

1 AN ACT regarding schools.

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

4 Section 5. The School Code is amended by changing
5 Section 18-8.05 as follows:

6 (105 ILCS 5/18-8.05)

7 Sec. 18-8.05. Basis for apportionment of general State
8 financial aid and supplemental general State aid to the
9 common schools for the 1998-1999 and subsequent school years.

10 (A) General Provisions.

11 (1) The provisions of this Section apply to the
12 1998-1999 and subsequent school years. The system of general
13 State financial aid provided for in this Section is designed
14 to assure that, through a combination of State financial aid
15 and required local resources, the financial support provided
16 each pupil in Average Daily Attendance equals or exceeds a
17 prescribed per pupil Foundation Level. This formula approach
18 imputes a level of per pupil Available Local Resources and
19 provides for the basis to calculate a per pupil level of
20 general State financial aid that, when added to Available
21 Local Resources, equals or exceeds the Foundation Level. The
22 amount of per pupil general State financial aid for school
23 districts, in general, varies in inverse relation to
24 Available Local Resources. Per pupil amounts are based upon
25 each school district's Average Daily Attendance as that term
26 is defined in this Section.

27 (2) In addition to general State financial aid, school
28 districts with specified levels or concentrations of pupils
29 from low income households are eligible to receive
30 supplemental general State financial aid grants as provided
31 pursuant to subsection (H) of this Section. The supplemental

1 State aid grants provided for school districts under
2 subsection (H) shall be appropriated for distribution to
3 school districts as part of the same line item in which the
4 general State financial aid of school districts is
5 appropriated under this Section.

6 (3) To receive financial assistance under this Section,
7 school districts are required to file claims with the State
8 Board of Education, subject to the following requirements:

9 (a) Any school district which fails for any given
10 school year to maintain school as required by law, or to
11 maintain a recognized school is not eligible to file for
12 such school year any claim upon the Common School Fund.
13 In case of nonrecognition of one or more attendance
14 centers in a school district otherwise operating
15 recognized schools, the claim of the district shall be
16 reduced in the proportion which the Average Daily
17 Attendance in the attendance center or centers bear to
18 the Average Daily Attendance in the school district. A
19 "recognized school" means any public school which meets
20 the standards as established for recognition by the State
21 Board of Education. A school district or attendance
22 center not having recognition status at the end of a
23 school term is entitled to receive State aid payments due
24 upon a legal claim which was filed while it was
25 recognized.

26 (b) School district claims filed under this Section
27 are subject to Sections 18-9, 18-10, and 18-12, except as
28 otherwise provided in this Section.

29 (c) If a school district operates a full year
30 school under Section 10-19.1, the general State aid to
31 the school district shall be determined by the State
32 Board of Education in accordance with this Section as
33 near as may be applicable.

34 (d) (Blank).

1 (4) Except as provided in subsections (H) and (L), the
 2 board of any district receiving any of the grants provided
 3 for in this Section may apply those funds to any fund so
 4 received for which that board is authorized to make
 5 expenditures by law.

6 School districts are not required to exert a minimum
 7 Operating Tax Rate in order to qualify for assistance under
 8 this Section.

9 (5) As used in this Section the following terms, when
 10 capitalized, shall have the meaning ascribed herein:

11 (a) "Average Daily Attendance": A count of pupil
 12 attendance in school, averaged as provided for in
 13 subsection (C) and utilized in deriving per pupil
 14 financial support levels.

15 (b) "Available Local Resources": A computation of
 16 local financial support, calculated on the basis of
 17 Average Daily Attendance and derived as provided pursuant
 18 to subsection (D).

19 (c) "Corporate Personal Property Replacement
 20 Taxes": Funds paid to local school districts pursuant to
 21 "An Act in relation to the abolition of ad valorem
 22 personal property tax and the replacement of revenues
 23 lost thereby, and amending and repealing certain Acts and
 24 parts of Acts in connection therewith", certified August
 25 14, 1979, as amended (Public Act 81-1st S.S.-1).

26 (d) "Foundation Level": A prescribed level of per
 27 pupil financial support as provided for in subsection
 28 (B).

29 (e) "Operating Tax Rate": All school district
 30 property taxes extended for all purposes, except Bond and
 31 Interest, Summer School, Rent, Capital Improvement, and
 32 Vocational Education Building purposes.

33 (B) Foundation Level.

34 (1) The Foundation Level is a figure established by the

1 State representing the minimum level of per pupil financial
2 support that should be available to provide for the basic
3 education of each pupil in Average Daily Attendance. As set
4 forth in this Section, each school district is assumed to
5 exert a sufficient local taxing effort such that, in
6 combination with the aggregate of general State financial aid
7 provided the district, an aggregate of State and local
8 resources are available to meet the basic education needs of
9 pupils in the district.

10 (2) For the 1998-1999 school year, the Foundation Level
11 of support is \$4,225. For the 1999-2000 school year, the
12 Foundation Level of support is \$4,325. For the 2000-2001
13 school year, the Foundation Level of support is \$4,425.

14 (3) For the 2001-2002 school year and each school year
15 thereafter, the Foundation Level of support is \$4,560 or such
16 greater amount as may be established by law by the General
17 Assembly.

18 (C) Average Daily Attendance.

19 (1) For purposes of calculating general State aid
20 pursuant to subsection (E), an Average Daily Attendance
21 figure shall be utilized. The Average Daily Attendance
22 figure for formula calculation purposes shall be the monthly
23 average of the actual number of pupils in attendance of each
24 school district, as further averaged for the best 3 months of
25 pupil attendance for each school district. In compiling the
26 figures for the number of pupils in attendance, school
27 districts and the State Board of Education shall, for
28 purposes of general State aid funding, conform attendance
29 figures to the requirements of subsection (F).

