

1 AN ACT in relation to budget implementation.

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 FY2005 Budget Implementation (Education) Act.

6 Section 5. Purpose. It is the purpose of this Act to make  
7 changes in State programs that are necessary to implement the  
8 Governor's FY2005 budget recommendations concerning education.

9 Section 10. The State Finance Act is amended by adding  
10 Sections 6z-65, 6z-66, and 6z-67 as follows:

11 (30 ILCS 105/6z-65 new)

12 Sec. 6z-65. SBE Federal Department of Education Fund. The  
13 SBE Federal Department of Education Fund is created as a  
14 federal trust fund in the State treasury. This fund is  
15 established to receive funds from the federal Department of  
16 Education, including administrative funds recovered from  
17 federal programs, for the specific purposes established by the  
18 terms and conditions of federal awards. All moneys in the SBE  
19 Federal Department of Education Fund shall be used, subject to  
20 appropriation by the General Assembly, for grants and contracts  
21 to local education agencies, colleges and universities, and  
22 other State agencies and for administrative expenses of the  
23 State Board of Education.

24 (30 ILCS 105/6z-66 new)

25 Sec. 6z-66. SBE Federal Agency Services Fund. The SBE  
26 Federal Agency Services Fund is created as a federal trust fund  
27 in the State treasury. This fund is established to receive  
28 funds from all federal departments and agencies except the  
29 Departments of Education and Agriculture (including among

1 others the Departments of Health and Human Services, Defense,  
2 and Labor and the Corporation for National and Community  
3 Service), including administrative funds recovered from  
4 federal programs, for the specific purposes established by the  
5 terms and conditions of federal awards. All moneys in the SBE  
6 Federal Agency Services Fund shall be used, subject to  
7 appropriation by the General Assembly, for grants and contracts  
8 to local education agencies, colleges and universities, and  
9 other State agencies and for administrative expenses of the  
10 State Board of Education.

11 (30 ILCS 105/6z-67 new)

12 Sec. 6z-67. SBE Federal Department of Agriculture Fund. The  
13 SBE Federal Department of Agriculture Fund is created as a  
14 federal trust fund in the State treasury. This fund is  
15 established to receive funds from the federal Department of  
16 Education, including administrative funds recovered from  
17 federal programs, for the specific purposes established by the  
18 terms and conditions of federal awards. All moneys in the SBE  
19 Federal Department of Agriculture Fund shall be used, subject  
20 to appropriation by the General Assembly, for grants and  
21 contracts to local education agencies, colleges and  
22 universities, and other State agencies and for administrative  
23 expenses of the State Board of Education.

24 Section 15. The School Code is amended by changing Sections  
25 2-3.64, 2-3.131, and 18-8.05 as follows:

26 (105 ILCS 5/2-3.64) (from Ch. 122, par. 2-3.64)

27 Sec. 2-3.64. State goals and assessment.

28 (a) Beginning in the 1998-1999 school year, the State Board  
29 of Education shall establish standards and periodically, in  
30 collaboration with local school districts, conduct studies of  
31 student performance in the learning areas of fine arts and  
32 physical development/health.

33 Beginning with the 1998-1999 school year until the

1 ~~2004-2005 school year 2005-2006 school year at the latest,~~ the  
2 State Board of Education shall annually test: (i) all pupils  
3 enrolled in the 3rd, 5th, and 8th grades in English language  
4 arts (reading, writing, and English grammar) and mathematics;  
5 and (ii) all pupils enrolled in the 4th and 7th grades in the  
6 biological and physical sciences and the social sciences  
7 (history, geography, civics, economics, and government).  
8 Unless the testing required to be implemented no later than the  
9 2005-2006 school year under this subsection (a) is implemented  
10 for the 2004-2005 school year, for the 2004-2005 school year,  
11 the State Board of Education shall test: (i) all pupils  
12 enrolled in the 3rd, 5th, and 8th grades in English language  
13 arts (reading and English grammar) and mathematics and (ii) all  
14 pupils enrolled in the 4th and 7th grades in the biological and  
15 physical sciences. The maximum time allowed for all actual  
16 testing required under this paragraph shall not exceed 25  
17 hours, as allocated among the required tests by the State Board  
18 of Education, across all grades tested.

19 Beginning no later than the 2005-2006 school year, the  
20 State Board of Education shall annually test: (i) all pupils  
21 enrolled in the 3rd, 4th, 5th, 6th, 7th, and 8th grades in  
22 reading and mathematics and ~~and~~ (ii) ~~all pupils enrolled in 3rd,~~  
23 ~~4th, 6th, and 8th grades in writing;~~ (iii) all pupils enrolled  
24 in the 4th and 7th grades in the biological and physical  
25 sciences; ~~and (iv) all pupils enrolled in 5th and 8th grades in~~  
26 ~~the social sciences (history, geography, economics, civics,~~  
27 ~~and government).~~ The State Board of Education shall sample  
28 ~~student performance in the learning area of physical~~  
29 ~~development and health in grades 4 and 7 through the science~~  
30 ~~tests and in the learning area of fine arts in grades 5 and 8~~  
31 ~~through the social sciences tests.~~ After the addition of  
32 ~~subjects and grades~~ and change in subjects as delineated in  
33 this paragraph and including whatever other tests that may be  
34 approved from time to time no later than the 2005-2006 school  
35 year, the maximum time allowed for all State testing in grades  
36 3 through 8 shall not exceed 38 hours across those grades.

1       Beginning with the 2004-2005 school year, the State Board  
2 of Education shall not test pupils under this subsection (a) in  
3 writing, physical development and health, fine arts, and the  
4 social sciences (history, geography, civics, economics, and  
5 government).

6       The State Board of Education shall establish the academic  
7 standards that are to be applicable to pupils who are subject  
8 to State tests under this Section beginning with the 1998-1999  
9 school year. However, the State Board of Education shall not  
10 establish any such standards in final form without first  
11 providing opportunities for public participation and local  
12 input in the development of the final academic standards. Those  
13 opportunities shall include a well-publicized period of public  
14 comment, public hearings throughout the State, and  
15 opportunities to file written comments. Beginning with the  
16 1998-99 school year and thereafter, the State tests will  
17 identify pupils in the 3rd grade or 5th grade who do not meet  
18 the State standards.

19       If, by performance on the State tests or local assessments  
20 or by teacher judgment, a student's performance is determined  
21 to be 2 or more grades below current placement, the student  
22 shall be provided a remediation program developed by the  
23 district in consultation with a parent or guardian. Such  
24 remediation programs may include, but shall not be limited to,  
25 increased or concentrated instructional time, a remedial  
26 summer school program of not less than 90 hours, improved  
27 instructional approaches, tutorial sessions, retention in  
28 grade, and modifications to instructional materials. Each  
29 pupil for whom a remediation program is developed under this  
30 subsection shall be required to enroll in and attend whatever  
31 program the district determines is appropriate for the pupil.  
32 Districts may combine students in remediation programs where  
33 appropriate and may cooperate with other districts in the  
34 design and delivery of those programs. The parent or guardian  
35 of a student required to attend a remediation program under  
36 this Section shall be given written notice of that requirement

1 by the school district a reasonable time prior to commencement  
2 of the remediation program that the student is to attend. The  
3 State shall be responsible for providing school districts with  
4 the new and additional funding, under Section 2-3.51.5 or by  
5 other or additional means, that is required to enable the  
6 districts to operate remediation programs for the pupils who  
7 are required to enroll in and attend those programs under this  
8 Section. Every individualized educational program as described  
9 in Article 14 shall identify if the State test or components  
10 thereof are appropriate for that student. The State Board of  
11 Education shall develop rules and regulations governing the  
12 administration of alternative tests prescribed within each  
13 student's individualized educational program which are  
14 appropriate to the disability of each student.

