



## 101ST GENERAL ASSEMBLY

### State of Illinois

2019 and 2020

HB2553

by Rep. Camille Y. Lilly

#### SYNOPSIS AS INTRODUCED:

New Act

105 ILCS 5/2-3.28

from Ch. 122, par. 2-3.28

105 ILCS 5/18-8.15

30 ILCS 805/8.43 new

Creates the Education Prioritization Act. Beginning with fiscal year 2020, requires the General Assembly to appropriate for the evidence-based funding formula under the School Code an amount that is equal to or exceeds the sum of: (i) the total amount appropriated for the evidence-based funding formula during the fiscal year immediately preceding the fiscal year for which the appropriation is being made; and (ii) 51% of total new general funds available for spending from estimated growth in revenues and funds available because of budgeted program growth and decline in the fiscal year for which the appropriation is being made; but in no event shall the sum be less than a certain percentage required under the Act. Requires a continuing appropriation if the General Assembly fails to make sufficient appropriations to fund the evidence-based funding formula. Amends the School Code to make changes concerning a system for accounting for revenues and expenditures and evidence-based funding. Amends the State Mandates Act to require implementation without reimbursement. Effective immediately.

LRB101 09406 AXK 54504 b

FISCAL NOTE ACT  
MAY APPLY

STATE MANDATES  
ACT MAY REQUIRE  
REIMBURSEMENT

1 AN ACT concerning education.

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

4 Section 1. Short title. This Act may be cited as the  
5 Education Prioritization Act.

6 Section 5. Educational appropriations. Beginning with  
7 fiscal year 2020 and in each fiscal year thereafter, subject to  
8 the provisions of Section 10 of this Act, the General Assembly  
9 shall appropriate for the evidence-based funding formula set  
10 forth in Section 18-8.15 of the School Code an amount that is  
11 equal to or exceeds the sum of: (i) the total amount  
12 appropriated for the evidence-based funding formula set forth  
13 in Section 18-8.15 of the School Code during the fiscal year  
14 immediately preceding the fiscal year for which the  
15 appropriation is being made; and (ii) 51% of total new general  
16 funds available for spending from estimated growth in revenues  
17 and funds available because of budgeted program growth and  
18 decline in the fiscal year for which the appropriation is being  
19 made; but in no event shall the sum be less than the percentage  
20 required under Section 10 of this Act. The Commission on  
21 Government Forecasting and Accountability shall certify the  
22 amount of total new general funds available for spending.

1           Section 10. State and federal funding. State funding for  
2 the evidence-based funding formula set forth in Section 18-8.15  
3 of the School Code shall be appropriated pursuant to Section 5  
4 of this Act so that the sum of State and federal spending  
5 represents no less than 51% of the total revenues available  
6 from local, State, and federal sources for elementary and  
7 secondary education programs for the current fiscal year, as  
8 estimated by the State Superintendent of Education.

9           Section 15. Continuing appropriation. If the General  
10 Assembly fails to make appropriations to the State Board of  
11 Education in fiscal year 2020 or in any fiscal year thereafter  
12 sufficient to fund the evidence-based funding formula set forth  
13 in Section 18-8.15 of the School Code, this Act shall  
14 constitute a continuing appropriation of all amounts necessary  
15 for that purpose.

16           Section 20. Governor's budget. Beginning with fiscal year  
17 2021 and in each fiscal year thereafter, the Governor shall  
18 include in his or her annual budget an allocation for  
19 elementary and secondary education that conforms to the  
20 provisions of this Act.

21           Section 85. The School Code is amended by changing Sections  
22 2-3.28 and 18-8.15 as follows:

1 (105 ILCS 5/2-3.28) (from Ch. 122, par. 2-3.28)

2 Sec. 2-3.28. Rules and regulations of budget and accounting  
3 systems. To prescribe rules and regulations defining what shall  
4 constitute a budget and accounting system required under this  
5 Act. The rules and regulations shall prescribe the minimum  
6 extent of verification, the type of audit, the extent of the  
7 audit report and shall require compliance with statutory  
8 requirements and standards and such requirements as the State  
9 Board of Education deems necessary for an adequate budget and  
10 accounting system. For the 2019-2020 school year and  
11 thereafter, the rules and regulations shall prescribe a system  
12 for accounting for revenues and expenditures at the individual  
13 school level that includes, without limitation, the following:

14 (1) accounting for expenditures for school  
15 administration, regular instruction, special education  
16 instruction, instructional programs for children of  
17 limited English-speaking ability, instructional support  
18 services, and pupil support services;

19 (2) salary expenditures reflecting actual staff  
20 salaries at each school;

21 (3) accounting for operations, including  
22 non-instructional pupil services, facilities, and business  
23 services; and

24 (4) such other requirements as the State Board of  
25 Education deems necessary to provide for a uniform and  
26 transparent system of accounting at the school level.

1 (Source: P.A. 81-1508.)

2 (105 ILCS 5/18-8.15)

3 Sec. 18-8.15. Evidence-based funding for student success  
4 for the 2017-2018 and subsequent school years.

5 (a) General provisions.

6 (1) The purpose of this Section is to ensure that, by  
7 June 30, 2027 and beyond, this State has a kindergarten  
8 through grade 12 public education system with the capacity  
9 to ensure the educational development of all persons to the  
10 limits of their capacities in accordance with Section 1 of  
11 Article X of the Constitution of the State of Illinois. To  
12 accomplish that objective, this Section creates a method of  
13 funding public education that is evidence-based; is  
14 sufficient to ensure every student receives a meaningful  
15 opportunity to learn irrespective of race, ethnicity,  
16 sexual orientation, gender, or community-income level; and  
17 is sustainable and predictable. When fully funded under  
18 this Section, every school shall have the resources, based  
19 on what the evidence indicates is needed, to:

20 (A) provide all students with a high quality  
21 education that offers the academic, enrichment, social  
22 and emotional support, technical, and career-focused  
23 programs that will allow them to become competitive  
24 workers, responsible parents, productive citizens of  
25 this State, and active members of our national

1 democracy;

2 (B) ensure all students receive the education they  
3 need to graduate from high school with the skills  
4 required to pursue post-secondary education and  
5 training for a rewarding career;

6 (C) reduce, with a goal of eliminating, the  
7 achievement gap between at-risk and non-at-risk  
8 students by raising the performance of at-risk  
9 students and not by reducing standards; and

10 (D) ensure this State satisfies its obligation to  
11 assume the primary responsibility to fund public  
12 education and simultaneously relieve the  
13 disproportionate burden placed on local property taxes  
14 to fund schools.

15 (2) The evidence-based funding formula under this  
16 Section shall be applied to all Organizational Units in  
17 this State. The evidence-based funding formula outlined in  
18 this Act is based on the formula outlined in Senate Bill 1  
19 of the 100th General Assembly, as passed by both  
20 legislative chambers. As further defined and described in  
21 this Section, there are 4 major components of the  
22 evidence-based funding model:

23 (A) First, the model calculates a unique adequacy  
24 target for each Organizational Unit in this State that  
25 considers the costs to implement research-based  
26 activities, the unit's student demographics, and

1 regional wage difference.

2 (B) Second, the model calculates each  
3 Organizational Unit's local capacity, or the amount  
4 each Organizational Unit is assumed to contribute  
5 towards its adequacy target from local resources.

6 (C) Third, the model calculates how much funding  
7 the State currently contributes to the Organizational  
8 Unit, and adds that to the unit's local capacity to  
9 determine the unit's overall current adequacy of  
10 funding.

11 (D) Finally, the model's distribution method  
12 allocates new State funding to those Organizational  
13 Units that are least well-funded, considering both  
14 local capacity and State funding, in relation to their  
15 adequacy target.

16 (3) An Organizational Unit receiving any funding under  
17 this Section may apply those funds to any fund so received  
18 for which that Organizational Unit is authorized to make  
19 expenditures by law.

20 (4) As used in this Section, the following terms shall  
21 have the meanings ascribed in this paragraph (4):

22 "Adequacy Target" is defined in paragraph (1) of  
23 subsection (b) of this Section.

24 "Adjusted EAV" is defined in paragraph (4) of  
25 subsection (d) of this Section.

26 "Adjusted Local Capacity Target" is defined in

1 paragraph (3) of subsection (c) of this Section.

2 "Adjusted Operating Tax Rate" means a tax rate for all  
3 Organizational Units, for which the State Superintendent  
4 shall calculate and subtract for the Operating Tax Rate a  
5 transportation rate based on total expenses for  
6 transportation services under this Code, as reported on the  
7 most recent Annual Financial Report in Pupil  
8 Transportation Services, function 2550 in both the  
9 Education and Transportation funds and functions 4110 and  
10 4120 in the Transportation fund, less any corresponding  
11 fiscal year State of Illinois scheduled payments excluding  
12 net adjustments for prior years for regular, vocational, or  
13 special education transportation reimbursement pursuant to  
14 Section 29-5 or subsection (b) of Section 14-13.01 of this  
15 Code divided by the Adjusted EAV. If an Organizational  
16 Unit's corresponding fiscal year State of Illinois  
17 scheduled payments excluding net adjustments for prior  
18 years for regular, vocational, or special education  
19 transportation reimbursement pursuant to Section 29-5 or  
20 subsection (b) of Section 14-13.01 of this Code exceed the  
21 total transportation expenses, as defined in this  
22 paragraph, no transportation rate shall be subtracted from  
23 the Operating Tax Rate.

24 "Allocation Rate" is defined in paragraph (3) of  
25 subsection (g) of this Section.

26 "Alternative School" means a public school that is



1 created and operated by a regional superintendent of  
2 schools and approved by the State Board.

3 "Applicable Tax Rate" is defined in paragraph (1) of  
4 subsection (d) of this Section.

5 "Assessment" means any of those benchmark, progress  
6 monitoring, formative, diagnostic, and other assessments,  
7 in addition to the State accountability assessment, that  
8 assist teachers' needs in understanding the skills and  
9 meeting the needs of the students they serve.

10 "Assistant principal" means a school administrator  
11 duly endorsed to be employed as an assistant principal in  
12 this State.

13 "At-risk student" means a student who is at risk of not  
14 meeting the Illinois Learning Standards or not graduating  
15 from elementary or high school and who demonstrates a need  
16 for vocational support or social services beyond that  
17 provided by the regular school program. All students  
18 included in an Organizational Unit's Low-Income Count, as  
19 well as all English learner and disabled students attending  
20 the Organizational Unit, shall be considered at-risk  
21 students under this Section.