30 (2) The Average Daily Attendance figures utilized in
31 subsection (E) shall be the requisite attendance data for the
32 school year immediately preceding the school year for which
33 general State aid is being calculated or the average of the
34 attendance data for the 3 preceding school years, whichever

1 is greater. The Average Daily Attendance figures utilized in
2 subsection (H) shall be the requisite attendance data for the
3 school year immediately preceding the school year for which
4 general State aid is being calculated.

5 (D) Available Local Resources.

6 (1) For purposes of calculating general State aid
7 pursuant to subsection (E), a representation of Available
8 Local Resources per pupil, as that term is defined and
9 determined in this subsection, shall be utilized. Available
10 Local Resources per pupil shall include a calculated dollar
11 amount representing local school district revenues from local
12 property taxes and from Corporate Personal Property
13 Replacement Taxes, expressed on the basis of pupils in
14 Average Daily Attendance.

15 (2) In determining a school district's revenue from
16 local property taxes, the State Board of Education shall
17 utilize the equalized assessed valuation of all taxable
18 property of each school district as of September 30 of the
19 previous year. The equalized assessed valuation utilized
20 shall be obtained and determined as provided in subsection
21 (G).

22 (3) For school districts maintaining grades kindergarten
23 through 12, local property tax revenues per pupil shall be
24 calculated as the product of the applicable equalized
25 assessed valuation for the district multiplied by 3.00%, and
26 divided by the district's Average Daily Attendance figure.
27 For school districts maintaining grades kindergarten through
28 8, local property tax revenues per pupil shall be calculated
29 as the product of the applicable equalized assessed valuation
30 for the district multiplied by 2.30%, and divided by the
31 district's Average Daily Attendance figure. For school
32 districts maintaining grades 9 through 12, local property tax
33 revenues per pupil shall be the applicable equalized assessed
34 valuation of the district multiplied by 1.05%, and divided by

1 the district's Average Daily Attendance figure.

2 (4) The Corporate Personal Property Replacement Taxes
3 paid to each school district during the calendar year 2 years
4 before the calendar year in which a school year begins,
5 divided by the Average Daily Attendance figure for that
6 district, shall be added to the local property tax revenues
7 per pupil as derived by the application of the immediately
8 preceding paragraph (3). The sum of these per pupil figures
9 for each school district shall constitute Available Local
10 Resources as that term is utilized in subsection (E) in the
11 calculation of general State aid.

12 (E) Computation of General State Aid.

13 (1) For each school year, the amount of general State
14 aid allotted to a school district shall be computed by the
15 State Board of Education as provided in this subsection.

16 (2) For any school district for which Available Local
17 Resources per pupil is less than the product of 0.93 times
18 the Foundation Level, general State aid for that district
19 shall be calculated as an amount equal to the Foundation
20 Level minus Available Local Resources, multiplied by the
21 Average Daily Attendance of the school district.

22 (3) For any school district for which Available Local
23 Resources per pupil is equal to or greater than the product
24 of 0.93 times the Foundation Level and less than the product
25 of 1.75 times the Foundation Level, the general State aid per
26 pupil shall be a decimal proportion of the Foundation Level
27 derived using a linear algorithm. Under this linear
28 algorithm, the calculated general State aid per pupil shall
29 decline in direct linear fashion from 0.07 times the
30 Foundation Level for a school district with Available Local
31 Resources equal to the product of 0.93 times the Foundation
32 Level, to 0.05 times the Foundation Level for a school
33 district with Available Local Resources equal to the product
34 of 1.75 times the Foundation Level. The allocation of

1 general State aid for school districts subject to this
2 paragraph 3 shall be the calculated general State aid per
3 pupil figure multiplied by the Average Daily Attendance of
4 the school district.

5 (4) For any school district for which Available Local
6 Resources per pupil equals or exceeds the product of 1.75
7 times the Foundation Level, the general State aid for the
8 school district shall be calculated as the product of \$218
9 multiplied by the Average Daily Attendance of the school
10 district.

11 (5) The amount of general State aid allocated to a
12 school district for the 1999-2000 school year meeting the
13 requirements set forth in paragraph (4) of subsection (G)
14 shall be increased by an amount equal to the general State
15 aid that would have been received by the district for the
16 1998-1999 school year by utilizing the Extension Limitation
17 Equalized Assessed Valuation as calculated in paragraph (4)
18 of subsection (G) less the general State aid allotted for the
19 1998-1999 school year. This amount shall be deemed a one
20 time increase, and shall not affect any future general State
21 aid allocations.

22 (F) Compilation of Average Daily Attendance.

23 (1) Each school district shall, by July 1 of each year,
24 submit to the State Board of Education, on forms prescribed
25 by the State Board of Education, attendance figures for the
26 school year that began in the preceding calendar year. The
27 attendance information so transmitted shall identify the
28 average daily attendance figures for each month of the school
29 year. Beginning with the general State aid claim form for
30 the 2002-2003 school year, districts shall calculate Average
31 Daily Attendance as provided in subdivisions (a), (b), and
32 (c) of this paragraph (1).

33 (a) In districts that do not hold year-round
34 classes, days of attendance in August shall be added to

1 the month of September and any days of attendance in June
2 shall be added to the month of May.

3 (b) In districts in which all buildings hold
4 year-round classes, days of attendance in July and August
5 shall be added to the month of September and any days of
6 attendance in June shall be added to the month of May.