15 All pupils who are in a State approved transitional  
16 bilingual education program or transitional program of  
17 instruction shall participate in the State tests. Any student  
18 who has been enrolled in a State approved bilingual education  
19 program less than 3 cumulative academic years may take an  
20 accommodated State test, to be known as the Illinois Measure of  
21 Annual Growth in English (IMAGE), if the student's lack of  
22 English as determined by an English language proficiency test  
23 would keep the student from understanding the regular State  
24 test. If the school district determines, on a case-by-case  
25 individual basis, that IMAGE would likely yield more accurate  
26 and reliable information on what the student knows and can do,  
27 the school district may make a determination to assess the  
28 student using IMAGE for a period that does not exceed 2  
29 additional consecutive years, provided that the student has not  
30 yet reached a level of English language proficiency sufficient  
31 to yield valid and reliable information on what the student  
32 knows and can do on the regular State test.

33 Reasonable accommodations as prescribed by the State Board  
34 of Education shall be provided for individual students in the  
35 testing procedure. All test procedures prescribed by the State  
36 Board of Education shall require: (i) that each test used for

1 State and local student testing under this Section identify by  
2 name the pupil taking the test; (ii) that the name of the pupil  
3 taking the test be placed on the test at the time the test is  
4 taken; (iii) that the results or scores of each test taken  
5 under this Section by a pupil of the school district be  
6 reported to that district and identify by name the pupil who  
7 received the reported results or scores; and (iv) that the  
8 results or scores of each test taken under this Section be made  
9 available to the parents of the pupil. In addition, in each  
10 school year the highest scores attained by a student on the  
11 Prairie State Achievement Examination administered under  
12 subsection (c) of this Section and any Prairie State  
13 Achievement Awards received by the student shall become part of  
14 the student's permanent record and shall be entered on the  
15 student's transcript pursuant to regulations that the State  
16 Board of Education shall promulgate for that purpose in  
17 accordance with Section 3 and subsection (e) of Section 2 of  
18 the Illinois School Student Records Act. Beginning with the  
19 1998-1999 school year and in every school year thereafter,  
20 scores received by students on the State assessment tests  
21 administered in grades 3 through 8 shall be placed into  
22 students' temporary records.

23 The State Board of Education shall establish a period of  
24 time, to be referred to as the State test window, in each  
25 school year for which State testing shall occur to meet the  
26 objectives of this Section. However, if the schools of a  
27 district are closed and classes are not scheduled during any  
28 week that is established by the State Board of Education as the  
29 State test window, the school district may (at the discretion  
30 of the State Board of Education) move its State test window one  
31 week earlier or one week later than the established State test  
32 window, so long as the school district gives the State Board of  
33 Education written notice of its intention to deviate from the  
34 established schedule by December 1 of the school year in which  
35 falls the State test window established by the State Board of  
36 Education for the testing.

1 (a-5) All tests administered pursuant to this Section shall  
2 be academically based. For the purposes of this Section  
3 "academically based tests" shall mean tests consisting of  
4 questions and answers that are measurable and quantifiable to  
5 measure the knowledge, skill, and ability of students in the  
6 subject matters covered by tests. The scoring of academically  
7 based tests shall be reliable, valid, unbiased and shall meet  
8 the guidelines for test development and use prescribed by the  
9 American Psychological Association, the National Council of  
10 Measurement and Evaluation, and the American Educational  
11 Research Association. Academically based tests shall not  
12 include assessments or evaluations of attitudes, values, or  
13 beliefs, or testing of personality, self-esteem, or  
14 self-concept. Nothing in this amendatory Act is intended, nor  
15 shall it be construed, to nullify, supersede, or contradict the  
16 legislative intent on academic testing expressed during the  
17 passage of HB 1005/P.A. 90-296. Nothing in this Section is  
18 intended, nor shall it be construed, to nullify, supersede, or  
19 contradict the legislative intent on academic testing  
20 expressed in the preamble of this amendatory Act of the 93rd  
21 General Assembly.

22 The State Board of Education shall monitor the use of short  
23 answer questions in the math and reading assessments or in  
24 other assessments in order to demonstrate that the use of short  
25 answer questions results in a statistically significant  
26 improvement in student achievement as measured on the State  
27 assessments for math and reading or on other State assessments  
28 and is justifiable in terms of cost and student performance.

29 (b) It shall be the policy of the State to encourage school  
30 districts to continuously test pupil proficiency in the  
31 fundamental learning areas in order to: (i) provide timely  
32 information on individual students' performance relative to  
33 State standards that is adequate to guide instructional  
34 strategies; (ii) improve future instruction; and (iii)  
35 complement the information provided by the State testing system  
36 described in this Section. Each district's school improvement

1 plan must address specific activities the district intends to  
2 implement to assist pupils who by teacher judgment and test  
3 results as prescribed in subsection (a) of this Section  
4 demonstrate that they are not meeting State standards or local  
5 objectives. Such activities may include, but shall not be  
6 limited to, summer school, extended school day, special  
7 homework, tutorial sessions, modified instructional materials,  
8 other modifications in the instructional program, reduced  
9 class size or retention in grade. To assist school districts in  
10 testing pupil proficiency in reading in the primary grades, the  
11 State Board shall make optional reading inventories for  
12 diagnostic purposes available to each school district that  
13 requests such assistance. Districts that administer the  
14 reading inventories may develop remediation programs for  
15 students who perform in the bottom half of the student  
16 population. Those remediation programs may be funded by moneys  
17 provided under the School Safety and Educational Improvement  
18 Block Grant Program established under Section 2-3.51.5.  
19 Nothing in this Section shall prevent school districts from  
20 implementing testing and remediation policies for grades not  
21 required under this Section.