22 "Average Student Enrollment" or "ASE" for fiscal year  
23 2018 means, for an Organizational Unit, the greater of the  
24 average number of students (grades K through 12) reported  
25 to the State Board as enrolled in the Organizational Unit  
26 on October 1 in the immediately preceding school year, plus

1 the pre-kindergarten students who receive special  
2 education services of 2 or more hours a day as reported to  
3 the State Board on December 1 in the immediately preceding  
4 school year, or the average number of students (grades K  
5 through 12) reported to the State Board as enrolled in the  
6 Organizational Unit on October 1, plus the  
7 pre-kindergarten students who receive special education  
8 services of 2 or more hours a day as reported to the State  
9 Board on December 1, for each of the immediately preceding  
10 3 school years. For fiscal year 2019 and each subsequent  
11 fiscal year, "Average Student Enrollment" or "ASE" means,  
12 for an Organizational Unit, the greater of the average  
13 number of students (grades K through 12) reported to the  
14 State Board as enrolled in the Organizational Unit on  
15 October 1 and March 1 in the immediately preceding school  
16 year, plus the pre-kindergarten students who receive  
17 special education services as reported to the State Board  
18 on October 1 and March 1 in the immediately preceding  
19 school year, or the average number of students (grades K  
20 through 12) reported to the State Board as enrolled in the  
21 Organizational Unit on October 1 and March 1, plus the  
22 pre-kindergarten students who receive special education  
23 services as reported to the State Board on October 1 and  
24 March 1, for each of the immediately preceding 3 school  
25 years. For the purposes of this definition, "enrolled in  
26 the Organizational Unit" means the number of students

1 reported to the State Board who are enrolled in schools  
2 within the Organizational Unit that the student attends or  
3 would attend if not placed or transferred to another school  
4 or program to receive needed services. For the purposes of  
5 calculating "ASE", all students, grades K through 12,  
6 excluding those attending kindergarten for a half day,  
7 shall be counted as 1.0. All students attending  
8 kindergarten for a half day shall be counted as 0.5, unless  
9 in 2017 by June 15 or by March 1 in subsequent years, the  
10 school district reports to the State Board of Education the  
11 intent to implement full-day kindergarten district-wide  
12 for all students, then all students attending kindergarten  
13 shall be counted as 1.0. Special education  
14 pre-kindergarten students shall be counted as 0.5 each. If  
15 the State Board does not collect or has not collected both  
16 an October 1 and March 1 enrollment count by grade or a  
17 December 1 collection of special education  
18 pre-kindergarten students as of the effective date of this  
19 amendatory Act of the 100th General Assembly, it shall  
20 establish such collection for all future years. For any  
21 year where a count by grade level was collected only once,  
22 that count shall be used as the single count available for  
23 computing a 3-year average ASE. School districts shall  
24 submit the data for the ASE calculation to the State Board  
25 within 45 days of the dates required in this Section for  
26 submission of enrollment data in order for it to be

1 included in the ASE calculation. For fiscal year 2018 only,  
2 the ASE calculation shall include only enrollment taken on  
3 October 1.

4 "Base Funding Guarantee" is defined in paragraph (10)  
5 of subsection (g) of this Section.

6 "Base Funding Minimum" is defined in subsection (e) of  
7 this Section.

8 "Base Tax Year" means the property tax levy year used  
9 to calculate the Budget Year allocation of primary State  
10 aid.

11 "Base Tax Year's Extension" means the product of the  
12 equalized assessed valuation utilized by the county clerk  
13 in the Base Tax Year multiplied by the limiting rate as  
14 calculated by the county clerk and defined in PTELL.

15 "Bilingual Education Allocation" means the amount of  
16 an Organizational Unit's final Adequacy Target  
17 attributable to bilingual education divided by the  
18 Organizational Unit's final Adequacy Target, the product  
19 of which shall be multiplied by the amount of new funding  
20 received pursuant to this Section. An Organizational  
21 Unit's final Adequacy Target attributable to bilingual  
22 education shall include all additional investments in  
23 English learner students' adequacy elements.

24 "Budget Year" means the school year for which primary  
25 State aid is calculated and awarded under this Section.

26 "Central office" means individual administrators and

1 support service personnel charged with managing the  
2 instructional programs, business and operations, and  
3 security of the Organizational Unit.

4 "Comparable Wage Index" or "CWI" means a regional cost  
5 differentiation metric that measures systemic, regional  
6 variations in the salaries of college graduates who are not  
7 educators. The CWI utilized for this Section shall, for the  
8 first 3 years of Evidence-Based Funding implementation, be  
9 the CWI initially developed by the National Center for  
10 Education Statistics, as most recently updated by Texas A &  
11 M University. In the fourth and subsequent years of  
12 Evidence-Based Funding implementation, the State  
13 Superintendent shall re-determine the CWI using a similar  
14 methodology to that identified in the Texas A & M  
15 University study, with adjustments made no less frequently  
16 than once every 5 years.

17 "Computer technology and equipment" means computers  
18 servers, notebooks, network equipment, copiers, printers,  
19 instructional software, security software, curriculum  
20 management courseware, and other similar materials and  
21 equipment.

22 "Computer technology and equipment investment  
23 allocation" means the final Adequacy Target amount of an  
24 Organizational Unit assigned to Tier 1 or Tier 2 in the  
25 prior school year attributable to the additional \$285.50  
26 per student computer technology and equipment investment

1 grant divided by the Organizational Unit's final Adequacy  
2 Target, the result of which shall be multiplied by the  
3 amount of new funding received pursuant to this Section. An  
4 Organizational Unit assigned to a Tier 1 or Tier 2 final  
5 Adequacy Target attributable to the received computer  
6 technology and equipment investment grant shall include  
7 all additional investments in computer technology and  
8 equipment adequacy elements.

9 "Core subject" means mathematics; science; reading,  
10 English, writing, and language arts; history and social  
11 studies; world languages; and subjects taught as Advanced  
12 Placement in high schools.

13 "Core teacher" means a regular classroom teacher in  
14 elementary schools and teachers of a core subject in middle  
15 and high schools.

16 "Core Intervention teacher (tutor)" means a licensed  
17 teacher providing one-on-one or small group tutoring to  
18 students struggling to meet proficiency in core subjects.

19 "CPPRT" means corporate personal property replacement  
20 tax funds paid to an Organizational Unit during the  
21 calendar year one year before the calendar year in which a  
22 school year begins, pursuant to "An Act in relation to the  
23 abolition of ad valorem personal property tax and the  
24 replacement of revenues lost thereby, and amending and  
25 repealing certain Acts and parts of Acts in connection  
26 therewith", certified August 14, 1979, as amended (Public

1 Act 81-1st S.S.-1).

2 "EAV" means equalized assessed valuation as defined in  
3 paragraph (2) of subsection (d) of this Section and  
4 calculated in accordance with paragraph (3) of subsection  
5 (d) of this Section.

6 "ECI" means the Bureau of Labor Statistics' national  
7 employment cost index for civilian workers in educational  
8 services in elementary and secondary schools on a  
9 cumulative basis for the 12-month calendar year preceding  
10 the fiscal year of the Evidence-Based Funding calculation.

11 "EIS Data" means the employment information system  
12 data maintained by the State Board on educators within  
13 Organizational Units.

14 "Employee benefits" means health, dental, and vision  
15 insurance offered to employees of an Organizational Unit,  
16 the costs associated with statutorily required payment of  
17 the normal cost of the Organizational Unit's teacher  
18 pensions, Social Security employer contributions, and  
19 Illinois Municipal Retirement Fund employer contributions.

20 "English learner" or "EL" means a child included in the  
21 definition of "English learners" under Section 14C-2 of  
22 this Code participating in a program of transitional  
23 bilingual education or a transitional program of  
24 instruction meeting the requirements and program  
25 application procedures of Article 14C of this Code. For the  
26 purposes of collecting the number of EL students enrolled,

1 the same collection and calculation methodology as defined  
2 above for "ASE" shall apply to English learners, with the  
3 exception that EL student enrollment shall include  
4 students in grades pre-kindergarten through 12.

5 "Essential Elements" means those elements, resources,  
6 and educational programs that have been identified through  
7 academic research as necessary to improve student success,  
8 improve academic performance, close achievement gaps, and  
9 provide for other per student costs related to the delivery  
10 and leadership of the Organizational Unit, as well as the  
11 maintenance and operations of the unit, and which are  
12 specified in paragraph (2) of subsection (b) of this  
13 Section.

14 "Evidence-Based Funding" means State funding provided  
15 to an Organizational Unit pursuant to this Section.

16 "Extended day" means academic and enrichment programs  
17 provided to students outside the regular school day before  
18 and after school or during non-instructional times during  
19 the school day.

20 "Extension Limitation Ratio" means a numerical ratio  
21 in which the numerator is the Base Tax Year's Extension and  
22 the denominator is the Preceding Tax Year's Extension.

23 "Final Percent of Adequacy" is defined in paragraph (4)  
24 of subsection (f) of this Section.

25 "Final Resources" is defined in paragraph (3) of  
26 subsection (f) of this Section.



1 "Full-time equivalent" or "FTE" means the full-time  
2 equivalency compensation for staffing the relevant  
3 position at an Organizational Unit.

4 "Funding Gap" is defined in paragraph (1) of subsection  
5 (g).

6 "Guidance counselor" means a licensed guidance  
7 counselor who provides guidance and counseling support for  
8 students within an Organizational Unit.

9 "Hybrid District" means a partial elementary unit  
10 district created pursuant to Article 11E of this Code.

11 "Instructional assistant" means a core or special  
12 education, non-licensed employee who assists a teacher in  
13 the classroom and provides academic support to students.

14 "Instructional facilitator" means a qualified teacher  
15 or licensed teacher leader who facilitates and coaches  
16 continuous improvement in classroom instruction; provides  
17 instructional support to teachers in the elements of  
18 research-based instruction or demonstrates the alignment  
19 of instruction with curriculum standards and assessment  
20 tools; develops or coordinates instructional programs or  
21 strategies; develops and implements training; chooses  
22 standards-based instructional materials; provides teachers  
23 with an understanding of current research; serves as a  
24 mentor, site coach, curriculum specialist, or lead  
25 teacher; or otherwise works with fellow teachers, in  
26 collaboration, to use data to improve instructional

1 practice or develop model lessons.

2 "Instructional materials" means relevant instructional  
3 materials for student instruction, including, but not  
4 limited to, textbooks, consumable workbooks, laboratory  
5 equipment, library books, and other similar materials.

6 "Laboratory School" means a public school that is  
7 created and operated by a public university and approved by  
8 the State Board.

9 "Librarian" means a teacher with an endorsement as a  
10 library information specialist or another individual whose  
11 primary responsibility is overseeing library resources  
12 within an Organizational Unit.

13 "Limiting rate for Hybrid Districts" means the  
14 combined elementary school and high school limited rates.

15 "Local Capacity" is defined in paragraph (1) of  
16 subsection (c) of this Section.

17 "Local Capacity Percentage" is defined in subparagraph  
18 (A) of paragraph (2) of subsection (c) of this Section.

19 "Local Capacity Ratio" is defined in subparagraph (B)  
20 of paragraph (2) of subsection (c) of this Section.

21 "Local Capacity Target" is defined in paragraph (2) of  
22 subsection (c) of this Section.

23 "Low-Income Count" means, for an Organizational Unit  
24 in a fiscal year, the higher of the average number of  
25 students for the prior school year or the immediately  
26 preceding 3 school years who, as of July 1 of the

1 immediately preceding fiscal year (as determined by the  
2 Department of Human Services), are eligible for at least  
3 one of the following low income programs: Medicaid, the  
4 Children's Health Insurance Program, TANF, or the  
5 Supplemental Nutrition Assistance Program, excluding  
6 pupils who are eligible for services provided by the  
7 Department of Children and Family Services. Until such time  
8 that grade level low-income populations become available,  
9 grade level low-income populations shall be determined by  
10 applying the low-income percentage to total student  
11 enrollments by grade level. The low-income percentage is  
12 determined by dividing the Low-Income Count by the Average  
13 Student Enrollment.

