinafter provided in this Section.

11 The State will pay the cost of transporting eligible pupils
12 less the prior year assessed valuation in a dual school
13 district maintaining secondary grades 9 to 12 inclusive times a
14 qualifying rate of .05%; in elementary school districts
15 maintaining grades K to 8 times a qualifying rate of .06%; and
16 in unit districts maintaining grades K to 12, including
17 optional elementary unit districts and combined high school -
18 unit districts, times a qualifying rate of .07%; provided that
19 for optional elementary unit districts and combined high school
20 - unit districts, prior year assessed valuation for high school
21 purposes, as defined in Article 11E of this Code, must be used.
22 To be eligible to receive reimbursement in excess of 4/5 of the
23 cost to transport eligible pupils, a school district shall have
24 a Transportation Fund tax rate of at least .12%. If a school
25 district does not have a .12% Transportation Fund tax rate, the
26 amount of its claim in excess of 4/5 of the cost of

1 transporting pupils shall be reduced by the sum arrived at by
2 subtracting the Transportation Fund tax rate from .12% and
3 multiplying that amount by the district's prior year ~~districts~~
4 equalized or assessed valuation, provided, that in no case
5 shall said reduction result in reimbursement of less than 4/5
6 of the cost to transport eligible pupils.

7 The minimum amount to be received by a district is \$16
8 times the number of eligible pupils transported.

9 When calculating the reimbursement for transportation
10 costs, the State Board of Education may not deduct the number
11 of pupils enrolled in early education programs from the number
12 of pupils eligible for reimbursement if the pupils enrolled in
13 the early education programs are transported at the same time
14 as other eligible pupils.

15 Any such district transporting resident pupils during the
16 school day to an area vocational school or another school
17 district's vocational program more than 1 1/2 miles from the
18 school attended, as provided in Sections 10-22.20a and
19 10-22.22, shall be reimbursed by the State for 4/5 of the cost
20 of transporting eligible pupils.

21 School day means that period of time which the pupil is
22 required to be in attendance for instructional purposes.

23 If a pupil is at a location within the school district
24 other than his residence for child care purposes at the time
25 for transportation to school, that location may be considered
26 for purposes of determining the 1 1/2 miles from the school

1 attended.

2 Claims for reimbursement that include children who attend
3 any school other than a public school shall show the number of
4 such children transported.

5 Claims for reimbursement under this Section shall not be
6 paid for the transportation of pupils for whom transportation
7 costs are claimed for payment under other Sections of this Act.

8 The allowable direct cost of transporting pupils for
9 regular, vocational, and special education pupil
10 transportation shall be limited to the sum of the cost of
11 physical examinations required for employment as a school bus
12 driver; the salaries of full or part-time drivers and school
13 bus maintenance personnel; employee benefits excluding
14 Illinois municipal retirement payments, social security
15 payments, unemployment insurance payments and workers'
16 compensation insurance premiums; expenditures to independent
17 carriers who operate school buses; payments to other school
18 districts for pupil transportation services; pre-approved
19 contractual expenditures for computerized bus scheduling; the
20 cost of gasoline, oil, tires, and other supplies necessary for
21 the operation of school buses; the cost of converting buses'
22 gasoline engines to more fuel efficient engines or to engines
23 which use alternative energy sources; the cost of travel to
24 meetings and workshops conducted by the regional
25 superintendent or the State Superintendent of Education
26 pursuant to the standards established by the Secretary of State

1 under Section 6-106 of the Illinois Vehicle Code to improve the
2 driving skills of school bus drivers; the cost of maintenance
3 of school buses including parts and materials used;
4 expenditures for leasing transportation vehicles, except
5 interest and service charges; the cost of insurance and
6 licenses for transportation vehicles; expenditures for the
7 rental of transportation equipment; plus a depreciation
8 allowance of 20% for 5 years for school buses and vehicles
9 approved for transporting pupils to and from school and a
10 depreciation allowance of 10% for 10 years for other
11 transportation equipment so used. Each school year, if a school
12 district has made expenditures to the Regional Transportation
13 Authority or any of its service boards, a mass transit
14 district, or an urban transportation district under an
15 intergovernmental agreement with the district to provide for
16 the transportation of pupils and if the public transit carrier
17 received direct payment for services or passes from a school
18 district within its service area during the 2000-2001 school
19 year, then the allowable direct cost of transporting pupils for
20 regular, vocational, and special education pupil
21 transportation shall also include the expenditures that the
22 district has made to the public transit carrier. In addition to
23 the above allowable costs school districts shall also claim all
24 transportation supervisory salary costs, including Illinois
25 municipal retirement payments, and all transportation related
26 building and building maintenance costs without limitation.

1 Special education allowable costs shall also include
2 expenditures for the salaries of attendants or aides for that
3 portion of the time they assist special education pupils while
4 in transit and expenditures for parents and public carriers for
5 transporting special education pupils when pre-approved by the
6 State Superintendent of Education.

7 Indirect costs shall be included in the reimbursement claim
8 for districts which own and operate their own school buses.
9 Such indirect costs shall include administrative costs, or any
10 costs attributable to transporting pupils from their
11 attendance centers to another school building for
12 instructional purposes. No school district which owns and
13 operates its own school buses may claim reimbursement for
14 indirect costs which exceed 5% of the total allowable direct
15 costs for pupil transportation.

16 The State Board of Education shall prescribe uniform
17 regulations for determining the above standards and shall
18 prescribe forms of cost accounting and standards of determining
19 reasonable depreciation. Such depreciation shall include the
20 cost of equipping school buses with the safety features
21 required by law or by the rules, regulations and standards
22 promulgated by the State Board of Education, and the Department
23 of Transportation for the safety and construction of school
24 buses provided, however, any equipment cost reimbursed by the
25 Department of Transportation for equipping school buses with
26 such safety equipment shall be deducted from the allowable cost

1 in the computation of reimbursement under this Section in the
2 same percentage as the cost of the equipment is depreciated.

3 On or before August 15, annually, the chief school
4 administrator for the district shall certify to the State
5 Superintendent of Education the district's claim for
6 reimbursement for the school year ending on June 30 next
7 preceding. The State Superintendent of Education shall check
8 and approve the claims and prepare the vouchers showing the
9 amounts due for district reimbursement claims. Each fiscal
10 year, the State Superintendent of Education shall prepare and
11 transmit the first 3 vouchers to the Comptroller on the 30th
12 day of September, December and March, respectively, and the
13 final voucher, no later than June 20.

14 If the amount appropriated for transportation
15 reimbursement is insufficient to fund total claims for any
16 fiscal year, the State Board of Education shall reduce each
17 school district's allowable costs and flat grant amount
18 proportionately to make total adjusted claims equal the total
19 amount appropriated.

20 For purposes of calculating claims for reimbursement under
21 this Section for any school year beginning July 1, 1998, or
22 thereafter, the equalized assessed valuation for a school
23 district used to compute reimbursement shall be computed in the
24 same manner as it is computed under paragraph (2) of subsection
25 (G) of Section 18-8.05.

26 All reimbursements received from the State shall be

1 deposited into the district's transportation fund or into the
2 fund from which the allowable expenditures were made.

3 Notwithstanding any other provision of law, any school
4 district receiving a payment under this Section or under
5 Section 14-7.02, 14-7.02b, or 14-13.01 of this Code may
6 classify all or a portion of the funds that it receives in a
7 particular fiscal year or from general State aid pursuant to
8 Section 18-8.05 of this Code as funds received in connection
9 with any funding program for which it is entitled to receive
10 funds from the State in that fiscal year (including, without
11 limitation, any funding program referenced in this Section),
12 regardless of the source or timing of the receipt. The district
13 may not classify more funds as funds received in connection
14 with the funding program than the district is entitled to
15 receive in that fiscal year for that program. Any
16 classification by a district must be made by a resolution of
17 its board of education. The resolution must identify the amount
18 of any payments or general State aid to be classified under
19 this paragraph and must specify the funding program to which
20 the funds are to be treated as received in connection
21 therewith. This resolution is controlling as to the
22 classification of funds referenced therein. A certified copy of
23 the resolution must be sent to the State Superintendent of
24 Education. The resolution shall still take effect even though a
25 copy of the resolution has not been sent to the State
26 Superintendent of Education in a timely manner. No

1 classification under this paragraph by a district shall affect
2 the total amount or timing of money the district is entitled to
3 receive under this Code. No classification under this paragraph
4 by a district shall in any way relieve the district from or
5 affect any requirements that otherwise would apply with respect
6 to that funding program, including any accounting of funds by
7 source, reporting expenditures by original source and purpose,
8 reporting requirements, or requirements of providing services.

9 Any school district with a population of not more than
10 500,000 must deposit all funds received under this Article into
11 the transportation fund and use those funds for the provision
12 of transportation services.

13 (Source: P.A. 95-903, eff. 8-25-08; 96-1264, eff. 1-1-11.)