22 (c) Beginning with the 2000-2001 school year, each school  
23 district that operates a high school program for students in  
24 grades 9 through 12 shall annually administer the Prairie State  
25 Achievement Examination established under this subsection to  
26 its students as set forth below. The Prairie State Achievement  
27 Examination shall be developed by the State Board of Education  
28 to measure student performance in the academic areas of  
29 reading, writing, mathematics, science, and social sciences.  
30 Beginning with the 2004-2005 school year, however, the State  
31 Board of Education shall not test a student in writing and the  
32 social sciences (history, geography, civics, economics, and  
33 government) as part of the Prairie State Achievement  
34 Examination unless the student is retaking the Prairie State  
35 Achievement Examination in the fall of 2004. The State Board of  
36 Education shall establish the academic standards that are to



1 apply in measuring student performance on the Prairie State  
2 Achievement Examination including the minimum examination  
3 score in each area that will qualify a student to receive a  
4 Prairie State Achievement Award from the State in recognition  
5 of the student's excellent performance. Each school district  
6 that is subject to the requirements of this subsection (c)  
7 shall afford all students 2 opportunities to take the Prairie  
8 State Achievement Examination beginning as late as practical  
9 during the second semester of grade 11, but in no event before  
10 March 1. The State Board of Education shall annually notify  
11 districts of the weeks during which these test administrations  
12 shall be required to occur. Every individualized educational  
13 program as described in Article 14 shall identify if the  
14 Prairie State Achievement Examination or components thereof  
15 are appropriate for that student. Each student, exclusive of a  
16 student whose individualized educational program developed  
17 under Article 14 identifies the Prairie State Achievement  
18 Examination as inappropriate for the student, shall be required  
19 to take the examination in grade 11. For each academic area the  
20 State Board of Education shall establish the score that  
21 qualifies for the Prairie State Achievement Award on that  
22 portion of the examination. Any student who fails to earn a  
23 qualifying score for a Prairie State Achievement Award in any  
24 one or more of the academic areas on the initial test  
25 administration or who wishes to improve his or her score on any  
26 portion of the examination shall be permitted to retake such  
27 portion or portions of the examination during grade 12.  
28 Districts shall inform their students of the timelines and  
29 procedures applicable to their participation in every yearly  
30 administration of the Prairie State Achievement Examination.  
31 Students receiving special education services whose  
32 individualized educational programs identify the Prairie State  
33 Achievement Examination as inappropriate for them nevertheless  
34 shall have the option of taking the examination, which shall be  
35 administered to those students in accordance with standards  
36 adopted by the State Board of Education to accommodate the

1     respective disabilities of those students. A student who  
2     successfully completes all other applicable high school  
3     graduation requirements but fails to receive a score on the  
4     Prairie State Achievement Examination that qualifies the  
5     student for receipt of a Prairie State Achievement Award shall  
6     nevertheless qualify for the receipt of a regular high school  
7     diploma.

8           (d) Beginning with the 2002-2003 school year, all schools  
9     in this State that are part of the sample drawn by the National  
10    Center for Education Statistics, in collaboration with their  
11    school districts and the State Board of Education, shall  
12    administer the biennial State academic assessments of 4th and  
13    8th grade reading and mathematics under the National Assessment  
14    of Educational Progress carried out under Section m11(b) (2) of  
15    the National Education Statistics Act of 1994 (20 U.S.C. 9010)  
16    if the Secretary of Education pays the costs of administering  
17    the assessments.

18          (e) Beginning no later than the 2005-2006 school year,  
19    subject to available federal funds to this State for the  
20    purpose of student assessment, the State Board of Education  
21    shall provide additional tests and assessment resources that  
22    may be used by school districts for local diagnostic purposes.  
23    These tests and resources shall include without limitation  
24    additional high school writing, physical development and  
25    health, and fine arts assessments. The State Board of Education  
26    shall annually distribute a listing of these additional tests  
27    and resources, using funds available from appropriations made  
28    for student assessment purposes.

29          (f) For the assessment and accountability purposes of this  
30    Section, "all pupils" includes those pupils enrolled in a  
31    public or State-operated elementary school, secondary school,  
32    or cooperative or joint agreement with a governing body or  
33    board of control, a charter school operating in compliance with  
34    the Charter Schools Law, a school operated by a regional office  
35    of education under Section 13A-3 of this Code, or a public  
36    school administered by a local public agency or the Department

1 of Human Services.

2 (Source: P.A. 92-604, eff. 7-1-02; 93-426, eff. 8-5-03.)

3 (105 ILCS 5/2-3.131)

4 Sec. 2-3.131. ~~FY2004~~ Transitional assistance payments.

5 (a) If the amount that the State Board of Education will  
6 pay to a school district from fiscal year 2004 appropriations,  
7 as estimated by the State Board of Education on April 1, 2004,  
8 is less than the amount that the State Board of Education paid  
9 to the school district from fiscal year 2003 appropriations,  
10 then, subject to appropriation, the State Board of Education  
11 shall make a fiscal year 2004 transitional assistance payment  
12 to the school district in an amount equal to the difference  
13 between the estimated amount to be paid from fiscal year 2004  
14 appropriations and the amount paid from fiscal year 2003  
15 appropriations.

16 (b) If the amount that the State Board of Education will  
17 pay to a school district from fiscal year 2005 appropriations,  
18 as estimated by the State Board of Education on April 1, 2005,  
19 is less than the amount that the State Board of Education paid  
20 to the school district from fiscal year 2004 appropriations,  
21 then the State Board of Education shall make a fiscal year 2005  
22 transitional assistance payment to the school district in an  
23 amount equal to the difference between the estimated amount to  
24 be paid from fiscal year 2005 appropriations and the amount  
25 paid from fiscal year 2004 appropriations.

26 (Source: P.A. 93-21, eff. 7-1-03.)

27 (105 ILCS 5/18-8.05)

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

31 (A) General Provisions.

32 (1) The provisions of this Section apply to the 1998-1999  
33 and subsequent school years. The system of general State

1 financial aid provided for in this Section is designed to  
2 assure that, through a combination of State financial aid and  
3 required local resources, the financial support provided each  
4 pupil in Average Daily Attendance equals or exceeds a  
5 prescribed per pupil Foundation Level. This formula approach  
6 imputes a level of per pupil Available Local Resources and  
7 provides for the basis to calculate a per pupil level of  
8 general State financial aid that, when added to Available Local  
9 Resources, equals or exceeds the Foundation Level. The amount  
10 of per pupil general State financial aid for school districts,  
11 in general, varies in inverse relation to Available Local  
12 Resources. Per pupil amounts are based upon each school  
13 district's Average Daily Attendance as that term is defined in  
14 this Section.

15 (2) In addition to general State financial aid, school  
16 districts with specified levels or concentrations of pupils  
17 from low income households are eligible to receive supplemental  
18 general State financial aid grants as provided pursuant to  
19 subsection (H). The supplemental State aid grants provided for  
20 school districts under subsection (H) shall be appropriated for  
21 distribution to school districts as part of the same line item  
22 in which the general State financial aid of school districts is  
23 appropriated under this Section.

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

27 (a) Any school district which fails for any given  
28 school year to maintain school as required by law, or to  
29 maintain a recognized school is not eligible to file for  
30 such school year any claim upon the Common School Fund. In  
31 case of nonrecognition of one or more attendance centers in  
32 a school district otherwise operating recognized schools,  
33 the claim of the district shall be reduced in the  
34 proportion which the Average Daily Attendance in the  
35 attendance center or centers bear to the Average Daily  
36 Attendance in the school district. A "recognized school"

1 means any public school which meets the standards as  
2 established for recognition by the State Board of  
3 Education. A school district or attendance center not  
4 having recognition status at the end of a school term is  
5 entitled to receive State aid payments due upon a legal  
6 claim which was filed while it was recognized.