7 (c) In districts in which some buildings, but not
8 all, hold year-round classes, for the non-year-round
9 buildings, days of attendance in August shall be added to
10 the month of September and any days of attendance in June
11 shall be added to the month of May. The average daily
12 attendance for the year-round buildings shall be computed
13 as provided in subdivision (b) of this paragraph (1). To
14 calculate the Average Daily Attendance for the district,
15 the average daily attendance for the year-round buildings
16 shall be multiplied by the days in session for the
17 non-year-round buildings for each month and added to the
18 monthly attendance of the non-year-round buildings.

19 Except as otherwise provided in this Section, days of
20 attendance by pupils shall be counted only for sessions of
21 not less than 5 clock hours of school work per day under
22 direct supervision of: (i) teachers, or (ii) non-teaching
23 personnel or volunteer personnel when engaging in
24 non-teaching duties and supervising in those instances
25 specified in subsection (a) of Section 10-22.34 and paragraph
26 10 of Section 34-18, with pupils of legal school age and in
27 kindergarten and grades 1 through 12.

28 Days of attendance by tuition pupils shall be accredited
29 only to the districts that pay the tuition to a recognized
30 school.

31 (2) Days of attendance by pupils of less than 5 clock
32 hours of school shall be subject to the following provisions
33 in the compilation of Average Daily Attendance.

34 (a) Pupils regularly enrolled in a public school

1 for only a part of the school day may be counted on the
2 basis of 1/6 day for every class hour of instruction of
3 40 minutes or more attended pursuant to such enrollment,
4 unless a pupil is enrolled in a block-schedule format of
5 80 minutes or more of instruction, in which case the
6 pupil may be counted on the basis of the proportion of
7 minutes of school work completed each day to the minimum
8 number of minutes that school work is required to be held
9 that day.

10 (b) Days of attendance may be less than 5 clock
11 hours on the opening and closing of the school term, and
12 upon the first day of pupil attendance, if preceded by a
13 day or days utilized as an institute or teachers'
14 workshop.

15 (c) A session of 4 or more clock hours may be
16 counted as a day of attendance upon certification by the
17 regional superintendent, and approved by the State
18 Superintendent of Education to the extent that the
19 district has been forced to use daily multiple sessions.

20 (d) A session of 3 or more clock hours may be
21 counted as a day of attendance (1) when the remainder of
22 the school day or at least 2 hours in the evening of that
23 day is utilized for an in-service training program for
24 teachers, up to a maximum of 5 days per school year of
25 which a maximum of 4 days of such 5 days may be used for
26 parent-teacher conferences, provided a district conducts
27 an in-service training program for teachers which has
28 been approved by the State Superintendent of Education;
29 or, in lieu of 4 such days, 2 full days may be used, in
30 which event each such day may be counted as a day of
31 attendance; and (2) when days in addition to those
32 provided in item (1) are scheduled by a school pursuant
33 to its school improvement plan adopted under Article 34
34 or its revised or amended school improvement plan adopted

1 under Article 2, provided that (i) such sessions of 3 or
2 more clock hours are scheduled to occur at regular
3 intervals, (ii) the remainder of the school days in which
4 such sessions occur are utilized for in-service training
5 programs or other staff development activities for
6 teachers, and (iii) a sufficient number of minutes of
7 school work under the direct supervision of teachers are
8 added to the school days between such regularly scheduled
9 sessions to accumulate not less than the number of
10 minutes by which such sessions of 3 or more clock hours
11 fall short of 5 clock hours. Any full days used for the
12 purposes of this paragraph shall not be considered for
13 computing average daily attendance. Days scheduled for
14 in-service training programs, staff development
15 activities, or parent-teacher conferences may be
16 scheduled separately for different grade levels and
17 different attendance centers of the district.

18 (e) A session of not less than one clock hour of
19 teaching hospitalized or homebound pupils on-site or by
20 telephone to the classroom may be counted as 1/2 day of
21 attendance, however these pupils must receive 4 or more
22 clock hours of instruction to be counted for a full day
23 of attendance.

24 (f) A session of at least 4 clock hours may be
25 counted as a day of attendance for first grade pupils,
26 and pupils in full day kindergartens, and a session of 2
27 or more hours may be counted as 1/2 day of attendance by
28 pupils in kindergartens which provide only 1/2 day of
29 attendance.

30 (g) For children with disabilities who are below
31 the age of 6 years and who cannot attend 2 or more clock
32 hours because of their disability or immaturity, a
33 session of not less than one clock hour may be counted as
34 1/2 day of attendance; however for such children whose

1 educational needs so require a session of 4 or more clock
2 hours may be counted as a full day of attendance.

3 (h) A recognized kindergarten which provides for
4 only 1/2 day of attendance by each pupil shall not have
5 more than 1/2 day of attendance counted in any one day.
6 However, kindergartens may count 2 1/2 days of attendance
7 in any 5 consecutive school days. When a pupil attends
8 such a kindergarten for 2 half days on any one school
9 day, the pupil shall have the following day as a day
10 absent from school, unless the school district obtains
11 permission in writing from the State Superintendent of
12 Education. Attendance at kindergartens which provide for
13 a full day of attendance by each pupil shall be counted
14 the same as attendance by first grade pupils. Only the
15 first year of attendance in one kindergarten shall be
16 counted, except in case of children who entered the
17 kindergarten in their fifth year whose educational
18 development requires a second year of kindergarten as
19 determined under the rules and regulations of the State
20 Board of Education.

21 (G) Equalized Assessed Valuation Data.

22 (1) For purposes of the calculation of Available Local
23 Resources required pursuant to subsection (D), the State
24 Board of Education shall secure from the Department of
25 Revenue the value as equalized or assessed by the Department
26 of Revenue of all taxable property of every school district,
27 together with (i) the applicable tax rate used in extending
28 taxes for the funds of the district as of September 30 of the
29 previous year and (ii) the limiting rate for all school
30 districts subject to property tax extension limitations as
31 imposed under the Property Tax Extension Limitation Law.