14 (105 ILCS 5/34-2.3) (from Ch. 122, par. 34-2.3)

15 Sec. 34-2.3. Local school councils - Powers and duties.
16 Each local school council shall have and exercise, consistent
17 with the provisions of this Article and the powers and duties
18 of the board of education, the following powers and duties:

19 1. (A) To annually evaluate the performance of the
20 principal of the attendance center using a Board approved
21 principal evaluation form, which shall include the evaluation
22 of (i) student academic improvement, as defined by the school
23 improvement plan, (ii) student absenteeism rates at the school,
24 (iii) instructional leadership, (iv) the effective
25 implementation of programs, policies, or strategies to improve

1 student academic achievement, (v) school management, and (vi)
2 any other factors deemed relevant by the local school council,
3 including, without limitation, the principal's communication
4 skills and ability to create and maintain a student-centered
5 learning environment, to develop opportunities for
6 professional development, and to encourage parental
7 involvement and community partnerships to achieve school
8 improvement;

9 (B) to determine in the manner provided by subsection (c)
10 of Section 34-2.2 and subdivision 1.5 of this Section whether
11 the performance contract of the principal shall be renewed; and

12 (C) to directly select, in the manner provided by
13 subsection (c) of Section 34-2.2, a new principal (including a
14 new principal to fill a vacancy) -- without submitting any list
15 of candidates for that position to the general superintendent
16 as provided in paragraph 2 of this Section -- to serve under a
17 4 year performance contract; provided that (i) the
18 determination of whether the principal's performance contract
19 is to be renewed, based upon the evaluation required by
20 subdivision 1.5 of this Section, shall be made no later than
21 150 days prior to the expiration of the current
22 performance-based contract of the principal, (ii) in cases
23 where such performance contract is not renewed -- a direct
24 selection of a new principal -- to serve under a 4 year
25 performance contract shall be made by the local school council
26 no later than 45 days prior to the expiration of the current

1 performance contract of the principal, and (iii) a selection by
2 the local school council of a new principal to fill a vacancy
3 under a 4 year performance contract shall be made within 90
4 days after the date such vacancy occurs. A Council shall be
5 required, if requested by the principal, to provide in writing
6 the reasons for the council's not renewing the principal's
7 contract.

8 1.5. The local school council's determination of whether to
9 renew the principal's contract shall be based on an evaluation
10 to assess the educational and administrative progress made at
11 the school during the principal's current performance-based
12 contract. The local school council shall base its evaluation on
13 (i) student academic improvement, as defined by the school
14 improvement plan, (ii) student absenteeism rates at the school,
15 (iii) instructional leadership, (iv) the effective
16 implementation of programs, policies, or strategies to improve
17 student academic achievement, (v) school management, and (vi)
18 any other factors deemed relevant by the local school council,
19 including, without limitation, the principal's communication
20 skills and ability to create and maintain a student-centered
21 learning environment, to develop opportunities for
22 professional development, and to encourage parental
23 involvement and community partnerships to achieve school
24 improvement. If a local school council fails to renew the
25 performance contract of a principal rated by the general
26 superintendent, or his or her designee, in the previous years'

1 evaluations as meeting or exceeding expectations, the
2 principal, within 15 days after the local school council's
3 decision not to renew the contract, may request a review of the
4 local school council's principal non-retention decision by a
5 hearing officer appointed by the American Arbitration
6 Association. A local school council member or members or the
7 general superintendent may support the principal's request for
8 review. During the period of the hearing officer's review of
9 the local school council's decision on whether or not to retain
10 the principal, the local school council shall maintain all
11 authority to search for and contract with a person to serve as
12 interim or acting principal, or as the principal of the
13 attendance center under a 4-year performance contract,
14 provided that any performance contract entered into by the
15 local school council shall be voidable or modified in
16 accordance with the decision of the hearing officer. The
17 principal may request review only once while at that attendance
18 center. If a local school council renews the contract of a
19 principal who failed to obtain a rating of "meets" or "exceeds
20 expectations" in the general superintendent's evaluation for
21 the previous year, the general superintendent, within 15 days
22 after the local school council's decision to renew the
23 contract, may request a review of the local school council's
24 principal retention decision by a hearing officer appointed by
25 the American Arbitration Association. The general
26 superintendent may request a review only once for that

1 principal at that attendance center. All requests to review the
2 retention or non-retention of a principal shall be submitted to
3 the general superintendent, who shall, in turn, forward such
4 requests, within 14 days of receipt, to the American
5 Arbitration Association. The general superintendent shall send
6 a contemporaneous copy of the request that was forwarded to the
7 American Arbitration Association to the principal and to each
8 local school council member and shall inform the local school
9 council of its rights and responsibilities under the
10 arbitration process, including the local school council's
11 right to representation and the manner and process by which the
12 Board shall pay the costs of the council's representation. If
13 the local school council retains the principal and the general
14 superintendent requests a review of the retention decision, the
15 local school council and the general superintendent shall be
16 considered parties to the arbitration, a hearing officer shall
17 be chosen between those 2 parties pursuant to procedures
18 promulgated by the State Board of Education, and the principal
19 may retain counsel and participate in the arbitration. If the
20 local school council does not retain the principal and the
21 principal requests a review of the retention decision, the
22 local school council and the principal shall be considered
23 parties to the arbitration and a hearing officer shall be
24 chosen between those 2 parties pursuant to procedures
25 promulgated by the State Board of Education. The hearing shall
26 begin (i) within 45 days after the initial request for review

1 is submitted by the principal to the general superintendent or
2 (ii) if the initial request for review is made by the general
3 superintendent, within 45 days after that request is mailed to
4 the American Arbitration Association. The hearing officer
5 shall render a decision within 45 days after the hearing begins
6 and within 90 days after the initial request for review. The
7 Board shall contract with the American Arbitration Association
8 for all of the hearing officer's reasonable and necessary
9 costs. In addition, the Board shall pay any reasonable costs
10 incurred by a local school council for representation before a
11 hearing officer.

12 1.10. The hearing officer shall conduct a hearing, which
13 shall include (i) a review of the principal's performance,
14 evaluations, and other evidence of the principal's service at
15 the school, (ii) reasons provided by the local school council
16 for its decision, and (iii) documentation evidencing views of
17 interested persons, including, without limitation, students,
18 parents, local school council members, school faculty and
19 staff, the principal, the general superintendent or his or her
20 designee, and members of the community. The burden of proof in
21 establishing that the local school council's decision was
22 arbitrary and capricious shall be on the party requesting the
23 arbitration, and this party shall sustain the burden by a
24 preponderance of the evidence. The hearing officer shall set
25 the local school council decision aside if that decision, in
26 light of the record developed at the hearing, is arbitrary and

1 capricious. The decision of the hearing officer may not be
2 appealed to the Board or the State Board of Education. If the
3 hearing officer decides that the principal shall be retained,
4 the retention period shall not exceed 2 years.

5 2. In the event (i) the local school council does not renew
6 the performance contract of the principal, or the principal
7 fails to receive a satisfactory rating as provided in
8 subsection (h) of Section 34-8.3, or the principal is removed
9 for cause during the term of his or her performance contract in
10 the manner provided by Section 34-85, or a vacancy in the
11 position of principal otherwise occurs prior to the expiration
12 of the term of a principal's performance contract, and (ii) the
13 local school council fails to directly select a new principal
14 to serve under a 4 year performance contract, the local school
15 council in such event shall submit to the general
16 superintendent a list of 3 candidates -- listed in the local
17 school council's order of preference -- for the position of
18 principal, one of which shall be selected by the general
19 superintendent to serve as principal of the attendance center.
20 If the general superintendent fails or refuses to select one of
21 the candidates on the list to serve as principal within 30 days
22 after being furnished with the candidate list, the general
23 superintendent shall select and place a principal on an interim
24 basis (i) for a period not to exceed one year or (ii) until the
25 local school council selects a new principal with 7 affirmative
26 votes as provided in subsection (c) of Section 34-2.2,

1 whichever occurs first. If the local school council fails or
2 refuses to select and appoint a new principal, as specified by
3 subsection (c) of Section 34-2.2, the general superintendent
4 may select and appoint a new principal on an interim basis for
5 an additional year or until a new contract principal is
6 selected by the local school council. There shall be no
7 discrimination on the basis of race, sex, creed, color or
8 disability unrelated to ability to perform in connection with
9 the submission of candidates for, and the selection of a
10 candidate to serve as principal of an attendance center. No
11 person shall be directly selected, listed as a candidate for,
12 or selected to serve as principal of an attendance center (i)
13 if such person has been removed for cause from employment by
14 the Board or (ii) if such person does not hold a valid
15 administrative certificate issued or exchanged under Article
16 21 and endorsed as required by that Article for the position of
17 principal. A principal whose performance contract is not
18 renewed as provided under subsection (c) of Section 34-2.2 may
19 nevertheless, if otherwise qualified and certified as herein
20 provided and if he or she has received a satisfactory rating as
21 provided in subsection (h) of Section 34-8.3, be included by a
22 local school council as one of the 3 candidates listed in order
23 of preference on any candidate list from which one person is to
24 be selected to serve as principal of the attendance center
25 under a new performance contract. The initial candidate list
26 required to be submitted by a local school council to the

1 general superintendent in cases where the local school council
2 does not renew the performance contract of its principal and
3 does not directly select a new principal to serve under a 4
4 year performance contract shall be submitted not later than 30
5 days prior to the expiration of the current performance
6 contract. In cases where the local school council fails or
7 refuses to submit the candidate list to the general
8 superintendent no later than 30 days prior to the expiration of
9 the incumbent principal's contract, the general superintendent
10 may appoint a principal on an interim basis for a period not to
11 exceed one year, during which time the local school council
12 shall be able to select a new principal with 7 affirmative
13 votes as provided in subsection (c) of Section 34-2.2. In cases
14 where a principal is removed for cause or a vacancy otherwise
15 occurs in the position of principal and the vacancy is not
16 filled by direct selection by the local school council, the
17 candidate list shall be submitted by the local school council
18 to the general superintendent within 90 days after the date
19 such removal or vacancy occurs. In cases where the local school
20 council fails or refuses to submit the candidate list to the
21 general superintendent within 90 days after the date of the
22 vacancy, the general superintendent may appoint a principal on
23 an interim basis for a period of one year, during which time
24 the local school council shall be able to select a new
25 principal with 7 affirmative votes as provided in subsection
26 (c) of Section 34-2.2.

