



100TH GENERAL ASSEMBLY

State of Illinois

2017 and 2018

HB4069

by Rep. Robert W. Pritchard

SYNOPSIS AS INTRODUCED:

See Index

Provides that the Act may be referred to as the Evidence-Based Funding for Student Success Act. Amends the Economic Development Area Tax Increment Allocation Act, State Finance Act, Property Tax Code, Illinois Pension Code, Innovation Development and Economy Act, County Economic Development Project Area Property Tax Allocation Act, County Economic Development Project Area Tax Increment Allocation Act of 1991, Illinois Municipal Code, Economic Development Project Area Tax Increment Allocation Act of 1995, School Code, and Educational Opportunity for Military Children Act. Provides that the State aid formula provisions of the School Code apply through the 2016-2017 school year. Provides for an evidence-based funding formula beginning with the 2017-2018 school year. Sets forth provisions concerning an adequacy target calculation, a local capacity calculation, a base funding minimum calculation, a percent of adequacy and final resources calculation, an evidence-based funding formula distribution system, State Superintendent of Education administration of funding and school district submission requirements, and a Professional Review Panel. Makes other changes in the School Code, including changes to contracts with commercial driver training schools; changes to provisions concerning unfunded mandates, including referenda procedures and repealing an existing provision; removing a daily physical education requirement and instead requiring physical education 3 times a week, with exceptions; and changes to charter school funding. Effective immediately.

LRB100 13151 MLM 27546 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

1 AN ACT concerning education.

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

4 Section 1. This Act may be referred to as the
5 Evidence-Based Funding for Student Success Act.

6 Section 5. The Economic Development Area Tax Increment
7 Allocation Act is amended by changing Section 7 as follows:

8 (20 ILCS 620/7) (from Ch. 67 1/2, par. 1007)

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

1 by taxing districts and tax rates determined in the manner
2 provided in subsection (b) of Section 6 of this Act shall be
3 divided as follows:

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

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

25 The municipality, by an ordinance adopting tax increment
26 allocation financing, may pledge the funds in and to be

1 deposited in the special tax allocation fund for the payment of
2 obligations issued under this Act and for the payment of
3 economic development project costs. No part of the current
4 equalized assessed valuation of each property in the economic
5 development project area attributable to any increase above the
6 total initial equalized assessed value, of such properties
7 shall be used in calculating the general State school aid
8 formula, provided for in Section 18-8 of the School Code, or
9 the evidence-based funding formula, provided for in Section
10 18-8.15 of the School Code, until such time as all economic
11 development projects costs have been paid as provided for in
12 this Section.

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

25 Upon the payment of all economic development project costs,
26 retirement of obligations and the distribution of any excess

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

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

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

17 Section 10. The State Finance Act is amended by changing
18 Section 13.2 as follows:

19 (30 ILCS 105/13.2) (from Ch. 127, par. 149.2)

20 Sec. 13.2. Transfers among line item appropriations.

21 (a) Transfers among line item appropriations from the same
22 treasury fund for the objects specified in this Section may be
23 made in the manner provided in this Section when the balance
24 remaining in one or more such line item appropriations is

1 insufficient for the purpose for which the appropriation was
2 made.

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

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

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

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

25 (a-3) Further, if an agency receives a separate
26 appropriation for employee retirement contributions paid by

1 the employer, any transfer by that agency into an appropriation
2 for personal services must be accompanied by a corresponding
3 transfer into the appropriation for employee retirement
4 contributions paid by the employer, in an amount sufficient to
5 meet the employer share of the employee contributions required
6 to be remitted to the retirement system.

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

1 Healthcare and Family Services website, the Governor's Office
2 of Management and Budget website, and any other website the
3 Governor sees fit. These postings shall serve as notice to the
4 General Assembly of the amounts to be transferred. Notice shall
5 be given at least 30 days prior to transfer.

6 (b) In addition to the general transfer authority provided
7 under subsection (c), the following agencies have the specific
8 transfer authority granted in this subsection:

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

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

23 The Department on Aging is authorized to make transfers not
24 exceeding 2% of the aggregate amount appropriated to it within
25 the same treasury fund for the following Community Care Program
26 line items among these same line items: purchase of services

1 covered by the Community Care Program and Comprehensive Case
2 Coordination.

3 The State Treasurer is authorized to make transfers among
4 line item appropriations from the Capital Litigation Trust
5 Fund, with respect to costs incurred in fiscal years 2002 and
6 2003 only, when the balance remaining in one or more such line
7 item appropriations is insufficient for the purpose for which
8 the appropriation was made, provided that no such transfer may
9 be made unless the amount transferred is no longer required for
10 the purpose for which that appropriation was made.

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

21 The State Board of Education is authorized to make
22 transfers between the following line item appropriations
23 within the same treasury fund: Disabled Student
24 Services/Materials (Section 14-13.01 of the School Code),
25 Disabled Student Transportation Reimbursement (Section
26 14-13.01 of the School Code), Disabled Student Tuition -

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

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

16 (c) The sum of such transfers for an agency in a fiscal
17 year shall not exceed 2% of the aggregate amount appropriated
18 to it within the same treasury fund for the following objects:
19 Personal Services; Extra Help; Student and Inmate
20 Compensation; State Contributions to Retirement Systems; State
21 Contributions to Social Security; State Contribution for
22 Employee Group Insurance; Contractual Services; Travel;
23 Commodities; Printing; Equipment; Electronic Data Processing;
24 Operation of Automotive Equipment; Telecommunications
25 Services; Travel and Allowance for Committed, Paroled and
26 Discharged Prisoners; Library Books; Federal Matching Grants

1 for Student Loans; Refunds; Workers' Compensation,
2 Occupational Disease, and Tort Claims; and, in appropriations
3 to institutions of higher education, Awards and Grants.
4 Notwithstanding the above, any amounts appropriated for
5 payment of workers' compensation claims to an agency to which
6 the authority to evaluate, administer and pay such claims has
7 been delegated by the Department of Central Management Services
8 may be transferred to any other expenditure object where such
9 amounts exceed the amount necessary for the payment of such
10 claims.

11 (c-1) Special provisions for State fiscal year 2003.
12 Notwithstanding any other provision of this Section to the
13 contrary, for State fiscal year 2003 only, transfers among line
14 item appropriations to an agency from the same treasury fund
15 may be made provided that the sum of such transfers for an
16 agency in State fiscal year 2003 shall not exceed 3% of the
17 aggregate amount appropriated to that State agency for State
18 fiscal year 2003 for the following objects: personal services,
19 except that no transfer may be approved which reduces the
20 aggregate appropriations for personal services within an
21 agency; extra help; student and inmate compensation; State
22 contributions to retirement systems; State contributions to
23 social security; State contributions for employee group
24 insurance; contractual services; travel; commodities;
25 printing; equipment; electronic data processing; operation of
26 automotive equipment; telecommunications services; travel and

1 allowance for committed, paroled, and discharged prisoners;
2 library books; federal matching grants for student loans;
3 refunds; workers' compensation, occupational disease, and tort
4 claims; and, in appropriations to institutions of higher
5 education, awards and grants.

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

16 (c-3) Special provisions for State fiscal year 2015.
17 Notwithstanding any other provision of this Section, for State
18 fiscal year 2015, transfers among line item appropriations to a
19 State agency from the same State treasury fund may be made for
20 operational or lump sum expenses only, provided that the sum of
21 such transfers for a State agency in State fiscal year 2015
22 shall not exceed 4% of the aggregate amount appropriated to
23 that State agency for operational or lump sum expenses for
24 State fiscal year 2015. For the purpose of this subsection,
25 "operational or lump sum expenses" includes the following
26 objects: personal services; extra help; student and inmate

1 compensation; State contributions to retirement systems; State
2 contributions to social security; State contributions for
3 employee group insurance; contractual services; travel;
4 commodities; printing; equipment; electronic data processing;
5 operation of automotive equipment; telecommunications
6 services; travel and allowance for committed, paroled, and
7 discharged prisoners; library books; federal matching grants
8 for student loans; refunds; workers' compensation,
9 occupational disease, and tort claims; lump sum and other
10 purposes; and lump sum operations. For the purpose of this
11 subsection (c-3), "State agency" does not include the Attorney
12 General, the Secretary of State, the Comptroller, the
13 Treasurer, or the legislative or judicial branches.

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

1 agencies require the approval of the Governor.

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

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

24 (1) Disabled Student Personnel Reimbursement (Section
25 14-13.01 of the School Code);

26 (2) Disabled Student Transportation Reimbursement

- 1 (subsection (b) of Section 14-13.01 of the School Code);
- 2 (3) Disabled Student Tuition - Private Tuition
- 3 (Section 14-7.02 of the School Code);
- 4 (4) Extraordinary Special Education (Section 14-7.02b
- 5 of the School Code);
- 6 (5) Reimbursement for Free Lunch/Breakfast Programs;
- 7 (6) Summer School Payments (Section 18-4.3 of the
- 8 School Code);
- 9 (7) Transportation - Regular/Vocational Reimbursement
- 10 (Section 29-5 of the School Code);
- 11 (8) Regular Education Reimbursement (Section 18-3 of
- 12 the School Code); and
- 13 (9) Special Education Reimbursement (Section 14-7.03
- 14 of the School Code).
- 15 (Source: P.A. 98-24, eff. 6-19-13; 98-674, eff. 6-30-14; 99-2,
- 16 eff. 3-26-15.)

17 Section 15. The Property Tax Code is amended by changing

18 Sections 18-200 and 18-249 as follows:

19 (35 ILCS 200/18-200)

20 Sec. 18-200. School Code. A school district's State aid

21 shall not be reduced under the computation under subsections

22 5(a) through 5(h) of Part A of Section 18-8 of the School Code

23 or under Section 18-8.15 of the School Code due to the

24 operating tax rate falling from above the minimum requirement

1 of that Section of the School Code to below the minimum
2 requirement of that Section of the School Code due to the
3 operation of this Law.

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

5 (35 ILCS 200/18-249)

6 Sec. 18-249. Miscellaneous provisions.

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

13 (b) School Code. A school district's State aid shall not be
14 reduced under the computation under subsections 5(a) through
15 5(h) of Part A of Section 18-8 of the School Code or under
16 Section 18-8.15 of the School Code due to the operating tax
17 rate falling from above the minimum requirement of that Section
18 of the School Code to below the minimum requirement of that
19 Section of the School Code due to the operation of this Law.

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

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

1 Section 17. The Illinois Pension Code is amended by
2 changing Section 16-158 as follows:

3 (40 ILCS 5/16-158) (from Ch. 108 1/2, par. 16-158)

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

6 Sec. 16-158. Contributions by State and other employing
7 units.

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

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

20 (a-1) Annually, on or before November 15 until November 15,
21 2011, the Board shall certify to the Governor the amount of the
22 required State contribution for the coming fiscal year. The
23 certification under this subsection (a-1) shall include a copy
24 of the actuarial recommendations upon which it is based and
25 shall specifically identify the System's projected State

1 normal cost for that fiscal year.

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

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

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

19 (a-5) On or before November 1 of each year, beginning
20 November 1, 2012, the Board shall submit to the State Actuary,
21 the Governor, and the General Assembly a proposed certification
22 of the amount of the required State contribution to the System
23 for the next fiscal year, along with all of the actuarial
24 assumptions, calculations, and data upon which that proposed
25 certification is based. On or before January 1 of each year,
26 beginning January 1, 2013, the State Actuary shall issue a

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

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

16 (b-1) Beginning in State fiscal year 1996, on the 15th day
17 of each month, or as soon thereafter as may be practicable, the
18 Board shall submit vouchers for payment of State contributions
19 to the System, in a total monthly amount of one-twelfth of the
20 required annual State contribution certified under subsection
21 (a-1). From the effective date of this amendatory Act of the
22 93rd General Assembly through June 30, 2004, the Board shall
23 not submit vouchers for the remainder of fiscal year 2004 in
24 excess of the fiscal year 2004 certified contribution amount
25 determined under this Section after taking into consideration
26 the transfer to the System under subsection (a) of Section

1 6z-61 of the State Finance Act. These vouchers shall be paid by
2 the State Comptroller and Treasurer by warrants drawn on the
3 funds appropriated to the System for that fiscal year.

4 If in any month the amount remaining unexpended from all
5 other appropriations to the System for the applicable fiscal
6 year (including the appropriations to the System under Section
7 8.12 of the State Finance Act and Section 1 of the State
8 Pension Funds Continuing Appropriation Act) is less than the
9 amount lawfully vouchered under this subsection, the
10 difference shall be paid from the Common School Fund under the
11 continuing appropriation authority provided in Section 1.1 of
12 the State Pension Funds Continuing Appropriation Act.

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

16 (b-3) For State fiscal years 2012 through 2045, the minimum
17 contribution to the System to be made by the State for each
18 fiscal year shall be an amount determined by the System to be
19 sufficient to bring the total assets of the System up to 90% of
20 the total actuarial liabilities of the System by the end of
21 State fiscal year 2045. In making these determinations, the
22 required State contribution shall be calculated each year as a
23 level percentage of payroll over the years remaining to and
24 including fiscal year 2045 and shall be determined under the
25 projected unit credit actuarial cost method.

26 For State fiscal years 1996 through 2005, the State

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

15 Notwithstanding any other provision of this Article, the
16 total required State contribution for State fiscal year 2006 is
17 \$534,627,700.

18 Notwithstanding any other provision of this Article, the
19 total required State contribution for State fiscal year 2007 is
20 \$738,014,500.

21 For each of State fiscal years 2008 through 2009, the State
22 contribution to the System, as a percentage of the applicable
23 employee payroll, shall be increased in equal annual increments
24 from the required State contribution for State fiscal year
25 2007, so that by State fiscal year 2011, the State is
26 contributing at the rate otherwise required under this Section.

1 Notwithstanding any other provision of this Article, the
2 total required State contribution for State fiscal year 2010 is
3 \$2,089,268,000 and shall be made from the proceeds of bonds
4 sold in fiscal year 2010 pursuant to Section 7.2 of the General
5 Obligation Bond Act, less (i) the pro rata share of bond sale
6 expenses determined by the System's share of total bond
7 proceeds, (ii) any amounts received from the Common School Fund
8 in fiscal year 2010, and (iii) any reduction in bond proceeds
9 due to the issuance of discounted bonds, if applicable.

10 Notwithstanding any other provision of this Article, the
11 total required State contribution for State fiscal year 2011 is
12 the amount recertified by the System on or before April 1, 2011
13 pursuant to subsection (a-1) of this Section and shall be made
14 from the proceeds of bonds sold in fiscal year 2011 pursuant to
15 Section 7.2 of the General Obligation Bond Act, less (i) the
16 pro rata share of bond sale expenses determined by the System's
17 share of total bond proceeds, (ii) any amounts received from
18 the Common School Fund in fiscal year 2011, and (iii) any
19 reduction in bond proceeds due to the issuance of discounted
20 bonds, if applicable. This amount shall include, in addition to
21 the amount certified by the System, an amount necessary to meet
22 employer contributions required by the State as an employer
23 under paragraph (e) of this Section, which may also be used by
24 the System for contributions required by paragraph (a) of
25 Section 16-127.

26 Beginning in State fiscal year 2046, the minimum State

1 contribution for each fiscal year shall be the amount needed to
2 maintain the total assets of the System at 90% of the total
3 actuarial liabilities of the System.

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

16 Notwithstanding any other provision of this Section, the
17 required State contribution for State fiscal year 2005 and for
18 fiscal year 2008 and each fiscal year thereafter, as calculated
19 under this Section and certified under subsection (a-1), shall
20 not exceed an amount equal to (i) the amount of the required
21 State contribution that would have been calculated under this
22 Section for that fiscal year if the System had not received any
23 payments under subsection (d) of Section 7.2 of the General
24 Obligation Bond Act, minus (ii) the portion of the State's
25 total debt service payments for that fiscal year on the bonds
26 issued in fiscal year 2003 for the purposes of that Section

1 7.2, as determined and certified by the Comptroller, that is
2 the same as the System's portion of the total moneys
3 distributed under subsection (d) of Section 7.2 of the General
4 Obligation Bond Act. In determining this maximum for State
5 fiscal years 2008 through 2010, however, the amount referred to
6 in item (i) shall be increased, as a percentage of the
7 applicable employee payroll, in equal increments calculated
8 from the sum of the required State contribution for State
9 fiscal year 2007 plus the applicable portion of the State's
10 total debt service payments for fiscal year 2007 on the bonds
11 issued in fiscal year 2003 for the purposes of Section 7.2 of
12 the General Obligation Bond Act, so that, by State fiscal year
13 2011, the State is contributing at the rate otherwise required
14 under this Section.

15 (c) Payment of the required State contributions and of all
16 pensions, retirement annuities, death benefits, refunds, and
17 other benefits granted under or assumed by this System, and all
18 expenses in connection with the administration and operation
19 thereof, are obligations of the State.

20 If members are paid from special trust or federal funds
21 which are administered by the employing unit, whether school
22 district or other unit, the employing unit shall pay to the
23 System from such funds the full accruing retirement costs based
24 upon that service, which, beginning July 1, 2018 ~~2014~~, shall be
25 at a rate, expressed as a percentage of salary, equal to the
26 total employer's ~~minimum contribution to the System to be made~~

1 ~~by the State for that fiscal year, including both~~ normal cost
2 ~~and unfunded liability components,~~ expressed as a percentage of
3 payroll, as determined by the System ~~under subsection (b-3) of~~
4 ~~this Section.~~ Employer contributions, based on salary paid to
5 members from federal funds, may be forwarded by the
6 distributing agency of the State of Illinois to the System
7 prior to allocation, in an amount determined in accordance with
8 guidelines established by such agency and the System. Any
9 contribution for fiscal year 2015 collected as a result of the
10 change made by this amendatory Act of the 98th General Assembly
11 shall be considered a State contribution under subsection (b-3)
12 of this Section.

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

20 However, with respect to benefits granted under Section
21 16-133.4 or 16-133.5 to a teacher as defined in paragraph (8)
22 of Section 16-106, the employer's contribution shall be 12%
23 (rather than 20%) of the member's highest annual salary rate
24 for each year of creditable service granted, and the employer
25 shall also pay the required employee contribution on behalf of
26 the teacher. For the purposes of Sections 16-133.4 and

1 16-133.5, a teacher as defined in paragraph (8) of Section
2 16-106 who is serving in that capacity while on leave of
3 absence from another employer under this Article shall not be
4 considered an employee of the employer from which the teacher
5 is on leave.

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

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

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

15 The school district or other employing unit may pay these
16 employer contributions out of any source of funding available
17 for that purpose and shall forward the contributions to the
18 System on the schedule established for the payment of member
19 contributions.

20 These employer contributions are intended to offset a
21 portion of the cost to the System of the increases in
22 retirement benefits resulting from this amendatory Act of 1998.

23 Each employer of teachers is entitled to a credit against
24 the contributions required under this subsection (e) with
25 respect to salaries paid to teachers for the period January 1,
26 2002 through June 30, 2003, equal to the amount paid by that

1 employer under subsection (a-5) of Section 6.6 of the State
2 Employees Group Insurance Act of 1971 with respect to salaries
3 paid to teachers for that period.

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

9 If an employer is required by a contract in effect on May
10 1, 1998 between the employer and an employee organization to
11 pay, on behalf of all its full-time employees covered by this
12 Article, all mandatory employee contributions required under
13 this Article, then the employer shall be excused from paying
14 the employer contribution required under this subsection (e)
15 for the balance of the term of that contract. The employer and
16 the employee organization shall jointly certify to the System
17 the existence of the contractual requirement, in such form as
18 the System may prescribe. This exclusion shall cease upon the
19 termination, extension, or renewal of the contract at any time
20 after May 1, 1998.

21 (f) If the amount of a teacher's salary for any school year
22 used to determine final average salary exceeds the member's
23 annual full-time salary rate with the same employer for the
24 previous school year by more than 6%, the teacher's employer
25 shall pay to the System, in addition to all other payments
26 required under this Section and in accordance with guidelines

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

19 Whenever it determines that a payment is or may be required
20 under this subsection, the System shall calculate the amount of
21 the payment and bill the employer for that amount. The bill
22 shall specify the calculations used to determine the amount
23 due. If the employer disputes the amount of the bill, it may,
24 within 30 days after receipt of the bill, apply to the System
25 in writing for a recalculation. The application must specify in
26 detail the grounds of the dispute and, if the employer asserts

1 that the calculation is subject to subsection (g) or (h) of
2 this Section, must include an affidavit setting forth and
3 attesting to all facts within the employer's knowledge that are
4 pertinent to the applicability of that subsection. Upon
5 receiving a timely application for recalculation, the System
6 shall review the application and, if appropriate, recalculate
7 the amount due.

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

17 (g) This subsection (g) applies only to payments made or
18 salary increases given on or after June 1, 2005 but before July
19 1, 2011. The changes made by Public Act 94-1057 shall not
20 require the System to refund any payments received before July
21 31, 2006 (the effective date of Public Act 94-1057).

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

26 When assessing payment for any amount due under subsection

1 (f), the System shall exclude salary increases paid to a
2 teacher at a time when the teacher is 10 or more years from
3 retirement eligibility under Section 16-132 or 16-133.2.

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

14 When assessing payment for any amount due under subsection
15 (f), the System shall exclude a salary increase resulting from
16 a promotion (i) for which the employee is required to hold a
17 certificate or supervisory endorsement issued by the State
18 Teacher Certification Board that is a different certification
19 or supervisory endorsement than is required for the teacher's
20 previous position and (ii) to a position that has existed and
21 been filled by a member for no less than one complete academic
22 year and the salary increase from the promotion is an increase
23 that results in an amount no greater than the lesser of the
24 average salary paid for other similar positions in the district
25 requiring the same certification or the amount stipulated in
26 the collective bargaining agreement for a similar position

1 requiring the same certification.

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

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

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

21 (1) The number of recalculations required by the
22 changes made to this Section by Public Act 94-1057 for each
23 employer.

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

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

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

7 (j) For purposes of determining the required State
8 contribution to the System, the value of the System's assets
9 shall be equal to the actuarial value of the System's assets,
10 which shall be calculated as follows:

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

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

22 (Source: P.A. 96-43, eff. 7-15-09; 96-1497, eff. 1-14-11;
23 96-1511, eff. 1-27-11; 96-1554, eff. 3-18-11; 97-694, eff.
24 6-18-12; 97-813, eff. 7-13-12; 98-674, eff. 6-30-14.)

25 Section 20. The Innovation Development and Economy Act is

1 amended by changing Section 33 as follows:

2 (50 ILCS 470/33)

3 Sec. 33. STAR Bonds School Improvement and Operations Trust
4 Fund.

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

21 (b) Upon approval of a STAR bond district, the political
22 subdivision shall immediately transmit to the county clerk of
23 the county in which the district is located a certified copy of
24 the ordinance creating the district, a legal description of the
25 district, a map of the district, identification of the year

1 that the county clerk shall use for determining the total
2 initial equalized assessed value of the district consistent
3 with subsection (c), and a list of the parcel or tax
4 identification number of each parcel of property included in
5 the district.

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

21 (d) In reference to any STAR bond district created within
22 any political subdivision, and in respect to which the county
23 clerk has certified the total initial equalized assessed value
24 of the property in the area, the political subdivision may
25 thereafter request the clerk in writing to adjust the initial
26 equalized value of all taxable real property within the STAR

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

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

24 (f) Beginning with the assessment year in which the first
25 destination user in the first STAR bond project in a STAR bond
26 district makes its first retail sales and for each assessment

1 year thereafter until final maturity of the last STAR bonds
2 issued in the district, the county clerk or other person
3 authorized by law shall determine the increase in equalized
4 assessed value of all real property within the STAR bond
5 district by subtracting the initial equalized assessed value of
6 all property in the district certified under subsection (c)
7 from the current equalized assessed value of all property in
8 the district. Each year, the property taxes arising from the
9 increase in equalized assessed value in the STAR bond district
10 shall be determined for each taxing district and shall be
11 certified to the county collector.

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

23 (h) The Department shall pay to the regional superintendent
24 of schools whose educational service region includes Franklin
25 and Williamson Counties, for each year for which money is
26 remitted to the Department and paid into the STAR Bonds School

1 Improvement and Operations Trust Fund, the money in the Fund as
2 provided in this Section. The amount paid to each school
3 district shall be allocated proportionately, based on each
4 qualifying school district's fall enrollment for the
5 then-current school year, such that the school district with
6 the largest fall enrollment receives the largest proportionate
7 share of money paid out of the Fund or by any other method or
8 formula that the regional superintendent of schools deems fit,
9 equitable, and in the public interest. The regional
10 superintendent may allocate moneys to school districts that are
11 outside of his or her educational service region or to other
12 regional superintendents.

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

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

1 county collector shall hold that amount in a separate fund
2 until the appeal process is final. After the appeal process is
3 finalized, the county collector shall transmit to the
4 Department the amount of tax that remains, if any, after all
5 required refunds are made. The Department shall pay any amount
6 deposited into the Trust Fund under this Section in the same
7 proportion as determined for payments for that taxable year
8 under subsection (h).

9 (j) In any year that ad valorem taxes are allocated to the
10 STAR Bonds School Improvement and Operations Trust Fund, that
11 allocation shall not reduce or otherwise impact the school aid
12 provided to any school district under the general State school
13 aid formula provided for in Section 18-8.05 of the School Code
14 or the evidence-based funding formula provided for in Section
15 18-8.15 of the School Code.

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

17 Section 25. The County Economic Development Project Area
18 Property Tax Allocation Act is amended by changing Section 7 as
19 follows:

20 (55 ILCS 85/7) (from Ch. 34, par. 7007)

21 Sec. 7. Creation of special tax allocation fund. If a
22 county has adopted property tax allocation financing by
23 ordinance for an economic development project area, the
24 Department has approved and certified the economic development

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

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

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

1 are, over and above the initial equalized assessed value of
2 each property existing at the time property tax allocation
3 financing was adopted shall be allocated to and when
4 collected shall be paid to the county treasurer, who shall
5 deposit those taxes into a special fund called the special
6 tax allocation fund of the county for the purpose of paying
7 economic development project costs and obligations
8 incurred in the payment thereof.

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

23 Whenever a county issues bonds for the purpose of financing
24 economic development project costs, the county may provide by
25 ordinance for the appointment of a trustee, which may be any
26 trust company within the State, and for the establishment of

1 the funds or accounts to be maintained by such trustee as the
2 county shall deem necessary to provide for the security and
3 payment of the bonds. If the county provides for the
4 appointment of a trustee, the trustee shall be considered the
5 assignee of any payments assigned by the county pursuant to the
6 ordinance and this Section. Any amounts paid to the trustee as
7 assignee shall be deposited in the funds or accounts
8 established pursuant to the trust agreement, and shall be held
9 by the trustee in trust for the benefit of the holders of the
10 bonds, and the holders shall have a lien on and a security
11 interest in those bonds or accounts so long as the bonds remain
12 outstanding and unpaid. Upon retirement of the bonds, the
13 trustee shall pay over any excess amounts held to the county
14 for deposit in the special tax allocation fund.

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

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

1 property not later than 35 years from the date of adoption of
2 the ordinance adopting property tax allocation financing.
3 Thereafter the rates of the taxing districts shall be extended
4 and taxes levied, collected and distributed in the manner
5 applicable in the absence of the adoption of property tax
6 allocation financing.

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

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

14 Section 30. The County Economic Development Project Area
15 Tax Increment Allocation Act of 1991 is amended by changing
16 Section 50 as follows:

17 (55 ILCS 90/50) (from Ch. 34, par. 8050)

18 Sec. 50. Special tax allocation fund.

19 (a) If a county clerk has certified the "total initial
20 equalized assessed value" of the taxable real property within
21 an economic development project area in the manner provided in
22 Section 45, each year after the date of the certification by
23 the county clerk of the "total initial equalized assessed
24 value", until economic development project costs and all county

1 obligations financing economic development project costs have
2 been paid, the ad valorem taxes, if any, arising from the
3 levies upon the taxable real property in the economic
4 development project area by taxing districts and tax rates
5 determined in the manner provided in subsection (b) of Section
6 45 shall be divided as follows:

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

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

1 paying economic development project costs and obligations
2 incurred in the payment of those costs.

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

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

1 project area.

2 (d) Upon the payment of all economic development project
3 costs, retirement of obligations, and distribution of any
4 excess monies under this Section, the county shall adopt an
5 ordinance dissolving the special tax allocation fund for the
6 economic development project area and terminating the
7 designation of the economic development project area as an
8 economic development project area. Thereafter, the rates of the
9 taxing districts shall be extended and taxes shall be levied,
10 collected, and distributed in the manner applicable in the
11 absence of the adoption of tax increment allocation financing.

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

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

19 Section 35. The Illinois Municipal Code is amended by
20 changing Sections 11-74.4-3, 11-74.4-8, and 11-74.6-35 as
21 follows:

22 (65 ILCS 5/11-74.4-3) (from Ch. 24, par. 11-74.4-3)

23 Sec. 11-74.4-3. Definitions. The following terms, wherever
24 used or referred to in this Division 74.4 shall have the

1 following respective meanings, unless in any case a different
2 meaning clearly appears from the context.

3 (a) For any redevelopment project area that has been
4 designated pursuant to this Section by an ordinance adopted
5 prior to November 1, 1999 (the effective date of Public Act
6 91-478), "blighted area" shall have the meaning set forth in
7 this Section prior to that date.

8 On and after November 1, 1999, "blighted area" means any
9 improved or vacant area within the boundaries of a
10 redevelopment project area located within the territorial
11 limits of the municipality where:

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

21 (A) Dilapidation. An advanced state of disrepair
22 or neglect of necessary repairs to the primary
23 structural components of buildings or improvements in
24 such a combination that a documented building
25 condition analysis determines that major repair is
26 required or the defects are so serious and so extensive

1 that the buildings must be removed.

2 (B) Obsolescence. The condition or process of
3 falling into disuse. Structures have become ill-suited
4 for the original use.

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

16 (D) Presence of structures below minimum code
17 standards. All structures that do not meet the
18 standards of zoning, subdivision, building, fire, and
19 other governmental codes applicable to property, but
20 not including housing and property maintenance codes.

21 (E) Illegal use of individual structures. The use
22 of structures in violation of applicable federal,
23 State, or local laws, exclusive of those applicable to
24 the presence of structures below minimum code
25 standards.

26 (F) Excessive vacancies. The presence of buildings

1 that are unoccupied or under-utilized and that
2 represent an adverse influence on the area because of
3 the frequency, extent, or duration of the vacancies.

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

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

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

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

25 (K) Environmental clean-up. The proposed
26 redevelopment project area has incurred Illinois

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

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

24 (M) The total equalized assessed value of the
25 proposed redevelopment project area has declined for 3
26 of the last 5 calendar years prior to the year in which

1 the redevelopment project area is designated or is
2 increasing at an annual rate that is less than the
3 balance of the municipality for 3 of the last 5
4 calendar years for which information is available or is
5 increasing at an annual rate that is less than the
6 Consumer Price Index for All Urban Consumers published
7 by the United States Department of Labor or successor
8 agency for 3 of the last 5 calendar years prior to the
9 year in which the redevelopment project area is
10 designated.

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

19 (A) Obsolete platting of vacant land that results
20 in parcels of limited or narrow size or configurations
21 of parcels of irregular size or shape that would be
22 difficult to develop on a planned basis and in a manner
23 compatible with contemporary standards and
24 requirements, or platting that failed to create
25 rights-of-ways for streets or alleys or that created
26 inadequate right-of-way widths for streets, alleys, or

1 other public rights-of-way or that omitted easements
2 for public utilities.

3 (B) Diversity of ownership of parcels of vacant
4 land sufficient in number to retard or impede the
5 ability to assemble the land for development.

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

9 (D) Deterioration of structures or site
10 improvements in neighboring areas adjacent to the
11 vacant land.

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

23 (F) The total equalized assessed value of the
24 proposed redevelopment project area has declined for 3
25 of the last 5 calendar years prior to the year in which
26 the redevelopment project area is designated or is

1 increasing at an annual rate that is less than the
2 balance of the municipality for 3 of the last 5
3 calendar years for which information is available or is
4 increasing at an annual rate that is less than the
5 Consumer Price Index for All Urban Consumers published
6 by the United States Department of Labor or successor
7 agency for 3 of the last 5 calendar years prior to the
8 year in which the redevelopment project area is
9 designated.

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

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

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

22 (C) The area, prior to its designation, is subject
23 to (i) chronic flooding that adversely impacts on real
24 property in the area as certified by a registered
25 professional engineer or appropriate regulatory agency
26 or (ii) surface water that discharges from all or a

1 part of the area and contributes to flooding within the
2 same watershed, but only if the redevelopment project
3 provides for facilities or improvements to contribute
4 to the alleviation of all or part of the flooding.

5 (D) The area consists of an unused or illegal
6 disposal site containing earth, stone, building
7 debris, or similar materials that were removed from
8 construction, demolition, excavation, or dredge sites.

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

20 (F) The area qualified as a blighted improved area
21 immediately prior to becoming vacant, unless there has
22 been substantial private investment in the immediately
23 surrounding area.

24 (b) For any redevelopment project area that has been
25 designated pursuant to this Section by an ordinance adopted
26 prior to November 1, 1999 (the effective date of Public Act

1 91-478), "conservation area" shall have the meaning set forth
2 in this Section prior to that date.

3 On and after November 1, 1999, "conservation area" means
4 any improved area within the boundaries of a redevelopment
5 project area located within the territorial limits of the
6 municipality in which 50% or more of the structures in the area
7 have an age of 35 years or more. Such an area is not yet a
8 blighted area but because of a combination of 3 or more of the
9 following factors is detrimental to the public safety, health,
10 morals or welfare and such an area may become a blighted area:

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

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

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

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

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

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

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

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

1 absence or inadequacy of garbage storage and enclosure,
2 bathroom facilities, hot water and kitchens, and
3 structural inadequacies preventing ingress and egress to
4 and from all rooms and units within a building.

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

13 (9) Excessive land coverage and overcrowding of
14 structures and community facilities. The over-intensive
15 use of property and the crowding of buildings and accessory
16 facilities onto a site. Examples of problem conditions
17 warranting the designation of an area as one exhibiting
18 excessive land coverage are: the presence of buildings
19 either improperly situated on parcels or located on parcels
20 of inadequate size and shape in relation to present-day
21 standards of development for health and safety and the
22 presence of multiple buildings on a single parcel. For
23 there to be a finding of excessive land coverage, these
24 parcels must exhibit one or more of the following
25 conditions: insufficient provision for light and air
26 within or around buildings, increased threat of spread of

1 fire due to the close proximity of buildings, lack of
2 adequate or proper access to a public right-of-way, lack of
3 reasonably required off-street parking, or inadequate
4 provision for loading and service.

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

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

22 (12) The area has incurred Illinois Environmental
23 Protection Agency or United States Environmental
24 Protection Agency remediation costs for, or a study
25 conducted by an independent consultant recognized as
26 having expertise in environmental remediation has

1 determined a need for, the clean-up of hazardous waste,
2 hazardous substances, or underground storage tanks
3 required by State or federal law, provided that the
4 remediation costs constitute a material impediment to the
5 development or redevelopment of the redevelopment project
6 area.

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

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

26 (d) "Industrial park conservation area" means an area

1 within the boundaries of a redevelopment project area located
2 within the territorial limits of a municipality that is a labor
3 surplus municipality or within 1 1/2 miles of the territorial
4 limits of a municipality that is a labor surplus municipality
5 if the area is annexed to the municipality; which area is zoned
6 as industrial no later than at the time the municipality by
7 ordinance designates the redevelopment project area, and which
8 area includes both vacant land suitable for use as an
9 industrial park and a blighted area or conservation area
10 contiguous to such vacant land.

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

24 (f) "Municipality" shall mean a city, village,
25 incorporated town, or a township that is located in the
26 unincorporated portion of a county with 3 million or more

1 inhabitants, if the county adopted an ordinance that approved
2 the township's redevelopment plan.

3 (g) "Initial Sales Tax Amounts" means the amount of taxes
4 paid under the Retailers' Occupation Tax Act, Use Tax Act,
5 Service Use Tax Act, the Service Occupation Tax Act, the
6 Municipal Retailers' Occupation Tax Act, and the Municipal
7 Service Occupation Tax Act by retailers and servicemen on
8 transactions at places located in a State Sales Tax Boundary
9 during the calendar year 1985.

10 (g-1) "Revised Initial Sales Tax Amounts" means the amount
11 of taxes paid under the Retailers' Occupation Tax Act, Use Tax
12 Act, Service Use Tax Act, the Service Occupation Tax Act, the
13 Municipal Retailers' Occupation Tax Act, and the Municipal
14 Service Occupation Tax Act by retailers and servicemen on
15 transactions at places located within the State Sales Tax
16 Boundary revised pursuant to Section 11-74.4-8a(9) of this Act.

17 (h) "Municipal Sales Tax Increment" means an amount equal
18 to the increase in the aggregate amount of taxes paid to a
19 municipality from the Local Government Tax Fund arising from
20 sales by retailers and servicemen within the redevelopment
21 project area or State Sales Tax Boundary, as the case may be,
22 for as long as the redevelopment project area or State Sales
23 Tax Boundary, as the case may be, exist over and above the
24 aggregate amount of taxes as certified by the Illinois
25 Department of Revenue and paid under the Municipal Retailers'
26 Occupation Tax Act and the Municipal Service Occupation Tax Act

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

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

22 (i) "Net State Sales Tax Increment" means the sum of the
23 following: (a) 80% of the first \$100,000 of State Sales Tax
24 Increment annually generated within a State Sales Tax Boundary;
25 (b) 60% of the amount in excess of \$100,000 but not exceeding
26 \$500,000 of State Sales Tax Increment annually generated within

1 a State Sales Tax Boundary; and (c) 40% of all amounts in
2 excess of \$500,000 of State Sales Tax Increment annually
3 generated within a State Sales Tax Boundary. If, however, a
4 municipality established a tax increment financing district in
5 a county with a population in excess of 3,000,000 before
6 January 1, 1986, and the municipality entered into a contract
7 or issued bonds after January 1, 1986, but before December 31,
8 1986, to finance redevelopment project costs within a State
9 Sales Tax Boundary, then the Net State Sales Tax Increment
10 means, for the fiscal years beginning July 1, 1990, and July 1,
11 1991, 100% of the State Sales Tax Increment annually generated
12 within a State Sales Tax Boundary; and notwithstanding any
13 other provision of this Act, for those fiscal years the
14 Department of Revenue shall distribute to those municipalities
15 100% of their Net State Sales Tax Increment before any
16 distribution to any other municipality and regardless of
17 whether or not those other municipalities will receive 100% of
18 their Net State Sales Tax Increment. For Fiscal Year 1999, and
19 every year thereafter until the year 2007, for any municipality
20 that has not entered into a contract or has not issued bonds
21 prior to June 1, 1988 to finance redevelopment project costs
22 within a State Sales Tax Boundary, the Net State Sales Tax
23 Increment shall be calculated as follows: By multiplying the
24 Net State Sales Tax Increment by 90% in the State Fiscal Year
25 1999; 80% in the State Fiscal Year 2000; 70% in the State
26 Fiscal Year 2001; 60% in the State Fiscal Year 2002; 50% in the

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

5 Municipalities that issued bonds in connection with a
6 redevelopment project in a redevelopment project area within
7 the State Sales Tax Boundary prior to July 29, 1991, or that
8 entered into contracts in connection with a redevelopment
9 project in a redevelopment project area before June 1, 1988,
10 shall continue to receive their proportional share of the
11 Illinois Tax Increment Fund distribution until the date on
12 which the redevelopment project is completed or terminated. If,
13 however, a municipality that issued bonds in connection with a
14 redevelopment project in a redevelopment project area within
15 the State Sales Tax Boundary prior to July 29, 1991 retires the
16 bonds prior to June 30, 2007 or a municipality that entered
17 into contracts in connection with a redevelopment project in a
18 redevelopment project area before June 1, 1988 completes the
19 contracts prior to June 30, 2007, then so long as the
20 redevelopment project is not completed or is not terminated,
21 the Net State Sales Tax Increment shall be calculated,
22 beginning on the date on which the bonds are retired or the
23 contracts are completed, as follows: By multiplying the Net
24 State Sales Tax Increment by 60% in the State Fiscal Year 2002;
25 50% in the State Fiscal Year 2003; 40% in the State Fiscal Year
26 2004; 30% in the State Fiscal Year 2005; 20% in the State

1 Fiscal Year 2006; and 10% in the State Fiscal Year 2007. No
2 payment shall be made for State Fiscal Year 2008 and
3 thereafter. Refunding of any bonds issued prior to July 29,
4 1991, shall not alter the Net State Sales Tax Increment.

5 (j) "State Utility Tax Increment Amount" means an amount
6 equal to the aggregate increase in State electric and gas tax
7 charges imposed on owners and tenants, other than residential
8 customers, of properties located within the redevelopment
9 project area under Section 9-222 of the Public Utilities Act,
10 over and above the aggregate of such charges as certified by
11 the Department of Revenue and paid by owners and tenants, other
12 than residential customers, of properties within the
13 redevelopment project area during the base year, which shall be
14 the calendar year immediately prior to the year of the adoption
15 of the ordinance authorizing tax increment allocation
16 financing.

17 (k) "Net State Utility Tax Increment" means the sum of the
18 following: (a) 80% of the first \$100,000 of State Utility Tax
19 Increment annually generated by a redevelopment project area;
20 (b) 60% of the amount in excess of \$100,000 but not exceeding
21 \$500,000 of the State Utility Tax Increment annually generated
22 by a redevelopment project area; and (c) 40% of all amounts in
23 excess of \$500,000 of State Utility Tax Increment annually
24 generated by a redevelopment project area. For the State Fiscal
25 Year 1999, and every year thereafter until the year 2007, for
26 any municipality that has not entered into a contract or has

1 not issued bonds prior to June 1, 1988 to finance redevelopment
2 project costs within a redevelopment project area, the Net
3 State Utility Tax Increment shall be calculated as follows: By
4 multiplying the Net State Utility Tax Increment by 90% in the
5 State Fiscal Year 1999; 80% in the State Fiscal Year 2000; 70%
6 in the State Fiscal Year 2001; 60% in the State Fiscal Year
7 2002; 50% in the State Fiscal Year 2003; 40% in the State
8 Fiscal Year 2004; 30% in the State Fiscal Year 2005; 20% in the
9 State Fiscal Year 2006; and 10% in the State Fiscal Year 2007.
10 No payment shall be made for the State Fiscal Year 2008 and
11 thereafter.

12 Municipalities that issue bonds in connection with the
13 redevelopment project during the period from June 1, 1988 until
14 3 years after the effective date of this Amendatory Act of 1988
15 shall receive the Net State Utility Tax Increment, subject to
16 appropriation, for 15 State Fiscal Years after the issuance of
17 such bonds. For the 16th through the 20th State Fiscal Years
18 after issuance of the bonds, the Net State Utility Tax
19 Increment shall be calculated as follows: By multiplying the
20 Net State Utility Tax Increment by 90% in year 16; 80% in year
21 17; 70% in year 18; 60% in year 19; and 50% in year 20.
22 Refunding of any bonds issued prior to June 1, 1988, shall not
23 alter the revised Net State Utility Tax Increment payments set
24 forth above.

25 (1) "Obligations" mean bonds, loans, debentures, notes,
26 special certificates or other evidence of indebtedness issued

1 by the municipality to carry out a redevelopment project or to
2 refund outstanding obligations.

3 (m) "Payment in lieu of taxes" means those estimated tax
4 revenues from real property in a redevelopment project area
5 derived from real property that has been acquired by a
6 municipality which according to the redevelopment project or
7 plan is to be used for a private use which taxing districts
8 would have received had a municipality not acquired the real
9 property and adopted tax increment allocation financing and
10 which would result from levies made after the time of the
11 adoption of tax increment allocation financing to the time the
12 current equalized value of real property in the redevelopment
13 project area exceeds the total initial equalized value of real
14 property in said area.

15 (n) "Redevelopment plan" means the comprehensive program
16 of the municipality for development or redevelopment intended
17 by the payment of redevelopment project costs to reduce or
18 eliminate those conditions the existence of which qualified the
19 redevelopment project area as a "blighted area" or
20 "conservation area" or combination thereof or "industrial park
21 conservation area," and thereby to enhance the tax bases of the
22 taxing districts which extend into the redevelopment project
23 area, provided that, with respect to redevelopment project
24 areas described in subsections (p-1) and (p-2), "redemption
25 plan" means the comprehensive program of the affected
26 municipality for the development of qualifying transit

1 facilities. On and after November 1, 1999 (the effective date
2 of Public Act 91-478), no redevelopment plan may be approved or
3 amended that includes the development of vacant land (i) with a
4 golf course and related clubhouse and other facilities or (ii)
5 designated by federal, State, county, or municipal government
6 as public land for outdoor recreational activities or for
7 nature preserves and used for that purpose within 5 years prior
8 to the adoption of the redevelopment plan. For the purpose of
9 this subsection, "recreational activities" is limited to mean
10 camping and hunting. Each redevelopment plan shall set forth in
11 writing the program to be undertaken to accomplish the
12 objectives and shall include but not be limited to:

13 (A) an itemized list of estimated redevelopment
14 project costs;

15 (B) evidence indicating that the redevelopment project
16 area on the whole has not been subject to growth and
17 development through investment by private enterprise,
18 provided that such evidence shall not be required for any
19 redevelopment project area located within a transit
20 facility improvement area established pursuant to Section
21 11-74.4-3.3;

22 (C) an assessment of any financial impact of the
23 redevelopment project area on or any increased demand for
24 services from any taxing district affected by the plan and
25 any program to address such financial impact or increased
26 demand;

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

2 (E) the nature and term of the obligations to be
3 issued;

4 (F) the most recent equalized assessed valuation of the
5 redevelopment project area;

6 (G) an estimate as to the equalized assessed valuation
7 after redevelopment and the general land uses to apply in
8 the redevelopment project area;

9 (H) a commitment to fair employment practices and an
10 affirmative action plan;

11 (I) if it concerns an industrial park conservation
12 area, the plan shall also include a general description of
13 any proposed developer, user and tenant of any property, a
14 description of the type, structure and general character of
15 the facilities to be developed, a description of the type,
16 class and number of new employees to be employed in the
17 operation of the facilities to be developed; and

18 (J) if property is to be annexed to the municipality,
19 the plan shall include the terms of the annexation
20 agreement.

21 The provisions of items (B) and (C) of this subsection (n)
22 shall not apply to a municipality that before March 14, 1994
23 (the effective date of Public Act 88-537) had fixed, either by
24 its corporate authorities or by a commission designated under
25 subsection (k) of Section 11-74.4-4, a time and place for a
26 public hearing as required by subsection (a) of Section

1 11-74.4-5. No redevelopment plan shall be adopted unless a
2 municipality complies with all of the following requirements:

3 (1) The municipality finds that the redevelopment
4 project area on the whole has not been subject to growth
5 and development through investment by private enterprise
6 and would not reasonably be anticipated to be developed
7 without the adoption of the redevelopment plan, provided,
8 however, that such a finding shall not be required with
9 respect to any redevelopment project area located within a
10 transit facility improvement area established pursuant to
11 Section 11-74.4-3.3.

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

23 (3) The redevelopment plan establishes the estimated
24 dates of completion of the redevelopment project and
25 retirement of obligations issued to finance redevelopment
26 project costs. Those dates may not be later than the dates

1 set forth under Section 11-74.4-3.5.

2 A municipality may by municipal ordinance amend an
3 existing redevelopment plan to conform to this paragraph
4 (3) as amended by Public Act 91-478, which municipal
5 ordinance may be adopted without further hearing or notice
6 and without complying with the procedures provided in this
7 Act pertaining to an amendment to or the initial approval
8 of a redevelopment plan and project and designation of a
9 redevelopment project area.

10 (3.5) The municipality finds, in the case of an
11 industrial park conservation area, also that the
12 municipality is a labor surplus municipality and that the
13 implementation of the redevelopment plan will reduce
14 unemployment, create new jobs and by the provision of new
15 facilities enhance the tax base of the taxing districts
16 that extend into the redevelopment project area.

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

26 (5) If: (a) the redevelopment plan will not result in

1 displacement of residents from 10 or more inhabited
2 residential units, and the municipality certifies in the
3 plan that such displacement will not result from the plan;
4 or (b) the redevelopment plan is for a redevelopment
5 project area located within a transit facility improvement
6 area established pursuant to Section 11-74.4-3.3, and the
7 applicable project is subject to the process for evaluation
8 of environmental effects under the National Environmental
9 Policy Act of 1969, 42 U.S.C. § 4321 et seq., then a
10 housing impact study need not be performed. If, however,
11 the redevelopment plan would result in the displacement of
12 residents from 10 or more inhabited residential units, or
13 if the redevelopment project area contains 75 or more
14 inhabited residential units and no certification is made,
15 then the municipality shall prepare, as part of the
16 separate feasibility report required by subsection (a) of
17 Section 11-74.4-5, a housing impact study.

18 Part I of the housing impact study shall include (i)
19 data as to whether the residential units are single family
20 or multi-family units, (ii) the number and type of rooms
21 within the units, if that information is available, (iii)
22 whether the units are inhabited or uninhabited, as
23 determined not less than 45 days before the date that the
24 ordinance or resolution required by subsection (a) of
25 Section 11-74.4-5 is passed, and (iv) data as to the racial
26 and ethnic composition of the residents in the inhabited

1 residential units. The data requirement as to the racial
2 and ethnic composition of the residents in the inhabited
3 residential units shall be deemed to be fully satisfied by
4 data from the most recent federal census.

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

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

21 (7) On and after November 1, 1999, no redevelopment
22 plan shall be adopted, nor an existing plan amended, nor
23 shall residential housing that is occupied by households of
24 low-income and very low-income persons in currently
25 existing redevelopment project areas be removed after
26 November 1, 1999 unless the redevelopment plan provides,

1 with respect to inhabited housing units that are to be
2 removed for households of low-income and very low-income
3 persons, affordable housing and relocation assistance not
4 less than that which would be provided under the federal
5 Uniform Relocation Assistance and Real Property
6 Acquisition Policies Act of 1970 and the regulations under
7 that Act, including the eligibility criteria. Affordable
8 housing may be either existing or newly constructed
9 housing. For purposes of this paragraph (7), "low-income
10 households", "very low-income households", and "affordable
11 housing" have the meanings set forth in the Illinois
12 Affordable Housing Act. The municipality shall make a good
13 faith effort to ensure that this affordable housing is
14 located in or near the redevelopment project area within
15 the municipality.

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

23 (9) For redevelopment project areas designated prior
24 to November 1, 1999, the redevelopment plan may be amended
25 without further joint review board meeting or hearing,
26 provided that the municipality shall give notice of any

1 such changes by mail to each affected taxing district and
2 registrant on the interested party registry, to authorize
3 the municipality to expend tax increment revenues for
4 redevelopment project costs defined by paragraphs (5) and
5 (7.5), subparagraphs (E) and (F) of paragraph (11), and
6 paragraph (11.5) of subsection (q) of Section 11-74.4-3, so
7 long as the changes do not increase the total estimated
8 redevelopment project costs set out in the redevelopment
9 plan by more than 5% after adjustment for inflation from
10 the date the plan was adopted.

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

23 (p) "Redevelopment project area" means an area designated
24 by the municipality, which is not less in the aggregate than 1
25 1/2 acres and in respect to which the municipality has made a
26 finding that there exist conditions which cause the area to be

1 classified as an industrial park conservation area or a
2 blighted area or a conservation area, or a combination of both
3 blighted areas and conservation areas.

4 (p-1) Notwithstanding any provision of this Act to the
5 contrary, on and after August 25, 2009 (the effective date of
6 Public Act 96-680), a redevelopment project area may include
7 areas within a one-half mile radius of an existing or proposed
8 Regional Transportation Authority Suburban Transit Access
9 Route (STAR Line) station without a finding that the area is
10 classified as an industrial park conservation area, a blighted
11 area, a conservation area, or a combination thereof, but only
12 if the municipality receives unanimous consent from the joint
13 review board created to review the proposed redevelopment
14 project area.

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

23 (q) "Redevelopment project costs", except for
24 redevelopment project areas created pursuant to subsection
25 ~~subsections~~ (p-1) or (p-2), means and includes the sum total of
26 all reasonable or necessary costs incurred or estimated to be

1 incurred, and any such costs incidental to a redevelopment plan
2 and a redevelopment project. Such costs include, without
3 limitation, the following:

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

1 municipality. This requirement shall be satisfied by the
2 consultant or advisor before the commencement of services
3 for the municipality and thereafter whenever any other
4 contracts with those individuals or entities are executed
5 by the consultant or advisor;

6 (1.5) After July 1, 1999, annual administrative costs
7 shall not include general overhead or administrative costs
8 of the municipality that would still have been incurred by
9 the municipality if the municipality had not designated a
10 redevelopment project area or approved a redevelopment
11 plan;

12 (1.6) The cost of marketing sites within the
13 redevelopment project area to prospective businesses,
14 developers, and investors;

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

23 (3) Costs of rehabilitation, reconstruction or repair
24 or remodeling of existing public or private buildings,
25 fixtures, and leasehold improvements; and the cost of
26 replacing an existing public building if pursuant to the

1 implementation of a redevelopment project the existing
2 public building is to be demolished to use the site for
3 private investment or devoted to a different use requiring
4 private investment; including any direct or indirect costs
5 relating to Green Globes or LEED certified construction
6 elements or construction elements with an equivalent
7 certification;

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

1 building is required to meet an increase in the need for
2 public safety purposes anticipated to result from the
3 implementation of the redevelopment plan, or (iii) the new
4 municipal public building is for the storage, maintenance,
5 or repair of transit vehicles and is located in a transit
6 facility improvement area that has been established
7 pursuant to Section 11-74.4-3.3;

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

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

20 (7) To the extent the municipality by written agreement
21 accepts and approves the same, all or a portion of a taxing
22 district's capital costs resulting from the redevelopment
23 project necessarily incurred or to be incurred within a
24 taxing district in furtherance of the objectives of the
25 redevelopment plan and project;

26 (7.5) For redevelopment project areas designated (or

1 redevelopment project areas amended to add or increase the
2 number of tax-increment-financing assisted housing units)
3 on or after November 1, 1999, an elementary, secondary, or
4 unit school district's increased costs attributable to
5 assisted housing units located within the redevelopment
6 project area for which the developer or redeveloper
7 receives financial assistance through an agreement with
8 the municipality or because the municipality incurs the
9 cost of necessary infrastructure improvements within the
10 boundaries of the assisted housing sites necessary for the
11 completion of that housing as authorized by this Act, and
12 which costs shall be paid by the municipality from the
13 Special Tax Allocation Fund when the tax increment revenue
14 is received as a result of the assisted housing units and
15 shall be calculated annually as follows:

16 (A) for foundation districts, excluding any school
17 district in a municipality with a population in excess
18 of 1,000,000, by multiplying the district's increase
19 in attendance resulting from the net increase in new
20 students enrolled in that school district who reside in
21 housing units within the redevelopment project area
22 that have received financial assistance through an
23 agreement with the municipality or because the
24 municipality incurs the cost of necessary
25 infrastructure improvements within the boundaries of
26 the housing sites necessary for the completion of that

1 housing as authorized by this Act since the designation
2 of the redevelopment project area by the most recently
3 available per capita tuition cost as defined in Section
4 10-20.12a of the School Code less any increase in
5 general State aid as defined in Section 18-8.05 of the
6 School Code or evidence-based funding as defined in
7 Section 18-8.15 of the School Code attributable to
8 these added new students subject to the following
9 annual limitations:

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

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

22 (iii) for secondary school districts with a
23 district average 1995-96 Per Capita Tuition Charge
24 of less than \$5,900, no more than 8% of the total
25 amount of property tax increment revenue produced
26 by those housing units that have received tax

1 increment finance assistance under this Act.

2 (B) For alternate method districts, flat grant
3 districts, and foundation districts with a district
4 average 1995-96 Per Capita Tuition Charge equal to or
5 more than \$5,900, excluding any school district with a
6 population in excess of 1,000,000, by multiplying the
7 district's increase in attendance resulting from the
8 net increase in new students enrolled in that school
9 district who reside in housing units within the
10 redevelopment project area that have received
11 financial assistance through an agreement with the
12 municipality or because the municipality incurs the
13 cost of necessary infrastructure improvements within
14 the boundaries of the housing sites necessary for the
15 completion of that housing as authorized by this Act
16 since the designation of the redevelopment project
17 area by the most recently available per capita tuition
18 cost as defined in Section 10-20.12a of the School Code
19 less any increase in general state aid as defined in
20 Section 18-8.05 of the School Code or evidence-based
21 funding as defined in Section 18-8.15 of the School
22 Code attributable to these added new students subject
23 to the following annual limitations:

24 (i) for unit school districts, no more than 40%
25 of the total amount of property tax increment
26 revenue produced by those housing units that have

1 received tax increment finance assistance under
2 this Act;

3 (ii) for elementary school districts, no more
4 than 27% of the total amount of property tax
5 increment revenue produced by those housing units
6 that have received tax increment finance
7 assistance under this Act; and

8 (iii) for secondary school districts, no more
9 than 13% of the total amount of property tax
10 increment revenue produced by those housing units
11 that have received tax increment finance
12 assistance under this Act.

13 (C) For any school district in a municipality with
14 a population in excess of 1,000,000, the following
15 restrictions shall apply to the reimbursement of
16 increased costs under this paragraph (7.5):

17 (i) no increased costs shall be reimbursed
18 unless the school district certifies that each of
19 the schools affected by the assisted housing
20 project is at or over its student capacity;

21 (ii) the amount reimbursable shall be reduced
22 by the value of any land donated to the school
23 district by the municipality or developer, and by
24 the value of any physical improvements made to the
25 schools by the municipality or developer; and

26 (iii) the amount reimbursed may not affect

1 amounts otherwise obligated by the terms of any
2 bonds, notes, or other funding instruments, or the
3 terms of any redevelopment agreement.

4 Any school district seeking payment under this
5 paragraph (7.5) shall, after July 1 and before
6 September 30 of each year, provide the municipality
7 with reasonable evidence to support its claim for
8 reimbursement before the municipality shall be
9 required to approve or make the payment to the school
10 district. If the school district fails to provide the
11 information during this period in any year, it shall
12 forfeit any claim to reimbursement for that year.
13 School districts may adopt a resolution waiving the
14 right to all or a portion of the reimbursement
15 otherwise required by this paragraph (7.5). By
16 acceptance of this reimbursement the school district
17 waives the right to directly or indirectly set aside,
18 modify, or contest in any manner the establishment of
19 the redevelopment project area or projects;

20 (7.7) For redevelopment project areas designated (or
21 redevelopment project areas amended to add or increase the
22 number of tax-increment-financing assisted housing units)
23 on or after January 1, 2005 (the effective date of Public
24 Act 93-961), a public library district's increased costs
25 attributable to assisted housing units located within the
26 redevelopment project area for which the developer or

1 redeveloper receives financial assistance through an
2 agreement with the municipality or because the
3 municipality incurs the cost of necessary infrastructure
4 improvements within the boundaries of the assisted housing
5 sites necessary for the completion of that housing as
6 authorized by this Act shall be paid to the library
7 district by the municipality from the Special Tax
8 Allocation Fund when the tax increment revenue is received
9 as a result of the assisted housing units. This paragraph
10 (7.7) applies only if (i) the library district is located
11 in a county that is subject to the Property Tax Extension
12 Limitation Law or (ii) the library district is not located
13 in a county that is subject to the Property Tax Extension
14 Limitation Law but the district is prohibited by any other
15 law from increasing its tax levy rate without a prior voter
16 referendum.