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

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

15 (d) (Blank).

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

20 School districts are not required to exert a minimum  
21 Operating Tax Rate in order to qualify for assistance under  
22 this Section.

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

25 (a) "Average Daily Attendance": A count of pupil  
26 attendance in school, averaged as provided for in  
27 subsection (C) and utilized in deriving per pupil financial  
28 support levels.

29 (b) "Available Local Resources": A computation of  
30 local financial support, calculated on the basis of Average  
31 Daily Attendance and derived as provided pursuant to  
32 subsection (D).

33 (c) "Corporate Personal Property Replacement Taxes":  
34 Funds paid to local school districts pursuant to "An Act in  
35 relation to the abolition of ad valorem personal property  
36 tax and the replacement of revenues lost thereby, and

1 amending and repealing certain Acts and parts of Acts in  
2 connection therewith", certified August 14, 1979, as  
3 amended (Public Act 81-1st S.S.-1).

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

6 (e) "Operating Tax Rate": All school district property  
7 taxes extended for all purposes, except Bond and Interest,  
8 Summer School, Rent, Capital Improvement, and Vocational  
9 Education Building purposes.

10 (B) Foundation Level.

11 (1) The Foundation Level is a figure established by the  
12 State representing the minimum level of per pupil financial  
13 support that should be available to provide for the basic  
14 education of each pupil in Average Daily Attendance. As set  
15 forth in this Section, each school district is assumed to exert  
16 a sufficient local taxing effort such that, in combination with  
17 the aggregate of general State financial aid provided the  
18 district, an aggregate of State and local resources are  
19 available to meet the basic education needs of pupils in the  
20 district.

21 (2) For the 1998-1999 school year, the Foundation Level of  
22 support is \$4,225. For the 1999-2000 school year, the  
23 Foundation Level of support is \$4,325. For the 2000-2001 school  
24 year, the Foundation Level of support is \$4,425. ~~(3)~~ For the  
25 2001-2002 school year and 2002-2003 school year, the Foundation  
26 Level of support is \$4,560. For the 2003-2004 school year, the  
27 Foundation Level of support is \$4,810.

28 (3) ~~(4)~~ For the 2004-2005 ~~2003-2004~~ school year and each  
29 school year thereafter, the Foundation Level of support is  
30 \$4,964 ~~\$4,810~~ or such greater amount as may be established by  
31 law by the General Assembly.

32 (C) Average Daily Attendance.

33 (1) For purposes of calculating general State aid pursuant  
34 to subsection (E), an Average Daily Attendance figure shall be

1 utilized. The Average Daily Attendance figure for formula  
2 calculation purposes shall be the monthly average of the actual  
3 number of pupils in attendance of each school district, as  
4 further averaged for the best 3 months of pupil attendance for  
5 each school district. In compiling the figures for the number  
6 of pupils in attendance, school districts and the State Board  
7 of Education shall, for purposes of general State aid funding,  
8 conform attendance figures to the requirements of subsection  
9 (F).

10 (2) The Average Daily Attendance figures utilized in  
11 subsection (E) shall be the requisite attendance data for the  
12 school year immediately preceding the school year for which  
13 general State aid is being calculated or the average of the  
14 attendance data for the 3 preceding school years, whichever is  
15 greater. The Average Daily Attendance figures utilized in  
16 subsection (H) shall be the requisite attendance data for the  
17 school year immediately preceding the school year for which  
18 general State aid is being calculated.

19 (D) Available Local Resources.

20 (1) For purposes of calculating general State aid pursuant  
21 to subsection (E), a representation of Available Local  
22 Resources per pupil, as that term is defined and determined in  
23 this subsection, shall be utilized. Available Local Resources  
24 per pupil shall include a calculated dollar amount representing  
25 local school district revenues from local property taxes and  
26 from Corporate Personal Property Replacement Taxes, expressed  
27 on the basis of pupils in Average Daily Attendance.

28 (2) In determining a school district's revenue from local  
29 property taxes, the State Board of Education shall utilize the  
30 equalized assessed valuation of all taxable property of each  
31 school district as of September 30 of the previous year. The  
32 equalized assessed valuation utilized shall be obtained and  
33 determined as provided in subsection (G).

34 (3) For school districts maintaining grades kindergarten  
35 through 12, local property tax revenues per pupil shall be

1 calculated as the product of the applicable equalized assessed  
2 valuation for the district multiplied by 3.00%, and divided by  
3 the district's Average Daily Attendance figure. For school  
4 districts maintaining grades kindergarten through 8, local  
5 property tax revenues per pupil shall be calculated as the  
6 product of the applicable equalized assessed valuation for the  
7 district multiplied by 2.30%, and divided by the district's  
8 Average Daily Attendance figure. For school districts  
9 maintaining grades 9 through 12, local property tax revenues  
10 per pupil shall be the applicable equalized assessed valuation  
11 of the district multiplied by 1.05%, and divided by the  
12 district's Average Daily Attendance figure.

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

23 (E) Computation of General State Aid.

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

27 (2) For any school district for which Available Local  
28 Resources per pupil is less than the product of 0.93 times the  
29 Foundation Level, general State aid for that district shall be  
30 calculated as an amount equal to the Foundation Level minus  
31 Available Local Resources, multiplied by the Average Daily  
32 Attendance of the school district.

33 (3) For any school district for which Available Local  
34 Resources per pupil is equal to or greater than the product of  
35 0.93 times the Foundation Level and less than the product of



1 1.75 times the Foundation Level, the general State aid per  
2 pupil shall be a decimal proportion of the Foundation Level  
3 derived using a linear algorithm. Under this linear algorithm,  
4 the calculated general State aid per pupil shall decline in  
5 direct linear fashion from 0.07 times the Foundation Level for  
6 a school district with Available Local Resources equal to the  
7 product of 0.93 times the Foundation Level, to 0.05 times the  
8 Foundation Level for a school district with Available Local  
9 Resources equal to the product of 1.75 times the Foundation  
10 Level. The allocation of general State aid for school districts  
11 subject to this paragraph 3 shall be the calculated general  
12 State aid per pupil figure multiplied by the Average Daily  
13 Attendance of the school district.

14 (4) For any school district for which Available Local  
15 Resources per pupil equals or exceeds the product of 1.75 times  
16 the Foundation Level, the general State aid for the school  
17 district shall be calculated as the product of \$218 multiplied  
18 by the Average Daily Attendance of the school district.

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

29 (F) Compilation of Average Daily Attendance.

30 (1) Each school district shall, by July 1 of each year,  
31 submit to the State Board of Education, on forms prescribed by  
32 the State Board of Education, attendance figures for the school  
33 year that began in the preceding calendar year. The attendance  
34 information so transmitted shall identify the average daily  
35 attendance figures for each month of the school year. Beginning

1 with the general State aid claim form for the 2002-2003 school  
2 year, districts shall calculate Average Daily Attendance as  
3 provided in subdivisions (a), (b), and (c) of this paragraph  
4 (1).

5 (a) In districts that do not hold year-round classes,  
6 days of attendance in August shall be added to the month of  
7 September and any days of attendance in June shall be added  
8 to the month of May.