1 2.5. Whenever a vacancy in the office of a principal occurs
2 for any reason, the vacancy shall be filled in the manner
3 provided by this Section by the selection of a new principal to
4 serve under a 4 year performance contract.

5 3. To establish additional criteria to be included as part
6 of the performance contract of its principal, provided that
7 such additional criteria shall not discriminate on the basis of
8 race, sex, creed, color or disability unrelated to ability to
9 perform, and shall not be inconsistent with the uniform 4 year
10 performance contract for principals developed by the board as
11 provided in Section 34-8.1 of the School Code or with other
12 provisions of this Article governing the authority and
13 responsibility of principals.

14 4. To approve the expenditure plan prepared by the
15 principal with respect to all funds allocated and distributed
16 to the attendance center by the Board. The expenditure plan
17 shall be administered by the principal. Notwithstanding any
18 other provision of this Act or any other law, any expenditure
19 plan approved and administered under this Section 34-2.3 shall
20 be consistent with and subject to the terms of any contract for
21 services with a third party entered into by the Chicago School
22 Reform Board of Trustees or the board under this Act.

23 Via a supermajority vote of 7 members of the local school
24 council or 8 members of a high school local school council, the
25 Council may transfer allocations pursuant to Section 34-2.3
26 within funds; provided that such a transfer is consistent with

1 applicable law and collective bargaining agreements.

2 Beginning in fiscal year 1991 and in each fiscal year
3 thereafter, the Board may reserve up to 1% of its total fiscal
4 year budget for distribution on a prioritized basis to schools
5 throughout the school system in order to assure adequate
6 programs to meet the needs of special student populations as
7 determined by the Board. This distribution shall take into
8 account the needs catalogued in the Systemwide Plan and the
9 various local school improvement plans of the local school
10 councils. Information about these centrally funded programs
11 shall be distributed to the local school councils so that their
12 subsequent planning and programming will account for these
13 provisions.

14 Beginning in fiscal year 1991 and in each fiscal year
15 thereafter, from other amounts available in the applicable
16 fiscal year budget, the board shall allocate a lump sum amount
17 to each local school based upon such formula as the board shall
18 determine taking into account the special needs of the student
19 body. The local school principal shall develop an expenditure
20 plan in consultation with the local school council, the
21 professional personnel leadership committee and with all other
22 school personnel, which reflects the priorities and activities
23 as described in the school's local school improvement plan and
24 is consistent with applicable law and collective bargaining
25 agreements and with board policies and standards; however, the
26 local school council shall have the right to request waivers of

1 board policy from the board of education and waivers of
2 employee collective bargaining agreements pursuant to Section
3 34-8.1a.

4 The expenditure plan developed by the principal with
5 respect to amounts available from the fund for prioritized
6 special needs programs and the allocated lump sum amount must
7 be approved by the local school council.

8 The lump sum allocation shall take into account the
9 following principles:

10 a. Teachers: Each school shall be allocated funds equal
11 to the amount appropriated in the previous school year for
12 compensation for teachers (regular grades kindergarten
13 through 12th grade) plus whatever increases in
14 compensation have been negotiated contractually or through
15 longevity as provided in the negotiated agreement.
16 Adjustments shall be made due to layoff or reduction in
17 force, lack of funds or work, change in subject
18 requirements, enrollment changes, or contracts with third
19 parties for the performance of services or to rectify any
20 inconsistencies with system-wide allocation formulas or
21 for other legitimate reasons.

22 b. Other personnel: Funds for other teacher
23 certificated and uncertificated personnel paid through
24 non-categorical funds shall be provided according to
25 system-wide formulas based on student enrollment and the
26 special needs of the school as determined by the Board.

1 c. Non-compensation items: Appropriations for all
2 non-compensation items shall be based on system-wide
3 formulas based on student enrollment and on the special
4 needs of the school or factors related to the physical
5 plant, including but not limited to textbooks, electronic
6 textbooks and the technological equipment necessary to
7 gain access to and use electronic textbooks, supplies,
8 electricity, equipment, and routine maintenance.

9 d. Funds for categorical programs: Schools shall
10 receive personnel and funds based on, and shall use such
11 personnel and funds in accordance with State and Federal
12 requirements applicable to each categorical program
13 provided to meet the special needs of the student body
14 (including but not limited to, Federal Chapter I,
15 Bilingual, and Special Education).

16 d.1. Funds for State Title I: Each school shall receive
17 funds based on State and Board requirements applicable to
18 each State Title I pupil provided to meet the special needs
19 of the student body. Each school shall receive the
20 proportion of funds as provided in Section 18-8 or 18-8.15
21 to which they are entitled. These funds shall be spent only
22 with the budgetary approval of the Local School Council as
23 provided in Section 34-2.3.

24 e. The Local School Council shall have the right to
25 request the principal to close positions and open new ones
26 consistent with the provisions of the local school

1 improvement plan provided that these decisions are
2 consistent with applicable law and collective bargaining
3 agreements. If a position is closed, pursuant to this
4 paragraph, the local school shall have for its use the
5 system-wide average compensation for the closed position.

6 f. Operating within existing laws and collective
7 bargaining agreements, the local school council shall have
8 the right to direct the principal to shift expenditures
9 within funds.

10 g. (Blank).

11 Any funds unexpended at the end of the fiscal year shall be
12 available to the board of education for use as part of its
13 budget for the following fiscal year.

14 5. To make recommendations to the principal concerning
15 textbook selection and concerning curriculum developed
16 pursuant to the school improvement plan which is consistent
17 with systemwide curriculum objectives in accordance with
18 Sections 34-8 and 34-18 of the School Code and in conformity
19 with the collective bargaining agreement.

20 6. To advise the principal concerning the attendance and
21 disciplinary policies for the attendance center, subject to the
22 provisions of this Article and Article 26, and consistent with
23 the uniform system of discipline established by the board
24 pursuant to Section 34-19.

25 7. To approve a school improvement plan developed as
26 provided in Section 34-2.4. The process and schedule for plan

1 development shall be publicized to the entire school community,
2 and the community shall be afforded the opportunity to make
3 recommendations concerning the plan. At least twice a year the
4 principal and local school council shall report publicly on
5 progress and problems with respect to plan implementation.

6 8. To evaluate the allocation of teaching resources and
7 other certificated and uncertificated staff to the attendance
8 center to determine whether such allocation is consistent with
9 and in furtherance of instructional objectives and school
10 programs reflective of the school improvement plan adopted for
11 the attendance center; and to make recommendations to the
12 board, the general superintendent and the principal concerning
13 any reallocation of teaching resources or other staff whenever
14 the council determines that any such reallocation is
15 appropriate because the qualifications of any existing staff at
16 the attendance center do not adequately match or support
17 instructional objectives or school programs which reflect the
18 school improvement plan.

19 9. To make recommendations to the principal and the general
20 superintendent concerning their respective appointments, after
21 August 31, 1989, and in the manner provided by Section 34-8 and
22 Section 34-8.1, of persons to fill any vacant, additional or
23 newly created positions for teachers at the attendance center
24 or at attendance centers which include the attendance center
25 served by the local school council.

26 10. To request of the Board the manner in which training

1 and assistance shall be provided to the local school council.
2 Pursuant to Board guidelines a local school council is
3 authorized to direct the Board of Education to contract with
4 personnel or not-for-profit organizations not associated with
5 the school district to train or assist council members. If
6 training or assistance is provided by contract with personnel
7 or organizations not associated with the school district, the
8 period of training or assistance shall not exceed 30 hours
9 during a given school year; person shall not be employed on a
10 continuous basis longer than said period and shall not have
11 been employed by the Chicago Board of Education within the
12 preceding six months. Council members shall receive training in
13 at least the following areas:

14 1. school budgets;

15 2. educational theory pertinent to the attendance
16 center's particular needs, including the development of
17 the school improvement plan and the principal's
18 performance contract; and

19 3. personnel selection.