32 This equalized assessed valuation, as adjusted further by
33 the requirements of this subsection, shall be utilized in the
34 calculation of Available Local Resources.

1 (2) The equalized assessed valuation in paragraph (1)
2 shall be adjusted, as applicable, in the following manner:

3 (a) For the purposes of calculating State aid under
4 this Section, with respect to any part of a school
5 district within a redevelopment project area in respect
6 to which a municipality has adopted tax increment
7 allocation financing pursuant to the Tax Increment
8 Allocation Redevelopment Act, Sections 11-74.4-1 through
9 11-74.4-11 of the Illinois Municipal Code or the
10 Industrial Jobs Recovery Law, Sections 11-74.6-1 through
11 11-74.6-50 of the Illinois Municipal Code, no part of the
12 current equalized assessed valuation of real property
13 located in any such project area which is attributable to
14 an increase above the total initial equalized assessed
15 valuation of such property shall be used as part of the
16 equalized assessed valuation of the district, until such
17 time as all redevelopment project costs have been paid,
18 as provided in Section 11-74.4-8 of the Tax Increment
19 Allocation Redevelopment Act or in Section 11-74.6-35 of
20 the Industrial Jobs Recovery Law. For the purpose of the
21 equalized assessed valuation of the district, the total
22 initial equalized assessed valuation or the current
23 equalized assessed valuation, whichever is lower, shall
24 be used until such time as all redevelopment project
25 costs have been paid.

26 (b) The real property equalized assessed valuation
27 for a school district shall be adjusted by subtracting
28 from the real property value as equalized or assessed by
29 the Department of Revenue for the district an amount
30 computed by dividing the amount of any abatement of taxes
31 under Section 18-170 of the Property Tax Code by 3.00%
32 for a district maintaining grades kindergarten through
33 12, by 2.30% for a district maintaining grades
34 kindergarten through 8, or by 1.05% for a district

1 maintaining grades 9 through 12 and adjusted by an amount
2 computed by dividing the amount of any abatement of taxes
3 under subsection (a) of Section 18-165 of the Property
4 Tax Code by the same percentage rates for district type
5 as specified in this subparagraph (b).

6 (3) For the 1999-2000 school year and each school year
7 thereafter, if a school district meets all of the criteria of
8 this subsection (G)(3), the school district's Available Local
9 Resources shall be calculated under subsection (D) using the
10 district's Extension Limitation Equalized Assessed Valuation
11 as calculated under this subsection (G)(3).

12 For purposes of this subsection (G)(3) the following
13 terms shall have the following meanings:

14 "Budget Year": The school year for which general
15 State aid is calculated and awarded under subsection (E).

16 "Base Tax Year": The property tax levy year used to
17 calculate the Budget Year allocation of general State
18 aid.

19 "Preceding Tax Year": The property tax levy year
20 immediately preceding the Base Tax Year.

21 "Base Tax Year's Tax Extension": The product of the
22 equalized assessed valuation utilized by the County Clerk
23 in the Base Tax Year multiplied by the limiting rate as
24 calculated by the County Clerk and defined in the
25 Property Tax Extension Limitation Law.

26 "Preceding Tax Year's Tax Extension": The product of
27 the equalized assessed valuation utilized by the County
28 Clerk in the Preceding Tax Year multiplied by the
29 Operating Tax Rate as defined in subsection (A).

30 "Extension Limitation Ratio": A numerical ratio,
31 certified by the County Clerk, in which the numerator is
32 the Base Tax Year's Tax Extension and the denominator is
33 the Preceding Tax Year's Tax Extension.

34 "Operating Tax Rate": The operating tax rate as

1 defined in subsection (A).

2 If a school district is subject to property tax extension
3 limitations as imposed under the Property Tax Extension
4 Limitation Law, the State Board of Education shall calculate
5 the Extension Limitation Equalized Assessed Valuation of that
6 district. For the 1999-2000 school year, the Extension
7 Limitation Equalized Assessed Valuation of a school district
8 as calculated by the State Board of Education shall be equal
9 to the product of the district's 1996 Equalized Assessed
10 Valuation and the district's Extension Limitation Ratio. For
11 the 2000-2001 school year and each school year thereafter,
12 the Extension Limitation Equalized Assessed Valuation of a
13 school district as calculated by the State Board of Education
14 shall be equal to the product of the Equalized Assessed
15 Valuation last used in the calculation of general State aid
16 and the district's Extension Limitation Ratio. If the
17 Extension Limitation Equalized Assessed Valuation of a school
18 district as calculated under this subsection (G)(3) is less
19 than the district's equalized assessed valuation as
20 calculated pursuant to subsections (G)(1) and (G)(2), then
21 for purposes of calculating the district's general State aid
22 for the Budget Year pursuant to subsection (E), that
23 Extension Limitation Equalized Assessed Valuation shall be
24 utilized to calculate the district's Available Local
25 Resources under subsection (D).

26 (4) For the purposes of calculating general State aid
27 for the 1999-2000 school year only, if a school district
28 experienced a triennial reassessment on the equalized
29 assessed valuation used in calculating its general State
30 financial aid apportionment for the 1998-1999 school year,
31 the State Board of Education shall calculate the Extension
32 Limitation Equalized Assessed Valuation that would have been
33 used to calculate the district's 1998-1999 general State aid.
34 This amount shall equal the product of the equalized assessed

1 valuation used to calculate general State aid for the
2 1997-1998 school year and the district's Extension Limitation
3 Ratio. If the Extension Limitation Equalized Assessed
4 Valuation of the school district as calculated under this
5 paragraph (4) is less than the district's equalized assessed
6 valuation utilized in calculating the district's 1998-1999
7 general State aid allocation, then for purposes of
8 calculating the district's general State aid pursuant to
9 paragraph (5) of subsection (E), that Extension Limitation
10 Equalized Assessed Valuation shall be utilized to calculate
11 the district's Available Local Resources.