17 The amount paid to a library district under this
18 paragraph (7.7) shall be calculated by multiplying (i) the
19 net increase in the number of persons eligible to obtain a
20 library card in that district who reside in housing units
21 within the redevelopment project area that have received
22 financial assistance through an agreement with the
23 municipality or because the municipality incurs the cost of
24 necessary infrastructure improvements within the
25 boundaries of the housing sites necessary for the
26 completion of that housing as authorized by this Act since

1 the designation of the redevelopment project area by (ii)
2 the per-patron cost of providing library services so long
3 as it does not exceed \$120. The per-patron cost shall be
4 the Total Operating Expenditures Per Capita for the library
5 in the previous fiscal year. The municipality may deduct
6 from the amount that it must pay to a library district
7 under this paragraph any amount that it has voluntarily
8 paid to the library district from the tax increment
9 revenue. The amount paid to a library district under this
10 paragraph (7.7) shall be no more than 2% of the amount
11 produced by the assisted housing units and deposited into
12 the Special Tax Allocation Fund.

13 A library district is not eligible for any payment
14 under this paragraph (7.7) unless the library district has
15 experienced an increase in the number of patrons from the
16 municipality that created the tax-increment-financing
17 district since the designation of the redevelopment
18 project area.

19 Any library district seeking payment under this
20 paragraph (7.7) shall, after July 1 and before September 30
21 of each year, provide the municipality with convincing
22 evidence to support its claim for reimbursement before the
23 municipality shall be required to approve or make the
24 payment to the library district. If the library district
25 fails to provide the information during this period in any
26 year, it shall forfeit any claim to reimbursement for that

1 year. Library districts may adopt a resolution waiving the
2 right to all or a portion of the reimbursement otherwise
3 required by this paragraph (7.7). By acceptance of such
4 reimbursement, the library district shall forfeit any
5 right to directly or indirectly set aside, modify, or
6 contest in any manner whatsoever the establishment of the
7 redevelopment project area or projects;

8 (8) Relocation costs to the extent that a municipality
9 determines that relocation costs shall be paid or is
10 required to make payment of relocation costs by federal or
11 State law or in order to satisfy subparagraph (7) of
12 subsection (n);

13 (9) Payment in lieu of taxes;

14 (10) Costs of job training, retraining, advanced
15 vocational education or career education, including but
16 not limited to courses in occupational, semi-technical or
17 technical fields leading directly to employment, incurred
18 by one or more taxing districts, provided that such costs
19 (i) are related to the establishment and maintenance of
20 additional job training, advanced vocational education or
21 career education programs for persons employed or to be
22 employed by employers located in a redevelopment project
23 area; and (ii) when incurred by a taxing district or taxing
24 districts other than the municipality, are set forth in a
25 written agreement by or among the municipality and the
26 taxing district or taxing districts, which agreement

1 describes the program to be undertaken, including but not
2 limited to the number of employees to be trained, a
3 description of the training and services to be provided,
4 the number and type of positions available or to be
5 available, itemized costs of the program and sources of
6 funds to pay for the same, and the term of the agreement.
7 Such costs include, specifically, the payment by community
8 college districts of costs pursuant to Sections 3-37, 3-38,
9 3-40 and 3-40.1 of the Public Community College Act and by
10 school districts of costs pursuant to Sections 10-22.20a
11 and 10-23.3a of the ~~The~~ School Code;

12 (11) Interest cost incurred by a redeveloper related to
13 the construction, renovation or rehabilitation of a
14 redevelopment project provided that:

15 (A) such costs are to be paid directly from the
16 special tax allocation fund established pursuant to
17 this Act;

18 (B) such payments in any one year may not exceed
19 30% of the annual interest costs incurred by the
20 redeveloper with regard to the redevelopment project
21 during that year;

22 (C) if there are not sufficient funds available in
23 the special tax allocation fund to make the payment
24 pursuant to this paragraph (11) then the amounts so due
25 shall accrue and be payable when sufficient funds are
26 available in the special tax allocation fund;

1 (D) the total of such interest payments paid
2 pursuant to this Act may not exceed 30% of the total
3 (i) cost paid or incurred by the redeveloper for the
4 redevelopment project plus (ii) redevelopment project
5 costs excluding any property assembly costs and any
6 relocation costs incurred by a municipality pursuant
7 to this Act; ~~and~~

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

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

1 Act or other constitutional or statutory authority or
2 from other sources of municipal revenue that may be
3 reimbursed from tax increment revenues or the proceeds
4 of bonds issued to finance the construction of that
5 housing.

6 The eligible costs provided under this
7 subparagraph (F) of paragraph (11) shall be an eligible
8 cost for the construction, renovation, and
9 rehabilitation of all low and very low-income housing
10 units, as defined in Section 3 of the Illinois
11 Affordable Housing Act, within the redevelopment
12 project area. If the low and very low-income units are
13 part of a residential redevelopment project that
14 includes units not affordable to low and very
15 low-income households, only the low and very
16 low-income units shall be eligible for benefits under
17 this subparagraph (F) of paragraph (11). The standards
18 for maintaining the occupancy by low-income households
19 and very low-income households, as defined in Section 3
20 of the Illinois Affordable Housing Act, of those units
21 constructed with eligible costs made available under
22 the provisions of this subparagraph (F) of paragraph
23 (11) shall be established by guidelines adopted by the
24 municipality. The responsibility for annually
25 documenting the initial occupancy of the units by
26 low-income households and very low-income households,

1 as defined in Section 3 of the Illinois Affordable
2 Housing Act, shall be that of the then current owner of
3 the property. For ownership units, the guidelines will
4 provide, at a minimum, for a reasonable recapture of
5 funds, or other appropriate methods designed to
6 preserve the original affordability of the ownership
7 units. For rental units, the guidelines will provide,
8 at a minimum, for the affordability of rent to low and
9 very low-income households. As units become available,
10 they shall be rented to income-eligible tenants. The
11 municipality may modify these guidelines from time to
12 time; the guidelines, however, shall be in effect for
13 as long as tax increment revenue is being used to pay
14 for costs associated with the units or for the
15 retirement of bonds issued to finance the units or for
16 the life of the redevelopment project area, whichever
17 is later;:-

18 (11.5) If the redevelopment project area is located
19 within a municipality with a population of more than
20 100,000, the cost of day care services for children of
21 employees from low-income families working for businesses
22 located within the redevelopment project area and all or a
23 portion of the cost of operation of day care centers
24 established by redevelopment project area businesses to
25 serve employees from low-income families working in
26 businesses located in the redevelopment project area. For

1 the purposes of this paragraph, "low-income families"
2 means families whose annual income does not exceed 80% of
3 the municipal, county, or regional median income, adjusted
4 for family size, as the annual income and municipal,
5 county, or regional median income are determined from time
6 to time by the United States Department of Housing and
7 Urban Development.

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

11 ~~(13)~~ After November 1, 1999 (the effective date of Public
12 Act 91-478), none of the redevelopment project costs enumerated
13 in this subsection shall be eligible redevelopment project
14 costs if those costs would provide direct financial support to
15 a retail entity initiating operations in the redevelopment
16 project area while terminating operations at another Illinois
17 location within 10 miles of the redevelopment project area but
18 outside the boundaries of the redevelopment project area
19 municipality. For purposes of this paragraph, termination
20 means a closing of a retail operation that is directly related
21 to the opening of the same operation or like retail entity
22 owned or operated by more than 50% of the original ownership in
23 a redevelopment project area, but it does not mean closing an
24 operation for reasons beyond the control of the retail entity,
25 as documented by the retail entity, subject to a reasonable
26 finding by the municipality that the current location contained

1 inadequate space, had become economically obsolete, or was no
2 longer a viable location for the retailer or serviceman.

3 ~~(14)~~ No cost shall be a redevelopment project cost in a
4 redevelopment project area if used to demolish, remove, or
5 substantially modify a historic resource, after August 26, 2008
6 (the effective date of Public Act 95-934), unless no prudent
7 and feasible alternative exists. "Historic resource" for the
8 purpose of this paragraph ~~item (14)~~ means (i) a place or
9 structure that is included or eligible for inclusion on the
10 National Register of Historic Places or (ii) a contributing
11 structure in a district on the National Register of Historic
12 Places. This paragraph ~~item (14)~~ does not apply to a place or
13 structure for which demolition, removal, or modification is
14 subject to review by the preservation agency of a Certified
15 Local Government designated as such by the National Park
16 Service of the United States Department of the Interior.

17 If a special service area has been established pursuant to
18 the Special Service Area Tax Act or Special Service Area Tax
19 Law, then any tax increment revenues derived from the tax
20 imposed pursuant to the Special Service Area Tax Act or Special
21 Service Area Tax Law may be used within the redevelopment
22 project area for the purposes permitted by that Act or Law as
23 well as the purposes permitted by this Act.

24 (q-1) For redevelopment project areas created pursuant to
25 subsection (p-1), redevelopment project costs are limited to
26 those costs in paragraph (q) that are related to the existing

1 or proposed Regional Transportation Authority Suburban Transit
2 Access Route (STAR Line) station.

3 (q-2) For a redevelopment project area located within a
4 transit facility improvement area established pursuant to
5 Section 11-74.4-3.3, redevelopment project costs means those
6 costs described in subsection (q) that are related to the
7 construction, reconstruction, rehabilitation, remodeling, or
8 repair of any existing or proposed transit facility.

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

16 (s) "State Sales Tax Increment" means an amount equal to
17 the increase in the aggregate amount of taxes paid by retailers
18 and servicemen, other than retailers and servicemen subject to
19 the Public Utilities Act, on transactions at places of business
20 located within a State Sales Tax Boundary pursuant to the
21 Retailers' Occupation Tax Act, the Use Tax Act, the Service Use
22 Tax Act, and the Service Occupation Tax Act, except such
23 portion of such increase that is paid into the State and Local
24 Sales Tax Reform Fund, the Local Government Distributive Fund,
25 the Local Government Tax Fund and the County and Mass Transit
26 District Fund, for as long as State participation exists, over

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

1 the Service Use Tax Act and the Service Occupation Tax Act. For
2 the State Fiscal Year 1989 this calculation shall be made by
3 utilizing the calendar year 1987 to determine the tax amounts
4 received. For the State Fiscal Year 1990, this calculation
5 shall be made by utilizing the period from January 1, 1988,
6 until September 30, 1988, to determine the tax amounts received
7 from retailers and servicemen, which shall have deducted
8 therefrom nine-twelfths of the certified Initial Sales Tax
9 Amounts, Adjusted Initial Sales Tax Amounts or the Revised
10 Initial Sales Tax Amounts as appropriate. For the State Fiscal
11 Year 1991, this calculation shall be made by utilizing the
12 period from October 1, 1988, until June 30, 1989, to determine
13 the tax amounts received from retailers and servicemen, which
14 shall have deducted therefrom nine-twelfths of the certified
15 Initial State Sales Tax Amounts, Adjusted Initial Sales Tax
16 Amounts or the Revised Initial Sales Tax Amounts as
17 appropriate. For every State Fiscal Year thereafter, the
18 applicable period shall be the 12 months beginning July 1 and
19 ending on June 30, to determine the tax amounts received which
20 shall have deducted therefrom the certified Initial Sales Tax
21 Amounts, Adjusted Initial Sales Tax Amounts or the Revised
22 Initial Sales Tax Amounts. Municipalities intending to receive
23 a distribution of State Sales Tax Increment must report a list
24 of retailers to the Department of Revenue by October 31, 1988
25 and by July 31, of each year thereafter.

26 (t) "Taxing districts" means counties, townships, cities

1 and incorporated towns and villages, school, road, park,
2 sanitary, mosquito abatement, forest preserve, public health,
3 fire protection, river conservancy, tuberculosis sanitarium
4 and any other municipal corporations or districts with the
5 power to levy taxes.

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

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

1 subdivision requirements of the Plat Act, land is subdivided
2 when the original plat of the proposed Redevelopment Project
3 Area or relevant portion thereof has been properly certified,
4 acknowledged, approved, and recorded or filed in accordance
5 with the Plat Act and a preliminary plat, if any, for any
6 subsequent phases of the proposed Redevelopment Project Area or
7 relevant portion thereof has been properly approved and filed
8 in accordance with the applicable ordinance of the
9 municipality.

10 (w) "Annual Total Increment" means the sum of each
11 municipality's annual Net Sales Tax Increment and each
12 municipality's annual Net Utility Tax Increment. The ratio of
13 the Annual Total Increment of each municipality to the Annual
14 Total Increment for all municipalities, as most recently
15 calculated by the Department, shall determine the proportional
16 shares of the Illinois Tax Increment Fund to be distributed to
17 each municipality.

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

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

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

1 (65 ILCS 5/11-74.4-8) (from Ch. 24, par. 11-74.4-8)

2 Sec. 11-74.4-8. Tax increment allocation financing. A
3 municipality may not adopt tax increment financing in a
4 redevelopment project area after the effective date of this
5 amendatory Act of 1997 that will encompass an area that is
6 currently included in an enterprise zone created under the
7 Illinois Enterprise Zone Act unless that municipality,
8 pursuant to Section 5.4 of the Illinois Enterprise Zone Act,
9 amends the enterprise zone designating ordinance to limit the
10 eligibility for tax abatements as provided in Section 5.4.1 of
11 the Illinois Enterprise Zone Act. A municipality, at the time a
12 redevelopment project area is designated, may adopt tax
13 increment allocation financing by passing an ordinance
14 providing that the ad valorem taxes, if any, arising from the
15 levies upon taxable real property in such redevelopment project
16 area by taxing districts and tax rates determined in the manner
17 provided in paragraph (c) of Section 11-74.4-9 each year after
18 the effective date of the ordinance until redevelopment project
19 costs and all municipal obligations financing redevelopment
20 project costs incurred under this Division have been paid shall
21 be divided as follows, provided, however, that with respect to
22 any redevelopment project area located within a transit
23 facility improvement area established pursuant to Section
24 11-74.4-3.3 in a municipality with a population of 1,000,000 or
25 more, ad valorem taxes, if any, arising from the levies upon
26 taxable real property in such redevelopment project area shall

1 be allocated as specifically provided in this Section:

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

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

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

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

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

1 (3) The municipal clerk has certified to the county
2 clerk that the municipality has issued its obligations
3 to which there has been pledged the incremental
4 property taxes of the redevelopment project area or
5 taxes levied and collected on any or all property in
6 the municipality or the full faith and credit of the
7 municipality to pay or secure payment for all or a
8 portion of the redevelopment project costs. The
9 certification shall be filed annually no later than
10 September 1 for the estimated taxes to be distributed
11 in the following year; however, for the year 1992 the
12 certification shall be made at any time on or before
13 March 31, 1992.

14 (4) The municipality has not requested that the total
15 initial equalized assessed value of real property be
16 adjusted as provided in subsection (b) of Section
17 11-74.4-9.

18 The conditions of paragraphs (1) through (4) do not
19 apply after December 31, 1999 to payments to a municipal
20 treasurer made by a county with 3,000,000 or more
21 inhabitants that has adopted an estimated billing
22 procedure for collecting taxes. If a county that has
23 adopted the estimated billing procedure makes an erroneous
24 overpayment of tax revenue to the municipal treasurer, then
25 the county may seek a refund of that overpayment. The
26 county shall send the municipal treasurer a notice of

1 liability for the overpayment on or before the mailing date
2 of the next real estate tax bill within the county. The
3 refund shall be limited to the amount of the overpayment.

4 It is the intent of this Division that after the
5 effective date of this amendatory Act of 1988 a
6 municipality's own ad valorem tax arising from levies on
7 taxable real property be included in the determination of
8 incremental revenue in the manner provided in paragraph (c)
9 of Section 11-74.4-9. If the municipality does not extend
10 such a tax, it shall annually deposit in the municipality's
11 Special Tax Increment Fund an amount equal to 10% of the
12 total contributions to the fund from all other taxing
13 districts in that year. The annual 10% deposit required by
14 this paragraph shall be limited to the actual amount of
15 municipally produced incremental tax revenues available to
16 the municipality from taxpayers located in the
17 redevelopment project area in that year if: (a) the plan
18 for the area restricts the use of the property primarily to
19 industrial purposes, (b) the municipality establishing the
20 redevelopment project area is a home-rule community with a
21 1990 population of between 25,000 and 50,000, (c) the
22 municipality is wholly located within a county with a 1990
23 population of over 750,000 and (d) the redevelopment
24 project area was established by the municipality prior to
25 June 1, 1990. This payment shall be in lieu of a
26 contribution of ad valorem taxes on real property. If no

1 such payment is made, any redevelopment project area of the
2 municipality shall be dissolved.

3 If a municipality has adopted tax increment allocation
4 financing by ordinance and the County Clerk thereafter
5 certifies the "total initial equalized assessed value as
6 adjusted" of the taxable real property within such
7 redevelopment project area in the manner provided in
8 paragraph (b) of Section 11-74.4-9, each year after the
9 date of the certification of the total initial equalized
10 assessed value as adjusted until redevelopment project
11 costs and all municipal obligations financing
12 redevelopment project costs have been paid the ad valorem
13 taxes, if any, arising from the levies upon the taxable
14 real property in such redevelopment project area by taxing
15 districts and tax rates determined in the manner provided
16 in paragraph (c) of Section 11-74.4-9 shall be divided as
17 follows, provided, however, that with respect to any
18 redevelopment project area located within a transit
19 facility improvement area established pursuant to Section
20 11-74.4-3.3 in a municipality with a population of
21 1,000,000 or more, ad valorem taxes, if any, arising from
22 the levies upon the taxable real property in such
23 redevelopment project area shall be allocated as
24 specifically provided in this Section:

- 25 (1) That portion of the taxes levied upon each taxable
26 lot, block, tract or parcel of real property which is

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

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

1 redevelopment project costs and obligations incurred
2 in the payment thereof.

3 The municipality may pledge in the ordinance the funds
4 in and to be deposited in the special tax allocation fund
5 for the payment of such costs and obligations. No part of
6 the current equalized assessed valuation of each property
7 in the redevelopment project area attributable to any
8 increase above the total initial equalized assessed value,
9 or the total initial equalized assessed value as adjusted,
10 of such properties shall be used in calculating the general
11 State ~~school~~ aid formula, provided for in Section 18-8 of
12 the School Code, or the evidence-based funding formula,
13 provided for in Section 18-8.15 of the School Code, until
14 such time as all redevelopment project costs have been paid
15 as provided for in this Section.

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

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

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

1 the county collector to the affected districts of real
2 property taxes from real property in the redevelopment
3 project area.

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

1 distributed in the manner applicable in the absence of the
2 adoption of tax increment allocation financing.

3 If a municipality with a population of 1,000,000 or
4 more has adopted by ordinance tax increment allocation
5 financing for a redevelopment project area located in a
6 transit facility improvement area established pursuant to
7 Section 11-74.4-3.3, for each year after the effective date
8 of the ordinance until redevelopment project costs and all
9 municipal obligations financing redevelopment project
10 costs have been paid, the ad valorem taxes, if any, arising
11 from the levies upon the taxable real property in that
12 redevelopment project area by taxing districts and tax
13 rates determined in the manner provided in paragraph (c) of
14 Section 11-74.4-9 shall be divided as follows:

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

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

4 (2) That portion, if any, of such taxes which is
5 attributable to the increase in the current equalized
6 assessed valuation of each taxable lot, block, tract,
7 or parcel of real property in the redevelopment project
8 area, over and above the initial equalized assessed
9 value of each property existing at the time tax
10 increment financing was adopted, minus the total
11 current homestead exemptions pertaining to each piece
12 of property provided by Article 15 of the Property Tax
13 Code in the redevelopment project area, shall be
14 allocated to and when collected shall be paid by the
15 county collector as follows:

16 (A) First, that portion which would be payable
17 to a school district whose boundaries are
18 coterminous with such municipality in the absence
19 of the adoption of tax increment allocation
20 financing, shall be paid to such school district in
21 the manner required by law in the absence of the
22 adoption of tax increment allocation financing;
23 then

24 (B) 80% of the remaining portion shall be paid
25 to the municipal Treasurer, who shall deposit said
26 taxes into a special fund called the special tax

1 allocation fund of the municipality for the
2 purpose of paying redevelopment project costs and
3 obligations incurred in the payment thereof; and
4 then

5 (C) 20% of the remaining portion shall be paid
6 to the respective affected taxing districts, other
7 than the school district described in clause (a)
8 above, in the manner required by law in the absence
9 of the adoption of tax increment allocation
10 financing.

11 Nothing in this Section shall be construed as relieving
12 property in such redevelopment project areas from being
13 assessed as provided in the Property Tax Code or as relieving
14 owners of such property from paying a uniform rate of taxes, as
15 required by Section 4 of Article IX of the Illinois
16 Constitution.

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

18 (65 ILCS 5/11-74.6-35)

19 Sec. 11-74.6-35. Ordinance for tax increment allocation
20 financing.

21 (a) A municipality, at the time a redevelopment project
22 area is designated, may adopt tax increment allocation
23 financing by passing an ordinance providing that the ad valorem
24 taxes, if any, arising from the levies upon taxable real
25 property within the redevelopment project area by taxing

1 districts and tax rates determined in the manner provided in
2 subsection (b) of Section 11-74.6-40 each year after the
3 effective date of the ordinance until redevelopment project
4 costs and all municipal obligations financing redevelopment
5 project costs incurred under this Act have been paid shall be
6 divided as follows:

7 (1) That portion of the taxes levied upon each taxable
8 lot, block, tract or parcel of real property that is
9 attributable to the lower of the current equalized assessed
10 value or the initial equalized assessed value or the
11 updated initial equalized assessed value of each taxable
12 lot, block, tract or parcel of real property in the
13 redevelopment project area shall be allocated to and when
14 collected shall be paid by the county collector to the
15 respective affected taxing districts in the manner
16 required by law without regard to the adoption of tax
17 increment allocation financing.

18 (2) That portion, if any, of those taxes that is
19 attributable to the increase in the current equalized
20 assessed value of each taxable lot, block, tract or parcel
21 of real property in the redevelopment project area, over
22 and above the initial equalized assessed value or the
23 updated initial equalized assessed value of each property
24 in the project area, shall be allocated to and when
25 collected shall be paid by the county collector to the
26 municipal treasurer who shall deposit that portion of those

1 taxes into a special fund called the special tax allocation
2 fund of the municipality for the purpose of paying
3 redevelopment project costs and obligations incurred in
4 the payment of those costs and obligations. In any county
5 with a population of 3,000,000 or more that has adopted a
6 procedure for collecting taxes that provides for one or
7 more of the installments of the taxes to be billed and
8 collected on an estimated basis, the municipal treasurer
9 shall be paid for deposit in the special tax allocation
10 fund of the municipality, from the taxes collected from
11 estimated bills issued for property in the redevelopment
12 project area, the difference between the amount actually
13 collected from each taxable lot, block, tract, or parcel of
14 real property within the redevelopment project area and an
15 amount determined by multiplying the rate at which taxes
16 were last extended against the taxable lot, block, track,
17 or parcel of real property in the manner provided in
18 subsection (b) of Section 11-74.6-40 by the initial
19 equalized assessed value or the updated initial equalized
20 assessed value of the property divided by the number of
21 installments in which real estate taxes are billed and
22 collected within the county, provided that the payments on
23 or before December 31, 1999 to a municipal treasurer shall
24 be made only if each of the following conditions are met:

25 (A) The total equalized assessed value of the
26 redevelopment project area as last determined was not

1 less than 175% of the total initial equalized assessed
2 value.

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

7 (C) The municipal clerk has certified to the county
8 clerk that the municipality has issued its obligations
9 to which there has been pledged the incremental
10 property taxes of the redevelopment project area or
11 taxes levied and collected on any or all property in
12 the municipality or the full faith and credit of the
13 municipality to pay or secure payment for all or a
14 portion of the redevelopment project costs. The
15 certification shall be filed annually no later than
16 September 1 for the estimated taxes to be distributed
17 in the following year.

18 The conditions of paragraphs (A) through (C) do not apply
19 after December 31, 1999 to payments to a municipal treasurer
20 made by a county with 3,000,000 or more inhabitants that has
21 adopted an estimated billing procedure for collecting taxes. If
22 a county that has adopted the estimated billing procedure makes
23 an erroneous overpayment of tax revenue to the municipal
24 treasurer, then the county may seek a refund of that
25 overpayment. The county shall send the municipal treasurer a
26 notice of liability for the overpayment on or before the

1 mailing date of the next real estate tax bill within the
2 county. The refund shall be limited to the amount of the
3 overpayment.

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

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

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

1 value or the initial equalized assessed value, or the
2 updated initial equalized assessed value of each parcel if
3 the updated initial equalized assessed value of that parcel
4 has been certified in accordance with Section 11-74.6-40,
5 whichever has been most recently certified, of each taxable
6 lot, block, tract, or parcel of real property existing at
7 the time tax increment allocation financing was adopted in
8 the redevelopment project area, shall be allocated to and
9 when collected shall be paid by the county collector to the
10 respective affected taxing districts in the manner
11 required by law without regard to the adoption of tax
12 increment allocation financing.

13 (2) That portion, if any, of those taxes that is
14 attributable to the increase in the current equalized
15 assessed value of each taxable lot, block, tract, or parcel
16 of real property in the redevelopment project area, over
17 and above the initial equalized assessed value of each
18 property existing at the time tax increment allocation
19 financing was adopted in the redevelopment project area, or
20 the updated initial equalized assessed value of each parcel
21 if the updated initial equalized assessed value of that
22 parcel has been certified in accordance with Section
23 11-74.6-40, shall be allocated to and when collected shall
24 be paid to the municipal treasurer, who shall deposit those
25 taxes into a special fund called the special tax allocation
26 fund of the municipality for the purpose of paying

1 redevelopment project costs and obligations incurred in
2 the payment thereof.

3 (d) The municipality may pledge in the ordinance the funds
4 in and to be deposited in the special tax allocation fund for
5 the payment of redevelopment project costs and obligations. No
6 part of the current equalized assessed value of each property
7 in the redevelopment project area attributable to any increase
8 above the total initial equalized assessed value or the total
9 initial updated equalized assessed value of the property, shall
10 be used in calculating the general ~~General~~ State aid formula
11 ~~School Aid Formula~~, provided for in Section 18-8 of the School
12 Code, or the evidence-based funding formula, provided for in
13 Section 18-8.15 of the School Code, until all redevelopment
14 project costs have been paid as provided for in this Section.

15 Whenever a municipality issues bonds for the purpose of
16 financing redevelopment project costs, that municipality may
17 provide by ordinance for the appointment of a trustee, which
18 may be any trust company within the State, and for the
19 establishment of any funds or accounts to be maintained by that
20 trustee, as the municipality deems necessary to provide for the
21 security and payment of the bonds. If the municipality provides
22 for the appointment of a trustee, the trustee shall be
23 considered the assignee of any payments assigned by the
24 municipality under that ordinance and this Section. Any amounts
25 paid to the trustee as assignee shall be deposited into the
26 funds or accounts established under the trust agreement, and

1 shall be held by the trustee in trust for the benefit of the
2 holders of the bonds. The holders of those bonds shall have a
3 lien on and a security interest in those funds or accounts
4 while the bonds remain outstanding and unpaid. Upon retirement
5 of the bonds, the trustee shall pay over any excess amounts
6 held to the municipality for deposit in the special tax
7 allocation fund.

8 When the redevelopment projects costs, including without
9 limitation all municipal obligations financing redevelopment
10 project costs incurred under this Law, have been paid, all
11 surplus funds then remaining in the special tax allocation fund
12 shall be distributed by being paid by the municipal treasurer
13 to the municipality and the county collector; first to the
14 municipality in direct proportion to the tax incremental
15 revenue received from the municipality, but not to exceed the
16 total incremental revenue received from the municipality,
17 minus any annual surplus distribution of incremental revenue
18 previously made. Any remaining funds shall be paid to the
19 county collector who shall immediately distribute that payment
20 to the taxing districts in the redevelopment project area in
21 the same manner and proportion as the most recent distribution
22 by the county collector to the affected districts of real
23 property taxes from real property situated in the redevelopment
24 project area.

25 Upon the payment of all redevelopment project costs,
26 retirement of obligations and the distribution of any excess

1 moneys under this Section, the municipality shall adopt an
2 ordinance dissolving the special tax allocation fund for the
3 redevelopment project area and terminating the designation of
4 the redevelopment project area as a redevelopment project area.
5 Thereafter the tax levies of taxing districts shall be
6 extended, collected and distributed in the same manner
7 applicable before the adoption of tax increment allocation
8 financing. Municipality shall notify affected taxing districts
9 prior to November if the redevelopment project area is to be
10 terminated by December 31 of that same year.

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

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

17 Section 40. The Economic Development Project Area Tax
18 Increment Allocation Act of 1995 is amended by changing Section
19 50 as follows:

20 (65 ILCS 110/50)

21 Sec. 50. Special tax allocation fund.

22 (a) If a county clerk has certified the "total initial
23 equalized assessed value" of the taxable real property within
24 an economic development project area in the manner provided in

1 Section 45, each year after the date of the certification by
2 the county clerk of the "total initial equalized assessed
3 value", until economic development project costs and all
4 municipal obligations financing economic development project
5 costs have been paid, the ad valorem taxes, if any, arising
6 from the levies upon the taxable real property in the economic
7 development project area by taxing districts and tax rates
8 determined in the manner provided in subsection (b) of Section
9 45 shall be divided as follows:

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

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

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

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

19 (c) When the economic development projects costs,
20 including without limitation all municipal obligations
21 financing economic development project costs incurred under
22 this Act, have been paid, all surplus monies then remaining in
23 the special tax allocation fund shall be distributed by being
24 paid by the municipal treasurer to the county collector, who
25 shall immediately pay the monies to the taxing districts having
26 taxable property in the economic development project area in

1 the same manner and proportion as the most recent distribution
2 by the county collector to those taxing districts of real
3 property taxes from real property in the economic development
4 project area.

5 (d) Upon the payment of all economic development project
6 costs, retirement of obligations, and distribution of any
7 excess monies under this Section and not later than 23 years
8 from the date of the adoption of the ordinance establishing the
9 economic development project area, the municipality shall
10 adopt an ordinance dissolving the special tax allocation fund
11 for the economic development project area and terminating the
12 designation of the economic development project area as an
13 economic development project area. Thereafter, the rates of the
14 taxing districts shall be extended and taxes shall be levied,
15 collected, and distributed in the manner applicable in the
16 absence of the adoption of tax increment allocation financing.

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

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

24 Section 45. The School Code is amended by changing Sections
25 1A-8, 1B-5, 1B-6, 1B-7, 1B-8, 1C-1, 1D-1, 1E-20, 1F-20, 1F-62,

1 1H-20, 1H-70, 2-3.25g, 2-3.33, 2-3.51.5, 2-3.66, 2-3.66b,
2 2-3.84, 2-3.109a, 3-14.21, 7-14A, 10-17a, 10-19, 10-22.5a,
3 10-22.20, 10-22.34c, 10-29, 11E-135, 13A-8, 13B-20.20, 13B-45,
4 13B-50, 13B-50.10, 13B-50.15, 14-7.02b, 14-13.01, 14C-1,
5 14C-12, 17-1, 17-1.2, 17-1.5, 17-2.11, 17-2A, 18-4.3, 18-8.05,
6 18-8.10, 18-9, 18-12, 26-16, 27-6, 27-7, 27-8.1, 27-24.2,
7 27A-9, 27A-11, 29-5, 34-2.3, 34-18, 34-18.30, and 34-43.1 and
8 by adding Sections 17-3.6, 17-6.5, 18-8.15, 22-62, and 34-54.5
9 as follows:

10 (105 ILCS 5/1A-8) (from Ch. 122, par. 1A-8)

11 Sec. 1A-8. Powers of the Board in Assisting Districts
12 Deemed in Financial Difficulties. To promote the financial
13 integrity of school districts, the State Board of Education
14 shall be provided the necessary powers to promote sound
15 financial management and continue operation of the public
16 schools.

17 (a) The State Superintendent of Education may require a
18 school district, including any district subject to Article 34A
19 of this Code, to share financial information relevant to a
20 proper investigation of the district's financial condition and
21 the delivery of appropriate State financial, technical, and
22 consulting services to the district if the district (i) has
23 been designated, through the State Board of Education's School
24 District Financial Profile System, as on financial warning or
25 financial watch status, (ii) has failed to file an annual

1 financial report, annual budget, deficit reduction plan, or
2 other financial information as required by law, (iii) has been
3 identified, through the district's annual audit or other
4 financial and management information, as in serious financial
5 difficulty in the current or next school year, or (iv) is
6 determined to be likely to fail to fully meet any regularly
7 scheduled, payroll-period obligations when due or any debt
8 service payments when due or both. In addition to financial,
9 technical, and consulting services provided by the State Board
10 of Education, at the request of a school district, the State
11 Superintendent may provide for an independent financial
12 consultant to assist the district review its financial
13 condition and options.

14 (b) The State Board of Education, after proper
15 investigation of a district's financial condition, may certify
16 that a district, including any district subject to Article 34A,
17 is in financial difficulty when any of the following conditions
18 occur:

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

22 (2) The district has issued tax anticipation warrants
23 or tax anticipation notes in anticipation of a second
24 year's taxes when warrants or notes in anticipation of
25 current year taxes are still outstanding, as authorized by
26 Sections 17-16, 34-23, 34-59 and 34-63 of this Code, or has

1 issued short-term debt against 2 future revenue sources,
2 such as, but not limited to, tax anticipation warrants and
3 general State aid or evidence-based funding ~~Aid~~
4 certificates or tax anticipation warrants and revenue
5 anticipation notes.

6 (3) The district has for 2 consecutive years shown an
7 excess of expenditures and other financing uses over
8 revenues and other financing sources and beginning fund
9 balances on its annual financial report for the aggregate
10 totals of the Educational, Operations and Maintenance,
11 Transportation, and Working Cash Funds.

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

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

18 No school district shall be certified by the State Board of
19 Education to be in financial difficulty solely by reason of any
20 of the above circumstances arising as a result of (i) the
21 failure of the county to make any distribution of property tax
22 money due the district at the time such distribution is due or
23 (ii) the failure of this State to make timely payments of
24 general State aid, evidence-based funding, or any of the
25 mandated categoricals; or if the district clearly demonstrates
26 to the satisfaction of the State Board of Education at the time

1 of its determination that such condition no longer exists. If
2 the State Board of Education certifies that a district in a
3 city with 500,000 inhabitants or more is in financial
4 difficulty, the State Board shall so notify the Governor and
5 the Mayor of the city in which the district is located. The
6 State Board of Education may require school districts certified
7 in financial difficulty, except those districts subject to
8 Article 34A, to develop, adopt and submit a financial plan
9 within 45 days after certification of financial difficulty. The
10 financial plan shall be developed according to guidelines
11 presented to the district by the State Board of Education
12 within 14 days of certification. Such guidelines shall address
13 the specific nature of each district's financial difficulties.
14 Any proposed budget of the district shall be consistent with
15 the financial plan submitted to and approved by the State Board
16 of Education.

17 A district certified to be in financial difficulty, other
18 than a district subject to Article 34A, shall report to the
19 State Board of Education at such times and in such manner as
20 the State Board may direct, concerning the district's
21 compliance with each financial plan. The State Board may review
22 the district's operations, obtain budgetary data and financial
23 statements, require the district to produce reports, and have
24 access to any other information in the possession of the
25 district that it deems relevant. The State Board may issue
26 recommendations or directives within its powers to the district

1 to assist in compliance with the financial plan. The district
2 shall produce such budgetary data, financial statements,
3 reports and other information and comply with such directives.
4 If the State Board of Education determines that a district has
5 failed to comply with its financial plan, the State Board of
6 Education may rescind approval of the plan and appoint a
7 Financial Oversight Panel for the district as provided in
8 Section 1B-4. This action shall be taken only after the
9 district has been given notice and an opportunity to appear
10 before the State Board of Education to discuss its failure to
11 comply with its financial plan.

12 No bonds, notes, teachers orders, tax anticipation
13 warrants or other evidences of indebtedness shall be issued or
14 sold by a school district or be legally binding upon or
15 enforceable against a local board of education of a district
16 certified to be in financial difficulty unless and until the
17 financial plan required under this Section has been approved by
18 the State Board of Education.

19 Any financial profile compiled and distributed by the State
20 Board of Education in Fiscal Year 2009 or any fiscal year
21 thereafter shall incorporate such adjustments as may be needed
22 in the profile scores to reflect the financial effects of the
23 inability or refusal of the State of Illinois to make timely
24 disbursements of any general State aid, evidence-based
25 funding, or mandated categorical aid payments due school
26 districts or to fully reimburse school districts for mandated

1 categorical programs pursuant to reimbursement formulas
2 provided in this School Code.

3 (Source: P.A. 96-668, eff. 8-25-09; 96-1423, eff. 8-3-10;
4 97-429, eff. 8-16-11.)

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

6 Sec. 1B-5. When a petition for emergency financial
7 assistance for a school district is allowed by the State Board
8 under Section 1B-4, the State Superintendent shall within 10
9 days thereafter appoint 3 members to serve at the State
10 Superintendent's pleasure on a Financial Oversight Panel for
11 the district. The State Superintendent shall designate one of
12 the members of the Panel to serve as its Chairman. In the event
13 of vacancy or resignation the State Superintendent shall
14 appoint a successor within 10 days of receiving notice thereof.

15 Members of the Panel shall be selected primarily on the
16 basis of their experience and education in financial
17 management, with consideration given to persons knowledgeable
18 in education finance. A member of the Panel may not be a board
19 member or employee of the district for which the Panel is
20 constituted, nor may a member have a direct financial interest
21 in that district.

22 Panel members shall serve without compensation, but may be
23 reimbursed for travel and other necessary expenses incurred in
24 the performance of their official duties by the State Board.
25 The amount reimbursed Panel members for their expenses shall be

1 charged to the school district as part of any emergency
2 financial assistance and incorporated as a part of the terms
3 and conditions for repayment of such assistance or shall be
4 deducted from the district's general State aid or
5 evidence-based funding as provided in Section 1B-8.

6 The first meeting of the Panel shall be held at the call of
7 the Chairman. The Panel may elect such other officers as it
8 deems appropriate. The Panel shall prescribe the times and
9 places for its meetings and the manner in which regular and
10 special meetings may be called, and shall comply with the Open
11 Meetings Act.

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

15 The Panel and the State Superintendent shall cooperate with
16 each other in the exercise of their respective powers. The
17 Panel shall report not later than September 1 annually to the
18 State Board and the State Superintendent with respect to its
19 activities and the condition of the school district for the
20 previous fiscal year.

21 Any Financial Oversight Panel established under this
22 Article shall remain in existence for not less than 3 years nor
23 more than 10 years from the date the State Board grants the
24 petition under Section 1B-4. If after 3 years the school
25 district has repaid all of its obligations resulting from
26 emergency State financial assistance provided under this

1 Article and has improved its financial situation, the board of
2 education may, not more frequently than once in any 12 month
3 period, petition the State Board to dissolve the Financial
4 Oversight Panel, terminate the oversight responsibility, and
5 remove the district's certification under Section 1A-8 as a
6 district in financial difficulty. In acting on such a petition
7 the State Board shall give additional weight to the
8 recommendations of the State Superintendent and the Financial
9 Oversight Panel.

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

11 (105 ILCS 5/1B-6) (from Ch. 122, par. 1B-6)

12 Sec. 1B-6. General powers. The purpose of the Financial
13 Oversight Panel shall be to exercise financial control over the
14 board of education, and, when approved by the State Board and
15 the State Superintendent of Education, to furnish financial
16 assistance so that the board can provide public education
17 within the board's jurisdiction while permitting the board to
18 meet its obligations to its creditors and the holders of its
19 notes and bonds. Except as expressly limited by this Article,
20 the Panel shall have all powers necessary to meet its
21 responsibilities and to carry out its purposes and the purposes
22 of this Article, including, but not limited to, the following
23 powers:

24 (a) to sue and be sued;

25 (b) to provide for its organization and internal

1 management;

2 (c) to appoint a Financial Administrator to serve as the
3 chief executive officer of the Panel. The Financial
4 Administrator may be an individual, partnership, corporation,
5 including an accounting firm, or other entity determined by the
6 Panel to be qualified to serve; and to appoint other officers,
7 agents, and employees of the Panel, define their duties and
8 qualifications and fix their compensation and employee
9 benefits;

10 (d) to approve the local board of education appointments to
11 the positions of treasurer in a Class I county school unit and
12 in each school district which forms a part of a Class II county
13 school unit but which no longer is subject to the jurisdiction
14 and authority of a township treasurer or trustees of schools of
15 a township because the district has withdrawn from the
16 jurisdiction and authority of the township treasurer and the
17 trustees of schools of the township or because those offices
18 have been abolished as provided in subsection (b) or (c) of
19 Section 5-1, and chief school business official, if such
20 official is not the superintendent of the district. Either the
21 board or the Panel may remove such treasurer or chief school
22 business official;

23 (e) to approve any and all bonds, notes, teachers orders,
24 tax anticipation warrants, and other evidences of indebtedness
25 prior to issuance or sale by the school district; and
26 notwithstanding any other provision of The School Code, as now

1 or hereafter amended, no bonds, notes, teachers orders, tax
2 anticipation warrants or other evidences of indebtedness shall
3 be issued or sold by the school district or be legally binding
4 upon or enforceable against the local board of education unless
5 and until the approval of the Panel has been received;

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

9 (g) to require and approve a school district financial
10 plan;

11 (h) to approve and require revisions of the school district
12 budget;

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

15 (j) to authorize emergency State financial assistance,
16 including requirements regarding the terms and conditions of
17 repayment of such assistance, and to require the board of
18 education to levy a separate local property tax, subject to the
19 limitations of Section 1B-8, sufficient to repay such
20 assistance consistent with the terms and conditions of
21 repayment and the district's approved financial plan and
22 budget;

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

26 (l) to recommend dissolution or reorganization of the

1 school district to the General Assembly if in the Panel's
2 judgment the circumstances so require;

3 (m) to direct a phased reduction in the oversight
4 responsibilities of the Financial Administrator and of the
5 Panel as the circumstances permit;

6 (n) to determine the amount of emergency State financial
7 assistance to be made available to the school district, and to
8 establish an operating budget for the Panel to be supported by
9 funds available from such assistance, with the assistance and
10 the budget required to be approved by the State Superintendent;

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

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

16 (q) to contract for and to accept any gifts, grants or
17 loans of funds or property or financial or other aid in any
18 form from the federal government, State government, unit of
19 local government, school district or any agency or
20 instrumentality thereof, or from any other private or public
21 source, and to comply with the terms and conditions thereof;

22 (r) to pay the expenses of its operations based on the
23 Panel's budget as approved by the State Superintendent from
24 emergency financial assistance funds available to the district
25 or from deductions from the district's general State aid or
26 evidence-based funding;

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

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

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

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

8 Sec. 1B-7. Financial Administrator; Powers and Duties. The
9 Financial Administrator appointed by the Financial Oversight
10 Panel shall serve as the Panel's chief executive officer. The
11 Financial Administrator shall exercise the powers and duties
12 required by the Panel, including but not limited to the
13 following:

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

17 (b) to direct the local board to reorganize its financial
18 accounts, budgetary systems, and internal accounting and
19 financial controls, in whatever manner the Panel deems
20 appropriate to achieve greater financial responsibility and to
21 reduce financial inefficiency, and to provide technical
22 assistance to aid the district in accomplishing the
23 reorganization;

24 (c) to make recommendations to the Financial Oversight
25 Panel concerning the school district's financial plan and

1 budget, and all other matters within the scope of the Panel's
2 authority;

3 (d) to prepare and recommend to the Panel a proposal for
4 emergency State financial assistance for the district,
5 including recommended terms and conditions of repayment, and an
6 operations budget for the Panel to be funded from the emergency
7 assistance or from deductions from the district's general State
8 aid or evidence-based funding;

9 (e) to require the local board to prepare and submit
10 preliminary staffing and budgetary analyses annually prior to
11 February 1 in such manner and form as the Financial
12 Administrator shall prescribe; and

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

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

17 (105 ILCS 5/1B-8) (from Ch. 122, par. 1B-8)

18 Sec. 1B-8. There is created in the State Treasury a special
19 fund to be known as the School District Emergency Financial
20 Assistance Fund (the "Fund"). The School District Emergency
21 Financial Assistance Fund shall consist of appropriations,
22 loan repayments, grants from the federal government, and
23 donations from any public or private source. Moneys in the Fund
24 may be appropriated only to the Illinois Finance Authority and
25 the State Board for those purposes authorized under this

1 Article and Articles 1F and 1H of this Code. The appropriation
2 may be allocated and expended by the State Board for
3 contractual services to provide technical assistance or
4 consultation to school districts to assess their financial
5 condition and to Financial Oversight Panels that petition for
6 emergency financial assistance grants. The Illinois Finance
7 Authority may provide loans to school districts which are the
8 subject of an approved petition for emergency financial
9 assistance under Section 1B-4, 1F-62, or 1H-65 of this Code.
10 Neither the State Board of Education nor the Illinois Finance
11 Authority may collect any fees for providing these services.

12 From the amount allocated to each such school district
13 under this Article the State Board shall identify a sum
14 sufficient to cover all approved costs of the Financial
15 Oversight Panel established for the respective school
16 district. If the State Board and State Superintendent of
17 Education have not approved emergency financial assistance in
18 conjunction with the appointment of a Financial Oversight
19 Panel, the Panel's approved costs shall be paid from deductions
20 from the district's general State aid or evidence-based
21 funding.

22 The Financial Oversight Panel may prepare and file with the
23 State Superintendent a proposal for emergency financial
24 assistance for the school district and for its operations
25 budget. No expenditures from the Fund shall be authorized by
26 the State Superintendent until he or she has approved the

1 request of the Panel, either as submitted or in such lesser
2 amount determined by the State Superintendent.

3 The maximum amount of an emergency financial assistance
4 loan which may be allocated to any school district under this
5 Article, including moneys necessary for the operations of the
6 Panel, shall not exceed \$4,000 times the number of pupils
7 enrolled in the school district during the school year ending
8 June 30 prior to the date of approval by the State Board of the
9 petition for emergency financial assistance, as certified to
10 the local board and the Panel by the State Superintendent. An
11 emergency financial assistance grant shall not exceed \$1,000
12 times the number of such pupils. A district may receive both a
13 loan and a grant.

14 The payment of an emergency State financial assistance
15 grant or loan shall be subject to appropriation by the General
16 Assembly. Payment of the emergency State financial assistance
17 loan is subject to the applicable provisions of the Illinois
18 Finance Authority Act. Emergency State financial assistance
19 allocated and paid to a school district under this Article may
20 be applied to any fund or funds from which the local board of
21 education of that district is authorized to make expenditures
22 by law.

23 Any emergency financial assistance grant proposed by the
24 Financial Oversight Panel and approved by the State
25 Superintendent may be paid in its entirety during the initial
26 year of the Panel's existence or spread in equal or declining

1 amounts over a period of years not to exceed the period of the
2 Panel's existence. An emergency financial assistance loan
3 proposed by the Financial Oversight Panel and approved by the
4 Illinois Finance Authority may be paid in its entirety during
5 the initial year of the Panel's existence or spread in equal or
6 declining amounts over a period of years not to exceed the
7 period of the Panel's existence. All loans made by the Illinois
8 Finance Authority for a school district shall be required to be
9 repaid, with simple interest over the term of the loan at a
10 rate equal to 50% of the one-year Constant Maturity Treasury
11 (CMT) yield as last published by the Board of Governors of the
12 Federal Reserve System before the date on which the district's
13 loan is approved by the Illinois Finance Authority, not later
14 than the date the Financial Oversight Panel ceases to exist.
15 The Panel shall establish and the Illinois Finance Authority
16 shall approve the terms and conditions, including the schedule,
17 of repayments. The schedule shall provide for repayments
18 commencing July 1 of each year or upon each fiscal year's
19 receipt of moneys from a tax levy for emergency financial
20 assistance. Repayment shall be incorporated into the annual
21 budget of the school district and may be made from any fund or
22 funds of the district in which there are moneys available. An
23 emergency financial assistance loan to the Panel or district
24 shall not be considered part of the calculation of a district's
25 debt for purposes of the limitation specified in Section 19-1
26 of this Code. Default on repayment is subject to the Illinois

1 Grant Funds Recovery Act. When moneys are repaid as provided
2 herein they shall not be made available to the local board for
3 further use as emergency financial assistance under this
4 Article at any time thereafter. All repayments required to be
5 made by a school district shall be received by the State Board
6 and deposited in the School District Emergency Financial
7 Assistance Fund.

8 In establishing the terms and conditions for the repayment
9 obligation of the school district the Panel shall annually
10 determine whether a separate local property tax levy is
11 required. The board of any school district with a tax rate for
12 educational purposes for the prior year of less than 120% of
13 the maximum rate for educational purposes authorized by Section
14 17-2 shall provide for a separate tax levy for emergency
15 financial assistance repayment purposes. Such tax levy shall
16 not be subject to referendum approval. The amount of the levy
17 shall be equal to the amount necessary to meet the annual
18 repayment obligations of the district as established by the
19 Panel, or 20% of the amount levied for educational purposes for
20 the prior year, whichever is less. However, no district shall
21 be required to levy the tax if the district's operating tax
22 rate as determined under Section 18-8, ~~or~~ 18-8.05, or 18-8.15
23 exceeds 200% of the district's tax rate for educational
24 purposes for the prior year.

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

1 (105 ILCS 5/1C-1)

2 Sec. 1C-1. Purpose. The purpose of this Article is to
3 permit greater flexibility and efficiency in the distribution
4 and use of certain State funds available to local education
5 agencies for the improvement of the quality of educational
6 services pursuant to locally established priorities.

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

10 (Source: P.A. 88-555, eff. 7-27-94; 89-15, eff. 5-30-95;
11 89-397, eff. 8-20-95; 89-626, eff. 8-9-96.)

12 (105 ILCS 5/1D-1)

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

14 (a) For fiscal year 1996 through fiscal year 2017 ~~and each~~
15 ~~fiscal year thereafter~~, the State Board of Education shall
16 award to a school district having a population exceeding
17 500,000 inhabitants a general education block grant and an
18 educational services block grant, determined as provided in
19 this Section, in lieu of distributing to the district separate
20 State funding for the programs described in subsections (b) and
21 (c). The provisions of this Section, however, do not apply to
22 any federal funds that the district is entitled to receive. In
23 accordance with Section 2-3.32, all block grants are subject to
24 an audit. Therefore, block grant receipts and block grant
25 expenditures shall be recorded to the appropriate fund code for

1 the designated block grant.

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

18 (c) The educational services block grant shall include the
19 following programs: Regular and Vocational Transportation,
20 State Lunch and Free Breakfast Program, Special Education
21 (Personnel, Transportation, Orphanage, Private Tuition),
22 funding for children requiring special education services,
23 Summer School, Educational Service Centers, and
24 Administrator's Academy. This subsection (c) does not relieve
25 the district of its obligation to provide the services required
26 under a program that is included within the educational

1 services block grant. It is the intention of the General
2 Assembly in enacting the provisions of this subsection (c) to
3 relieve the district of the administrative burdens that impede
4 efficiency and accompany single-program funding. The General
5 Assembly encourages the board to pursue mandate waivers
6 pursuant to Section 2-3.25g.

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

19 (d) For fiscal year 1996 through fiscal year 2017 ~~and each~~
20 ~~fiscal year thereafter~~, the amount of the district's block
21 grants shall be determined as follows: (i) with respect to each
22 program that is included within each block grant, the district
23 shall receive an amount equal to the same percentage of the
24 current fiscal year appropriation made for that program as the
25 percentage of the appropriation received by the district from
26 the 1995 fiscal year appropriation made for that program, and

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

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

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

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

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

20 (h) Notwithstanding any other provision of law, any school
21 district receiving a block grant under this Section may
22 classify all or a portion of the funds that it receives in a
23 particular fiscal year from any block grant authorized under
24 this Code or from general State aid pursuant to Section 18-8.05
25 of this Code (other than supplemental general State aid) as
26 funds received in connection with any funding program for which

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

1 requirements, or requirements of provision of services.

2 (Source: P.A. 97-238, eff. 8-2-11; 97-324, eff. 8-12-11;
3 97-813, eff. 7-13-12.)

4 (105 ILCS 5/1E-20)

5 (This Section scheduled to be repealed in accordance with
6 105 ILCS 5/1E-165)

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

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

23 Members of the Authority shall be selected primarily on the
24 basis of their experience and education in financial
25 management, with consideration given to persons knowledgeable

1 in education finance. Two members of the Authority shall be
2 residents of the school district that the Authority serves. A
3 member of the Authority may not be a member of the district's
4 school board or an employee of the district nor may a member
5 have a direct financial interest in the district.

6 Authority members shall serve without compensation, but
7 may be reimbursed by the State Board for travel and other
8 necessary expenses incurred in the performance of their
9 official duties. Unless paid from bonds issued under Section
10 1E-65 of this Code, the amount reimbursed members for their
11 expenses shall be charged to the school district as part of any
12 emergency financial assistance and incorporated as a part of
13 the terms and conditions for repayment of the assistance or
14 shall be deducted from the district's general State aid or
15 evidence-based funding as provided in Section 1B-8 of this
16 Code.

17 The Authority may elect such officers as it deems
18 appropriate.

19 (b) The first meeting of the Authority shall be held at the
20 call of the Chairperson. The Authority shall prescribe the
21 times and places for its meetings and the manner in which
22 regular and special meetings may be called and shall comply
23 with the Open Meetings Act.

24 Three members of the Authority shall constitute a quorum.
25 When a vote is taken upon any measure before the Authority, a
26 quorum being present, a majority of the votes of the members

1 voting on the measure shall determine the outcome.

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

3 (105 ILCS 5/1F-20)

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

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

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

21 Members of the Authority shall be selected primarily on the
22 basis of their experience and education in financial
23 management, with consideration given to persons knowledgeable
24 in education finance. Two members of the Authority shall be
25 residents of the school district that the Authority serves. A

1 member of the Authority may not be a member of the district's
2 school board or an employee of the district nor may a member
3 have a direct financial interest in the district.

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

16 The Authority may elect such officers as it deems
17 appropriate.

18 (b) The first meeting of the Authority shall be held at the
19 call of the Chairperson. The Authority shall prescribe the
20 times and places for its meetings and the manner in which
21 regular and special meetings may be called and shall comply
22 with the Open Meetings Act.

23 Three members of the Authority shall constitute a quorum.
24 When a vote is taken upon any measure before the Authority, a
25 quorum being present, a majority of the votes of the members
26 voting on the measure shall determine the outcome.

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

2 (105 ILCS 5/1F-62)

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

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

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

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

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

23 (c) The payment of a State emergency financial assistance
24 grant or loan shall be subject to appropriation by the General
25 Assembly. State emergency financial assistance allocated and
26 paid to a School Finance Authority under this Article may be

1 applied to any fund or funds from which the School Finance
2 Authority is authorized to make expenditures by law.

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

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

21 The School Finance Authority shall establish and the
22 Illinois Finance Authority shall approve the terms and
23 conditions of the loan, including the schedule of repayments.
24 The schedule shall provide for repayments commencing July 1 of
25 each year or upon each fiscal year's receipt of moneys from a
26 tax levy for emergency financial assistance. Repayment shall be

1 incorporated into the annual budget of the district and may be
2 made from any fund or funds of the district in which there are
3 moneys available. Default on repayment is subject to the
4 Illinois Grant Funds Recovery Act. When moneys are repaid as
5 provided in this Section, they shall not be made available to
6 the School Finance Authority for further use as emergency
7 financial assistance under this Article at any time thereafter.
8 All repayments required to be made by a School Finance
9 Authority shall be received by the State Board and deposited in
10 the School District Emergency Financial Assistance Fund.

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

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

23 (105 ILCS 5/1H-20)

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

25 (a) Upon establishment of a Financial Oversight Panel under

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

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

18 (c) Panel members may be reimbursed by the State Board for
19 travel and other necessary expenses incurred in the performance
20 of their official duties. The amount reimbursed members for
21 their expenses shall be charged to the school district as part
22 of any emergency financial assistance and incorporated as a
23 part of the terms and conditions for repayment of the
24 assistance or shall be deducted from the district's general
25 State aid or evidence-based funding as provided in Section
26 1H-65 of this Code.

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

4 (e) The first meeting of the Panel shall be held at the
5 call of the Chairperson. The Panel shall prescribe the times
6 and places for its meetings and the manner in which regular and
7 special meetings may be called and shall comply with the Open
8 Meetings Act. The Panel shall also comply with the Freedom of
9 Information Act.

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

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

13 (105 ILCS 5/1H-70)

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

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

25 (2) issue tax anticipation notes under the provisions

1 of the Tax Anticipation Note Act against taxes levied by
2 either the school board or the Panel pursuant to Section
3 1H-25 of this Code;

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

6 (4) issue general State aid or evidence-based funding
7 anticipation certificates under the provisions of Section
8 18-18 of this Code; and

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

11 Tax anticipation warrants, tax anticipation notes, revenue
12 anticipation certificates or notes, general State aid or
13 evidence-based funding anticipation certificates, and lines of
14 credit are considered borrowing from sources other than the
15 State and are subject to Section 1H-65 of this Code.

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

17 (105 ILCS 5/2-3.25g) (from Ch. 122, par. 2-3.25g)

18 Sec. 2-3.25g. Waiver or modification of mandates within the
19 School Code and administrative rules and regulations.

20 (a) In this Section:

21 "Board" means a school board or the governing board or
22 administrative district, as the case may be, for a joint
23 agreement.

24 "Eligible applicant" means a school district, joint
25 agreement made up of school districts, or regional

1 superintendent of schools on behalf of schools and programs
2 operated by the regional office of education.

3 "Implementation date" has the meaning set forth in
4 Section 24A-2.5 of this Code.

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

6 (b) Notwithstanding any other provisions of this School
7 Code or any other law of this State to the contrary, eligible
8 applicants may petition the State Board of Education for the
9 waiver or modification of the mandates of this School Code or
10 of the administrative rules and regulations promulgated by the
11 State Board of Education. Waivers or modifications of
12 administrative rules and regulations and modifications of
13 mandates of this School Code may be requested when an eligible
14 applicant demonstrates that it can address the intent of the
15 rule or mandate in a more effective, efficient, or economical
16 manner or when necessary to stimulate innovation or improve
17 student performance. Waivers of mandates of the School Code may
18 be requested when the waivers are necessary to stimulate
19 innovation or improve student performance. Waivers may not be
20 requested from laws, rules, and regulations pertaining to
21 special education, teacher educator licensure, teacher tenure
22 and seniority, or Section 5-2.1 of this Code or from compliance
23 with the No Child Left Behind Act of 2001 (Public Law 107-110).
24 Eligible applicants may not seek a waiver or seek a
25 modification of a mandate regarding the requirements for (i)
26 student performance data to be a significant factor in teacher

1 or principal evaluations or (ii) teachers and principals to be
2 rated using the 4 categories of "excellent", "proficient",
3 "needs improvement", or "unsatisfactory". On September 1,
4 2014, any previously authorized waiver or modification from
5 such requirements shall terminate.