20 Council members shall, to the greatest extent possible,
21 complete such training within 90 days of election.

22 11. In accordance with systemwide guidelines contained in
23 the System-Wide Educational Reform Goals and Objectives Plan,
24 criteria for evaluation of performance shall be established for
25 local school councils and local school council members. If a
26 local school council persists in noncompliance with systemwide

1 requirements, the Board may impose sanctions and take necessary
2 corrective action, consistent with Section 34-8.3.

3 12. Each local school council shall comply with the Open
4 Meetings Act and the Freedom of Information Act. Each local
5 school council shall issue and transmit to its school community
6 a detailed annual report accounting for its activities
7 programmatically and financially. Each local school council
8 shall convene at least 2 well-publicized meetings annually with
9 its entire school community. These meetings shall include
10 presentation of the proposed local school improvement plan, of
11 the proposed school expenditure plan, and the annual report,
12 and shall provide an opportunity for public comment.

13 13. Each local school council is encouraged to involve
14 additional non-voting members of the school community in
15 facilitating the council's exercise of its responsibilities.

16 14. The local school council may adopt a school uniform or
17 dress code policy that governs the attendance center and that
18 is necessary to maintain the orderly process of a school
19 function or prevent endangerment of student health or safety,
20 consistent with the policies and rules of the Board of
21 Education. A school uniform or dress code policy adopted by a
22 local school council: (i) shall not be applied in such manner
23 as to discipline or deny attendance to a transfer student or
24 any other student for noncompliance with that policy during
25 such period of time as is reasonably necessary to enable the
26 student to acquire a school uniform or otherwise comply with

1 the dress code policy that is in effect at the attendance
2 center into which the student's enrollment is transferred; and
3 (ii) shall include criteria and procedures under which the
4 local school council will accommodate the needs of or otherwise
5 provide appropriate resources to assist a student from an
6 indigent family in complying with an applicable school uniform
7 or dress code policy. A student whose parents or legal
8 guardians object on religious grounds to the student's
9 compliance with an applicable school uniform or dress code
10 policy shall not be required to comply with that policy if the
11 student's parents or legal guardians present to the local
12 school council a signed statement of objection detailing the
13 grounds for the objection.

14 15. All decisions made and actions taken by the local
15 school council in the exercise of its powers and duties shall
16 comply with State and federal laws, all applicable collective
17 bargaining agreements, court orders and rules properly
18 promulgated by the Board.

19 15a. To grant, in accordance with board rules and policies,
20 the use of assembly halls and classrooms when not otherwise
21 needed, including lighting, heat, and attendants, for public
22 lectures, concerts, and other educational and social
23 activities.

24 15b. To approve, in accordance with board rules and
25 policies, receipts and expenditures for all internal accounts
26 of the attendance center, and to approve all fund-raising

1 activities by nonschool organizations that use the school
2 building.

3 16. (Blank).

4 17. Names and addresses of local school council members
5 shall be a matter of public record.

6 (Source: P.A. 96-1403, eff. 7-29-10.)

7 (105 ILCS 5/34-18) (from Ch. 122, par. 34-18)

8 Sec. 34-18. Powers of the board. The board shall exercise
9 general supervision and jurisdiction over the public education
10 and the public school system of the city, and, except as
11 otherwise provided by this Article, shall have power:

12 1. To make suitable provision for the establishment and
13 maintenance throughout the year or for such portion thereof
14 as it may direct, not less than 9 months, of schools of all
15 grades and kinds, including normal schools, high schools,
16 night schools, schools for defectives and delinquents,
17 parental and truant schools, schools for the blind, the
18 deaf and persons with physical disabilities, schools or
19 classes in manual training, constructural and vocational
20 teaching, domestic arts and physical culture, vocation and
21 extension schools and lecture courses, and all other
22 educational courses and facilities, including
23 establishing, equipping, maintaining and operating
24 playgrounds and recreational programs, when such programs
25 are conducted in, adjacent to, or connected with any public

1 school under the general supervision and jurisdiction of
2 the board; provided that the calendar for the school term
3 and any changes must be submitted to and approved by the
4 State Board of Education before the calendar or changes may
5 take effect, and provided that in allocating funds from
6 year to year for the operation of all attendance centers
7 within the district, the board shall ensure that
8 supplemental general State aid or supplemental grant funds
9 are allocated and applied in accordance with Section 18-8,
10 ~~or~~ 18-8.05, or 18-8.15. To admit to such schools without
11 charge foreign exchange students who are participants in an
12 organized exchange student program which is authorized by
13 the board. The board shall permit all students to enroll in
14 apprenticeship programs in trade schools operated by the
15 board, whether those programs are union-sponsored or not.
16 No student shall be refused admission into or be excluded
17 from any course of instruction offered in the common
18 schools by reason of that student's sex. No student shall
19 be denied equal access to physical education and
20 interscholastic athletic programs supported from school
21 district funds or denied participation in comparable
22 physical education and athletic programs solely by reason
23 of the student's sex. Equal access to programs supported
24 from school district funds and comparable programs will be
25 defined in rules promulgated by the State Board of
26 Education in consultation with the Illinois High School

1 Association. Notwithstanding any other provision of this
2 Article, neither the board of education nor any local
3 school council or other school official shall recommend
4 that children with disabilities be placed into regular
5 education classrooms unless those children with
6 disabilities are provided with supplementary services to
7 assist them so that they benefit from the regular classroom
8 instruction and are included on the teacher's regular
9 education class register;

10 2. To furnish lunches to pupils, to make a reasonable
11 charge therefor, and to use school funds for the payment of
12 such expenses as the board may determine are necessary in
13 conducting the school lunch program;

14 3. To co-operate with the circuit court;

15 4. To make arrangements with the public or quasi-public
16 libraries and museums for the use of their facilities by
17 teachers and pupils of the public schools;

18 5. To employ dentists and prescribe their duties for
19 the purpose of treating the pupils in the schools, but
20 accepting such treatment shall be optional with parents or
21 guardians;

22 6. To grant the use of assembly halls and classrooms
23 when not otherwise needed, including light, heat, and
24 attendants, for free public lectures, concerts, and other
25 educational and social interests, free of charge, under
26 such provisions and control as the principal of the

1 affected attendance center may prescribe;

2 7. To apportion the pupils to the several schools;
3 provided that no pupil shall be excluded from or segregated
4 in any such school on account of his color, race, sex, or
5 nationality. The board shall take into consideration the
6 prevention of segregation and the elimination of
7 separation of children in public schools because of color,
8 race, sex, or nationality. Except that children may be
9 committed to or attend parental and social adjustment
10 schools established and maintained either for boys or girls
11 only. All records pertaining to the creation, alteration or
12 revision of attendance areas shall be open to the public.
13 Nothing herein shall limit the board's authority to
14 establish multi-area attendance centers or other student
15 assignment systems for desegregation purposes or
16 otherwise, and to apportion the pupils to the several
17 schools. Furthermore, beginning in school year 1994-95,
18 pursuant to a board plan adopted by October 1, 1993, the
19 board shall offer, commencing on a phased-in basis, the
20 opportunity for families within the school district to
21 apply for enrollment of their children in any attendance
22 center within the school district which does not have
23 selective admission requirements approved by the board.
24 The appropriate geographical area in which such open
25 enrollment may be exercised shall be determined by the
26 board of education. Such children may be admitted to any

1 such attendance center on a space available basis after all
2 children residing within such attendance center's area
3 have been accommodated. If the number of applicants from
4 outside the attendance area exceed the space available,
5 then successful applicants shall be selected by lottery.
6 The board of education's open enrollment plan must include
7 provisions that allow low income students to have access to
8 transportation needed to exercise school choice. Open
9 enrollment shall be in compliance with the provisions of
10 the Consent Decree and Desegregation Plan cited in Section
11 34-1.01;

12 8. To approve programs and policies for providing
13 transportation services to students. Nothing herein shall
14 be construed to permit or empower the State Board of
15 Education to order, mandate, or require busing or other
16 transportation of pupils for the purpose of achieving
17 racial balance in any school;

18 9. Subject to the limitations in this Article, to
19 establish and approve system-wide curriculum objectives
20 and standards, including graduation standards, which
21 reflect the multi-cultural diversity in the city and are
22 consistent with State law, provided that for all purposes
23 of this Article courses or proficiency in American Sign
24 Language shall be deemed to constitute courses or
25 proficiency in a foreign language; and to employ principals
26 and teachers, appointed as provided in this Article, and

1 fix their compensation. The board shall prepare such
2 reports related to minimal competency testing as may be
3 requested by the State Board of Education, and in addition
4 shall monitor and approve special education and bilingual
5 education programs and policies within the district to
6 assure that appropriate services are provided in
7 accordance with applicable State and federal laws to
8 children requiring services and education in those areas;