14 "Maintenance and operations" means custodial services,  
15 facility and ground maintenance, facility operations,  
16 facility security, routine facility repairs, and other  
17 similar services and functions.

18 "Minimum Funding Level" is defined in paragraph (9) of  
19 subsection (g) of this Section.

20 "New Property Tax Relief Pool Funds" means, for any  
21 given fiscal year, all State funds appropriated under  
22 Section 2-3.170 of the School Code.

23 "New State Funds" means, for a given school year, all  
24 State funds appropriated for Evidence-Based Funding in  
25 excess of the amount needed to fund the Base Funding  
26 Minimum for all Organizational Units in that school year.

1           "Net State Contribution Target" means, for a given  
2 school year, the amount of State funds that would be  
3 necessary to fully meet the Adequacy Target of an  
4 Operational Unit minus the Preliminary Resources available  
5 to each unit.

6           "Nurse" means an individual licensed as a certified  
7 school nurse, in accordance with the rules established for  
8 nursing services by the State Board, who is an employee of  
9 and is available to provide health care-related services  
10 for students of an Organizational Unit.

11           "Operating Tax Rate" means the rate utilized in the  
12 previous year to extend property taxes for all purposes,  
13 except, Bond and Interest, Summer School, Rent, Capital  
14 Improvement, and Vocational Education Building purposes.  
15 For Hybrid Districts, the Operating Tax Rate shall be the  
16 combined elementary and high school rates utilized in the  
17 previous year to extend property taxes for all purposes,  
18 except, Bond and Interest, Summer School, Rent, Capital  
19 Improvement, and Vocational Education Building purposes.

20           "Organizational Unit" means a Laboratory School or any  
21 public school district that is recognized as such by the  
22 State Board and that contains elementary schools typically  
23 serving kindergarten through 5th grades, middle schools  
24 typically serving 6th through 8th grades, or high schools  
25 typically serving 9th through 12th grades. The General  
26 Assembly acknowledges that the actual grade levels served

1 by a particular Organizational Unit may vary slightly from  
2 what is typical.

3 "Organizational Unit CWI" is determined by calculating  
4 the CWI in the region and original county in which an  
5 Organizational Unit's primary administrative office is  
6 located as set forth in this paragraph, provided that if  
7 the Organizational Unit CWI as calculated in accordance  
8 with this paragraph is less than 0.9, the Organizational  
9 Unit CWI shall be increased to 0.9. Each county's current  
10 CWI value shall be adjusted based on the CWI value of that  
11 county's neighboring Illinois counties, to create a  
12 "weighted adjusted index value". This shall be calculated  
13 by summing the CWI values of all of a county's adjacent  
14 Illinois counties and dividing by the number of adjacent  
15 Illinois counties, then taking the weighted value of the  
16 original county's CWI value and the adjacent Illinois  
17 county average. To calculate this weighted value, if the  
18 number of adjacent Illinois counties is greater than 2, the  
19 original county's CWI value will be weighted at 0.25 and  
20 the adjacent Illinois county average will be weighted at  
21 0.75. If the number of adjacent Illinois counties is 2, the  
22 original county's CWI value will be weighted at 0.33 and  
23 the adjacent Illinois county average will be weighted at  
24 0.66. The greater of the county's current CWI value and its  
25 weighted adjusted index value shall be used as the  
26 Organizational Unit CWI.

1           "Preceding Tax Year" means the property tax levy year  
2 immediately preceding the Base Tax Year.

3           "Preceding Tax Year's Extension" means the product of  
4 the equalized assessed valuation utilized by the county  
5 clerk in the Preceding Tax Year multiplied by the Operating  
6 Tax Rate.

7           "Preliminary Percent of Adequacy" is defined in  
8 paragraph (2) of subsection (f) of this Section.

9           "Preliminary Resources" is defined in paragraph (2) of  
10 subsection (f) of this Section.

11           "Principal" means a school administrator duly endorsed  
12 to be employed as a principal in this State.

13           "Professional development" means training programs for  
14 licensed staff in schools, including, but not limited to,  
15 programs that assist in implementing new curriculum  
16 programs, provide data focused or academic assessment data  
17 training to help staff identify a student's weaknesses and  
18 strengths, target interventions, improve instruction,  
19 encompass instructional strategies for English learner,  
20 gifted, or at-risk students, address inclusivity, cultural  
21 sensitivity, or implicit bias, or otherwise provide  
22 professional support for licensed staff.

23           "Prototypical" means 450 special education  
24 pre-kindergarten and kindergarten through grade 5 students  
25 for an elementary school, 450 grade 6 through 8 students  
26 for a middle school, and 600 grade 9 through 12 students

1 for a high school.

2 "PTELL" means the Property Tax Extension Limitation  
3 Law.

4 "PTELL EAV" is defined in paragraph (4) of subsection  
5 (d) of this Section.

6 "Pupil support staff" means a nurse, psychologist,  
7 social worker, family liaison personnel, or other staff  
8 member who provides support to at-risk or struggling  
9 students.

10 "Real Receipts" is defined in paragraph (1) of  
11 subsection (d) of this Section.

12 "Regionalization Factor" means, for a particular  
13 Organizational Unit, the figure derived by dividing the  
14 Organizational Unit CWI by the Statewide Weighted CWI.

15 "School site staff" means the primary school secretary  
16 and any additional clerical personnel assigned to a school.

17 "Special education" means special educational  
18 facilities and services, as defined in Section 14-1.08 of  
19 this Code.

20 "Special Education Allocation" means the amount of an  
21 Organizational Unit's final Adequacy Target attributable  
22 to special education divided by the Organizational Unit's  
23 final Adequacy Target, the product of which shall be  
24 multiplied by the amount of new funding received pursuant  
25 to this Section. An Organizational Unit's final Adequacy  
26 Target attributable to special education shall include all

1 special education investment adequacy elements.

2 "Specialist teacher" means a teacher who provides  
3 instruction in subject areas not included in core subjects,  
4 including, but not limited to, art, music, physical  
5 education, health, driver education, career-technical  
6 education, and such other subject areas as may be mandated  
7 by State law or provided by an Organizational Unit.

8 "Specially Funded Unit" means an Alternative School,  
9 safe school, Department of Juvenile Justice school,  
10 special education cooperative or entity recognized by the  
11 State Board as a special education cooperative,  
12 State-approved charter school, or alternative learning  
13 opportunities program that received direct funding from  
14 the State Board during the 2016-2017 school year through  
15 any of the funding sources included within the calculation  
16 of the Base Funding Minimum or Glenwood Academy.

17 "Supplemental Grant Funding" means supplemental  
18 general State aid funding received by an Organization Unit  
19 during the 2016-2017 school year pursuant to subsection (H)  
20 of Section 18-8.05 of this Code (now repealed).

21 "State Adequacy Level" is the sum of the Adequacy  
22 Targets of all Organizational Units.

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

24 "State Superintendent" means the State Superintendent  
25 of Education.

26 "Statewide Weighted CWI" means a figure determined by



1 multiplying each Organizational Unit CWI times the ASE for  
2 that Organizational Unit creating a weighted value,  
3 summing all Organizational Unit's weighted values, and  
4 dividing by the total ASE of all Organizational Units,  
5 thereby creating an average weighted index.

6 "Student activities" means non-credit producing  
7 after-school programs, including, but not limited to,  
8 clubs, bands, sports, and other activities authorized by  
9 the school board of the Organizational Unit.

10 "Substitute teacher" means an individual teacher or  
11 teaching assistant who is employed by an Organizational  
12 Unit and is temporarily serving the Organizational Unit on  
13 a per diem or per period-assignment basis replacing another  
14 staff member.

15 "Summer school" means academic and enrichment programs  
16 provided to students during the summer months outside of  
17 the regular school year.

18 "Supervisory aide" means a non-licensed staff member  
19 who helps in supervising students of an Organizational  
20 Unit, but does so outside of the classroom, in situations  
21 such as, but not limited to, monitoring hallways and  
22 playgrounds, supervising lunchrooms, or supervising  
23 students when being transported in buses serving the  
24 Organizational Unit.

25 "Target Ratio" is defined in paragraph (4) of  
26 subsection (g).

1 "Tier 1", "Tier 2", "Tier 3", and "Tier 4" are defined  
2 in paragraph (3) of subsection (g).

3 "Tier 1 Aggregate Funding", "Tier 2 Aggregate  
4 Funding", "Tier 3 Aggregate Funding", and "Tier 4 Aggregate  
5 Funding" are defined in paragraph (1) of subsection (g).

6 (b) Adequacy Target calculation.

7 (1) Each Organizational Unit's Adequacy Target is the  
8 sum of the Organizational Unit's cost of providing  
9 Essential Elements, as calculated in accordance with this  
10 subsection (b), with the salary amounts in the Essential  
11 Elements multiplied by a Regionalization Factor calculated  
12 pursuant to paragraph (3) of this subsection (b).

13 (2) The Essential Elements are attributable on a pro  
14 rata basis related to defined subgroups of the ASE of each  
15 Organizational Unit as specified in this paragraph (2),  
16 with investments and FTE positions pro rata funded based on  
17 ASE counts in excess or less than the thresholds set forth  
18 in this paragraph (2). The method for calculating  
19 attributable pro rata costs and the defined subgroups  
20 thereto are as follows:

21 (A) Core class size investments. Each  
22 Organizational Unit shall receive the funding required  
23 to support that number of FTE core teacher positions as  
24 is needed to keep the respective class sizes of the  
25 Organizational Unit to the following maximum numbers:

26 (i) For grades kindergarten through 3, the

1 Organizational Unit shall receive funding required  
2 to support one FTE core teacher position for every  
3 15 Low-Income Count students in those grades and  
4 one FTE core teacher position for every 20  
5 non-Low-Income Count students in those grades.

6 (ii) For grades 4 through 12, the  
7 Organizational Unit shall receive funding required  
8 to support one FTE core teacher position for every  
9 20 Low-Income Count students in those grades and  
10 one FTE core teacher position for every 25  
11 non-Low-Income Count students in those grades.

12 The number of non-Low-Income Count students in a  
13 grade shall be determined by subtracting the  
14 Low-Income students in that grade from the ASE of the  
15 Organizational Unit for that grade.

16 (B) Specialist teacher investments. Each  
17 Organizational Unit shall receive the funding needed  
18 to cover that number of FTE specialist teacher  
19 positions that correspond to the following  
20 percentages:

21 (i) if the Organizational Unit operates an  
22 elementary or middle school, then 20.00% of the  
23 number of the Organizational Unit's core teachers,  
24 as determined under subparagraph (A) of this  
25 paragraph (2); and

26 (ii) if such Organizational Unit operates a

1 high school, then 33.33% of the number of the  
2 Organizational Unit's core teachers.