6 (c) Eligible applicants, as a matter of inherent managerial
7 policy, and any Independent Authority established under
8 Section 2-3.25f-5 of this Code may submit an application for a
9 waiver or modification authorized under this Section. Each
10 application must include a written request by the eligible
11 applicant or Independent Authority and must demonstrate that
12 the intent of the mandate can be addressed in a more effective,
13 efficient, or economical manner or be based upon a specific
14 plan for improved student performance and school improvement.
15 Any eligible applicant requesting a waiver or modification for
16 the reason that intent of the mandate can be addressed in a
17 more economical manner shall include in the application a
18 fiscal analysis showing current expenditures on the mandate and
19 projected savings resulting from the waiver or modification.
20 Applications and plans developed by eligible applicants must be
21 approved by the board or regional superintendent of schools
22 applying on behalf of schools or programs operated by the
23 regional office of education following a public hearing on the
24 application and plan and the opportunity for the board or
25 regional superintendent to hear testimony from staff directly
26 involved in its implementation, parents, and students. The time

1 period for such testimony shall be separate from the time
2 period established by the eligible applicant for public comment
3 on other matters. If the applicant is a school district or
4 joint agreement requesting a waiver or modification of Section
5 27-6 of this Code, the public hearing shall be held on a day
6 other than the day on which a regular meeting of the board is
7 held.

8 (c-5) If the applicant is a school district, then the
9 district shall post information that sets forth the time, date,
10 place, and general subject matter of the public hearing on its
11 Internet website at least 14 days prior to the hearing. If the
12 district is requesting to increase the fee charged for driver
13 education authorized pursuant to Section 27-24.2 of this Code,
14 the website information shall include the proposed amount of
15 the fee the district will request. All school districts must
16 publish a notice of the public hearing at least 7 days prior to
17 the hearing in a newspaper of general circulation within the
18 school district that sets forth the time, date, place, and
19 general subject matter of the hearing. Districts requesting to
20 increase the fee charged for driver education shall include in
21 the published notice the proposed amount of the fee the
22 district will request. If the applicant is a joint agreement or
23 regional superintendent, then the joint agreement or regional
24 superintendent shall post information that sets forth the time,
25 date, place, and general subject matter of the public hearing
26 on its Internet website at least 14 days prior to the hearing.

1 If the joint agreement or regional superintendent is requesting
2 to increase the fee charged for driver education authorized
3 pursuant to Section 27-24.2 of this Code, the website
4 information shall include the proposed amount of the fee the
5 applicant will request. All joint agreements and regional
6 superintendents must publish a notice of the public hearing at
7 least 7 days prior to the hearing in a newspaper of general
8 circulation in each school district that is a member of the
9 joint agreement or that is served by the educational service
10 region that sets forth the time, date, place, and general
11 subject matter of the hearing, provided that a notice appearing
12 in a newspaper generally circulated in more than one school
13 district shall be deemed to fulfill this requirement with
14 respect to all of the affected districts. Joint agreements or
15 regional superintendents requesting to increase the fee
16 charged for driver education shall include in the published
17 notice the proposed amount of the fee the applicant will
18 request. The eligible applicant must notify in writing the
19 affected exclusive collective bargaining agent and those State
20 legislators representing the eligible applicant's territory of
21 its intent to seek approval of a waiver or modification and of
22 the hearing to be held to take testimony from staff. The
23 affected exclusive collective bargaining agents shall be
24 notified of such public hearing at least 7 days prior to the
25 date of the hearing and shall be allowed to attend such public
26 hearing. The eligible applicant shall attest to compliance with

1 all of the notification and procedural requirements set forth
2 in this Section.

3 (d) A request for a waiver or modification of
4 administrative rules and regulations or for a modification of
5 mandates contained in this School Code shall be submitted to
6 the State Board of Education within 15 days after approval by
7 the board or regional superintendent of schools. The
8 application as submitted to the State Board of Education shall
9 include a description of the public hearing. ~~Except with~~
10 ~~respect to contracting for adaptive driver education, an~~
11 ~~eligible applicant wishing to request a modification or waiver~~
12 ~~of administrative rules of the State Board of Education~~
13 ~~regarding contracting with a commercial driver training school~~
14 ~~to provide the course of study authorized under Section 27-24.2~~
15 ~~of this Code must provide evidence with its application that~~
16 ~~the commercial driver training school with which it will~~
17 ~~contract holds a license issued by the Secretary of State under~~
18 ~~Article IV of Chapter 6 of the Illinois Vehicle Code and that~~
19 ~~each instructor employed by the commercial driver training~~
20 ~~school to provide instruction to students served by the school~~
21 ~~district holds a valid teaching certificate or teaching~~
22 ~~license, as applicable, issued under the requirements of this~~
23 ~~Code and rules of the State Board of Education. Such evidence~~
24 ~~must include, but need not be limited to, a list of each~~
25 ~~instructor assigned to teach students served by the school~~
26 ~~district, which list shall include the instructor's name,~~

1 ~~personal identification number as required by the State Board~~
2 ~~of Education, birth date, and driver's license number. If the~~
3 ~~modification or waiver is granted, then the eligible applicant~~
4 ~~shall notify the State Board of Education of any changes in the~~
5 ~~personnel providing instruction within 15 calendar days after~~
6 ~~an instructor leaves the program or a new instructor is hired.~~
7 ~~Such notification shall include the instructor's name,~~
8 ~~personal identification number as required by the State Board~~
9 ~~of Education, birth date, and driver's license number. If a~~
10 ~~school district maintains an Internet website, then the~~
11 ~~district shall post a copy of the final contract between the~~
12 ~~district and the commercial driver training school on the~~
13 ~~district's Internet website. If no Internet website exists,~~
14 ~~then the district shall make available the contract upon~~
15 ~~request. A record of all materials in relation to the~~
16 ~~application for contracting must be maintained by the school~~
17 ~~district and made available to parents and guardians upon~~
18 ~~request. The instructor's date of birth and driver's license~~
19 ~~number and any other personally identifying information as~~
20 ~~deemed by the federal Driver's Privacy Protection Act of 1994~~
21 ~~must be redacted from any public materials. Following receipt~~
22 of the waiver or modification request, the State Board shall
23 have 45 days to review the application and request. If the
24 State Board fails to disapprove the application within that 45
25 day period, the waiver or modification shall be deemed granted.
26 The State Board may disapprove any request if it is not based

1 upon sound educational practices, endangers the health or
2 safety of students or staff, compromises equal opportunities
3 for learning, or fails to demonstrate that the intent of the
4 rule or mandate can be addressed in a more effective,
5 efficient, or economical manner or have improved student
6 performance as a primary goal. Any request disapproved by the
7 State Board may be appealed to the General Assembly by the
8 eligible applicant as outlined in this Section.

9 A request for a waiver from mandates contained in this
10 School Code shall be submitted to the State Board within 15
11 days after approval by the board or regional superintendent of
12 schools. The application as submitted to the State Board of
13 Education shall include a description of the public hearing.
14 The description shall include, but need not be limited to, the
15 means of notice, the number of people in attendance, the number
16 of people who spoke as proponents or opponents of the waiver, a
17 brief description of their comments, and whether there were any
18 written statements submitted. The State Board shall review the
19 applications and requests for completeness and shall compile
20 the requests in reports to be filed with the General Assembly.
21 The State Board shall file reports outlining the waivers
22 requested by eligible applicants and appeals by eligible
23 applicants of requests disapproved by the State Board with the
24 Senate and the House of Representatives before each March 1 and
25 October 1. The General Assembly may disapprove the report of
26 the State Board in whole or in part within 60 calendar days

1 after each house of the General Assembly next convenes after
2 the report is filed by adoption of a resolution by a record
3 vote of the majority of members elected in each house. If the
4 General Assembly fails to disapprove any waiver request or
5 appealed request within such 60 day period, the waiver or
6 modification shall be deemed granted. Any resolution adopted by
7 the General Assembly disapproving a report of the State Board
8 in whole or in part shall be binding on the State Board.

9 (e) An approved waiver or modification (except a waiver
10 from or modification to a physical education mandate) may
11 remain in effect for a period not to exceed 5 school years and
12 may be renewed upon application by the eligible applicant.
13 However, such waiver or modification may be changed within that
14 5-year period by a board or regional superintendent of schools
15 applying on behalf of schools or programs operated by the
16 regional office of education following the procedure as set
17 forth in this Section for the initial waiver or modification
18 request. If neither the State Board of Education nor the
19 General Assembly disapproves, the change is deemed granted.

20 An approved waiver from or modification to a physical
21 education mandate may remain in effect for a period not to
22 exceed 2 school years and may be renewed no more than 2 times
23 upon application by the eligible applicant. An approved waiver
24 from or modification to a physical education mandate may be
25 changed within the 2-year period by the board or regional
26 superintendent of schools, whichever is applicable, following

1 the procedure set forth in this Section for the initial waiver
2 or modification request. If neither the State Board of
3 Education nor the General Assembly disapproves, the change is
4 deemed granted.

5 (f) (Blank).

6 (Source: P.A. 98-513, eff. 1-1-14; 98-739, eff. 7-16-14;
7 98-1155, eff. 1-9-15; 99-78, eff. 7-20-15.)

8 (105 ILCS 5/2-3.33) (from Ch. 122, par. 2-3.33)

9 Sec. 2-3.33. Recomputation of claims. To recompute within
10 3 years from the final date for filing of a claim any claim for
11 general State aid reimbursement to any school district and one
12 year from the final date for filing of a claim for
13 evidence-based funding if the claim has been found to be
14 incorrect and to adjust subsequent claims accordingly, and to
15 recompute and adjust any such claims within 6 years from the
16 final date for filing when there has been an adverse court or
17 administrative agency decision on the merits affecting the tax
18 revenues of the school district. However, no such adjustment
19 shall be made regarding equalized assessed valuation unless the
20 district's equalized assessed valuation is changed by greater
21 than \$250,000 or 2%. Any adjustments for claims recomputed for
22 the 2016-2017 school year and prior school years shall be
23 applied to the apportionment of evidence-based funding in
24 Section 18-8.15 of this Code beginning in the 2017-2018 school
25 year and thereafter. However, the recomputation of a claim for

1 evidence-based funding for a school district shall not require
2 the recomputation of claims for all districts, and the State
3 Board of Education shall only make recomputations of
4 evidence-based funding for those districts where an adjustment
5 is required.

6 Except in the case of an adverse court or administrative
7 agency decision, no recomputation of a State aid claim shall be
8 made pursuant to this Section as a result of a reduction in the
9 assessed valuation of a school district from the assessed
10 valuation of the district reported to the State Board of
11 Education by the Department of Revenue under Section 18-8.05 or
12 18-8.15 of this Code unless the requirements of Section 16-15
13 of the Property Tax Code and Section 2-3.84 of this Code are
14 complied with in all respects.

15 This paragraph applies to all requests for recomputation of
16 a general State aid or evidence-based funding claim received
17 after June 30, 2003. In recomputing a general State aid or
18 evidence-based funding claim that was originally calculated
19 using an extension limitation equalized assessed valuation
20 under paragraph (3) of subsection (G) of Section 18-8.05 of
21 this Code or Section 18-8.15 of this Code, a qualifying
22 reduction in equalized assessed valuation shall be deducted
23 from the extension limitation equalized assessed valuation
24 that was used in calculating the original claim.

25 From the total amount of general State aid or
26 evidence-based funding to be provided to districts,

1 adjustments as a result of recomputation under this Section
2 together with adjustments under Section 2-3.84 must not exceed
3 \$25 million, in the aggregate for all districts under both
4 Sections combined, of the general State aid or evidence-based
5 funding appropriation in any fiscal year; if necessary, amounts
6 shall be prorated among districts. If it is necessary to
7 prorate claims under this paragraph, then that portion of each
8 prorated claim that is approved but not paid in the current
9 fiscal year may be resubmitted as a valid claim in the
10 following fiscal year.

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

12 (105 ILCS 5/2-3.51.5)

13 Sec. 2-3.51.5. School Safety and Educational Improvement
14 Block Grant Program. To improve the level of education and
15 safety of students from kindergarten through grade 12 in school
16 districts and State-recognized, non-public schools. The State
17 Board of Education is authorized to fund a School Safety and
18 Educational Improvement Block Grant Program.

19 (1) For school districts, the program shall provide funding
20 for school safety, textbooks and software, electronic
21 textbooks and the technological equipment necessary to gain
22 access to and use electronic textbooks, teacher training and
23 curriculum development, school improvements, school report
24 cards under Section 10-17a, and criminal history records checks
25 under Sections 10-21.9 and 34-18.5. For State-recognized,

1 non-public schools, the program shall provide funding for
2 secular textbooks and software, criminal history records
3 checks, and health and safety mandates to the extent that the
4 funds are expended for purely secular purposes. A school
5 district or laboratory school as defined in Section 18-8, ~~or~~
6 18-8.05, or 18-8.15 is not required to file an application in
7 order to receive the categorical funding to which it is
8 entitled under this Section. Funds for the School Safety and
9 Educational Improvement Block Grant Program shall be
10 distributed to school districts and laboratory schools based on
11 the prior year's best 3 months average daily attendance. Funds
12 for the School Safety and Educational Improvement Block Grant
13 Program shall be distributed to State-recognized, non-public
14 schools based on the average daily attendance figure for the
15 previous school year provided to the State Board of Education.
16 The State Board of Education shall develop an application that
17 requires State-recognized, non-public schools to submit
18 average daily attendance figures. A State-recognized,
19 non-public school must submit the application and average daily
20 attendance figure prior to receiving funds under this Section.
21 The State Board of Education shall promulgate rules and
22 regulations necessary for the implementation of this program.

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

1 (3) Grants under the School Safety and Educational
2 Improvement Block Grant Program shall be awarded provided there
3 is an appropriation for the program, and funding levels for
4 each district shall be prorated according to the amount of the
5 appropriation.

6 (4) The provisions of this Section are in the public
7 interest, are for the public benefit, and serve secular public
8 purposes.

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

10 (105 ILCS 5/2-3.66) (from Ch. 122, par. 2-3.66)

11 Sec. 2-3.66. Truants' alternative and optional education
12 programs. To establish projects to offer modified
13 instructional programs or other services designed to prevent
14 students from dropping out of school, including programs
15 pursuant to Section 2-3.41, and to serve as a part time or full
16 time option in lieu of regular school attendance and to award
17 grants to local school districts, educational service regions
18 or community college districts from appropriated funds to
19 assist districts in establishing such projects. The education
20 agency may operate its own program or enter into a contract
21 with another not-for-profit entity to implement the program.
22 The projects shall allow dropouts, up to and including age 21,
23 potential dropouts, including truants, uninvolved, unmotivated
24 and disaffected students, as defined by State Board of
25 Education rules and regulations, to enroll, as an alternative

1 to regular school attendance, in an optional education program
2 which may be established by school board policy and is in
3 conformance with rules adopted by the State Board of Education.
4 Truants' Alternative and Optional Education programs funded
5 pursuant to this Section shall be planned by a student, the
6 student's parents or legal guardians, unless the student is 18
7 years or older, and school officials and shall culminate in an
8 individualized optional education plan. Such plan shall focus
9 on academic or vocational skills, or both, and may include, but
10 not be limited to, evening school, summer school, community
11 college courses, adult education, preparation courses for high
12 school equivalency testing, vocational training, work
13 experience, programs to enhance self concept and parenting
14 courses. School districts which are awarded grants pursuant to
15 this Section shall be authorized to provide day care services
16 to children of students who are eligible and desire to enroll
17 in programs established and funded under this Section, but only
18 if and to the extent that such day care is necessary to enable
19 those eligible students to attend and participate in the
20 programs and courses which are conducted pursuant to this
21 Section. School districts and regional offices of education may
22 claim general State aid under Section 18-8.05 or evidence-based
23 funding under Section 18-8.15 for students enrolled in truants'
24 alternative and optional education programs, provided that
25 such students are receiving services that are supplemental to a
26 program leading to a high school diploma and are otherwise

1 eligible to be claimed for general State aid under Section
2 18-8.05 or evidence-based funding under Section 18-8.15, as
3 applicable.

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

5 (105 ILCS 5/2-3.66b)

6 Sec. 2-3.66b. IHOPE Program.

7 (a) There is established the Illinois Hope and Opportunity
8 Pathways through Education (IHOPE) Program. The State Board of
9 Education shall implement and administer the IHOPE Program. The
10 goal of the IHOPE Program is to develop a comprehensive system
11 in this State to re-enroll significant numbers of high school
12 dropouts in programs that will enable them to earn their high
13 school diploma.

14 (b) The IHOPE Program shall award grants, subject to
15 appropriation for this purpose, to educational service regions
16 and a school district organized under Article 34 of this Code
17 from appropriated funds to assist in establishing
18 instructional programs and other services designed to
19 re-enroll high school dropouts. From any funds appropriated for
20 the IHOPE Program, the State Board of Education may use up to
21 5% for administrative costs, including the performance of a
22 program evaluation and the hiring of staff to implement and
23 administer the program.

24 The IHOPE Program shall provide incentive grant funds for
25 regional offices of education and a school district organized

1 under Article 34 of this Code to develop partnerships with
2 school districts, public community colleges, and community
3 groups to build comprehensive plans to re-enroll high school
4 dropouts in their regions or districts.

5 Programs funded through the IHOPE Program shall allow high
6 school dropouts, up to and including age 21 notwithstanding
7 Section 26-2 of this Code, to re-enroll in an educational
8 program in conformance with rules adopted by the State Board of
9 Education. Programs may include without limitation
10 comprehensive year-round programming, evening school, summer
11 school, community college courses, adult education, vocational
12 training, work experience, programs to enhance self-concept,
13 and parenting courses. Any student in the IHOPE Program who
14 wishes to earn a high school diploma must meet the
15 prerequisites to receiving a high school diploma specified in
16 Section 27-22 of this Code and any other graduation
17 requirements of the student's district of residence. Any
18 student who successfully completes the requirements for his or
19 her graduation shall receive a diploma identifying the student
20 as graduating from his or her district of residence.

21 (c) In order to be eligible for funding under the IHOPE
22 Program, an interested regional office of education or a school
23 district organized under Article 34 of this Code shall develop
24 an IHOPE Plan to be approved by the State Board of Education.
25 The State Board of Education shall develop rules for the IHOPE
26 Program that shall set forth the requirements for the

1 development of the IHOPE Plan. Each Plan shall involve school
2 districts, public community colleges, and key community
3 programs that work with high school dropouts located in an
4 educational service region or the City of Chicago before the
5 Plan is sent to the State Board for approval. No funds may be
6 distributed to a regional office of education or a school
7 district organized under Article 34 of this Code until the
8 State Board has approved the Plan.

9 (d) A regional office of education or a school district
10 organized under Article 34 of this Code may operate its own
11 program funded by the IHOPE Program or enter into a contract
12 with other not-for-profit entities, including school
13 districts, public community colleges, and not-for-profit
14 community-based organizations, to operate a program.

15 A regional office of education or a school district
16 organized under Article 34 of this Code that receives an IHOPE
17 grant from the State Board of Education may provide funds under
18 a sub-grant, as specified in the IHOPE Plan, to other
19 not-for-profit entities to provide services according to the
20 IHOPE Plan that was developed. These other entities may include
21 school districts, public community colleges, or not-for-profit
22 community-based organizations or a cooperative partnership
23 among these entities.

24 (e) In order to distribute funding based upon the need to
25 ensure delivery of programs that will have the greatest impact,
26 IHOPE Program funding must be distributed based upon the

1 proportion of dropouts in the educational service region or
2 school district, in the case of a school district organized
3 under Article 34 of this Code, to the total number of dropouts
4 in this State. This formula shall employ the dropout data
5 provided by school districts to the State Board of Education.

6 A regional office of education or a school district
7 organized under Article 34 of this Code may claim State aid
8 under Section 18-8.05 or 18-8.15 of this Code for students
9 enrolled in a program funded by the IHOPE Program, provided
10 that the State Board of Education has approved the IHOPE Plan
11 and that these students are receiving services that are meeting
12 the requirements of Section 27-22 of this Code for receipt of a
13 high school diploma and are otherwise eligible to be claimed
14 for general State aid under Section 18-8.05 of this Code or
15 evidence-based funding under Section 18-8.15 of this Code,
16 including provisions related to the minimum number of days of
17 pupil attendance pursuant to Section 10-19 of this Code and the
18 minimum number of daily hours of school work and any exceptions
19 thereto as defined by the State Board of Education in rules.

20 (f) IHOPE categories of programming may include the
21 following:

22 (1) Full-time programs that are comprehensive,
23 year-round programs.

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

1 (3) Online programs and courses in which students take
2 courses and complete on-site, supervised tests that
3 measure the student's mastery of a specific course needed
4 for graduation. Students may take courses online and earn
5 credit or students may prepare to take supervised tests for
6 specific courses for credit leading to receipt of a high
7 school diploma.

8 (4) Dual enrollment in which students attend high
9 school classes in combination with community college
10 classes or students attend community college classes while
11 simultaneously earning high school credit and eventually a
12 high school diploma.

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

17 (1) Small programs (70 to 100 students) at a separate
18 school site with a distinct identity. Programs may be
19 larger with specific need and justification, keeping in
20 mind that it is crucial to keep programs small to be
21 effective.

22 (2) Specific performance-based goals and outcomes and
23 measures of enrollment, attendance, skills, credits,
24 graduation, and the transition to college, training, and
25 employment.

26 (3) Strong, experienced leadership and teaching staff

1 who are provided with ongoing professional development.

2 (4) Voluntary enrollment.

3 (5) High standards for student learning, integrating
4 work experience, and education, including during the
5 school year and after school, and summer school programs
6 that link internships, work, and learning.

7 (6) Comprehensive programs providing extensive support
8 services.

9 (7) Small teams of students supported by full-time paid
10 mentors who work to retain and help those students
11 graduate.

12 (8) A comprehensive technology learning center with
13 Internet access and broad-based curriculum focusing on
14 academic and career subject areas.

15 (9) Learning opportunities that incorporate action
16 into study.

17 (h) Programs funded through the IHOPE Program must report
18 data to the State Board of Education as requested. This
19 information shall include, but is not limited to, student
20 enrollment figures, attendance information, course completion
21 data, graduation information, and post-graduation information,
22 as available.

23 (i) Rules must be developed by the State Board of Education
24 to set forth the fund distribution process to regional offices
25 of education and a school district organized under Article 34
26 of this Code, the planning and the conditions upon which an

1 IHOPE Plan would be approved by State Board, and other rules to
2 develop the IHOPE Program.

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

4 (105 ILCS 5/2-3.84) (from Ch. 122, par. 2-3.84)

5 Sec. 2-3.84. In calculating the amount of State aid to be
6 apportioned to the various school districts in this State, the
7 State Board of Education shall incorporate and deduct the total
8 aggregate adjustments to assessments made by the State Property
9 Tax Appeal Board or Cook County Board of Appeals, as reported
10 pursuant to Section 16-15 of the Property Tax Code or Section
11 129.1 of the Revenue Act of 1939 by the Department of Revenue,
12 from the equalized assessed valuation that is otherwise to be
13 utilized in the initial calculation.

14 From the total amount of general State aid or
15 evidence-based funding to be provided to districts,
16 adjustments under this Section together with adjustments as a
17 result of recomputation under Section 2-3.33 must not exceed
18 \$25 million, in the aggregate for all districts under both
19 Sections combined, of the general State aid or evidence-based
20 funding appropriation in any fiscal year; if necessary, amounts
21 shall be prorated among districts. If it is necessary to
22 prorate claims under this paragraph, then that portion of each
23 prorated claim that is approved but not paid in the current
24 fiscal year may be resubmitted as a valid claim in the
25 following fiscal year.

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

2 (105 ILCS 5/2-3.109a)

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

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

10 (105 ILCS 5/3-14.21) (from Ch. 122, par. 3-14.21)

11 Sec. 3-14.21. Inspection of schools.

12 (a) The regional superintendent shall inspect and survey
13 all public schools under his or her supervision and notify the
14 board of education, or the trustees of schools in a district
15 with trustees, in writing before July 30, whether or not the
16 several schools in their district have been kept as required by
17 law, using forms provided by the State Board of Education which
18 are based on the Health/Life Safety Code for Public Schools
19 adopted under Section 2-3.12. The regional superintendent
20 shall report his or her findings to the State Board of
21 Education on forms provided by the State Board of Education.

22 (b) If the regional superintendent determines that a school
23 board has failed in a timely manner to correct urgent items
24 identified in a previous life-safety report completed under

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

25 (c) The Office of the State Fire Marshal or a qualified
26 fire official, as defined in Section 2-3.12 of this Code, to

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

14 (d) If a municipality or, in the case of an unincorporated
15 area, a county or, if applicable, a fire protection district
16 wishes to perform new construction inspections under the
17 jurisdiction of a regional superintendent, then the entity must
18 register this wish with the regional superintendent. These
19 inspections must be based on the building code authorized in
20 Section 2-3.12 of this Code. The inspections must be at no cost
21 to the school district.

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

23 (105 ILCS 5/7-14A) (from Ch. 122, par. 7-14A)

24 Sec. 7-14A. Annexation compensation. There shall be no
25 accounting made after a mere change in boundaries when no new

1 district is created, except that those districts whose
2 enrollment increases by 90% or more as a result of annexing
3 territory detached from another district pursuant to this
4 Article are eligible for supplementary State aid payments in
5 accordance with Section 11E-135 of this Code. Eligible annexing
6 districts shall apply to the State Board of Education for
7 supplementary State aid payments by submitting enrollment
8 figures for the year immediately preceding and the year
9 immediately following the effective date of the boundary change
10 for both the district gaining territory and the district losing
11 territory. Copies of any intergovernmental agreements between
12 the district gaining territory and the district losing
13 territory detailing any transfer of fund balances and staff
14 must also be submitted. In all instances of changes in
15 boundaries, the district losing territory shall not count the
16 average daily attendance of pupils living in the territory
17 during the year preceding the effective date of the boundary
18 change in its claim for reimbursement under Section 18-8.05 or
19 18-8.15 of this Code for the school year following the
20 effective date of the change in boundaries and the district
21 receiving the territory shall count the average daily
22 attendance of pupils living in the territory during the year
23 preceding the effective date of the boundary change in its
24 claim for reimbursement under Section 18-8.05 or 18-8.15 of
25 this Code for the school year following the effective date of
26 the change in boundaries. The changes to this Section made by

1 this amendatory Act of the 95th General Assembly are intended
2 to be retroactive and applicable to any annexation taking
3 effect on or after July 1, 2004.

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

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

6 Sec. 10-17a. State, school district, and school report
7 cards.

8 (1) By October 31, 2013 and October 31 of each subsequent
9 school year, the State Board of Education, through the State
10 Superintendent of Education, shall prepare a State report card,
11 school district report cards, and school report cards, and
12 shall by the most economic means provide to each school
13 district in this State, including special charter districts and
14 districts subject to the provisions of Article 34, the report
15 cards for the school district and each of its schools.

16 (2) In addition to any information required by federal law,
17 the State Superintendent shall determine the indicators and
18 presentation of the school report card, which must include, at
19 a minimum, the most current data possessed by the State Board
20 of Education related to the following:

21 (A) school characteristics and student demographics,
22 including average class size, average teaching experience,
23 student racial/ethnic breakdown, and the percentage of
24 students classified as low-income; the percentage of
25 students classified as English learners; the percentage of

1 students who have individualized education plans or 504
2 plans that provide for special education services; the
3 percentage of students who annually transferred in or out
4 of the school district; the per-pupil operating
5 expenditure of the school district; and the per-pupil State
6 average operating expenditure for the district type
7 (elementary, high school, or unit);

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

21 (C) student outcomes, including, where applicable, the
22 percentage of students deemed proficient on assessments of
23 State standards, the percentage of students in the eighth
24 grade who pass Algebra, the percentage of students enrolled
25 in post-secondary institutions (including colleges,
26 universities, community colleges, trade/vocational

1 schools, and training programs leading to career
2 certification within 2 semesters of high school
3 graduation), the percentage of students graduating from
4 high school who are college and career ready, and the
5 percentage of graduates enrolled in community colleges,
6 colleges, and universities who are in one or more courses
7 that the community college, college, or university
8 identifies as a developmental course;

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

15 (E) the school environment, including, where
16 applicable, the percentage of students with less than 10
17 absences in a school year, the percentage of teachers with
18 less than 10 absences in a school year for reasons other
19 than professional development, leaves taken pursuant to
20 the federal Family Medical Leave Act of 1993, long-term
21 disability, or parental leaves, the 3-year average of the
22 percentage of teachers returning to the school from the
23 previous year, the number of different principals at the
24 school in the last 6 years, 2 or more indicators from any
25 school climate survey selected or approved by the State and
26 administered pursuant to Section 2-3.153 of this Code, with

1 the same or similar indicators included on school report
2 cards for all surveys selected or approved by the State
3 pursuant to Section 2-3.153 of this Code, and the combined
4 percentage of teachers rated as proficient or excellent in
5 their most recent evaluation; ~~and~~

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

9 (G) a school district's Final Percent of Adequacy, as
10 defined in paragraph (4) of subsection (f) of Section
11 18-8.15 of this Code;

12 (H) a school district's Local Capacity Target, as
13 defined in paragraph (2) of subsection (c) of Section
14 18-8.15 of this Code, displayed as a percentage amount; and

15 (I) a school district's Real Receipts, as defined in
16 paragraph (1) of subsection (d) of Section 18-8.15 of this
17 Code, divided by a school district's Adequacy Target, as
18 defined in paragraph (1) of subsection (b) of Section
19 18-8.15 of this Code, displayed as a percentage amount.

20 The school report card shall also provide information that
21 allows for comparing the current outcome, progress, and
22 environment data to the State average, to the school data from
23 the past 5 years, and to the outcomes, progress, and
24 environment of similar schools based on the type of school and
25 enrollment of low-income students, special education students,
26 and English learners.

1 (3) At the discretion of the State Superintendent, the
2 school district report card shall include a subset of the
3 information identified in paragraphs (A) through (E) of
4 subsection (2) of this Section, as well as information relating
5 to the operating expense per pupil and other finances of the
6 school district, and the State report card shall include a
7 subset of the information identified in paragraphs (A) through
8 (E) of subsection (2) of this Section.

9 (4) Notwithstanding anything to the contrary in this
10 Section, in consultation with key education stakeholders, the
11 State Superintendent shall at any time have the discretion to
12 amend or update any and all metrics on the school, district, or
13 State report card.

14 (5) Annually, no more than 30 calendar days after receipt
15 of the school district and school report cards from the State
16 Superintendent of Education, each school district, including
17 special charter districts and districts subject to the
18 provisions of Article 34, shall present such report cards at a
19 regular school board meeting subject to applicable notice
20 requirements, post the report cards on the school district's
21 Internet web site, if the district maintains an Internet web
22 site, make the report cards available to a newspaper of general
23 circulation serving the district, and, upon request, send the
24 report cards home to a parent (unless the district does not
25 maintain an Internet web site, in which case the report card
26 shall be sent home to parents without request). If the district

1 posts the report card on its Internet web site, the district
2 shall send a written notice home to parents stating (i) that
3 the report card is available on the web site, (ii) the address
4 of the web site, (iii) that a printed copy of the report card
5 will be sent to parents upon request, and (iv) the telephone
6 number that parents may call to request a printed copy of the
7 report card.

8 (6) Nothing contained in this amendatory Act of the 98th
9 General Assembly repeals, supersedes, invalidates, or
10 nullifies final decisions in lawsuits pending on the effective
11 date of this amendatory Act of the 98th General Assembly in
12 Illinois courts involving the interpretation of Public Act
13 97-8.

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

16 (105 ILCS 5/10-19) (from Ch. 122, par. 10-19)

17 Sec. 10-19. Length of school term - experimental programs.
18 Each school board shall annually prepare a calendar for the
19 school term, specifying the opening and closing dates and
20 providing a minimum term of at least 185 days to insure 176
21 days of actual pupil attendance, computable under Section
22 18-8.05 or 18-8.15, except that for the 1980-1981 school year
23 only 175 days of actual pupil attendance shall be required
24 because of the closing of schools pursuant to Section 24-2 on
25 January 29, 1981 upon the appointment by the President of that

1 day as a day of thanksgiving for the freedom of the Americans
2 who had been held hostage in Iran. Any days allowed by law for
3 teachers' institutes but not used as such or used as parental
4 institutes as provided in Section 10-22.18d shall increase the
5 minimum term by the school days not so used. Except as provided
6 in Section 10-19.1, the board may not extend the school term
7 beyond such closing date unless that extension of term is
8 necessary to provide the minimum number of computable days. In
9 case of such necessary extension school employees shall be paid
10 for such additional time on the basis of their regular
11 contracts. A school board may specify a closing date earlier
12 than that set on the annual calendar when the schools of the
13 district have provided the minimum number of computable days
14 under this Section. Nothing in this Section prevents the board
15 from employing superintendents of schools, principals and
16 other nonteaching personnel for a period of 12 months, or in
17 the case of superintendents for a period in accordance with
18 Section 10-23.8, or prevents the board from employing other
19 personnel before or after the regular school term with payment
20 of salary proportionate to that received for comparable work
21 during the school term.

22 A school board may make such changes in its calendar for
23 the school term as may be required by any changes in the legal
24 school holidays prescribed in Section 24-2. A school board may
25 make changes in its calendar for the school term as may be
26 necessary to reflect the utilization of teachers' institute

1 days as parental institute days as provided in Section
2 10-22.18d.

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

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

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

19 (105 ILCS 5/10-22.5a) (from Ch. 122, par. 10-22.5a)

20 Sec. 10-22.5a. Attendance by dependents of United States
21 military personnel, foreign exchange students, and certain
22 nonresident pupils.

23 (a) To enter into written agreements with cultural exchange
24 organizations, or with nationally recognized eleemosynary
25 institutions that promote excellence in the arts, mathematics,

1 or science. The written agreements may provide for tuition free
2 attendance at the local district school by foreign exchange
3 students, or by nonresident pupils of eleemosynary
4 institutions. The local board of education, as part of the
5 agreement, may require that the cultural exchange program or
6 the eleemosynary institutions provide services to the district
7 in exchange for the waiver of nonresident tuition.

8 To enter into written agreements with adjacent school
9 districts to provide for tuition free attendance by a student
10 of the adjacent district when requested for the student's
11 health and safety by the student or parent and both districts
12 determine that the student's health or safety will be served by
13 such attendance. Districts shall not be required to enter into
14 such agreements nor be required to alter existing
15 transportation services due to the attendance of such
16 non-resident pupils.

17 (a-5) If, at the time of enrollment, a dependent of United
18 States military personnel is housed in temporary housing
19 located outside of a school district, but will be living within
20 the district within 60 days after the time of initial
21 enrollment, the dependent must be allowed to enroll, subject to
22 the requirements of this subsection (a-5), and must not be
23 charged tuition. Any United States military personnel
24 attempting to enroll a dependent under this subsection (a-5)
25 shall provide proof that the dependent will be living within
26 the district within 60 days after the time of initial

1 enrollment. Proof of residency may include, but is not limited
2 to, postmarked mail addressed to the military personnel and
3 sent to an address located within the district, a lease
4 agreement for occupancy of a residence located within the
5 district, or proof of ownership of a residence located within
6 the district.

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

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

18 (105 ILCS 5/10-22.20) (from Ch. 122, par. 10-22.20)

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

22 (a) To establish special classes for the instruction (1) of
23 persons of age 21 years or over and (2) of persons less than
24 age 21 and not otherwise in attendance in public school, for
25 the purpose of providing adults in the community and youths

1 whose schooling has been interrupted with such additional basic
2 education, vocational skill training, and other instruction as
3 may be necessary to increase their qualifications for
4 employment or other means of self-support and their ability to
5 meet their responsibilities as citizens, including courses of
6 instruction regularly accepted for graduation from elementary
7 or high schools and for Americanization and high school
8 equivalency testing review classes.

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

20 The cost of such instruction, including the additional
21 expenses herein authorized, incurred for recipients of
22 financial aid under the Illinois Public Aid Code, or for
23 persons for whom education and training aid has been authorized
24 under Section 9-8 of that Code, shall be assumed in its
25 entirety from funds appropriated by the State to the Illinois
26 Community College Board.

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

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

18 (2) the method for calculating hours of instruction, as
19 defined by the Illinois Community College Board, claimable
20 for reimbursement and a method to phase in the calculation
21 and for adjusting the calculations in cases where the
22 services of a program are interrupted due to circumstances
23 beyond the control of the program provider;

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

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

5 For instruction provided by school districts and community
6 college districts beginning July 1, 1996 and thereafter,
7 reimbursement provided by the Illinois Community College Board
8 for classes authorized by this Section shall be provided from
9 funds appropriated for the reimbursement criteria set forth in
10 subsection (c) below.

11 (c) Upon the annual approval of the Illinois Community
12 College Board, reimbursement shall be first provided for
13 transportation, child care services, and other special needs of
14 the students directly related to instruction and then from the
15 funds remaining an amount equal to the product of the total
16 credit hours or units of instruction approved by the Illinois
17 Community College Board, multiplied by the following:

18 (1) For adult basic education, the maximum
19 reimbursement per credit hour or per unit of instruction
20 shall be equal to (i) through fiscal year 2017, the general
21 state aid per pupil foundation level established in
22 subsection (B) of Section 18-8.05, divided by 60, or (ii)
23 in fiscal year 2018 and thereafter, the prior fiscal year
24 reimbursement level multiplied by the Consumer Price Index
25 for All Urban Consumers for all items published by the
26 United States Department of Labor;

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

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

11 (4) (Blank); and

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

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

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

22 If the amount appropriated to the Illinois Community
23 College Board for reimbursement under this Section is less than
24 the amount required under this Act, the apportionment shall be
25 proportionately reduced.

26 School districts and community college districts may

1 assess students up to \$3.00 per credit hour, for classes other
2 than Adult Basic Education level programs, if needed to meet
3 program costs.

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

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

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

19 (g) Upon proof submitted to the Illinois Department of
20 Human Services of the payment of all claims submitted under
21 this Section, that Department shall apply for federal funds
22 made available therefor and any federal funds so received shall
23 be paid into the General Revenue Fund in the State Treasury.

24 School districts or community colleges providing classes
25 under this Section shall submit applications to the Illinois
26 Community College Board for preapproval in accordance with the

1 standards established by the Illinois Community College Board.
2 Payments shall be made by the Illinois Community College Board
3 based upon approved programs. Interim expenditure reports may
4 be required by the Illinois Community College Board. Final
5 claims for the school year shall be submitted to the regional
6 superintendents for transmittal to the Illinois Community
7 College Board. Final adjusted payments shall be made by
8 September 30.

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

15 (h) If a school district or community college district
16 establishes child-care facilities for the children of
17 participants in classes established under this Section, it may
18 extend the use of these facilities to students who have
19 obtained employment and to other persons in the community whose
20 children require care and supervision while the parent or other
21 person in charge of the children is employed or otherwise
22 absent from the home during all or part of the day. It may make
23 the facilities available before and after as well as during
24 regular school hours to school age and preschool age children
25 who may benefit thereby, including children who require care
26 and supervision pending the return of their parent or other

1 person in charge of their care from employment or other
2 activity requiring absence from the home.

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

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

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

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

24 (j) In addition to claiming reimbursement under this
25 Section, a school district may claim general State aid under
26 Section 18-8.05 or evidence-based funding under Section

1 18-8.15 for any student under age 21 who is enrolled in courses
2 accepted for graduation from elementary or high school and who
3 otherwise meets the requirements of Section 18-8.05 or 18-8.15,
4 as applicable.

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

6 (105 ILCS 5/10-22.34c)

7 Sec. 10-22.34c. Third party non-instructional services.

8 (a) A board of education may enter into a contract with a
9 third party for non-instructional services currently performed
10 by any employee or bargaining unit member or lay off those
11 educational support personnel employees upon 90 days written
12 notice to the affected employees, provided that:

13 (1) a contract must not be entered into and become
14 effective during the term of a collective bargaining
15 agreement, as that term is set forth in the agreement,
16 covering any employees who perform the non-instructional
17 services;

18 (2) a contract may only take effect upon the expiration
19 of an existing collective bargaining agreement;

20 (3) any third party that submits a bid to perform the
21 non-instructional services shall provide the following:

22 (A) evidence of liability insurance in scope and
23 amount equivalent to the liability insurance provided
24 by the school board pursuant to Section 10-22.3 of this
25 Code;

1 (B) (blank); ~~a benefits package for the third~~
2 ~~party's employees who will perform the~~
3 ~~non-instructional services comparable to the benefits~~
4 ~~package provided to school board employees who perform~~
5 ~~those services;~~

6 (C) a list of the number of employees who will
7 provide the non-instructional services, the job
8 classifications of those employees, and the wages the
9 third party will pay those employees;

10 (D) a minimum 3-year cost projection, using
11 generally accepted accounting principles and which the
12 third party is prohibited from increasing if the bid is
13 accepted by the school board, for each and every
14 expenditure category and account for performing the
15 non-instructional services; if the bid is accepted,
16 the school board shall file a copy of the cost
17 projection submitted with the bid to the State Board of
18 Education;

19 (E) composite information about the criminal and
20 disciplinary records, including alcohol or other
21 substance abuse, Department of Children and Family
22 Services complaints and investigations, traffic
23 violations, and license revocations or any other
24 licensure problems, of any employees who may perform
25 the non-instructional services, provided that the
26 individual names and other identifying information of

1 employees need not be provided with the submission of
2 the bid, but must be made available upon request of the
3 school board; and

4 (F) an affidavit, notarized by the president or
5 chief executive officer of the third party, that each
6 of its employees has completed a criminal background
7 check as required by Section 10-21.9 of this Code
8 within 3 months prior to submission of the bid,
9 provided that the results of such background checks
10 need not be provided with the submission of the bid,
11 but must be made available upon request of the school
12 board;

13 (4) a contract must not be entered into unless the
14 school board provides a cost comparison, using generally
15 accepted accounting principles, of each and every
16 expenditure category and account that the school board
17 projects it would incur over the term of the contract if it
18 continued to perform the non-instructional services using
19 its own employees with each and every expenditure category
20 and account that is projected a third party would incur if
21 a third party performed the non-instructional services;

22 (5) review and consideration of all bids by third
23 parties to perform the non-instructional services shall
24 take place in open session of a regularly scheduled school
25 board meeting, unless the exclusive bargaining
26 representative of the employees who perform the

1 non-instructional services, if any such exclusive
2 bargaining representative exists, agrees in writing that
3 such review and consideration can take place in open
4 session at a specially scheduled school board meeting;

5 (6) a minimum of one public hearing, conducted by the
6 school board prior to a regularly scheduled school board
7 meeting, to discuss the school board's proposal to contract
8 with a third party to perform the non-instructional
9 services must be held before the school board may enter
10 into such a contract; the school board must provide notice
11 to the public of the date, time, and location of the first
12 public hearing on or before the initial date that bids to
13 provide the non-instructional services are solicited or a
14 minimum of 30 days prior to entering into such a contract,
15 whichever provides a greater period of notice;

16 (7) a contract shall contain provisions requiring the
17 contractor to offer available employee positions pursuant
18 to the contract to qualified school district employees
19 whose employment is terminated because of the contract; and

20 (8) a contract shall contain provisions requiring the
21 contractor to comply with a policy of nondiscrimination and
22 equal employment opportunity for all persons and to take
23 affirmative steps to provide equal opportunity for all
24 persons.

25 (b) Notwithstanding subsection (a) of this Section, a board
26 of education may enter into a contract, of no longer than 3

1 months in duration, with a third party for non-instructional
2 services currently performed by an employee or bargaining unit
3 member for the purpose of augmenting the current workforce in
4 an emergency situation that threatens the safety or health of
5 the school district's students or staff, provided that the
6 school board meets all of its obligations under the Illinois
7 Educational Labor Relations Act.

8 (c) The changes to this Section made by this amendatory Act
9 of the 95th General Assembly are not applicable to
10 non-instructional services of a school district that on the
11 effective date of this amendatory Act of the 95th General
12 Assembly are performed for the school district by a third
13 party.

14 (d) Beginning July 1, 2022, the State Board of Education
15 shall review and analyze the cost projection information
16 provided by boards of education under subparagraph (D) of
17 paragraph (3) of subsection (a) of this Section and determine
18 the effects that the contracts had on school districts and the
19 State, including any cost savings and economic benefits. The
20 State Board of Education shall complete the review and report
21 its findings to the Governor and the General Assembly by
22 December 31, 2022.

23 From July 1, 2022 until January 1, 2023, no board of
24 education may enter into any new contract with a third party
25 for non-instructional services under this Section. However,
26 this prohibition shall not affect any contracts entered into

1 before July 1, 2022 or renewals of contracts entered into
2 before July 1, 2022.

3 Beginning January 1, 2023, boards of education are again
4 allowed to enter into contracts with third parties for
5 non-instructional services as provided under this Section.

6 (Source: P.A. 95-241, eff. 8-17-07; 96-328, eff. 8-11-09.)

7 (105 ILCS 5/10-29)

8 Sec. 10-29. Remote educational programs.

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

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

20 (A) Criteria for determining that a remote
21 educational program will best serve a student's
22 individual learning needs. The criteria must include
23 consideration of, at a minimum, a student's prior
24 attendance, disciplinary record, and academic history.

25 (B) Any limitations on the number of students or

1 grade levels that may participate in a remote
2 educational program.

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

13 (D) A description of the process the school
14 district will use to develop and approve a written
15 remote educational plan that meets the requirements of
16 subdivision (5) of this subsection (a).

17 (E) A description of the system the school district
18 will establish to calculate the number of clock hours a
19 student is participating in instruction in accordance
20 with the remote educational program.

21 (F) A description of the process for renewing a
22 remote educational program at the expiration of its
23 term.

24 (G) Such other terms and provisions as the school
25 district deems necessary to provide for the
26 establishment and delivery of a remote educational

1 program.

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

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

9 (A) they are certificated under Article 21 of this
10 Code;

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

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

20 (4) During the period of time from and including the
21 opening date to the closing date of the regular school term
22 of the school district established pursuant to Section
23 10-19 of this Code, participation in a remote educational
24 program may be claimed for general State aid purposes under
25 Section 18-8.05 of this Code or evidence-based funding
26 purposes under Section 18-8.15 of this Code on any calendar

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

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

21 (A) Specific achievement goals for the student
22 aligned to State learning standards.

23 (B) A description of all assessments that will be
24 used to measure student progress, which description
25 shall indicate the assessments that will be
26 administered at an attendance center within the school

1 district.

2 (C) A description of the progress reports that will
3 be provided to the school district and the person or
4 persons authorized to enroll the student under Section
5 10-20.12b of this Code.

6 (D) Expectations, processes, and schedules for
7 interaction between a teacher and student.

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

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

22 (G) A description of the procedures and
23 opportunities for participation in academic and
24 extra-curricular activities and programs within the
25 school district.

26 (H) The identification of a parent, guardian, or

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

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

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

20 (K) A description of the specific location or
21 locations in which the program will be delivered. If
22 the remote educational program is to be delivered to a
23 student in any location other than the student's home,
24 the plan must include a written determination by the
25 school district that the location will provide a
26 learning environment appropriate for the delivery of

1 the program. The location or locations in which the
2 program will be delivered shall be deemed a long
3 distance teaching reception area under subsection (a)
4 of Section 10-22.34 of this Code.

5 (L) Certification by the school district that the
6 plan meets all other requirements of this Section.

7 (6) Students participating in a remote educational
8 program must be enrolled in a school district attendance
9 center pursuant to the school district's enrollment policy
10 or policies. A student participating in a remote
11 educational program must be tested as part of all
12 assessments administered by the school district pursuant
13 to Section 2-3.64a-5 of this Code at the attendance center
14 in which the student is enrolled and in accordance with the
15 attendance center's assessment policies and schedule. The
16 student must be included within all accountability
17 determinations for the school district and attendance
18 center under State and federal law.

19 (7) The term of a student's participation in a remote
20 educational program may not extend for longer than 12
21 months, unless the term is renewed by the school district.
22 The district may only renew a student's participation in a
23 remote educational program following an evaluation of the
24 student's progress in the program, a determination that the
25 student's continuation in the program will best serve the
26 student's individual learning needs, and an amendment to

1 the student's written remote educational plan addressing
2 any changes for the upcoming term of the program.

3 For purposes of this Section, a remote educational program
4 does not include instruction delivered to students through an
5 e-learning program approved under Section 10-20.56 of this
6 Code.

7 (b) A school district may, by resolution of its school
8 board, establish a remote educational program.

9 (c) Clock hours of instruction by students in a remote
10 educational program meeting the requirements of this Section
11 may be claimed by the school district and shall be counted as
12 school work for general State aid purposes in accordance with
13 and subject to the limitations of Section 18-8.05 of this Code
14 or evidence-based funding purposes in accordance with and
15 subject to the limitations of Section 18-8.15 of this Code.

16 (d) The impact of remote educational programs on wages,
17 hours, and terms and conditions of employment of educational
18 employees within the school district shall be subject to local
19 collective bargaining agreements.

20 (e) The use of a home or other location outside of a school
21 building for a remote educational program shall not cause the
22 home or other location to be deemed a public school facility.

23 (f) A remote educational program may be used, but is not
24 required, for instruction delivered to a student in the home or
25 other location outside of a school building that is not claimed
26 for general State aid purposes under Section 18-8.05 of this

1 Code or evidence-based funding purposes under Section 18-8.15
2 of this Code.

3 (g) School districts that, pursuant to this Section, adopt
4 a policy for a remote educational program must submit to the
5 State Board of Education a copy of the policy and any
6 amendments thereto, as well as data on student participation in
7 a format specified by the State Board of Education. The State
8 Board of Education may perform or contract with an outside
9 entity to perform an evaluation of remote educational programs
10 in this State.

11 (h) The State Board of Education may adopt any rules
12 necessary to ensure compliance by remote educational programs
13 with the requirements of this Section and other applicable
14 legal requirements.

15 (Source: P.A. 98-972, eff. 8-15-14; 99-193, eff. 7-30-15;
16 99-194, eff. 7-30-15; 99-642, eff. 7-28-16.)

17 (105 ILCS 5/11E-135)

18 Sec. 11E-135. Incentives. For districts reorganizing under
19 this Article and for a district or districts that annex all of
20 the territory of one or more entire other school districts in
21 accordance with Article 7 of this Code, the following payments
22 shall be made from appropriations made for these purposes:

23 (a)(1) For a combined school district, as defined in
24 Section 11E-20 of this Code, or for a unit district, as defined
25 in Section 11E-25 of this Code, for its first year of

1 existence, the general State aid and supplemental general State
2 aid calculated under Section 18-8.05 of this Code or the
3 evidence-based funding calculated under Section 18-8.15 of
4 this Code, as applicable, 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 that annexes all of the territory
12 of one or more entire other school districts as defined in
13 Article 7 of this Code, for the first year during which the
14 change of boundaries attributable to the annexation becomes
15 effective for all purposes, as determined under Section 7-9 of
16 this Code, the general State aid and supplemental general State
17 aid calculated under Section 18-8.05 of this Code or the
18 evidence-based funding calculated under Section 18-8.15 of
19 this Code, as applicable, shall be computed for the annexing
20 district as constituted after the annexation and for the
21 annexing and each annexed district as constituted prior to the
22 annexation; and if the computation on the basis of the annexing
23 and annexed districts as constituted prior to the annexation is
24 greater, then a supplementary payment equal to the difference
25 shall be made for the first 4 years of existence of the
26 annexing school district as constituted upon the annexation.

1 (3) For 2 or more school districts that annex all of the
2 territory of one or more entire other school districts, as
3 defined in Article 7 of this Code, for the first year during
4 which the change of boundaries attributable to the annexation
5 becomes effective for all purposes, as determined under Section
6 7-9 of this Code, the general State aid and supplemental
7 general State aid calculated under Section 18-8.05 of this Code
8 or the evidence-based funding calculated under Section 18-8.15
9 of this Code, as applicable, shall be computed for each
10 annexing district as constituted after the annexation and for
11 each annexing and annexed district as constituted prior to the
12 annexation; and if the aggregate of the general State aid and
13 supplemental general State aid or evidence-based funding, as
14 applicable, as so computed for the annexing districts as
15 constituted after the annexation is less than the aggregate of
16 the general State aid and supplemental general State aid or
17 evidence-based funding, as applicable, as so computed for the
18 annexing and annexed districts, as constituted prior to the
19 annexation, then a supplementary payment equal to the
20 difference shall be made and allocated between or among the
21 annexing districts, as constituted upon the annexation, for the
22 first 4 years of their existence. The total difference payment
23 shall be allocated between or among the annexing districts in
24 the same ratio as the pupil enrollment from that portion of the
25 annexed district or districts that is annexed to each annexing
26 district bears to the total pupil enrollment from the entire

1 annexed district or districts, as such pupil enrollment is
2 determined for the school year last ending prior to the date
3 when the change of boundaries attributable to the annexation
4 becomes effective for all purposes. The amount of the total
5 difference payment and the amount thereof to be allocated to
6 the annexing districts shall be computed by the State Board of
7 Education on the basis of pupil enrollment and other data that
8 shall be certified to the State Board of Education, on forms
9 that it shall provide for that purpose, by the regional
10 superintendent of schools for each educational service region
11 in which the annexing and annexed districts are located.

12 (4) For a school district conversion, as defined in Section
13 11E-15 of this Code, or a multi-unit conversion, as defined in
14 subsection (b) of Section 11E-30 of this Code, if in their
15 first year of existence the newly created elementary districts
16 and the newly created high school district, from a school
17 district conversion, or the newly created elementary district
18 or districts and newly created combined high school - unit
19 district, from a multi-unit conversion, qualify for less
20 general State aid under Section 18-8.05 of this Code or
21 evidence-based funding under Section 18-8.15 of this Code than
22 would have been payable under Section 18-8.05 or 18-8.15, as
23 applicable, for that same year to the previously existing
24 districts, then a supplementary payment equal to that
25 difference shall be made for the first 4 years of existence of
26 the newly created districts. The aggregate amount of each

1 supplementary payment shall be allocated among the newly
2 created districts in the proportion that the deemed pupil
3 enrollment in each district during its first year of existence
4 bears to the actual aggregate pupil enrollment in all of the
5 districts during their first year of existence. For purposes of
6 each allocation:

7 (A) the deemed pupil enrollment of the newly created
8 high school district from a school district conversion
9 shall be an amount equal to its actual pupil enrollment for
10 its first year of existence multiplied by 1.25;

11 (B) the deemed pupil enrollment of each newly created
12 elementary district from a school district conversion
13 shall be an amount equal to its actual pupil enrollment for
14 its first year of existence reduced by an amount equal to
15 the product obtained when the amount by which the newly
16 created high school district's deemed pupil enrollment
17 exceeds its actual pupil enrollment for its first year of
18 existence is multiplied by a fraction, the numerator of
19 which is the actual pupil enrollment of the newly created
20 elementary district for its first year of existence and the
21 denominator of which is the actual aggregate pupil
22 enrollment of all of the newly created elementary districts
23 for their first year of existence;

24 (C) the deemed high school pupil enrollment of the
25 newly created combined high school - unit district from a
26 multi-unit conversion shall be an amount equal to its

1 actual grades 9 through 12 pupil enrollment for its first
2 year of existence multiplied by 1.25; and

3 (D) the deemed elementary pupil enrollment of each
4 newly created district from a multi-unit conversion shall
5 be an amount equal to each district's actual grade K
6 through 8 pupil enrollment for its first year of existence,
7 reduced by an amount equal to the product obtained when the
8 amount by which the newly created combined high school -
9 unit district's deemed high school pupil enrollment
10 exceeds its actual grade 9 through 12 pupil enrollment for
11 its first year of existence is multiplied by a fraction,
12 the numerator of which is the actual grade K through 8
13 pupil enrollment of each newly created district for its
14 first year of existence and the denominator of which is the
15 actual aggregate grade K through 8 pupil enrollment of all
16 such newly created districts for their first year of
17 existence.

18 The aggregate amount of each supplementary payment under
19 this subdivision (4) and the amount thereof to be allocated to
20 the newly created districts shall be computed by the State
21 Board of Education on the basis of pupil enrollment and other
22 data, which shall be certified to the State Board of Education,
23 on forms that it shall provide for that purpose, by the
24 regional superintendent of schools for each educational
25 service region in which the newly created districts are
26 located.

1 (5) For a partial elementary unit district, as defined in
2 subsection (a) or (c) of Section 11E-30 of this Code, if, in
3 the first year of existence, the newly created partial
4 elementary unit district qualifies for less general State aid
5 and supplemental general State aid under Section 18-8.05 of
6 this Code or less evidence-based funding under Section 18-8.15
7 of this Code, as applicable, than would have been payable under
8 those Sections ~~that Section~~ for that same year to the
9 previously existing districts that formed the partial
10 elementary unit district, then a supplementary payment equal to
11 that difference shall be made to the partial elementary unit
12 district for the first 4 years of existence of that newly
13 created district.

14 (6) For an elementary opt-in, as described in subsection
15 (d) of Section 11E-30 of this Code, the general State aid or
16 evidence-based funding difference shall be computed in
17 accordance with paragraph (5) of this subsection (a) as if the
18 elementary opt-in was included in an optional elementary unit
19 district at the optional elementary unit district's original
20 effective date. If the calculation in this paragraph (6) is
21 less than that calculated in paragraph (5) of this subsection
22 (a) at the optional elementary unit district's original
23 effective date, then no adjustments may be made. If the
24 calculation in this paragraph (6) is more than that calculated
25 in paragraph (5) of this subsection (a) at the optional
26 elementary unit district's original effective date, then the

1 excess must be paid as follows:

2 (A) If the effective date for the elementary opt-in is
3 one year after the effective date for the optional
4 elementary unit district, 100% of the calculated excess
5 shall be paid to the optional elementary unit district in
6 each of the first 4 years after the effective date of the
7 elementary opt-in.

8 (B) If the effective date for the elementary opt-in is
9 2 years after the effective date for the optional
10 elementary unit district, 75% of the calculated excess
11 shall be paid to the optional elementary unit district in
12 each of the first 4 years after the effective date of the
13 elementary opt-in.

14 (C) If the effective date for the elementary opt-in is
15 3 years after the effective date for the optional
16 elementary unit district, 50% of the calculated excess
17 shall be paid to the optional elementary unit district in
18 each of the first 4 years after the effective date of the
19 elementary opt-in.

20 (D) If the effective date for the elementary opt-in is
21 4 years after the effective date for the optional
22 elementary unit district, 25% of the calculated excess
23 shall be paid to the optional elementary unit district in
24 each of the first 4 years after the effective date of the
25 elementary opt-in.

26 (E) If the effective date for the elementary opt-in is

1 5 years after the effective date for the optional
2 elementary unit district, the optional elementary unit
3 district is not eligible for any additional incentives due
4 to the elementary opt-in.