9 10. To employ non-teaching personnel or utilize
10 volunteer personnel for: (i) non-teaching duties not
11 requiring instructional judgment or evaluation of pupils,
12 including library duties; and (ii) supervising study
13 halls, long distance teaching reception areas used
14 incident to instructional programs transmitted by
15 electronic media such as computers, video, and audio,
16 detention and discipline areas, and school-sponsored
17 extracurricular activities. The board may further utilize
18 volunteer non-certificated personnel or employ
19 non-certificated personnel to assist in the instruction of
20 pupils under the immediate supervision of a teacher holding
21 a valid certificate, directly engaged in teaching subject
22 matter or conducting activities; provided that the teacher
23 shall be continuously aware of the non-certificated
24 persons' activities and shall be able to control or modify
25 them. The general superintendent shall determine
26 qualifications of such personnel and shall prescribe rules

1 for determining the duties and activities to be assigned to
2 such personnel;

3 10.5. To utilize volunteer personnel from a regional
4 School Crisis Assistance Team (S.C.A.T.), created as part
5 of the Safe to Learn Program established pursuant to
6 Section 25 of the Illinois Violence Prevention Act of 1995,
7 to provide assistance to schools in times of violence or
8 other traumatic incidents within a school community by
9 providing crisis intervention services to lessen the
10 effects of emotional trauma on individuals and the
11 community; the School Crisis Assistance Team Steering
12 Committee shall determine the qualifications for
13 volunteers;

14 11. To provide television studio facilities in not to
15 exceed one school building and to provide programs for
16 educational purposes, provided, however, that the board
17 shall not construct, acquire, operate, or maintain a
18 television transmitter; to grant the use of its studio
19 facilities to a licensed television station located in the
20 school district; and to maintain and operate not to exceed
21 one school radio transmitting station and provide programs
22 for educational purposes;

23 12. To offer, if deemed appropriate, outdoor education
24 courses, including field trips within the State of
25 Illinois, or adjacent states, and to use school educational
26 funds for the expense of the said outdoor educational

1 programs, whether within the school district or not;

2 13. During that period of the calendar year not
3 embraced within the regular school term, to provide and
4 conduct courses in subject matters normally embraced in the
5 program of the schools during the regular school term and
6 to give regular school credit for satisfactory completion
7 by the student of such courses as may be approved for
8 credit by the State Board of Education;

9 14. To insure against any loss or liability of the
10 board, the former School Board Nominating Commission,
11 Local School Councils, the Chicago Schools Academic
12 Accountability Council, or the former Subdistrict Councils
13 or of any member, officer, agent or employee thereof,
14 resulting from alleged violations of civil rights arising
15 from incidents occurring on or after September 5, 1967 or
16 from the wrongful or negligent act or omission of any such
17 person whether occurring within or without the school
18 premises, provided the officer, agent or employee was, at
19 the time of the alleged violation of civil rights or
20 wrongful act or omission, acting within the scope of his
21 employment or under direction of the board, the former
22 School Board Nominating Commission, the Chicago Schools
23 Academic Accountability Council, Local School Councils, or
24 the former Subdistrict Councils; and to provide for or
25 participate in insurance plans for its officers and
26 employees, including but not limited to retirement

1 annuities, medical, surgical and hospitalization benefits
2 in such types and amounts as may be determined by the
3 board; provided, however, that the board shall contract for
4 such insurance only with an insurance company authorized to
5 do business in this State. Such insurance may include
6 provision for employees who rely on treatment by prayer or
7 spiritual means alone for healing, in accordance with the
8 tenets and practice of a recognized religious
9 denomination;

10 15. To contract with the corporate authorities of any
11 municipality or the county board of any county, as the case
12 may be, to provide for the regulation of traffic in parking
13 areas of property used for school purposes, in such manner
14 as is provided by Section 11-209 of The Illinois Vehicle
15 Code, approved September 29, 1969, as amended;

16 16. (a) To provide, on an equal basis, access to a high
17 school campus and student directory information to the
18 official recruiting representatives of the armed forces of
19 Illinois and the United States for the purposes of
20 informing students of the educational and career
21 opportunities available in the military if the board has
22 provided such access to persons or groups whose purpose is
23 to acquaint students with educational or occupational
24 opportunities available to them. The board is not required
25 to give greater notice regarding the right of access to
26 recruiting representatives than is given to other persons

1 and groups. In this paragraph 16, "directory information"
2 means a high school student's name, address, and telephone
3 number.

4 (b) If a student or his or her parent or guardian
5 submits a signed, written request to the high school before
6 the end of the student's sophomore year (or if the student
7 is a transfer student, by another time set by the high
8 school) that indicates that the student or his or her
9 parent or guardian does not want the student's directory
10 information to be provided to official recruiting
11 representatives under subsection (a) of this Section, the
12 high school may not provide access to the student's
13 directory information to these recruiting representatives.
14 The high school shall notify its students and their parents
15 or guardians of the provisions of this subsection (b).

16 (c) A high school may require official recruiting
17 representatives of the armed forces of Illinois and the
18 United States to pay a fee for copying and mailing a
19 student's directory information in an amount that is not
20 more than the actual costs incurred by the high school.

21 (d) Information received by an official recruiting
22 representative under this Section may be used only to
23 provide information to students concerning educational and
24 career opportunities available in the military and may not
25 be released to a person who is not involved in recruiting
26 students for the armed forces of Illinois or the United

1 States;

2 17. (a) To sell or market any computer program
3 developed by an employee of the school district, provided
4 that such employee developed the computer program as a
5 direct result of his or her duties with the school district
6 or through the utilization of the school district resources
7 or facilities. The employee who developed the computer
8 program shall be entitled to share in the proceeds of such
9 sale or marketing of the computer program. The distribution
10 of such proceeds between the employee and the school
11 district shall be as agreed upon by the employee and the
12 school district, except that neither the employee nor the
13 school district may receive more than 90% of such proceeds.
14 The negotiation for an employee who is represented by an
15 exclusive bargaining representative may be conducted by
16 such bargaining representative at the employee's request.

17 (b) For the purpose of this paragraph 17:

18 (1) "Computer" means an internally programmed,
19 general purpose digital device capable of
20 automatically accepting data, processing data and
21 supplying the results of the operation.

22 (2) "Computer program" means a series of coded
23 instructions or statements in a form acceptable to a
24 computer, which causes the computer to process data in
25 order to achieve a certain result.

26 (3) "Proceeds" means profits derived from

1 marketing or sale of a product after deducting the
2 expenses of developing and marketing such product;

3 18. To delegate to the general superintendent of
4 schools, by resolution, the authority to approve contracts
5 and expenditures in amounts of \$10,000 or less;

6 19. Upon the written request of an employee, to
7 withhold from the compensation of that employee any dues,
8 payments or contributions payable by such employee to any
9 labor organization as defined in the Illinois Educational
10 Labor Relations Act. Under such arrangement, an amount
11 shall be withheld from each regular payroll period which is
12 equal to the pro rata share of the annual dues plus any
13 payments or contributions, and the board shall transmit
14 such withholdings to the specified labor organization
15 within 10 working days from the time of the withholding;

16 19a. Upon receipt of notice from the comptroller of a
17 municipality with a population of 500,000 or more, a county
18 with a population of 3,000,000 or more, the Cook County
19 Forest Preserve District, the Chicago Park District, the
20 Metropolitan Water Reclamation District, the Chicago
21 Transit Authority, or a housing authority of a municipality
22 with a population of 500,000 or more that a debt is due and
23 owing the municipality, the county, the Cook County Forest
24 Preserve District, the Chicago Park District, the
25 Metropolitan Water Reclamation District, the Chicago
26 Transit Authority, or the housing authority by an employee

1 of the Chicago Board of Education, to withhold, from the
2 compensation of that employee, the amount of the debt that
3 is due and owing and pay the amount withheld to the
4 municipality, the county, the Cook County Forest Preserve
5 District, the Chicago Park District, the Metropolitan
6 Water Reclamation District, the Chicago Transit Authority,
7 or the housing authority; provided, however, that the
8 amount deducted from any one salary or wage payment shall
9 not exceed 25% of the net amount of the payment. Before the
10 Board deducts any amount from any salary or wage of an
11 employee under this paragraph, the municipality, the
12 county, the Cook County Forest Preserve District, the
13 Chicago Park District, the Metropolitan Water Reclamation
14 District, the Chicago Transit Authority, or the housing
15 authority shall certify that (i) the employee has been
16 afforded an opportunity for a hearing to dispute the debt
17 that is due and owing the municipality, the county, the
18 Cook County Forest Preserve District, the Chicago Park
19 District, the Metropolitan Water Reclamation District, the
20 Chicago Transit Authority, or the housing authority and
21 (ii) the employee has received notice of a wage deduction
22 order and has been afforded an opportunity for a hearing to
23 object to the order. For purposes of this paragraph, "net
24 amount" means that part of the salary or wage payment
25 remaining after the deduction of any amounts required by
26 law to be deducted and "debt due and owing" means (i) a

1 specified sum of money owed to the municipality, the
2 county, the Cook County Forest Preserve District, the
3 Chicago Park District, the Metropolitan Water Reclamation
4 District, the Chicago Transit Authority, or the housing
5 authority for services, work, or goods, after the period
6 granted for payment has expired, or (ii) a specified sum of
7 money owed to the municipality, the county, the Cook County
8 Forest Preserve District, the Chicago Park District, the
9 Metropolitan Water Reclamation District, the Chicago
10 Transit Authority, or the housing authority pursuant to a
11 court order or order of an administrative hearing officer
12 after the exhaustion of, or the failure to exhaust,
13 judicial review;

14 20. The board is encouraged to employ a sufficient
15 number of certified school counselors to maintain a
16 student/counselor ratio of 250 to 1 by July 1, 1990. Each
17 counselor shall spend at least 75% of his work time in
18 direct contact with students and shall maintain a record of
19 such time;

20 21. To make available to students vocational and career
21 counseling and to establish 5 special career counseling
22 days for students and parents. On these days
23 representatives of local businesses and industries shall
24 be invited to the school campus and shall inform students
25 of career opportunities available to them in the various
26 businesses and industries. Special consideration shall be

1 given to counseling minority students as to career
2 opportunities available to them in various fields. For the
3 purposes of this paragraph, minority student means a person
4 who is any of the following:

5 (a) American Indian or Alaska Native (a person having
6 origins in any of the original peoples of North and South
7 America, including Central America, and who maintains
8 tribal affiliation or community attachment).