3 (C) Instructional facilitator investments. Each  
4 Organizational Unit shall receive the funding needed  
5 to cover one FTE instructional facilitator position  
6 for every 200 combined ASE of pre-kindergarten  
7 children with disabilities and all kindergarten  
8 through grade 12 students of the Organizational Unit.

9 (D) Core intervention teacher (tutor) investments.  
10 Each Organizational Unit shall receive the funding  
11 needed to cover one FTE teacher position for each  
12 prototypical elementary, middle, and high school.

13 (E) Substitute teacher investments. Each  
14 Organizational Unit shall receive the funding needed  
15 to cover substitute teacher costs that is equal to  
16 5.70% of the minimum pupil attendance days required  
17 under Section 10-19 of this Code for all full-time  
18 equivalent core, specialist, and intervention  
19 teachers, school nurses, special education teachers  
20 and instructional assistants, instructional  
21 facilitators, and summer school and extended-day  
22 teacher positions, as determined under this paragraph  
23 (2), at a salary rate of 33.33% of the average salary  
24 for grade K through 12 teachers and 33.33% of the  
25 average salary of each instructional assistant  
26 position.

1           (F) Core guidance counselor investments. Each  
2           Organizational Unit shall receive the funding needed  
3           to cover one FTE guidance counselor for each 450  
4           combined ASE of pre-kindergarten children with  
5           disabilities and all kindergarten through grade 5  
6           students, plus one FTE guidance counselor for each 250  
7           grades 6 through 8 ASE middle school students, plus one  
8           FTE guidance counselor for each 250 grades 9 through 12  
9           ASE high school students.

10           (G) Nurse investments. Each Organizational Unit  
11           shall receive the funding needed to cover one FTE nurse  
12           for each 750 combined ASE of pre-kindergarten children  
13           with disabilities and all kindergarten through grade  
14           12 students across all grade levels it serves.

15           (H) Supervisory aide investments. Each  
16           Organizational Unit shall receive the funding needed  
17           to cover one FTE for each 225 combined ASE of  
18           pre-kindergarten children with disabilities and all  
19           kindergarten through grade 5 students, plus one FTE for  
20           each 225 ASE middle school students, plus one FTE for  
21           each 200 ASE high school students.

22           (I) Librarian investments. Each Organizational  
23           Unit shall receive the funding needed to cover one FTE  
24           librarian for each prototypical elementary school,  
25           middle school, and high school and one FTE aide or  
26           media technician for every 300 combined ASE of

1 pre-kindergarten children with disabilities and all  
2 kindergarten through grade 12 students.

3 (J) Principal investments. Each Organizational  
4 Unit shall receive the funding needed to cover one FTE  
5 principal position for each prototypical elementary  
6 school, plus one FTE principal position for each  
7 prototypical middle school, plus one FTE principal  
8 position for each prototypical high school.

9 (K) Assistant principal investments. Each  
10 Organizational Unit shall receive the funding needed  
11 to cover one FTE assistant principal position for each  
12 prototypical elementary school, plus one FTE assistant  
13 principal position for each prototypical middle  
14 school, plus one FTE assistant principal position for  
15 each prototypical high school.

16 (L) School site staff investments. Each  
17 Organizational Unit shall receive the funding needed  
18 for one FTE position for each 225 ASE of  
19 pre-kindergarten children with disabilities and all  
20 kindergarten through grade 5 students, plus one FTE  
21 position for each 225 ASE middle school students, plus  
22 one FTE position for each 200 ASE high school students.

23 (M) Gifted investments. Each Organizational Unit  
24 shall receive \$40 per kindergarten through grade 12  
25 ASE.

26 (N) Professional development investments. Each

1 Organizational Unit shall receive \$125 per student of  
2 the combined ASE of pre-kindergarten children with  
3 disabilities and all kindergarten through grade 12  
4 students for trainers and other professional  
5 development-related expenses for supplies and  
6 materials.

7 (O) Instructional material investments. Each  
8 Organizational Unit shall receive \$190 per student of  
9 the combined ASE of pre-kindergarten children with  
10 disabilities and all kindergarten through grade 12  
11 students to cover instructional material costs.

12 (P) Assessment investments. Each Organizational  
13 Unit shall receive \$25 per student of the combined ASE  
14 of pre-kindergarten children with disabilities and all  
15 kindergarten through grade 12 students student to  
16 cover assessment costs.

17 (Q) Computer technology and equipment investments.  
18 Each Organizational Unit shall receive \$285.50 per  
19 student of the combined ASE of pre-kindergarten  
20 children with disabilities and all kindergarten  
21 through grade 12 students to cover computer technology  
22 and equipment costs. For the 2018-2019 school year and  
23 subsequent school years, Organizational Units assigned  
24 to Tier 1 and Tier 2 in the prior school year shall  
25 receive an additional \$285.50 per student of the  
26 combined ASE of pre-kindergarten children with

1 disabilities and all kindergarten through grade 12  
2 students to cover computer technology and equipment  
3 costs in the Organization Unit's Adequacy Target. The  
4 State Board may establish additional requirements for  
5 Organizational Unit expenditures of funds received  
6 pursuant to this subparagraph (Q), including a  
7 requirement that funds received pursuant to this  
8 subparagraph (Q) may be used only for serving the  
9 technology needs of the district. It is the intent of  
10 this amendatory Act of the 100th General Assembly that  
11 all Tier 1 and Tier 2 districts receive the addition to  
12 their Adequacy Target in the following year, subject to  
13 compliance with the requirements of the State Board.

14 (R) Student activities investments. Each  
15 Organizational Unit shall receive the following  
16 funding amounts to cover student activities: \$100 per  
17 kindergarten through grade 5 ASE student in elementary  
18 school, plus \$200 per ASE student in middle school,  
19 plus \$675 per ASE student in high school.

20 (S) Maintenance and operations investments. Each  
21 Organizational Unit shall receive \$1,038 per student  
22 of the combined ASE of pre-kindergarten children with  
23 disabilities and all kindergarten through grade 12 for  
24 day-to-day maintenance and operations expenditures,  
25 including salary, supplies, and materials, as well as  
26 purchased services, but excluding employee benefits.



1           The proportion of salary for the application of a  
2           Regionalization Factor and the calculation of benefits  
3           is equal to \$352.92.

4           (T)       Central       office       investments.       Each  
5           Organizational Unit shall receive \$742 per student of  
6           the combined ASE of pre-kindergarten children with  
7           disabilities and all kindergarten through grade 12  
8           students to cover central office operations, including  
9           administrators and classified personnel charged with  
10          managing the instructional programs, business and  
11          operations of the school district, and security  
12          personnel. The proportion of salary for the  
13          application of a Regionalization Factor and the  
14          calculation of benefits is equal to \$368.48.

15          (U)       Employee       benefit       investments.       Each  
16          Organizational Unit shall receive 30% of the total of  
17          all salary-calculated elements of the Adequacy Target,  
18          excluding substitute teachers and student activities  
19          investments, to cover benefit costs. For central  
20          office and maintenance and operations investments, the  
21          benefit calculation shall be based upon the salary  
22          proportion of each investment. If at any time the  
23          responsibility for funding the employer normal cost of  
24          teacher pensions is assigned to school districts, then  
25          that amount certified by the Teachers' Retirement  
26          System of the State of Illinois to be paid by the

1 Organizational Unit for the preceding school year  
2 shall be added to the benefit investment. For any  
3 fiscal year in which a school district organized under  
4 Article 34 of this Code is responsible for paying the  
5 employer normal cost of teacher pensions, then that  
6 amount of its employer normal cost plus the amount for  
7 retiree health insurance as certified by the Public  
8 School Teachers' Pension and Retirement Fund of  
9 Chicago to be paid by the school district for the  
10 preceding school year that is statutorily required to  
11 cover employer normal costs and the amount for retiree  
12 health insurance shall be added to the 30% specified in  
13 this subparagraph (U). The Teachers' Retirement System  
14 of the State of Illinois and the Public School  
15 Teachers' Pension and Retirement Fund of Chicago shall  
16 submit such information as the State Superintendent  
17 may require for the calculations set forth in this  
18 subparagraph (U).

19 (V) Additional investments in low-income students.  
20 In addition to and not in lieu of all other funding  
21 under this paragraph (2), each Organizational Unit  
22 shall receive funding based on the average teacher  
23 salary for grades K through 12 to cover the costs of:

24 (i) one FTE intervention teacher (tutor)  
25 position for every 125 Low-Income Count students;

26 (ii) one FTE pupil support staff position for

1 every 125 Low-Income Count students;

2 (iii) one FTE extended day teacher position  
3 for every 120 Low-Income Count students; and

4 (iv) one FTE summer school teacher position  
5 for every 120 Low-Income Count students.

6 (W) Additional investments in English learner  
7 students. In addition to and not in lieu of all other  
8 funding under this paragraph (2), each Organizational  
9 Unit shall receive funding based on the average teacher  
10 salary for grades K through 12 to cover the costs of:

11 (i) one FTE intervention teacher (tutor)  
12 position for every 125 English learner students;

13 (ii) one FTE pupil support staff position for  
14 every 125 English learner students;

15 (iii) one FTE extended day teacher position  
16 for every 120 English learner students;

17 (iv) one FTE summer school teacher position  
18 for every 120 English learner students; and

19 (v) one FTE core teacher position for every 100  
20 English learner students.

21 (X) Special education investments. Each  
22 Organizational Unit shall receive funding based on the  
23 average teacher salary for grades K through 12 to cover  
24 special education as follows:

25 (i) one FTE teacher position for every 141  
26 combined ASE of pre-kindergarten children with

1 disabilities and all kindergarten through grade 12  
2 students;

3 (ii) one FTE instructional assistant for every  
4 141 combined ASE of pre-kindergarten children with  
5 disabilities and all kindergarten through grade 12  
6 students; and

7 (iii) one FTE psychologist position for every  
8 1,000 combined ASE of pre-kindergarten children  
9 with disabilities and all kindergarten through  
10 grade 12 students.

11 (3) For calculating the salaries included within the  
12 Essential Elements, the State Superintendent shall  
13 annually calculate average salaries to the nearest dollar  
14 using the employment information system data maintained by  
15 the State Board, limited to public schools only and  
16 excluding special education and vocational cooperatives,  
17 schools operated by the Department of Juvenile Justice, and  
18 charter schools, for the following positions:

19 (A) Teacher for grades K through 8.

20 (B) Teacher for grades 9 through 12.

21 (C) Teacher for grades K through 12.

22 (D) Guidance counselor for grades K through 8.

23 (E) Guidance counselor for grades 9 through 12.

24 (F) Guidance counselor for grades K through 12.

25 (G) Social worker.

26 (H) Psychologist.

1 (I) Librarian.

2 (J) Nurse.

3 (K) Principal.

4 (L) Assistant principal.

5 For the purposes of this paragraph (3), "teacher"  
6 includes core teachers, specialist and elective teachers,  
7 instructional facilitators, tutors, special education  
8 teachers, pupil support staff teachers, English learner  
9 teachers, extended-day teachers, and summer school  
10 teachers. Where specific grade data is not required for the  
11 Essential Elements, the average salary for corresponding  
12 positions shall apply. For substitute teachers, the  
13 average teacher salary for grades K through 12 shall apply.