5 (6.5) For a school district that annexes territory detached
6 from another school district whereby the enrollment of the
7 annexing district increases by 90% or more as a result of the
8 annexation, for the first year during which the change of
9 boundaries attributable to the annexation becomes effective
10 for all purposes as determined under Section 7-9 of this Code,
11 the general State aid and supplemental general State aid or
12 evidence-based funding, as applicable, calculated under this
13 Section shall be computed for the district gaining territory
14 and the district losing territory as constituted after the
15 annexation and for the same districts as constituted prior to
16 the annexation; and if the aggregate of the general State aid
17 and supplemental general State aid or evidence-based funding,
18 as applicable, as so computed for the district gaining
19 territory and the district losing territory as constituted
20 after the annexation is less than the aggregate of the general
21 State aid and supplemental general State aid or evidence-based
22 funding, as applicable, as so computed for the district gaining
23 territory and the district losing territory as constituted
24 prior to the annexation, then a supplementary payment shall be
25 made to the annexing district for the first 4 years of
26 existence after the annexation, equal to the difference

1 multiplied by the ratio of student enrollment in the territory
2 detached to the total student enrollment in the district losing
3 territory for the year prior to the effective date of the
4 annexation. The amount of the total difference and the
5 proportion paid to the annexing district shall be computed by
6 the State Board of Education on the basis of pupil enrollment
7 and other data that must be submitted to the State Board of
8 Education in accordance with Section 7-14A of this Code. The
9 changes to this Section made by Public Act 95-707 are intended
10 to be retroactive and applicable to any annexation taking
11 effect on or after July 1, 2004. For annexations that are
12 eligible for payments under this paragraph (6.5) and that are
13 effective on or after July 1, 2004, but before January 11, 2008
14 (the effective date of Public Act 95-707), the first required
15 yearly payment under this paragraph (6.5) shall be paid in the
16 fiscal year of January 11, 2008 (the effective date of Public
17 Act 95-707). Subsequent required yearly payments shall be paid
18 in subsequent fiscal years until the payment obligation under
19 this paragraph (6.5) is complete.

20 (7) Claims for financial assistance under this subsection
21 (a) may not be recomputed except as expressly provided under
22 Section 18-8.05 or 18-8.15 of this Code.

23 (8) Any supplementary payment made under this subsection
24 (a) must be treated as separate from all other payments made
25 pursuant to Section 18-8.05 or 18-8.15 of this Code.

26 (b) (1) After the formation of a combined school district,

1 as defined in Section 11E-20 of this Code, or a unit district,
2 as defined in Section 11E-25 of this Code, a computation shall
3 be made to determine the difference between the salaries
4 effective in each of the previously existing districts on June
5 30, prior to the creation of the new district. For the first 4
6 years after the formation of the new district, a supplementary
7 State aid reimbursement shall be paid to the new district equal
8 to the difference between the sum of the salaries earned by
9 each of the certificated members of the new district, while
10 employed in one of the previously existing districts during the
11 year immediately preceding the formation of the new district,
12 and the sum of the salaries those certificated members would
13 have been paid during the year immediately prior to the
14 formation of the new district if placed on the salary schedule
15 of the previously existing district with the highest salary
16 schedule.

17 (2) After the territory of one or more school districts is
18 annexed by one or more other school districts as defined in
19 Article 7 of this Code, a computation shall be made to
20 determine the difference between the salaries effective in each
21 annexed district and in the annexing district or districts as
22 they were each constituted on June 30 preceding the date when
23 the change of boundaries attributable to the annexation became
24 effective for all purposes, as determined under Section 7-9 of
25 this Code. For the first 4 years after the annexation, a
26 supplementary State aid reimbursement shall be paid to each

1 annexing district as constituted after the annexation equal to
2 the difference between the sum of the salaries earned by each
3 of the certificated members of the annexing district as
4 constituted after the annexation, while employed in an annexed
5 or annexing district during the year immediately preceding the
6 annexation, and the sum of the salaries those certificated
7 members would have been paid during the immediately preceding
8 year if placed on the salary schedule of whichever of the
9 annexing or annexed districts had the highest salary schedule
10 during the immediately preceding year.

11 (3) For each new high school district formed under a school
12 district conversion, as defined in Section 11E-15 of this Code,
13 the State shall make a supplementary payment for 4 years equal
14 to the difference between the sum of the salaries earned by
15 each certified member of the new high school district, while
16 employed in one of the previously existing districts, and the
17 sum of the salaries those certified members would have been
18 paid if placed on the salary schedule of the previously
19 existing district with the highest salary schedule.

20 (4) For each newly created partial elementary unit
21 district, the State shall make a supplementary payment for 4
22 years equal to the difference between the sum of the salaries
23 earned by each certified member of the newly created partial
24 elementary unit district, while employed in one of the
25 previously existing districts that formed the partial
26 elementary unit district, and the sum of the salaries those

1 certified members would have been paid if placed on the salary
2 schedule of the previously existing district with the highest
3 salary schedule. The salary schedules used in the calculation
4 shall be those in effect in the previously existing districts
5 for the school year prior to the creation of the new partial
6 elementary unit district.

7 (5) For an elementary district opt-in, as described in
8 subsection (d) of Section 11E-30 of this Code, the salary
9 difference incentive shall be computed in accordance with
10 paragraph (4) of this subsection (b) as if the opted-in
11 elementary district was included in the optional elementary
12 unit district at the optional elementary unit district's
13 original effective date. If the calculation in this paragraph
14 (5) is less than that calculated in paragraph (4) of this
15 subsection (b) at the optional elementary unit district's
16 original effective date, then no adjustments may be made. If
17 the calculation in this paragraph (5) is more than that
18 calculated in paragraph (4) of this subsection (b) at the
19 optional elementary unit district's original effective date,
20 then the excess must be paid as follows:

21 (A) If the effective date for the elementary opt-in is
22 one year after the effective date for the optional
23 elementary unit district, 100% of the calculated excess
24 shall be paid to the optional elementary unit district in
25 each of the first 4 years after the effective date of the
26 elementary opt-in.

1 (B) If the effective date for the elementary opt-in is
2 2 years after the effective date for the optional
3 elementary unit district, 75% of the calculated excess
4 shall be paid to the optional elementary unit district in
5 each of the first 4 years after the effective date of the
6 elementary opt-in.

7 (C) If the effective date for the elementary opt-in is
8 3 years after the effective date for the optional
9 elementary unit district, 50% of the calculated excess
10 shall be paid to the optional elementary unit district in
11 each of the first 4 years after the effective date of the
12 elementary opt-in.

13 (D) If the effective date for the elementary opt-in is
14 4 years after the effective date for the partial elementary
15 unit district, 25% of the calculated excess shall be paid
16 to the optional elementary unit district in each of the
17 first 4 years after the effective date of the elementary
18 opt-in.

19 (E) If the effective date for the elementary opt-in is
20 5 years after the effective date for the optional
21 elementary unit district, the optional elementary unit
22 district is not eligible for any additional incentives due
23 to the elementary opt-in.

24 (5.5) After the formation of a cooperative high school by 2
25 or more school districts under Section 10-22.22c of this Code,
26 a computation shall be made to determine the difference between

1 the salaries effective in each of the previously existing high
2 schools on June 30 prior to the formation of the cooperative
3 high school. For the first 4 years after the formation of the
4 cooperative high school, a supplementary State aid
5 reimbursement shall be paid to the cooperative high school
6 equal to the difference between the sum of the salaries earned
7 by each of the certificated members of the cooperative high
8 school while employed in one of the previously existing high
9 schools during the year immediately preceding the formation of
10 the cooperative high school and the sum of the salaries those
11 certificated members would have been paid during the year
12 immediately prior to the formation of the cooperative high
13 school if placed on the salary schedule of the previously
14 existing high school with the highest salary schedule.

15 (5.10) After the annexation of territory detached from
16 another school district whereby the enrollment of the annexing
17 district increases by 90% or more as a result of the
18 annexation, a computation shall be made to determine the
19 difference between the salaries effective in the district
20 gaining territory and the district losing territory as they
21 each were constituted on June 30 preceding the date when the
22 change of boundaries attributable to the annexation became
23 effective for all purposes as determined under Section 7-9 of
24 this Code. For the first 4 years after the annexation, a
25 supplementary State aid reimbursement shall be paid to the
26 annexing district equal to the difference between the sum of

1 the salaries earned by each of the certificated members of the
2 annexing district as constituted after the annexation while
3 employed in the district gaining territory or the district
4 losing territory during the year immediately preceding the
5 annexation and the sum of the salaries those certificated
6 members would have been paid during such immediately preceding
7 year if placed on the salary schedule of whichever of the
8 district gaining territory or district losing territory had the
9 highest salary schedule during the immediately preceding year.
10 To be eligible for supplementary State aid reimbursement under
11 this Section, the intergovernmental agreement to be submitted
12 pursuant to Section 7-14A of this Code must show that staff
13 members were transferred from the control of the district
14 losing territory to the control of the district gaining
15 territory in the annexation. The changes to this Section made
16 by Public Act 95-707 are intended to be retroactive and
17 applicable to any annexation taking effect on or after July 1,
18 2004. For annexations that are eligible for payments under this
19 paragraph (5.10) and that are effective on or after July 1,
20 2004, but before January 11, 2008 (the effective date of Public
21 Act 95-707), the first required yearly payment under this
22 paragraph (5.10) shall be paid in the fiscal year of January
23 11, 2008 (the effective date of Public Act 95-707). Subsequent
24 required yearly payments shall be paid in subsequent fiscal
25 years until the payment obligation under this paragraph (5.10)
26 is complete.

1 (5.15) After the deactivation of a school facility in
2 accordance with Section 10-22.22b of this Code, a computation
3 shall be made to determine the difference between the salaries
4 effective in the sending school district and each receiving
5 school district on June 30 prior to the deactivation of the
6 school facility. For the lesser of the first 4 years after the
7 deactivation of the school facility or the length of the
8 deactivation agreement, including any renewals of the original
9 deactivation agreement, a supplementary State aid
10 reimbursement shall be paid to each receiving district equal to
11 the difference between the sum of the salaries earned by each
12 of the certificated members transferred to that receiving
13 district as a result of the deactivation while employed in the
14 sending district during the year immediately preceding the
15 deactivation and the sum of the salaries those certificated
16 members would have been paid during the year immediately
17 preceding the deactivation if placed on the salary schedule of
18 the sending or receiving district with the highest salary
19 schedule.

20 (6) The supplementary State aid reimbursement under this
21 subsection (b) shall be treated as separate from all other
22 payments made pursuant to Section 18-8.05 of this Code. In the
23 case of the formation of a new district or cooperative high
24 school or a deactivation, reimbursement shall begin during the
25 first year of operation of the new district or cooperative high
26 school or the first year of the deactivation, and in the case

1 of an annexation of the territory of one or more school
2 districts by one or more other school districts or the
3 annexation of territory detached from a school district whereby
4 the enrollment of the annexing district increases by 90% or
5 more as a result of the annexation, reimbursement shall begin
6 during the first year when the change in boundaries
7 attributable to the annexation becomes effective for all
8 purposes as determined pursuant to Section 7-9 of this Code,
9 except that for an annexation of territory detached from a
10 school district that is effective on or after July 1, 2004, but
11 before January 11, 2008 (the effective date of Public Act
12 95-707), whereby the enrollment of the annexing district
13 increases by 90% or more as a result of the annexation,
14 reimbursement shall begin during the fiscal year of January 11,
15 2008 (the effective date of Public Act 95-707). Each year that
16 the new, annexing, or receiving district or cooperative high
17 school, as the case may be, is entitled to receive
18 reimbursement, the number of eligible certified members who are
19 employed on October 1 in the district or cooperative high
20 school shall be certified to the State Board of Education on
21 prescribed forms by October 15 and payment shall be made on or
22 before November 15 of that year.

23 (c) (1) For the first year after the formation of a combined
24 school district, as defined in Section 11E-20 of this Code or a
25 unit district, as defined in Section 11E-25 of this Code, a
26 computation shall be made totaling each previously existing

1 district's audited fund balances in the educational fund,
2 working cash fund, operations and maintenance fund, and
3 transportation fund for the year ending June 30 prior to the
4 referendum for the creation of the new district. The new
5 district shall be paid supplementary State aid equal to the sum
6 of the differences between the deficit of the previously
7 existing district with the smallest deficit and the deficits of
8 each of the other previously existing districts.

9 (2) For the first year after the annexation of all of the
10 territory of one or more entire school districts by another
11 school district, as defined in Article 7 of this Code,
12 computations shall be made, for the year ending June 30 prior
13 to the date that the change of boundaries attributable to the
14 annexation is allowed by the affirmative decision issued by the
15 regional board of school trustees under Section 7-6 of this
16 Code, notwithstanding any effort to seek administrative review
17 of the decision, totaling the annexing district's and totaling
18 each annexed district's audited fund balances in their
19 respective educational, working cash, operations and
20 maintenance, and transportation funds. The annexing district
21 as constituted after the annexation shall be paid supplementary
22 State aid equal to the sum of the differences between the
23 deficit of whichever of the annexing or annexed districts as
24 constituted prior to the annexation had the smallest deficit
25 and the deficits of each of the other districts as constituted
26 prior to the annexation.

1 (3) For the first year after the annexation of all of the
2 territory of one or more entire school districts by 2 or more
3 other school districts, as defined by Article 7 of this Code,
4 computations shall be made, for the year ending June 30 prior
5 to the date that the change of boundaries attributable to the
6 annexation is allowed by the affirmative decision of the
7 regional board of school trustees under Section 7-6 of this
8 Code, notwithstanding any action for administrative review of
9 the decision, totaling each annexing and annexed district's
10 audited fund balances in their respective educational, working
11 cash, operations and maintenance, and transportation funds.
12 The annexing districts as constituted after the annexation
13 shall be paid supplementary State aid, allocated as provided in
14 this paragraph (3), in an aggregate amount equal to the sum of
15 the differences between the deficit of whichever of the
16 annexing or annexed districts as constituted prior to the
17 annexation had the smallest deficit and the deficits of each of
18 the other districts as constituted prior to the annexation. The
19 aggregate amount of the supplementary State aid payable under
20 this paragraph (3) shall be allocated between or among the
21 annexing districts as follows:

22 (A) the regional superintendent of schools for each
23 educational service region in which an annexed district is
24 located prior to the annexation shall certify to the State
25 Board of Education, on forms that it shall provide for that
26 purpose, the value of all taxable property in each annexed

1 district, as last equalized or assessed by the Department
2 of Revenue prior to the annexation, and the equalized
3 assessed value of each part of the annexed district that
4 was annexed to or included as a part of an annexing
5 district;

6 (B) using equalized assessed values as certified by the
7 regional superintendent of schools under clause (A) of this
8 paragraph (3), the combined audited fund balance deficit of
9 each annexed district as determined under this Section
10 shall be apportioned between or among the annexing
11 districts in the same ratio as the equalized assessed value
12 of that part of the annexed district that was annexed to or
13 included as a part of an annexing district bears to the
14 total equalized assessed value of the annexed district; and

15 (C) the aggregate supplementary State aid payment
16 under this paragraph (3) shall be allocated between or
17 among, and shall be paid to, the annexing districts in the
18 same ratio as the sum of the combined audited fund balance
19 deficit of each annexing district as constituted prior to
20 the annexation, plus all combined audited fund balance
21 deficit amounts apportioned to that annexing district
22 under clause (B) of this subsection, bears to the aggregate
23 of the combined audited fund balance deficits of all of the
24 annexing and annexed districts as constituted prior to the
25 annexation.

26 (4) For the new elementary districts and new high school

1 district formed through a school district conversion, as
2 defined in Section 11E-15 of this Code or the new elementary
3 district or districts and new combined high school - unit
4 district formed through a multi-unit conversion, as defined in
5 subsection (b) of Section 11E-30 of this Code, a computation
6 shall be made totaling each previously existing district's
7 audited fund balances in the educational fund, working cash
8 fund, operations and maintenance fund, and transportation fund
9 for the year ending June 30 prior to the referendum
10 establishing the new districts. In the first year of the new
11 districts, the State shall make a one-time supplementary
12 payment equal to the sum of the differences between the deficit
13 of the previously existing district with the smallest deficit
14 and the deficits of each of the other previously existing
15 districts. A district with a combined balance among the 4 funds
16 that is positive shall be considered to have a deficit of zero.
17 The supplementary payment shall be allocated among the newly
18 formed high school and elementary districts in the manner
19 provided by the petition for the formation of the districts, in
20 the form in which the petition is approved by the regional
21 superintendent of schools or State Superintendent of Education
22 under Section 11E-50 of this Code.

23 (5) For each newly created partial elementary unit
24 district, as defined in subsection (a) or (c) of Section 11E-30
25 of this Code, a computation shall be made totaling the audited
26 fund balances of each previously existing district that formed

1 the new partial elementary unit district in the educational
2 fund, working cash fund, operations and maintenance fund, and
3 transportation fund for the year ending June 30 prior to the
4 referendum for the formation of the partial elementary unit
5 district. In the first year of the new partial elementary unit
6 district, the State shall make a one-time supplementary payment
7 to the new district equal to the sum of the differences between
8 the deficit of the previously existing district with the
9 smallest deficit and the deficits of each of the other
10 previously existing districts. A district with a combined
11 balance among the 4 funds that is positive shall be considered
12 to have a deficit of zero.

13 (6) For an elementary opt-in as defined in subsection (d)
14 of Section 11E-30 of this Code, the deficit fund balance
15 incentive shall be computed in accordance with paragraph (5) of
16 this subsection (c) as if the opted-in elementary was included
17 in the optional elementary unit district at the optional
18 elementary unit district's original effective date. If the
19 calculation in this paragraph (6) is less than that calculated
20 in paragraph (5) of this subsection (c) at the optional
21 elementary unit district's original effective date, then no
22 adjustments may be made. If the calculation in this paragraph
23 (6) is more than that calculated in paragraph (5) of this
24 subsection (c) at the optional elementary unit district's
25 original effective date, then the excess must be paid as
26 follows:

1 (A) If the effective date for the elementary opt-in is
2 one year after the effective date for the optional
3 elementary unit district, 100% of the calculated excess
4 shall be paid to the optional elementary unit district in
5 the first year after the effective date of the elementary
6 opt-in.

7 (B) If the effective date for the elementary opt-in is
8 2 years after the effective date for the optional
9 elementary unit district, 75% of the calculated excess
10 shall be paid to the optional elementary unit district in
11 the first year after the effective date of the elementary
12 opt-in.

13 (C) If the effective date for the elementary opt-in is
14 3 years after the effective date for the optional
15 elementary unit district, 50% of the calculated excess
16 shall be paid to the optional elementary unit district in
17 the first year after the effective date of the elementary
18 opt-in.

19 (D) If the effective date for the elementary opt-in is
20 4 years after the effective date for the optional
21 elementary unit district, 25% of the calculated excess
22 shall be paid to the optional elementary unit district in
23 the first year after the effective date of the elementary
24 opt-in.

25 (E) If the effective date for the elementary opt-in is
26 5 years after the effective date for the optional

1 elementary unit district, the optional elementary unit
2 district is not eligible for any additional incentives due
3 to the elementary opt-in.

4 (6.5) For the first year after the annexation of territory
5 detached from another school district whereby the enrollment of
6 the annexing district increases by 90% or more as a result of
7 the annexation, a computation shall be made totaling the
8 audited fund balances of the district gaining territory and the
9 audited fund balances of the district losing territory in the
10 educational fund, working cash fund, operations and
11 maintenance fund, and transportation fund for the year ending
12 June 30 prior to the date that the change of boundaries
13 attributable to the annexation is allowed by the affirmative
14 decision of the regional board of school trustees under Section
15 7-6 of this Code, notwithstanding any action for administrative
16 review of the decision. The annexing district as constituted
17 after the annexation shall be paid supplementary State aid
18 equal to the difference between the deficit of whichever
19 district included in this calculation as constituted prior to
20 the annexation had the smallest deficit and the deficit of each
21 other district included in this calculation as constituted
22 prior to the annexation, multiplied by the ratio of equalized
23 assessed value of the territory detached to the total equalized
24 assessed value of the district losing territory. The regional
25 superintendent of schools for the educational service region in
26 which a district losing territory is located prior to the

1 annexation shall certify to the State Board of Education the
2 value of all taxable property in the district losing territory
3 and the value of all taxable property in the territory being
4 detached, as last equalized or assessed by the Department of
5 Revenue prior to the annexation. To be eligible for
6 supplementary State aid reimbursement under this Section, the
7 intergovernmental agreement to be submitted pursuant to
8 Section 7-14A of this Code must show that fund balances were
9 transferred from the district losing territory to the district
10 gaining territory in the annexation. The changes to this
11 Section made by Public Act 95-707 are intended to be
12 retroactive and applicable to any annexation taking effect on
13 or after July 1, 2004. For annexations that are eligible for
14 payments under this paragraph (6.5) and that are effective on
15 or after July 1, 2004, but before January 11, 2008 (the
16 effective date of Public Act 95-707), the required payment
17 under this paragraph (6.5) shall be paid in the fiscal year of
18 January 11, 2008 (the effective date of Public Act 95-707).

19 (7) For purposes of any calculation required under
20 paragraph (1), (2), (3), (4), (5), (6), or (6.5) of this
21 subsection (c), a district with a combined fund balance that is
22 positive shall be considered to have a deficit of zero. For
23 purposes of determining each district's audited fund balances
24 in its educational fund, working cash fund, operations and
25 maintenance fund, and transportation fund for the specified
26 year ending June 30, as provided in paragraphs (1), (2), (3),

1 (4), (5), (6), and (6.5) of this subsection (c), the balance of
2 each fund shall be deemed decreased by an amount equal to the
3 amount of the annual property tax theretofore levied in the
4 fund by the district for collection and payment to the district
5 during the calendar year in which the June 30 fell, but only to
6 the extent that the tax so levied in the fund actually was
7 received by the district on or before or comprised a part of
8 the fund on such June 30. For purposes of determining each
9 district's audited fund balances, a calculation shall be made
10 for each fund to determine the average for the 3 years prior to
11 the specified year ending June 30, as provided in paragraphs
12 (1), (2), (3), (4), (5), (6), and (6.5) of this subsection (c),
13 of the district's expenditures in the categories "purchased
14 services", "supplies and materials", and "capital outlay", as
15 those categories are defined in rules of the State Board of
16 Education. If this 3-year average is less than the district's
17 expenditures in these categories for the specified year ending
18 June 30, as provided in paragraphs (1), (2), (3), (4), (5),
19 (6), and (6.5) of this subsection (c), then the 3-year average
20 shall be used in calculating the amounts payable under this
21 Section in place of the amounts shown in these categories for
22 the specified year ending June 30, as provided in paragraphs
23 (1), (2), (3), (4), (5), (6), and (6.5) of this subsection (c).
24 Any deficit because of State aid not yet received may not be
25 considered in determining the June 30 deficits. The same basis
26 of accounting shall be used by all previously existing

1 districts and by all annexing or annexed districts, as
2 constituted prior to the annexation, in making any computation
3 required under paragraphs (1), (2), (3), (4), (5), (6), and
4 (6.5) of this subsection (c).

5 (8) The supplementary State aid payments under this
6 subsection (c) shall be treated as separate from all other
7 payments made pursuant to Section 18-8.05 of this Code.

8 (d)(1) Following the formation of a combined school
9 district, as defined in Section 11E-20 of this Code, a new unit
10 district, as defined in Section 11E-25 of this Code, a new
11 elementary district or districts and a new high school district
12 formed through a school district conversion, as defined in
13 Section 11E-15 of this Code, a new partial elementary unit
14 district, as defined in Section 11E-30 of this Code, or a new
15 elementary district or districts formed through a multi-unit
16 conversion, as defined in subsection (b) of Section 11E-30 of
17 this Code, or the annexation of all of the territory of one or
18 more entire school districts by one or more other school
19 districts, as defined in Article 7 of this Code, a
20 supplementary State aid reimbursement shall be paid for the
21 number of school years determined under the following table to
22 each new or annexing district equal to the sum of \$4,000 for
23 each certified employee who is employed by the district on a
24 full-time basis for the regular term of the school year:

25 Reorganized District's Rank Reorganized District's Rank

1	by type of district (unit,	in Average Daily Attendance		
2	high school, elementary)	By Quintile		
3	in Equalized Assessed Value			
4	Per Pupil by Quintile			
5				3rd, 4th,
6		1st	2nd	or 5th
7		Quintile	Quintile	Quintile
8	1st Quintile	1 year	1 year	1 year
9	2nd Quintile	1 year	2 years	2 years
10	3rd Quintile	2 years	3 years	3 years
11	4th Quintile	2 years	3 years	3 years
12	5th Quintile	2 years	3 years	3 years

13 The State Board of Education shall make a one-time calculation
 14 of a reorganized district's quintile ranks. The average daily
 15 attendance used in this calculation shall be the best 3 months'
 16 average daily attendance for the district's first year. The
 17 equalized assessed value per pupil shall be the district's real
 18 property equalized assessed value used in calculating the
 19 district's first-year general State aid claim, under Section
 20 18-8.05 of this Code, or first-year evidence-based funding
 21 claim, under Section 18-8.15 of this Code, as applicable,
 22 divided by the best 3 months' average daily attendance.

23 No annexing or resulting school district shall be entitled
 24 to supplementary State aid under this subsection (d) unless the
 25 district acquires at least 30% of the average daily attendance

1 of the district from which the territory is being detached or
2 divided.

3 If a district results from multiple reorganizations that
4 would otherwise qualify the district for multiple payments
5 under this subsection (d) in any year, then the district shall
6 receive a single payment only for that year based solely on the
7 most recent reorganization.

8 (2) For an elementary opt-in, as defined in subsection (d)
9 of Section 11E-30 of this Code, the full-time certified staff
10 incentive shall be computed in accordance with paragraph (1) of
11 this subsection (d), equal to the sum of \$4,000 for each
12 certified employee of the elementary district that opts-in who
13 is employed by the optional elementary unit district on a
14 full-time basis for the regular term of the school year. The
15 calculation from this paragraph (2) must be paid as follows:

16 (A) If the effective date for the elementary opt-in is
17 one year after the effective date for the optional
18 elementary unit district, 100% of the amount calculated in
19 this paragraph (2) shall be paid to the optional elementary
20 unit district for the number of years calculated in
21 paragraph (1) of this subsection (d) at the optional
22 elementary unit district's original effective date,
23 starting in the second year after the effective date of the
24 elementary opt-in.

25 (B) If the effective date for the elementary opt-in is
26 2 years after the effective date for the optional

1 elementary unit district, 75% of the amount calculated in
2 this paragraph (2) shall be paid to the optional elementary
3 unit district for the number of years calculated in
4 paragraph (1) of this subsection (d) at the optional
5 elementary unit district's original effective date,
6 starting in the second year after the effective date of the
7 elementary opt-in.

8 (C) If the effective date for the elementary opt-in is
9 3 years after the effective date for the optional
10 elementary unit district, 50% of the amount calculated in
11 this paragraph (2) shall be paid to the optional elementary
12 unit district for the number of years calculated in
13 paragraph (1) of this subsection (d) at the optional
14 elementary unit district's original effective date,
15 starting in the second year after the effective date of the
16 elementary opt-in.

17 (D) If the effective date for the elementary opt-in is
18 4 years after the effective date for the optional
19 elementary unit district, 25% of the amount calculated in
20 this paragraph (2) shall be paid to the optional elementary
21 unit district for the number of years calculated in
22 paragraph (1) of this subsection (d) at the optional
23 elementary unit district's original effective date,
24 starting in the second year after the effective date of the
25 elementary opt-in.

26 (E) If the effective date for the elementary opt-in is

1 5 years after the effective date for the optional
2 elementary unit district, the optional elementary unit
3 district is not eligible for any additional incentives due
4 to the elementary opt-in.

5 (2.5) Following the formation of a cooperative high school
6 by 2 or more school districts under Section 10-22.22c of this
7 Code, a supplementary State aid reimbursement shall be paid for
8 3 school years to the cooperative high school equal to the sum
9 of \$4,000 for each certified employee who is employed by the
10 cooperative high school on a full-time basis for the regular
11 term of any such school year. If a cooperative high school
12 results from multiple agreements that would otherwise qualify
13 the cooperative high school for multiple payments under this
14 Section in any year, the cooperative high school shall receive
15 a single payment for that year based solely on the most recent
16 agreement.

17 (2.10) Following the annexation of territory detached from
18 another school district whereby the enrollment of the annexing
19 district increases 90% or more as a result of the annexation, a
20 supplementary State aid reimbursement shall be paid to the
21 annexing district equal to the sum of \$4,000 for each certified
22 employee who is employed by the annexing district on a
23 full-time basis and shall be calculated in accordance with
24 subsection (a) of this Section. To be eligible for
25 supplementary State aid reimbursement under this Section, the
26 intergovernmental agreement to be submitted pursuant to

1 Section 7-14A of this Code must show that certified staff
2 members were transferred from the control of the district
3 losing territory to the control of the district gaining
4 territory in the annexation. The changes to this Section made
5 by Public Act 95-707 are intended to be retroactive and
6 applicable to any annexation taking effect on or after July 1,
7 2004. For annexations that are eligible for payments under this
8 paragraph (2.10) and that are effective on or after July 1,
9 2004, but before January 11, 2008 (the effective date of Public
10 Act 95-707), the first required yearly payment under this
11 paragraph (2.10) shall be paid in the second fiscal year after
12 January 11, 2008 (the effective date of Public Act 95-707). Any
13 subsequent required yearly payments shall be paid in subsequent
14 fiscal years until the payment obligation under this paragraph
15 (2.10) is complete.

16 (2.15) Following the deactivation of a school facility in
17 accordance with Section 10-22.22b of this Code, a supplementary
18 State aid reimbursement shall be paid for the lesser of 3
19 school years or the length of the deactivation agreement,
20 including any renewals of the original deactivation agreement,
21 to each receiving school district equal to the sum of \$4,000
22 for each certified employee who is employed by that receiving
23 district on a full-time basis for the regular term of any such
24 school year who was originally transferred to the control of
25 that receiving district as a result of the deactivation.
26 Receiving districts are eligible for payments under this

1 paragraph (2.15) based on the certified employees transferred
2 to that receiving district as a result of the deactivation and
3 are not required to receive at least 30% of the deactivating
4 district's average daily attendance as required under
5 paragraph (1) of this subsection (d) to be eligible for
6 payments.

7 (3) The supplementary State aid reimbursement payable
8 under this subsection (d) shall be separate from and in
9 addition to all other payments made to the district pursuant to
10 any other Section of this Article.

11 (4) During May of each school year for which a
12 supplementary State aid reimbursement is to be paid to a new,
13 annexing, or receiving school district or cooperative high
14 school pursuant to this subsection (d), the school board or
15 governing board shall certify to the State Board of Education,
16 on forms furnished to the school board or governing board by
17 the State Board of Education for purposes of this subsection
18 (d), the number of certified employees for which the district
19 or cooperative high school is entitled to reimbursement under
20 this Section, together with the names, certificate numbers, and
21 positions held by the certified employees.

22 (5) Upon certification by the State Board of Education to
23 the State Comptroller of the amount of the supplementary State
24 aid reimbursement to which a school district or cooperative
25 high school is entitled under this subsection (d), the State
26 Comptroller shall draw his or her warrant upon the State

1 Treasurer for the payment thereof to the school district or
2 cooperative high school and shall promptly transmit the payment
3 to the school district or cooperative high school through the
4 appropriate school treasurer.

5 (Source: P.A. 95-331, eff. 8-21-07; 95-707, eff. 1-11-08;
6 95-903, eff. 8-25-08; 96-328, eff. 8-11-09.)

7 (105 ILCS 5/13A-8)

8 Sec. 13A-8. Funding.

9 (a) The State of Illinois shall provide funding for the
10 alternative school programs within each educational service
11 region and within the Chicago public school system by line item
12 appropriation made to the State Board of Education for that
13 purpose. This money, when appropriated, shall be provided to
14 the regional superintendent and to the Chicago Board of
15 Education, who shall establish a budget, including salaries,
16 for their alternative school programs. Each program shall
17 receive funding in the amount of \$30,000 plus an amount based
18 on the ratio of the region's or Chicago's best 3 months'
19 average daily attendance in grades pre-kindergarten through 12
20 to the statewide totals of these amounts. For purposes of this
21 calculation, the best 3 months' average daily attendance for
22 each region or Chicago shall be calculated by adding to the
23 best 3 months' average daily attendance the number of
24 low-income students identified in the most recently available
25 federal census multiplied by one-half times the percentage of

1 the region's or Chicago's low-income students to the State's
2 total low-income students. The State Board of Education shall
3 retain up to 1.1% of the appropriation to be used to provide
4 technical assistance, professional development, and
5 evaluations for the programs.

6 (a-5) Notwithstanding any other provisions of this
7 Section, for the 1998-1999 fiscal year, the total amount
8 distributed under subsection (a) for an alternative school
9 program shall be not less than the total amount that was
10 distributed under that subsection for that alternative school
11 program for the 1997-1998 fiscal year. If an alternative school
12 program is to receive a total distribution under subsection (a)
13 for the 1998-1999 fiscal year that is less than the total
14 distribution that the program received under that subsection
15 for the 1997-1998 fiscal year, that alternative school program
16 shall also receive, from a separate appropriation made for
17 purposes of this subsection (a-5), a supplementary payment
18 equal to the amount by which its total distribution under
19 subsection (a) for the 1997-1998 fiscal year exceeds the amount
20 of the total distribution that the alternative school program
21 receives under that subsection for the 1998-1999 fiscal year.
22 If the amount appropriated for supplementary payments to
23 alternative school programs under this subsection (a-5) is
24 insufficient for that purpose, those supplementary payments
25 shall be prorated among the alternative school programs
26 entitled to receive those supplementary payments according to

1 the aggregate amount of the appropriation made for purposes of
2 this subsection (a-5).

3 (b) An alternative school program shall be entitled to
4 receive general State aid as calculated in subsection (K) of
5 Section 18-8.05 or evidence-based funding as calculated in
6 subsection (g) of Section 18-8.15 upon filing a claim as
7 provided therein. Any time that a student who is enrolled in an
8 alternative school program spends in work-based learning,
9 community service, or a similar alternative educational
10 setting shall be included in determining the student's minimum
11 number of clock hours of daily school work that constitute a
12 day of attendance for purposes of calculating general State aid
13 or evidence-based funding.

14 (c) An alternative school program may receive additional
15 funding from its school districts in such amount as may be
16 agreed upon by the parties and necessary to support the
17 program. In addition, an alternative school program is
18 authorized to accept and expend gifts, legacies, and grants,
19 including but not limited to federal grants, from any source
20 for purposes directly related to the conduct and operation of
21 the program.

22 (Source: P.A. 89-383, eff. 8-18-95; 89-629, eff. 8-9-96;
23 89-636, eff. 8-9-96; 90-14, eff. 7-1-97; 90-283, eff. 7-31-97;
24 90-802, eff. 12-15-98.)

25 (105 ILCS 5/13B-20.20)

1 Sec. 13B-20.20. Enrollment in other programs. High school
2 equivalency testing preparation programs are not eligible for
3 funding under this Article. A student may enroll in a program
4 approved under Section 18-8.05 or 18-8.15 of this Code, as
5 appropriate, or attend both the alternative learning
6 opportunities program and the regular school program to enhance
7 student performance and facilitate on-time graduation.

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

9 (105 ILCS 5/13B-45)

10 Sec. 13B-45. Days and hours of attendance. An alternative
11 learning opportunities program shall provide students with at
12 least the minimum number of days of pupil attendance required
13 under Section 10-19 of this Code and the minimum number of
14 daily hours of school work required under Section 18-8.05 or
15 18-8.15 of this Code, provided that the State Board may approve
16 exceptions to these requirements if the program meets all of
17 the following conditions:

18 (1) The district plan submitted under Section
19 13B-25.15 of this Code establishes that a program providing
20 the required minimum number of days of attendance or daily
21 hours of school work would not serve the needs of the
22 program's students.

23 (2) Each day of attendance shall provide no fewer than
24 3 clock hours of school work, as defined under paragraph
25 (1) of subsection (F) of Section 18-8.05 of this Code.

1 (3) Each day of attendance that provides fewer than 5
2 clock hours of school work shall also provide supplementary
3 services, including without limitation work-based
4 learning, student assistance programs, counseling, case
5 management, health and fitness programs, or life-skills or
6 conflict resolution training, in order to provide a total
7 daily program to the student of 5 clock hours. A program
8 may claim general State aid or evidence-based funding for
9 up to 2 hours of the time each day that a student is
10 receiving supplementary services.

11 (4) Each program shall provide no fewer than 174 days
12 of actual pupil attendance during the school term; however,
13 approved evening programs that meet the requirements of
14 Section 13B-45 of this Code may offer less than 174 days of
15 actual pupil attendance during the school term.

16 (Source: P.A. 92-42, eff. 1-1-02.)

17 (105 ILCS 5/13B-50)

18 Sec. 13B-50. Eligibility to receive general State aid or
19 evidence-based funding. In order to receive general State aid
20 or evidence-based funding, alternative learning opportunities
21 programs must meet the requirements for claiming general State
22 aid as specified in Section 18-8.05 of this Code or
23 evidence-based funding as specified in Section 18-8.15 of this
24 Code, as applicable, with the exception of the length of the
25 instructional day, which may be less than 5 hours of school

1 work if the program meets the criteria set forth under Sections
2 13B-50.5 and 13B-50.10 of this Code and if the program is
3 approved by the State Board.

4 (Source: P.A. 92-42, eff. 1-1-02.)

5 (105 ILCS 5/13B-50.10)

6 Sec. 13B-50.10. Additional criteria for general State aid
7 or evidence-based funding. In order to claim general State aid
8 or evidence-based funding, an alternative learning
9 opportunities program must meet the following criteria:

10 (1) Teacher professional development plans should include
11 education in the instruction of at-risk students.

12 (2) Facilities must meet the health, life, and safety
13 requirements in this Code.

14 (3) The program must comply with all other State and
15 federal laws applicable to education providers.

16 (Source: P.A. 92-42, eff. 1-1-02.)

17 (105 ILCS 5/13B-50.15)

18 Sec. 13B-50.15. Level of funding. Approved alternative
19 learning opportunities programs are entitled to claim general
20 State aid or evidence-based funding, subject to Sections
21 13B-50, 13B-50.5, and 13B-50.10 of this Code. Approved programs
22 operated by regional offices of education are entitled to
23 receive general State aid at the foundation level of support. A
24 school district or consortium must ensure that an approved

1 program receives supplemental general State aid,
2 transportation reimbursements, and special education
3 resources, if appropriate, for students enrolled in the
4 program.

5 (Source: P.A. 92-42, eff. 1-1-02.)

6 (105 ILCS 5/14-7.02b)

7 Sec. 14-7.02b. Funding for children requiring special
8 education services. Payments to school districts for children
9 requiring special education services documented in their
10 individualized education program regardless of the program
11 from which these services are received, excluding children
12 claimed under Sections 14-7.02 and 14-7.03 of this Code, shall
13 be made in accordance with this Section. Funds received under
14 this Section may be used only for the provision of special
15 educational facilities and services as defined in Section
16 14-1.08 of this Code.

17 The appropriation for fiscal year 2005 through fiscal year
18 2017 ~~and thereafter~~ shall be based upon the IDEA child count of
19 all students in the State, excluding students claimed under
20 Sections 14-7.02 and 14-7.03 of this Code, on December 1 of the
21 fiscal year 2 years preceding, multiplied by 17.5% of the
22 general State aid foundation level of support established for
23 that fiscal year under Section 18-8.05 of this Code.

24 Beginning with fiscal year 2005 and through fiscal year
25 2007, individual school districts shall not receive payments

1 under this Section totaling less than they received under the
2 funding authorized under Section 14-7.02a of this Code during
3 fiscal year 2004, pursuant to the provisions of Section
4 14-7.02a as they were in effect before the effective date of
5 this amendatory Act of the 93rd General Assembly. This base
6 level funding shall be computed first.

7 Beginning with fiscal year 2008 through fiscal year 2017
8 ~~and each fiscal year thereafter~~, individual school districts
9 must not receive payments under this Section totaling less than
10 they received in fiscal year 2007. This funding shall be
11 computed last and shall be a separate calculation from any
12 other calculation set forth in this Section. This amount is
13 exempt from the requirements of Section 1D-1 of this Code.

14 Through fiscal year 2017, an ~~An~~ amount equal to 85% of the
15 funds remaining in the appropriation shall be allocated to
16 school districts based upon the district's average daily
17 attendance reported for purposes of Section 18-8.05 of this
18 Code for the preceding school year. Fifteen percent of the
19 funds remaining in the appropriation shall be allocated to
20 school districts based upon the district's low income eligible
21 pupil count used in the calculation of general State aid under
22 Section 18-8.05 of this Code for the same fiscal year. One
23 hundred percent of the funds computed and allocated to
24 districts under this Section shall be distributed and paid to
25 school districts.

26 For individual students with disabilities whose program

1 costs exceed 4 times the district's per capita tuition rate as
2 calculated under Section 10-20.12a of this Code, the costs in
3 excess of 4 times the district's per capita tuition rate shall
4 be paid by the State Board of Education from unexpended IDEA
5 discretionary funds originally designated for room and board
6 reimbursement pursuant to Section 14-8.01 of this Code. The
7 amount of tuition for these children shall be determined by the
8 actual cost of maintaining classes for these children, using
9 the per capita cost formula set forth in Section 14-7.01 of
10 this Code, with the program and cost being pre-approved by the
11 State Superintendent of Education. Reimbursement for
12 individual students with disabilities whose program costs
13 exceed 4 times the district's per capita tuition rate shall be
14 claimed beginning with costs encumbered for the 2004-2005
15 school year and thereafter.

16 The State Board of Education shall prepare vouchers equal
17 to one-fourth the amount allocated to districts, for
18 transmittal to the State Comptroller on the 30th day of
19 September, December, and March, respectively, and the final
20 voucher, no later than June 20. The Comptroller shall make
21 payments pursuant to this Section to school districts as soon
22 as possible after receipt of vouchers. If the money
23 appropriated from the General Assembly for such purposes for
24 any year is insufficient, it shall be apportioned on the basis
25 of the payments due to school districts.

26 Nothing in this Section shall be construed to decrease or

1 increase the percentage of all special education funds that are
2 allocated annually under Article 1D of this Code or to alter
3 the requirement that a school district provide special
4 education services.

5 Nothing in this amendatory Act of the 93rd General Assembly
6 shall eliminate any reimbursement obligation owed as of the
7 effective date of this amendatory Act of the 93rd General
8 Assembly to a school district with in excess of 500,000
9 inhabitants.

10 Except for reimbursement for individual students with
11 disabilities whose program costs exceed 4 times the district's
12 per capita tuition rate, no funding shall be provided to school
13 districts under this Section after fiscal year 2017.

14 In fiscal year 2018 and each fiscal year thereafter, all
15 funding received by a school district from the State pursuant
16 to Section 18-8.15 of this Code that is attributable to
17 students requiring special education services must be used for
18 special education services authorized under this Code.

19 (Source: P.A. 93-1022, eff. 8-24-08; 95-705, eff. 1-8-08.)

20 (105 ILCS 5/14-13.01) (from Ch. 122, par. 14-13.01)

21 Sec. 14-13.01. Reimbursement payable by State; amounts for
22 personnel and transportation.

23 (a) Through fiscal year 2017, for ~~For~~ staff working on
24 behalf of children who have not been identified as eligible for
25 special education and for eligible children with physical

1 disabilities, including all eligible children whose placement
2 has been determined under Section 14-8.02 in hospital or home
3 instruction, 1/2 of the teacher's salary but not more than
4 \$1,000 annually per child or \$9,000 per teacher, whichever is
5 less.

6 (a-5) A child qualifies for home or hospital instruction if
7 it is anticipated that, due to a medical condition, the child
8 will be unable to attend school, and instead must be instructed
9 at home or in the hospital, for a period of 2 or more
10 consecutive weeks or on an ongoing intermittent basis. For
11 purposes of this Section, "ongoing intermittent basis" means
12 that the child's medical condition is of such a nature or
13 severity that it is anticipated that the child will be absent
14 from school due to the medical condition for periods of at
15 least 2 days at a time multiple times during the school year
16 totaling at least 10 days or more of absences. There shall be
17 no requirement that a child be absent from school a minimum
18 number of days before the child qualifies for home or hospital
19 instruction. In order to establish eligibility for home or
20 hospital services, a student's parent or guardian must submit
21 to the child's school district of residence a written statement
22 from a physician licensed to practice medicine in all of its
23 branches stating the existence of such medical condition, the
24 impact on the child's ability to participate in education, and
25 the anticipated duration or nature of the child's absence from
26 school. Home or hospital instruction may commence upon receipt

1 of a written physician's statement in accordance with this
2 Section, but instruction shall commence not later than 5 school
3 days after the school district receives the physician's
4 statement. Special education and related services required by
5 the child's IEP or services and accommodations required by the
6 child's federal Section 504 plan must be implemented as part of
7 the child's home or hospital instruction, unless the IEP team
8 or federal Section 504 plan team determines that modifications
9 are necessary during the home or hospital instruction due to
10 the child's condition.

11 (a-10) Through fiscal year 2017, eligible ~~Eligible~~
12 children to be included in any reimbursement under this
13 paragraph must regularly receive a minimum of one hour of
14 instruction each school day, or in lieu thereof of a minimum of
15 5 hours of instruction in each school week in order to qualify
16 for full reimbursement under this Section. If the attending
17 physician for such a child has certified that the child should
18 not receive as many as 5 hours of instruction in a school week,
19 however, reimbursement under this paragraph on account of that
20 child shall be computed proportionate to the actual hours of
21 instruction per week for that child divided by 5.

22 (a-15) The State Board of Education shall establish rules
23 governing the required qualifications of staff providing home
24 or hospital instruction.

25 (b) For children described in Section 14-1.02, 80% of the
26 cost of transportation approved as a related service in the

1 Individualized Education Program for each student in order to
2 take advantage of special educational facilities.
3 Transportation costs shall be determined in the same fashion as
4 provided in Section 29-5 of this Code. For purposes of this
5 subsection (b), the dates for processing claims specified in
6 Section 29-5 shall apply.

7 (c) Through fiscal year 2017, for ~~For~~ each qualified
8 worker, the annual sum of \$9,000.

9 (d) Through fiscal year 2017, for ~~For~~ one full time
10 qualified director of the special education program of each
11 school district which maintains a fully approved program of
12 special education the annual sum of \$9,000. Districts
13 participating in a joint agreement special education program
14 shall not receive such reimbursement if reimbursement is made
15 for a director of the joint agreement program.

16 (e) (Blank).

17 (f) (Blank).

18 (g) Through fiscal year 2017, for ~~For~~ readers, working with
19 blind or partially seeing children 1/2 of their salary but not
20 more than \$400 annually per child. Readers may be employed to
21 assist such children and shall not be required to be certified
22 but prior to employment shall meet standards set up by the
23 State Board of Education.

24 (h) Through fiscal year 2017, for ~~For~~ non-certified
25 employees, as defined by rules promulgated by the State Board
26 of Education, who deliver services to students with IEPs, 1/2

1 of the salary paid or \$3,500 per employee, whichever is less.

2 (i) The State Board of Education shall set standards and
3 prescribe rules for determining the allocation of
4 reimbursement under this section on less than a full time basis
5 and for less than a school year.

6 When any school district eligible for reimbursement under
7 this Section operates a school or program approved by the State
8 Superintendent of Education for a number of days in excess of
9 the adopted school calendar but not to exceed 235 school days,
10 such reimbursement shall be increased by 1/180 of the amount or
11 rate paid hereunder for each day such school is operated in
12 excess of 180 days per calendar year.

13 Notwithstanding any other provision of law, any school
14 district receiving a payment under this Section or under
15 Section 14-7.02, 14-7.02b, or 29-5 of this Code may classify
16 all or a portion of the funds that it receives in a particular
17 fiscal year or from evidence-based funding ~~general State aid~~
18 pursuant to Section 18-8.15 ~~18-8.05~~ of this Code as funds
19 received in connection with any funding program for which it is
20 entitled to receive funds from the State in that fiscal year
21 (including, without limitation, any funding program referenced
22 in this Section), regardless of the source or timing of the
23 receipt. The district may not classify more funds as funds
24 received in connection with the funding program than the
25 district is entitled to receive in that fiscal year for that
26 program. Any classification by a district must be made by a

1 resolution of its board of education. The resolution must
2 identify the amount of any payments or evidence-based funding
3 ~~general State aid~~ to be classified under this paragraph and
4 must specify the funding program to which the funds are to be
5 treated as received in connection therewith. This resolution is
6 controlling as to the classification of funds referenced
7 therein. A certified copy of the resolution must be sent to the
8 State Superintendent of Education. The resolution shall still
9 take effect even though a copy of the resolution has not been
10 sent to the State Superintendent of Education in a timely
11 manner. No classification under this paragraph by a district
12 shall affect the total amount or timing of money the district
13 is entitled to receive under this Code. No classification under
14 this paragraph by a district shall in any way relieve the
15 district from or affect any requirements that otherwise would
16 apply with respect to that funding program, including any
17 accounting of funds by source, reporting expenditures by
18 original source and purpose, reporting requirements, or
19 requirements of providing services.

20 No funding shall be provided to school districts under this
21 Section after fiscal year 2017. In fiscal year 2018 and each
22 fiscal year thereafter, all funding received by a school
23 district from the State pursuant to Section 18-8.15 of this
24 Code that is attributable to personnel reimbursements for
25 special education pupils must be used for special education
26 services authorized under this Code.

1 (Source: P.A. 96-257, eff. 8-11-09; 97-123, eff. 7-14-11.)

2 (105 ILCS 5/14C-1) (from Ch. 122, par. 14C-1)

3 Sec. 14C-1. The General Assembly finds that there are large
4 numbers of children in this State who come from environments
5 where the primary language is other than English. Experience
6 has shown that public school classes in which instruction is
7 given only in English are often inadequate for the education of
8 children whose native tongue is another language. The General
9 Assembly believes that a program of transitional bilingual
10 education can meet the needs of these children and facilitate
11 their integration into the regular public school curriculum.
12 Therefore, pursuant to the policy of this State to ensure equal
13 educational opportunity to every child, and in recognition of
14 the educational needs of English learners, it is the purpose of
15 this Act to provide for the establishment of transitional
16 bilingual education programs in the public schools, to provide
17 supplemental financial assistance through fiscal year 2017 to
18 help local school districts meet the extra costs of such
19 programs, and to allow this State through the State Board of
20 Education to directly or indirectly provide technical
21 assistance and professional development to support
22 transitional bilingual education or a transitional program of
23 instruction programs statewide through contractual services by
24 a not-for-profit entity for technical assistance, professional
25 development, and other support to school districts and

1 educators for services for English learner pupils. In no case
2 may aggregate funding for contractual services by a
3 not-for-profit entity for support to school districts and
4 educators for services for English learner pupils be less than
5 the aggregate amount expended for such purposes in Fiscal Year
6 2017. Not-for-profit entities providing support to school
7 districts and educators for services for English learner pupils
8 must have experience providing those services in a school
9 district having a population exceeding 500,000; one or more
10 school districts in any of the counties of Lake, McHenry,
11 DuPage, Kane, and Will; and one or more school districts
12 elsewhere in this State. Funding for not-for-profit entities
13 providing support to school districts and educators for
14 services for English learner pupils may be increased subject to
15 an agreement with the State Board of Education. Funding for
16 not-for-profit entities providing support to school districts
17 and educators for services for English learner pupils shall
18 come from funds allocated pursuant to Section 18-8.15 of this
19 Code.

20 (Source: P.A. 99-30, eff. 7-10-15.)

21 (105 ILCS 5/14C-12) (from Ch. 122, par. 14C-12)

22 Sec. 14C-12. Account of expenditures; Cost report;
23 Reimbursement. Each school district with at least one English
24 learner shall keep an accurate, detailed and separate account
25 of all monies paid out by it for the programs in transitional

1 bilingual education required or permitted by this Article,
2 including transportation costs, and shall annually report
3 thereon for the school year ending June 30 indicating the
4 average per pupil expenditure. Through fiscal year 2017, each
5 ~~Each~~ school district shall be reimbursed for the amount by
6 which such costs exceed the average per pupil expenditure by
7 such school district for the education of children of
8 comparable age who are not in any special education program. No
9 funding shall be provided to school districts under this
10 Section after fiscal year 2017. In fiscal year 2018 and each
11 fiscal year thereafter, all funding received by a school
12 district from the State pursuant to Section 18-8.15 of this
13 Code that is attributable to instructions, supports, and
14 interventions for English learner pupils must be used for
15 programs and services authorized under this Article. At least
16 60% of transitional bilingual education funding received from
17 the State must be used for the instructional costs of programs
18 and services authorized under this Article ~~transitional~~
19 ~~bilingual education.~~

20 Applications for preapproval ~~for reimbursement~~ for costs
21 of transitional bilingual education programs must be submitted
22 to the State Superintendent of Education at least 60 days
23 before a transitional bilingual education program is started,
24 unless a justifiable exception is granted by the State
25 Superintendent of Education. Applications shall set forth a
26 plan for transitional bilingual education established and

1 maintained in accordance with this Article.

2 Through fiscal year 2017, reimbursement ~~Reimbursement~~
3 claims for transitional bilingual education programs shall be
4 made as follows:

5 Each school district shall claim reimbursement on a current
6 basis for the first 3 quarters of the fiscal year and file a
7 final adjusted claim for the school year ended June 30
8 preceding computed in accordance with rules prescribed by the
9 State Superintendent's Office. The State Superintendent of
10 Education before approving any such claims shall determine
11 their accuracy and whether they are based upon services and
12 facilities provided under approved programs. Upon approval he
13 shall transmit to the Comptroller the vouchers showing the
14 amounts due for school district reimbursement claims. Upon
15 receipt of the final adjusted claims the State Superintendent
16 of Education shall make a final determination of the accuracy
17 of such claims. If the money appropriated by the General
18 Assembly for such purpose for any year is insufficient, it
19 shall be apportioned on the basis of the claims approved.

20 Failure on the part of the school district to prepare and
21 certify the final adjusted claims due under this Section may
22 constitute a forfeiture by the school district of its right to
23 be reimbursed by the State under this Section.

24 (Source: P.A. 96-1170, eff. 1-1-11.)

25 (105 ILCS 5/17-1) (from Ch. 122, par. 17-1)

1 Sec. 17-1. Annual Budget. The board of education of each
2 school district under 500,000 inhabitants shall, within or
3 before the first quarter of each fiscal year, adopt and file
4 with the State Board of Education an annual balanced budget
5 which it deems necessary to defray all necessary expenses and
6 liabilities of the district, and in such annual budget shall
7 specify the objects and purposes of each item and amount needed
8 for each object or purpose.

9 The budget shall be entered upon a School District Budget
10 form prepared and provided by the State Board of Education and
11 therein shall contain a statement of the cash on hand at the
12 beginning of the fiscal year, an estimate of the cash expected
13 to be received during such fiscal year from all sources, an
14 estimate of the expenditures contemplated for such fiscal year,
15 and a statement of the estimated cash expected to be on hand at
16 the end of such year. The estimate of taxes to be received may
17 be based upon the amount of actual cash receipts that may
18 reasonably be expected by the district during such fiscal year,
19 estimated from the experience of the district in prior years
20 and with due regard for other circumstances that may
21 substantially affect such receipts. Nothing in this Section
22 shall be construed as requiring any district to change or
23 preventing any district from changing from a cash basis of
24 financing to a surplus or deficit basis of financing; or as
25 requiring any district to change or preventing any district
26 from changing its system of accounting. The budget shall

1 conform to the requirements adopted by the State Board of
2 Education pursuant to Section 2-3.28 of this Code.

3 To the extent that a school district's budget is not
4 balanced, the district shall also adopt and file with the State
5 Board of Education a deficit reduction plan to balance the
6 district's budget within 3 years. The deficit reduction plan
7 must be filed at the same time as the budget, but the State
8 Superintendent of Education may extend this deadline if the
9 situation warrants.

10 If, as the result of an audit performed in compliance with
11 Section 3-7 of this Code, the resulting Annual Financial Report
12 required to be submitted pursuant to Section 3-15.1 of this
13 Code reflects a deficit as defined for purposes of the
14 preceding paragraph, then the district shall, within 30 days
15 after acceptance of such audit report, submit a deficit
16 reduction plan.

17 The board of education of each district shall fix a fiscal
18 year therefor. If the beginning of the fiscal year of a
19 district is subsequent to the time that the tax levy due to be
20 made in such fiscal year shall be made, then such annual budget
21 shall be adopted prior to the time such tax levy shall be made.
22 The failure by a board of education of any district to adopt an
23 annual budget, or to comply in any respect with the provisions
24 of this Section, shall not affect the validity of any tax levy
25 of the district otherwise in conformity with the law. With
26 respect to taxes levied either before, on, or after the

1 effective date of this amendatory Act of the 91st General
2 Assembly, (i) a tax levy is made for the fiscal year in which
3 the levy is due to be made regardless of which fiscal year the
4 proceeds of the levy are expended or are intended to be
5 expended, and (ii) except as otherwise provided by law, a board
6 of education's adoption of an annual budget in conformity with
7 this Section is not a prerequisite to the adoption of a valid
8 tax levy and is not a limit on the amount of the levy.

9 Such budget shall be prepared in tentative form by some
10 person or persons designated by the board, and in such
11 tentative form shall be made conveniently available to public
12 inspection for at least 30 days prior to final action thereon.
13 At least 1 public hearing shall be held as to such budget prior
14 to final action thereon. Notice of availability for public
15 inspection and of such public hearing shall be given by
16 publication in a newspaper published in such district, at least
17 30 days prior to the time of such hearing. If there is no
18 newspaper published in such district, notice of such public
19 hearing shall be given by posting notices thereof in 5 of the
20 most public places in such district. It shall be the duty of
21 the secretary of such board to make such tentative budget
22 available to public inspection, and to arrange for such public
23 hearing. The board may from time to time make transfers between
24 the various items in any fund not exceeding in the aggregate
25 10% of the total of such fund as set forth in the budget. The
26 board may from time to time amend such budget by the same

1 procedure as is herein provided for its original adoption.

2 Beginning July 1, 1976, the board of education, or regional
3 superintendent, or governing board responsible for the
4 administration of a joint agreement shall, by September 1 of
5 each fiscal year thereafter, adopt an annual budget for the
6 joint agreement in the same manner and subject to the same
7 requirements as are provided in this Section.

8 The State Board of Education shall exercise powers and
9 duties relating to budgets as provided in Section 2-3.27 of
10 this Code and shall require school districts to submit their
11 annual budgets, deficit reduction plans, and other financial
12 information, including revenue and expenditure reports and
13 borrowing and interfund transfer plans, in such form and within
14 the timelines designated by the State Board of Education.

15 By fiscal year 1982 all school districts shall use the
16 Program Budget Accounting System.

17 In the case of a school district receiving emergency State
18 financial assistance under Article 1B, the school board shall
19 also be subject to the requirements established under Article
20 1B with respect to the annual budget.

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

22 (105 ILCS 5/17-1.2)

23 Sec. 17-1.2. Post annual budget on web site. If a school
24 district has an Internet web site, the school district shall
25 post its current annual budget, itemized by receipts and

1 expenditures, on the district's Internet web site. The budget
2 shall include information conforming to the rules adopted by
3 the State Board of Education pursuant to Section 2-3.28 of this
4 Code. The school district shall notify the parents or guardians
5 of its students that the budget has been posted on the
6 district's web site and what the web site's address is.

7 (Source: P.A. 92-438, eff. 1-1-02.)