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

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

25 Except as otherwise provided in this Section, days of  
26 attendance by pupils shall be counted only for sessions of not  
27 less than 5 clock hours of school work per day under direct  
28 supervision of: (i) teachers, or (ii) non-teaching personnel or  
29 volunteer personnel when engaging in non-teaching duties and  
30 supervising in those instances specified in subsection (a) of  
31 Section 10-22.34 and paragraph 10 of Section 34-18, with pupils  
32 of legal school age and in kindergarten and grades 1 through  
33 12.

34 Days of attendance by tuition pupils shall be accredited  
35 only to the districts that pay the tuition to a recognized  
36 school.

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

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

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

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

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

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

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

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

28 (g) For children with disabilities who are below the  
29 age of 6 years and who cannot attend 2 or more clock hours  
30 because of their disability or immaturity, a session of not  
31 less than one clock hour may be counted as 1/2 day of  
32 attendance; however for such children whose educational  
33 needs so require a session of 4 or more clock hours may be  
34 counted as a full day of attendance.

35 (h) A recognized kindergarten which provides for only  
36 1/2 day of attendance by each pupil shall not have more

1 than 1/2 day of attendance counted in any one day. However,  
2 kindergartens may count 2 1/2 days of attendance in any 5  
3 consecutive school days. When a pupil attends such a  
4 kindergarten for 2 half days on any one school day, the  
5 pupil shall have the following day as a day absent from  
6 school, unless the school district obtains permission in  
7 writing from the State Superintendent of Education.  
8 Attendance at kindergartens which provide for a full day of  
9 attendance by each pupil shall be counted the same as  
10 attendance by first grade pupils. Only the first year of  
11 attendance in one kindergarten shall be counted, except in  
12 case of children who entered the kindergarten in their  
13 fifth year whose educational development requires a second  
14 year of kindergarten as determined under the rules and  
15 regulations of the State Board of Education.

16 (G) Equalized Assessed Valuation Data.

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

27 This equalized assessed valuation, as adjusted further by  
28 the requirements of this subsection, shall be utilized in the  
29 calculation of Available Local Resources.

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

32 (a) For the purposes of calculating State aid under  
33 this Section, with respect to any part of a school district  
34 within a redevelopment project area in respect to which a  
35 municipality has adopted tax increment allocation

1 financing pursuant to the Tax Increment Allocation  
2 Redevelopment Act, Sections 11-74.4-1 through 11-74.4-11  
3 of the Illinois Municipal Code or the Industrial Jobs  
4 Recovery Law, Sections 11-74.6-1 through 11-74.6-50 of the  
5 Illinois Municipal Code, no part of the current equalized  
6 assessed valuation of real property located in any such  
7 project area which is attributable to an increase above the  
8 total initial equalized assessed valuation of such  
9 property shall be used as part of the equalized assessed  
10 valuation of the district, until such time as all  
11 redevelopment project costs have been paid, as provided in  
12 Section 11-74.4-8 of the Tax Increment Allocation  
13 Redevelopment Act or in Section 11-74.6-35 of the  
14 Industrial Jobs Recovery Law. For the purpose of the  
15 equalized assessed valuation of the district, the total  
16 initial equalized assessed valuation or the current  
17 equalized assessed valuation, whichever is lower, shall be  
18 used until such time as all redevelopment project costs  
19 have been paid.

20 (b) The real property equalized assessed valuation for  
21 a school district shall be adjusted by subtracting from the  
22 real property value as equalized or assessed by the  
23 Department of Revenue for the district an amount computed  
24 by dividing the amount of any abatement of taxes under  
25 Section 18-170 of the Property Tax Code by 3.00% for a  
26 district maintaining grades kindergarten through 12, by  
27 2.30% for a district maintaining grades kindergarten  
28 through 8, or by 1.05% for a district maintaining grades 9  
29 through 12 and adjusted by an amount computed by dividing  
30 the amount of any abatement of taxes under subsection (a)  
31 of Section 18-165 of the Property Tax Code by the same  
32 percentage rates for district type as specified in this  
33 subparagraph (b).

34 (3) For the 1999-2000 school year and each school year  
35 thereafter, if a school district meets all of the criteria of  
36 this subsection (G) (3), the school district's Available Local

1 Resources shall be calculated under subsection (D) using the  
2 district's Extension Limitation Equalized Assessed Valuation  
3 as calculated under this subsection (G) (3).

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

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

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

10 "Preceding Tax Year": The property tax levy year  
11 immediately preceding the Base Tax Year.

12 "Base Tax Year's Tax Extension": The product of the  
13 equalized assessed valuation utilized by the County Clerk  
14 in the Base Tax Year multiplied by the limiting rate as  
15 calculated by the County Clerk and defined in the Property  
16 Tax Extension Limitation Law.

17 "Preceding Tax Year's Tax Extension": The product of  
18 the equalized assessed valuation utilized by the County  
19 Clerk in the Preceding Tax Year multiplied by the Operating  
20 Tax Rate as defined in subsection (A).

21 "Extension Limitation Ratio": A numerical ratio,  
22 certified by the County Clerk, in which the numerator is  
23 the Base Tax Year's Tax Extension and the denominator is  
24 the Preceding Tax Year's Tax Extension.

25 "Operating Tax Rate": The operating tax rate as defined  
26 in subsection (A).

27 If a school district is subject to property tax extension  
28 limitations as imposed under the Property Tax Extension  
29 Limitation Law, the State Board of Education shall calculate  
30 the Extension Limitation Equalized Assessed Valuation of that  
31 district. For the 1999-2000 school year, the Extension  
32 Limitation Equalized Assessed Valuation of a school district as  
33 calculated by the State Board of Education shall be equal to  
34 the product of the district's 1996 Equalized Assessed Valuation  
35 and the district's Extension Limitation Ratio. For the  
36 2000-2001 school year and each school year thereafter, the

1 Extension Limitation Equalized Assessed Valuation of a school  
2 district as calculated by the State Board of Education shall be  
3 equal to the product of the Equalized Assessed Valuation last  
4 used in the calculation of general State aid and the district's  
5 Extension Limitation Ratio. If the Extension Limitation  
6 Equalized Assessed Valuation of a school district as calculated  
7 under this subsection (G)(3) is less than the district's  
8 equalized assessed valuation as calculated pursuant to  
9 subsections (G)(1) and (G)(2), then for purposes of calculating  
10 the district's general State aid for the Budget Year pursuant  
11 to subsection (E), that Extension Limitation Equalized  
12 Assessed Valuation shall be utilized to calculate the  
13 district's Available Local Resources under subsection (D).