14 For calculating the salaries included within the  
15 Essential Elements for positions not included within EIS  
16 Data, the following salaries shall be used in the first  
17 year of implementation of Evidence-Based Funding:

18 (i) school site staff, \$30,000; and

19 (ii) non-instructional assistant, instructional  
20 assistant, library aide, library media tech, or  
21 supervisory aide: \$25,000.

22 In the second and subsequent years of implementation of  
23 Evidence-Based Funding, the amounts in items (i) and (ii)  
24 of this paragraph (3) shall annually increase by the ECI.

25 The salary amounts for the Essential Elements  
26 determined pursuant to subparagraphs (A) through (L), (S)

1 and (T), and (V) through (X) of paragraph (2) of subsection  
2 (b) of this Section shall be multiplied by a  
3 Regionalization Factor.

4 (c) Local capacity calculation.

5 (1) Each Organizational Unit's Local Capacity  
6 represents an amount of funding it is assumed to contribute  
7 toward its Adequacy Target for purposes of the  
8 Evidence-Based Funding formula calculation. "Local  
9 Capacity" means either (i) the Organizational Unit's Local  
10 Capacity Target as calculated in accordance with paragraph  
11 (2) of this subsection (c) if its Real Receipts are equal  
12 to or less than its Local Capacity Target or (ii) the  
13 Organizational Unit's Adjusted Local Capacity, as  
14 calculated in accordance with paragraph (3) of this  
15 subsection (c) if Real Receipts are more than its Local  
16 Capacity Target.

17 (2) "Local Capacity Target" means, for an  
18 Organizational Unit, that dollar amount that is obtained by  
19 multiplying its Adequacy Target by its Local Capacity  
20 Ratio.

21 (A) An Organizational Unit's Local Capacity  
22 Percentage is the conversion of the Organizational  
23 Unit's Local Capacity Ratio, as such ratio is  
24 determined in accordance with subparagraph (B) of this  
25 paragraph (2), into a cumulative distribution  
26 resulting in a percentile ranking to determine each

1 Organizational Unit's relative position to all other  
2 Organizational Units in this State. The calculation of  
3 Local Capacity Percentage is described in subparagraph  
4 (C) of this paragraph (2).

5 (B) An Organizational Unit's Local Capacity Ratio  
6 in a given year is the percentage obtained by dividing  
7 its Adjusted EAV or PTELL EAV, whichever is less, by  
8 its Adequacy Target, with the resulting ratio further  
9 adjusted as follows:

10 (i) for Organizational Units serving grades  
11 kindergarten through 12 and Hybrid Districts, no  
12 further adjustments shall be made;

13 (ii) for Organizational Units serving grades  
14 kindergarten through 8, the ratio shall be  
15 multiplied by 9/13;

16 (iii) for Organizational Units serving grades  
17 9 through 12, the Local Capacity Ratio shall be  
18 multiplied by 4/13; and

19 (iv) for an Organizational Unit with a  
20 different grade configuration than those specified  
21 in items (i) through (iii) of this subparagraph  
22 (B), the State Superintendent shall determine a  
23 comparable adjustment based on the grades served.

24 (C) The Local Capacity Percentage is equal to the  
25 percentile ranking of the district. Local Capacity  
26 Percentage converts each Organizational Unit's Local

1 Capacity Ratio to a cumulative distribution resulting  
2 in a percentile ranking to determine each  
3 Organizational Unit's relative position to all other  
4 Organizational Units in this State. The Local Capacity  
5 Percentage cumulative distribution resulting in a  
6 percentile ranking for each Organizational Unit shall  
7 be calculated using the standard normal distribution  
8 of the score in relation to the weighted mean and  
9 weighted standard deviation and Local Capacity Ratios  
10 of all Organizational Units. If the value assigned to  
11 any Organizational Unit is in excess of 90%, the value  
12 shall be adjusted to 90%. For Laboratory Schools, the  
13 Local Capacity Percentage shall be set at 10% in  
14 recognition of the absence of EAV and resources from  
15 the public university that are allocated to the  
16 Laboratory School. The weighted mean for the Local  
17 Capacity Percentage shall be determined by multiplying  
18 each Organizational Unit's Local Capacity Ratio times  
19 the ASE for the unit creating a weighted value, summing  
20 the weighted values of all Organizational Units, and  
21 dividing by the total ASE of all Organizational Units.  
22 The weighted standard deviation shall be determined by  
23 taking the square root of the weighted variance of all  
24 Organizational Units' Local Capacity Ratio, where the  
25 variance is calculated by squaring the difference  
26 between each unit's Local Capacity Ratio and the



1 weighted mean, then multiplying the variance for each  
2 unit times the ASE for the unit to create a weighted  
3 variance for each unit, then summing all units'  
4 weighted variance and dividing by the total ASE of all  
5 units.

6 (D) For any Organizational Unit, the  
7 Organizational Unit's Adjusted Local Capacity Target  
8 shall be reduced by either (i) the school board's  
9 remaining contribution pursuant to paragraph (ii) of  
10 subsection (b-4) of Section 16-158 of the Illinois  
11 Pension Code in a given year, or (ii) the board of  
12 education's remaining contribution pursuant to  
13 paragraph (iv) of subsection (b) of Section 17-129 of  
14 the Illinois Pension Code absent the employer normal  
15 cost portion of the required contribution and amount  
16 allowed pursuant to subdivision (3) of Section  
17 17-142.1 of the Illinois Pension Code in a given year.  
18 In the preceding sentence, item (i) shall be certified  
19 to the State Board of Education by the Teachers'  
20 Retirement System of the State of Illinois and item  
21 (ii) shall be certified to the State Board of Education  
22 by the Public School Teachers' Pension and Retirement  
23 Fund of the City of Chicago.

24 (3) If an Organizational Unit's Real Receipts are more  
25 than its Local Capacity Target, then its Local Capacity  
26 shall equal an Adjusted Local Capacity Target as calculated

1 in accordance with this paragraph (3). The Adjusted Local  
2 Capacity Target is calculated as the sum of the  
3 Organizational Unit's Local Capacity Target and its Real  
4 Receipts Adjustment. The Real Receipts Adjustment equals  
5 the Organizational Unit's Real Receipts less its Local  
6 Capacity Target, with the resulting figure multiplied by  
7 the Local Capacity Percentage.

8 As used in this paragraph (3), "Real Percent of  
9 Adequacy" means the sum of an Organizational Unit's Real  
10 Receipts, CPPRT, and Base Funding Minimum, with the  
11 resulting figure divided by the Organizational Unit's  
12 Adequacy Target.

13 (d) Calculation of Real Receipts, EAV, and Adjusted EAV for  
14 purposes of the Local Capacity calculation.

15 (1) An Organizational Unit's Real Receipts are the  
16 product of its Applicable Tax Rate and its Adjusted EAV. An  
17 Organizational Unit's Applicable Tax Rate is its Adjusted  
18 Operating Tax Rate for property within the Organizational  
19 Unit.

20 (2) The State Superintendent shall calculate the  
21 Equalized Assessed Valuation, or EAV, of all taxable  
22 property of each Organizational Unit as of September 30 of  
23 the previous year in accordance with paragraph (3) of this  
24 subsection (d). The State Superintendent shall then  
25 determine the Adjusted EAV of each Organizational Unit in  
26 accordance with paragraph (4) of this subsection (d), which

1 Adjusted EAV figure shall be used for the purposes of  
2 calculating Local Capacity.

3 (3) To calculate Real Receipts and EAV, the Department  
4 of Revenue shall supply to the State Superintendent the  
5 value as equalized or assessed by the Department of Revenue  
6 of all taxable property of every Organizational Unit,  
7 together with (i) the applicable tax rate used in extending  
8 taxes for the funds of the Organizational Unit as of  
9 September 30 of the previous year and (ii) the limiting  
10 rate for all Organizational Units subject to property tax  
11 extension limitations as imposed under PTELL.

12 (A) The Department of Revenue shall add to the  
13 equalized assessed value of all taxable property of  
14 each Organizational Unit situated entirely or  
15 partially within a county that is or was subject to the  
16 provisions of Section 15-176 or 15-177 of the Property  
17 Tax Code (i) an amount equal to the total amount by  
18 which the homestead exemption allowed under Section  
19 15-176 or 15-177 of the Property Tax Code for real  
20 property situated in that Organizational Unit exceeds  
21 the total amount that would have been allowed in that  
22 Organizational Unit if the maximum reduction under  
23 Section 15-176 was (I) \$4,500 in Cook County or \$3,500  
24 in all other counties in tax year 2003 or (II) \$5,000  
25 in all counties in tax year 2004 and thereafter and  
26 (ii) an amount equal to the aggregate amount for the

1 taxable year of all additional exemptions under  
2 Section 15-175 of the Property Tax Code for owners with  
3 a household income of \$30,000 or less. The county clerk  
4 of any county that is or was subject to the provisions  
5 of Section 15-176 or 15-177 of the Property Tax Code  
6 shall annually calculate and certify to the Department  
7 of Revenue for each Organizational Unit all homestead  
8 exemption amounts under Section 15-176 or 15-177 of the  
9 Property Tax Code and all amounts of additional  
10 exemptions under Section 15-175 of the Property Tax  
11 Code for owners with a household income of \$30,000 or  
12 less. It is the intent of this subparagraph (A) that if  
13 the general homestead exemption for a parcel of  
14 property is determined under Section 15-176 or 15-177  
15 of the Property Tax Code rather than Section 15-175,  
16 then the calculation of EAV shall not be affected by  
17 the difference, if any, between the amount of the  
18 general homestead exemption allowed for that parcel of  
19 property under Section 15-176 or 15-177 of the Property  
20 Tax Code and the amount that would have been allowed  
21 had the general homestead exemption for that parcel of  
22 property been determined under Section 15-175 of the  
23 Property Tax Code. It is further the intent of this  
24 subparagraph (A) that if additional exemptions are  
25 allowed under Section 15-175 of the Property Tax Code  
26 for owners with a household income of less than

1           \$30,000, then the calculation of EAV shall not be  
2           affected by the difference, if any, because of those  
3           additional exemptions.

4           (B) With respect to any part of an Organizational  
5           Unit within a redevelopment project area in respect to  
6           which a municipality has adopted tax increment  
7           allocation financing pursuant to the Tax Increment  
8           Allocation Redevelopment Act, Division 74.4 of Article  
9           11 of the Illinois Municipal Code, or the Industrial  
10          Jobs Recovery Law, Division 74.6 of Article 11 of the  
11          Illinois Municipal Code, no part of the current EAV of  
12          real property located in any such project area which is  
13          attributable to an increase above the total initial EAV  
14          of such property shall be used as part of the EAV of  
15          the Organizational Unit, until such time as all  
16          redevelopment project costs have been paid, as  
17          provided in Section 11-74.4-8 of the Tax Increment  
18          Allocation Redevelopment Act or in Section 11-74.6-35  
19          of the Industrial Jobs Recovery Law. For the purpose of  
20          the EAV of the Organizational Unit, the total initial  
21          EAV or the current EAV, whichever is lower, shall be  
22          used until such time as all redevelopment project costs  
23          have been paid.