8 (105 ILCS 5/17-1.5)

9 Sec. 17-1.5. Limitation of administrative costs.

10 (a) It is the purpose of this Section to establish
11 limitations on the growth of administrative expenditures in
12 order to maximize the proportion of school district resources
13 available for the instructional program, building maintenance,
14 and safety services for the students of each district.

15 (b) Definitions. For the purposes of this Section:

16 "Administrative expenditures" mean the annual expenditures
17 of school districts properly attributable to expenditure
18 functions defined by the rules of the State Board of Education
19 as: 2320 (Executive Administration Services); 2330 (Special
20 Area Administration Services); 2490 (Other Support Services -
21 School Administration); 2510 (Direction of Business Support
22 Services); 2570 (Internal Services); and 2610 (Direction of
23 Central Support Services); provided, however, that
24 "administrative expenditures" shall not include early
25 retirement or other pension system obligations required by

1 State law.

2 "School district" means all school districts having a
3 population of less than 500,000.

4 (c) For the 1998-99 school year and each school year
5 thereafter, each school district shall undertake budgetary and
6 expenditure control actions so that the increase in
7 administrative expenditures for that school year over the prior
8 school year does not exceed 5%. School districts with
9 administrative expenditures per pupil in the 25th percentile
10 and below for all districts of the same type, as defined by the
11 State Board of Education, may waive the limitation imposed
12 under this Section for any year following a public hearing and
13 with the affirmative vote of at least two-thirds of the members
14 of the school board of the district. Any district waiving the
15 limitation shall notify the State Board within 45 days of such
16 action.

17 (d) School districts shall file with the State Board of
18 Education by November 15, 1998 and by each November 15th
19 thereafter a one-page report that lists (i) the actual
20 administrative expenditures for the prior year from the
21 district's audited Annual Financial Report, and (ii) the
22 projected administrative expenditures for the current year
23 from the budget adopted by the school board pursuant to Section
24 17-1 of this Code.

25 If a school district that is ineligible to waive the
26 limitation imposed by subsection (c) of this Section by board

1 action exceeds the limitation solely because of circumstances
2 beyond the control of the district and the district has
3 exhausted all available and reasonable remedies to comply with
4 the limitation, the district may request a waiver pursuant to
5 Section 2-3.25g. The waiver application shall specify the
6 amount, nature, and reason for the relief requested, as well as
7 all remedies the district has exhausted to comply with the
8 limitation. Any emergency relief so requested shall apply only
9 to the specific school year for which the request is made. The
10 State Board of Education shall analyze all such waivers
11 submitted and shall recommend that the General Assembly
12 disapprove any such waiver requested that is not due solely to
13 circumstances beyond the control of the district and for which
14 the district has not exhausted all available and reasonable
15 remedies to comply with the limitation. The State
16 Superintendent shall have no authority to impose any sanctions
17 pursuant to this Section for any expenditures for which a
18 waiver has been requested until such waiver has been reviewed
19 by the General Assembly.

20 If the report and information required under this
21 subsection (d) are not provided by the school district in a
22 timely manner, or are subsequently determined by the State
23 Superintendent of Education to be incomplete or inaccurate, the
24 State Superintendent shall notify the district in writing of
25 reporting deficiencies. The school district shall, within 60
26 days of the notice, address the reporting deficiencies

1 identified.

2 (e) If the State Superintendent determines that a school
3 district has failed to comply with the administrative
4 expenditure limitation imposed in subsection (c) of this
5 Section, the State Superintendent shall notify the district of
6 the violation and direct the district to undertake corrective
7 action to bring the district's budget into compliance with the
8 administrative expenditure limitation. The district shall,
9 within 60 days of the notice, provide adequate assurance to the
10 State Superintendent that appropriate corrective actions have
11 been or will be taken. If the district fails to provide
12 adequate assurance or fails to undertake the necessary
13 corrective actions, the State Superintendent may impose
14 progressive sanctions against the district that may culminate
15 in withholding all subsequent payments of general State aid due
16 the district under Section 18-8.05 of this Code or
17 evidence-based funding due the district under Section 18-8.15
18 of this Code until the assurance is provided or the corrective
19 actions taken.

20 (f) The State Superintendent shall publish a list each year
21 of the school districts that violate the limitation imposed by
22 subsection (c) of this Section and a list of the districts that
23 waive the limitation by board action as provided in subsection
24 (c) of this Section.

25 (Source: P.A. 90-548, eff. 1-1-98; 90-653, eff. 7-29-98.)

1 (105 ILCS 5/17-2.11) (from Ch. 122, par. 17-2.11)

2 Sec. 17-2.11. School board power to levy a tax or to borrow
3 money and issue bonds for fire prevention, safety, energy
4 conservation, accessibility, school security, and specified
5 repair purposes.

6 (a) Whenever, as a result of any lawful order of any
7 agency, other than a school board, having authority to enforce
8 any school building code applicable to any facility that houses
9 students, or any law or regulation for the protection and
10 safety of the environment, pursuant to the Environmental
11 Protection Act, any school district having a population of less
12 than 500,000 inhabitants is required to alter or reconstruct
13 any school building or permanent, fixed equipment; the district
14 may, by proper resolution, levy a tax for the purpose of making
15 such alteration or reconstruction, based on a survey report by
16 an architect or engineer licensed in this State, upon all of
17 the taxable property of the district at the value as assessed
18 by the Department of Revenue and at a rate not to exceed 0.05%
19 per year for a period sufficient to finance such alteration or
20 reconstruction, upon the following conditions:

21 (1) When there are not sufficient funds available in
22 the operations and maintenance fund of the school district,
23 the school facility occupation tax fund of the district, or
24 the fire prevention and safety fund of the district, as
25 determined by the district on the basis of rules adopted by
26 the State Board of Education, to make such alteration or

1 reconstruction or to purchase and install such permanent,
2 fixed equipment so ordered or determined as necessary.
3 Appropriate school district records must be made available
4 to the State Superintendent of Education, upon request, to
5 confirm this insufficiency.

6 (2) When a certified estimate of an architect or
7 engineer licensed in this State stating the estimated
8 amount necessary to make the alteration or reconstruction
9 or to purchase and install the equipment so ordered has
10 been secured by the school district, and the estimate has
11 been approved by the regional superintendent of schools
12 having jurisdiction over the district and the State
13 Superintendent of Education. Approval must not be granted
14 for any work that has already started without the prior
15 express authorization of the State Superintendent of
16 Education. If the estimate is not approved or is denied
17 approval by the regional superintendent of schools within 3
18 months after the date on which it is submitted to him or
19 her, the school board of the district may submit the
20 estimate directly to the State Superintendent of Education
21 for approval or denial.

22 In the case of an emergency situation, where the estimated
23 cost to effectuate emergency repairs is less than the amount
24 specified in Section 10-20.21 of this Code, the school district
25 may proceed with such repairs prior to approval by the State
26 Superintendent of Education, but shall comply with the

1 provisions of subdivision (2) of this subsection (a) as soon
2 thereafter as may be as well as Section 10-20.21 of this Code.
3 If the estimated cost to effectuate emergency repairs is
4 greater than the amount specified in Section 10-20.21 of this
5 Code, then the school district shall proceed in conformity with
6 Section 10-20.21 of this Code and with rules established by the
7 State Board of Education to address such situations. The rules
8 adopted by the State Board of Education to deal with these
9 situations shall stipulate that emergency situations must be
10 expedited and given priority consideration. For purposes of
11 this paragraph, an emergency is a situation that presents an
12 imminent and continuing threat to the health and safety of
13 students or other occupants of a facility, requires complete or
14 partial evacuation of a building or part of a building, or
15 consumes one or more of the 5 emergency days built into the
16 adopted calendar of the school or schools or would otherwise be
17 expected to cause such school or schools to fall short of the
18 minimum school calendar requirements.

19 (b) Whenever any such district determines that it is
20 necessary for energy conservation purposes that any school
21 building or permanent, fixed equipment should be altered or
22 reconstructed and that such alterations or reconstruction will
23 be made with funds not necessary for the completion of approved
24 and recommended projects contained in any safety survey report
25 or amendments thereto authorized by Section 2-3.12 of this Act;
26 the district may levy a tax or issue bonds as provided in

1 subsection (a) of this Section.

2 (c) Whenever any such district determines that it is
3 necessary for accessibility purposes and to comply with the
4 school building code that any school building or equipment
5 should be altered or reconstructed and that such alterations or
6 reconstruction will be made with funds not necessary for the
7 completion of approved and recommended projects contained in
8 any safety survey report or amendments thereto authorized under
9 Section 2-3.12 of this Act, the district may levy a tax or
10 issue bonds as provided in subsection (a) of this Section.

11 (d) Whenever any such district determines that it is
12 necessary for school security purposes and the related
13 protection and safety of pupils and school personnel that any
14 school building or property should be altered or reconstructed
15 or that security systems and equipment (including but not
16 limited to intercom, early detection and warning, access
17 control and television monitoring systems) should be purchased
18 and installed, and that such alterations, reconstruction or
19 purchase and installation of equipment will be made with funds
20 not necessary for the completion of approved and recommended
21 projects contained in any safety survey report or amendment
22 thereto authorized by Section 2-3.12 of this Act and will deter
23 and prevent unauthorized entry or activities upon school
24 property by unknown or dangerous persons, assure early
25 detection and advance warning of any such actual or attempted
26 unauthorized entry or activities and help assure the continued

1 safety of pupils and school staff if any such unauthorized
2 entry or activity is attempted or occurs; the district may levy
3 a tax or issue bonds as provided in subsection (a) of this
4 Section.

5 (e) If a school district does not need funds for other fire
6 prevention and safety projects, including the completion of
7 approved and recommended projects contained in any safety
8 survey report or amendments thereto authorized by Section
9 2-3.12 of this Act, and it is determined after a public hearing
10 (which is preceded by at least one published notice (i)
11 occurring at least 7 days prior to the hearing in a newspaper
12 of general circulation within the school district and (ii)
13 setting forth the time, date, place, and general subject matter
14 of the hearing) that there is a substantial, immediate, and
15 otherwise unavoidable threat to the health, safety, or welfare
16 of pupils due to disrepair of school sidewalks, playgrounds,
17 parking lots, or school bus turnarounds and repairs must be
18 made; then the district may levy a tax or issue bonds as
19 provided in subsection (a) of this Section.

20 (f) For purposes of this Section a school district may
21 replace a school building or build additions to replace
22 portions of a building when it is determined that the
23 effectuation of the recommendations for the existing building
24 will cost more than the replacement costs. Such determination
25 shall be based on a comparison of estimated costs made by an
26 architect or engineer licensed in the State of Illinois. The

1 new building or addition shall be equivalent in area (square
2 feet) and comparable in purpose and grades served and may be on
3 the same site or another site. Such replacement may only be
4 done upon order of the regional superintendent of schools and
5 the approval of the State Superintendent of Education.

6 (g) The filing of a certified copy of the resolution
7 levying the tax when accompanied by the certificates of the
8 regional superintendent of schools and State Superintendent of
9 Education shall be the authority of the county clerk to extend
10 such tax.

11 (h) The county clerk of the county in which any school
12 district levying a tax under the authority of this Section is
13 located, in reducing raised levies, shall not consider any such
14 tax as a part of the general levy for school purposes and shall
15 not include the same in the limitation of any other tax rate
16 which may be extended.

17 Such tax shall be levied and collected in like manner as
18 all other taxes of school districts, subject to the provisions
19 contained in this Section.

20 (i) The tax rate limit specified in this Section may be
21 increased to .10% upon the approval of a proposition to effect
22 such increase by a majority of the electors voting on that
23 proposition at a regular scheduled election. Such proposition
24 may be initiated by resolution of the school board and shall be
25 certified by the secretary to the proper election authorities
26 for submission in accordance with the general election law.

1 (j) When taxes are levied by any school district for fire
2 prevention, safety, energy conservation, and school security
3 purposes as specified in this Section, and the purposes for
4 which the taxes have been levied are accomplished and paid in
5 full, and there remain funds on hand in the Fire Prevention and
6 Safety Fund from the proceeds of the taxes levied, including
7 interest earnings thereon, the school board by resolution shall
8 use such excess and other board restricted funds, excluding
9 bond proceeds and earnings from such proceeds, as follows:

10 (1) for other authorized fire prevention, safety,
11 energy conservation, required safety inspections, school
12 security purposes, sampling for lead in drinking water in
13 schools, and for repair and mitigation due to lead levels
14 in the drinking water supply; or

15 (2) for transfer to the Operations and Maintenance Fund
16 for the purpose of abating an equal amount of operations
17 and maintenance purposes taxes.

18 Notwithstanding subdivision (2) of this subsection (j) and
19 subsection (k) of this Section, through June 30, 2020 ~~2019~~, the
20 school board may, by proper resolution following a public
21 hearing set by the school board or the president of the school
22 board (that is preceded (i) by at least one published notice
23 over the name of the clerk or secretary of the board, occurring
24 at least 7 days and not more than 30 days prior to the hearing,
25 in a newspaper of general circulation within the school
26 district and (ii) by posted notice over the name of the clerk

1 or secretary of the board, at least 48 hours before the
2 hearing, at the principal office of the school board or at the
3 building where the hearing is to be held if a principal office
4 does not exist, with both notices setting forth the time, date,
5 place, and subject matter of the hearing), transfer surplus
6 life safety taxes and interest earnings thereon to the
7 Operations and Maintenance Fund for building repair work.

8 (k) If any transfer is made to the Operation and
9 Maintenance Fund, the secretary of the school board shall
10 within 30 days notify the county clerk of the amount of that
11 transfer and direct the clerk to abate the taxes to be extended
12 for the purposes of operations and maintenance authorized under
13 Section 17-2 of this Act by an amount equal to such transfer.

14 (l) If the proceeds from the tax levy authorized by this
15 Section are insufficient to complete the work approved under
16 this Section, the school board is authorized to sell bonds
17 without referendum under the provisions of this Section in an
18 amount that, when added to the proceeds of the tax levy
19 authorized by this Section, will allow completion of the
20 approved work.

21 (m) Any bonds issued pursuant to this Section shall bear
22 interest at a rate not to exceed the maximum rate authorized by
23 law at the time of the making of the contract, shall mature
24 within 20 years from date, and shall be signed by the president
25 of the school board and the treasurer of the school district.

26 (n) In order to authorize and issue such bonds, the school

1 board shall adopt a resolution fixing the amount of bonds, the
2 date thereof, the maturities thereof, rates of interest
3 thereof, place of payment and denomination, which shall be in
4 denominations of not less than \$100 and not more than \$5,000,
5 and provide for the levy and collection of a direct annual tax
6 upon all the taxable property in the school district sufficient
7 to pay the principal and interest on such bonds to maturity.
8 Upon the filing in the office of the county clerk of the county
9 in which the school district is located of a certified copy of
10 the resolution, it is the duty of the county clerk to extend
11 the tax therefor in addition to and in excess of all other
12 taxes heretofore or hereafter authorized to be levied by such
13 school district.

14 (o) After the time such bonds are issued as provided for by
15 this Section, if additional alterations or reconstructions are
16 required to be made because of surveys conducted by an
17 architect or engineer licensed in the State of Illinois, the
18 district may levy a tax at a rate not to exceed .05% per year
19 upon all the taxable property of the district or issue
20 additional bonds, whichever action shall be the most feasible.

21 (p) This Section is cumulative and constitutes complete
22 authority for the issuance of bonds as provided in this Section
23 notwithstanding any other statute or law to the contrary.

24 (q) With respect to instruments for the payment of money
25 issued under this Section either before, on, or after the
26 effective date of Public Act 86-004 (June 6, 1989), it is, and

1 always has been, the intention of the General Assembly (i) that
2 the Omnibus Bond Acts are, and always have been, supplementary
3 grants of power to issue instruments in accordance with the
4 Omnibus Bond Acts, regardless of any provision of this Act that
5 may appear to be or to have been more restrictive than those
6 Acts, (ii) that the provisions of this Section are not a
7 limitation on the supplementary authority granted by the
8 Omnibus Bond Acts, and (iii) that instruments issued under this
9 Section within the supplementary authority granted by the
10 Omnibus Bond Acts are not invalid because of any provision of
11 this Act that may appear to be or to have been more restrictive
12 than those Acts.

13 (r) When the purposes for which the bonds are issued have
14 been accomplished and paid for in full and there remain funds
15 on hand from the proceeds of the bond sale and interest
16 earnings therefrom, the board shall, by resolution, use such
17 excess funds in accordance with the provisions of Section
18 10-22.14 of this Act.

19 (s) Whenever any tax is levied or bonds issued for fire
20 prevention, safety, energy conservation, and school security
21 purposes, such proceeds shall be deposited and accounted for
22 separately within the Fire Prevention and Safety Fund.

23 (Source: P.A. 98-26, eff. 6-21-13; 98-1066, eff. 8-26-14;
24 99-143, eff. 7-27-15; 99-713, eff. 8-5-16; 99-922, eff.
25 1-17-17.)

1 (105 ILCS 5/17-2A) (from Ch. 122, par. 17-2A)

2 Sec. 17-2A. Interfund transfers.

3 (a) The school board of any district having a population of
4 less than 500,000 inhabitants may, by proper resolution
5 following a public hearing set by the school board or the
6 president of the school board (that is preceded (i) by at least
7 one published notice over the name of the clerk or secretary of
8 the board, occurring at least 7 days and not more than 30 days
9 prior to the hearing, in a newspaper of general circulation
10 within the school district and (ii) by posted notice over the
11 name of the clerk or secretary of the board, at least 48 hours
12 before the hearing, at the principal office of the school board
13 or at the building where the hearing is to be held if a
14 principal office does not exist, with both notices setting
15 forth the time, date, place, and subject matter of the
16 hearing), transfer money from (1) the Educational Fund to the
17 Operations and Maintenance Fund or the Transportation Fund, (2)
18 the Operations and Maintenance Fund to the Educational Fund or
19 the Transportation Fund, (3) the Transportation Fund to the
20 Educational Fund or the Operations and Maintenance Fund, or (4)
21 the Tort Immunity Fund to the Operations and Maintenance Fund
22 of said district, provided that, except during the period from
23 July 1, 2003 through June 30, 2020 ~~2019~~, such transfer is made
24 solely for the purpose of meeting one-time, non-recurring
25 expenses. Except during the period from July 1, 2003 through
26 June 30, 2020 ~~2019~~ and except as otherwise provided in

1 subsection (b) of this Section, any other permanent interfund
2 transfers authorized by any provision or judicial
3 interpretation of this Code for which the transferee fund is
4 not precisely and specifically set forth in the provision of
5 this Code authorizing such transfer shall be made to the fund
6 of the school district most in need of the funds being
7 transferred, as determined by resolution of the school board.

8 (b) (Blank).

9 (c) Notwithstanding subsection (a) of this Section or any
10 other provision of this Code to the contrary, the school board
11 of any school district (i) that is subject to the Property Tax
12 Extension Limitation Law, (ii) that is an elementary district
13 servicing students in grades K through 8, (iii) whose territory
14 is in one county, (iv) that is eligible for Section 7002
15 Federal Impact Aid, and (v) that has no more than \$81,000 in
16 funds remaining from refinancing bonds that were refinanced a
17 minimum of 5 years prior to January 20, 2017 (the effective
18 date of Public Act 99-926) ~~this amendatory Act of the 99th~~
19 ~~General Assembly~~ may make a one-time transfer of the funds
20 remaining from the refinancing bonds to the Operations and
21 Maintenance Fund of the district by proper resolution following
22 a public hearing set by the school board or the president of
23 the school board, with notice as provided in subsection (a) of
24 this Section, so long as the district meets the qualifications
25 set forth in this subsection (c) on January 20, 2017 (the
26 effective date of Public Act 99-926) ~~this amendatory Act of the~~

1 ~~99th General Assembly.~~

2 (Source: P.A. 98-26, eff. 6-21-13; 98-131, eff. 1-1-14; 99-713,
3 eff. 8-5-16; 99-922, eff. 1-17-17; 99-926, eff. 1-20-17;
4 revised 1-23-17.)

5 (105 ILCS 5/17-3.6 new)

6 Sec. 17-3.6. Educational purposes tax rate for school
7 districts subject to Property Tax Extension Limitation Law.
8 Notwithstanding the provisions, requirements, or limitations
9 of this Code or any other law, any tax levied for educational
10 purposes by a school district subject to the Property Tax
11 Extension Limitation Law for the 2016 levy year or any
12 subsequent levy year may be extended at a rate exceeding the
13 rate established for educational purposes by referendum or this
14 Code, provided that the rate does not cause the school district
15 to exceed the limiting rate applicable to the school district
16 under the Property Tax Extension Limitation Law for that levy
17 year.

18 (105 ILCS 5/17-6.5 new)

19 Sec. 17-6.5. Decrease in tax rate for educational purposes.
20 For those school districts whose adequacy target, as defined in
21 Section 18-8.15 of this Code, meets or exceeds 110%, the
22 question of establishing a lower tax rate for educational
23 purposes than that in effect by the school district shall be
24 submitted to the voters of the school district at the regular

1 election for school board members in accordance with the
2 general election law, but only if the voters have submitted a
3 petition signed by not fewer than 5% of the legal voters in the
4 school district. That percentage shall be based on the number
5 of votes cast at the last general election preceding the filing
6 of the petition. The petition shall specify the tax rate of the
7 school district levy to be submitted. In no case shall the tax
8 rate lower the current tax levy by more than 20%.

9 The petition shall be filed with the secretary of the
10 school board not more than 10 months nor less than 6 months
11 prior to the election at which the question is to be submitted
12 to the voters, and its validity shall be determined as provided
13 by the general election law. The secretary shall certify the
14 question to the proper election officials, who shall submit the
15 question to the voters. Notwithstanding any other provisions of
16 this Section, this referendum shall be subject to all other
17 general election law requirements.

18 (105 ILCS 5/18-4.3) (from Ch. 122, par. 18-4.3)

19 Sec. 18-4.3. Summer school grants. Through fiscal year
20 2017, grants ~~Grants~~ shall be determined for pupil attendance in
21 summer schools conducted under Sections 10-22.33A and 34-18 and
22 approved under Section 2-3.25 in the following manner.

23 The amount of grant for each accredited summer school
24 attendance pupil shall be obtained by dividing the total amount
25 of apportionments determined under Section 18-8.05 by the

1 actual number of pupils in average daily attendance used for
2 such apportionments. The number of credited summer school
3 attendance pupils shall be determined (a) by counting clock
4 hours of class instruction by pupils enrolled in grades 1
5 through 12 in approved courses conducted at least 60 clock
6 hours in summer sessions; (b) by dividing such total of clock
7 hours of class instruction by 4 to produce days of credited
8 pupil attendance; (c) by dividing such days of credited pupil
9 attendance by the actual number of days in the regular term as
10 used in computation in the general apportionment in Section
11 18-8.05; and (d) by multiplying by 1.25.

12 The amount of the grant for a summer school program
13 approved by the State Superintendent of Education for children
14 with disabilities, as defined in Sections 14-1.02 through
15 14-1.07, shall be determined in the manner contained above
16 except that average daily membership shall be utilized in lieu
17 of average daily attendance.

18 In the case of an apportionment based on summer school
19 attendance or membership pupils, the claim therefor shall be
20 presented as a separate claim for the particular school year in
21 which such summer school session ends. On or before November 1
22 of each year the superintendent of each eligible school
23 district shall certify to the State Superintendent of Education
24 the claim of the district for the summer session just ended.
25 Failure on the part of the school board to so certify shall
26 constitute a forfeiture of its right to such payment. The State

1 Superintendent of Education shall transmit to the Comptroller
2 no later than December 15th of each year vouchers for payment
3 of amounts due school districts for summer school. The State
4 Superintendent of Education shall direct the Comptroller to
5 draw his warrants for payments thereof by the 30th day of
6 December. If the money appropriated by the General Assembly for
7 such purpose for any year is insufficient, it shall be
8 apportioned on the basis of claims approved.

9 However, notwithstanding the foregoing provisions, for
10 each fiscal year the money appropriated by the General Assembly
11 for the purposes of this Section shall only be used for grants
12 for approved summer school programs for those children with
13 disabilities served pursuant to Section 14-7.02 or 14-7.02b of
14 this Code.

15 No funding shall be provided to school districts under this
16 Section after fiscal year 2017. In fiscal year 2018 and each
17 fiscal year thereafter, all funding received by a school
18 district from the State pursuant to Section 18-8.15 of this
19 Code that is attributable to summer school for special
20 education pupils must be used for special education services
21 authorized under this Code.

22 (Source: P.A. 93-1022, eff. 8-24-04.)

23 (105 ILCS 5/18-8.05)

24 Sec. 18-8.05. Basis for apportionment of general State
25 financial aid and supplemental general State aid to the common

1 schools for the 1998-1999 through the 2016-2017 ~~and subsequent~~
2 school years.

3 (A) General Provisions.

4 (1) The provisions of this Section relating to the
5 calculation and apportionment of general State financial aid
6 and supplemental general State aid apply to the 1998-1999
7 through the 2016-2017 ~~and subsequent~~ school years. The system
8 of general State financial aid provided for in this Section is
9 designed to assure that, through a combination of State
10 financial aid and required local resources, the financial
11 support provided each pupil in Average Daily Attendance equals
12 or exceeds a prescribed per pupil Foundation Level. This
13 formula approach imputes a level of per pupil Available Local
14 Resources and provides for the basis to calculate a per pupil
15 level of general State financial aid that, when added to
16 Available Local Resources, equals or exceeds the Foundation
17 Level. The amount of per pupil general State financial aid for
18 school districts, in general, varies in inverse relation to
19 Available Local Resources. Per pupil amounts are based upon
20 each school district's Average Daily Attendance as that term is
21 defined in this Section.

22 (2) In addition to general State financial aid, school
23 districts with specified levels or concentrations of pupils
24 from low income households are eligible to receive supplemental
25 general State financial aid grants as provided pursuant to

1 subsection (H). The supplemental State aid grants provided for
2 school districts under subsection (H) shall be appropriated for
3 distribution to school districts as part of the same line item
4 in which the 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. In
13 case of nonrecognition of one or more attendance centers in
14 a school district otherwise operating recognized schools,
15 the claim of the district shall be reduced in the
16 proportion which the Average Daily Attendance in the
17 attendance center or centers bear to the Average Daily
18 Attendance in the school district. A "recognized school"
19 means any public school which meets the standards as
20 established for recognition by the State Board of
21 Education. A school district or attendance center not
22 having recognition status at the end of a school term is
23 entitled to receive State aid payments due upon a legal
24 claim which was filed while it was recognized.

25 (b) School district claims filed under this Section are
26 subject to Sections 18-9 and 18-12, except as otherwise

1 provided in this Section.

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

7 (d) (Blank).

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

12 School districts are not required to exert a minimum
13 Operating Tax Rate in order to qualify for assistance under
14 this Section.

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

17 (a) "Average Daily Attendance": A count of pupil
18 attendance in school, averaged as provided for in
19 subsection (C) and utilized in deriving per pupil financial
20 support levels.

21 (b) "Available Local Resources": A computation of
22 local financial support, calculated on the basis of Average
23 Daily Attendance and derived as provided pursuant to
24 subsection (D).

25 (c) "Corporate Personal Property Replacement Taxes":
26 Funds paid to local school districts pursuant to "An Act in

1 relation to the abolition of ad valorem personal property
2 tax and the replacement of revenues lost thereby, and
3 amending and repealing certain Acts and parts of Acts in
4 connection therewith", certified August 14, 1979, as
5 amended (Public Act 81-1st S.S.-1).

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

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

12 (B) Foundation Level.

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

23 (2) For the 1998-1999 school year, the Foundation Level of
24 support is \$4,225. For the 1999-2000 school year, the
25 Foundation Level of support is \$4,325. For the 2000-2001 school

1 year, the Foundation Level of support is \$4,425. For the
2 2001-2002 school year and 2002-2003 school year, the Foundation
3 Level of support is \$4,560. For the 2003-2004 school year, the
4 Foundation Level of support is \$4,810. For the 2004-2005 school
5 year, the Foundation Level of support is \$4,964. For the
6 2005-2006 school year, the Foundation Level of support is
7 \$5,164. For the 2006-2007 school year, the Foundation Level of
8 support is \$5,334. For the 2007-2008 school year, the
9 Foundation Level of support is \$5,734. For the 2008-2009 school
10 year, the Foundation Level of support is \$5,959.

11 (3) For the 2009-2010 school year and each school year
12 thereafter, the Foundation Level of support is \$6,119 or such
13 greater amount as may be established by law by the General
14 Assembly.

15 (C) Average Daily Attendance.

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

1 (F).

2 (2) The Average Daily Attendance figures utilized in
3 subsection (E) shall be the requisite attendance data for the
4 school year immediately preceding the school year for which
5 general State aid is being calculated or the average of the
6 attendance data for the 3 preceding school years, whichever is
7 greater. The Average Daily Attendance figures utilized in
8 subsection (H) shall be the requisite attendance data for the
9 school year immediately preceding the school year for which
10 general State aid is being calculated.

11 (D) Available Local Resources.

12 (1) For purposes of calculating general State aid pursuant
13 to subsection (E), a representation of Available Local
14 Resources per pupil, as that term is defined and determined in
15 this subsection, shall be utilized. Available Local Resources
16 per pupil shall include a calculated dollar amount representing
17 local school district revenues from local property taxes and
18 from Corporate Personal Property Replacement Taxes, expressed
19 on the basis of pupils in Average Daily Attendance. Calculation
20 of Available Local Resources shall exclude any tax amnesty
21 funds received as a result of Public Act 93-26.

22 (2) In determining a school district's revenue from local
23 property taxes, the State Board of Education shall utilize the
24 equalized assessed valuation of all taxable property of each
25 school district as of September 30 of the previous year. The

1 equalized assessed valuation utilized shall be obtained and
2 determined as provided in subsection (G).

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

17 For partial elementary unit districts created pursuant to
18 Article 11E of this Code, local property tax revenues per pupil
19 shall be calculated as the product of the equalized assessed
20 valuation for property within the partial elementary unit
21 district for elementary purposes, as defined in Article 11E of
22 this Code, multiplied by 2.06% and divided by the district's
23 Average Daily Attendance figure, plus the product of the
24 equalized assessed valuation for property within the partial
25 elementary unit district for high school purposes, as defined
26 in Article 11E of this Code, multiplied by 0.94% and divided by

1 the district's Average Daily Attendance figure.

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

12 (E) Computation of General State Aid.

13 (1) For each school year, the amount of general State aid
14 allotted to a school district shall be computed by the State
15 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 the
18 Foundation Level, general State aid for that district shall be
19 calculated as an amount equal to the Foundation Level minus
20 Available Local Resources, multiplied by the Average Daily
21 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 of
24 0.93 times the Foundation Level and less than the product of
25 1.75 times the Foundation Level, the general State aid per

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

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

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

1 affect any future general State aid allocations.

2 (F) Compilation of Average Daily Attendance.

3 (1) Each school district shall, by July 1 of each year,
4 submit to the State Board of Education, on forms prescribed by
5 the State Board of Education, attendance figures for the school
6 year that began in the preceding calendar year. The attendance
7 information so transmitted shall identify the average daily
8 attendance figures for each month of the school year. Beginning
9 with the general State aid claim form for the 2002-2003 school
10 year, districts shall calculate Average Daily Attendance as
11 provided in subdivisions (a), (b), and (c) of this paragraph
12 (1).

13 (a) In districts that do not hold year-round classes,
14 days of attendance in August shall be added to the month of
15 September and any days of attendance in June shall be added
16 to the month of May.

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

21 (c) In districts in which some buildings, but not all,
22 hold year-round classes, for the non-year-round buildings,
23 days of attendance in August shall be added to the month of
24 September and any days of attendance in June shall be added
25 to the month of May. The average daily attendance for the

1 year-round buildings shall be computed as provided in
2 subdivision (b) of this paragraph (1). To calculate the
3 Average Daily Attendance for the district, the average
4 daily attendance for the year-round buildings shall be
5 multiplied by the days in session for the non-year-round
6 buildings for each month and added to the monthly
7 attendance of the non-year-round buildings.

8 Except as otherwise provided in this Section, days of
9 attendance by pupils shall be counted only for sessions of not
10 less than 5 clock hours of school work per day under direct
11 supervision of: (i) teachers, or (ii) non-teaching personnel or
12 volunteer personnel when engaging in non-teaching duties and
13 supervising in those instances specified in subsection (a) of
14 Section 10-22.34 and paragraph 10 of Section 34-18, with pupils
15 of legal school age and in kindergarten and grades 1 through
16 12. Days of attendance by pupils through verified participation
17 in an e-learning program approved by the State Board of
18 Education under Section 10-20.56 of the Code shall be
19 considered as full days of attendance for purposes of this
20 Section.

21 Days of attendance by tuition pupils shall be accredited
22 only to the districts that pay the tuition to a recognized
23 school.

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

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

10 (b) (Blank).

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

16 (d) A session of 3 or more clock hours may be counted
17 as a day of attendance (1) when the remainder of the school
18 day or at least 2 hours in the evening of that day is
19 utilized for an in-service training program for teachers,
20 up to a maximum of 5 days per school year, provided a
21 district conducts an in-service training program for
22 teachers in accordance with Section 10-22.39 of this Code;
23 or, in lieu of 4 such days, 2 full days may be used, in
24 which event each such day may be counted as a day required
25 for a legal school calendar pursuant to Section 10-19 of
26 this Code; (1.5) when, of the 5 days allowed under item

1 (1), a maximum of 4 days are used for parent-teacher
2 conferences, or, in lieu of 4 such days, 2 full days are
3 used, in which case each such day may be counted as a
4 calendar day required under Section 10-19 of this Code,
5 provided that the full-day, parent-teacher conference
6 consists of (i) a minimum of 5 clock hours of
7 parent-teacher conferences, (ii) both a minimum of 2 clock
8 hours of parent-teacher conferences held in the evening
9 following a full day of student attendance, as specified in
10 subsection (F)(1)(c), and a minimum of 3 clock hours of
11 parent-teacher conferences held on the day immediately
12 following evening parent-teacher conferences, or (iii)
13 multiple parent-teacher conferences held in the evenings
14 following full days of student attendance, as specified in
15 subsection (F)(1)(c), in which the time used for the
16 parent-teacher conferences is equivalent to a minimum of 5
17 clock hours; and (2) when days in addition to those
18 provided in items (1) and (1.5) are scheduled by a school
19 pursuant to its school improvement plan adopted under
20 Article 34 or its revised or amended school improvement
21 plan adopted under Article 2, provided that (i) such
22 sessions of 3 or more clock hours are scheduled to occur at
23 regular intervals, (ii) the remainder of the school days in
24 which such sessions occur are utilized for in-service
25 training programs or other staff development activities
26 for teachers, and (iii) a sufficient number of minutes of

1 school work under the direct supervision of teachers are
2 added to the school days between such regularly scheduled
3 sessions to accumulate not less than the number of minutes
4 by which such sessions of 3 or more clock hours fall short
5 of 5 clock hours. Any full days used for the purposes of
6 this paragraph shall not be considered for computing
7 average daily attendance. Days scheduled for in-service
8 training programs, staff development activities, or
9 parent-teacher conferences may be scheduled separately for
10 different grade levels and different attendance centers of
11 the district.

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

18 (f) A session of at least 4 clock hours may be counted
19 as a day of attendance for first grade pupils, and pupils
20 in full day kindergartens, and a session of 2 or more hours
21 may be counted as 1/2 day of attendance by pupils in
22 kindergartens which provide only 1/2 day of attendance.

23 (g) For children with disabilities who are below the
24 age of 6 years and who cannot attend 2 or more clock hours
25 because of their disability or immaturity, a session of not
26 less than one clock hour may be counted as 1/2 day of

1 attendance; however for such children whose educational
2 needs so require a session of 4 or more clock hours may be
3 counted as a full day of attendance.

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

21 (i) On the days when the assessment that includes a
22 college and career ready determination is administered
23 under subsection (c) of Section 2-3.64a-5 of this Code, the
24 day of attendance for a pupil whose school day must be
25 shortened to accommodate required testing procedures may
26 be less than 5 clock hours and shall be counted towards the

1 176 days of actual pupil attendance required under Section
2 10-19 of this Code, provided that a sufficient number of
3 minutes of school work in excess of 5 clock hours are first
4 completed on other school days to compensate for the loss
5 of school work on the examination days.

6 (j) Pupils enrolled in a remote educational program
7 established under Section 10-29 of this Code may be counted
8 on the basis of one-fifth day of attendance for every clock
9 hour of instruction attended in the remote educational
10 program, provided that, in any month, the school district
11 may not claim for a student enrolled in a remote
12 educational program more days of attendance than the
13 maximum number of days of attendance the district can claim

14 (i) for students enrolled in a building holding year-round
15 classes if the student is classified as participating in
16 the remote educational program on a year-round schedule or
17 (ii) for students enrolled in a building not holding
18 year-round classes if the student is not classified as
19 participating in the remote educational program on a
20 year-round schedule.

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 Board
24 of Education shall secure from the Department of Revenue the
25 value as equalized or assessed by the Department of Revenue of

1 all taxable property of every school district, together with
2 (i) the applicable tax rate used in extending taxes for the
3 funds of the district as of September 30 of the previous year
4 and (ii) the limiting rate for all school districts subject to
5 property tax extension limitations as imposed under the
6 Property Tax Extension Limitation Law.

7 The Department of Revenue shall add to the equalized
8 assessed value of all taxable property of each school district
9 situated entirely or partially within a county that is or was
10 subject to the provisions of Section 15-176 or 15-177 of the
11 Property Tax Code (a) an amount equal to the total amount by
12 which the homestead exemption allowed under Section 15-176 or
13 15-177 of the Property Tax Code for real property situated in
14 that school district exceeds the total amount that would have
15 been allowed in that school district if the maximum reduction
16 under Section 15-176 was (i) \$4,500 in Cook County or \$3,500 in
17 all other counties in tax year 2003 or (ii) \$5,000 in all
18 counties in tax year 2004 and thereafter and (b) an amount
19 equal to the aggregate amount for the taxable year of all
20 additional exemptions under Section 15-175 of the Property Tax
21 Code for owners with a household income of \$30,000 or less. The
22 county clerk of any county that is or was subject to the
23 provisions of Section 15-176 or 15-177 of the Property Tax Code
24 shall annually calculate and certify to the Department of
25 Revenue for each school district all homestead exemption
26 amounts under Section 15-176 or 15-177 of the Property Tax Code

1 and all amounts of additional exemptions under Section 15-175
2 of the Property Tax Code for owners with a household income of
3 \$30,000 or less. It is the intent of this paragraph that if the
4 general homestead exemption for a parcel of property is
5 determined under Section 15-176 or 15-177 of the Property Tax
6 Code rather than Section 15-175, then the calculation of
7 Available Local Resources shall not be affected by the
8 difference, if any, between the amount of the general homestead
9 exemption allowed for that parcel of property under Section
10 15-176 or 15-177 of the Property Tax Code and the amount that
11 would have been allowed had the general homestead exemption for
12 that parcel of property been determined under Section 15-175 of
13 the Property Tax Code. It is further the intent of this
14 paragraph that if additional exemptions are allowed under
15 Section 15-175 of the Property Tax Code for owners with a
16 household income of less than \$30,000, then the calculation of
17 Available Local Resources shall not be affected by the
18 difference, if any, because of those additional exemptions.

19 This equalized assessed valuation, as adjusted further by
20 the requirements of this subsection, shall be utilized in the
21 calculation of Available Local Resources.

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

24 (a) For the purposes of calculating State aid under
25 this Section, with respect to any part of a school district
26 within a redevelopment project area in respect to which a

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

21 (b) The real property equalized assessed valuation for
22 a school district shall be adjusted by subtracting from the
23 real property value as equalized or assessed by the
24 Department of Revenue for the district an amount computed
25 by dividing the amount of any abatement of taxes under
26 Section 18-170 of the Property Tax Code by 3.00% for a

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

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

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

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

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

21 "Preceding Tax Year": The property tax levy year
22 immediately preceding the Base Tax Year.

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

1 Tax Extension Limitation Law.

2 "Preceding Tax Year's Tax Extension": The product of
3 the equalized assessed valuation utilized by the County
4 Clerk in the Preceding Tax Year multiplied by the Operating
5 Tax Rate as defined in subsection (A).

6 "Extension Limitation Ratio": A numerical ratio,
7 certified by the County Clerk, in which the numerator is
8 the Base Tax Year's Tax Extension and the denominator is
9 the Preceding Tax Year's Tax Extension.

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

12 If a school district is subject to property tax extension
13 limitations as imposed under the Property Tax Extension
14 Limitation Law, the State Board of Education shall calculate
15 the Extension Limitation Equalized Assessed Valuation of that
16 district. For the 1999-2000 school year, the Extension
17 Limitation Equalized Assessed Valuation of a school district as
18 calculated by the State Board of Education shall be equal to
19 the product of the district's 1996 Equalized Assessed Valuation
20 and the district's Extension Limitation Ratio. Except as
21 otherwise provided in this paragraph for a school district that
22 has approved or does approve an increase in its limiting rate,
23 for the 2000-2001 school year and each school year thereafter,
24 the Extension Limitation Equalized Assessed Valuation of a
25 school district as calculated by the State Board of Education
26 shall be equal to the product of the Equalized Assessed

1 Valuation last used in the calculation of general State aid and
2 the district's Extension Limitation Ratio. If the Extension
3 Limitation Equalized Assessed Valuation of a school district as
4 calculated under this subsection (G)(3) is less than the
5 district's equalized assessed valuation as calculated pursuant
6 to subsections (G)(1) and (G)(2), then for purposes of
7 calculating the district's general State aid for the Budget
8 Year pursuant to subsection (E), that Extension Limitation
9 Equalized Assessed Valuation shall be utilized to calculate the
10 district's Available Local Resources under subsection (D). For
11 the 2009-2010 school year and each school year thereafter, if a
12 school district has approved or does approve an increase in its
13 limiting rate, pursuant to Section 18-190 of the Property Tax
14 Code, affecting the Base Tax Year, the Extension Limitation
15 Equalized Assessed Valuation of the school district, as
16 calculated by the State Board of Education, shall be equal to
17 the product of the Equalized Assessed Valuation last used in
18 the calculation of general State aid times an amount equal to
19 one plus the percentage increase, if any, in the Consumer Price
20 Index for all Urban Consumers for all items published by the
21 United States Department of Labor for the 12-month calendar
22 year preceding the Base Tax Year, plus the Equalized Assessed
23 Valuation of new property, annexed property, and recovered tax
24 increment value and minus the Equalized Assessed Valuation of
25 disconnected property. New property and recovered tax
26 increment value shall have the meanings set forth in the

1 Property Tax Extension Limitation Law.

2 Partial elementary unit districts created in accordance
3 with Article 11E of this Code shall not be eligible for the
4 adjustment in this subsection (G)(3) until the fifth year
5 following the effective date of the reorganization.

6 (3.5) For the 2010-2011 school year and each school year
7 thereafter, if a school district's boundaries span multiple
8 counties, then the Department of Revenue shall send to the
9 State Board of Education, for the purpose of calculating
10 general State aid, the limiting rate and individual rates by
11 purpose for the county that contains the majority of the school
12 district's Equalized Assessed Valuation.

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

1 calculating the district's 1998-1999 general State aid
2 allocation, then for purposes of calculating the district's
3 general State aid pursuant to paragraph (5) of subsection (E),
4 that Extension Limitation Equalized Assessed Valuation shall
5 be utilized to calculate the district's Available Local
6 Resources.

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

19 (H) Supplemental General State Aid.

20 (1) In addition to the general State aid a school district
21 is allotted pursuant to subsection (E), qualifying school
22 districts shall receive a grant, paid in conjunction with a
23 district's payments of general State aid, for supplemental
24 general State aid based upon the concentration level of
25 children from low-income households within the school

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

6 (1.5) This paragraph (1.5) applies only to those school
7 years preceding the 2003-2004 school year. For purposes of this
8 subsection (H), the term "Low-Income Concentration Level"
9 shall be the low-income eligible pupil count from the most
10 recently available federal census divided by the Average Daily
11 Attendance of the school district. If, however, (i) the
12 percentage decrease from the 2 most recent federal censuses in
13 the low-income eligible pupil count of a high school district
14 with fewer than 400 students exceeds by 75% or more the
15 percentage change in the total low-income eligible pupil count
16 of contiguous elementary school districts, whose boundaries
17 are coterminous with the high school district, or (ii) a high
18 school district within 2 counties and serving 5 elementary
19 school districts, whose boundaries are coterminous with the
20 high school district, has a percentage decrease from the 2 most
21 recent federal censuses in the low-income eligible pupil count
22 and there is a percentage increase in the total low-income
23 eligible pupil count of a majority of the elementary school
24 districts in excess of 50% from the 2 most recent federal
25 censuses, then the high school district's low-income eligible
26 pupil count from the earlier federal census shall be the number

1 used as the low-income eligible pupil count for the high school
2 district, for purposes of this subsection (H). The changes made
3 to this paragraph (1) by Public Act 92-28 shall apply to
4 supplemental general State aid grants for school years
5 preceding the 2003-2004 school year that are paid in fiscal
6 year 1999 or thereafter and to any State aid payments made in
7 fiscal year 1994 through fiscal year 1998 pursuant to
8 subsection 1(n) of Section 18-8 of this Code (which was
9 repealed on July 1, 1998), and any high school district that is
10 affected by Public Act 92-28 is entitled to a recomputation of
11 its supplemental general State aid grant or State aid paid in
12 any of those fiscal years. This recomputation shall not be
13 affected by any other funding.

14 (1.10) This paragraph (1.10) applies to the 2003-2004
15 school year and each school year thereafter through the
16 2016-2017 school year. For purposes of this subsection (H), the
17 term "Low-Income Concentration Level" shall, for each fiscal
18 year, be the low-income eligible pupil count as of July 1 of
19 the immediately preceding fiscal year (as determined by the
20 Department of Human Services based on the number of pupils who
21 are eligible for at least one of the following low income
22 programs: Medicaid, the Children's Health Insurance Program,
23 TANF, or Food Stamps, excluding pupils who are eligible for
24 services provided by the Department of Children and Family
25 Services, averaged over the 2 immediately preceding fiscal
26 years for fiscal year 2004 and over the 3 immediately preceding

1 fiscal years for each fiscal year thereafter) divided by the
2 Average Daily Attendance of the school district.

3 (2) Supplemental general State aid pursuant to this
4 subsection (H) shall be provided as follows for the 1998-1999,
5 1999-2000, and 2000-2001 school years only:

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

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

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

18 (d) For any school district with a Low Income
19 Concentration Level of 60% or more, the grant for the
20 1998-99 school year shall be \$1,900 multiplied by the low
21 income eligible pupil count.

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

26 (f) For the 2000-2001 school year, the per pupil

1 amounts specified in subparagraphs (b), (c), and (d)
2 immediately above shall be \$1,273, \$1,640, and \$2,050,
3 respectively.

4 (2.5) Supplemental general State aid pursuant to this
5 subsection (H) shall be provided as follows for the 2002-2003
6 school year:

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

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

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

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

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

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

5 (2.10) Except as otherwise provided, supplemental general
6 State aid pursuant to this subsection (H) shall be provided as
7 follows for the 2003-2004 school year and each school year
8 thereafter:

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

13 (b) For any school district with a Low Income
14 Concentration Level greater than 15%, the grant for each
15 school year shall be \$294.25 added to the product of \$2,700
16 and the square of the Low Income Concentration Level, all
17 multiplied by the low income eligible pupil count.

18 For the 2003-2004 school year and each school year
19 thereafter through the 2008-2009 school year only, the grant
20 shall be no less than the grant for the 2002-2003 school year.
21 For the 2009-2010 school year only, the grant shall be no less
22 than the grant for the 2002-2003 school year multiplied by
23 0.66. For the 2010-2011 school year only, the grant shall be no
24 less than the grant for the 2002-2003 school year multiplied by
25 0.33. Notwithstanding the provisions of this paragraph to the
26 contrary, if for any school year supplemental general State aid

1 grants are prorated as provided in paragraph (1) of this
2 subsection (H), then the grants under this paragraph shall be
3 prorated.

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

22 (3) School districts with an Average Daily Attendance of
23 more than 1,000 and less than 50,000 that qualify for
24 supplemental general State aid pursuant to this subsection
25 shall submit a plan to the State Board of Education prior to
26 October 30 of each year for the use of the funds resulting from

1 this grant of supplemental general State aid for the
2 improvement of instruction in which priority is given to
3 meeting the education needs of disadvantaged children. Such
4 plan shall be submitted in accordance with rules and
5 regulations promulgated by the State Board of Education.

6 (4) School districts with an Average Daily Attendance of
7 50,000 or more that qualify for supplemental general State aid
8 pursuant to this subsection shall be required to distribute
9 from funds available pursuant to this Section, no less than
10 \$261,000,000 in accordance with the following requirements:

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

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

26 (c) Each attendance center shall be provided by the

1 school district a distribution of noncategorical funds and
2 other categorical funds to which an attendance center is
3 entitled under law in order that the general State aid and
4 supplemental general State aid provided by application of
5 this subsection supplements rather than supplants the
6 noncategorical funds and other categorical funds provided
7 by the school district to the attendance centers.

8 (d) Any funds made available under this subsection that
9 by reason of the provisions of this subsection are not
10 required to be allocated and provided to attendance centers
11 may be used and appropriated by the board of the district
12 for any lawful school purpose.

13 (e) Funds received by an attendance center pursuant to
14 this subsection shall be used by the attendance center at
15 the discretion of the principal and local school council
16 for programs to improve educational opportunities at
17 qualifying schools through the following programs and
18 services: early childhood education, reduced class size or
19 improved adult to student classroom ratio, enrichment
20 programs, remedial assistance, attendance improvement, and
21 other educationally beneficial expenditures which
22 supplement the regular and basic programs as determined by
23 the State Board of Education. Funds provided shall not be
24 expended for any political or lobbying purposes as defined
25 by board rule.

26 (f) Each district subject to the provisions of this

1 subdivision (H) (4) shall submit an acceptable plan to meet
2 the educational needs of disadvantaged children, in
3 compliance with the requirements of this paragraph, to the
4 State Board of Education prior to July 15 of each year.
5 This plan shall be consistent with the decisions of local
6 school councils concerning the school expenditure plans
7 developed in accordance with part 4 of Section 34-2.3. The
8 State Board shall approve or reject the plan within 60 days
9 after its submission. If the plan is rejected, the district
10 shall give written notice of intent to modify the plan
11 within 15 days of the notification of rejection and then
12 submit a modified plan within 30 days after the date of the
13 written notice of intent to modify. Districts may amend
14 approved plans pursuant to rules promulgated by the State
15 Board of Education.

16 Upon notification by the State Board of Education that
17 the district has not submitted a plan prior to July 15 or a
18 modified plan within the time period specified herein, the
19 State aid funds affected by that plan or modified plan
20 shall be withheld by the State Board of Education until a
21 plan or modified plan is submitted.

22 If the district fails to distribute State aid to
23 attendance centers in accordance with an approved plan, the
24 plan for the following year shall allocate funds, in
25 addition to the funds otherwise required by this
26 subsection, to those attendance centers which were

1 underfunded during the previous year in amounts equal to
2 such underfunding.

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

23 The State Board of Education shall promulgate rules and
24 regulations to implement the provisions of this
25 subsection. No funds shall be released under this
26 subdivision (H) (4) to any district that has not submitted a

1 plan that has been approved by the State Board of
2 Education.

3 (I) (Blank).

4 (J) (Blank).

5 (K) Grants to Laboratory and Alternative Schools.

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

12 As used in this Section, "laboratory school" means a public
13 school which is created and operated by a public university and
14 approved by the State Board of Education. The governing board
15 of a public university which receives funds from the State
16 Board under this subsection (K) or subsection (g) of Section
17 18-8.15 of this Code may not increase the number of students
18 enrolled in its laboratory school from a single district, if
19 that district is already sending 50 or more students, except
20 under a mutual agreement between the school board of a
21 student's district of residence and the university which
22 operates the laboratory school. A laboratory school may not
23 have more than 1,000 students, excluding students with

1 disabilities in a special education program.

2 As used in this Section, "alternative school" means a
3 public school which is created and operated by a Regional
4 Superintendent of Schools and approved by the State Board of
5 Education. Such alternative schools may offer courses of
6 instruction for which credit is given in regular school
7 programs, courses to prepare students for the high school
8 equivalency testing program or vocational and occupational
9 training. A regional superintendent of schools may contract
10 with a school district or a public community college district
11 to operate an alternative school. An alternative school serving
12 more than one educational service region may be established by
13 the regional superintendents of schools of the affected
14 educational service regions. An alternative school serving
15 more than one educational service region may be operated under
16 such terms as the regional superintendents of schools of those
17 educational service regions may agree.

18 Each laboratory and alternative school shall file, on forms
19 provided by the State Superintendent of Education, an annual
20 State aid claim which states the Average Daily Attendance of
21 the school's students by month. The best 3 months' Average
22 Daily Attendance shall be computed for each school. The general
23 State aid entitlement shall be computed by multiplying the
24 applicable Average Daily Attendance by the Foundation Level as
25 determined under this Section.

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

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

15 (2) (Blank).

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

18 (M) (Blank). ~~Education Funding Advisory Board.~~

19 ~~The Education Funding Advisory Board, hereinafter in this~~
20 ~~subsection (M) referred to as the "Board", is hereby created.~~
21 ~~The Board shall consist of 5 members who are appointed by the~~
22 ~~Governor, by and with the advice and consent of the Senate. The~~
23 ~~members appointed shall include representatives of education,~~
24 ~~business, and the general public. One of the members so~~
25 ~~appointed shall be designated by the Governor at the time the~~

1 ~~appointment is made as the chairperson of the Board. The~~
2 ~~initial members of the Board may be appointed any time after~~
3 ~~the effective date of this amendatory Act of 1997. The regular~~
4 ~~term of each member of the Board shall be for 4 years from the~~
5 ~~third Monday of January of the year in which the term of the~~
6 ~~member's appointment is to commence, except that of the 5~~
7 ~~initial members appointed to serve on the Board, the member who~~
8 ~~is appointed as the chairperson shall serve for a term that~~
9 ~~commences on the date of his or her appointment and expires on~~
10 ~~the third Monday of January, 2002, and the remaining 4 members,~~
11 ~~by lots drawn at the first meeting of the Board that is held~~
12 ~~after all 5 members are appointed, shall determine 2 of their~~
13 ~~number to serve for terms that commence on the date of their~~
14 ~~respective appointments and expire on the third Monday of~~
15 ~~January, 2001, and 2 of their number to serve for terms that~~
16 ~~commence on the date of their respective appointments and~~
17 ~~expire on the third Monday of January, 2000. All members~~
18 ~~appointed to serve on the Board shall serve until their~~
19 ~~respective successors are appointed and confirmed. Vacancies~~
20 ~~shall be filled in the same manner as original appointments. If~~
21 ~~a vacancy in membership occurs at a time when the Senate is not~~
22 ~~in session, the Governor shall make a temporary appointment~~
23 ~~until the next meeting of the Senate, when he or she shall~~
24 ~~appoint, by and with the advice and consent of the Senate, a~~
25 ~~person to fill that membership for the unexpired term. If the~~
26 ~~Senate is not in session when the initial appointments are~~

1 ~~made, those appointments shall be made as in the case of~~
2 ~~vacancies.~~

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

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

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

1 ~~recommendations to the General Assembly on January 1 of odd~~
2 ~~numbered years, beginning January 1, 2001.~~

3 (N) (Blank).

4 (O) References.

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

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

13 (P) Public Act 93-838 and Public Act 93-808 make inconsistent
14 changes to this Section. Under Section 6 of the Statute on
15 Statutes there is an irreconcilable conflict between Public Act
16 93-808 and Public Act 93-838. Public Act 93-838, being the last
17 acted upon, is controlling. The text of Public Act 93-838 is
18 the law regardless of the text of Public Act 93-808.

19 (Q) State Fiscal Year 2015 Payments.

20 For payments made for State fiscal year 2015, the State
21 Board of Education shall, for each school district, calculate
22 that district's pro-rata share of a minimum sum of \$13,600,000

1 or additional amounts as needed from the total net General
2 State Aid funding as calculated under this Section that shall
3 be deemed attributable to the provision of special educational
4 facilities and services, as defined in Section 14-1.08 of this
5 Code, in a manner that ensures compliance with maintenance of
6 State financial support requirements under the federal
7 Individuals with Disabilities Education Act. Each school
8 district must use such funds only for the provision of special
9 educational facilities and services, as defined in Section
10 14-1.08 of this Code, and must comply with any expenditure
11 verification procedures adopted by the State Board of
12 Education.

13 (R) State Fiscal Year 2016 Payments.

14 For payments made for State fiscal year 2016, the State
15 Board of Education shall, for each school district, calculate
16 that district's pro rata share of a minimum sum of \$1 or
17 additional amounts as needed from the total net General State
18 Aid funding as calculated under this Section that shall be
19 deemed attributable to the provision of special educational
20 facilities and services, as defined in Section 14-1.08 of this
21 Code, in a manner that ensures compliance with maintenance of
22 State financial support requirements under the federal
23 Individuals with Disabilities Education Act. Each school
24 district must use such funds only for the provision of special
25 educational facilities and services, as defined in Section

1 14-1.08 of this Code, and must comply with any expenditure
2 verification procedures adopted by the State Board of
3 Education.

4 (Source: P.A. 98-972, eff. 8-15-14; 99-2, eff. 3-26-15; 99-194,
5 eff. 7-30-15; 99-523, eff. 6-30-16.)

6 (105 ILCS 5/18-8.10)

7 Sec. 18-8.10. Fast growth grants.

8 (a) If there has been an increase in a school district's
9 student population over the most recent 2 school years of (i)
10 over 1.5% in a district with over 10,000 pupils in average
11 daily attendance (as defined in Section 18-8.05 or 18-8.15 of
12 this Code) or (ii) over 7.5% in any other district, then the
13 district is eligible for a grant under this Section, subject to
14 appropriation.

15 (b) The State Board of Education shall determine a per
16 pupil grant amount for each school district. The total grant
17 amount for a district for any given school year shall equal the
18 per pupil grant amount multiplied by the difference between the
19 number of pupils in average daily attendance for the 2 most
20 recent school years.

21 (c) Funds for grants under this Section must be
22 appropriated to the State Board of Education in a separate line
23 item for this purpose. If the amount appropriated in any fiscal
24 year is insufficient to pay all grants for a school year, then
25 the amount appropriated shall be prorated among eligible

1 districts. As soon as possible after funds have been
2 appropriated to the State Board of Education, the State Board
3 of Education shall distribute the grants to eligible districts.

4 (d) If a school district intentionally reports incorrect
5 average daily attendance numbers to receive a grant under this
6 Section, then the district shall be denied State aid in the
7 same manner as State aid is denied for intentional incorrect
8 reporting of average daily attendance numbers under Section
9 18-8.05 or 18-8.15 of this Code.

10 (Source: P.A. 93-1042, eff. 10-8-04.)

11 (105 ILCS 5/18-8.15 new)

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

14 (a) General provisions.