14 (4) For the purposes of calculating general State aid for  
15 the 1999-2000 school year only, if a school district  
16 experienced a triennial reassessment on the equalized assessed  
17 valuation used in calculating its general State financial aid  
18 apportionment for the 1998-1999 school year, the State Board of  
19 Education shall calculate the Extension Limitation Equalized  
20 Assessed Valuation that would have been used to calculate the  
21 district's 1998-1999 general State aid. This amount shall equal  
22 the product of the equalized assessed valuation used to  
23 calculate general State aid for the 1997-1998 school year and  
24 the district's Extension Limitation Ratio. If the Extension  
25 Limitation Equalized Assessed Valuation of the school district  
26 as calculated under this paragraph (4) is less than the  
27 district's equalized assessed valuation utilized in  
28 calculating the district's 1998-1999 general State aid  
29 allocation, then for purposes of calculating the district's  
30 general State aid pursuant to paragraph (5) of subsection (E),  
31 that Extension Limitation Equalized Assessed Valuation shall  
32 be utilized to calculate the district's Available Local  
33 Resources.

34 (5) For school districts having a majority of their  
35 equalized assessed valuation in any county except Cook, DuPage,  
36 Kane, Lake, McHenry, or Will, if the amount of general State



1 aid allocated to the school district for the 1999-2000 school  
2 year under the provisions of subsection (E), (H), and (J) of  
3 this Section is less than the amount of general State aid  
4 allocated to the district for the 1998-1999 school year under  
5 these subsections, then the general State aid of the district  
6 for the 1999-2000 school year only shall be increased by the  
7 difference between these amounts. The total payments made under  
8 this paragraph (5) shall not exceed \$14,000,000. Claims shall  
9 be prorated if they exceed \$14,000,000.

10 (H) Supplemental General State Aid.

11 (1) In addition to the general State aid a school district  
12 is allotted pursuant to subsection (E), qualifying school  
13 districts shall receive a grant, paid in conjunction with a  
14 district's payments of general State aid, for supplemental  
15 general State aid based upon the concentration level of  
16 children from low-income households within the school  
17 district. Supplemental State aid grants provided for school  
18 districts under this subsection shall be appropriated for  
19 distribution to school districts as part of the same line item  
20 in which the general State financial aid of school districts is  
21 appropriated under this Section. If the appropriation in any  
22 fiscal year for general State aid and supplemental general  
23 State aid is insufficient to pay the amounts required under the  
24 general State aid and supplemental general State aid  
25 calculations, then the State Board of Education shall ensure  
26 that each school district receives the full amount due for  
27 general State aid and the remainder of the appropriation shall  
28 be used for supplemental general State aid, which the State  
29 Board of Education shall calculate and pay to eligible  
30 districts on a prorated basis.

31 (1.5) This paragraph (1.5) applies only to those school  
32 years preceding the 2003-2004 school year. For purposes of this  
33 subsection (H), the term "Low-Income Concentration Level"  
34 shall be the low-income eligible pupil count from the most  
35 recently available federal census divided by the Average Daily

1 Attendance of the school district. If, however, (i) the  
2 percentage decrease from the 2 most recent federal censuses in  
3 the low-income eligible pupil count of a high school district  
4 with fewer than 400 students exceeds by 75% or more the  
5 percentage change in the total low-income eligible pupil count  
6 of contiguous elementary school districts, whose boundaries  
7 are coterminous with the high school district, or (ii) a high  
8 school district within 2 counties and serving 5 elementary  
9 school districts, whose boundaries are coterminous with the  
10 high school district, has a percentage decrease from the 2 most  
11 recent federal censuses in the low-income eligible pupil count  
12 and there is a percentage increase in the total low-income  
13 eligible pupil count of a majority of the elementary school  
14 districts in excess of 50% from the 2 most recent federal  
15 censuses, then the high school district's low-income eligible  
16 pupil count from the earlier federal census shall be the number  
17 used as the low-income eligible pupil count for the high school  
18 district, for purposes of this subsection (H). The changes made  
19 to this paragraph (1) by Public Act 92-28 shall apply to  
20 supplemental general State aid grants for school years  
21 preceding the 2003-2004 school year that are paid in fiscal  
22 year 1999 or thereafter and to any State aid payments made in  
23 fiscal year 1994 through fiscal year 1998 pursuant to  
24 subsection 1(n) of Section 18-8 of this Code (which was  
25 repealed on July 1, 1998), and any high school district that is  
26 affected by Public Act 92-28 is entitled to a recomputation of  
27 its supplemental general State aid grant or State aid paid in  
28 any of those fiscal years. This recomputation shall not be  
29 affected by any other funding.

30 (1.10) This paragraph (1.10) applies to the 2003-2004  
31 school year and each school year thereafter. For purposes of  
32 this subsection (H), the term "Low-Income Concentration Level"  
33 shall, for each fiscal year, be the low-income eligible pupil  
34 count as of July 1 of the immediately preceding fiscal year (as  
35 determined by the Department of Human Services based on the  
36 number of pupils who are eligible for at least one of the

1 following low income programs: Medicaid, KidCare, TANF, or Food  
2 Stamps, excluding pupils who are eligible for services provided  
3 by the Department of Children and Family Services, averaged  
4 over the 2 immediately preceding fiscal years for fiscal year  
5 2004 and over the 3 immediately preceding fiscal years for each  
6 fiscal year thereafter) divided by the Average Daily Attendance  
7 of the school district.

8 (2) Supplemental general State aid pursuant to this  
9 subsection (H) shall be provided as follows for the 1998-1999,  
10 1999-2000, and 2000-2001 school years only:

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

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

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

23 (d) For any school district with a Low Income  
24 Concentration Level of 60% or more, the grant for the  
25 1998-99 school year shall be \$1,900 multiplied by the low  
26 income eligible pupil count.

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

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

35 (2.5) Supplemental general State aid pursuant to this  
36 subsection (H) shall be provided as follows for the 2002-2003

1 school year:

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

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

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

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

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

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

26 (2.10) Except as otherwise provided, supplemental general  
27 State aid pursuant to this subsection (H) shall be provided as  
28 follows for the 2003-2004 school year and each school year  
29 thereafter:

30 (a) For any school district with a Low Income  
31 Concentration Level of 15% or less, the grant for each  
32 school year shall be \$355 multiplied by the low income  
33 eligible pupil count.

34 (b) For any school district with a Low Income  
35 Concentration Level greater than 15%, the grant for each  
36 school year shall be \$294.25 added to the product of \$2,700

1 and the square of the Low Income Concentration Level, all  
2 multiplied by the low income eligible pupil count.

3 For the 2003-2004 school year and 2004-2005 school year  
4 only, the grant shall be no less than the grant for the  
5 2002-2003 school year. For the 2005-2006 ~~2004-2005~~ school year  
6 only, the grant shall be no less than the grant for the  
7 2002-2003 school year multiplied by 0.66. For the 2006-2007  
8 ~~2005-2006~~ school year only, the grant shall be no less than the  
9 grant for the 2002-2003 school year multiplied by 0.33.

10 For the 2003-2004 school year only, the grant shall be no  
11 greater than the grant received during the 2002-2003 school  
12 year added to the product of 0.25 multiplied by the difference  
13 between the grant amount calculated under subsection (a) or (b)  
14 of this paragraph (2.10), whichever is applicable, and the  
15 grant received during the 2002-2003 school year. For the  
16 2004-2005 school year only, the grant shall be no greater than  
17 the grant received during the 2002-2003 school year added to  
18 the product of 0.50 multiplied by the difference between the  
19 grant amount calculated under subsection (a) or (b) of this  
20 paragraph (2.10), whichever is applicable, and the grant  
21 received during the 2002-2003 school year. For the 2005-2006  
22 school year only, the grant shall be no greater than the grant  
23 received during the 2002-2003 school year added to the product  
24 of 0.75 multiplied by the difference between the grant amount  
25 calculated under subsection (a) or (b) of this paragraph  
26 (2.10), whichever is applicable, and the grant received during  
27 the 2002-2003 school year.