12 (5) For school districts having a majority of their
13 equalized assessed valuation in any county except Cook,
14 DuPage, Kane, Lake, McHenry, or Will, if the amount of
15 general State aid allocated to the school district for the
16 1999-2000 school year under the provisions of subsection (E),
17 (H), and (J) of this Section is less than the amount of
18 general State aid allocated to the district for the 1998-1999
19 school year under these subsections, then the general State
20 aid of the district for the 1999-2000 school year only shall
21 be increased by the difference between these amounts. The
22 total payments made under this paragraph (5) shall not exceed
23 \$14,000,000. Claims shall be prorated if they exceed
24 \$14,000,000.

25 (H) Supplemental General State Aid.

26 (1) In addition to the general State aid a school
27 district is allotted pursuant to subsection (E), qualifying
28 school districts shall receive a grant, paid in conjunction
29 with a district's payments of general State aid, for
30 supplemental general State aid based upon the concentration
31 level of children from low-income households within the
32 school district. Supplemental State aid grants provided for
33 school districts under this subsection shall be appropriated
34 for distribution to school districts as part of the same line

1 item in which the general State financial aid of school
2 districts is appropriated under this Section. For purposes of
3 this subsection, the term "Low-Income Concentration Level"
4 shall be the low-income eligible pupil count from the most
5 recently available federal census divided by the Average
6 Daily Attendance of the school district. If, however, (i) the
7 percentage decrease from the 2 most recent federal censuses
8 in the low-income eligible pupil count of a high school
9 district with fewer than 400 students exceeds by 75% or more
10 the percentage change in the total low-income eligible pupil
11 count of contiguous elementary school districts, whose
12 boundaries are coterminous with the high school district, or
13 (ii) a high school district within 2 counties and serving 5
14 elementary school districts, whose boundaries are coterminous
15 with the high school district, has a percentage decrease from
16 the 2 most recent federal censuses in the low-income eligible
17 pupil count and there is a percentage increase in the total
18 low-income eligible pupil count of a majority of the
19 elementary school districts in excess of 50% from the 2 most
20 recent federal censuses, then the high school district's
21 low-income eligible pupil count from the earlier federal
22 census shall be the number used as the low-income eligible
23 pupil count for the high school district, for purposes of
24 this subsection (H). The changes made to this paragraph (1)
25 by Public Act 92-28 shall apply to supplemental general State
26 aid grants paid in fiscal year 1999 and in each fiscal year
27 thereafter and to any State aid payments made in fiscal year
28 1994 through fiscal year 1998 pursuant to subsection 1(n) of
29 Section 18-8 of this Code (which was repealed on July 1,
30 1998), and any high school district that is affected by
31 Public Act 92-28 is entitled to a recomputation of its
32 supplemental general State aid grant or State aid paid in any
33 of those fiscal years. This recomputation shall not be
34 affected by any other funding.

1 (2) Supplemental general State aid pursuant to this
2 subsection (H) shall be provided as follows for the
3 1998-1999, 1999-2000, and 2000-2001 school years only:

4 (a) For any school district with a Low Income
5 Concentration Level of at least 20% and less than 35%,
6 the grant for any school year shall be \$800 multiplied by
7 the low income eligible pupil count.

8 (b) For any school district with a Low Income
9 Concentration Level of at least 35% and less than 50%,
10 the grant for the 1998-1999 school year shall be \$1,100
11 multiplied by the low income eligible pupil count.

12 (c) For any school district with a Low Income
13 Concentration Level of at least 50% and less than 60%,
14 the grant for the 1998-99 school year shall be \$1,500
15 multiplied by the low income eligible pupil count.

16 (d) For any school district with a Low Income
17 Concentration Level of 60% or more, the grant for the
18 1998-99 school year shall be \$1,900 multiplied by the low
19 income eligible pupil count.

20 (e) For the 1999-2000 school year, the per pupil
21 amount specified in subparagraphs (b), (c), and (d)
22 immediately above shall be increased to \$1,243, \$1,600,
23 and \$2,000, respectively.

24 (f) For the 2000-2001 school year, the per pupil
25 amounts specified in subparagraphs (b), (c), and (d)
26 immediately above shall be \$1,273, \$1,640, and \$2,050,
27 respectively.

28 (2.5) Supplemental general State aid pursuant to this
29 subsection (H) shall be provided as follows for the 2002-2003
30 school year and each school year thereafter:

31 (a) For any school district with a Low Income
32 Concentration Level of less than 10%, the grant for each
33 school year shall be \$355 multiplied by the low income
34 eligible pupil count.

1 (b) For any school district with a Low Income
2 Concentration Level of at least 10% and less than 20%,
3 the grant for each school year shall be \$675 multiplied
4 by the low income eligible pupil count.

5 (c) For any school district with a Low Income
6 Concentration Level of at least 20% and less than 35%,
7 the grant for each school year shall be \$1,330 multiplied
8 by the low income eligible pupil count.

9 (d) For any school district with a Low Income
10 Concentration Level of at least 35% and less than 50%,
11 the grant for each school year shall be \$1,362 multiplied
12 by the low income eligible pupil count.

13 (e) For any school district with a Low Income
14 Concentration Level of at least 50% and less than 60%,
15 the grant for each school year shall be \$1,680 multiplied
16 by the low income eligible pupil count.