15 (1) The purpose of this Section is to ensure that, by June
16 30, 2027 and beyond, this State has a kindergarten through
17 grade 12 public education system with the capacity to ensure
18 the educational development of all persons to the limits of
19 their capacities in accordance with Section 1 of Article X of
20 the Constitution of the State of Illinois. To accomplish that
21 objective, this Section creates a method of funding public
22 education that is evidence-based; is sufficient to ensure every
23 student receives a meaningful opportunity to learn
24 irrespective of race, ethnicity, sexual orientation, gender,
25 or community-income level; and is sustainable and predictable.

1 When fully funded under this Section, every school shall have
2 the resources, based on what the evidence indicates is needed,
3 to:

4 (A) provide all students with a high quality education
5 that offers the academic, enrichment, social and emotional
6 support, technical, and career-focused programs that will
7 allow them to become competitive workers, responsible
8 parents, productive citizens of this State, and active
9 members of our national democracy;

10 (B) ensure all students receive the education they need
11 to graduate from high school with the skills required to
12 pursue post-secondary education and training for a
13 rewarding career;

14 (C) reduce, with a goal of eliminating, the achievement
15 gap between at-risk and non-at-risk students by raising the
16 performance of at-risk students and not by reducing
17 standards; and

18 (D) ensure this State satisfies its obligation to
19 assume the primary responsibility to fund public education
20 and simultaneously relieve the disproportionate burden
21 placed on local property taxes to fund schools.

22 (2) The evidence-based funding formula under this Section
23 shall be applied to all Organizational Units in this State. As
24 further defined and described in this Section, there are 4
25 major components of the evidence-based funding model:

26 (A) First, the model calculates a unique adequacy

1 target for each Organizational Unit in this State that
2 considers the costs to implement research-based
3 activities, the unit's student demographics, and regional
4 wage difference.

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

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

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

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

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

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

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

1 "Adjusted Local Capacity Target" is defined in paragraph
2 (3) of subsection (c) of this Section.

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

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

25 "Alternative School" means a public school that is created
26 and operated by a regional superintendent of schools and

1 approved by the State Board.

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

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

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

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

20 "Average Student Enrollment" or "ASE" means, for an
21 Organizational Unit in a given school year, the greater of the
22 average number of students (grades K through 12) reported to
23 the State Board as enrolled in the Organizational Unit on
24 October 1 and March 1, plus the special education
25 pre-kindergarten students with services of at least more than 2
26 hours a day as reported to the State Board on December 1, in

1 the immediately preceding school year or the average number of
2 students (grades K through 12) reported to the State Board as
3 enrolled in the Organizational Unit on October 1 and March 1,
4 plus the special education pre-kindergarten students with
5 services of at least more than 2 hours a day as reported to the
6 State Board on December 1, for each of the immediately
7 preceding 3 school years. For the purposes of this definition,
8 "enrolled in the Organizational Unit" means the number of
9 students reported to the State Board who are enrolled in
10 schools within the Organizational Unit that the student attends
11 or would attend if not placed or transferred to another school
12 or program to receive needed services. For the purposes of
13 calculating "ASE", all students, grades K through 12, excluding
14 those attending kindergarten for a half day, shall be counted
15 as 1.0. All students attending kindergarten for a half day
16 shall be counted as 0.5, unless in 2017 by June 15 or by March 1
17 in subsequent years, the school district reports to the State
18 Board of Education the intent to implement full-day
19 kindergarten district-wide for all students, then all students
20 attending kindergarten shall be counted as 1.0. Special
21 education pre-kindergarten students shall be counted as 0.5
22 each. If the State Board does not collect or has not collected
23 both an October 1 and March 1 enrollment count by grade or a
24 December 1 collection of special education pre-kindergarten
25 students as of the effective date of this amendatory Act of the
26 100th General Assembly, it shall establish such collection for

1 all future years. For any year where a count by grade level was
2 collected only once, that count shall be used as the single
3 count available for computing a 3-year average ASE. School
4 districts shall submit the data for the ASE calculation to the
5 State Board within 45 days of the dates required in this
6 Section for submission of enrollment data in order for it to be
7 included in the ASE calculation.

8 "Base Funding Guarantee" is defined in paragraph (7) of
9 subsection (g) of this Section.

10 "Base Funding Minimum" is defined in subsection (e) of this
11 Section.

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

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

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

26 "Budget Year" means the school year for which primary State

1 aid is calculated and awarded under this Section.

2 "Central office" means individual administrators and
3 support service personnel charged with managing the
4 instructional programs, business and operations, and security
5 of the Organizational Unit.

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

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

23 "Core subject" means mathematics; science; reading,
24 English, writing, and language arts; history and social
25 studies; world languages; and subjects taught as Advanced
26 Placement in high schools.

1 "Core teacher" means a regular classroom teacher in
2 elementary schools and teachers of a core subject in middle and
3 high schools.

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

7 "CPPRT" means corporate personal property replacement tax
8 funds paid to an Organizational Unit during the calendar year
9 one year before the calendar year in which a school year
10 begins, pursuant to "An Act in relation to the abolition of ad
11 valorem personal property tax and the replacement of revenues
12 lost thereby, and amending and repealing certain Acts and parts
13 of Acts in connection therewith", certified August 14, 1979, as
14 amended (Public Act 81-1st S.S.-1).

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

19 "ECI" means the Bureau of Labor Statistics' national
20 employment cost index for civilian workers in educational
21 services in elementary and secondary schools on a cumulative
22 basis for the 12-month calendar year preceding the fiscal year
23 of the Evidence-Based Funding calculation.

24 "EIS Data" means the employment information system data
25 maintained by the State Board on educators within
26 Organizational Units.

1 "Employee benefits" means health, dental, and vision
2 insurance offered to employees of an Organizational Unit, the
3 costs associated with statutorily required payment of the
4 normal cost of the Organizational Unit's teacher pensions,
5 Social Security employer contributions, and Illinois Municipal
6 Retirement Fund employer contributions.

7 "English learner" or "EL" means a child included in the
8 definition of "English learners" under Section 14C-2 of this
9 Code participating in a program of transitional bilingual
10 education or a transitional program of instruction meeting the
11 requirements and program application procedures of Article 14C
12 of this Code. For the purposes of collecting the number of EL
13 students enrolled, the same collection and calculation
14 methodology as defined above for "ASE" shall apply to English
15 learners.

16 "Essential Elements" means those elements, resources, and
17 educational programs that have been identified through
18 academic research as necessary to improve student success,
19 improve academic performance, close achievement gaps, and
20 provide for other per student costs related to the delivery and
21 leadership of the Organizational Unit, as well as the
22 maintenance and operations of the unit, and which are specified
23 in paragraph (2) of subsection (b) of this Section.

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

26 "Extended day" means academic and enrichment programs

1 provided to students outside the regular school day before and
2 after school or during non-instructional times during the
3 school day.

4 "Extension Limitation Ratio" means a numerical ratio in
5 which the numerator is the Base Tax Year's Extension and the
6 denominator is the Preceding Tax Year's Extension.

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

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

11 "Full-time equivalent" or "FTE" means the full-time
12 equivalency compensation for staffing the relevant position at
13 an Organizational Unit.

14 "Funding Gap" is defined in paragraph (1) of subsection
15 (g).

16 "Guidance counselor" means a licensed guidance counselor
17 who provides guidance and counseling support for students
18 within an Organizational Unit.

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

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

24 "Instructional facilitator" means a qualified teacher or
25 licensed teacher leader who facilitates and coaches continuous
26 improvement in classroom instruction; provides instructional

1 support to teachers in the elements of research-based
2 instruction or demonstrates the alignment of instruction with
3 curriculum standards and assessment tools; develops or
4 coordinates instructional programs or strategies; develops and
5 implements training; chooses standards-based instructional
6 materials; provides teachers with an understanding of current
7 research; serves as a mentor, site coach, curriculum
8 specialist, or lead teacher; or otherwise works with fellow
9 teachers, in collaboration, to use data to improve
10 instructional practice or develop model lessons.

11 "Instructional materials" means relevant instructional
12 materials for student instruction, including, but not limited
13 to, textbooks, consumable workbooks, laboratory equipment,
14 library books, and other similar materials.

15 "Laboratory School" means a public school that is created
16 and operated by a public university and approved by the State
17 Board.

18 "Librarian" means a teacher with an endorsement as a
19 library information specialist or another individual whose
20 primary responsibility is overseeing library resources within
21 an Organizational Unit.

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

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

26 "Local Capacity Ratio" is defined in subparagraph (B) of

1 paragraph (2) of subsection (c) of this Section.

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

4 "Low-Income Count" means, for an Organizational Unit in a
5 fiscal year, the higher of the average number of students for
6 the prior school year or the immediately preceding 3 school
7 years who, as of July 1 of the immediately preceding fiscal
8 year (as determined by the Department of Human Services), are
9 eligible for at least one of the following low income programs:
10 Medicaid, the Children's Health Insurance Program, TANF, or
11 Food Stamps, excluding pupils who are eligible for services
12 provided by the Department of Children and Family Services.
13 Until such time that grade level low-income populations become
14 available, grade level low-income populations shall be
15 determined by applying the low-income percentage to total
16 student enrollments by grade level. The low-income percentage
17 is determined by dividing the Low-Income Count by the Average
18 Student Enrollment.

19 "Maintenance and operations" means custodial services,
20 facility and ground maintenance, facility operations, facility
21 security, routine facility repairs, and other similar services
22 and functions.

23 "Minimum Funding Level" is defined in paragraph (6) of
24 subsection (g) of this Section.

25 "New State Funds" means, for a given school year, all State
26 funds appropriated for Evidence-Based Funding in excess of the

1 amount needed to fund the Base Funding Minimum for all
2 Organizational Units in that school year.

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

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

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

21 "Organizational Unit" means a Laboratory School, an
22 Alternative School, or any public school district that is
23 recognized as such by the State Board and that contains
24 elementary schools typically serving kindergarten through 5th
25 grades, middle schools typically serving 6th through 8th
26 grades, or high schools typically serving 9th through 12th

1 grades. The General Assembly acknowledges that the actual grade
2 levels served by a particular Organizational Unit may vary
3 slightly from what is typical.

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

26 "Preceding Tax Year" means the property tax levy year

1 immediately preceding the Base Tax Year.

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

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

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

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

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

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

25 "PTELL" means the Property Tax Extension Limitation Law.

26 "PTELL EAV" is defined in paragraph (4) of subsection (d)

1 of this Section.

2 "Pupil support staff" means a nurse, psychologist, social
3 worker, family liaison personnel, or other staff member who
4 provides support to at-risk or struggling students.

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

7 "Regionalization Factor" means, for a particular
8 Organizational Unit, the figure derived by dividing the
9 Organizational Unit CWI by the Statewide Weighted CWI.

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

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

14 "Special Education Allocation" means the amount of an
15 Organizational Unit's final Adequacy Target attributable to
16 special education divided by the Organizational Unit's final
17 Adequacy Target, the product of which shall be multiplied by
18 the amount of new funding received pursuant to this Section. An
19 Organizational Unit's final Adequacy Target attributable to
20 special education shall include all special education
21 investment adequacy elements.

22 "Specialist teacher" means a teacher who provides
23 instruction in subject areas not included in core subjects,
24 including, but not limited to, art, music, physical education,
25 health, driver education, career-technical education, and such
26 other subject areas as may be mandated by State law or provided

1 by an Organizational Unit.

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

11 "Supplemental Grant Funding" means supplemental general
12 State aid funding received by an Organization Unit during the
13 2016-2017 school year pursuant to subsection (H) of Section
14 18-8.05 of this Code.

15 "State Adequacy Level" is the sum of the Adequacy Targets
16 of all Organizational Units.

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

18 "State Superintendent" means the State Superintendent of
19 Education.

20 "Statewide Weighted CWI" means a figure determined by
21 multiplying each Organizational Unit CWI times the ASE for that
22 Organizational Unit creating a weighted value, summing all
23 Organizational Unit's weighted values, and dividing by the
24 total ASE of all Organizational Units, thereby creating an
25 average weighted index.

26 "Student activities" means non-credit producing

1 after-school programs, including, but not limited to, clubs,
2 bands, sports, and other activities authorized by the school
3 board of the Organizational Unit.

4 "Substitute teacher" means an individual teacher or
5 teaching assistant who is employed by an Organizational Unit
6 and is temporarily serving the Organizational Unit on a per
7 diem or per period-assignment basis replacing another staff
8 member.

9 "Summer school" means academic and enrichment programs
10 provided to students during the summer months outside of the
11 regular school year.

12 "Supervisory aide" means a non-licensed staff member who
13 helps in supervising students of an Organizational Unit, but
14 does so outside of the classroom, in situations such as, but
15 not limited to, monitoring hallways and playgrounds,
16 supervising lunchrooms, or supervising students when being
17 transported in buses serving the Organizational Unit.

18 "Target Ratio" is defined in paragraph (4) of subsection
19 (g).

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

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

25 (b) Adequacy Target calculation.

26 (1) Each Organizational Unit's Adequacy Target is the sum

1 of the Organizational Unit's cost of providing Essential
2 Elements, as calculated in accordance with this subsection (b),
3 with the salary amounts in the Essential Elements multiplied by
4 a Regionalization Factor calculated pursuant to paragraph (3)
5 of this subsection (b).

6 (2) The Essential Elements are attributable on a pro-rata
7 basis related to defined subgroups of the ASE of each
8 Organizational Unit as specified in this paragraph (2), with
9 investments and FTE positions pro-rata funded based on ASE
10 counts in excess or less than the thresholds set forth in this
11 paragraph (2). The method for calculating attributable
12 pro-rata costs and the defined subgroups thereto are as
13 follows:

14 (A) Core class size investments. Each Organizational
15 Unit shall receive the funding required to support that
16 number of FTE core teacher positions as is needed to keep
17 the respective class sizes of the Organizational Unit to
18 the following maximum numbers:

19 (1) For grades kindergarten through 3, the
20 Organizational Unit shall receive funding required to
21 support one FTE core teacher position for every 15
22 Low-Income Count students in those grades and one FTE
23 core teacher position for every 20 non-Low-Income
24 Count students in those grades.

25 (2) For grades 4 through 12, the Organizational
26 Unit shall receive funding required to support one FTE

1 core teacher position for every 20 Low-Income Count
2 students in those grades and one FTE core teacher
3 position for every 25 non-Low-Income Count students in
4 those grades.

5 The number of non-Low-Income Count students in a grade
6 shall be determined by subtracting the Low-Income students
7 in that grade from the ASE of the Organizational Unit for
8 that grade.

9 (B) Specialist teacher investments. Each
10 Organizational Unit shall receive the funding needed to
11 cover that number of FTE specialist teacher positions that
12 correspond to the following percentages:

13 (i) if the Organizational Unit operates an
14 elementary or middle school, then 20.00% of the number
15 of the Organizational Unit's core teachers, as
16 determined under subparagraph (A) of this paragraph
17 (2); and

18 (ii) if such Organizational Unit operates a high
19 school, then 33.33% of the number of the Organizational
20 Unit's core teachers.

21 (C) Instructional facilitator investments. Each
22 Organizational Unit shall receive the funding needed to
23 cover one FTE instructional facilitator position for every
24 200 combined ASE of pre-kindergarten children with
25 disabilities and all kindergarten through grade 12
26 students of the Organizational Unit.

1 (D) Core intervention teacher (tutor) investments.
2 Each Organizational Unit shall receive the funding needed
3 to cover one FTE teacher position for each prototypical
4 elementary, middle, and high school.

5 (E) Substitute teacher investments. Each
6 Organizational Unit shall receive the funding needed to
7 cover substitute teacher costs that is equal to 5.70% of
8 the minimum pupil attendance days required under Section
9 10-19 of this code for all full-time equivalent core,
10 specialist, and intervention teachers, school nurses,
11 special education teachers and instructional assistants,
12 instructional facilitators, and summer school and
13 extended-day teacher positions, as determined under this
14 paragraph (2), at a salary rate of 33.33% of the average
15 salary for grade K through 12 teachers and 33.33% of the
16 average salary of each instructional assistant position.

17 (F) Core guidance counselor investments. Each
18 Organizational Unit shall receive the funding needed to
19 cover one FTE guidance counselor for each 450 combined ASE
20 of pre-kindergarten children with disabilities and all
21 kindergarten through grade 5 students, plus one FTE
22 guidance counselor for each 250 grades 6 through 8 ASE
23 middle school students, plus one FTE guidance counselor for
24 each 250 grades 9 through 12 ASE high school students.

25 (G) Nurse investments. Each Organizational Unit shall
26 receive the funding needed to cover one FTE nurse for each

1 750 combined ASE of pre-kindergarten children with
2 disabilities and all kindergarten through grade 12
3 students across all grade levels it serves.

4 (H) Supervisory aide investments. Each Organizational
5 Unit shall receive the funding needed to cover one FTE for
6 each 225 combined ASE of pre-kindergarten children with
7 disabilities and all kindergarten through grade 5
8 students, plus one FTE for each 225 ASE middle school
9 students, plus one FTE for each 200 ASE high school
10 students.

11 (I) Librarian investments. Each Organizational Unit
12 shall receive the funding needed to cover one FTE librarian
13 for each prototypical elementary school, middle school,
14 and high school and one FTE aide or media technician for
15 every 300 combined ASE of pre-kindergarten children with
16 disabilities and all kindergarten through grade 12
17 students.

18 (J) Principal investments. Each Organizational Unit
19 shall receive the funding needed to cover one FTE principal
20 position for each prototypical elementary school, plus one
21 FTE principal position for each prototypical middle
22 school, plus one FTE principal position for each
23 prototypical high school.

24 (K) Assistant principal investments. Each
25 Organizational Unit shall receive the funding needed to
26 cover one FTE assistant principal position for each

1 prototypical elementary school, plus one FTE assistant
2 principal position for each prototypical middle school,
3 plus one FTE assistant principal position for each
4 prototypical high school.

5 (L) School site staff investments. Each Organizational
6 Unit shall receive the funding needed for one FTE position
7 for each 225 ASE of pre-kindergarten children with
8 disabilities and all kindergarten through grade 5
9 students, plus one FTE position for each 225 ASE middle
10 school students, plus one FTE position for each 200 ASE
11 high school students.

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

14 (N) Professional development investments. Each
15 Organizational Unit shall receive \$125 per student of the
16 combined ASE of pre-kindergarten children with
17 disabilities and all kindergarten through grade 12
18 students for trainers and other professional
19 development-related expenses for supplies and materials.

20 (O) Instructional material investments. Each
21 Organizational Unit shall receive \$190 per student of the
22 combined ASE of pre-kindergarten children with
23 disabilities and all kindergarten through grade 12
24 students to cover instructional material costs.

25 (P) Assessment investments. Each Organizational Unit
26 shall receive \$25 per student of the combined ASE of

1 pre-kindergarten children with disabilities and all
2 kindergarten through grade 12 students student to cover
3 assessment costs.

4 (Q) Computer technology and equipment investments.
5 Each Organizational Unit shall receive \$285.50 per student
6 of the combined ASE of pre-kindergarten children with
7 disabilities and all kindergarten through grade 12
8 students to cover computer technology and equipment costs.
9 For the 2018-2019 school year and subsequent school years,
10 Tier 1 and Tier 2 Organizational Units selected by the
11 State Board through a request for proposals process shall,
12 upon the State Board's approval of an Organizational Unit's
13 one-to-one computing technology plan, receive an
14 additional \$285.50 per student of the combined ASE of
15 pre-kindergarten children with disabilities and all
16 kindergarten through grade 12 students to cover computer
17 technology and equipment costs. The State Board may
18 establish additional requirements for Organizational Unit
19 expenditures of funds received pursuant to this
20 subparagraph (Q). It is the intent of this amendatory Act
21 of the 100th General Assembly that all Tier 1 and Tier 2
22 districts that apply for the technology grant receive the
23 addition to their Adequacy Target, subject to compliance
24 with the requirements of the State Board.

25 (R) Student activities investments. Each
26 Organizational Unit shall receive the following funding

1 amounts to cover student activities: \$100 per kindergarten
2 through grade 5 ASE student in elementary school, plus \$200
3 per ASE student in middle school, plus \$675 per ASE student
4 in high school.

5 (S) Maintenance and operations investments. Each
6 Organizational Unit shall receive \$1,038 per student of the
7 combined ASE of pre-kindergarten children with
8 disabilities and all kindergarten through grade 12 for
9 day-to-day maintenance and operations expenditures,
10 including salary, supplies, and materials, as well as
11 purchased services, but excluding employee benefits. The
12 proportion of salary for the application of a
13 Regionalization Factor and the calculation of benefits is
14 equal to \$352.92.

15 (T) Central office investments. Each Organizational
16 Unit shall receive \$742 per student of the combined ASE of
17 pre-kindergarten children with disabilities and all
18 kindergarten through grade 12 students to cover central
19 office operations, including administrators and classified
20 personnel charged with managing the instructional
21 programs, business and operations of the school district,
22 and security personnel. The proportion of salary for the
23 application of a Regionalization Factor and the
24 calculation of benefits is equal to \$368.48.

25 (U) Employee benefit investments. Each Organizational
26 Unit shall receive 30% of the total of all

1 salary-calculated elements of the Adequacy Target,
2 excluding substitute teachers and student activities
3 investments, to cover benefit costs. For central office and
4 maintenance and operations investments, the benefit
5 calculation shall be based upon the salary proportion of
6 each investment. If at any time the responsibility for
7 funding the employer normal cost of teacher pensions is
8 assigned to school districts, then that amount certified by
9 the Teachers' Retirement System of the State of Illinois to
10 be paid by the Organizational Unit for the preceding school
11 year shall be added to the benefit investment. For any
12 fiscal year in which a school district organized under
13 Article 34 of this Code is responsible for paying the
14 employer normal cost of teacher pensions, then that amount
15 of its employer normal cost plus the amount for retiree
16 health insurance as certified by the Public School
17 Teachers' Pension and Retirement Fund of Chicago to be paid
18 by the school district for the preceding school year that
19 is statutorily required to cover employer normal costs and
20 the amount for retiree health insurance shall be added to
21 the 30% specified in this subparagraph (U). The Public
22 School Teachers' Pension and Retirement Fund of Chicago
23 shall submit such information as the State Superintendent
24 may require for the calculations set forth in this
25 subparagraph (U).

26 (V) Additional investments in low-income students. In

1 addition to and not in lieu of all other funding under this
2 paragraph (2), each Organizational Unit shall receive
3 funding based on the average teacher salary for grades K
4 through 12 to cover the costs of: (i) one FTE intervention
5 teacher (tutor) position for every 125 Low-Income Count
6 students; (ii) one FTE pupil support staff position for
7 every 125 Low-Income Count students; (iii) one FTE extended
8 day teacher position for every 120 Low-Income Count
9 students; and (iv) one FTE summer school teacher position
10 for every 120 Low-Income Count students.

11 (W) Additional investments in EL students. In addition
12 to and not in lieu of all other funding under this
13 paragraph (2), each Organizational Unit shall receive
14 funding based on the average teacher salary for grades K
15 through 12 to cover the costs of:

16 (i) one FTE intervention teacher (tutor) position
17 for every 125 EL students;

18 (ii) one FTE pupil support staff position for every
19 125 EL students;

20 (iii) one FTE extended day teacher position for
21 every 120 EL students;

22 (iv) one FTE summer school teacher position for
23 every 120 EL students; and

24 (v) one FTE core teacher position for every 100 EL
25 students.

26 (X) Special education investments. Each Organizational

1 Unit shall receive funding based on the average teacher
2 salary for grades K through 12 to cover special education
3 as follows:

4 (i) one FTE teacher position for every 141 combined
5 ASE of pre-kindergarten children with disabilities and
6 all kindergarten through grade 12 students;

7 (ii) one FTE instructional assistant for every 141
8 combined ASE of pre-kindergarten children with
9 disabilities and all kindergarten through grade 12
10 students; and

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

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

23 (A) Teacher for grades K through 8.

24 (B) Teacher for grades 9 through 12.

25 (C) Teacher for grades K through 12.

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

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

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

3 (G) Social worker.

4 (H) Psychologist.

5 (I) Librarian.

6 (J) Nurse.

7 (K) Principal.

8 (L) Assistant principal.

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

18 For calculating the salaries included within the Essential
19 Elements for positions not included within EIS Data, the
20 following salaries shall be used in the first year of
21 implementation of Evidence-Based Funding:

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

23 (ii) on-instructional assistant, instructional
24 assistant, library aide, library media tech, or
25 supervisory aide: \$25,000.

26 In the second and subsequent years of implementation of

1 Evidence-Based Funding, the amounts in items (i) and (ii) of
2 this paragraph (3) shall annually increase by the ECI.

3 The salary amounts for the Essential Elements determined
4 pursuant to subparagraphs (A) through (L), (S) and (T), and (V)
5 through (X) of paragraph (2) of subsection (b) of this Section
6 shall be multiplied by a Regionalization Factor.

7 (c) Local capacity calculation.

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

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

22 (A) An Organizational Unit's Local Capacity Percentage
23 is the conversion of the Organizational Unit's Local
24 Capacity Ratio, as such ratio is determined in accordance
25 with subparagraph (B) of this paragraph (2), into a normal
26 curve equivalent score to determine each Organizational

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

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

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

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

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

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

23 (C) Local Capacity Percentage converts each
24 Organizational Unit's Local Capacity Ratio to a normal
25 curve equivalent score to determine each Organizational
26 Unit's relative position to all other Organizational Units

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

26 (3) If an Organizational Unit's Real Receipts are more than

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

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

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

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

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

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

10 (A) The Department of Revenue shall add to the
11 equalized assessed value of all taxable property of each
12 Organizational Unit situated entirely or partially within
13 a county that is or was subject to the provisions of
14 Section 15-176 or 15-177 of the Property Tax Code (i) an
15 amount equal to the total amount by which the homestead
16 exemption allowed under Section 15-176 or 15-177 of the
17 Property Tax Code for real property situated in that
18 Organizational Unit exceeds the total amount that would
19 have been allowed in that Organizational Unit if the
20 maximum reduction under Section 15-176 was (I) \$4,500 in
21 Cook County or \$3,500 in all other counties in tax year
22 2003 or (II) \$5,000 in all counties in tax year 2004 and
23 thereafter and (ii) an amount equal to the aggregate amount
24 for the taxable year of all additional exemptions under
25 Section 15-175 of the Property Tax Code for owners with a
26 household income of \$30,000 or less. The county clerk of

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

25 (B) With respect to any part of an Organizational Unit
26 within a redevelopment project area in respect to which a

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

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

25 (4) An Organizational Unit's Adjusted EAV shall be the
26 average of its EAV over the immediately preceding 3 years or

1 its EAV in the immediately preceding year if the EAV in the
2 immediately preceding year has declined by 10% or more compared
3 to the 3-year average. In the event of Organizational Unit
4 reorganization, consolidation, or annexation, the
5 Organizational Unit's Adjusted EAV for the first 3 years after
6 such change shall be as follows: the most current EAV shall be
7 used in the first year, the average of a 2-year EAV or its EAV
8 in the immediately preceding year if the EAV declines by 10% or
9 more compared to the 2-year average for the second year, and a
10 3-year average EAV or its EAV in the immediately preceding year
11 if the adjusted EAV declines by 10% or more compared to the
12 3-year average for the third year.

13 "PTELL EAV" means a figure calculated by the State Board
14 for Organizational Units subject to PTELL as described in this
15 paragraph (4) for the purposes of calculating an Organizational
16 Unit's Local Capacity Ratio. Except as otherwise provided in
17 this paragraph (4), for an Organizational Unit that has
18 approved or does approve an increase in its limiting rate, the
19 PTELL EAV of an Organizational Unit shall be equal to the
20 product of the equalized assessed valuation last used in the
21 calculation of general State aid under Section 18-8.05 of this
22 Code or Evidence-Based Funding under this Section and the
23 Organizational Unit's Extension Limitation Ratio. If an
24 Organizational Unit has approved or does approve an increase in
25 its limiting rate, pursuant to Section 18-190 of the Property
26 Tax Code, affecting the Base Tax Year, the PTELL EAV shall be

1 equal to the product of the equalized assessed valuation last
2 used in the calculation of general State aid under Section
3 18-8.05 of this Code or Evidence-Based Funding under this
4 Section multiplied by an amount equal to one plus the
5 percentage increase, if any, in the Consumer Price Index for
6 All Urban Consumers for all items published by the United
7 States Department of Labor for the 12-month calendar year
8 preceding the Base Tax Year, plus the equalized assessed
9 valuation of new property, annexed property, and recovered tax
10 increment value and minus the equalized assessed valuation of
11 disconnected property.

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

15 (e) Base Funding Minimum calculation.

16 (1) For the 2017-2018 school year, the Base Funding Minimum
17 of an Organizational Unit, other than a Specially Funded Unit,
18 shall be the amount of State funds distributed to the
19 Organizational Unit during the 2016-2017 school year prior to
20 any adjustments and specified appropriation amounts described
21 in this paragraph (1) from the following Sections, as
22 calculated by the State Superintendent: Section 18-8.05 of this
23 Code (general State aid); Section 5 of Article 224 of Public
24 Act 99-524 (equity grants); Section 14-7.02b of this Code
25 (funding for children requiring special education services);
26 Section 14-13.01 of this Code (special education facilities and

1 staffing), except for reimbursement of the cost of
2 transportation pursuant to Section 14-13.01; Section 14C-12 of
3 this Code (English learners); and Section 18-4.3 of this Code
4 (summer school), based on an appropriation level of
5 \$13,121,600. For Specially Funded Units, the Base Funding
6 Minimum shall be the total amount of State funds allotted to
7 the Specially Funded Unit during the 2016-2017 school year. The
8 Base Funding Minimum for Glenwood Academy shall be \$625,500.

9 (2) For the 2018-2019 school year through the 2020-2021
10 school year, the Base Funding Minimum of Organizational Units
11 and Specially Funded Units shall be the sum of (i) the amount
12 of Evidence-Based Funding for the prior school year and (ii)
13 the Base Funding Minimum for the prior school year.

14 (3) Beginning with the 2021-2022 school year and every
15 school year thereafter, the Base Funding Minimum of an
16 Organizational Unit shall be the sum of (i) the Evidence-Based
17 Funding for the prior school year and (ii) the Base Funding
18 Minimum for the prior school year divided by the Organizational
19 Unit's ASE for the prior school year multiplied by the
20 Organizational Unit's ASE for the current school year. For
21 Specially Funded Units, the Base Funding Minimum shall be the
22 sum of (i) the Evidence-Based Funding for the prior school year
23 and (ii) the Base Funding Minimum for the prior school year.

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

25 (1) The Evidence-Based Funding formula establishes a
26 Percent of Adequacy for each Organizational Unit in order to

1 place such units into tiers for the purposes of the funding
2 distribution system described in subsection (g) of this
3 Section. Initially, an Organizational Unit's Preliminary
4 Resources and Preliminary Percent of Adequacy are calculated
5 pursuant to paragraph (2) of this subsection (f). Then, an
6 Organizational Unit's Final Resources and Final Percent of
7 Adequacy are calculated to account for the Organizational
8 Unit's poverty concentration levels pursuant to paragraphs (3)
9 and (4) of this subsection (f).

10 (2) An Organizational Unit's Preliminary Resources are
11 equal to the sum of its Local Capacity Target, CPPRT, and Base
12 Funding Minimum. An Organizational Unit's Preliminary Percent
13 of Adequacy is the lesser of (i) its Preliminary Resources
14 divided by its Adequacy Target or (ii) 100%.

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

23 (4) An Organizational Unit's Final Percent of Adequacy is
24 its Final Resources divided by its Adequacy Target. A
25 Organizational Unit's Adjusted Base Funding Minimum is equal to
26 its Base Funding Minimum less its Supplemental Grant Funding,

1 with the resulting figure added to the product of its
2 Supplemental Grant Funding and Preliminary Percent of
3 Adequacy.

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

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

1 Resources. For Tier 2, an Organizational Unit's Funding Gap
2 equals the tier's Target Ratio, as described in paragraph (5)
3 of this subsection (g), multiplied by the Organizational Unit's
4 Adequacy Target, with the resulting amount reduced by the
5 Organizational Unit's Final Resources and its Tier 1 funding
6 allocation. To determine the Organizational Unit's Funding
7 Gap, the resulting amount is then multiplied by a factor equal
8 to one minus the Organizational Unit's Local Capacity Target
9 percentage. Each Organizational Unit within Tier 3 or Tier 4
10 receives an allocation of New State Funds equal to the product
11 of its Adequacy Target and the tier's Allocation Rate, as
12 specified in paragraph (4) of this subsection (g).

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

1 (3) Organizational Units are placed into one of 4 tiers as
2 follows:

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

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

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

15 (D) Tier 4 consists of all Organizational Units with a
16 Percent of Adequacy of at least 1.0 and Specially Funded
17 Units, excluding Glenwood Academy.

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

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

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

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

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

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

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

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

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

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

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

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

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

5 (9) The Minimum Funding Level is intended to establish a
6 target for State funding that will keep pace with inflation and
7 continue to advance equity through the Evidence-Based Funding
8 formula. The Minimum Funding Level is equal to the sum of 1% of
9 the State Adequacy Level. If New State Funds are less than the
10 Minimum Funding Level, than funding for tiers shall be reduced
11 in the following manner:

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

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

20 (C) Next, Tier 2 funding shall be reduced by an amount
21 equal to the difference between the Minimum Funding level
22 and new State Funds and the reduction Tier 4 and Tier 3.
23 Finally, Tier 1 funding shall be reduced by an amount equal
24 to the difference between the Minimum Funding level and New
25 State Funds and the reduction in Tier 2, 3, and 4 funding.
26 In addition, the Allocation Rate for Tier 1 shall be

1 reduced to a percentage equal to 50%, multiplied by the
2 result of New State Funds divided by the Minimum Funding
3 Level.

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

1 (11) The State Superintendent shall make minor adjustments
2 to the distribution formulae set forth in this subsection (g)
3 to account for the rounding of percentages to the nearest tenth
4 of a percentage and dollar amounts to the nearest whole dollar.

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

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

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

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

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

5 (4) Annually, the State Superintendent shall calculate and
6 report to each Organizational Unit the amount the unit must
7 expend on special education and bilingual education pursuant to
8 the unit's Base Funding Minimum, Special Education Allocation,
9 and Bilingual Education Allocation.

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

20 (6) Any school district that fails, for any given school
21 year, to maintain school as required by law or to maintain a
22 recognized school is not eligible to receive Evidence-Based
23 Funding. In case of non-recognition of one or more attendance
24 centers in a school district otherwise operating recognized
25 schools, the claim of the district shall be reduced in the
26 proportion that the enrollment in the attendance center or

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

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

10 (8) Each fiscal year, the State Superintendent shall
11 calculate for each Organizational Unit an amount of its Base
12 Funding Minimum and Evidence-Based Funding that shall be deemed
13 attributable to the provision of special educational
14 facilities and services, as defined in Section 14-1.08 of this
15 Code, in a manner that ensures compliance with maintenance of
16 State financial support requirements under the federal
17 Individuals with Disabilities Education Act. An Organizational
18 Unit must use such funds only for the provision of special
19 educational facilities and services, as defined in Section
20 14-1.08 of this Code, and must comply with any expenditure
21 verification procedures adopted by the State Board.

22 (9) All Organizational Units in this State must submit
23 annual spending plans by the end of September of each year to
24 the State Board as part of the annual budget process, which
25 shall describe how each Organizational Unit will utilize the
26 Base Minimum Funding and Evidence-Based funding it receives

1 from this State under this Section with specific identification
2 of the intended utilization of Low-Income, EL, and special
3 education resources. Additionally, the annual spending plans
4 of each Organizational Unit shall describe how the
5 Organizational Unit expects to achieve student growth and how
6 the Organizational Unit will achieve State education goals, as
7 defined by the State Board. The State Superintendent may, from
8 time to time, identify additional requisites for
9 Organizational Units to satisfy when compiling the annual
10 spending plans required under this subsection (h). The format
11 and scope of annual spending plans shall be developed by the
12 State Superintendent in conjunction with the Professional
13 Review Panel.

14 (10) No later than January 1, 2018, the State
15 Superintendent shall develop a 5-year strategic plan for all
16 Organizational Units to help in planning for adequacy funding
17 under this Section. The State Superintendent shall submit the
18 plan to the Governor and the General Assembly, as provided in
19 Section 3.1 of the General Assembly Organization Act. The plan
20 shall include recommendations for:

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

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

26 (C) application and enhancement of the current

1 financial accountability measures, the approved State plan
2 to comply with the federal Every Student Succeeds Act, and
3 the Illinois Balanced Accountability Measures in relation
4 to student growth and elements of the Evidence-Based
5 Funding model; and

6 (D) implementation of an effective school adequacy
7 funding system based on projected and recommended funding
8 levels from the General Assembly.

9 (i) Professional Review Panel.

10 (1) A Professional Review Panel is created to study and
11 review the implementation and effect of the Evidence-Based
12 Funding model under this Section and to recommend continual
13 recalibration and future study topics and modifications to the
14 Evidence-Based Funding model. The Panel shall elect a
15 chairperson and vice chairperson by a majority vote of the
16 Panel and shall advance recommendations based on a majority
17 vote of the Panel. A minority opinion may also accompany any
18 recommendation of the majority of the Panel. The Panel shall be
19 appointed by the State Superintendent, except as otherwise
20 provided in paragraph (2) of this subsection (i) and include
21 the following members:

22 (A) Two appointees that represent district
23 superintendents, recommended by a statewide organization
24 that represents district superintendents.

25 (B) Two appointees that represent school boards,
26 recommended by a statewide organization that represents

1 school boards.

2 (C) Two appointees from districts that represent
3 school business officials, recommended by a statewide
4 organization that represents school business officials.

5 (D) Two appointees that represent school principals,
6 recommended by a statewide organization that represents
7 school principals.

8 (E) Two appointees that represent teachers,
9 recommended by a statewide organization that represents
10 teachers.

11 (F) Two appointees that represent teachers,
12 recommended by another statewide organization that
13 represents teachers.

14 (G) Two appointees that represent regional
15 superintendents of schools, recommended by organizations
16 that represent regional superintendents.

17 (H) Two independent experts selected solely by the
18 State Superintendent.

19 (I) Two independent experts recommended by public
20 universities in this State.

21 (J) One member recommended by a statewide organization
22 that represents parents.

23 (K) Two representatives recommended by collective
24 impact organizations that represent major metropolitan
25 areas or geographic areas in Illinois.

26 (L) One member from a statewide organization focused on

1 research-based education policy to support a school system
2 that prepares all students for college, a career, and
3 democratic citizenship.

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

6 The State Superintendent shall ensure that the membership of
7 the Panel includes representatives from school districts and
8 communities reflecting the geographic, socio-economic, racial,
9 and ethnic diversity of this State. The State Superintendent
10 shall additionally ensure that the membership of the Panel
11 includes representatives with expertise in bilingual education
12 and special education. Staff from the State Board shall staff
13 the Panel.

14 (2) In addition to those Panel members appointed by the
15 State Superintendent, 4 members of the General Assembly shall
16 be appointed as follows: one member of the House of
17 Representatives appointed by the Speaker of the House of
18 Representatives, one member of the Senate appointed by the
19 President of the Senate, one member of the House of
20 Representatives appointed by the Minority Leader of the House
21 of Representatives, and one member of the Senate appointed by
22 the Minority Leader of the Senate. There shall be one
23 additional member appointed by the Governor. All members
24 appointed by legislative leaders or the Governor shall be
25 non-voting, ex officio members.

26 (3) On an annual basis, the State Superintendent shall

1 recalibrate the following per pupil elements of the Adequacy
2 Target and applied to the formulas, based on the Panel's study
3 of average expenses as reported in the most recent annual
4 financial report:

5 (A) gifted under subparagraph (M) of paragraph (2) of
6 subsection (b) of this Section;

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

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

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

13 (E) maintenance and operations under subparagraph (S)
14 of paragraph (2) of subsection (b) of this Section; and

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

17 (4) On a periodic basis, the Panel shall study all the
18 following elements and make recommendations to the State Board,
19 the General Assembly, and the Governor for modification of this
20 Section:

21 (A) The format and scope of annual spending plans
22 referenced in paragraph (9) of subsection (h) of this
23 Section.

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

1 (C) Maintenance and operations. Within 5 years after
2 the implementation of this Section, the Panel shall make
3 recommendations for the further study of maintenance and
4 operations costs, including capital maintenance costs, and
5 recommend any additional reporting data required from
6 Organizational Units.

7 (D) "At-risk student" definition. Within 5 years after
8 the implementation of this Section, the Panel shall make
9 recommendations for the further study and determination of
10 an "at-risk student" definition. Within 5 years after the
11 implementation of this Section, the Panel shall evaluate
12 and make recommendations regarding adequate funding for
13 poverty concentration under the Evidence-Based Funding
14 model.

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

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

25 (G) Local Capacity Target. Within 3 years after the
26 implementation of this Section, the Panel shall make

1 recommendations for any additional data desired to analyze
2 possible modifications to the Local Capacity Target, to be
3 based on measures in addition to solely EAV and to be
4 completed within 5 years after implementation of this
5 Section.

6 (H) Funding for Alternative Schools, Laboratory
7 Schools, safe schools, and alternative learning
8 opportunities programs. By the beginning of the 2021-2022
9 school year, the Panel shall study and make recommendations
10 regarding the funding levels for Alternative Schools,
11 Laboratory Schools, safe schools, and alternative learning
12 opportunities programs in this State.

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

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

26 (K) Early childhood investments. In collaboration with

1 the Illinois Early Learning Council, the Panel shall
2 include an analysis of what level of Preschool for All
3 Children funding would be necessary to serve all children
4 ages 0 through 5 years in the highest-priority service
5 tier, as specified in paragraph (4.5) of subsection (a) of
6 Section 2-3.71 of this Code, and an analysis of the
7 potential cost savings that that level of Preschool for All
8 Children investment would have on the kindergarten through
9 grade 12 system.

10 (L) Minimum Funding Level. Within 3 years after the
11 implementation of this Section and at a minimum of every 3
12 years thereafter, the Panel shall make recommendations for
13 any adjustments to be made to the Minimum Funding Level, to
14 be based on measures related to rising educational costs.

15 (5) Within 5 years after the implementation of this
16 Section, the Panel shall complete an evaluative study of the
17 entire Evidence-Based Funding model, including an assessment
18 of whether or not the formula is achieving State goals. The
19 Panel shall report to the State Board, the General Assembly,
20 and the Governor on the findings of the study.

21 (6) Within 3 years after the implementation of this
22 Section, the Panel shall evaluate and provide recommendations
23 to the Governor and the General Assembly on the hold-harmless
24 provisions of this Section found in the Base Funding Minimum.

25 (j) References. Beginning July 1, 2017, references in other
26 laws to general State aid funds or calculations under Section

1 18-8.05 of this Code shall be deemed to be references to
2 evidence-based model formula funds or calculations under this
3 Section.

4 (105 ILCS 5/18-9) (from Ch. 122, par. 18-9)

5 Sec. 18-9. Requirement for special equalization and
6 supplementary State aid. If property comprising an aggregate
7 assessed valuation equal to 6% or more of the total assessed
8 valuation of all taxable property in a school district is owned
9 by a person or corporation that is the subject of bankruptcy
10 proceedings or that has been adjudged bankrupt and, as a result
11 thereof, has not paid taxes on the property, then the district
12 may amend its general State aid or evidence-based funding claim
13 (i) back to the inception of the bankruptcy, not to exceed 6
14 years, in which time those taxes were not paid and (ii) for
15 each succeeding year that those taxes remain unpaid, by adding
16 to the claim an amount determined by multiplying the assessed
17 valuation of the property on which taxes have not been paid due
18 to the bankruptcy by the lesser of the total tax rate for the
19 district for the tax year for which the taxes are unpaid or the
20 applicable rate used in calculating the district's general
21 State aid under paragraph (3) of subsection (D) of Section
22 18-8.05 of this Code or evidence-based funding under Section
23 18-8.15 of this Code, as applicable. If at any time a district
24 that receives additional State aid under this Section receives
25 tax revenue from the property for the years that taxes were not

1 paid, the district's next claim for State aid shall be reduced
2 in an amount equal to the taxes paid on the property, not to
3 exceed the additional State aid received under this Section.
4 Claims under this Section shall be filed on forms prescribed by
5 the State Superintendent of Education, and the State
6 Superintendent of Education, upon receipt of a claim, shall
7 adjust the claim in accordance with the provisions of this
8 Section. Supplementary State aid for each succeeding year under
9 this Section shall be paid beginning with the first general
10 State aid or evidence-based funding claim paid after the
11 district has filed a completed claim in accordance with this
12 Section.

13 (Source: P.A. 95-496, eff. 8-28-07.)

14 (105 ILCS 5/18-12) (from Ch. 122, par. 18-12)

15 Sec. 18-12. Dates for filing State aid claims. The school
16 board of each school district, a regional office of education,
17 a laboratory school, or a State-authorized charter school shall
18 require teachers, principals, or superintendents to furnish
19 from records kept by them such data as it needs in preparing
20 and certifying to the State Superintendent of Education its
21 report of claims provided in Section 18-8.05 of this Code. The
22 claim shall be based on the latest available equalized assessed
23 valuation and tax rates, as provided in Section 18-8.05 or
24 18-8.15, shall use the average daily attendance as determined
25 by the method outlined in Section 18-8.05 or 18-8.15, and shall

1 be certified and filed with the State Superintendent of
2 Education by June 21 for districts and State-authorized charter
3 schools with an official school calendar end date before June
4 15 or within 2 weeks following the official school calendar end
5 date for districts, regional offices of education, laboratory
6 schools, or State-authorized charter schools with a school year
7 end date of June 15 or later. Failure to so file by these
8 deadlines constitutes a forfeiture of the right to receive
9 payment by the State until such claim is filed. The State
10 Superintendent of Education shall voucher for payment those
11 claims to the State Comptroller as provided in Section 18-11.

12 Except as otherwise provided in this Section, if any school
13 district fails to provide the minimum school term specified in
14 Section 10-19, the State aid claim for that year shall be
15 reduced by the State Superintendent of Education in an amount
16 equivalent to $1/176$ or .56818% for each day less than the
17 number of days required by this Code.

18 If the State Superintendent of Education determines that
19 the failure to provide the minimum school term was occasioned
20 by an act or acts of God, or was occasioned by conditions
21 beyond the control of the school district which posed a
22 hazardous threat to the health and safety of pupils, the State
23 aid claim need not be reduced.

24 If a school district is precluded from providing the
25 minimum hours of instruction required for a full day of
26 attendance due to an adverse weather condition or a condition

1 beyond the control of the school district that poses a
2 hazardous threat to the health and safety of students, then the
3 partial day of attendance may be counted if (i) the school
4 district has provided at least one hour of instruction prior to
5 the closure of the school district, (ii) a school building has
6 provided at least one hour of instruction prior to the closure
7 of the school building, or (iii) the normal start time of the
8 school district is delayed.

9 If, prior to providing any instruction, a school district
10 must close one or more but not all school buildings after
11 consultation with a local emergency response agency or due to a
12 condition beyond the control of the school district, then the
13 school district may claim attendance for up to 2 school days
14 based on the average attendance of the 3 school days
15 immediately preceding the closure of the affected school
16 building or, if approved by the State Board of Education,
17 utilize the provisions of an e-learning program for the
18 affected school building as prescribed in Section 10-20.56 of
19 this Code. The partial or no day of attendance described in
20 this Section and the reasons therefore shall be certified
21 within a month of the closing or delayed start by the school
22 district superintendent to the regional superintendent of
23 schools for forwarding to the State Superintendent of Education
24 for approval.

25 Other than the utilization of any e-learning days as
26 prescribed in Section 10-20.56 of this Code, no exception to

1 the requirement of providing a minimum school term may be
2 approved by the State Superintendent of Education pursuant to
3 this Section unless a school district has first used all
4 emergency days provided for in its regular calendar.

5 If the State Superintendent of Education declares that an
6 energy shortage exists during any part of the school year for
7 the State or a designated portion of the State, a district may
8 operate the school attendance centers within the district 4
9 days of the week during the time of the shortage by extending
10 each existing school day by one clock hour of school work, and
11 the State aid claim shall not be reduced, nor shall the
12 employees of that district suffer any reduction in salary or
13 benefits as a result thereof. A district may operate all
14 attendance centers on this revised schedule, or may apply the
15 schedule to selected attendance centers, taking into
16 consideration such factors as pupil transportation schedules
17 and patterns and sources of energy for individual attendance
18 centers.

19 Electronically submitted State aid claims shall be
20 submitted by duly authorized district individuals over a secure
21 network that is password protected. The electronic submission
22 of a State aid claim must be accompanied with an affirmation
23 that all of the provisions of Sections 18-8.05, 10-22.5, and
24 24-4 of this Code are met in all respects.

25 (Source: P.A. 99-194, eff. 7-30-15; 99-657, eff. 7-28-16.)

1 (105 ILCS 5/22-62 new)

2 Sec. 22-62. Discharge of unfunded mandates.

3 (a) School districts need not comply with and may discharge
4 any mandate or requirement placed on school districts by this
5 Code or by administrative rules adopted by the State Board of
6 Education that is unfunded.

7 (b) Subsection (a) of this Section does not apply to any of
8 the following:

9 (1) Laws and rules pertaining to student health, life,
10 or safety.

11 (2) Federally required mandates, including without
12 limitation compliance with the federal Every Student
13 Succeeds Act.

14 (3) Laws and rules pertaining to civil rights and
15 protections.

16 (c) Before a school district may lawfully discharge an
17 unfunded mandate under subsection (a) of this Section, it must
18 hold a public hearing on the matter. The school district must
19 post information that sets forth the time, date, place, and
20 general subject matter of the public hearing on its Internet
21 website at least 14 days prior to the hearing. The school
22 district must publish a notice of the public hearing at least 7
23 days prior to the hearing in a newspaper of general circulation
24 within the school district that sets forth the time, date,
25 place, and general subject matter of the hearing. The school
26 district must notify, in writing, the affected exclusive

1 collective bargaining agent and those State legislators
2 representing the affected territory of its intent to discharge
3 an unfunded mandate and of the hearing to be held to take
4 testimony from staff. The affected exclusive collective
5 bargaining agent must be notified of the public hearing at
6 least 7 days prior to the date of the hearing and must be
7 allowed to attend the hearing. The school district shall attest
8 to compliance with the requirements of this subsection (c).

9 (d) A school board shall report each unfunded mandate it
10 has discharged under this Section to the State Board of
11 Education. The State Board shall compile and report this
12 information to the General Assembly each year.

13 (105 ILCS 5/26-16)

14 Sec. 26-16. Graduation incentives program.

15 (a) The General Assembly finds that it is critical to
16 provide options for children to succeed in school. The purpose
17 of this Section is to provide incentives for and encourage all
18 Illinois students who have experienced or are experiencing
19 difficulty in the traditional education system to enroll in
20 alternative programs.

21 (b) Any student who is below the age of 20 years is
22 eligible to enroll in a graduation incentives program if he or
23 she:

24 (1) is considered a dropout pursuant to Section 26-2a
25 of this Code;

1 (2) has been suspended or expelled pursuant to Section
2 10-22.6 or 34-19 of this Code;

3 (3) is pregnant or is a parent;

4 (4) has been assessed as chemically dependent; or

5 (5) is enrolled in a bilingual education or LEP
6 program.

7 (c) The following programs qualify as graduation
8 incentives programs for students meeting the criteria
9 established in this Section:

10 (1) Any public elementary or secondary education
11 graduation incentives program established by a school
12 district or by a regional office of education.

13 (2) Any alternative learning opportunities program
14 established pursuant to Article 13B of this Code.

15 (3) Vocational or job training courses approved by the
16 State Superintendent of Education that are available
17 through the Illinois public community college system.
18 Students may apply for reimbursement of 50% of tuition
19 costs for one course per semester or a maximum of 3 courses
20 per school year. Subject to available funds, students may
21 apply for reimbursement of up to 100% of tuition costs upon
22 a showing of employment within 6 months after completion of
23 a vocational or job training program. The qualifications
24 for reimbursement shall be established by the State
25 Superintendent of Education by rule.

26 (4) Job and career programs approved by the State

1 Superintendent of Education that are available through
2 Illinois-accredited private business and vocational
3 schools. Subject to available funds, pupils may apply for
4 reimbursement of up to 100% of tuition costs upon a showing
5 of employment within 6 months after completion of a job or
6 career program. The State Superintendent of Education
7 shall establish, by rule, the qualifications for
8 reimbursement, criteria for determining reimbursement
9 amounts, and limits on reimbursement.

10 (5) Adult education courses that offer preparation for
11 high school equivalency testing.

12 (d) Graduation incentives programs established by school
13 districts are entitled to claim general State aid and
14 evidence-based funding, subject to Sections 13B-50, 13B-50.5,
15 and 13B-50.10 of this Code. Graduation incentives programs
16 operated by regional offices of education are entitled to
17 receive general State aid and evidence-based funding at the
18 foundation level of support per pupil enrolled. A school
19 district must ensure that its graduation incentives program
20 receives supplemental general State aid, transportation
21 reimbursements, and special education resources, if
22 appropriate, for students enrolled in the program.

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

24 (105 ILCS 5/27-6) (from Ch. 122, par. 27-6)

25 Sec. 27-6. Courses in physical education required; special

1 activities.

2 (a) Pupils enrolled in the public schools and State
3 universities engaged in preparing teachers shall be required to
4 engage ~~daily~~ during the school day, except on block scheduled
5 days for those public schools engaged in block scheduling, in
6 courses of physical education for such periods as are
7 compatible with the optimum growth and developmental needs of
8 individuals at the various age levels except when appropriate
9 excuses are submitted to the school by a pupil's parent or
10 guardian or by a person licensed under the Medical Practice Act
11 of 1987 and except as provided in subsection (b) of this
12 Section. A school board may determine the schedule or frequency
13 of physical education courses, provided that a pupil engages in
14 a course of physical education for a minimum of 3 days per
15 week.

16 Special activities in physical education shall be provided
17 for pupils whose physical or emotional condition, as determined
18 by a person licensed under the Medical Practice Act of 1987,
19 prevents their participation in the courses provided for normal
20 children.

21 (b) A school board is authorized to excuse pupils enrolled
22 in grades 11 and 12 from engaging in physical education courses
23 if those pupils request to be excused for any of the following
24 reasons: (1) for ongoing participation in an interscholastic
25 athletic program; (2) to enroll in academic classes which are
26 required for admission to an institution of higher learning,

1 provided that failure to take such classes will result in the
2 pupil being denied admission to the institution of his or her
3 choice; or (3) to enroll in academic classes which are required
4 for graduation from high school, provided that failure to take
5 such classes will result in the pupil being unable to graduate.
6 A school board may also excuse pupils in grades 9 through 12
7 enrolled in a marching band program for credit from engaging in
8 physical education courses if those pupils request to be
9 excused for ongoing participation in such marching band
10 program. A school board may also, on a case-by-case basis,
11 excuse pupils in grades 9 through 12 who participate in an
12 interscholastic or extracurricular athletic program from
13 engaging in physical education courses. In addition, a pupil in
14 any of grades 3 through 12 who is eligible for special
15 education may be excused if the pupil's parent or guardian
16 agrees that the pupil must utilize the time set aside for
17 physical education to receive special education support and
18 services or, if there is no agreement, the individualized
19 education program team for the pupil determines that the pupil
20 must utilize the time set aside for physical education to
21 receive special education support and services, which
22 agreement or determination must be made a part of the
23 individualized education program. However, a pupil requiring
24 adapted physical education must receive that service in
25 accordance with the individualized education program developed
26 for the pupil. If requested, a school board is authorized to

1 excuse a pupil from engaging in a physical education course if
2 the pupil has an individualized educational program under
3 Article 14 of this Code, is participating in an adaptive
4 athletic program outside of the school setting, and documents
5 such participation as determined by the school board. A school
6 board may also excuse pupils in grades 9 through 12 enrolled in
7 a Reserve Officer's Training Corps (ROTC) program sponsored by
8 the school district from engaging in physical education
9 courses. School boards which choose to exercise this authority
10 shall establish a policy to excuse pupils on an individual
11 basis.

12 (c) The provisions of this Section are subject to the
13 provisions of Section 27-22.05.

14 (Source: P.A. 98-116, eff. 7-29-13.)

15 (105 ILCS 5/27-7) (from Ch. 122, par. 27-7)

16 Sec. 27-7. Physical education course of study. A physical
17 education course of study shall include a developmentally
18 planned and sequential curriculum that fosters the development
19 of movement skills, enhances health-related fitness, increases
20 students' knowledge, offers direct opportunities to learn how
21 to work cooperatively in a group setting, and encourages
22 healthy habits and attitudes for a healthy lifestyle. A
23 physical education course of study shall provide students with
24 an opportunity for an appropriate amount of ~~daily~~ physical
25 activity. A physical education course of study must be part of

1 the regular school curriculum and not extra-curricular in
2 nature or organization.

3 The State Board of Education shall prepare and make
4 available guidelines for the various grades and types of
5 schools in order to make effective the purposes set forth in
6 this section and the requirements provided in Section 27-6, and
7 shall see that the general provisions and intent of Sections
8 27-5 to 27-9, inclusive, are enforced.

9 (Source: P.A. 94-189, eff. 7-12-05; 94-200, eff. 7-12-05.)

10 (105 ILCS 5/27-8.1) (from Ch. 122, par. 27-8.1)

11 (Text of Section before amendment by P.A. 99-927)

12 Sec. 27-8.1. Health examinations and immunizations.

13 (1) In compliance with rules and regulations which the
14 Department of Public Health shall promulgate, and except as
15 hereinafter provided, all children in Illinois shall have a
16 health examination as follows: within one year prior to
17 entering kindergarten or the first grade of any public,
18 private, or parochial elementary school; upon entering the
19 sixth and ninth grades of any public, private, or parochial
20 school; prior to entrance into any public, private, or
21 parochial nursery school; and, irrespective of grade,
22 immediately prior to or upon entrance into any public, private,
23 or parochial school or nursery school, each child shall present
24 proof of having been examined in accordance with this Section
25 and the rules and regulations promulgated hereunder. Any child

1 who received a health examination within one year prior to
2 entering the fifth grade for the 2007-2008 school year is not
3 required to receive an additional health examination in order
4 to comply with the provisions of Public Act 95-422 when he or
5 she attends school for the 2008-2009 school year, unless the
6 child is attending school for the first time as provided in
7 this paragraph.

8 A tuberculosis skin test screening shall be included as a
9 required part of each health examination included under this
10 Section if the child resides in an area designated by the
11 Department of Public Health as having a high incidence of
12 tuberculosis. Additional health examinations of pupils,
13 including eye examinations, may be required when deemed
14 necessary by school authorities. Parents are encouraged to have
15 their children undergo eye examinations at the same points in
16 time required for health examinations.

17 (1.5) In compliance with rules adopted by the Department of
18 Public Health and except as otherwise provided in this Section,
19 all children in kindergarten and the second and sixth grades of
20 any public, private, or parochial school shall have a dental
21 examination. Each of these children shall present proof of
22 having been examined by a dentist in accordance with this
23 Section and rules adopted under this Section before May 15th of
24 the school year. If a child in the second or sixth grade fails
25 to present proof by May 15th, the school may hold the child's
26 report card until one of the following occurs: (i) the child

1 presents proof of a completed dental examination or (ii) the
2 child presents proof that a dental examination will take place
3 within 60 days after May 15th. The Department of Public Health
4 shall establish, by rule, a waiver for children who show an
5 undue burden or a lack of access to a dentist. Each public,
6 private, and parochial school must give notice of this dental
7 examination requirement to the parents and guardians of
8 students at least 60 days before May 15th of each school year.