24          (B-5) The real property equalized assessed  
25          valuation for a school district shall be adjusted by  
26          subtracting from the real property value, as equalized

1 or assessed by the Department of Revenue, for the  
2 district an amount computed by dividing the amount of  
3 any abatement of taxes under Section 18-170 of the  
4 Property Tax Code by 3.00% for a district maintaining  
5 grades kindergarten through 12, by 2.30% for a district  
6 maintaining grades kindergarten through 8, or by 1.05%  
7 for a district maintaining grades 9 through 12 and  
8 adjusted by an amount computed by dividing the amount  
9 of any abatement of taxes under subsection (a) of  
10 Section 18-165 of the Property Tax Code by the same  
11 percentage rates for district type as specified in this  
12 subparagraph (B-5).

13 (C) For Organizational Units that are Hybrid  
14 Districts, the State Superintendent shall use the  
15 lesser of the adjusted equalized assessed valuation  
16 for property within the partial elementary unit  
17 district for elementary purposes, as defined in  
18 Article 11E of this Code, or the adjusted equalized  
19 assessed valuation for property within the partial  
20 elementary unit district for high school purposes, as  
21 defined in Article 11E of this Code.

22 (4) An Organizational Unit's Adjusted EAV shall be the  
23 average of its EAV over the immediately preceding 3 years  
24 or its EAV in the immediately preceding year if the EAV in  
25 the immediately preceding year has declined by 10% or more  
26 compared to the 3-year average. In the event of

1 Organizational Unit reorganization, consolidation, or  
2 annexation, the Organizational Unit's Adjusted EAV for the  
3 first 3 years after such change shall be as follows: the  
4 most current EAV shall be used in the first year, the  
5 average of a 2-year EAV or its EAV in the immediately  
6 preceding year if the EAV declines by 10% or more compared  
7 to the 2-year average for the second year, and a 3-year  
8 average EAV or its EAV in the immediately preceding year if  
9 the adjusted EAV declines by 10% or more compared to the  
10 3-year average for the third year. For any school district  
11 whose EAV in the immediately preceding year is used in  
12 calculations, in the following year, the Adjusted EAV shall  
13 be the average of its EAV over the immediately preceding 2  
14 years or the immediately preceding year if that year  
15 represents a decline of 10% or more compared to the 2-year  
16 average.

17 "PTELL EAV" means a figure calculated by the State  
18 Board for Organizational Units subject to PTELL as  
19 described in this paragraph (4) for the purposes of  
20 calculating an Organizational Unit's Local Capacity Ratio.  
21 Except as otherwise provided in this paragraph (4), the  
22 PTELL EAV of an Organizational Unit shall be equal to the  
23 product of the equalized assessed valuation last used in  
24 the calculation of general State aid under Section 18-8.05  
25 of this Code (now repealed) or Evidence-Based Funding under  
26 this Section and the Organizational Unit's Extension

1           Limitation Ratio. If an Organizational Unit has approved or  
2           does approve an increase in its limiting rate, pursuant to  
3           Section 18-190 of the Property Tax Code, affecting the Base  
4           Tax Year, the PTELL EAV shall be equal to the product of  
5           the equalized assessed valuation last used in the  
6           calculation of general State aid under Section 18-8.05 of  
7           this Code (now repealed) or Evidence-Based Funding under  
8           this Section multiplied by an amount equal to one plus the  
9           percentage increase, if any, in the Consumer Price Index  
10          for All Urban Consumers for all items published by the  
11          United States Department of Labor for the 12-month calendar  
12          year preceding the Base Tax Year, plus the equalized  
13          assessed valuation of new property, annexed property, and  
14          recovered tax increment value and minus the equalized  
15          assessed valuation of disconnected property.

16                 As used in this paragraph (4), "new property" and  
17                 "recovered tax increment value" shall have the meanings set  
18                 forth in the Property Tax Extension Limitation Law.

19                 (e) Base Funding Minimum calculation.

20                 (1) For the 2017-2018 school year, the Base Funding  
21                 Minimum of an Organizational Unit or a Specially Funded  
22                 Unit shall be the amount of State funds distributed to the  
23                 Organizational Unit or Specially Funded Unit during the  
24                 2016-2017 school year prior to any adjustments and  
25                 specified appropriation amounts described in this  
26                 paragraph (1) from the following Sections, as calculated by



1 the State Superintendent: Section 18-8.05 of this Code (now  
2 repealed); Section 5 of Article 224 of Public Act 99-524  
3 (equity grants); Section 14-7.02b of this Code (funding for  
4 children requiring special education services); Section  
5 14-13.01 of this Code (special education facilities and  
6 staffing), except for reimbursement of the cost of  
7 transportation pursuant to Section 14-13.01; Section  
8 14C-12 of this Code (English learners); and Section 18-4.3  
9 of this Code (summer school), based on an appropriation  
10 level of \$13,121,600. For a school district organized under  
11 Article 34 of this Code, the Base Funding Minimum also  
12 includes (i) the funds allocated to the school district  
13 pursuant to Section 1D-1 of this Code attributable to  
14 funding programs authorized by the Sections of this Code  
15 listed in the preceding sentence; and (ii) the difference  
16 between (I) the funds allocated to the school district  
17 pursuant to Section 1D-1 of this Code attributable to the  
18 funding programs authorized by Section 14-7.02 (non-public  
19 special education reimbursement), subsection (b) of  
20 Section 14-13.01 (special education transportation),  
21 Section 29-5 (transportation), Section 2-3.80  
22 (agricultural education), Section 2-3.66 (truants'  
23 alternative education), Section 2-3.62 (educational  
24 service centers), and Section 14-7.03 (special education -  
25 orphanage) of this Code and Section 15 of the Childhood  
26 Hunger Relief Act (free breakfast program) and (II) the

1 school district's actual expenditures for its non-public  
2 special education, special education transportation,  
3 transportation programs, agricultural education, truants'  
4 alternative education, services that would otherwise be  
5 performed by a regional office of education, special  
6 education orphanage expenditures, and free breakfast, as  
7 most recently calculated and reported pursuant to  
8 subsection (f) of Section 1D-1 of this Code. The Base  
9 Funding Minimum for Glenwood Academy shall be \$625,500.

10 (2) For the 2018-2019 and subsequent school years, the  
11 Base Funding Minimum of Organizational Units and Specially  
12 Funded Units shall be the sum of (i) the amount of  
13 Evidence-Based Funding for the prior school year, (ii) the  
14 Base Funding Minimum for the prior school year, and (iii)  
15 any amount received by a school district pursuant to  
16 Section 7 of Article 97 of Public Act 100-21.

17 (f) Percent of Adequacy and Final Resources calculation.

18 (1) The Evidence-Based Funding formula establishes a  
19 Percent of Adequacy for each Organizational Unit in order  
20 to place such units into tiers for the purposes of the  
21 funding distribution system described in subsection (g) of  
22 this Section. Initially, an Organizational Unit's  
23 Preliminary Resources and Preliminary Percent of Adequacy  
24 are calculated pursuant to paragraph (2) of this subsection  
25 (f). Then, an Organizational Unit's Final Resources and  
26 Final Percent of Adequacy are calculated to account for the

1 Organizational Unit's poverty concentration levels  
2 pursuant to paragraphs (3) and (4) of this subsection (f).

3 (2) An Organizational Unit's Preliminary Resources are  
4 equal to the sum of its Local Capacity Target, CPPRT, and  
5 Base Funding Minimum. An Organizational Unit's Preliminary  
6 Percent of Adequacy is the lesser of (i) its Preliminary  
7 Resources divided by its Adequacy Target or (ii) 100%.

8 (3) Except for Specially Funded Units, an  
9 Organizational Unit's Final Resources are equal the sum of  
10 its Local Capacity, CPPRT, and Adjusted Base Funding  
11 Minimum. The Base Funding Minimum of each Specially Funded  
12 Unit shall serve as its Final Resources, except that the  
13 Base Funding Minimum for State-approved charter schools  
14 shall not include any portion of general State aid  
15 allocated in the prior year based on the per capita tuition  
16 charge times the charter school enrollment.

17 (4) An Organizational Unit's Final Percent of Adequacy  
18 is its Final Resources divided by its Adequacy Target. An  
19 Organizational Unit's Adjusted Base Funding Minimum is  
20 equal to its Base Funding Minimum less its Supplemental  
21 Grant Funding, with the resulting figure added to the  
22 product of its Supplemental Grant Funding and Preliminary  
23 Percent of Adequacy.

24 (g) Evidence-Based Funding formula distribution system.

25 (1) In each school year under the Evidence-Based  
26 Funding formula, each Organizational Unit receives funding

1 equal to the sum of its Base Funding Minimum and the unit's  
2 allocation of New State Funds determined pursuant to this  
3 subsection (g). To allocate New State Funds, the  
4 Evidence-Based Funding formula distribution system first  
5 places all Organizational Units into one of 4 tiers in  
6 accordance with paragraph (3) of this subsection (g), based  
7 on the Organizational Unit's Final Percent of Adequacy. New  
8 State Funds are allocated to each of the 4 tiers as  
9 follows: Tier 1 Aggregate Funding equals 50% of all New  
10 State Funds, Tier 2 Aggregate Funding equals 49% of all New  
11 State Funds, Tier 3 Aggregate Funding equals 0.9% of all  
12 New State Funds, and Tier 4 Aggregate Funding equals 0.1%  
13 of all New State Funds. Each Organizational Unit within  
14 Tier 1 or Tier 2 receives an allocation of New State Funds  
15 equal to its tier Funding Gap, as defined in the following  
16 sentence, multiplied by the tier's Allocation Rate  
17 determined pursuant to paragraph (4) of this subsection  
18 (g). For Tier 1, an Organizational Unit's Funding Gap  
19 equals the tier's Target Ratio, as specified in paragraph  
20 (5) of this subsection (g), multiplied by the  
21 Organizational Unit's Adequacy Target, with the resulting  
22 amount reduced by the Organizational Unit's Final  
23 Resources. For Tier 2, an Organizational Unit's Funding Gap  
24 equals the tier's Target Ratio, as described 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 and its Tier 1 funding allocation. To determine  
3 the Organizational Unit's Funding Gap, the resulting  
4 amount is then multiplied by a factor equal to one minus  
5 the Organizational Unit's Local Capacity Target  
6 percentage. Each Organizational Unit within Tier 3 or Tier  
7 4 receives an allocation of New State Funds equal to the  
8 product of its Adequacy Target and the tier's Allocation  
9 Rate, as specified in paragraph (4) of this subsection (g).