17 (f) For any school district with a Low Income
18 Concentration Level of 60% or more, the grant for each
19 school year shall be \$2,080 multiplied by the low income
20 eligible pupil count.

21 (3) School districts with an Average Daily Attendance of
22 more than 1,000 and less than 50,000 that qualify for
23 supplemental general State aid pursuant to this subsection
24 shall submit a plan to the State Board of Education prior to
25 October 30 of each year for the use of the funds resulting
26 from this grant of supplemental general State aid for the
27 improvement of instruction in which priority is given to
28 meeting the education needs of disadvantaged children. Such
29 plan shall be submitted in accordance with rules and
30 regulations promulgated by the State Board of Education.

31 (4) School districts with an Average Daily Attendance of
32 50,000 or more that qualify for supplemental general State
33 aid pursuant to this subsection shall be required to
34 distribute from funds available pursuant to this Section, no

1 less than \$261,000,000 in accordance with the following
2 requirements:

3 (a) The required amounts shall be distributed to
4 the attendance centers within the district in proportion
5 to the number of pupils enrolled at each attendance
6 center who are eligible to receive free or reduced-price
7 lunches or breakfasts under the federal Child Nutrition
8 Act of 1966 and under the National School Lunch Act
9 during the immediately preceding school year.

10 (b) The distribution of these portions of
11 supplemental and general State aid among attendance
12 centers according to these requirements shall not be
13 compensated for or contravened by adjustments of the
14 total of other funds appropriated to any attendance
15 centers, and the Board of Education shall utilize funding
16 from one or several sources in order to fully implement
17 this provision annually prior to the opening of school.

18 (c) Each attendance center shall be provided by the
19 school district a distribution of noncategorical funds
20 and other categorical funds to which an attendance center
21 is entitled under law in order that the general State aid
22 and supplemental general State aid provided by
23 application of this subsection supplements rather than
24 supplants the noncategorical funds and other categorical
25 funds provided by the school district to the attendance
26 centers.

27 (d) Any funds made available under this subsection
28 that by reason of the provisions of this subsection are
29 not required to be allocated and provided to attendance
30 centers may be used and appropriated by the board of the
31 district for any lawful school purpose.

32 (e) Funds received by an attendance center pursuant
33 to this subsection shall be used by the attendance center
34 at the discretion of the principal and local school

1 council for programs to improve educational opportunities
2 at qualifying schools through the following programs and
3 services: early childhood education, reduced class size
4 or improved adult to student classroom ratio, enrichment
5 programs, remedial assistance, attendance improvement,
6 and other educationally beneficial expenditures which
7 supplement the regular and basic programs as determined
8 by the State Board of Education. Funds provided shall not
9 be expended for any political or lobbying purposes as
10 defined by board rule.

11 (f) Each district subject to the provisions of this
12 subdivision (H)(4) shall submit an acceptable plan to
13 meet the educational needs of disadvantaged children, in
14 compliance with the requirements of this paragraph, to
15 the State Board of Education prior to July 15 of each
16 year. This plan shall be consistent with the decisions of
17 local school councils concerning the school expenditure
18 plans developed in accordance with part 4 of Section
19 34-2.3. The State Board shall approve or reject the plan
20 within 60 days after its submission. If the plan is
21 rejected, the district shall give written notice of
22 intent to modify the plan within 15 days of the
23 notification of rejection and then submit a modified plan
24 within 30 days after the date of the written notice of
25 intent to modify. Districts may amend approved plans
26 pursuant to rules promulgated by the State Board of
27 Education.

28 Upon notification by the State Board of Education
29 that the district has not submitted a plan prior to July
30 15 or a modified plan within the time period specified
31 herein, the State aid funds affected by that plan or
32 modified plan shall be withheld by the State Board of
33 Education until a plan or modified plan is submitted.

34 If the district fails to distribute State aid to

1 attendance centers in accordance with an approved plan,
2 the plan for the following year shall allocate funds, in
3 addition to the funds otherwise required by this
4 subsection, to those attendance centers which were
5 underfunded during the previous year in amounts equal to
6 such underfunding.

7 For purposes of determining compliance with this
8 subsection in relation to the requirements of attendance
9 center funding, each district subject to the provisions
10 of this subsection shall submit as a separate document by
11 December 1 of each year a report of expenditure data for
12 the prior year in addition to any modification of its
13 current plan. If it is determined that there has been a
14 failure to comply with the expenditure provisions of this
15 subsection regarding contravention or supplanting, the
16 State Superintendent of Education shall, within 60 days
17 of receipt of the report, notify the district and any
18 affected local school council. The district shall within
19 45 days of receipt of that notification inform the State
20 Superintendent of Education of the remedial or corrective
21 action to be taken, whether by amendment of the current
22 plan, if feasible, or by adjustment in the plan for the
23 following year. Failure to provide the expenditure
24 report or the notification of remedial or corrective
25 action in a timely manner shall result in a withholding
26 of the affected funds.

27 The State Board of Education shall promulgate rules
28 and regulations to implement the provisions of this
29 subsection. No funds shall be released under this
30 subdivision (H)(4) to any district that has not submitted
31 a plan that has been approved by the State Board of
32 Education.

33 (I) General State Aid for Newly Configured School Districts.

34 (1) For a new school district formed by combining

1 property included totally within 2 or more previously
2 existing school districts, for its first year of existence
3 the general State aid and supplemental general State aid
4 calculated under this Section shall be computed for the new
5 district and for the previously existing districts for which
6 property is totally included within the new district. If the
7 computation on the basis of the previously existing districts
8 is greater, a supplementary payment equal to the difference
9 shall be made for the first 4 years of existence of the new
10 district.