9 (1.10) Except as otherwise provided in this Section, all
10 children enrolling in kindergarten in a public, private, or
11 parochial school on or after the effective date of this
12 amendatory Act of the 95th General Assembly and any student
13 enrolling for the first time in a public, private, or parochial
14 school on or after the effective date of this amendatory Act of
15 the 95th General Assembly shall have an eye examination. Each
16 of these children shall present proof of having been examined
17 by a physician licensed to practice medicine in all of its
18 branches or a licensed optometrist within the previous year, in
19 accordance with this Section and rules adopted under this
20 Section, before October 15th of the school year. If the child
21 fails to present proof by October 15th, the school may hold the
22 child's report card until one of the following occurs: (i) the
23 child presents proof of a completed eye examination or (ii) the
24 child presents proof that an eye examination will take place
25 within 60 days after October 15th. The Department of Public
26 Health shall establish, by rule, a waiver for children who show

1 an undue burden or a lack of access to a physician licensed to
2 practice medicine in all of its branches who provides eye
3 examinations or to a licensed optometrist. Each public,
4 private, and parochial school must give notice of this eye
5 examination requirement to the parents and guardians of
6 students in compliance with rules of the Department of Public
7 Health. Nothing in this Section shall be construed to allow a
8 school to exclude a child from attending because of a parent's
9 or guardian's failure to obtain an eye examination for the
10 child.

11 (2) The Department of Public Health shall promulgate rules
12 and regulations specifying the examinations and procedures
13 that constitute a health examination, which shall include the
14 collection of data relating to obesity (including at a minimum,
15 date of birth, gender, height, weight, blood pressure, and date
16 of exam), and a dental examination and may recommend by rule
17 that certain additional examinations be performed. The rules
18 and regulations of the Department of Public Health shall
19 specify that a tuberculosis skin test screening shall be
20 included as a required part of each health examination included
21 under this Section if the child resides in an area designated
22 by the Department of Public Health as having a high incidence
23 of tuberculosis. The Department of Public Health shall specify
24 that a diabetes screening as defined by rule shall be included
25 as a required part of each health examination. Diabetes testing
26 is not required.

1 Physicians licensed to practice medicine in all of its
2 branches, licensed advanced practice nurses, or licensed
3 physician assistants shall be responsible for the performance
4 of the health examinations, other than dental examinations, eye
5 examinations, and vision and hearing screening, and shall sign
6 all report forms required by subsection (4) of this Section
7 that pertain to those portions of the health examination for
8 which the physician, advanced practice nurse, or physician
9 assistant is responsible. If a registered nurse performs any
10 part of a health examination, then a physician licensed to
11 practice medicine in all of its branches must review and sign
12 all required report forms. Licensed dentists shall perform all
13 dental examinations and shall sign all report forms required by
14 subsection (4) of this Section that pertain to the dental
15 examinations. Physicians licensed to practice medicine in all
16 its branches or licensed optometrists shall perform all eye
17 examinations required by this Section and shall sign all report
18 forms required by subsection (4) of this Section that pertain
19 to the eye examination. For purposes of this Section, an eye
20 examination shall at a minimum include history, visual acuity,
21 subjective refraction to best visual acuity near and far,
22 internal and external examination, and a glaucoma evaluation,
23 as well as any other tests or observations that in the
24 professional judgment of the doctor are necessary. Vision and
25 hearing screening tests, which shall not be considered
26 examinations as that term is used in this Section, shall be

1 conducted in accordance with rules and regulations of the
2 Department of Public Health, and by individuals whom the
3 Department of Public Health has certified. In these rules and
4 regulations, the Department of Public Health shall require that
5 individuals conducting vision screening tests give a child's
6 parent or guardian written notification, before the vision
7 screening is conducted, that states, "Vision screening is not a
8 substitute for a complete eye and vision evaluation by an eye
9 doctor. Your child is not required to undergo this vision
10 screening if an optometrist or ophthalmologist has completed
11 and signed a report form indicating that an examination has
12 been administered within the previous 12 months."

13 (3) Every child shall, at or about the same time as he or
14 she receives a health examination required by subsection (1) of
15 this Section, present to the local school proof of having
16 received such immunizations against preventable communicable
17 diseases as the Department of Public Health shall require by
18 rules and regulations promulgated pursuant to this Section and
19 the Communicable Disease Prevention Act.

20 (4) The individuals conducting the health examination,
21 dental examination, or eye examination shall record the fact of
22 having conducted the examination, and such additional
23 information as required, including for a health examination
24 data relating to obesity (including at a minimum, date of
25 birth, gender, height, weight, blood pressure, and date of
26 exam), on uniform forms which the Department of Public Health

1 and the State Board of Education shall prescribe for statewide
2 use. The examiner shall summarize on the report form any
3 condition that he or she suspects indicates a need for special
4 services, including for a health examination factors relating
5 to obesity. The individuals confirming the administration of
6 required immunizations shall record as indicated on the form
7 that the immunizations were administered.

8 (5) If a child does not submit proof of having had either
9 the health examination or the immunization as required, then
10 the child shall be examined or receive the immunization, as the
11 case may be, and present proof by October 15 of the current
12 school year, or by an earlier date of the current school year
13 established by a school district. To establish a date before
14 October 15 of the current school year for the health
15 examination or immunization as required, a school district must
16 give notice of the requirements of this Section 60 days prior
17 to the earlier established date. If for medical reasons one or
18 more of the required immunizations must be given after October
19 15 of the current school year, or after an earlier established
20 date of the current school year, then the child shall present,
21 by October 15, or by the earlier established date, a schedule
22 for the administration of the immunizations and a statement of
23 the medical reasons causing the delay, both the schedule and
24 the statement being issued by the physician, advanced practice
25 nurse, physician assistant, registered nurse, or local health
26 department that will be responsible for administration of the

1 remaining required immunizations. If a child does not comply by
2 October 15, or by the earlier established date of the current
3 school year, with the requirements of this subsection, then the
4 local school authority shall exclude that child from school
5 until such time as the child presents proof of having had the
6 health examination as required and presents proof of having
7 received those required immunizations which are medically
8 possible to receive immediately. During a child's exclusion
9 from school for noncompliance with this subsection, the child's
10 parents or legal guardian shall be considered in violation of
11 Section 26-1 and subject to any penalty imposed by Section
12 26-10. This subsection (5) does not apply to dental
13 examinations and eye examinations. If the student is an
14 out-of-state transfer student and does not have the proof
15 required under this subsection (5) before October 15 of the
16 current year or whatever date is set by the school district,
17 then he or she may only attend classes (i) if he or she has
18 proof that an appointment for the required vaccinations has
19 been scheduled with a party authorized to submit proof of the
20 required vaccinations. If the proof of vaccination required
21 under this subsection (5) is not submitted within 30 days after
22 the student is permitted to attend classes, then the student is
23 not to be permitted to attend classes until proof of the
24 vaccinations has been properly submitted. No school district or
25 employee of a school district shall be held liable for any
26 injury or illness to another person that results from admitting

1 an out-of-state transfer student to class that has an
2 appointment scheduled pursuant to this subsection (5).

3 (6) Every school shall report to the State Board of
4 Education by November 15, in the manner which that agency shall
5 require, the number of children who have received the necessary
6 immunizations and the health examination (other than a dental
7 examination or eye examination) as required, indicating, of
8 those who have not received the immunizations and examination
9 as required, the number of children who are exempt from health
10 examination and immunization requirements on religious or
11 medical grounds as provided in subsection (8). On or before
12 December 1 of each year, every public school district and
13 registered nonpublic school shall make publicly available the
14 immunization data they are required to submit to the State
15 Board of Education by November 15. The immunization data made
16 publicly available must be identical to the data the school
17 district or school has reported to the State Board of
18 Education.

19 Every school shall report to the State Board of Education
20 by June 30, in the manner that the State Board requires, the
21 number of children who have received the required dental
22 examination, indicating, of those who have not received the
23 required dental examination, the number of children who are
24 exempt from the dental examination on religious grounds as
25 provided in subsection (8) of this Section and the number of
26 children who have received a waiver under subsection (1.5) of

1 this Section.

2 Every school shall report to the State Board of Education
3 by June 30, in the manner that the State Board requires, the
4 number of children who have received the required eye
5 examination, indicating, of those who have not received the
6 required eye examination, the number of children who are exempt
7 from the eye examination as provided in subsection (8) of this
8 Section, the number of children who have received a waiver
9 under subsection (1.10) of this Section, and the total number
10 of children in noncompliance with the eye examination
11 requirement.

12 The reported information under this subsection (6) shall be
13 provided to the Department of Public Health by the State Board
14 of Education.

15 (7) Upon determining that the number of pupils who are
16 required to be in compliance with subsection (5) of this
17 Section is below 90% of the number of pupils enrolled in the
18 school district, 10% of each State aid payment made pursuant to
19 Section 18-8.05 or 18-8.15 to the school district for such year
20 may be withheld by the State Board of Education until the
21 number of students in compliance with subsection (5) is the
22 applicable specified percentage or higher.

23 (8) Children of parents or legal guardians who object to
24 health, dental, or eye examinations or any part thereof, to
25 immunizations, or to vision and hearing screening tests on
26 religious grounds shall not be required to undergo the

1 examinations, tests, or immunizations to which they so object
2 if such parents or legal guardians present to the appropriate
3 local school authority a signed Certificate of Religious
4 Exemption detailing the grounds for objection and the specific
5 immunizations, tests, or examinations to which they object. The
6 grounds for objection must set forth the specific religious
7 belief that conflicts with the examination, test,
8 immunization, or other medical intervention. The signed
9 certificate shall also reflect the parent's or legal guardian's
10 understanding of the school's exclusion policies in the case of
11 a vaccine-preventable disease outbreak or exposure. The
12 certificate must also be signed by the authorized examining
13 health care provider responsible for the performance of the
14 child's health examination confirming that the provider
15 provided education to the parent or legal guardian on the
16 benefits of immunization and the health risks to the student
17 and to the community of the communicable diseases for which
18 immunization is required in this State. However, the health
19 care provider's signature on the certificate reflects only that
20 education was provided and does not allow a health care
21 provider grounds to determine a religious exemption. Those
22 receiving immunizations required under this Code shall be
23 provided with the relevant vaccine information statements that
24 are required to be disseminated by the federal National
25 Childhood Vaccine Injury Act of 1986, which may contain
26 information on circumstances when a vaccine should not be

1 administered, prior to administering a vaccine. A healthcare
2 provider may consider including without limitation the
3 nationally accepted recommendations from federal agencies such
4 as the Advisory Committee on Immunization Practices, the
5 information outlined in the relevant vaccine information
6 statement, and vaccine package inserts, along with the
7 healthcare provider's clinical judgment, to determine whether
8 any child may be more susceptible to experiencing an adverse
9 vaccine reaction than the general population, and, if so, the
10 healthcare provider may exempt the child from an immunization
11 or adopt an individualized immunization schedule. The
12 Certificate of Religious Exemption shall be created by the
13 Department of Public Health and shall be made available and
14 used by parents and legal guardians by the beginning of the
15 2015-2016 school year. Parents or legal guardians must submit
16 the Certificate of Religious Exemption to their local school
17 authority prior to entering kindergarten, sixth grade, and
18 ninth grade for each child for which they are requesting an
19 exemption. The religious objection stated need not be directed
20 by the tenets of an established religious organization.
21 However, general philosophical or moral reluctance to allow
22 physical examinations, eye examinations, immunizations, vision
23 and hearing screenings, or dental examinations does not provide
24 a sufficient basis for an exception to statutory requirements.
25 The local school authority is responsible for determining if
26 the content of the Certificate of Religious Exemption

1 constitutes a valid religious objection. The local school
2 authority shall inform the parent or legal guardian of
3 exclusion procedures, in accordance with the Department's
4 rules under Part 690 of Title 77 of the Illinois Administrative
5 Code, at the time the objection is presented.

6 If the physical condition of the child is such that any one
7 or more of the immunizing agents should not be administered,
8 the examining physician, advanced practice nurse, or physician
9 assistant responsible for the performance of the health
10 examination shall endorse that fact upon the health examination
11 form.

12 Exempting a child from the health, dental, or eye
13 examination does not exempt the child from participation in the
14 program of physical education training provided in Sections
15 27-5 through 27-7 of this Code.

16 (9) For the purposes of this Section, "nursery schools"
17 means those nursery schools operated by elementary school
18 systems or secondary level school units or institutions of
19 higher learning.

20 (Source: P.A. 98-673, eff. 6-30-14; 99-173, eff. 7-29-15;
21 99-249, eff. 8-3-15; 99-642, eff. 7-28-16.)

22 (Text of Section after amendment by P.A. 99-927)

23 Sec. 27-8.1. Health examinations and immunizations.

24 (1) In compliance with rules and regulations which the
25 Department of Public Health shall promulgate, and except as

1 hereinafter provided, all children in Illinois shall have a
2 health examination as follows: within one year prior to
3 entering kindergarten or the first grade of any public,
4 private, or parochial elementary school; upon entering the
5 sixth and ninth grades of any public, private, or parochial
6 school; prior to entrance into any public, private, or
7 parochial nursery school; and, irrespective of grade,
8 immediately prior to or upon entrance into any public, private,
9 or parochial school or nursery school, each child shall present
10 proof of having been examined in accordance with this Section
11 and the rules and regulations promulgated hereunder. Any child
12 who received a health examination within one year prior to
13 entering the fifth grade for the 2007-2008 school year is not
14 required to receive an additional health examination in order
15 to comply with the provisions of Public Act 95-422 when he or
16 she attends school for the 2008-2009 school year, unless the
17 child is attending school for the first time as provided in
18 this paragraph.

19 A tuberculosis skin test screening shall be included as a
20 required part of each health examination included under this
21 Section if the child resides in an area designated by the
22 Department of Public Health as having a high incidence of
23 tuberculosis. Additional health examinations of pupils,
24 including eye examinations, may be required when deemed
25 necessary by school authorities. Parents are encouraged to have
26 their children undergo eye examinations at the same points in

1 time required for health examinations.

2 (1.5) In compliance with rules adopted by the Department of
3 Public Health and except as otherwise provided in this Section,
4 all children in kindergarten and the second and sixth grades of
5 any public, private, or parochial school shall have a dental
6 examination. Each of these children shall present proof of
7 having been examined by a dentist in accordance with this
8 Section and rules adopted under this Section before May 15th of
9 the school year. If a child in the second or sixth grade fails
10 to present proof by May 15th, the school may hold the child's
11 report card until one of the following occurs: (i) the child
12 presents proof of a completed dental examination or (ii) the
13 child presents proof that a dental examination will take place
14 within 60 days after May 15th. The Department of Public Health
15 shall establish, by rule, a waiver for children who show an
16 undue burden or a lack of access to a dentist. Each public,
17 private, and parochial school must give notice of this dental
18 examination requirement to the parents and guardians of
19 students at least 60 days before May 15th of each school year.

20 (1.10) Except as otherwise provided in this Section, all
21 children enrolling in kindergarten in a public, private, or
22 parochial school on or after the effective date of this
23 amendatory Act of the 95th General Assembly and any student
24 enrolling for the first time in a public, private, or parochial
25 school on or after the effective date of this amendatory Act of
26 the 95th General Assembly shall have an eye examination. Each

1 of these children shall present proof of having been examined
2 by a physician licensed to practice medicine in all of its
3 branches or a licensed optometrist within the previous year, in
4 accordance with this Section and rules adopted under this
5 Section, before October 15th of the school year. If the child
6 fails to present proof by October 15th, the school may hold the
7 child's report card until one of the following occurs: (i) the
8 child presents proof of a completed eye examination or (ii) the
9 child presents proof that an eye examination will take place
10 within 60 days after October 15th. The Department of Public
11 Health shall establish, by rule, a waiver for children who show
12 an undue burden or a lack of access to a physician licensed to
13 practice medicine in all of its branches who provides eye
14 examinations or to a licensed optometrist. Each public,
15 private, and parochial school must give notice of this eye
16 examination requirement to the parents and guardians of
17 students in compliance with rules of the Department of Public
18 Health. Nothing in this Section shall be construed to allow a
19 school to exclude a child from attending because of a parent's
20 or guardian's failure to obtain an eye examination for the
21 child.

22 (2) The Department of Public Health shall promulgate rules
23 and regulations specifying the examinations and procedures
24 that constitute a health examination, which shall include an
25 age-appropriate developmental screening, an age-appropriate
26 social and emotional screening, and the collection of data

1 relating to obesity (including at a minimum, date of birth,
2 gender, height, weight, blood pressure, and date of exam), and
3 a dental examination and may recommend by rule that certain
4 additional examinations be performed. The rules and
5 regulations of the Department of Public Health shall specify
6 that a tuberculosis skin test screening shall be included as a
7 required part of each health examination included under this
8 Section if the child resides in an area designated by the
9 Department of Public Health as having a high incidence of
10 tuberculosis. With respect to the developmental screening and
11 the social and emotional screening, the Department of Public
12 Health must develop rules and appropriate revisions to the
13 Child Health Examination form in conjunction with a statewide
14 organization representing school boards; a statewide
15 organization representing pediatricians; statewide
16 organizations representing individuals holding Illinois
17 educator licenses with school support personnel endorsements,
18 including school social workers, school psychologists, and
19 school nurses; a statewide organization representing
20 children's mental health experts; a statewide organization
21 representing school principals; the Director of Healthcare and
22 Family Services or his or her designee, the State
23 Superintendent of Education or his or her designee; and
24 representatives of other appropriate State agencies and, at a
25 minimum, must recommend the use of validated screening tools
26 appropriate to the child's age or grade, and, with regard to

1 the social and emotional screening, require recording only
2 whether or not the screening was completed. The rules shall
3 take into consideration the screening recommendations of the
4 American Academy of Pediatrics and must be consistent with the
5 State Board of Education's social and emotional learning
6 standards. The Department of Public Health shall specify that a
7 diabetes screening as defined by rule shall be included as a
8 required part of each health examination. Diabetes testing is
9 not required.

10 Physicians licensed to practice medicine in all of its
11 branches, licensed advanced practice nurses, or licensed
12 physician assistants shall be responsible for the performance
13 of the health examinations, other than dental examinations, eye
14 examinations, and vision and hearing screening, and shall sign
15 all report forms required by subsection (4) of this Section
16 that pertain to those portions of the health examination for
17 which the physician, advanced practice nurse, or physician
18 assistant is responsible. If a registered nurse performs any
19 part of a health examination, then a physician licensed to
20 practice medicine in all of its branches must review and sign
21 all required report forms. Licensed dentists shall perform all
22 dental examinations and shall sign all report forms required by
23 subsection (4) of this Section that pertain to the dental
24 examinations. Physicians licensed to practice medicine in all
25 its branches or licensed optometrists shall perform all eye
26 examinations required by this Section and shall sign all report

1 forms required by subsection (4) of this Section that pertain
2 to the eye examination. For purposes of this Section, an eye
3 examination shall at a minimum include history, visual acuity,
4 subjective refraction to best visual acuity near and far,
5 internal and external examination, and a glaucoma evaluation,
6 as well as any other tests or observations that in the
7 professional judgment of the doctor are necessary. Vision and
8 hearing screening tests, which shall not be considered
9 examinations as that term is used in this Section, shall be
10 conducted in accordance with rules and regulations of the
11 Department of Public Health, and by individuals whom the
12 Department of Public Health has certified. In these rules and
13 regulations, the Department of Public Health shall require that
14 individuals conducting vision screening tests give a child's
15 parent or guardian written notification, before the vision
16 screening is conducted, that states, "Vision screening is not a
17 substitute for a complete eye and vision evaluation by an eye
18 doctor. Your child is not required to undergo this vision
19 screening if an optometrist or ophthalmologist has completed
20 and signed a report form indicating that an examination has
21 been administered within the previous 12 months."

22 (2.5) With respect to the developmental screening and the
23 social and emotional screening portion of the health
24 examination, each child may present proof of having been
25 screened in accordance with this Section and the rules adopted
26 under this Section before October 15th of the school year. With

1 regard to the social and emotional screening only, the
2 examining health care provider shall only record whether or not
3 the screening was completed. If the child fails to present
4 proof of the developmental screening or the social and
5 emotional screening portions of the health examination by
6 October 15th of the school year, qualified school support
7 personnel may, with a parent's or guardian's consent, offer the
8 developmental screening or the social and emotional screening
9 to the child. Each public, private, and parochial school must
10 give notice of the developmental screening and social and
11 emotional screening requirements to the parents and guardians
12 of students in compliance with the rules of the Department of
13 Public Health. Nothing in this Section shall be construed to
14 allow a school to exclude a child from attending because of a
15 parent's or guardian's failure to obtain a developmental
16 screening or a social and emotional screening for the child.
17 Once a developmental screening or a social and emotional
18 screening is completed and proof has been presented to the
19 school, the school may, with a parent's or guardian's consent,
20 make available appropriate school personnel to work with the
21 parent or guardian, the child, and the provider who signed the
22 screening form to obtain any appropriate evaluations and
23 services as indicated on the form and in other information and
24 documentation provided by the parents, guardians, or provider.

25 (3) Every child shall, at or about the same time as he or
26 she receives a health examination required by subsection (1) of

1 this Section, present to the local school proof of having
2 received such immunizations against preventable communicable
3 diseases as the Department of Public Health shall require by
4 rules and regulations promulgated pursuant to this Section and
5 the Communicable Disease Prevention Act.

6 (4) The individuals conducting the health examination,
7 dental examination, or eye examination shall record the fact of
8 having conducted the examination, and such additional
9 information as required, including for a health examination
10 data relating to obesity (including at a minimum, date of
11 birth, gender, height, weight, blood pressure, and date of
12 exam), on uniform forms which the Department of Public Health
13 and the State Board of Education shall prescribe for statewide
14 use. The examiner shall summarize on the report form any
15 condition that he or she suspects indicates a need for special
16 services, including for a health examination factors relating
17 to obesity. The duty to summarize on the report form does not
18 apply to social and emotional screenings. The confidentiality
19 of the information and records relating to the developmental
20 screening and the social and emotional screening shall be
21 determined by the statutes, rules, and professional ethics
22 governing the type of provider conducting the screening. The
23 individuals confirming the administration of required
24 immunizations shall record as indicated on the form that the
25 immunizations were administered.

26 (5) If a child does not submit proof of having had either

1 the health examination or the immunization as required, then
2 the child shall be examined or receive the immunization, as the
3 case may be, and present proof by October 15 of the current
4 school year, or by an earlier date of the current school year
5 established by a school district. To establish a date before
6 October 15 of the current school year for the health
7 examination or immunization as required, a school district must
8 give notice of the requirements of this Section 60 days prior
9 to the earlier established date. If for medical reasons one or
10 more of the required immunizations must be given after October
11 15 of the current school year, or after an earlier established
12 date of the current school year, then the child shall present,
13 by October 15, or by the earlier established date, a schedule
14 for the administration of the immunizations and a statement of
15 the medical reasons causing the delay, both the schedule and
16 the statement being issued by the physician, advanced practice
17 nurse, physician assistant, registered nurse, or local health
18 department that will be responsible for administration of the
19 remaining required immunizations. If a child does not comply by
20 October 15, or by the earlier established date of the current
21 school year, with the requirements of this subsection, then the
22 local school authority shall exclude that child from school
23 until such time as the child presents proof of having had the
24 health examination as required and presents proof of having
25 received those required immunizations which are medically
26 possible to receive immediately. During a child's exclusion

1 from school for noncompliance with this subsection, the child's
2 parents or legal guardian shall be considered in violation of
3 Section 26-1 and subject to any penalty imposed by Section
4 26-10. This subsection (5) does not apply to dental
5 examinations, eye examinations, and the developmental
6 screening and the social and emotional screening portions of
7 the health examination. If the student is an out-of-state
8 transfer student and does not have the proof required under
9 this subsection (5) before October 15 of the current year or
10 whatever date is set by the school district, then he or she may
11 only attend classes (i) if he or she has proof that an
12 appointment for the required vaccinations has been scheduled
13 with a party authorized to submit proof of the required
14 vaccinations. If the proof of vaccination required under this
15 subsection (5) is not submitted within 30 days after the
16 student is permitted to attend classes, then the student is not
17 to be permitted to attend classes until proof of the
18 vaccinations has been properly submitted. No school district or
19 employee of a school district shall be held liable for any
20 injury or illness to another person that results from admitting
21 an out-of-state transfer student to class that has an
22 appointment scheduled pursuant to this subsection (5).

23 (6) Every school shall report to the State Board of
24 Education by November 15, in the manner which that agency shall
25 require, the number of children who have received the necessary
26 immunizations and the health examination (other than a dental

1 examination or eye examination) as required, indicating, of
2 those who have not received the immunizations and examination
3 as required, the number of children who are exempt from health
4 examination and immunization requirements on religious or
5 medical grounds as provided in subsection (8). On or before
6 December 1 of each year, every public school district and
7 registered nonpublic school shall make publicly available the
8 immunization data they are required to submit to the State
9 Board of Education by November 15. The immunization data made
10 publicly available must be identical to the data the school
11 district or school has reported to the State Board of
12 Education.

13 Every school shall report to the State Board of Education
14 by June 30, in the manner that the State Board requires, the
15 number of children who have received the required dental
16 examination, indicating, of those who have not received the
17 required dental examination, the number of children who are
18 exempt from the dental examination on religious grounds as
19 provided in subsection (8) of this Section and the number of
20 children who have received a waiver under subsection (1.5) of
21 this Section.

22 Every school shall report to the State Board of Education
23 by June 30, in the manner that the State Board requires, the
24 number of children who have received the required eye
25 examination, indicating, of those who have not received the
26 required eye examination, the number of children who are exempt

1 from the eye examination as provided in subsection (8) of this
2 Section, the number of children who have received a waiver
3 under subsection (1.10) of this Section, and the total number
4 of children in noncompliance with the eye examination
5 requirement.

6 The reported information under this subsection (6) shall be
7 provided to the Department of Public Health by the State Board
8 of Education.

9 (7) Upon determining that the number of pupils who are
10 required to be in compliance with subsection (5) of this
11 Section is below 90% of the number of pupils enrolled in the
12 school district, 10% of each State aid payment made pursuant to
13 Section 18-8.05 or 18-8.15 to the school district for such year
14 may be withheld by the State Board of Education until the
15 number of students in compliance with subsection (5) is the
16 applicable specified percentage or higher.

17 (8) Children of parents or legal guardians who object to
18 health, dental, or eye examinations or any part thereof, to
19 immunizations, or to vision and hearing screening tests on
20 religious grounds shall not be required to undergo the
21 examinations, tests, or immunizations to which they so object
22 if such parents or legal guardians present to the appropriate
23 local school authority a signed Certificate of Religious
24 Exemption detailing the grounds for objection and the specific
25 immunizations, tests, or examinations to which they object. The
26 grounds for objection must set forth the specific religious

1 belief that conflicts with the examination, test,
2 immunization, or other medical intervention. The signed
3 certificate shall also reflect the parent's or legal guardian's
4 understanding of the school's exclusion policies in the case of
5 a vaccine-preventable disease outbreak or exposure. The
6 certificate must also be signed by the authorized examining
7 health care provider responsible for the performance of the
8 child's health examination confirming that the provider
9 provided education to the parent or legal guardian on the
10 benefits of immunization and the health risks to the student
11 and to the community of the communicable diseases for which
12 immunization is required in this State. However, the health
13 care provider's signature on the certificate reflects only that
14 education was provided and does not allow a health care
15 provider grounds to determine a religious exemption. Those
16 receiving immunizations required under this Code shall be
17 provided with the relevant vaccine information statements that
18 are required to be disseminated by the federal National
19 Childhood Vaccine Injury Act of 1986, which may contain
20 information on circumstances when a vaccine should not be
21 administered, prior to administering a vaccine. A healthcare
22 provider may consider including without limitation the
23 nationally accepted recommendations from federal agencies such
24 as the Advisory Committee on Immunization Practices, the
25 information outlined in the relevant vaccine information
26 statement, and vaccine package inserts, along with the

1 healthcare provider's clinical judgment, to determine whether
2 any child may be more susceptible to experiencing an adverse
3 vaccine reaction than the general population, and, if so, the
4 healthcare provider may exempt the child from an immunization
5 or adopt an individualized immunization schedule. The
6 Certificate of Religious Exemption shall be created by the
7 Department of Public Health and shall be made available and
8 used by parents and legal guardians by the beginning of the
9 2015-2016 school year. Parents or legal guardians must submit
10 the Certificate of Religious Exemption to their local school
11 authority prior to entering kindergarten, sixth grade, and
12 ninth grade for each child for which they are requesting an
13 exemption. The religious objection stated need not be directed
14 by the tenets of an established religious organization.
15 However, general philosophical or moral reluctance to allow
16 physical examinations, eye examinations, immunizations, vision
17 and hearing screenings, or dental examinations does not provide
18 a sufficient basis for an exception to statutory requirements.
19 The local school authority is responsible for determining if
20 the content of the Certificate of Religious Exemption
21 constitutes a valid religious objection. The local school
22 authority shall inform the parent or legal guardian of
23 exclusion procedures, in accordance with the Department's
24 rules under Part 690 of Title 77 of the Illinois Administrative
25 Code, at the time the objection is presented.

26 If the physical condition of the child is such that any one

1 or more of the immunizing agents should not be administered,
2 the examining physician, advanced practice nurse, or physician
3 assistant responsible for the performance of the health
4 examination shall endorse that fact upon the health examination
5 form.

6 Exempting a child from the health, dental, or eye
7 examination does not exempt the child from participation in the
8 program of physical education training provided in Sections
9 27-5 through 27-7 of this Code.

10 (9) For the purposes of this Section, "nursery schools"
11 means those nursery schools operated by elementary school
12 systems or secondary level school units or institutions of
13 higher learning.

14 (Source: P.A. 98-673, eff. 6-30-14; 99-173, eff. 7-29-15;
15 99-249, eff. 8-3-15; 99-642, eff. 7-28-16; 99-927, eff.
16 6-1-17.)

17 (105 ILCS 5/27-24.2) (from Ch. 122, par. 27-24.2)

18 Sec. 27-24.2. Safety education; driver education course.
19 Instruction shall be given in safety education in each of
20 grades one through 8, equivalent to one class period each week,
21 and any school district which maintains grades 9 through 12
22 shall offer a driver education course in any such school which
23 it operates. Its curriculum shall include content dealing with
24 Chapters 11, 12, 13, 15, and 16 of the Illinois Vehicle Code,
25 the rules adopted pursuant to those Chapters insofar as they

1 pertain to the operation of motor vehicles, and the portions of
2 the Litter Control Act relating to the operation of motor
3 vehicles. The course of instruction given in grades 10 through
4 12 shall include an emphasis on the development of knowledge,
5 attitudes, habits, and skills necessary for the safe operation
6 of motor vehicles, including motorcycles insofar as they can be
7 taught in the classroom, and instruction on distracted driving
8 as a major traffic safety issue. In addition, the course shall
9 include instruction on special hazards existing at and required
10 safety and driving precautions that must be observed at
11 emergency situations, highway construction and maintenance
12 zones, and railroad crossings and the approaches thereto.
13 Beginning with the 2017-2018 school year, the course shall also
14 include instruction concerning law enforcement procedures for
15 traffic stops, including a demonstration of the proper actions
16 to be taken during a traffic stop and appropriate interactions
17 with law enforcement. The course of instruction required of
18 each eligible student at the high school level shall consist of
19 a minimum of 30 clock hours of classroom instruction and a
20 minimum of 6 clock hours of individual behind-the-wheel
21 instruction in a dual control car on public roadways taught by
22 a driver education instructor endorsed by the State Board of
23 Education. Both the classroom instruction part and the practice
24 driving part of such driver education course shall be open to a
25 resident or non-resident student attending a non-public school
26 in the district wherein the course is offered. Each student

1 attending any public or non-public high school in the district
2 must receive a passing grade in at least 8 courses during the
3 previous 2 semesters prior to enrolling in a driver education
4 course, or the student shall not be permitted to enroll in the
5 course; provided that the local superintendent of schools (with
6 respect to a student attending a public high school in the
7 district) or chief school administrator (with respect to a
8 student attending a non-public high school in the district) may
9 waive the requirement if the superintendent or chief school
10 administrator, as the case may be, deems it to be in the best
11 interest of the student. A student may be allowed to commence
12 the classroom instruction part of such driver education course
13 prior to reaching age 15 if such student then will be eligible
14 to complete the entire course within 12 months after being
15 allowed to commence such classroom instruction.

16 A school district may offer a driver education course in a
17 school by contracting with a commercial driver training school
18 to provide both the classroom instruction part and the practice
19 driving part or either one without having to request a
20 modification or waiver of administrative rules of the State
21 Board of Education if a public hearing on whether to enter into
22 a contract with a commercial driver training school has been
23 held at a regular or special school board meeting prior to
24 entering into such a contract. If a school district chooses to
25 contract with a commercial driver training school, then the
26 district must provide evidence to the State Board of Education

1 that the commercial driver training school with which it will
2 contract holds a license issued by the Secretary of State under
3 Article IV of Chapter 6 of the Illinois Vehicle Code and that
4 each instructor employed by the commercial driver training
5 school to provide instruction to students served by the school
6 district holds a valid teaching license issued under the
7 requirements of this Code and rules of the State Board of
8 Education. Such evidence must include, but need not be limited
9 to, a list of each instructor assigned to teach students served
10 by the school district, which list shall include the
11 instructor's name, personal identification number as required
12 by the State Board of Education, birth date, and driver's
13 license number. Once the contract is entered into, the school
14 district shall notify the State Board of Education of any
15 changes in the personnel providing instruction within 15
16 calendar days after an instructor leaves the program or a new
17 instructor is hired. Such notification shall include the
18 instructor's name, personal identification number as required
19 by the State Board of Education, birth date, and driver's
20 license number. If the school district maintains an Internet
21 website, then the district shall post a copy of the final
22 contract between the district and the commercial driver
23 training school on the district's Internet website. If no
24 Internet website exists, then the school district shall make
25 available the contract upon request. A record of all materials
26 in relation to the contract must be maintained by the school

1 district and made available to parents and guardians upon
2 request. The instructor's date of birth and driver's license
3 number and any other personally identifying information as
4 deemed by the federal Driver's Privacy Protection Act of 1994
5 must be redacted from any public materials.

6 Such a course may be commenced immediately after the
7 completion of a prior course. Teachers of such courses shall
8 meet the licensure ~~certification~~ requirements of this Code Act
9 and regulations of the State Board as to qualifications.

10 Subject to rules of the State Board of Education, the
11 school district may charge a reasonable fee, not to exceed \$50,
12 to students who participate in the course, unless a student is
13 unable to pay for such a course, in which event the fee for
14 such a student must be waived. However, the district may
15 increase this fee to an amount not to exceed \$250 by school
16 board resolution following a public hearing on the increase,
17 which increased fee must be waived for students who participate
18 in the course and are unable to pay for the course. The total
19 amount from driver education fees and reimbursement from the
20 State for driver education must not exceed the total cost of
21 the driver education program in any year and must be deposited
22 into the school district's driver education fund as a separate
23 line item budget entry. All moneys deposited into the school
24 district's driver education fund must be used solely for the
25 funding of a high school driver education program approved by
26 the State Board of Education that uses driver education

1 instructors endorsed by the State Board of Education.

2 (Source: P.A. 99-642, eff. 7-28-16; 99-720, eff. 1-1-17.)

3 (105 ILCS 5/27A-9)

4 Sec. 27A-9. Term of charter; renewal.

5 (a) For charters granted before January 1, 2017 (the
6 effective date of Public Act 99-840) ~~this amendatory Act of the~~
7 ~~99th General Assembly~~, a charter may be granted for a period
8 not less than 5 and not more than 10 school years. For charters
9 granted on or after January 1, 2017 (the effective date of
10 Public Act 99-840) ~~this amendatory Act of the 99th General~~
11 ~~Assembly~~, a charter shall be granted for a period of 5 school
12 years. For charters renewed before January 1, 2017 (the
13 effective date of Public Act 99-840) ~~this amendatory Act of the~~
14 ~~99th General Assembly~~, a charter may be renewed in incremental
15 periods not to exceed 5 school years. For charters renewed on
16 or after January 1, 2017 (the effective date of Public Act
17 99-840) ~~this amendatory Act of the 99th General Assembly~~, a
18 charter may be renewed in incremental periods not to exceed 10
19 school years; however, the Commission may renew a charter only
20 in incremental periods not to exceed 5 years. Authorizers shall
21 ensure that every charter granted on or after January 1, 2017
22 (the effective date of Public Act 99-840) ~~this amendatory Act~~
23 ~~of the 99th General Assembly~~ includes standards and goals for
24 academic, organizational, and financial performance. A charter
25 must meet all standards and goals for academic, organizational,

1 and financial performance set forth by the authorizer in order
2 to be renewed for a term in excess of 5 years but not more than
3 10 years. If an authorizer fails to establish standards and
4 goals, a charter shall not be renewed for a term in excess of 5
5 years. Nothing contained in this Section shall require an
6 authorizer to grant a full 10-year renewal term to any
7 particular charter school, but an authorizer may award a full
8 10-year renewal term to charter schools that have a
9 demonstrated track record of improving student performance.

10 (b) A charter school renewal proposal submitted to the
11 local school board or the Commission, as the chartering entity,
12 shall contain:

13 (1) A report on the progress of the charter school in
14 achieving the goals, objectives, pupil performance
15 standards, content standards, and other terms of the
16 initial approved charter proposal; and

17 (2) A financial statement that discloses the costs of
18 administration, instruction, and other spending categories
19 for the charter school that is understandable to the
20 general public and that will allow comparison of those
21 costs to other schools or other comparable organizations,
22 in a format required by the State Board.

23 (c) A charter may be revoked or not renewed if the local
24 school board or the Commission, as the chartering entity,
25 clearly demonstrates that the charter school did any of the
26 following, or otherwise failed to comply with the requirements

1 of this law:

2 (1) Committed a material violation of any of the
3 conditions, standards, or procedures set forth in the
4 charter.

5 (2) Failed to meet or make reasonable progress toward
6 achievement of the content standards or pupil performance
7 standards identified in the charter.

8 (3) Failed to meet generally accepted standards of
9 fiscal management.

10 (4) Violated any provision of law from which the
11 charter school was not exempted.

12 In the case of revocation, the local school board or the
13 Commission, as the chartering entity, shall notify the charter
14 school in writing of the reason why the charter is subject to
15 revocation. The charter school shall submit a written plan to
16 the local school board or the Commission, whichever is
17 applicable, to rectify the problem. The plan shall include a
18 timeline for implementation, which shall not exceed 2 years or
19 the date of the charter's expiration, whichever is earlier. If
20 the local school board or the Commission, as the chartering
21 entity, finds that the charter school has failed to implement
22 the plan of remediation and adhere to the timeline, then the
23 chartering entity shall revoke the charter. Except in
24 situations of an emergency where the health, safety, or
25 education of the charter school's students is at risk, the
26 revocation shall take place at the end of a school year.

1 Nothing in Public Act 96-105 ~~this amendatory Act of the 96th~~
2 ~~General Assembly~~ shall be construed to prohibit an
3 implementation timetable that is less than 2 years in duration.

4 (d) (Blank).

5 (e) Notice of a local school board's decision to deny,
6 revoke, or not ~~to~~ renew a charter shall be provided to the
7 Commission and the State Board. The Commission may reverse a
8 local board's decision if the Commission finds that the charter
9 school or charter school proposal (i) is in compliance with
10 this Article, and (ii) is in the best interests of the students
11 it is designed to serve. The Commission may condition the
12 granting of an appeal on the acceptance by the charter school
13 of funding in an amount less than that requested in the
14 proposal submitted to the local school board. Final decisions
15 of the Commission shall be subject to judicial review under the
16 Administrative Review Law.

17 (f) Notwithstanding other provisions of this Article, if
18 the Commission on appeal reverses a local board's decision or
19 if a charter school is approved by referendum, the Commission
20 shall act as the authorized chartering entity for the charter
21 school. The Commission shall approve the charter and shall
22 perform all functions under this Article otherwise performed by
23 the local school board. The State Board shall determine whether
24 the charter proposal approved by the Commission is consistent
25 with the provisions of this Article and, if the approved
26 proposal complies, certify the proposal pursuant to this

1 Article. The State Board shall report the aggregate number of
2 charter school pupils resident in a school district to that
3 district and shall notify the district of the amount of funding
4 to be paid by the State Board to the charter school enrolling
5 such students. The Commission shall require the charter school
6 to maintain accurate records of daily attendance that shall be
7 deemed sufficient to file claims under Section 18-8.05 or
8 18-8.15 notwithstanding any other requirements of that Section
9 regarding hours of instruction and teacher certification. The
10 State Board shall withhold from funds otherwise due the
11 district the funds authorized by this Article to be paid to the
12 charter school and shall pay such amounts to the charter
13 school.

14 (g) For charter schools authorized by the Commission, the
15 Commission shall quarterly certify to the State Board the
16 student enrollment for each of its charter schools.

17 (h) For charter schools authorized by the Commission, the
18 State Board shall pay directly to a charter school any federal
19 or State aid attributable to a student with a disability
20 attending the school.

21 (Source: P.A. 98-739, eff. 7-16-14; 99-840, eff. 1-1-17;
22 revised 10-27-16.)

23 (105 ILCS 5/27A-11)

24 Sec. 27A-11. Local financing.

25 (a) For purposes of the School Code, pupils enrolled in a

1 charter school shall be included in the pupil enrollment of the
2 school district within which the pupil resides. Each charter
3 school (i) shall determine the school district in which each
4 pupil who is enrolled in the charter school resides, (ii) shall
5 report the aggregate number of pupils resident of a school
6 district who are enrolled in the charter school to the school
7 district in which those pupils reside, and (iii) shall maintain
8 accurate records of daily attendance that shall be deemed
9 sufficient to file claims under Section 18-8 or 18-8.15
10 notwithstanding any other requirements of that Section
11 regarding hours of instruction and teacher certification.

12 (b) Except for a charter school established by referendum
13 under Section 27A-6.5, as part of a charter school contract,
14 the charter school and the local school board shall agree on
15 funding and any services to be provided by the school district
16 to the charter school. Agreed funding that a charter school is
17 to receive from the local school board for a school year shall
18 be paid in equal quarterly installments with the payment of the
19 installment for the first quarter being made not later than
20 July 1, unless the charter establishes a different payment
21 schedule. However, if a charter school dismisses a pupil from
22 the charter school after receiving a quarterly payment, the
23 charter school shall return to the school district, on a
24 quarterly basis, the prorated portion of public funding
25 provided for the education of that pupil for the time the
26 student is not enrolled at the charter school. Likewise, if a

1 pupil transfers to a charter school between quarterly payments,
2 the school district shall provide, on a quarterly basis, a
3 prorated portion of the public funding to the charter school to
4 provide for the education of that pupil.

5 All services centrally or otherwise provided by the school
6 district including, but not limited to, rent, food services,
7 custodial services, maintenance, curriculum, media services,
8 libraries, transportation, and warehousing shall be subject to
9 negotiation between a charter school and the local school board
10 and paid for out of the revenues negotiated pursuant to this
11 subsection (b); provided that the local school board shall not
12 attempt, by negotiation or otherwise, to obligate a charter
13 school to provide pupil transportation for pupils for whom a
14 district is not required to provide transportation under the
15 criteria set forth in subsection (a) (13) of Section 27A-7.

16 In no event shall the funding be less than 97% ~~75%~~ or more
17 than 103% ~~125%~~ of the school district's per capita student
18 tuition multiplied by the number of students residing in the
19 district who are enrolled in the charter school.

20 It is the intent of the General Assembly that funding and
21 service agreements under this subsection (b) shall be neither a
22 financial incentive nor a financial disincentive to the
23 establishment of a charter school.

24 The charter school may set and collect reasonable fees.
25 Fees collected from students enrolled at a charter school shall
26 be retained by the charter school.

1 (c) Notwithstanding subsection (b) of this Section, the
2 proportionate share of State and federal resources generated by
3 students with disabilities or staff serving them shall be
4 directed to charter schools enrolling those students by their
5 school districts or administrative units. The proportionate
6 share of moneys generated under other federal or State
7 categorical aid programs shall be directed to charter schools
8 serving students eligible for that aid.

9 (d) The governing body of a charter school is authorized to
10 accept gifts, donations, or grants of any kind made to the
11 charter school and to expend or use gifts, donations, or grants
12 in accordance with the conditions prescribed by the donor;
13 however, a gift, donation, or grant may not be accepted by the
14 governing body if it is subject to any condition contrary to
15 applicable law or contrary to the terms of the contract between
16 the charter school and the local school board. Charter schools
17 shall be encouraged to solicit and utilize community volunteer
18 speakers and other instructional resources when providing
19 instruction on the Holocaust and other historical events.

20 (e) (Blank).

21 (f) The Commission shall provide technical assistance to
22 persons and groups preparing or revising charter applications.

23 (g) At the non-renewal or revocation of its charter, each
24 charter school shall refund to the local board of education all
25 unspent funds.

26 (h) A charter school is authorized to incur temporary,

1 short term debt to pay operating expenses in anticipation of
2 receipt of funds from the local school board.

3 (Source: P.A. 98-640, eff. 6-9-14; 98-739, eff. 7-16-14; 99-78,
4 eff. 7-20-15.)

5 (105 ILCS 5/29-5) (from Ch. 122, par. 29-5)

6 Sec. 29-5. Reimbursement by State for transportation. Any
7 school district, maintaining a school, transporting resident
8 pupils to another school district's vocational program,
9 offered through a joint agreement approved by the State Board
10 of Education, as provided in Section 10-22.22 or transporting
11 its resident pupils to a school which meets the standards for
12 recognition as established by the State Board of Education
13 which provides transportation meeting the standards of safety,
14 comfort, convenience, efficiency and operation prescribed by
15 the State Board of Education for resident pupils in
16 kindergarten or any of grades 1 through 12 who: (a) reside at
17 least 1 1/2 miles as measured by the customary route of travel,
18 from the school attended; or (b) reside in areas where
19 conditions are such that walking constitutes a hazard to the
20 safety of the child when determined under Section 29-3; and (c)
21 are transported to the school attended from pick-up points at
22 the beginning of the school day and back again at the close of
23 the school day or transported to and from their assigned
24 attendance centers during the school day, shall be reimbursed
25 by the State as hereinafter provided in this Section.

1 The State will pay the cost of transporting eligible pupils
2 less the prior year assessed valuation in a dual school
3 district maintaining secondary grades 9 to 12 inclusive times a
4 qualifying rate of .05%; in elementary school districts
5 maintaining grades K to 8 times a qualifying rate of .06%; and
6 in unit districts maintaining grades K to 12, including
7 optional elementary unit districts and combined high school -
8 unit districts, times a qualifying rate of .07%; provided that
9 for optional elementary unit districts and combined high school
10 - unit districts, prior year assessed valuation for high school
11 purposes, as defined in Article 11E of this Code, must be used.
12 To be eligible to receive reimbursement in excess of 4/5 of the
13 cost to transport eligible pupils, a school district shall have
14 a Transportation Fund tax rate of at least .12%. If a school
15 district does not have a .12% Transportation Fund tax rate, the
16 amount of its claim in excess of 4/5 of the cost of
17 transporting pupils shall be reduced by the sum arrived at by
18 subtracting the Transportation Fund tax rate from .12% and
19 multiplying that amount by the district's prior year ~~districts~~
20 equalized or assessed valuation, provided, that in no case
21 shall said reduction result in reimbursement of less than 4/5
22 of the cost to transport eligible pupils.

23 The minimum amount to be received by a district is \$16
24 times the number of eligible pupils transported.

25 When calculating the reimbursement for transportation
26 costs, the State Board of Education may not deduct the number

1 of pupils enrolled in early education programs from the number
2 of pupils eligible for reimbursement if the pupils enrolled in
3 the early education programs are transported at the same time
4 as other eligible pupils.

5 Any such district transporting resident pupils during the
6 school day to an area vocational school or another school
7 district's vocational program more than 1 1/2 miles from the
8 school attended, as provided in Sections 10-22.20a and
9 10-22.22, shall be reimbursed by the State for 4/5 of the cost
10 of transporting eligible pupils.

11 School day means that period of time which the pupil is
12 required to be in attendance for instructional purposes.

13 If a pupil is at a location within the school district
14 other than his residence for child care purposes at the time
15 for transportation to school, that location may be considered
16 for purposes of determining the 1 1/2 miles from the school
17 attended.

18 Claims for reimbursement that include children who attend
19 any school other than a public school shall show the number of
20 such children transported.

21 Claims for reimbursement under this Section shall not be
22 paid for the transportation of pupils for whom transportation
23 costs are claimed for payment under other Sections of this Act.

24 The allowable direct cost of transporting pupils for
25 regular, vocational, and special education pupil
26 transportation shall be limited to the sum of the cost of

1 physical examinations required for employment as a school bus
2 driver; the salaries of full or part-time drivers and school
3 bus maintenance personnel; employee benefits excluding
4 Illinois municipal retirement payments, social security
5 payments, unemployment insurance payments and workers'
6 compensation insurance premiums; expenditures to independent
7 carriers who operate school buses; payments to other school
8 districts for pupil transportation services; pre-approved
9 contractual expenditures for computerized bus scheduling; the
10 cost of gasoline, oil, tires, and other supplies necessary for
11 the operation of school buses; the cost of converting buses'
12 gasoline engines to more fuel efficient engines or to engines
13 which use alternative energy sources; the cost of travel to
14 meetings and workshops conducted by the regional
15 superintendent or the State Superintendent of Education
16 pursuant to the standards established by the Secretary of State
17 under Section 6-106 of the Illinois Vehicle Code to improve the
18 driving skills of school bus drivers; the cost of maintenance
19 of school buses including parts and materials used;
20 expenditures for leasing transportation vehicles, except
21 interest and service charges; the cost of insurance and
22 licenses for transportation vehicles; expenditures for the
23 rental of transportation equipment; plus a depreciation
24 allowance of 20% for 5 years for school buses and vehicles
25 approved for transporting pupils to and from school and a
26 depreciation allowance of 10% for 10 years for other

1 transportation equipment so used. Each school year, if a school
2 district has made expenditures to the Regional Transportation
3 Authority or any of its service boards, a mass transit
4 district, or an urban transportation district under an
5 intergovernmental agreement with the district to provide for
6 the transportation of pupils and if the public transit carrier
7 received direct payment for services or passes from a school
8 district within its service area during the 2000-2001 school
9 year, then the allowable direct cost of transporting pupils for
10 regular, vocational, and special education pupil
11 transportation shall also include the expenditures that the
12 district has made to the public transit carrier. In addition to
13 the above allowable costs school districts shall also claim all
14 transportation supervisory salary costs, including Illinois
15 municipal retirement payments, and all transportation related
16 building and building maintenance costs without limitation.

17 Special education allowable costs shall also include
18 expenditures for the salaries of attendants or aides for that
19 portion of the time they assist special education pupils while
20 in transit and expenditures for parents and public carriers for
21 transporting special education pupils when pre-approved by the
22 State Superintendent of Education.

23 Indirect costs shall be included in the reimbursement claim
24 for districts which own and operate their own school buses.
25 Such indirect costs shall include administrative costs, or any
26 costs attributable to transporting pupils from their

1 attendance centers to another school building for
2 instructional purposes. No school district which owns and
3 operates its own school buses may claim reimbursement for
4 indirect costs which exceed 5% of the total allowable direct
5 costs for pupil transportation.

6 The State Board of Education shall prescribe uniform
7 regulations for determining the above standards and shall
8 prescribe forms of cost accounting and standards of determining
9 reasonable depreciation. Such depreciation shall include the
10 cost of equipping school buses with the safety features
11 required by law or by the rules, regulations and standards
12 promulgated by the State Board of Education, and the Department
13 of Transportation for the safety and construction of school
14 buses provided, however, any equipment cost reimbursed by the
15 Department of Transportation for equipping school buses with
16 such safety equipment shall be deducted from the allowable cost
17 in the computation of reimbursement under this Section in the
18 same percentage as the cost of the equipment is depreciated.

19 On or before August 15, annually, the chief school
20 administrator for the district shall certify to the State
21 Superintendent of Education the district's claim for
22 reimbursement for the school year ending on June 30 next
23 preceding. The State Superintendent of Education shall check
24 and approve the claims and prepare the vouchers showing the
25 amounts due for district reimbursement claims. Each fiscal
26 year, the State Superintendent of Education shall prepare and

1 transmit the first 3 vouchers to the Comptroller on the 30th
2 day of September, December and March, respectively, and the
3 final voucher, no later than June 20.

4 If the amount appropriated for transportation
5 reimbursement is insufficient to fund total claims for any
6 fiscal year, the State Board of Education shall reduce each
7 school district's allowable costs and flat grant amount
8 proportionately to make total adjusted claims equal the total
9 amount appropriated.

10 For purposes of calculating claims for reimbursement under
11 this Section for any school year beginning July 1, 1998, or
12 thereafter, the equalized assessed valuation for a school
13 district used to compute reimbursement shall be computed in the
14 same manner as it is computed under paragraph (2) of subsection
15 (G) of Section 18-8.05.

16 All reimbursements received from the State shall be
17 deposited into the district's transportation fund or into the
18 fund from which the allowable expenditures were made.

19 Notwithstanding any other provision of law, any school
20 district receiving a payment under this Section or under
21 Section 14-7.02, 14-7.02b, or 14-13.01 of this Code may
22 classify all or a portion of the funds that it receives in a
23 particular fiscal year or from general State aid pursuant to
24 Section 18-8.05 of this Code as funds received in connection
25 with any funding program for which it is entitled to receive
26 funds from the State in that fiscal year (including, without

1 limitation, any funding program referenced in this Section),
2 regardless of the source or timing of the receipt. The district
3 may not classify more funds as funds received in connection
4 with the funding program than the district is entitled to
5 receive in that fiscal year for that program. Any
6 classification by a district must be made by a resolution of
7 its board of education. The resolution must identify the amount
8 of any payments or general State aid to be classified under
9 this paragraph and must specify the funding program to which
10 the funds are to be treated as received in connection
11 therewith. This resolution is controlling as to the
12 classification of funds referenced therein. A certified copy of
13 the resolution must be sent to the State Superintendent of
14 Education. The resolution shall still take effect even though a
15 copy of the resolution has not been sent to the State
16 Superintendent of Education in a timely manner. No
17 classification under this paragraph by a district shall affect
18 the total amount or timing of money the district is entitled to
19 receive under this Code. No classification under this paragraph
20 by a district shall in any way relieve the district from or
21 affect any requirements that otherwise would apply with respect
22 to that funding program, including any accounting of funds by
23 source, reporting expenditures by original source and purpose,
24 reporting requirements, or requirements of providing services.

25 Any school district with a population of not more than
26 500,000 must deposit all funds received under this Article into

1 the transportation fund and use those funds for the provision
2 of transportation services.

3 (Source: P.A. 95-903, eff. 8-25-08; 96-1264, eff. 1-1-11.)

4 (105 ILCS 5/34-2.3) (from Ch. 122, par. 34-2.3)

5 Sec. 34-2.3. Local school councils - Powers and duties.
6 Each local school council shall have and exercise, consistent
7 with the provisions of this Article and the powers and duties
8 of the board of education, the following powers and duties:

9 1. (A) To annually evaluate the performance of the
10 principal of the attendance center using a Board approved
11 principal evaluation form, which shall include the evaluation
12 of (i) student academic improvement, as defined by the school
13 improvement plan, (ii) student absenteeism rates at the school,
14 (iii) instructional leadership, (iv) the effective
15 implementation of programs, policies, or strategies to improve
16 student academic achievement, (v) school management, and (vi)
17 any other factors deemed relevant by the local school council,
18 including, without limitation, the principal's communication
19 skills and ability to create and maintain a student-centered
20 learning environment, to develop opportunities for
21 professional development, and to encourage parental
22 involvement and community partnerships to achieve school
23 improvement;

24 (B) to determine in the manner provided by subsection (c)
25 of Section 34-2.2 and subdivision 1.5 of this Section whether

1 the performance contract of the principal shall be renewed; and

2 (C) to directly select, in the manner provided by
3 subsection (c) of Section 34-2.2, a new principal (including a
4 new principal to fill a vacancy) -- without submitting any list
5 of candidates for that position to the general superintendent
6 as provided in paragraph 2 of this Section -- to serve under a
7 4 year performance contract; provided that (i) the
8 determination of whether the principal's performance contract
9 is to be renewed, based upon the evaluation required by
10 subdivision 1.5 of this Section, shall be made no later than
11 150 days prior to the expiration of the current
12 performance-based contract of the principal, (ii) in cases
13 where such performance contract is not renewed -- a direct
14 selection of a new principal -- to serve under a 4 year
15 performance contract shall be made by the local school council
16 no later than 45 days prior to the expiration of the current
17 performance contract of the principal, and (iii) a selection by
18 the local school council of a new principal to fill a vacancy
19 under a 4 year performance contract shall be made within 90
20 days after the date such vacancy occurs. A Council shall be
21 required, if requested by the principal, to provide in writing
22 the reasons for the council's not renewing the principal's
23 contract.

24 1.5. The local school council's determination of whether to
25 renew the principal's contract shall be based on an evaluation
26 to assess the educational and administrative progress made at

1 the school during the principal's current performance-based
2 contract. The local school council shall base its evaluation on
3 (i) student academic improvement, as defined by the school
4 improvement plan, (ii) student absenteeism rates at the school,
5 (iii) instructional leadership, (iv) the effective
6 implementation of programs, policies, or strategies to improve
7 student academic achievement, (v) school management, and (vi)
8 any other factors deemed relevant by the local school council,
9 including, without limitation, the principal's communication
10 skills and ability to create and maintain a student-centered
11 learning environment, to develop opportunities for
12 professional development, and to encourage parental
13 involvement and community partnerships to achieve school
14 improvement. If a local school council fails to renew the
15 performance contract of a principal rated by the general
16 superintendent, or his or her designee, in the previous years'
17 evaluations as meeting or exceeding expectations, the
18 principal, within 15 days after the local school council's
19 decision not to renew the contract, may request a review of the
20 local school council's principal non-retention decision by a
21 hearing officer appointed by the American Arbitration
22 Association. A local school council member or members or the
23 general superintendent may support the principal's request for
24 review. During the period of the hearing officer's review of
25 the local school council's decision on whether or not to retain
26 the principal, the local school council shall maintain all

1 authority to search for and contract with a person to serve as
2 interim or acting principal, or as the principal of the
3 attendance center under a 4-year performance contract,
4 provided that any performance contract entered into by the
5 local school council shall be voidable or modified in
6 accordance with the decision of the hearing officer. The
7 principal may request review only once while at that attendance
8 center. If a local school council renews the contract of a
9 principal who failed to obtain a rating of "meets" or "exceeds
10 expectations" in the general superintendent's evaluation for
11 the previous year, the general superintendent, within 15 days
12 after the local school council's decision to renew the
13 contract, may request a review of the local school council's
14 principal retention decision by a hearing officer appointed by
15 the American Arbitration Association. The general
16 superintendent may request a review only once for that
17 principal at that attendance center. All requests to review the
18 retention or non-retention of a principal shall be submitted to
19 the general superintendent, who shall, in turn, forward such
20 requests, within 14 days of receipt, to the American
21 Arbitration Association. The general superintendent shall send
22 a contemporaneous copy of the request that was forwarded to the
23 American Arbitration Association to the principal and to each
24 local school council member and shall inform the local school
25 council of its rights and responsibilities under the
26 arbitration process, including the local school council's

1 right to representation and the manner and process by which the
2 Board shall pay the costs of the council's representation. If
3 the local school council retains the principal and the general
4 superintendent requests a review of the retention decision, the
5 local school council and the general superintendent shall be
6 considered parties to the arbitration, a hearing officer shall
7 be chosen between those 2 parties pursuant to procedures
8 promulgated by the State Board of Education, and the principal
9 may retain counsel and participate in the arbitration. If the
10 local school council does not retain the principal and the
11 principal requests a review of the retention decision, the
12 local school council and the principal shall be considered
13 parties to the arbitration and a hearing officer shall be
14 chosen between those 2 parties pursuant to procedures
15 promulgated by the State Board of Education. The hearing shall
16 begin (i) within 45 days after the initial request for review
17 is submitted by the principal to the general superintendent or
18 (ii) if the initial request for review is made by the general
19 superintendent, within 45 days after that request is mailed to
20 the American Arbitration Association. The hearing officer
21 shall render a decision within 45 days after the hearing begins
22 and within 90 days after the initial request for review. The
23 Board shall contract with the American Arbitration Association
24 for all of the hearing officer's reasonable and necessary
25 costs. In addition, the Board shall pay any reasonable costs
26 incurred by a local school council for representation before a

1 hearing officer.