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

1 regulations promulgated by the State Board of Education.

2 (4) School districts with an Average Daily Attendance of  
3 50,000 or more that qualify for supplemental general State aid  
4 pursuant to this subsection shall be required to distribute  
5 from funds available pursuant to this Section, no less than  
6 \$261,000,000 in accordance with the following requirements:

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

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

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

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

35 (e) Funds received by an attendance center pursuant to  
36 this subsection shall be used by the attendance center at

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

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

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

34 If the district fails to distribute State aid to  
35 attendance centers in accordance with an approved plan, the  
36 plan for the following year shall allocate funds, in

1 addition to the funds otherwise required by this  
2 subsection, to those attendance centers which were  
3 underfunded during the previous year in amounts equal to  
4 such underfunding.

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

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

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

32 (1) For a new school district formed by combining property  
33 included totally within 2 or more previously existing school  
34 districts, for its first year of existence the general State  
35 aid and supplemental general State aid calculated under this



1 Section shall be computed for the new district and for the  
2 previously existing districts for which property is totally  
3 included within the new district. If the computation on the  
4 basis of the previously existing districts is greater, a  
5 supplementary payment equal to the difference shall be made for  
6 the first 4 years of existence of the new district.

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

21 (3) For 2 or more school districts which annex all of the  
22 territory of one or more entire other school districts, and for  
23 2 or more community unit districts which result upon the  
24 division (pursuant to petition under Section 11A-2) of one or  
25 more other unit school districts into 2 or more parts and which  
26 together include all of the parts into which such other unit  
27 school district or districts are so divided, for the first year  
28 during which the change of boundaries attributable to such  
29 annexation or division becomes effective for all purposes as  
30 determined under Section 7-9 or 11A-10, as the case may be, the  
31 general State aid and supplemental general State aid calculated  
32 under this Section shall be computed for each annexing or  
33 resulting district as constituted after the annexation or  
34 division and for each annexing and annexed district, or for  
35 each resulting and divided district, as constituted prior to  
36 the annexation or division; and if the aggregate of the general

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

29 (3.5) Claims for financial assistance under this  
30 subsection (I) shall not be recomputed except as expressly  
31 provided under this Section.

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

35 (J) Supplementary Grants in Aid.

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

20           (2) If, as provided in paragraph (1) of this subsection  
21 (J), a school district is to receive aggregate general State  
22 aid in combination with supplemental general State aid under  
23 this Section for the 1998-99 school year and any subsequent  
24 school year that in any such school year is less than the  
25 amount of the aggregate general State aid entitlement that the  
26 district received for the 1997-98 school year, the school  
27 district shall also receive, from a separate appropriation made  
28 for purposes of this subsection (J), a supplementary payment  
29 that is equal to the amount of the difference in the aggregate  
30 State aid figures as described in paragraph (1).

31           (3) (Blank).

32           (K) Grants to Laboratory and Alternative Schools.

33           In calculating the amount to be paid to the governing board  
34 of a public university that operates a laboratory school under  
35 this Section or to any alternative school that is operated by a

1 regional superintendent of schools, the State Board of  
2 Education shall require by rule such reporting requirements as  
3 it deems necessary.

4 As used in this Section, "laboratory school" means a public  
5 school which is created and operated by a public university and  
6 approved by the State Board of Education. The governing board  
7 of a public university which receives funds from the State  
8 Board under this subsection (K) may not increase the number of  
9 students enrolled in its laboratory school from a single  
10 district, if that district is already sending 50 or more  
11 students, except under a mutual agreement between the school  
12 board of a student's district of residence and the university  
13 which operates the laboratory school. A laboratory school may  
14 not have more than 1,000 students, excluding students with  
15 disabilities in a special education program.

16 As used in this Section, "alternative school" means a  
17 public school which is created and operated by a Regional  
18 Superintendent of Schools and approved by the State Board of  
19 Education. Such alternative schools may offer courses of  
20 instruction for which credit is given in regular school  
21 programs, courses to prepare students for the high school  
22 equivalency testing program or vocational and occupational  
23 training. A regional superintendent of schools may contract  
24 with a school district or a public community college district  
25 to operate an alternative school. An alternative school serving  
26 more than one educational service region may be established by  
27 the regional superintendents of schools of the affected  
28 educational service regions. An alternative school serving  
29 more than one educational service region may be operated under  
30 such terms as the regional superintendents of schools of those  
31 educational service regions may agree.

32 Each laboratory and alternative school shall file, on forms  
33 provided by the State Superintendent of Education, an annual  
34 State aid claim which states the Average Daily Attendance of  
35 the school's students by month. The best 3 months' Average  
36 Daily Attendance shall be computed for each school. The general

1 State aid entitlement shall be computed by multiplying the  
2 applicable Average Daily Attendance by the Foundation Level as  
3 determined under this Section.

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

5 (1) For a school district operating under the financial  
6 supervision of an Authority created under Article 34A, the  
7 general State aid otherwise payable to that district under this  
8 Section, but not the supplemental general State aid, shall be  
9 reduced by an amount equal to the budget for the operations of  
10 the Authority as certified by the Authority to the State Board  
11 of Education, and an amount equal to such reduction shall be  
12 paid to the Authority created for such district for its  
13 operating expenses in the manner provided in Section 18-11. The  
14 remainder of general State school aid for any such district  
15 shall be paid in accordance with Article 34A when that Article  
16 provides for a disposition other than that provided by this  
17 Article.

18 (2) (Blank).

19 (3) Summer school. Summer school payments shall be made as  
20 provided in Section 18-4.3.

21 (M) Education Funding Advisory Board.

22 The Education Funding Advisory Board, hereinafter in this  
23 subsection (M) referred to as the "Board", is hereby created.  
24 The Board shall consist of 5 members who are appointed by the  
25 Governor, by and with the advice and consent of the Senate. The  
26 members appointed shall include representatives of education,  
27 business, and the general public. One of the members so  
28 appointed shall be designated by the Governor at the time the  
29 appointment is made as the chairperson of the Board. The  
30 initial members of the Board may be appointed any time after  
31 the effective date of this amendatory Act of 1997. The regular  
32 term of each member of the Board shall be for 4 years from the  
33 third Monday of January of the year in which the term of the  
34 member's appointment is to commence, except that of the 5

1 initial members appointed to serve on the Board, the member who  
2 is appointed as the chairperson shall serve for a term that  
3 commences on the date of his or her appointment and expires on  
4 the third Monday of January, 2002, and the remaining 4 members,  
5 by lots drawn at the first meeting of the Board that is held  
6 after all 5 members are appointed, shall determine 2 of their  
7 number to serve for terms that commence on the date of their  
8 respective appointments and expire on the third Monday of  
9 January, 2001, and 2 of their number to serve for terms that  
10 commence on the date of their respective appointments and  
11 expire on the third Monday of January, 2000. All members  
12 appointed to serve on the Board shall serve until their  
13 respective successors are appointed and confirmed. Vacancies  
14 shall be filled in the same manner as original appointments. If  
15 a vacancy in membership occurs at a time when the Senate is not  
16 in session, the Governor shall make a temporary appointment  
17 until the next meeting of the Senate, when he or she shall  
18 appoint, by and with the advice and consent of the Senate, a  
19 person to fill that membership for the unexpired term. If the  
20 Senate is not in session when the initial appointments are  
21 made, those appointments shall be made as in the case of  
22 vacancies.