11 (2) For a school district which annexes all of the
12 territory of one or more entire other school districts, for
13 the first year during which the change of boundaries
14 attributable to such annexation becomes effective for all
15 purposes as determined under Section 7-9 or 7A-8, the general
16 State aid and supplemental general State aid calculated under
17 this Section shall be computed for the annexing district as
18 constituted after the annexation and for the annexing and
19 each annexed district as constituted prior to the annexation;
20 and if the computation on the basis of the annexing and
21 annexed districts as constituted prior to the annexation is
22 greater, a supplementary payment equal to the difference
23 shall be made for the first 4 years of existence of the
24 annexing school district as constituted upon such annexation.

25 (3) For 2 or more school districts which annex all of
26 the territory of one or more entire other school districts,
27 and for 2 or more community unit districts which result upon
28 the division (pursuant to petition under Section 11A-2) of
29 one or more other unit school districts into 2 or more parts
30 and which together include all of the parts into which such
31 other unit school district or districts are so divided, for
32 the first year during which the change of boundaries
33 attributable to such annexation or division becomes effective
34 for all purposes as determined under Section 7-9 or 11A-10,

1 as the case may be, the general State aid and supplemental
2 general State aid calculated under this Section shall be
3 computed for each annexing or resulting district as
4 constituted after the annexation or division and for each
5 annexing and annexed district, or for each resulting and
6 divided district, as constituted prior to the annexation or
7 division; and if the aggregate of the general State aid and
8 supplemental general State aid as so computed for the
9 annexing or resulting districts as constituted after the
10 annexation or division is less than the aggregate of the
11 general State aid and supplemental general State aid as so
12 computed for the annexing and annexed districts, or for the
13 resulting and divided districts, as constituted prior to the
14 annexation or division, then a supplementary payment equal to
15 the difference shall be made and allocated between or among
16 the annexing or resulting districts, as constituted upon such
17 annexation or division, for the first 4 years of their
18 existence. The total difference payment shall be allocated
19 between or among the annexing or resulting districts in the
20 same ratio as the pupil enrollment from that portion of the
21 annexed or divided district or districts which is annexed to
22 or included in each such annexing or resulting district bears
23 to the total pupil enrollment from the entire annexed or
24 divided district or districts, as such pupil enrollment is
25 determined for the school year last ending prior to the date
26 when the change of boundaries attributable to the annexation
27 or division becomes effective for all purposes. The amount
28 of the total difference payment and the amount thereof to be
29 allocated to the annexing or resulting districts shall be
30 computed by the State Board of Education on the basis of
31 pupil enrollment and other data which shall be certified to
32 the State Board of Education, on forms which it shall provide
33 for that purpose, by the regional superintendent of schools
34 for each educational service region in which the annexing and

1 annexed districts, or resulting and divided districts are
2 located.

3 (3.5) Claims for financial assistance under this
4 subsection (I) shall not be recomputed except as expressly
5 provided under this Section.

6 (4) Any supplementary payment made under this subsection
7 (I) shall be treated as separate from all other payments made
8 pursuant to this Section.

9 (J) Supplementary Grants in Aid.

10 (1) Notwithstanding any other provisions of this
11 Section, the amount of the aggregate general State aid in
12 combination with supplemental general State aid under this
13 Section for which each school district is eligible shall be
14 no less than the amount of the aggregate general State aid
15 entitlement that was received by the district under Section
16 18-8 (exclusive of amounts received under subsections 5(p)
17 and 5(p-5) of that Section) for the 1997-98 school year,
18 pursuant to the provisions of that Section as it was then in
19 effect. If a school district qualifies to receive a
20 supplementary payment made under this subsection (J), the
21 amount of the aggregate general State aid in combination with
22 supplemental general State aid under this Section which that
23 district is eligible to receive for each school year shall be
24 no less than the amount of the aggregate general State aid
25 entitlement that was received by the district under Section
26 18-8 (exclusive of amounts received under subsections 5(p)
27 and 5(p-5) of that Section) for the 1997-1998 school year,
28 pursuant to the provisions of that Section as it was then in
29 effect.

30 (2) If, as provided in paragraph (1) of this subsection
31 (J), a school district is to receive aggregate general State
32 aid in combination with supplemental general State aid under
33 this Section for the 1998-99 school year and any subsequent
34 school year that in any such school year is less than the

1 amount of the aggregate general State aid entitlement that
2 the district received for the 1997-98 school year, the school
3 district shall also receive, from a separate appropriation
4 made for purposes of this subsection (J), a supplementary
5 payment that is equal to the amount of the difference in the
6 aggregate State aid figures as described in paragraph (1).

7 (3) (Blank).

8 (K) Grants to Laboratory and Alternative Schools.

9 In calculating the amount to be paid to the governing
10 board of a public university that operates a laboratory
11 school under this Section or to any alternative school that
12 is operated by a regional superintendent of schools, the
13 State Board of Education shall require by rule such reporting
14 requirements as it deems necessary.

15 As used in this Section, "laboratory school" means a
16 public school which is created and operated by a public
17 university and approved by the State Board of Education. The
18 governing board of a public university which receives funds
19 from the State Board under this subsection (K) may not
20 increase the number of students enrolled in its laboratory
21 school from a single district, if that district is already
22 sending 50 or more students, except under a mutual agreement
23 between the school board of a student's district of residence
24 and the university which operates the laboratory school. A
25 laboratory school may not have more than 1,000 students,
26 excluding students with disabilities in a special education
27 program.