9 (b) Asian (a person having origins in any of the
10 original peoples of the Far East, Southeast Asia, or the
11 Indian subcontinent, including, but not limited to,
12 Cambodia, China, India, Japan, Korea, Malaysia, Pakistan,
13 the Philippine Islands, Thailand, and Vietnam).

14 (c) Black or African American (a person having origins
15 in any of the black racial groups of Africa). Terms such as
16 "Haitian" or "Negro" can be used in addition to "Black or
17 African American".

18 (d) Hispanic or Latino (a person of Cuban, Mexican,
19 Puerto Rican, South or Central American, or other Spanish
20 culture or origin, regardless of race).

21 (e) Native Hawaiian or Other Pacific Islander (a person
22 having origins in any of the original peoples of Hawaii,
23 Guam, Samoa, or other Pacific Islands).

24 Counseling days shall not be in lieu of regular school
25 days;

26 22. To report to the State Board of Education the

1 annual student dropout rate and number of students who
2 graduate from, transfer from or otherwise leave bilingual
3 programs;

4 23. Except as otherwise provided in the Abused and
5 Neglected Child Reporting Act or other applicable State or
6 federal law, to permit school officials to withhold, from
7 any person, information on the whereabouts of any child
8 removed from school premises when the child has been taken
9 into protective custody as a victim of suspected child
10 abuse. School officials shall direct such person to the
11 Department of Children and Family Services, or to the local
12 law enforcement agency if appropriate;

13 24. To develop a policy, based on the current state of
14 existing school facilities, projected enrollment and
15 efficient utilization of available resources, for capital
16 improvement of schools and school buildings within the
17 district, addressing in that policy both the relative
18 priority for major repairs, renovations and additions to
19 school facilities, and the advisability or necessity of
20 building new school facilities or closing existing schools
21 to meet current or projected demographic patterns within
22 the district;

23 25. To make available to the students in every high
24 school attendance center the ability to take all courses
25 necessary to comply with the Board of Higher Education's
26 college entrance criteria effective in 1993;

1 26. To encourage mid-career changes into the teaching
2 profession, whereby qualified professionals become
3 certified teachers, by allowing credit for professional
4 employment in related fields when determining point of
5 entry on teacher pay scale;

6 27. To provide or contract out training programs for
7 administrative personnel and principals with revised or
8 expanded duties pursuant to this Act in order to assure
9 they have the knowledge and skills to perform their duties;

10 28. To establish a fund for the prioritized special
11 needs programs, and to allocate such funds and other lump
12 sum amounts to each attendance center in a manner
13 consistent with the provisions of part 4 of Section 34-2.3.
14 Nothing in this paragraph shall be construed to require any
15 additional appropriations of State funds for this purpose;

16 29. (Blank);

17 30. Notwithstanding any other provision of this Act or
18 any other law to the contrary, to contract with third
19 parties for services otherwise performed by employees,
20 including those in a bargaining unit, and to layoff those
21 employees upon 14 days written notice to the affected
22 employees. Those contracts may be for a period not to
23 exceed 5 years and may be awarded on a system-wide basis.
24 The board may not operate more than 30 contract schools,
25 provided that the board may operate an additional 5
26 contract turnaround schools pursuant to item (5.5) of

1 subsection (d) of Section 34-8.3 of this Code;

2 31. To promulgate rules establishing procedures
3 governing the layoff or reduction in force of employees and
4 the recall of such employees, including, but not limited
5 to, criteria for such layoffs, reductions in force or
6 recall rights of such employees and the weight to be given
7 to any particular criterion. Such criteria shall take into
8 account factors including, but not be limited to,
9 qualifications, certifications, experience, performance
10 ratings or evaluations, and any other factors relating to
11 an employee's job performance;

12 32. To develop a policy to prevent nepotism in the
13 hiring of personnel or the selection of contractors;

14 33. To enter into a partnership agreement, as required
15 by Section 34-3.5 of this Code, and, notwithstanding any
16 other provision of law to the contrary, to promulgate
17 policies, enter into contracts, and take any other action
18 necessary to accomplish the objectives and implement the
19 requirements of that agreement; and

20 34. To establish a Labor Management Council to the
21 board comprised of representatives of the board, the chief
22 executive officer, and those labor organizations that are
23 the exclusive representatives of employees of the board and
24 to promulgate policies and procedures for the operation of
25 the Council.

26 The specifications of the powers herein granted are not to

1 be construed as exclusive but the board shall also exercise all
2 other powers that they may be requisite or proper for the
3 maintenance and the development of a public school system, not
4 inconsistent with the other provisions of this Article or
5 provisions of this Code which apply to all school districts.

6 In addition to the powers herein granted and authorized to
7 be exercised by the board, it shall be the duty of the board to
8 review or to direct independent reviews of special education
9 expenditures and services. The board shall file a report of
10 such review with the General Assembly on or before May 1, 1990.
11 (Source: P.A. 99-143, eff. 7-27-15.)

12 (105 ILCS 5/34-18.30)

13 Sec. 34-18.30. Dependents of military personnel; no
14 tuition charge. If, at the time of enrollment, a dependent of
15 United States military personnel is housed in temporary housing
16 located outside of the school district, but will be living
17 within the district within 60 days after the time of initial
18 enrollment, the dependent must be allowed to enroll, subject to
19 the requirements of this Section, and must not be charged
20 tuition. Any United States military personnel attempting to
21 enroll a dependent under this Section shall provide proof that
22 the dependent will be living within the district within 60 days
23 after the time of initial enrollment. Proof of residency may
24 include, but is not limited to, postmarked mail addressed to
25 the military personnel and sent to an address located within

1 the district, a lease agreement for occupancy of a residence
2 located within the district, or proof of ownership of a
3 residence located within the district. Non-resident dependents
4 of United States military personnel attending school on a
5 tuition-free basis may be counted for the purposes of
6 determining the apportionment of State aid provided under
7 Section 18-8.05 or 18-8.15 of this Code.

8 (Source: P.A. 95-331, eff. 8-21-07.)

9 (105 ILCS 5/34-43.1) (from Ch. 122, par. 34-43.1)

10 Sec. 34-43.1. (A) Limitation of noninstructional costs. It
11 is the purpose of this Section to establish for the Board of
12 Education and the general superintendent of schools
13 requirements and standards which maximize the proportion of
14 school district resources in direct support of educational,
15 program, and building maintenance and safety services for the
16 pupils of the district, and which correspondingly minimize the
17 amount and proportion of such resources associated with
18 centralized administration, administrative support services,
19 and other noninstructional services.

20 For the 1989-90 school year and for all subsequent school
21 years, the Board of Education shall undertake budgetary and
22 expenditure control actions which limit the administrative
23 expenditures of the Board of Education to levels, as provided
24 for in this Section, which represent an average of the
25 administrative expenses of all school districts in this State

1 not subject to Article 34.

2 (B) Certification of expenses by the State Superintendent
3 of Education. The State Superintendent of Education shall
4 annually certify, on or before May 1, to the Board of Education
5 and the School Finance Authority, for the applicable school
6 year, the following information:

7 (1) the annual expenditures of all school districts of
8 the State not subject to Article 34 properly attributable
9 to expenditure functions defined by the rules and
10 regulations of the State Board of Education as: 2210
11 (Improvement of Instructional Services); 2300 (Support
12 Services - General Administration) excluding, however,
13 2320 (Executive Administrative Services); 2490 (Other
14 Support Services - School Administration); 2500 (Support
15 Services - Business); 2600 (Support Services - Central);

16 (2) the total annual expenditures of all school
17 districts not subject to Article 34 attributable to the
18 Education Fund, the Operations, Building and Maintenance
19 Fund, the Transportation Fund and the Illinois Municipal
20 Retirement Fund of the several districts, as defined by the
21 rules and regulations of the State Board of Education; and

22 (3) a ratio, to be called the statewide average of
23 administrative expenditures, derived by dividing the
24 expenditures certified pursuant to paragraph (B) (1) by the
25 expenditures certified pursuant to paragraph (B) (2).