2 1.10. The hearing officer shall conduct a hearing, which
3 shall include (i) a review of the principal's performance,
4 evaluations, and other evidence of the principal's service at
5 the school, (ii) reasons provided by the local school council
6 for its decision, and (iii) documentation evidencing views of
7 interested persons, including, without limitation, students,
8 parents, local school council members, school faculty and
9 staff, the principal, the general superintendent or his or her
10 designee, and members of the community. The burden of proof in
11 establishing that the local school council's decision was
12 arbitrary and capricious shall be on the party requesting the
13 arbitration, and this party shall sustain the burden by a
14 preponderance of the evidence. The hearing officer shall set
15 the local school council decision aside if that decision, in
16 light of the record developed at the hearing, is arbitrary and
17 capricious. The decision of the hearing officer may not be
18 appealed to the Board or the State Board of Education. If the
19 hearing officer decides that the principal shall be retained,
20 the retention period shall not exceed 2 years.

21 2. In the event (i) the local school council does not renew
22 the performance contract of the principal, or the principal
23 fails to receive a satisfactory rating as provided in
24 subsection (h) of Section 34-8.3, or the principal is removed
25 for cause during the term of his or her performance contract in
26 the manner provided by Section 34-85, or a vacancy in the

1 position of principal otherwise occurs prior to the expiration
2 of the term of a principal's performance contract, and (ii) the
3 local school council fails to directly select a new principal
4 to serve under a 4 year performance contract, the local school
5 council in such event shall submit to the general
6 superintendent a list of 3 candidates -- listed in the local
7 school council's order of preference -- for the position of
8 principal, one of which shall be selected by the general
9 superintendent to serve as principal of the attendance center.
10 If the general superintendent fails or refuses to select one of
11 the candidates on the list to serve as principal within 30 days
12 after being furnished with the candidate list, the general
13 superintendent shall select and place a principal on an interim
14 basis (i) for a period not to exceed one year or (ii) until the
15 local school council selects a new principal with 7 affirmative
16 votes as provided in subsection (c) of Section 34-2.2,
17 whichever occurs first. If the local school council fails or
18 refuses to select and appoint a new principal, as specified by
19 subsection (c) of Section 34-2.2, the general superintendent
20 may select and appoint a new principal on an interim basis for
21 an additional year or until a new contract principal is
22 selected by the local school council. There shall be no
23 discrimination on the basis of race, sex, creed, color or
24 disability unrelated to ability to perform in connection with
25 the submission of candidates for, and the selection of a
26 candidate to serve as principal of an attendance center. No

1 person shall be directly selected, listed as a candidate for,
2 or selected to serve as principal of an attendance center (i)
3 if such person has been removed for cause from employment by
4 the Board or (ii) if such person does not hold a valid
5 administrative certificate issued or exchanged under Article
6 21 and endorsed as required by that Article for the position of
7 principal. A principal whose performance contract is not
8 renewed as provided under subsection (c) of Section 34-2.2 may
9 nevertheless, if otherwise qualified and certified as herein
10 provided and if he or she has received a satisfactory rating as
11 provided in subsection (h) of Section 34-8.3, be included by a
12 local school council as one of the 3 candidates listed in order
13 of preference on any candidate list from which one person is to
14 be selected to serve as principal of the attendance center
15 under a new performance contract. The initial candidate list
16 required to be submitted by a local school council to the
17 general superintendent in cases where the local school council
18 does not renew the performance contract of its principal and
19 does not directly select a new principal to serve under a 4
20 year performance contract shall be submitted not later than 30
21 days prior to the expiration of the current performance
22 contract. In cases where the local school council fails or
23 refuses to submit the candidate list to the general
24 superintendent no later than 30 days prior to the expiration of
25 the incumbent principal's contract, the general superintendent
26 may appoint a principal on an interim basis for a period not to

1 exceed one year, during which time the local school council
2 shall be able to select a new principal with 7 affirmative
3 votes as provided in subsection (c) of Section 34-2.2. In cases
4 where a principal is removed for cause or a vacancy otherwise
5 occurs in the position of principal and the vacancy is not
6 filled by direct selection by the local school council, the
7 candidate list shall be submitted by the local school council
8 to the general superintendent within 90 days after the date
9 such removal or vacancy occurs. In cases where the local school
10 council fails or refuses to submit the candidate list to the
11 general superintendent within 90 days after the date of the
12 vacancy, the general superintendent may appoint a principal on
13 an interim basis for a period of one year, during which time
14 the local school council shall be able to select a new
15 principal with 7 affirmative votes as provided in subsection
16 (c) of Section 34-2.2.

17 2.5. Whenever a vacancy in the office of a principal occurs
18 for any reason, the vacancy shall be filled in the manner
19 provided by this Section by the selection of a new principal to
20 serve under a 4 year performance contract.

21 3. To establish additional criteria to be included as part
22 of the performance contract of its principal, provided that
23 such additional criteria shall not discriminate on the basis of
24 race, sex, creed, color or disability unrelated to ability to
25 perform, and shall not be inconsistent with the uniform 4 year
26 performance contract for principals developed by the board as

1 provided in Section 34-8.1 of the School Code or with other
2 provisions of this Article governing the authority and
3 responsibility of principals.

4 4. To approve the expenditure plan prepared by the
5 principal with respect to all funds allocated and distributed
6 to the attendance center by the Board. The expenditure plan
7 shall be administered by the principal. Notwithstanding any
8 other provision of this Act or any other law, any expenditure
9 plan approved and administered under this Section 34-2.3 shall
10 be consistent with and subject to the terms of any contract for
11 services with a third party entered into by the Chicago School
12 Reform Board of Trustees or the board under this Act.

13 Via a supermajority vote of 7 members of the local school
14 council or 8 members of a high school local school council, the
15 Council may transfer allocations pursuant to Section 34-2.3
16 within funds; provided that such a transfer is consistent with
17 applicable law and collective bargaining agreements.

18 Beginning in fiscal year 1991 and in each fiscal year
19 thereafter, the Board may reserve up to 1% of its total fiscal
20 year budget for distribution on a prioritized basis to schools
21 throughout the school system in order to assure adequate
22 programs to meet the needs of special student populations as
23 determined by the Board. This distribution shall take into
24 account the needs catalogued in the Systemwide Plan and the
25 various local school improvement plans of the local school
26 councils. Information about these centrally funded programs

1 shall be distributed to the local school councils so that their
2 subsequent planning and programming will account for these
3 provisions.

4 Beginning in fiscal year 1991 and in each fiscal year
5 thereafter, from other amounts available in the applicable
6 fiscal year budget, the board shall allocate a lump sum amount
7 to each local school based upon such formula as the board shall
8 determine taking into account the special needs of the student
9 body. The local school principal shall develop an expenditure
10 plan in consultation with the local school council, the
11 professional personnel leadership committee and with all other
12 school personnel, which reflects the priorities and activities
13 as described in the school's local school improvement plan and
14 is consistent with applicable law and collective bargaining
15 agreements and with board policies and standards; however, the
16 local school council shall have the right to request waivers of
17 board policy from the board of education and waivers of
18 employee collective bargaining agreements pursuant to Section
19 34-8.1a.

20 The expenditure plan developed by the principal with
21 respect to amounts available from the fund for prioritized
22 special needs programs and the allocated lump sum amount must
23 be approved by the local school council.

24 The lump sum allocation shall take into account the
25 following principles:

26 a. Teachers: Each school shall be allocated funds equal

1 to the amount appropriated in the previous school year for
2 compensation for teachers (regular grades kindergarten
3 through 12th grade) plus whatever increases in
4 compensation have been negotiated contractually or through
5 longevity as provided in the negotiated agreement.
6 Adjustments shall be made due to layoff or reduction in
7 force, lack of funds or work, change in subject
8 requirements, enrollment changes, or contracts with third
9 parties for the performance of services or to rectify any
10 inconsistencies with system-wide allocation formulas or
11 for other legitimate reasons.

12 b. Other personnel: Funds for other teacher
13 certificated and uncertificated personnel paid through
14 non-categorical funds shall be provided according to
15 system-wide formulas based on student enrollment and the
16 special needs of the school as determined by the Board.

17 c. Non-compensation items: Appropriations for all
18 non-compensation items shall be based on system-wide
19 formulas based on student enrollment and on the special
20 needs of the school or factors related to the physical
21 plant, including but not limited to textbooks, electronic
22 textbooks and the technological equipment necessary to
23 gain access to and use electronic textbooks, supplies,
24 electricity, equipment, and routine maintenance.

25 d. Funds for categorical programs: Schools shall
26 receive personnel and funds based on, and shall use such

1 personnel and funds in accordance with State and Federal
2 requirements applicable to each categorical program
3 provided to meet the special needs of the student body
4 (including but not limited to, Federal Chapter I,
5 Bilingual, and Special Education).

6 d.1. Funds for State Title I: Each school shall receive
7 funds based on State and Board requirements applicable to
8 each State Title I pupil provided to meet the special needs
9 of the student body. Each school shall receive the
10 proportion of funds as provided in Section 18-8 or 18-8.15
11 to which they are entitled. These funds shall be spent only
12 with the budgetary approval of the Local School Council as
13 provided in Section 34-2.3.

14 e. The Local School Council shall have the right to
15 request the principal to close positions and open new ones
16 consistent with the provisions of the local school
17 improvement plan provided that these decisions are
18 consistent with applicable law and collective bargaining
19 agreements. If a position is closed, pursuant to this
20 paragraph, the local school shall have for its use the
21 system-wide average compensation for the closed position.

22 f. Operating within existing laws and collective
23 bargaining agreements, the local school council shall have
24 the right to direct the principal to shift expenditures
25 within funds.

26 g. (Blank).

1 Any funds unexpended at the end of the fiscal year shall be
2 available to the board of education for use as part of its
3 budget for the following fiscal year.

4 5. To make recommendations to the principal concerning
5 textbook selection and concerning curriculum developed
6 pursuant to the school improvement plan which is consistent
7 with systemwide curriculum objectives in accordance with
8 Sections 34-8 and 34-18 of the School Code and in conformity
9 with the collective bargaining agreement.

10 6. To advise the principal concerning the attendance and
11 disciplinary policies for the attendance center, subject to the
12 provisions of this Article and Article 26, and consistent with
13 the uniform system of discipline established by the board
14 pursuant to Section 34-19.

15 7. To approve a school improvement plan developed as
16 provided in Section 34-2.4. The process and schedule for plan
17 development shall be publicized to the entire school community,
18 and the community shall be afforded the opportunity to make
19 recommendations concerning the plan. At least twice a year the
20 principal and local school council shall report publicly on
21 progress and problems with respect to plan implementation.

22 8. To evaluate the allocation of teaching resources and
23 other certificated and uncertificated staff to the attendance
24 center to determine whether such allocation is consistent with
25 and in furtherance of instructional objectives and school
26 programs reflective of the school improvement plan adopted for

1 the attendance center; and to make recommendations to the
2 board, the general superintendent and the principal concerning
3 any reallocation of teaching resources or other staff whenever
4 the council determines that any such reallocation is
5 appropriate because the qualifications of any existing staff at
6 the attendance center do not adequately match or support
7 instructional objectives or school programs which reflect the
8 school improvement plan.

9 9. To make recommendations to the principal and the general
10 superintendent concerning their respective appointments, after
11 August 31, 1989, and in the manner provided by Section 34-8 and
12 Section 34-8.1, of persons to fill any vacant, additional or
13 newly created positions for teachers at the attendance center
14 or at attendance centers which include the attendance center
15 served by the local school council.

16 10. To request of the Board the manner in which training
17 and assistance shall be provided to the local school council.
18 Pursuant to Board guidelines a local school council is
19 authorized to direct the Board of Education to contract with
20 personnel or not-for-profit organizations not associated with
21 the school district to train or assist council members. If
22 training or assistance is provided by contract with personnel
23 or organizations not associated with the school district, the
24 period of training or assistance shall not exceed 30 hours
25 during a given school year; person shall not be employed on a
26 continuous basis longer than said period and shall not have

1 been employed by the Chicago Board of Education within the
2 preceding six months. Council members shall receive training in
3 at least the following areas:

4 1. school budgets;

5 2. educational theory pertinent to the attendance
6 center's particular needs, including the development of
7 the school improvement plan and the principal's
8 performance contract; and

9 3. personnel selection.

10 Council members shall, to the greatest extent possible,
11 complete such training within 90 days of election.

12 11. In accordance with systemwide guidelines contained in
13 the System-Wide Educational Reform Goals and Objectives Plan,
14 criteria for evaluation of performance shall be established for
15 local school councils and local school council members. If a
16 local school council persists in noncompliance with systemwide
17 requirements, the Board may impose sanctions and take necessary
18 corrective action, consistent with Section 34-8.3.

19 12. Each local school council shall comply with the Open
20 Meetings Act and the Freedom of Information Act. Each local
21 school council shall issue and transmit to its school community
22 a detailed annual report accounting for its activities
23 programmatically and financially. Each local school council
24 shall convene at least 2 well-publicized meetings annually with
25 its entire school community. These meetings shall include
26 presentation of the proposed local school improvement plan, of

1 the proposed school expenditure plan, and the annual report,
2 and shall provide an opportunity for public comment.

3 13. Each local school council is encouraged to involve
4 additional non-voting members of the school community in
5 facilitating the council's exercise of its responsibilities.

6 14. The local school council may adopt a school uniform or
7 dress code policy that governs the attendance center and that
8 is necessary to maintain the orderly process of a school
9 function or prevent endangerment of student health or safety,
10 consistent with the policies and rules of the Board of
11 Education. A school uniform or dress code policy adopted by a
12 local school council: (i) shall not be applied in such manner
13 as to discipline or deny attendance to a transfer student or
14 any other student for noncompliance with that policy during
15 such period of time as is reasonably necessary to enable the
16 student to acquire a school uniform or otherwise comply with
17 the dress code policy that is in effect at the attendance
18 center into which the student's enrollment is transferred; and
19 (ii) shall include criteria and procedures under which the
20 local school council will accommodate the needs of or otherwise
21 provide appropriate resources to assist a student from an
22 indigent family in complying with an applicable school uniform
23 or dress code policy. A student whose parents or legal
24 guardians object on religious grounds to the student's
25 compliance with an applicable school uniform or dress code
26 policy shall not be required to comply with that policy if the

1 student's parents or legal guardians present to the local
2 school council a signed statement of objection detailing the
3 grounds for the objection.

4 15. All decisions made and actions taken by the local
5 school council in the exercise of its powers and duties shall
6 comply with State and federal laws, all applicable collective
7 bargaining agreements, court orders and rules properly
8 promulgated by the Board.

9 15a. To grant, in accordance with board rules and policies,
10 the use of assembly halls and classrooms when not otherwise
11 needed, including lighting, heat, and attendants, for public
12 lectures, concerts, and other educational and social
13 activities.

14 15b. To approve, in accordance with board rules and
15 policies, receipts and expenditures for all internal accounts
16 of the attendance center, and to approve all fund-raising
17 activities by nonschool organizations that use the school
18 building.

19 16. (Blank).

20 17. Names and addresses of local school council members
21 shall be a matter of public record.

22 (Source: P.A. 96-1403, eff. 7-29-10.)

23 (105 ILCS 5/34-18) (from Ch. 122, par. 34-18)

24 Sec. 34-18. Powers of the board. The board shall exercise
25 general supervision and jurisdiction over the public education

1 and the public school system of the city, and, except as
2 otherwise provided by this Article, shall have power:

3 1. To make suitable provision for the establishment and
4 maintenance throughout the year or for such portion thereof
5 as it may direct, not less than 9 months, of schools of all
6 grades and kinds, including normal schools, high schools,
7 night schools, schools for defectives and delinquents,
8 parental and truant schools, schools for the blind, the
9 deaf and persons with physical disabilities, schools or
10 classes in manual training, constructural and vocational
11 teaching, domestic arts and physical culture, vocation and
12 extension schools and lecture courses, and all other
13 educational courses and facilities, including
14 establishing, equipping, maintaining and operating
15 playgrounds and recreational programs, when such programs
16 are conducted in, adjacent to, or connected with any public
17 school under the general supervision and jurisdiction of
18 the board; provided that the calendar for the school term
19 and any changes must be submitted to and approved by the
20 State Board of Education before the calendar or changes may
21 take effect, and provided that in allocating funds from
22 year to year for the operation of all attendance centers
23 within the district, the board shall ensure that
24 supplemental general State aid or supplemental grant funds
25 are allocated and applied in accordance with Section 18-8,
26 ~~or~~ 18-8.05, or 18-8.15. To admit to such schools without

1 charge foreign exchange students who are participants in an
2 organized exchange student program which is authorized by
3 the board. The board shall permit all students to enroll in
4 apprenticeship programs in trade schools operated by the
5 board, whether those programs are union-sponsored or not.
6 No student shall be refused admission into or be excluded
7 from any course of instruction offered in the common
8 schools by reason of that student's sex. No student shall
9 be denied equal access to physical education and
10 interscholastic athletic programs supported from school
11 district funds or denied participation in comparable
12 physical education and athletic programs solely by reason
13 of the student's sex. Equal access to programs supported
14 from school district funds and comparable programs will be
15 defined in rules promulgated by the State Board of
16 Education in consultation with the Illinois High School
17 Association. Notwithstanding any other provision of this
18 Article, neither the board of education nor any local
19 school council or other school official shall recommend
20 that children with disabilities be placed into regular
21 education classrooms unless those children with
22 disabilities are provided with supplementary services to
23 assist them so that they benefit from the regular classroom
24 instruction and are included on the teacher's regular
25 education class register;

26 2. To furnish lunches to pupils, to make a reasonable

1 charge therefor, and to use school funds for the payment of
2 such expenses as the board may determine are necessary in
3 conducting the school lunch program;

4 3. To co-operate with the circuit court;

5 4. To make arrangements with the public or quasi-public
6 libraries and museums for the use of their facilities by
7 teachers and pupils of the public schools;

8 5. To employ dentists and prescribe their duties for
9 the purpose of treating the pupils in the schools, but
10 accepting such treatment shall be optional with parents or
11 guardians;

12 6. To grant the use of assembly halls and classrooms
13 when not otherwise needed, including light, heat, and
14 attendants, for free public lectures, concerts, and other
15 educational and social interests, free of charge, under
16 such provisions and control as the principal of the
17 affected attendance center may prescribe;

18 7. To apportion the pupils to the several schools;
19 provided that no pupil shall be excluded from or segregated
20 in any such school on account of his color, race, sex, or
21 nationality. The board shall take into consideration the
22 prevention of segregation and the elimination of
23 separation of children in public schools because of color,
24 race, sex, or nationality. Except that children may be
25 committed to or attend parental and social adjustment
26 schools established and maintained either for boys or girls

1 only. All records pertaining to the creation, alteration or
2 revision of attendance areas shall be open to the public.
3 Nothing herein shall limit the board's authority to
4 establish multi-area attendance centers or other student
5 assignment systems for desegregation purposes or
6 otherwise, and to apportion the pupils to the several
7 schools. Furthermore, beginning in school year 1994-95,
8 pursuant to a board plan adopted by October 1, 1993, the
9 board shall offer, commencing on a phased-in basis, the
10 opportunity for families within the school district to
11 apply for enrollment of their children in any attendance
12 center within the school district which does not have
13 selective admission requirements approved by the board.
14 The appropriate geographical area in which such open
15 enrollment may be exercised shall be determined by the
16 board of education. Such children may be admitted to any
17 such attendance center on a space available basis after all
18 children residing within such attendance center's area
19 have been accommodated. If the number of applicants from
20 outside the attendance area exceed the space available,
21 then successful applicants shall be selected by lottery.
22 The board of education's open enrollment plan must include
23 provisions that allow low income students to have access to
24 transportation needed to exercise school choice. Open
25 enrollment shall be in compliance with the provisions of
26 the Consent Decree and Desegregation Plan cited in Section

1 34-1.01;

2 8. To approve programs and policies for providing
3 transportation services to students. Nothing herein shall
4 be construed to permit or empower the State Board of
5 Education to order, mandate, or require busing or other
6 transportation of pupils for the purpose of achieving
7 racial balance in any school;

8 9. Subject to the limitations in this Article, to
9 establish and approve system-wide curriculum objectives
10 and standards, including graduation standards, which
11 reflect the multi-cultural diversity in the city and are
12 consistent with State law, provided that for all purposes
13 of this Article courses or proficiency in American Sign
14 Language shall be deemed to constitute courses or
15 proficiency in a foreign language; and to employ principals
16 and teachers, appointed as provided in this Article, and
17 fix their compensation. The board shall prepare such
18 reports related to minimal competency testing as may be
19 requested by the State Board of Education, and in addition
20 shall monitor and approve special education and bilingual
21 education programs and policies within the district to
22 assure that appropriate services are provided in
23 accordance with applicable State and federal laws to
24 children requiring services and education in those areas;

25 10. To employ non-teaching personnel or utilize
26 volunteer personnel for: (i) non-teaching duties not

1 requiring instructional judgment or evaluation of pupils,
2 including library duties; and (ii) supervising study
3 halls, long distance teaching reception areas used
4 incident to instructional programs transmitted by
5 electronic media such as computers, video, and audio,
6 detention and discipline areas, and school-sponsored
7 extracurricular activities. The board may further utilize
8 volunteer non-certificated personnel or employ
9 non-certificated personnel to assist in the instruction of
10 pupils under the immediate supervision of a teacher holding
11 a valid certificate, directly engaged in teaching subject
12 matter or conducting activities; provided that the teacher
13 shall be continuously aware of the non-certificated
14 persons' activities and shall be able to control or modify
15 them. The general superintendent shall determine
16 qualifications of such personnel and shall prescribe rules
17 for determining the duties and activities to be assigned to
18 such personnel;

19 10.5. To utilize volunteer personnel from a regional
20 School Crisis Assistance Team (S.C.A.T.), created as part
21 of the Safe to Learn Program established pursuant to
22 Section 25 of the Illinois Violence Prevention Act of 1995,
23 to provide assistance to schools in times of violence or
24 other traumatic incidents within a school community by
25 providing crisis intervention services to lessen the
26 effects of emotional trauma on individuals and the

1 community; the School Crisis Assistance Team Steering
2 Committee shall determine the qualifications for
3 volunteers;

4 11. To provide television studio facilities in not to
5 exceed one school building and to provide programs for
6 educational purposes, provided, however, that the board
7 shall not construct, acquire, operate, or maintain a
8 television transmitter; to grant the use of its studio
9 facilities to a licensed television station located in the
10 school district; and to maintain and operate not to exceed
11 one school radio transmitting station and provide programs
12 for educational purposes;

13 12. To offer, if deemed appropriate, outdoor education
14 courses, including field trips within the State of
15 Illinois, or adjacent states, and to use school educational
16 funds for the expense of the said outdoor educational
17 programs, whether within the school district or not;

18 13. During that period of the calendar year not
19 embraced within the regular school term, to provide and
20 conduct courses in subject matters normally embraced in the
21 program of the schools during the regular school term and
22 to give regular school credit for satisfactory completion
23 by the student of such courses as may be approved for
24 credit by the State Board of Education;

25 14. To insure against any loss or liability of the
26 board, the former School Board Nominating Commission,

1 Local School Councils, the Chicago Schools Academic
2 Accountability Council, or the former Subdistrict Councils
3 or of any member, officer, agent or employee thereof,
4 resulting from alleged violations of civil rights arising
5 from incidents occurring on or after September 5, 1967 or
6 from the wrongful or negligent act or omission of any such
7 person whether occurring within or without the school
8 premises, provided the officer, agent or employee was, at
9 the time of the alleged violation of civil rights or
10 wrongful act or omission, acting within the scope of his
11 employment or under direction of the board, the former
12 School Board Nominating Commission, the Chicago Schools
13 Academic Accountability Council, Local School Councils, or
14 the former Subdistrict Councils; and to provide for or
15 participate in insurance plans for its officers and
16 employees, including but not limited to retirement
17 annuities, medical, surgical and hospitalization benefits
18 in such types and amounts as may be determined by the
19 board; provided, however, that the board shall contract for
20 such insurance only with an insurance company authorized to
21 do business in this State. Such insurance may include
22 provision for employees who rely on treatment by prayer or
23 spiritual means alone for healing, in accordance with the
24 tenets and practice of a recognized religious
25 denomination;

26 15. To contract with the corporate authorities of any

1 municipality or the county board of any county, as the case
2 may be, to provide for the regulation of traffic in parking
3 areas of property used for school purposes, in such manner
4 as is provided by Section 11-209 of The Illinois Vehicle
5 Code, approved September 29, 1969, as amended;

6 16. (a) To provide, on an equal basis, access to a high
7 school campus and student directory information to the
8 official recruiting representatives of the armed forces of
9 Illinois and the United States for the purposes of
10 informing students of the educational and career
11 opportunities available in the military if the board has
12 provided such access to persons or groups whose purpose is
13 to acquaint students with educational or occupational
14 opportunities available to them. The board is not required
15 to give greater notice regarding the right of access to
16 recruiting representatives than is given to other persons
17 and groups. In this paragraph 16, "directory information"
18 means a high school student's name, address, and telephone
19 number.

20 (b) If a student or his or her parent or guardian
21 submits a signed, written request to the high school before
22 the end of the student's sophomore year (or if the student
23 is a transfer student, by another time set by the high
24 school) that indicates that the student or his or her
25 parent or guardian does not want the student's directory
26 information to be provided to official recruiting

1 representatives under subsection (a) of this Section, the
2 high school may not provide access to the student's
3 directory information to these recruiting representatives.
4 The high school shall notify its students and their parents
5 or guardians of the provisions of this subsection (b).

6 (c) A high school may require official recruiting
7 representatives of the armed forces of Illinois and the
8 United States to pay a fee for copying and mailing a
9 student's directory information in an amount that is not
10 more than the actual costs incurred by the high school.

11 (d) Information received by an official recruiting
12 representative under this Section may be used only to
13 provide information to students concerning educational and
14 career opportunities available in the military and may not
15 be released to a person who is not involved in recruiting
16 students for the armed forces of Illinois or the United
17 States;

18 17. (a) To sell or market any computer program
19 developed by an employee of the school district, provided
20 that such employee developed the computer program as a
21 direct result of his or her duties with the school district
22 or through the utilization of the school district resources
23 or facilities. The employee who developed the computer
24 program shall be entitled to share in the proceeds of such
25 sale or marketing of the computer program. The distribution
26 of such proceeds between the employee and the school

1 district shall be as agreed upon by the employee and the
2 school district, except that neither the employee nor the
3 school district may receive more than 90% of such proceeds.
4 The negotiation for an employee who is represented by an
5 exclusive bargaining representative may be conducted by
6 such bargaining representative at the employee's request.

7 (b) For the purpose of this paragraph 17:

8 (1) "Computer" means an internally programmed,
9 general purpose digital device capable of
10 automatically accepting data, processing data and
11 supplying the results of the operation.

12 (2) "Computer program" means a series of coded
13 instructions or statements in a form acceptable to a
14 computer, which causes the computer to process data in
15 order to achieve a certain result.

16 (3) "Proceeds" means profits derived from
17 marketing or sale of a product after deducting the
18 expenses of developing and marketing such product;

19 18. To delegate to the general superintendent of
20 schools, by resolution, the authority to approve contracts
21 and expenditures in amounts of \$10,000 or less;

22 19. Upon the written request of an employee, to
23 withhold from the compensation of that employee any dues,
24 payments or contributions payable by such employee to any
25 labor organization as defined in the Illinois Educational
26 Labor Relations Act. Under such arrangement, an amount

1 shall be withheld from each regular payroll period which is
2 equal to the pro rata share of the annual dues plus any
3 payments or contributions, and the board shall transmit
4 such withholdings to the specified labor organization
5 within 10 working days from the time of the withholding;

6 19a. Upon receipt of notice from the comptroller of a
7 municipality with a population of 500,000 or more, a county
8 with a population of 3,000,000 or more, the Cook County
9 Forest Preserve District, the Chicago Park District, the
10 Metropolitan Water Reclamation District, the Chicago
11 Transit Authority, or a housing authority of a municipality
12 with a population of 500,000 or more that a debt is due and
13 owing the municipality, the county, the Cook County Forest
14 Preserve District, the Chicago Park District, the
15 Metropolitan Water Reclamation District, the Chicago
16 Transit Authority, or the housing authority by an employee
17 of the Chicago Board of Education, to withhold, from the
18 compensation of that employee, the amount of the debt that
19 is due and owing and pay the amount withheld to the
20 municipality, the county, the Cook County Forest Preserve
21 District, the Chicago Park District, the Metropolitan
22 Water Reclamation District, the Chicago Transit Authority,
23 or the housing authority; provided, however, that the
24 amount deducted from any one salary or wage payment shall
25 not exceed 25% of the net amount of the payment. Before the
26 Board deducts any amount from any salary or wage of an

1 employee under this paragraph, the municipality, the
2 county, the Cook County Forest Preserve District, the
3 Chicago Park District, the Metropolitan Water Reclamation
4 District, the Chicago Transit Authority, or the housing
5 authority shall certify that (i) the employee has been
6 afforded an opportunity for a hearing to dispute the debt
7 that is due and owing the municipality, the county, the
8 Cook County Forest Preserve District, the Chicago Park
9 District, the Metropolitan Water Reclamation District, the
10 Chicago Transit Authority, or the housing authority and
11 (ii) the employee has received notice of a wage deduction
12 order and has been afforded an opportunity for a hearing to
13 object to the order. For purposes of this paragraph, "net
14 amount" means that part of the salary or wage payment
15 remaining after the deduction of any amounts required by
16 law to be deducted and "debt due and owing" means (i) a
17 specified sum of money owed to the municipality, the
18 county, the Cook County Forest Preserve District, the
19 Chicago Park District, the Metropolitan Water Reclamation
20 District, the Chicago Transit Authority, or the housing
21 authority for services, work, or goods, after the period
22 granted for payment has expired, or (ii) a specified sum of
23 money owed to the municipality, the county, the Cook County
24 Forest Preserve District, the Chicago Park District, the
25 Metropolitan Water Reclamation District, the Chicago
26 Transit Authority, or the housing authority pursuant to a

1 court order or order of an administrative hearing officer
2 after the exhaustion of, or the failure to exhaust,
3 judicial review;

4 20. The board is encouraged to employ a sufficient
5 number of certified school counselors to maintain a
6 student/counselor ratio of 250 to 1 by July 1, 1990. Each
7 counselor shall spend at least 75% of his work time in
8 direct contact with students and shall maintain a record of
9 such time;

10 21. To make available to students vocational and career
11 counseling and to establish 5 special career counseling
12 days for students and parents. On these days
13 representatives of local businesses and industries shall
14 be invited to the school campus and shall inform students
15 of career opportunities available to them in the various
16 businesses and industries. Special consideration shall be
17 given to counseling minority students as to career
18 opportunities available to them in various fields. For the
19 purposes of this paragraph, minority student means a person
20 who is any of the following:

21 (a) American Indian or Alaska Native (a person having
22 origins in any of the original peoples of North and South
23 America, including Central America, and who maintains
24 tribal affiliation or community attachment).

25 (b) Asian (a person having origins in any of the
26 original peoples of the Far East, Southeast Asia, or the

1 Indian subcontinent, including, but not limited to,
2 Cambodia, China, India, Japan, Korea, Malaysia, Pakistan,
3 the Philippine Islands, Thailand, and Vietnam).

4 (c) Black or African American (a person having origins
5 in any of the black racial groups of Africa). Terms such as
6 "Haitian" or "Negro" can be used in addition to "Black or
7 African American".

8 (d) Hispanic or Latino (a person of Cuban, Mexican,
9 Puerto Rican, South or Central American, or other Spanish
10 culture or origin, regardless of race).

11 (e) Native Hawaiian or Other Pacific Islander (a person
12 having origins in any of the original peoples of Hawaii,
13 Guam, Samoa, or other Pacific Islands).

14 Counseling days shall not be in lieu of regular school
15 days;

16 22. To report to the State Board of Education the
17 annual student dropout rate and number of students who
18 graduate from, transfer from or otherwise leave bilingual
19 programs;

20 23. Except as otherwise provided in the Abused and
21 Neglected Child Reporting Act or other applicable State or
22 federal law, to permit school officials to withhold, from
23 any person, information on the whereabouts of any child
24 removed from school premises when the child has been taken
25 into protective custody as a victim of suspected child
26 abuse. School officials shall direct such person to the

1 Department of Children and Family Services, or to the local
2 law enforcement agency if appropriate;

3 24. To develop a policy, based on the current state of
4 existing school facilities, projected enrollment and
5 efficient utilization of available resources, for capital
6 improvement of schools and school buildings within the
7 district, addressing in that policy both the relative
8 priority for major repairs, renovations and additions to
9 school facilities, and the advisability or necessity of
10 building new school facilities or closing existing schools
11 to meet current or projected demographic patterns within
12 the district;

13 25. To make available to the students in every high
14 school attendance center the ability to take all courses
15 necessary to comply with the Board of Higher Education's
16 college entrance criteria effective in 1993;

17 26. To encourage mid-career changes into the teaching
18 profession, whereby qualified professionals become
19 certified teachers, by allowing credit for professional
20 employment in related fields when determining point of
21 entry on teacher pay scale;

22 27. To provide or contract out training programs for
23 administrative personnel and principals with revised or
24 expanded duties pursuant to this Act in order to assure
25 they have the knowledge and skills to perform their duties;

26 28. To establish a fund for the prioritized special

1 needs programs, and to allocate such funds and other lump
2 sum amounts to each attendance center in a manner
3 consistent with the provisions of part 4 of Section 34-2.3.
4 Nothing in this paragraph shall be construed to require any
5 additional appropriations of State funds for this purpose;

6 29. (Blank);

7 30. Notwithstanding any other provision of this Act or
8 any other law to the contrary, to contract with third
9 parties for services otherwise performed by employees,
10 including those in a bargaining unit, and to layoff those
11 employees upon 14 days written notice to the affected
12 employees. Those contracts may be for a period not to
13 exceed 5 years and may be awarded on a system-wide basis.
14 The board may not operate more than 30 contract schools,
15 provided that the board may operate an additional 5
16 contract turnaround schools pursuant to item (5.5) of
17 subsection (d) of Section 34-8.3 of this Code;

18 31. To promulgate rules establishing procedures
19 governing the layoff or reduction in force of employees and
20 the recall of such employees, including, but not limited
21 to, criteria for such layoffs, reductions in force or
22 recall rights of such employees and the weight to be given
23 to any particular criterion. Such criteria shall take into
24 account factors including, but not be limited to,
25 qualifications, certifications, experience, performance
26 ratings or evaluations, and any other factors relating to

1 an employee's job performance;

2 32. To develop a policy to prevent nepotism in the
3 hiring of personnel or the selection of contractors;

4 33. To enter into a partnership agreement, as required
5 by Section 34-3.5 of this Code, and, notwithstanding any
6 other provision of law to the contrary, to promulgate
7 policies, enter into contracts, and take any other action
8 necessary to accomplish the objectives and implement the
9 requirements of that agreement; and

10 34. To establish a Labor Management Council to the
11 board comprised of representatives of the board, the chief
12 executive officer, and those labor organizations that are
13 the exclusive representatives of employees of the board and
14 to promulgate policies and procedures for the operation of
15 the Council.

16 The specifications of the powers herein granted are not to
17 be construed as exclusive but the board shall also exercise all
18 other powers that they may be requisite or proper for the
19 maintenance and the development of a public school system, not
20 inconsistent with the other provisions of this Article or
21 provisions of this Code which apply to all school districts.

22 In addition to the powers herein granted and authorized to
23 be exercised by the board, it shall be the duty of the board to
24 review or to direct independent reviews of special education
25 expenditures and services. The board shall file a report of
26 such review with the General Assembly on or before May 1, 1990.

1 (Source: P.A. 99-143, eff. 7-27-15.)

2 (105 ILCS 5/34-18.30)

3 Sec. 34-18.30. Dependents of military personnel; no
4 tuition charge. If, at the time of enrollment, a dependent of
5 United States military personnel is housed in temporary housing
6 located outside of the school district, but will be living
7 within the district within 60 days after the time of initial
8 enrollment, the dependent must be allowed to enroll, subject to
9 the requirements of this Section, and must not be charged
10 tuition. Any United States military personnel attempting to
11 enroll a dependent under this Section shall provide proof that
12 the dependent will be living within the district within 60 days
13 after the time of initial enrollment. Proof of residency may
14 include, but is not limited to, postmarked mail addressed to
15 the military personnel and sent to an address located within
16 the district, a lease agreement for occupancy of a residence
17 located within the district, or proof of ownership of a
18 residence located within the district. Non-resident dependents
19 of United States military personnel attending school on a
20 tuition-free basis may be counted for the purposes of
21 determining the apportionment of State aid provided under
22 Section 18-8.05 or 18-8.15 of this Code.

23 (Source: P.A. 95-331, eff. 8-21-07.)

24 (105 ILCS 5/34-43.1) (from Ch. 122, par. 34-43.1)

1 Sec. 34-43.1. (A) Limitation of noninstructional costs. It
2 is the purpose of this Section to establish for the Board of
3 Education and the general superintendent of schools
4 requirements and standards which maximize the proportion of
5 school district resources in direct support of educational,
6 program, and building maintenance and safety services for the
7 pupils of the district, and which correspondingly minimize the
8 amount and proportion of such resources associated with
9 centralized administration, administrative support services,
10 and other noninstructional services.

11 For the 1989-90 school year and for all subsequent school
12 years, the Board of Education shall undertake budgetary and
13 expenditure control actions which limit the administrative
14 expenditures of the Board of Education to levels, as provided
15 for in this Section, which represent an average of the
16 administrative expenses of all school districts in this State
17 not subject to Article 34.

18 (B) Certification of expenses by the State Superintendent
19 of Education. The State Superintendent of Education shall
20 annually certify, on or before May 1, to the Board of Education
21 and the School Finance Authority, for the applicable school
22 year, the following information:

23 (1) the annual expenditures of all school districts of
24 the State not subject to Article 34 properly attributable
25 to expenditure functions defined by the rules and
26 regulations of the State Board of Education as: 2210

1 (Improvement of Instructional Services); 2300 (Support
2 Services - General Administration) excluding, however,
3 2320 (Executive Administrative Services); 2490 (Other
4 Support Services - School Administration); 2500 (Support
5 Services - Business); 2600 (Support Services - Central);

6 (2) the total annual expenditures of all school
7 districts not subject to Article 34 attributable to the
8 Education Fund, the Operations, Building and Maintenance
9 Fund, the Transportation Fund and the Illinois Municipal
10 Retirement Fund of the several districts, as defined by the
11 rules and regulations of the State Board of Education; and

12 (3) a ratio, to be called the statewide average of
13 administrative expenditures, derived by dividing the
14 expenditures certified pursuant to paragraph (B) (1) by the
15 expenditures certified pursuant to paragraph (B) (2).

16 For purposes of the annual certification of expenditures
17 and ratios required by this Section, the "applicable year" of
18 certification shall initially be the 1986-87 school year and,
19 in sequent years, each succeeding school year.

20 The State Superintendent of Education shall consult with
21 the Board of Education to ascertain whether particular
22 expenditure items allocable to the administrative functions
23 enumerated in paragraph (B) (1) are appropriately or
24 necessarily higher in the applicable school district than in
25 the rest of the State due to noncomparable factors. The State
26 Superintendent shall also review the relevant cost proportions

1 in other large urban school districts. The State Superintendent
2 shall also review the expenditure categories in paragraph
3 (B)(1) to ascertain whether they contain school-level
4 expenses. If he or she finds that adjustments to the formula
5 are appropriate or necessary to establish a more fair and
6 comparable standard for administrative cost for the Board of
7 Education or to exclude school-level expenses, the State
8 Superintendent shall recommend to the School Finance Authority
9 rules and regulations adjusting particular subcategories in
10 this subsection (B) or adjusting certain costs in determining
11 the budget and expenditure items properly attributable to the
12 functions or otherwise adjust the formula.

13 (C) Administrative expenditure limitations. The annual
14 budget of the Board of Education, as adopted and implemented,
15 and the related annual expenditures for the school year, shall
16 reflect a limitation on administrative outlays as required by
17 the following provisions, taking into account any adjustments
18 established by the State Superintendent of Education: (1) the
19 budget and expenditures of the Board of Education for the
20 1989-90 school year shall reflect a ratio of administrative
21 expenditures to total expenditures equal to or less than the
22 statewide average of administrative expenditures for the
23 1986-87 school year as certified by the State Superintendent of
24 Education pursuant to paragraph (B)(3); (2) for the 1990-91
25 school year and for all subsequent school years, the budget and
26 expenditures of the Board of Education shall reflect a ratio of

1 administrative expenditures to total expenditures equal to or
2 less than the statewide average of administrative expenditures
3 certified by the State Superintendent of Education for the
4 applicable year pursuant to paragraph (B)(3); (3) if for any
5 school year the budget of the Board of Education reflects a
6 ratio of administrative expenditures to total expenditures
7 which exceeds the applicable statewide average, the Board of
8 Education shall reduce expenditure items allocable to the
9 administrative functions enumerated in paragraph (B)(1) such
10 that the Board of Education's ratio of administrative
11 expenditures to total expenditures is equal to or less than the
12 applicable statewide average ratio.

13 For purposes of this Section, the ratio of administrative
14 expenditures to the total expenditures of the Board of
15 Education, as applied to the budget of the Board of Education,
16 shall mean: the budgeted expenditure items of the Board of
17 Education properly attributable to the expenditure functions
18 identified in paragraph (B)(1) divided by the total budgeted
19 expenditures of the Board of Education properly attributable to
20 the Board of Education funds corresponding to those funds
21 identified in paragraph (B)(2), exclusive of any monies
22 budgeted for payment to the Public School Teachers' Pension and
23 Retirement System, attributable to payments due from the
24 General Funds of the State of Illinois.

25 The annual expenditure of the Board of Education for 2320
26 (Executive Administrative Services) for the 1989-90 school

1 year shall be no greater than the 2320 expenditure for the
2 1988-89 school year. The annual expenditure of the Board of
3 Education for 2320 for the 1990-91 school year and each
4 subsequent school year shall be no greater than the 2320
5 expenditure for the immediately preceding school year or the
6 1988-89 school year, whichever is less. This annual expenditure
7 limitation may be adjusted in each year in an amount not to
8 exceed any change effective during the applicable school year
9 in salary to be paid under the collective bargaining agreement
10 with instructional personnel to which the Board is a party and
11 in benefit costs either required by law or such collective
12 bargaining agreement.

13 (D) Cost control measures. In undertaking actions to
14 control or reduce expenditure items necessitated by the
15 administrative expenditure limitations of this Section, the
16 Board of Education shall give priority consideration to
17 reductions or cost controls with the least effect upon direct
18 services to students or instructional services for pupils, and
19 upon the safety and well-being of pupils, and, as applicable,
20 with the particular costs or functions to which the Board of
21 Education is higher than the statewide average.

22 For purposes of assuring that the cost control priorities
23 of this subsection (D) are met, the State Superintendent of
24 Education shall, with the assistance of the Board of Education,
25 review the cost allocation practices of the Board of Education,
26 and the State Superintendent of Education shall thereafter

1 recommend to the School Finance Authority rules and regulations
2 which define administrative areas which most impact upon the
3 direct and instructional needs of students and upon the safety
4 and well-being of the pupils of the district. No position
5 closed shall be reopened using State or federal categorical
6 funds.

7 (E) Report of Audited Information. For the 1988-89 school
8 year and for all subsequent school years, the Board of
9 Education shall file with the State Board of Education the
10 Annual Financial Report and its audit, as required by the rules
11 of the State Board of Education. Such reports shall be filed no
12 later than February 15 following the end of the school year of
13 the Board of Education, beginning with the report to be filed
14 no later than February 15, 1990 for the 1988-89 school year.

15 As part of the required Annual Financial Report, the Board
16 of Education shall provide a detailed accounting of the central
17 level, district, bureau and department costs and personnel
18 included within expenditure functions included in paragraph
19 (B)(1). The nature and detail of the reporting required for
20 these functions shall be prescribed by the State Board of
21 Education in rules and regulations. A copy of this detailed
22 accounting shall also be provided annually to the School
23 Finance Authority and the public. This report shall contain a
24 reconciliation to the board of education's adopted budget for
25 that fiscal year, specifically delineating administrative
26 functions.

1 If the information required under this Section is not
2 provided by the Board of Education in a timely manner, or is
3 initially or subsequently determined by the State
4 Superintendent of Education to be incomplete or inaccurate, the
5 State Superintendent shall, in writing, notify the Board of
6 Education of reporting deficiencies. The Board of Education
7 shall, within 60 days of such notice, address the reporting
8 deficiencies identified. If the State Superintendent of
9 Education does not receive satisfactory response to these
10 reporting deficiencies within 60 days, the next payment of
11 general State aid or evidence-based funding due the Board of
12 Education under Section 18-8 or Section 18-8.15, as applicable,
13 and all subsequent payments, shall be withheld by the State
14 Superintendent of Education until the enumerated deficiencies
15 have been addressed.

16 Utilizing the Annual Financial Report, the State
17 Superintendent of Education shall certify on or before May 1 to
18 the School Finance Authority the Board of Education's ratio of
19 administrative expenditures to total expenditures for the
20 1988-89 school year and for each succeeding school year. Such
21 certification shall indicate the extent to which the
22 administrative expenditure ratio of the Board of Education
23 conformed to the limitations required in subsection (C) of this
24 Section, taking into account any adjustments of the limitations
25 which may have been recommended by the State Superintendent of
26 Education to the School Finance Authority. In deriving the

1 administrative expenditure ratio of the Chicago Board of
2 Education, the State Superintendent of Education shall utilize
3 the definition of this ratio prescribed in subsection (C) of
4 this Section, except that the actual expenditures of the Board
5 of Education shall be substituted for budgeted expenditure
6 items.

7 (F) Approval and adjustments to administrative expenditure
8 limitations. The School Finance Authority organized under
9 Article 34A shall monitor the Board of Education's adherence to
10 the requirements of this Section. As part of its responsibility
11 the School Finance Authority shall determine whether the Board
12 of Education's budget for the next school year, and the
13 expenditures for a prior school year, comply with the
14 limitation of administrative expenditures required by this
15 Section. The Board of Education and the State Board of
16 Education shall provide such information as is required by the
17 School Finance Authority in order for the Authority to
18 determine compliance with the provisions of this Section. If
19 the Authority determines that the budget proposed by the Board
20 of Education does not meet the cost control requirements of
21 this Section, the Board of Education shall undertake budgetary
22 reductions, consistent with the requirements of this Section,
23 to bring the proposed budget into compliance with such cost
24 control limitations.

25 If, in formulating cost control and cost reduction
26 alternatives, the Board of Education believes that meeting the

1 cost control requirements of this Section related to the budget
2 for the ensuing year would impair the education, safety, or
3 well-being of the pupils of the school district, the Board of
4 Education may request that the School Finance Authority make
5 adjustments to the limitations required by this Section. The
6 Board of Education shall specify the amount, nature, and
7 reasons for the relief required and shall also identify cost
8 reductions which can be made in expenditure functions not
9 enumerated in paragraph (B) (1), which would serve the purposes
10 of this Section.

11 The School Finance Authority shall consult with the State
12 Superintendent of Education concerning the reasonableness from
13 an educational administration perspective of the adjustments
14 sought by the Board of Education. The School Finance Authority
15 shall provide an opportunity for the public to comment upon the
16 reasonableness of the Board's request. If, after such
17 consultation, the School Finance Authority determines that all
18 or a portion of the adjustments sought by the Board of
19 Education are reasonably appropriate or necessary, the
20 Authority may grant such relief from the provisions of this
21 Section which the Authority deems appropriate. Adjustments so
22 granted apply only to the specific school year for which the
23 request was made.

24 In the event that the School Finance Authority determines
25 that the Board of Education has failed to achieve the required
26 administrative expenditure limitations for a prior school

1 year, or if the Authority determines that the Board of
2 Education has not met the requirements of subsection (F), the
3 Authority shall make recommendations to the Board of Education
4 concerning appropriate corrective actions. If the Board of
5 Education fails to provide adequate assurance to the Authority
6 that appropriate corrective actions have been or will be taken,
7 the Authority may, within 60 days thereafter, require the board
8 to adjust its current budget to correct for the prior year's
9 shortage or may recommend to the members of the General
10 Assembly and the Governor such sanctions or remedial actions as
11 will serve to deter any further such failures on the part of
12 the Board of Education.

13 To assist the Authority in its monitoring
14 responsibilities, the Board of Education shall provide such
15 reports and information as are from time to time required by
16 the Authority.

17 (G) Independent reviews of administrative expenditures.
18 The School Finance Authority may direct independent reviews of
19 the administrative and administrative support expenditures and
20 services and other non-instructional expenditure functions of
21 the Board of Education. The Board of Education shall afford
22 full cooperation to the School Finance Authority in such review
23 activity. The purpose of such reviews shall be to verify
24 specific targets for improved operating efficiencies of the
25 Board of Education, to identify other areas of potential
26 efficiencies, and to assure full and proper compliance by the

1 Board of Education with all requirements of this Section.

2 In the conduct of reviews under this subsection, the
3 Authority may request the assistance and consultation of the
4 State Superintendent of Education with regard to questions of
5 efficiency and effectiveness in educational administration.

6 (H) Reports to Governor and General Assembly. On or before
7 May 1, 1991 and no less frequently than yearly thereafter, the
8 School Finance Authority shall provide to the Governor, the
9 State Board of Education, and the members of the General
10 Assembly an annual report, as outlined in Section 34A-606,
11 which includes the following information: (1) documenting the
12 compliance or non-compliance of the Board of Education with the
13 requirements of this Section; (2) summarizing the costs,
14 findings, and recommendations of any reviews directed by the
15 School Finance Authority, and the response to such
16 recommendations made by the Board of Education; and (3)
17 recommending sanctions or legislation necessary to fulfill the
18 intent of this Section.

19 (Source: P.A. 86-124; 86-1477.)

20 (105 ILCS 5/34-54.5 new)

21 Sec. 34-54.5. Decrease in tax rate for educational
22 purposes. If the school district's adequacy target, as defined
23 in Section 18-8.15 of this Code, meets or exceeds 110%, the
24 question of establishing a lower tax rate for educational
25 purposes than that in effect by the school district shall be

1 submitted to the voters of the school district at the
2 consolidated election in accordance with the general election
3 law, but only if the voters have submitted a petition signed by
4 not fewer than 5% of the legal voters in the school district.
5 That percentage shall be based on the number of votes cast at
6 the last general election preceding the filing of the petition.
7 The petition shall specify the tax rate of the school district
8 levy to be submitted. In no case shall the tax rate lower the
9 current tax levy by more than 20%.

10 The petition shall be filed with the secretary of the board
11 not more than 10 months nor less than 6 months prior to the
12 election at which the question is to be submitted to the
13 voters, and its validity shall be determined as provided by the
14 general election law. The secretary shall certify the question
15 to the proper election officials, who shall submit the question
16 to the voters. Notwithstanding any other provisions of this
17 Section, this referendum shall be subject to all other general
18 election law requirements.

19 (105 ILCS 5/22-60 rep.)

20 Section 47. The School Code is amended by repealing Section
21 22-60.

22 Section 50. The Educational Opportunity for Military
23 Children Act is amended by changing Section 25 as follows:

1 (105 ILCS 70/25)

2 Sec. 25. Tuition for children of active duty military
3 personnel who are transfer students. If a student who is a
4 child of active duty military personnel is (i) placed with a
5 non-custodial parent and (ii) as a result of placement, must
6 attend a non-resident school district, then the student must
7 not be charged the tuition of the school that the student
8 attends as a result of placement with the non-custodial parent
9 and the student must be counted in the calculation of average
10 daily attendance under Section 18-8.05 or 18-8.15 of the School
11 Code.

12 (Source: P.A. 98-673, eff. 6-30-14.)

13 Section 95. No acceleration or delay. Where this Act makes
14 changes in a statute that is represented in this Act by text
15 that is not yet or no longer in effect (for example, a Section
16 represented by multiple versions), the use of that text does
17 not accelerate or delay the taking effect of (i) the changes
18 made by this Act or (ii) provisions derived from any other
19 Public Act.

20 Section 97. Savings clause. Any repeal or amendment made by
21 this Act shall not affect or impair any of the following: suits
22 pending or rights existing at the time this Act takes effect;
23 any grant or conveyance made or right acquired or cause of
24 action now existing under any Section, Article, or Act repealed

1 or amended by this Act; the validity of any bonds or other
2 obligations issued or sold and constituting valid obligations
3 of the issuing authority at the time this Act takes effect; the
4 validity of any contract; the validity of any tax levied under
5 any law in effect prior to the effective date of this Act; or
6 any offense committed, act done, penalty, punishment, or
7 forfeiture incurred or any claim, right, power, or remedy
8 accrued under any law in effect prior to the effective date of
9 this Act.

10 Section 99. Effective date. This Act takes effect upon
11 becoming law.

1 INDEX

2 Statutes amended in order of appearance

3	20 ILCS 620/7	from Ch. 67 1/2, par. 1007
4	30 ILCS 105/13.2	from Ch. 127, par. 149.2
5	35 ILCS 200/18-200	
6	35 ILCS 200/18-249	
7	40 ILCS 5/16-158	from Ch. 108 1/2, par. 16-158
8	50 ILCS 470/33	
9	55 ILCS 85/7	from Ch. 34, par. 7007
10	55 ILCS 90/50	from Ch. 34, par. 8050
11	65 ILCS 5/11-74.4-3	from Ch. 24, par. 11-74.4-3
12	65 ILCS 5/11-74.4-8	from Ch. 24, par. 11-74.4-8
13	65 ILCS 5/11-74.6-35	
14	65 ILCS 110/50	
15	105 ILCS 5/1A-8	from Ch. 122, par. 1A-8
16	105 ILCS 5/1B-5	from Ch. 122, par. 1B-5
17	105 ILCS 5/1B-6	from Ch. 122, par. 1B-6
18	105 ILCS 5/1B-7	from Ch. 122, par. 1B-7
19	105 ILCS 5/1B-8	from Ch. 122, par. 1B-8
20	105 ILCS 5/1C-1	
21	105 ILCS 5/1D-1	
22	105 ILCS 5/1E-20	
23	105 ILCS 5/1F-20	
24	105 ILCS 5/1F-62	
25	105 ILCS 5/1H-20	

1	105 ILCS 5/1H-70	
2	105 ILCS 5/2-3.25g	from Ch. 122, par. 2-3.25g
3	105 ILCS 5/2-3.33	from Ch. 122, par. 2-3.33
4	105 ILCS 5/2-3.51.5	
5	105 ILCS 5/2-3.66	from Ch. 122, par. 2-3.66
6	105 ILCS 5/2-3.66b	
7	105 ILCS 5/2-3.84	from Ch. 122, par. 2-3.84
8	105 ILCS 5/2-3.109a	
9	105 ILCS 5/3-14.21	from Ch. 122, par. 3-14.21
10	105 ILCS 5/7-14A	from Ch. 122, par. 7-14A
11	105 ILCS 5/10-17a	from Ch. 122, par. 10-17a
12	105 ILCS 5/10-19	from Ch. 122, par. 10-19
13	105 ILCS 5/10-22.5a	from Ch. 122, par. 10-22.5a
14	105 ILCS 5/10-22.20	from Ch. 122, par. 10-22.20
15	105 ILCS 5/10-22.34c	
16	105 ILCS 5/10-29	
17	105 ILCS 5/11E-135	
18	105 ILCS 5/13A-8	
19	105 ILCS 5/13B-20.20	
20	105 ILCS 5/13B-45	
21	105 ILCS 5/13B-50	
22	105 ILCS 5/13B-50.10	
23	105 ILCS 5/13B-50.15	
24	105 ILCS 5/14-7.02b	
25	105 ILCS 5/14-13.01	from Ch. 122, par. 14-13.01
26	105 ILCS 5/14C-1	from Ch. 122, par. 14C-1

1	105 ILCS 5/14C-12	from Ch. 122, par. 14C-12
2	105 ILCS 5/17-1	from Ch. 122, par. 17-1
3	105 ILCS 5/17-1.2	
4	105 ILCS 5/17-1.5	
5	105 ILCS 5/17-2.11	from Ch. 122, par. 17-2.11
6	105 ILCS 5/17-2A	from Ch. 122, par. 17-2A
7	105 ILCS 5/17-3.6 new	
8	105 ILCS 5/17-6.5 new	
9	105 ILCS 5/18-4.3	from Ch. 122, par. 18-4.3
10	105 ILCS 5/18-8.05	
11	105 ILCS 5/18-8.10	
12	105 ILCS 5/18-8.15 new	
13	105 ILCS 5/18-9	from Ch. 122, par. 18-9
14	105 ILCS 5/18-12	from Ch. 122, par. 18-12
15	105 ILCS 5/22-62 new	
16	105 ILCS 5/26-16	
17	105 ILCS 5/27-6	from Ch. 122, par. 27-6
18	105 ILCS 5/27-7	from Ch. 122, par. 27-7
19	105 ILCS 5/27-8.1	from Ch. 122, par. 27-8.1
20	105 ILCS 5/27-24.2	from Ch. 122, par. 27-24.2
21	105 ILCS 5/27A-9	
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23	105 ILCS 5/29-5	from Ch. 122, par. 29-5
24	105 ILCS 5/34-2.3	from Ch. 122, par. 34-2.3
25	105 ILCS 5/34-18	from Ch. 122, par. 34-18
26	105 ILCS 5/34-18.30	

- 1 105 ILCS 5/34-43.1 from Ch. 122, par. 34-43.1
- 2 105 ILCS 5/34-54.5 new
- 3 105 ILCS 5/22-60 rep.
- 4 105 ILCS 70/25