10 (2) To ensure equitable distribution of dollars for all  
11 Tier 2 Organizational Units, no Tier 2 Organizational Unit  
12 shall receive fewer dollars per ASE than any Tier 3  
13 Organizational Unit. Each Tier 2 and Tier 3 Organizational  
14 Unit shall have its funding allocation divided by its ASE.  
15 Any Tier 2 Organizational Unit with a funding allocation  
16 per ASE below the greatest Tier 3 allocation per ASE shall  
17 get a funding allocation equal to the greatest Tier 3  
18 funding allocation per ASE multiplied by the  
19 Organizational Unit's ASE. Each Tier 2 Organizational  
20 Unit's Tier 2 funding allocation shall be multiplied by the  
21 percentage calculated by dividing the original Tier 2  
22 Aggregate Funding by the sum of all Tier 2 Organizational  
23 Unit's Tier 2 funding allocation after adjusting  
24 districts' funding below Tier 3 levels.

25 (3) Organizational Units are placed into one of 4 tiers  
26 as follows:

1           (A) Tier 1 consists of all Organizational Units,  
2           except for Specially Funded Units, with a Percent of  
3           Adequacy less than the Tier 1 Target Ratio. The Tier 1  
4           Target Ratio is the ratio level that allows for Tier 1  
5           Aggregate Funding to be distributed, with the Tier 1  
6           Allocation Rate determined pursuant to paragraph (4)  
7           of this subsection (g).

8           (B) Tier 2 consists of all Tier 1 Units and all  
9           other Organizational Units, except for Specially  
10          Funded Units, with a Percent of Adequacy of less than  
11          0.90.

12          (C) Tier 3 consists of all Organizational Units,  
13          except for Specially Funded Units, with a Percent of  
14          Adequacy of at least 0.90 and less than 1.0.

15          (D) Tier 4 consists of all Organizational Units  
16          with a Percent of Adequacy of at least 1.0.

17          (4) The Allocation Rates for Tiers 1 through 4 is  
18          determined as follows:

19                (A) The Tier 1 Allocation Rate is 30%.

20                (B) The Tier 2 Allocation Rate is the result of the  
21                following equation: Tier 2 Aggregate Funding, divided  
22                by the sum of the Funding Gaps for all Tier 2  
23                Organizational Units, unless the result of such  
24                equation is higher than 1.0. If the result of such  
25                equation is higher than 1.0, then the Tier 2 Allocation  
26                Rate is 1.0.

1 (C) The Tier 3 Allocation Rate is the result of the  
2 following equation: Tier 3 Aggregate Funding, divided  
3 by the sum of the Adequacy Targets of all Tier 3  
4 Organizational Units.

5 (D) The Tier 4 Allocation Rate is the result of the  
6 following equation: Tier 4 Aggregate Funding, divided  
7 by the sum of the Adequacy Targets of all Tier 4  
8 Organizational Units.

9 (5) A tier's Target Ratio is determined as follows:

10 (A) The Tier 1 Target Ratio is the ratio level that  
11 allows for Tier 1 Aggregate Funding to be distributed  
12 with the Tier 1 Allocation Rate.

13 (B) The Tier 2 Target Ratio is 0.90.

14 (C) The Tier 3 Target Ratio is 1.0.

15 (6) If, at any point, the Tier 1 Target Ratio is  
16 greater than 90%, than all Tier 1 funding shall be  
17 allocated to Tier 2 and no Tier 1 Organizational Unit's  
18 funding may be identified.

19 (7) In the event that all Tier 2 Organizational Units  
20 receive funding at the Tier 2 Target Ratio level, any  
21 remaining New State Funds shall be allocated to Tier 3 and  
22 Tier 4 Organizational Units.

23 (8) If any Specially Funded Units, excluding Glenwood  
24 Academy, recognized by the State Board do not qualify for  
25 direct funding following the implementation of this  
26 amendatory Act of the 100th General Assembly from any of

1 the funding sources included within the definition of Base  
2 Funding Minimum, the unqualified portion of the Base  
3 Funding Minimum shall be transferred to one or more  
4 appropriate Organizational Units as determined by the  
5 State Superintendent based on the prior year ASE of the  
6 Organizational Units.

7 (8.5) If a school district withdraws from a special  
8 education cooperative, the portion of the Base Funding  
9 Minimum that is attributable to the school district may be  
10 redistributed to the school district upon withdrawal. The  
11 school district and the cooperative must include the amount  
12 of the Base Funding Minimum that is to be re-apportioned in  
13 their withdrawal agreement and notify the State Board of  
14 the change with a copy of the agreement upon withdrawal.

15 (9) The Minimum Funding Level is intended to establish  
16 a target for State funding that will keep pace with  
17 inflation and continue to advance equity through the  
18 Evidence-Based Funding formula. The target for State  
19 funding of New Property Tax Relief Pool Funds is  
20 \$50,000,000 for State fiscal year 2019 and subsequent State  
21 fiscal years. The Minimum Funding Level is equal to  
22 \$350,000,000. In addition to any New State Funds, no more  
23 than \$50,000,000 New Property Tax Relief Pool Funds may be  
24 counted towards the Minimum Funding Level. If the sum of  
25 New State Funds and applicable New Property Tax Relief Pool  
26 Funds are less than the Minimum Funding Level, than funding



1 for tiers shall be reduced in the following manner:

2 (A) First, Tier 4 funding shall be reduced by an  
3 amount equal to the difference between the Minimum  
4 Funding Level and New State Funds until such time as  
5 Tier 4 funding is exhausted.

6 (B) Next, Tier 3 funding shall be reduced by an  
7 amount equal to the difference between the Minimum  
8 Funding Level and New State Funds and the reduction in  
9 Tier 4 funding until such time as Tier 3 funding is  
10 exhausted.

11 (C) Next, Tier 2 funding shall be reduced by an  
12 amount equal to the difference between the Minimum  
13 Funding level and new State Funds and the reduction  
14 Tier 4 and Tier 3.

15 (D) Finally, Tier 1 funding shall be reduced by an  
16 amount equal to the difference between the Minimum  
17 Funding level and New State Funds and the reduction in  
18 Tier 2, 3, and 4 funding. In addition, the Allocation  
19 Rate for Tier 1 shall be reduced to a percentage equal  
20 to the Tier 1 allocation rate set by paragraph (4) of  
21 this subsection (g), multiplied by the result of New  
22 State Funds divided by the Minimum Funding Level.

23 (9.5) For State fiscal year 2019 and subsequent State  
24 fiscal years, if New State Funds exceed \$300,000,000, then  
25 any amount in excess of \$300,000,000 shall be dedicated for  
26 purposes of Section 2-3.170 of this Code up to a maximum of

1           \$50,000,000.

2           (10) In the event of a decrease in the amount of the  
3           appropriation for this Section in any fiscal year after  
4           implementation of this Section, the Organizational Units  
5           receiving Tier 1 and Tier 2 funding, as determined under  
6           paragraph (3) of this subsection (g), shall be held  
7           harmless by establishing a Base Funding Guarantee equal to  
8           the per pupil kindergarten through grade 12 funding  
9           received in accordance with this Section in the prior  
10          fiscal year. Reductions shall be made to the Base Funding  
11          Minimum of Organizational Units in Tier 3 and Tier 4 on a  
12          per pupil basis equivalent to the total number of the ASE  
13          in Tier 3-funded and Tier 4-funded Organizational Units  
14          divided by the total reduction in State funding. The Base  
15          Funding Minimum as reduced shall continue to be applied to  
16          Tier 3 and Tier 4 Organizational Units and adjusted by the  
17          relative formula when increases in appropriations for this  
18          Section resume. In no event may State funding reductions to  
19          Organizational Units in Tier 3 or Tier 4 exceed an amount  
20          that would be less than the Base Funding Minimum  
21          established in the first year of implementation of this  
22          Section. If additional reductions are required, all school  
23          districts shall receive a reduction by a per pupil amount  
24          equal to the aggregate additional appropriation reduction  
25          divided by the total ASE of all Organizational Units.

26          (11) The State Superintendent shall make minor

1 adjustments to the distribution formula set forth in this  
2 subsection (g) to account for the rounding of percentages  
3 to the nearest tenth of a percentage and dollar amounts to  
4 the nearest whole dollar.

5 (h) State Superintendent administration of funding and  
6 district submission requirements.

7 (1) The State Superintendent shall, in accordance with  
8 appropriations made by the General Assembly or the  
9 Education Prioritization Act, meet the funding obligations  
10 created under this Section.

11 (2) The State Superintendent shall calculate the  
12 Adequacy Target for each Organizational Unit and Net State  
13 Contribution Target for each Organizational Unit under  
14 this Section. The State Superintendent shall also certify  
15 the actual amounts of the New State Funds payable for each  
16 eligible Organizational Unit based on the equitable  
17 distribution calculation to the unit's treasurer, as soon  
18 as possible after such amounts are calculated, including  
19 any applicable adjusted charge-off increase. No  
20 Evidence-Based Funding shall be distributed within an  
21 Organizational Unit without the approval of the unit's  
22 school board.

23 (3) Annually, the State Superintendent shall calculate  
24 and report to each Organizational Unit the unit's aggregate  
25 financial adequacy amount, which shall be the sum of the  
26 Adequacy Target for each Organizational Unit. The State

1 Superintendent shall calculate and report separately for  
2 each Organizational Unit the unit's total State funds  
3 allocated for its students with disabilities. The State  
4 Superintendent shall calculate and report separately for  
5 each Organizational Unit the amount of funding and  
6 applicable FTE calculated for each Essential Element of the  
7 unit's Adequacy Target.

8 (4) Annually, the State Superintendent shall calculate  
9 and report to each Organizational Unit the amount the unit  
10 must expend on special education and bilingual education  
11 and computer technology and equipment for Organizational  
12 Units assigned to Tier 1 or Tier 2 that received an  
13 additional \$285.50 per student computer technology and  
14 equipment investment grant to their Adequacy Target  
15 pursuant to the unit's Base Funding Minimum, Special  
16 Education Allocation, Bilingual Education Allocation, and  
17 computer technology and equipment investment allocation.

18 (5) Moneys distributed under this Section shall be  
19 calculated on a school year basis, but paid on a fiscal  
20 year basis, with payments beginning in August and extending  
21 through June. Unless otherwise provided, the moneys  
22 appropriated for each fiscal year shall be distributed in  
23 22 equal payments at least 2 times monthly to each  
24 Organizational Unit. The State Board shall publish a yearly  
25 distribution schedule at its meeting in June. If moneys  
26 appropriated for any fiscal year are distributed other than

1           monthly, the distribution shall be on the same basis for  
2           each Organizational Unit.

3           (6) Any school district that fails, for any given  
4           school year, to maintain school as required by law or to  
5           maintain a recognized school is not eligible to receive  
6           Evidence-Based Funding. In case of non-recognition of one  
7           or more attendance centers in a school district otherwise  
8           operating recognized schools, the claim of the district  
9           shall be reduced in the proportion that the enrollment in  
10          the attendance center or centers bears to the enrollment of  
11          the school district. "Recognized school" means any public  
12          school that meets the standards for recognition by the  
13          State Board. A school district or attendance center not  
14          having recognition status at the end of a school term is  
15          entitled to receive State aid payments due upon a legal  
16          claim that was filed while it was recognized.

17          (7) School district claims filed under this Section are  
18          subject to Sections 18-9 and 18-12 of this Code, except as  
19          otherwise provided in this Section.