26 For purposes of the annual certification of expenditures

1 and ratios required by this Section, the "applicable year" of
2 certification shall initially be the 1986-87 school year and,
3 in sequent years, each succeeding school year.

4 The State Superintendent of Education shall consult with
5 the Board of Education to ascertain whether particular
6 expenditure items allocable to the administrative functions
7 enumerated in paragraph (B)(1) are appropriately or
8 necessarily higher in the applicable school district than in
9 the rest of the State due to noncomparable factors. The State
10 Superintendent shall also review the relevant cost proportions
11 in other large urban school districts. The State Superintendent
12 shall also review the expenditure categories in paragraph
13 (B)(1) to ascertain whether they contain school-level
14 expenses. If he or she finds that adjustments to the formula
15 are appropriate or necessary to establish a more fair and
16 comparable standard for administrative cost for the Board of
17 Education or to exclude school-level expenses, the State
18 Superintendent shall recommend to the School Finance Authority
19 rules and regulations adjusting particular subcategories in
20 this subsection (B) or adjusting certain costs in determining
21 the budget and expenditure items properly attributable to the
22 functions or otherwise adjust the formula.

23 (C) Administrative expenditure limitations. The annual
24 budget of the Board of Education, as adopted and implemented,
25 and the related annual expenditures for the school year, shall
26 reflect a limitation on administrative outlays as required by

1 the following provisions, taking into account any adjustments
2 established by the State Superintendent of Education: (1) the
3 budget and expenditures of the Board of Education for the
4 1989-90 school year shall reflect a ratio of administrative
5 expenditures to total expenditures equal to or less than the
6 statewide average of administrative expenditures for the
7 1986-87 school year as certified by the State Superintendent of
8 Education pursuant to paragraph (B)(3); (2) for the 1990-91
9 school year and for all subsequent school years, the budget and
10 expenditures of the Board of Education shall reflect a ratio of
11 administrative expenditures to total expenditures equal to or
12 less than the statewide average of administrative expenditures
13 certified by the State Superintendent of Education for the
14 applicable year pursuant to paragraph (B)(3); (3) if for any
15 school year the budget of the Board of Education reflects a
16 ratio of administrative expenditures to total expenditures
17 which exceeds the applicable statewide average, the Board of
18 Education shall reduce expenditure items allocable to the
19 administrative functions enumerated in paragraph (B)(1) such
20 that the Board of Education's ratio of administrative
21 expenditures to total expenditures is equal to or less than the
22 applicable statewide average ratio.

23 For purposes of this Section, the ratio of administrative
24 expenditures to the total expenditures of the Board of
25 Education, as applied to the budget of the Board of Education,
26 shall mean: the budgeted expenditure items of the Board of

1 Education properly attributable to the expenditure functions
2 identified in paragraph (B)(1) divided by the total budgeted
3 expenditures of the Board of Education properly attributable to
4 the Board of Education funds corresponding to those funds
5 identified in paragraph (B)(2), exclusive of any monies
6 budgeted for payment to the Public School Teachers' Pension and
7 Retirement System, attributable to payments due from the
8 General Funds of the State of Illinois.

9 The annual expenditure of the Board of Education for 2320
10 (Executive Administrative Services) for the 1989-90 school
11 year shall be no greater than the 2320 expenditure for the
12 1988-89 school year. The annual expenditure of the Board of
13 Education for 2320 for the 1990-91 school year and each
14 subsequent school year shall be no greater than the 2320
15 expenditure for the immediately preceding school year or the
16 1988-89 school year, whichever is less. This annual expenditure
17 limitation may be adjusted in each year in an amount not to
18 exceed any change effective during the applicable school year
19 in salary to be paid under the collective bargaining agreement
20 with instructional personnel to which the Board is a party and
21 in benefit costs either required by law or such collective
22 bargaining agreement.

23 (D) Cost control measures. In undertaking actions to
24 control or reduce expenditure items necessitated by the
25 administrative expenditure limitations of this Section, the
26 Board of Education shall give priority consideration to

1 reductions or cost controls with the least effect upon direct
2 services to students or instructional services for pupils, and
3 upon the safety and well-being of pupils, and, as applicable,
4 with the particular costs or functions to which the Board of
5 Education is higher than the statewide average.

6 For purposes of assuring that the cost control priorities
7 of this subsection (D) are met, the State Superintendent of
8 Education shall, with the assistance of the Board of Education,
9 review the cost allocation practices of the Board of Education,
10 and the State Superintendent of Education shall thereafter
11 recommend to the School Finance Authority rules and regulations
12 which define administrative areas which most impact upon the
13 direct and instructional needs of students and upon the safety
14 and well-being of the pupils of the district. No position
15 closed shall be reopened using State or federal categorical
16 funds.

17 (E) Report of Audited Information. For the 1988-89 school
18 year and for all subsequent school years, the Board of
19 Education shall file with the State Board of Education the
20 Annual Financial Report and its audit, as required by the rules
21 of the State Board of Education. Such reports shall be filed no
22 later than February 15 following the end of the school year of
23 the Board of Education, beginning with the report to be filed
24 no later than February 15, 1990 for the 1988-89 school year.

25 As part of the required Annual Financial Report, the Board
26 of Education shall provide a detailed accounting of the central

1 level, district, bureau and department costs and personnel
2 included within expenditure functions included in paragraph
3 (B)(1). The nature and detail of the reporting required for
4 these functions shall be prescribed by the State Board of
5 Education in rules and regulations. A copy of this detailed
6 accounting shall also be provided annually to the School
7 Finance Authority and the public. This report shall contain a
8 reconciliation to the board of education's adopted budget for
9 that fiscal year, specifically delineating administrative
10 functions.

11 If the information required under this Section is not
12 provided by the Board of Education in a timely manner, or is
13 initially or subsequently determined by the State
14 Superintendent of Education to be incomplete or inaccurate, the
15 State Superintendent shall, in writing, notify the Board of
16 Education of reporting deficiencies. The Board of Education
17 shall, within 60 days of such notice, address the reporting
18 deficiencies identified. If the State Superintendent of
19 Education does not receive satisfactory response to these
20 reporting deficiencies within 60 days, the next payment of
21 general State aid or evidence-based funding due the Board of
22 Education under Section 18-8 or Section 18-8.15, as applicable,
23 and all subsequent payments, shall be withheld by the State
24 Superintendent of Education until the enumerated deficiencies
25 have been addressed.

26 Utilizing the Annual Financial Report, the State

1 Superintendent of Education shall certify on or before May 1 to
2 the School Finance Authority the Board of Education's ratio of
3 administrative expenditures to total expenditures for the
4 1988-89 school year and for each succeeding school year. Such
5 certification shall indicate the extent to which the
6 administrative expenditure ratio of the Board of Education
7 conformed to the limitations required in subsection (C) of this
8 Section, taking into account any adjustments of the limitations
9 which may have been recommended by the State Superintendent of
10 Education to the School Finance Authority. In deriving the
11 administrative expenditure ratio of the Chicago Board of
12 Education, the State Superintendent of Education shall utilize
13 the definition of this ratio prescribed in subsection (C) of
14 this Section, except that the actual expenditures of the Board
15 of Education shall be substituted for budgeted expenditure
16 items.

17 (F) Approval and adjustments to administrative expenditure
18 limitations. The School Finance Authority organized under
19 Article 34A shall monitor the Board of Education's adherence to
20 the requirements of this Section. As part of its responsibility
21 the School Finance Authority shall determine whether the Board
22 of Education's budget for the next school year, and the
23 expenditures for a prior school year, comply with the
24 limitation of administrative expenditures required by this
25 Section. The Board of Education and the State Board of
26 Education shall provide such information as is required by the

1 School Finance Authority in order for the Authority to
2 determine compliance with the provisions of this Section. If
3 the Authority determines that the budget proposed by the Board
4 of Education does not meet the cost control requirements of
5 this Section, the Board of Education shall undertake budgetary
6 reductions, consistent with the requirements of this Section,
7 to bring the proposed budget into compliance with such cost
8 control limitations.

9 If, in formulating cost control and cost reduction
10 alternatives, the Board of Education believes that meeting the
11 cost control requirements of this Section related to the budget
12 for the ensuing year would impair the education, safety, or
13 well-being of the pupils of the school district, the Board of
14 Education may request that the School Finance Authority make
15 adjustments to the limitations required by this Section. The
16 Board of Education shall specify the amount, nature, and
17 reasons for the relief required and shall also identify cost
18 reductions which can be made in expenditure functions not
19 enumerated in paragraph (B) (1), which would serve the purposes
20 of this Section.