28 As used in this Section, "alternative school" means a
29 public school which is created and operated by a Regional
30 Superintendent of Schools and approved by the State Board of
31 Education. Such alternative schools may offer courses of
32 instruction for which credit is given in regular school
33 programs, courses to prepare students for the high school
34 equivalency testing program or vocational and occupational

1 training. A regional superintendent of schools may contract
2 with a school district or a public community college district
3 to operate an alternative school. An alternative school
4 serving more than one educational service region may be
5 established by the regional superintendents of schools of the
6 affected educational service regions. An alternative school
7 serving more than one educational service region may be
8 operated under such terms as the regional superintendents of
9 schools of those educational service regions may agree.

10 Each laboratory and alternative school shall file, on
11 forms provided by the State Superintendent of Education, an
12 annual State aid claim which states the Average Daily
13 Attendance of the school's students by month. The best 3
14 months' Average Daily Attendance shall be computed for each
15 school. The general State aid entitlement shall be computed
16 by multiplying the applicable Average Daily Attendance by the
17 Foundation Level as determined under this Section.

18 (L) Payments, Additional Grants in Aid and Other
19 Requirements.

20 (1) For a school district operating under the financial
21 supervision of an Authority created under Article 34A, the
22 general State aid otherwise payable to that district under
23 this Section, but not the supplemental general State aid,
24 shall be reduced by an amount equal to the budget for the
25 operations of the Authority as certified by the Authority to
26 the State Board of Education, and an amount equal to such
27 reduction shall be paid to the Authority created for such
28 district for its operating expenses in the manner provided in
29 Section 18-11. The remainder of general State school aid for
30 any such district shall be paid in accordance with Article
31 34A when that Article provides for a disposition other than
32 that provided by this Article.

33 (2) (Blank).

34 (3) Summer school. Summer school payments shall be made

1 as provided in Section 18-4.3.

2 (M) Education Funding Advisory Board.

3 The Education Funding Advisory Board, hereinafter in this
4 subsection (M) referred to as the "Board", is hereby created.
5 The Board shall consist of 5 members who are appointed by the
6 Governor, by and with the advice and consent of the Senate.
7 The members appointed shall include representatives of
8 education, business, and the general public. One of the
9 members so appointed shall be designated by the Governor at
10 the time the appointment is made as the chairperson of the
11 Board. The initial members of the Board may be appointed any
12 time after the effective date of this amendatory Act of 1997.
13 The regular term of each member of the Board shall be for 4
14 years from the third Monday of January of the year in which
15 the term of the member's appointment is to commence, except
16 that of the 5 initial members appointed to serve on the
17 Board, the member who is appointed as the chairperson shall
18 serve for a term that commences on the date of his or her
19 appointment and expires on the third Monday of January, 2002,
20 and the remaining 4 members, by lots drawn at the first
21 meeting of the Board that is held after all 5 members are
22 appointed, shall determine 2 of their number to serve for
23 terms that commence on the date of their respective
24 appointments and expire on the third Monday of January, 2001,
25 and 2 of their number to serve for terms that commence on the
26 date of their respective appointments and expire on the third
27 Monday of January, 2000. All members appointed to serve on
28 the Board shall serve until their respective successors are
29 appointed and confirmed. Vacancies shall be filled in the
30 same manner as original appointments. If a vacancy in
31 membership occurs at a time when the Senate is not in
32 session, the Governor shall make a temporary appointment
33 until the next meeting of the Senate, when he or she shall
34 appoint, by and with the advice and consent of the Senate, a

1 person to fill that membership for the unexpired term. If
2 the Senate is not in session when the initial appointments
3 are made, those appointments shall be made as in the case of
4 vacancies.

5 The Education Funding Advisory Board shall be deemed
6 established, and the initial members appointed by the
7 Governor to serve as members of the Board shall take office,
8 on the date that the Governor makes his or her appointment of
9 the fifth initial member of the Board, whether those initial
10 members are then serving pursuant to appointment and
11 confirmation or pursuant to temporary appointments that are
12 made by the Governor as in the case of vacancies.

13 The State Board of Education shall provide such staff
14 assistance to the Education Funding Advisory Board as is
15 reasonably required for the proper performance by the Board
16 of its responsibilities.

17 For school years after the 2000-2001 school year, the
18 Education Funding Advisory Board, in consultation with the
19 State Board of Education, shall make recommendations as
20 provided in this subsection (M) to the General Assembly for
21 the foundation level under subdivision (B)(3) of this Section
22 and for the supplemental general State aid grant level under
23 subsection (H) of this Section for districts with high
24 concentrations of children from poverty. The recommended
25 foundation level shall be determined based on a methodology
26 which incorporates the basic education expenditures of
27 low-spending schools exhibiting high academic performance.
28 The Education Funding Advisory Board shall make such
29 recommendations to the General Assembly on January 1 of odd
30 numbered years, beginning January 1, 2001.

31 (N) (Blank).

32 (O) References.

33 (1) References in other laws to the various subdivisions

1 of Section 18-8 as that Section existed before its repeal and
2 replacement by this Section 18-8.05 shall be deemed to refer
3 to the corresponding provisions of this Section 18-8.05, to
4 the extent that those references remain applicable.

5 (2) References in other laws to State Chapter 1 funds
6 shall be deemed to refer to the supplemental general State
7 aid provided under subsection (H) of this Section.

8 (Source: P.A. 91-24, eff. 7-1-99; 91-93, eff. 7-9-99; 91-96,
9 eff. 7-9-99; 91-111, eff. 7-14-99; 91-357, eff. 7-29-99;
10 91-533, eff. 8-13-99; 92-7, eff. 6-29-01; 92-16, eff.
11 6-28-01; 92-28, eff. 7-1-01; 92-29, eff. 7-1-01; 92-269, eff.
12 8-7-01; 92-604, eff. 7-1-02; 92-636, eff. 7-11-02; 92-651,
13 eff. 7-11-02; revised 7-26-02.)