20          (8) Each fiscal year, the State Superintendent shall  
21          calculate for each Organizational Unit an amount of its  
22          Base Funding Minimum and Evidence-Based Funding that shall  
23          be deemed attributable to the provision of special  
24          educational facilities and services, as defined in Section  
25          14-1.08 of this Code, in a manner that ensures compliance  
26          with maintenance of State financial support requirements

1 under the federal Individuals with Disabilities Education  
2 Act. An Organizational Unit must use such funds only for  
3 the provision of special educational facilities and  
4 services, as defined in Section 14-1.08 of this Code, and  
5 must comply with any expenditure verification procedures  
6 adopted by the State Board.

7 (9) All Organizational Units in this State must submit  
8 annual spending plans by the end of September of each year  
9 to the State Board as part of the annual budget process,  
10 which shall describe how each Organizational Unit will  
11 utilize the Base Minimum Funding and Evidence-Based  
12 funding it receives from this State under this Section with  
13 specific identification of the intended utilization of  
14 Low-Income, English learner, and special education  
15 resources. Additionally, the annual spending plans of each  
16 Organizational Unit shall describe how the Organizational  
17 Unit expects to achieve student growth and how the  
18 Organizational Unit will achieve State education goals, as  
19 defined by the State Board. The State Superintendent may,  
20 from time to time, identify additional requisites for  
21 Organizational Units to satisfy when compiling the annual  
22 spending plans required under this subsection (h). The  
23 format and scope of annual spending plans shall be  
24 developed by the State Superintendent in conjunction with  
25 the Professional Review Panel. School districts that serve  
26 students under Article 14C of this Code shall continue to

1 submit information as required under Section 14C-12 of this  
2 Code.

3 (10) No later than January 1, 2018, the State  
4 Superintendent shall develop a 5-year strategic plan for  
5 all Organizational Units to help in planning for adequacy  
6 funding under this Section. The State Superintendent shall  
7 submit the plan to the Governor and the General Assembly,  
8 as provided in Section 3.1 of the General Assembly  
9 Organization Act. The plan shall include recommendations  
10 for:

11 (A) a framework for collaborative, professional,  
12 innovative, and 21st century learning environments  
13 using the Evidence-Based Funding model;

14 (B) ways to prepare and support this State's  
15 educators for successful instructional careers;

16 (C) application and enhancement of the current  
17 financial accountability measures, the approved State  
18 plan to comply with the federal Every Student Succeeds  
19 Act, and the Illinois Balanced Accountability Measures  
20 in relation to student growth and elements of the  
21 Evidence-Based Funding model; and

22 (D) implementation of an effective school adequacy  
23 funding system based on projected and recommended  
24 funding levels from the General Assembly.

25 (i) Professional Review Panel.

26 (1) A Professional Review Panel is created to study and

1 review the implementation and effect of the Evidence-Based  
2 Funding model under this Section and to recommend continual  
3 recalibration and future study topics and modifications to  
4 the Evidence-Based Funding model. The Panel shall elect a  
5 chairperson and vice chairperson by a majority vote of the  
6 Panel and shall advance recommendations based on a majority  
7 vote of the Panel. A minority opinion may also accompany  
8 any recommendation of the majority of the Panel. The Panel  
9 shall be appointed by the State Superintendent, except as  
10 otherwise provided in paragraph (2) of this subsection (i)  
11 and include the following members:

12 (A) Two appointees that represent district  
13 superintendents, recommended by a statewide  
14 organization that represents district superintendents.

15 (B) Two appointees that represent school boards,  
16 recommended by a statewide organization that  
17 represents school boards.

18 (C) Two appointees from districts that represent  
19 school business officials, recommended by a statewide  
20 organization that represents school business  
21 officials.

22 (D) Two appointees that represent school  
23 principals, recommended by a statewide organization  
24 that represents school principals.

25 (E) Two appointees that represent teachers,  
26 recommended by a statewide organization that



1 represents teachers.

2 (F) Two appointees that represent teachers,  
3 recommended by another statewide organization that  
4 represents teachers.

5 (G) Two appointees that represent regional  
6 superintendents of schools, recommended by  
7 organizations that represent regional superintendents.

8 (H) Two independent experts selected solely by the  
9 State Superintendent.

10 (I) Two independent experts recommended by public  
11 universities in this State.

12 (J) One member recommended by a statewide  
13 organization that represents parents.

14 (K) Two representatives recommended by collective  
15 impact organizations that represent major metropolitan  
16 areas or geographic areas in Illinois.

17 (L) One member from a statewide organization  
18 focused on research-based education policy to support  
19 a school system that prepares all students for college,  
20 a career, and democratic citizenship.

21 (M) One representative from a school district  
22 organized under Article 34 of this Code.

23 The State Superintendent shall ensure that the  
24 membership of the Panel includes representatives from  
25 school districts and communities reflecting the  
26 geographic, socio-economic, racial, and ethnic diversity

1 of this State. The State Superintendent shall additionally  
2 ensure that the membership of the Panel includes  
3 representatives with expertise in bilingual education and  
4 special education. Staff from the State Board shall staff  
5 the Panel.

6 (2) In addition to those Panel members appointed by the  
7 State Superintendent, 4 members of the General Assembly  
8 shall be appointed as follows: one member of the House of  
9 Representatives appointed by the Speaker of the House of  
10 Representatives, one member of the Senate appointed by the  
11 President of the Senate, one member of the House of  
12 Representatives appointed by the Minority Leader of the  
13 House of Representatives, and one member of the Senate  
14 appointed by the Minority Leader of the Senate. There shall  
15 be one additional member appointed by the Governor. All  
16 members appointed by legislative leaders or the Governor  
17 shall be non-voting, ex officio members.

18 (3) On an annual basis, the State Superintendent shall  
19 recalibrate the following per pupil elements of the  
20 Adequacy Target and applied to the formulas, based on the  
21 Panel's study of average expenses as reported in the most  
22 recent annual financial report:

23 (A) gifted under subparagraph (M) of paragraph (2)  
24 of subsection (b) of this Section;

25 (B) instructional materials under subparagraph (O)  
26 of paragraph (2) of subsection (b) of this Section;

1 (C) assessment under subparagraph (P) of paragraph  
2 (2) of subsection (b) of this Section;

3 (D) student activities under subparagraph (R) of  
4 paragraph (2) of subsection (b) of this Section;

5 (E) maintenance and operations under subparagraph  
6 (S) of paragraph (2) of subsection (b) of this Section;  
7 and

8 (F) central office under subparagraph (T) of  
9 paragraph (2) of subsection (b) of this Section.

10 (4) On a periodic basis, the Panel shall study all the  
11 following elements and make recommendations to the State  
12 Board, the General Assembly, and the Governor for  
13 modification of this Section:

14 (A) The format and scope of annual spending plans  
15 referenced in paragraph (9) of subsection (h) of this  
16 Section.

17 (B) The Comparable Wage Index under this Section,  
18 to be studied by the Panel and reestablished by the  
19 State Superintendent every 5 years.

20 (C) Maintenance and operations. Within 5 years  
21 after the implementation of this Section, the Panel  
22 shall make recommendations for the further study of  
23 maintenance and operations costs, including capital  
24 maintenance costs, and recommend any additional  
25 reporting data required from Organizational Units.

26 (D) "At-risk student" definition. Within 5 years

1 after the implementation of this Section, the Panel  
2 shall make recommendations for the further study and  
3 determination of an "at-risk student" definition.  
4 Within 5 years after the implementation of this  
5 Section, the Panel shall evaluate and make  
6 recommendations regarding adequate funding for poverty  
7 concentration under the Evidence-Based Funding model.

8 (E) Benefits. Within 5 years after the  
9 implementation of this Section, the Panel shall make  
10 recommendations for further study of benefit costs.

11 (F) Technology. The per pupil target for  
12 technology shall be reviewed every 3 years to determine  
13 whether current allocations are sufficient to develop  
14 21st century learning in all classrooms in this State  
15 and supporting a one-to-one technological device  
16 program in each school. Recommendations shall be made  
17 no later than 3 years after the implementation of this  
18 Section.

19 (G) Local Capacity Target. Within 3 years after the  
20 implementation of this Section, the Panel shall make  
21 recommendations for any additional data desired to  
22 analyze possible modifications to the Local Capacity  
23 Target, to be based on measures in addition to solely  
24 EAV and to be completed within 5 years after  
25 implementation of this Section.

26 (H) Funding for Alternative Schools, Laboratory

1 Schools, safe schools, and alternative learning  
2 opportunities programs. By the beginning of the  
3 2021-2022 school year, the Panel shall study and make  
4 recommendations regarding the funding levels for  
5 Alternative Schools, Laboratory Schools, safe schools,  
6 and alternative learning opportunities programs in  
7 this State.

8 (I) Funding for college and career acceleration  
9 strategies. By the beginning of the 2021-2022 school  
10 year, the Panel shall study and make recommendations  
11 regarding funding levels to support college and career  
12 acceleration strategies in high school that have been  
13 demonstrated to result in improved secondary and  
14 postsecondary outcomes, including Advanced Placement,  
15 dual-credit opportunities, and college and career  
16 pathway systems.

17 (J) Special education investments. By the  
18 beginning of the 2021-2022 school year, the Panel shall  
19 study and make recommendations on whether and how to  
20 account for disability types within the special  
21 education funding category.

22 (K) Early childhood investments. In collaboration  
23 with the Illinois Early Learning Council, the Panel  
24 shall include an analysis of what level of Preschool  
25 for All Children funding would be necessary to serve  
26 all children ages 0 through 5 years in the

1 highest-priority service tier, as specified in  
2 paragraph (4.5) of subsection (a) of Section 2-3.71 of  
3 this Code, and an analysis of the potential cost  
4 savings that that level of Preschool for All Children  
5 investment would have on the kindergarten through  
6 grade 12 system.

7 (5) Within 5 years after the implementation of this  
8 Section, the Panel shall complete an evaluative study of  
9 the entire Evidence-Based Funding model, including an  
10 assessment of whether or not the formula is achieving State  
11 goals. The Panel shall report to the State Board, the  
12 General Assembly, and the Governor on the findings of the  
13 study.

14 (6) Within 3 years after the implementation of this  
15 Section, the Panel shall evaluate and provide  
16 recommendations to the Governor and the General Assembly on  
17 the hold-harmless provisions of this Section found in the  
18 Base Funding Minimum.

19 (j) References. Beginning July 1, 2017, references in other  
20 laws to general State aid funds or calculations under Section  
21 18-8.05 of this Code (now repealed) shall be deemed to be  
22 references to evidence-based model formula funds or  
23 calculations under this Section.

24 (Source: P.A. 100-465, eff. 8-31-17; 100-578, eff. 1-31-18;  
25 100-582, eff. 3-23-18.)

1 Section 90. The State Mandates Act is amended by adding  
2 Section 8.43 as follows:

3 (30 ILCS 805/8.43 new)

4 Sec. 8.43. Exempt mandate. Notwithstanding Sections 6 and 8  
5 of this Act, no reimbursement by the State is required for the  
6 implementation of any mandate created by this amendatory Act of  
7 the 101st General Assembly.

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