23 The Education Funding Advisory Board shall be deemed  
24 established, and the initial members appointed by the Governor  
25 to serve as members of the Board shall take office, on the date  
26 that the Governor makes his or her appointment of the fifth  
27 initial member of the Board, whether those initial members are  
28 then serving pursuant to appointment and confirmation or  
29 pursuant to temporary appointments that are made by the  
30 Governor as in the case of vacancies.

31 The State Board of Education shall provide such staff  
32 assistance to the Education Funding Advisory Board as is  
33 reasonably required for the proper performance by the Board of  
34 its responsibilities.

35 For school years after the 2000-2001 school year, the  
36 Education Funding Advisory Board, in consultation with the

1 State Board of Education, shall make recommendations as  
2 provided in this subsection (M) to the General Assembly for the  
3 foundation level under subdivision (B)(3) of this Section and  
4 for the supplemental general State aid grant level under  
5 subsection (H) of this Section for districts with high  
6 concentrations of children from poverty. The recommended  
7 foundation level shall be determined based on a methodology  
8 which incorporates the basic education expenditures of  
9 low-spending schools exhibiting high academic performance. The  
10 Education Funding Advisory Board shall make such  
11 recommendations to the General Assembly on January 1 of odd  
12 numbered years, beginning January 1, 2001.

13 (N) (Blank).

14 (O) References.

15 (1) References in other laws to the various subdivisions of  
16 Section 18-8 as that Section existed before its repeal and  
17 replacement by this Section 18-8.05 shall be deemed to refer to  
18 the corresponding provisions of this Section 18-8.05, to the  
19 extent that those references remain applicable.

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

23 (P) This amendatory Act of the 93rd General Assembly and House  
24 Bill 4266 of the 93rd General Assembly make inconsistent  
25 changes to this Section. If House Bill 4266 becomes law, then  
26 under Section 6 of the Statute on Statutes there is an  
27 irreconcilable conflict between House Bill 4266 and this  
28 amendatory Act. This amendatory Act, being the last acted upon,  
29 is controlling. The text of this amendatory Act is the law  
30 regardless of the text of House Bill 4266.

31 (Source: P.A. 92-16, eff. 6-28-01; 92-28, eff. 7-1-01; 92-29,  
32 eff. 7-1-01; 92-269, eff. 8-7-01; 92-604, eff. 7-1-02; 92-636,  
33 eff. 7-11-02; 92-651, eff. 7-11-02; 93-21, eff. 7-1-03.)

1 Section 20. The Higher Education Student Assistance Act is  
2 amended by changing Section 45 as follows:

3 (110 ILCS 947/45)

4 Sec. 45. Illinois National Guard grant program.

5 (a) As used in this Section:

6 "State controlled university or community college" means  
7 those institutions under the administration of the Chicago  
8 State University Board of Trustees, the Eastern Illinois  
9 University Board of Trustees, the Governors State University  
10 Board of Trustees, the Illinois State University Board of  
11 Trustees, the Northeastern Illinois University Board of  
12 Trustees, the Northern Illinois University Board of Trustees,  
13 the Western Illinois University Board of Trustees, Southern  
14 Illinois University Board of Trustees, University of Illinois  
15 Board of Trustees, or the Illinois Community College Board.

16 "Tuition and fees" shall not include expenses for any  
17 sectarian or denominational instruction, the construction or  
18 maintenance of sectarian or denominational facilities, or any  
19 other sectarian or denominational purposes or activity.

20 "Fees" means matriculation, graduation, activity, term, or  
21 incidental fees. Exemption shall not be granted from any other  
22 fees, including book rental, service, laboratory, supply, and  
23 union building fees, hospital and medical insurance fees, and  
24 any fees established for the operation and maintenance of  
25 buildings, the income of which is pledged to the payment of  
26 interest and principal on bonds issued by the governing board  
27 of any university or community college.

28 (b) Any enlisted person or any company grade officer,  
29 including warrant officers, First and Second Lieutenants, and  
30 Captains in the Army and Air National Guard, who has served at  
31 least one year in the Illinois National Guard and who possesses  
32 all necessary entrance requirements shall, upon application  
33 and proper proof, be awarded a grant to the State-controlled  
34 university or community college of his or her choice,



1 consisting of exemption from tuition and fees for not more than  
2 the equivalent of 4 years of full-time enrollment in relation  
3 to his or her course of study at that State controlled  
4 university or community college while he or she is a member of  
5 the Illinois National Guard. If the recipient of any grant  
6 awarded under this Section ceases to be a member of the  
7 Illinois National Guard while enrolled in a course of study  
8 under that grant, the grant shall be terminated as of the date  
9 membership in the Illinois National Guard ended, and the  
10 recipient shall be permitted to complete the school term in  
11 which he or she is then enrolled only upon payment of tuition  
12 and other fees allocable to the part of the term then  
13 remaining. If the recipient of the grant fails to complete his  
14 or her military service obligations or requirements for  
15 satisfactory participation, the Department of Military Affairs  
16 shall require the recipient to repay the amount of the grant  
17 received, prorated according to the fraction of the service  
18 obligation not completed, and, if applicable, reasonable  
19 collection fees. The Department of Military Affairs may adopt  
20 rules relating to its collection activities for repayment of  
21 the grant under this Section. Unsatisfactory participation  
22 shall be defined by rules adopted by the Department of Military  
23 Affairs. Repayments shall be deposited in the National Guard  
24 Grant Fund. The National Guard Grant Fund is created as a  
25 special fund in the State treasury. All money in the National  
26 Guard Grant Fund shall be used, subject to appropriation, by  
27 the Illinois Student Assistance Commission ~~Department of~~  
28 ~~Military Affairs~~ for the purposes of this Section.

29 A grant awarded under this Section shall be considered an  
30 entitlement which the State-controlled university or community  
31 college in which the holder is enrolled shall honor without any  
32 condition other than the holder's maintenance of minimum grade  
33 levels and a satisfactory student loan repayment record  
34 pursuant to subsection (c) of Section 20 of this Act.

35 (c) Subject to a separate appropriation for such purposes,  
36 the Commission may reimburse the State-controlled university

1 or community college for grants authorized by this Section.  
2 (Source: P.A. 92-589, eff. 7-1-02.)

3 Section 99. Effective date. This Act takes effect upon  
4 becoming law.