21 The School Finance Authority shall consult with the State
22 Superintendent of Education concerning the reasonableness from
23 an educational administration perspective of the adjustments
24 sought by the Board of Education. The School Finance Authority
25 shall provide an opportunity for the public to comment upon the
26 reasonableness of the Board's request. If, after such

1 consultation, the School Finance Authority determines that all
2 or a portion of the adjustments sought by the Board of
3 Education are reasonably appropriate or necessary, the
4 Authority may grant such relief from the provisions of this
5 Section which the Authority deems appropriate. Adjustments so
6 granted apply only to the specific school year for which the
7 request was made.

8 In the event that the School Finance Authority determines
9 that the Board of Education has failed to achieve the required
10 administrative expenditure limitations for a prior school
11 year, or if the Authority determines that the Board of
12 Education has not met the requirements of subsection (F), the
13 Authority shall make recommendations to the Board of Education
14 concerning appropriate corrective actions. If the Board of
15 Education fails to provide adequate assurance to the Authority
16 that appropriate corrective actions have been or will be taken,
17 the Authority may, within 60 days thereafter, require the board
18 to adjust its current budget to correct for the prior year's
19 shortage or may recommend to the members of the General
20 Assembly and the Governor such sanctions or remedial actions as
21 will serve to deter any further such failures on the part of
22 the Board of Education.

23 To assist the Authority in its monitoring
24 responsibilities, the Board of Education shall provide such
25 reports and information as are from time to time required by
26 the Authority.

1 (G) Independent reviews of administrative expenditures.
2 The School Finance Authority may direct independent reviews of
3 the administrative and administrative support expenditures and
4 services and other non-instructional expenditure functions of
5 the Board of Education. The Board of Education shall afford
6 full cooperation to the School Finance Authority in such review
7 activity. The purpose of such reviews shall be to verify
8 specific targets for improved operating efficiencies of the
9 Board of Education, to identify other areas of potential
10 efficiencies, and to assure full and proper compliance by the
11 Board of Education with all requirements of this Section.

12 In the conduct of reviews under this subsection, the
13 Authority may request the assistance and consultation of the
14 State Superintendent of Education with regard to questions of
15 efficiency and effectiveness in educational administration.

16 (H) Reports to Governor and General Assembly. On or before
17 May 1, 1991 and no less frequently than yearly thereafter, the
18 School Finance Authority shall provide to the Governor, the
19 State Board of Education, and the members of the General
20 Assembly an annual report, as outlined in Section 34A-606,
21 which includes the following information: (1) documenting the
22 compliance or non-compliance of the Board of Education with the
23 requirements of this Section; (2) summarizing the costs,
24 findings, and recommendations of any reviews directed by the
25 School Finance Authority, and the response to such
26 recommendations made by the Board of Education; and (3)

1 recommending sanctions or legislation necessary to fulfill the
2 intent of this Section.

3 (Source: P.A. 86-124; 86-1477.)

4 (105 ILCS 5/34-53) (from Ch. 122, par. 34-53)

5 Sec. 34-53. Tax levies; purpose; rates. For the purpose of
6 establishing and supporting free schools for not fewer than 9
7 months in each year and defraying their expenses the board may
8 levy annually, upon all taxable property of such district for
9 educational purposes a tax for the fiscal years 1996 and each
10 succeeding fiscal year at a rate of not to exceed the sum of
11 (i) 3.07% (or such other rate as may be set by law independent
12 of the rate difference described in (ii) below) and (ii) the
13 difference between .50% and the rate per cent of taxes extended
14 for a School Finance Authority organized under Article 34A of
15 the School Code, for the calendar year in which the applicable
16 fiscal year of the board begins as determined by the county
17 clerk and certified to the board pursuant to Section 18-110 of
18 the Property Tax Code, of the value as equalized or assessed by
19 the Department of Revenue for the year in which such levy is
20 made.

21 Beginning on the effective date of this amendatory Act of
22 the 99th General Assembly, for the purpose of making an
23 employer contribution to the Public School Teachers' Pension
24 and Retirement Fund of Chicago, the board may levy annually for
25 taxable years prior to 2017, upon all taxable property located

1 within the district, a tax at a rate not to exceed 0.383%.
2 Beginning with the 2017 taxable year, for the purpose of making
3 an employer contribution to the Public School Teachers' Pension
4 and Retirement Fund of Chicago, the board may levy annually,
5 upon all taxable property within the district, a tax at a rate
6 not to exceed 0.567%. The proceeds from this additional tax
7 shall be paid, as soon as possible after collection, directly
8 to Public School Teachers' Pension and Retirement Fund of
9 Chicago and not to the Board of Education. The rate under this
10 paragraph is not a new rate for the purposes of the Property
11 Tax Extension Limitation Law. Notwithstanding any other
12 provision of law, for the 2016 tax year only, the board shall
13 certify the rate to the county clerk on the effective date of
14 this amendatory Act of the 99th General Assembly, and the
15 county clerk shall extend that rate against all taxable
16 property located within the district as soon after receiving
17 the certification as possible.

18 Nothing in this amendatory Act of 1995 shall in any way
19 impair or restrict the levy or extension of taxes pursuant to
20 any tax levies for any purposes of the board lawfully made
21 prior to the adoption of this amendatory Act of 1995.

22 Notwithstanding any other provision of this Code and in
23 addition to any other methods provided for increasing the tax
24 rate the board may, by proper resolution, cause a proposition
25 to increase the annual tax rate for educational purposes to be
26 submitted to the voters of such district at any general or

1 special election. The maximum rate for educational purposes
2 shall not exceed 4.00%. The election called for such purpose
3 shall be governed by Article 9 of this Act. If at such election
4 a majority of the votes cast on the proposition is in favor
5 thereof, the Board of Education may thereafter until such
6 authority is revoked in a like manner, levy annually the tax so
7 authorized.

8 For purposes of this Article, educational purposes for
9 fiscal years beginning in 1995 and each subsequent year shall
10 also include, but not be limited to, in addition to those
11 purposes authorized before this amendatory Act of 1995,
12 constructing, acquiring, leasing (other than from the Public
13 Building Commission of Chicago), operating, maintaining,
14 improving, repairing, and renovating land, buildings,
15 furnishings, and equipment for school houses and buildings, and
16 related incidental expenses, and provision of special
17 education, furnishing free textbooks and instructional aids
18 and school supplies, establishing, equipping, maintaining, and
19 operating supervised playgrounds under the control of the
20 board, school extracurricular activities, and stadia, social
21 center, and summer swimming pool programs open to the public in
22 connection with any public school; making an employer
23 contribution to the Public School Teachers' Pension and
24 Retirement Fund as required by Section 17-129 of the Illinois
25 Pension Code; and providing an agricultural science school,
26 including site development and improvements, maintenance

1 repairs, and supplies. Educational purposes also includes
2 student transportation expenses.

3 All collections of all taxes levied for fiscal years ending
4 before 1996 under this Section or under Sections 34-53.2,
5 34-53.3, 34-58, 34-60, or 34-62 of this Article as in effect
6 prior to this amendatory Act of 1995 may be used for any
7 educational purposes as defined by this amendatory Act of 1995
8 and need not be used for the particular purposes for which they
9 were levied. The levy and extension of taxes pursuant to this
10 Section as amended by this amendatory Act of 1995 shall not
11 constitute a new or increased tax rate within the meaning of
12 the Property Tax Extension Limitation Law or the One-year
13 Property Tax Extension Limitation Law.

14 The rate at which taxes may be levied for the fiscal year
15 beginning September 1, 1996, for educational purposes shall be
16 the full rate authorized by this Section for such taxes for
17 fiscal years ending after 1995.

18 (Source: P.A. 99-521, eff. 6-1-17.)

19 Section 970. The Educational Opportunity for Military
20 Children Act is amended by changing Section 25 as follows:

21 (105 ILCS 70/25)

22 Sec. 25. Tuition for children of active duty military
23 personnel who are transfer students. If a student who is a
24 child of active duty military personnel is (i) placed with a

1 non-custodial parent and (ii) as a result of placement, must
2 attend a non-resident school district, then the student must
3 not be charged the tuition of the school that the student
4 attends as a result of placement with the non-custodial parent
5 and the student must be counted in the calculation of average
6 daily attendance under Section 18-8.05 or 18-8.15 of the School
7 Code.

8 (Source: P.A. 98-673, eff. 6-30-14.)

9 Section 995. Inseverability. The provisions of this Act are
10 mutually dependent and inseverable. If any provision is held
11 invalid other than as applied to a particular person or
12 circumstance, then this entire Act is invalid.

13 Section 997. Savings clause. Any repeal or amendment made
14 by this Act shall not affect or impair any of the following:
15 suits pending or rights existing at the time this Act takes
16 effect; any grant or conveyance made or right acquired or cause
17 of action now existing under any Section, Article, or Act
18 repealed or amended by this Act; the validity of any bonds or
19 other obligations issued or sold and constituting valid
20 obligations of the issuing authority at the time this Act takes
21 effect; the validity of any contract; the validity of any tax
22 levied under any law in effect prior to the effective date of
23 this Act; or any offense committed, act done, penalty,
24 punishment, or forfeiture incurred or any claim, right, power,

1 or remedy accrued under any law in effect prior to the
2 effective date of this Act.

3 Section 999. Effective date. This Act takes effect upon
4 becoming law.