



100TH GENERAL ASSEMBLY

State of Illinois

2017 and 2018

HB5343

by Rep. Camille Y. Lilly

SYNOPSIS AS INTRODUCED:

New Act

105 ILCS 5/2-3.28

from Ch. 122, par. 2-3.28

105 ILCS 5/18-8.15

30 ILCS 805/8.42 new

Creates the Education Prioritization Act. Beginning with fiscal year 2019, requires the General Assembly to appropriate for the evidence-based funding formula under the School Code an amount that is equal to or exceeds the sum of: (i) the total amount appropriated for the evidence-based funding formula during the fiscal year immediately preceding the fiscal year for which the appropriation is being made; and (ii) 51% of total new general funds available for spending from estimated growth in revenues and funds available because of budgeted program growth and decline in the fiscal year for which the appropriation is being made; but in no event shall the sum be less than a certain percentage required under the Act. Requires a continuing appropriation if the General Assembly fails to make sufficient appropriations to fund the evidence-based funding formula. Amends the School Code to make changes concerning a system for accounting for revenues and expenditures and evidence-based funding. Amends the State Mandates Act to require implementation without reimbursement. Effective immediately.

LRB100 19726 AXK 35000 b

FISCAL NOTE ACT
MAY APPLY

STATE MANDATES
ACT MAY REQUIRE
REIMBURSEMENT

1 AN ACT concerning education.

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

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

6 Section 5. Educational appropriations. Beginning with
7 fiscal year 2019 and in each fiscal year thereafter, subject to
8 the provisions of Section 10 of this Act, the General Assembly
9 shall appropriate for the evidence-based funding formula set
10 forth in Section 18-8.15 of the School Code an amount that is
11 equal to or exceeds the sum of: (i) the total amount
12 appropriated for the evidence-based funding formula set forth
13 in Section 18-8.15 of the School Code during the fiscal year
14 immediately preceding the fiscal year for which the
15 appropriation is being made; and (ii) 51% of total new general
16 funds available for spending from estimated growth in revenues
17 and funds available because of budgeted program growth and
18 decline in the fiscal year for which the appropriation is being
19 made; but in no event shall the sum be less than the percentage
20 required under Section 10 of this Act. The Commission on
21 Government Forecasting and Accountability shall certify the
22 amount of total new general funds available for spending.

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

9 Section 15. Continuing appropriation. If the General
10 Assembly fails to make appropriations to the State Board of
11 Education in fiscal year 2019 or in any fiscal year thereafter
12 sufficient to fund the evidence-based funding formula set forth
13 in Section 18-8.15 of the School Code, this Act shall
14 constitute a continuing appropriation of all amounts necessary
15 for that purpose.

16 Section 20. Governor's budget. Beginning with fiscal year
17 2019 and in each fiscal year thereafter, the Governor shall
18 include in his or her annual budget an allocation for
19 elementary and secondary education that conforms to the
20 provisions of this Act.

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

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

2 Sec. 2-3.28. Rules and regulations of budget and accounting
3 systems. To prescribe rules and regulations defining what shall
4 constitute a budget and accounting system required under this
5 Act. The rules and regulations shall prescribe the minimum
6 extent of verification, the type of audit, the extent of the
7 audit report and shall require compliance with statutory
8 requirements and standards and such requirements as the State
9 Board of Education deems necessary for an adequate budget and
10 accounting system. For the 2018-2019 school year and
11 thereafter, the rules and regulations shall prescribe a system
12 for accounting for revenues and expenditures at the individual
13 school level that includes, without limitation, the following:

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

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

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

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

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

2 (105 ILCS 5/18-8.15)

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

5 (a) General provisions.

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

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

1 democracy;

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

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

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

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

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

1 regional wage difference.

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

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

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

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

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

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

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

26 "Adjusted Local Capacity Target" is defined in

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

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

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

26 "Alternative School" means a public school that is

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

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

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

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

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

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

1 special education pre-kindergarten students with services
2 of at least more than 2 hours a day as reported to the
3 State Board on December 1, in the immediately preceding
4 school year or the average number of students (grades K
5 through 12) reported to the State Board as enrolled in the
6 Organizational Unit on October 1 and March 1, plus the
7 special education pre-kindergarten students with services
8 of at least more than 2 hours a day as reported to the
9 State Board on December 1, for each of the immediately
10 preceding 3 school years. For the purposes of this
11 definition, "enrolled in the Organizational Unit" means
12 the number of students reported to the State Board who are
13 enrolled in schools within the Organizational Unit that the
14 student attends or would attend if not placed or
15 transferred to another school or program to receive needed
16 services. For the purposes of calculating "ASE", all
17 students, grades K through 12, excluding those attending
18 kindergarten for a half day, shall be counted as 1.0. All
19 students attending kindergarten for a half day shall be
20 counted as 0.5, unless in 2017 by June 15 or by March 1 in
21 subsequent years, the school district reports to the State
22 Board of Education the intent to implement full-day
23 kindergarten district-wide for all students, then all
24 students attending kindergarten shall be counted as 1.0.
25 Special education pre-kindergarten students shall be
26 counted as 0.5 each. If the State Board does not collect or

1 has not collected both an October 1 and March 1 enrollment
2 count by grade or a December 1 collection of special
3 education pre-kindergarten students as of the effective
4 date of this amendatory Act of the 100th General Assembly,
5 it shall establish such collection for all future years.
6 For any year where a count by grade level was collected
7 only once, that count shall be used as the single count
8 available for computing a 3-year average ASE. School
9 districts shall submit the data for the ASE calculation to
10 the State Board within 45 days of the dates required in
11 this Section for submission of enrollment data in order for
12 it to be included in the ASE calculation.

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

15 "Base Funding Minimum" is defined in subsection (e) of
16 this Section.

17 "Base Tax Year" means the property tax levy year used
18 to calculate the Budget Year allocation of primary State
19 aid.

20 "Base Tax Year's Extension" means the product of the
21 equalized assessed valuation utilized by the county clerk
22 in the Base Tax Year multiplied by the limiting rate as
23 calculated by the county clerk and defined in PTELL.

24 "Bilingual Education Allocation" means the amount of
25 an Organizational Unit's final Adequacy Target
26 attributable to bilingual education divided by the

1 Organizational Unit's final Adequacy Target, the product
2 of which shall be multiplied by the amount of new funding
3 received pursuant to this Section. An Organizational
4 Unit's final Adequacy Target attributable to bilingual
5 education shall include all additional investments in
6 English learner students' adequacy elements.

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

9 "Central office" means individual administrators and
10 support service personnel charged with managing the
11 instructional programs, business and operations, and
12 security of the Organizational Unit.

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

26 "Computer technology and equipment" means computers

1 servers, notebooks, network equipment, copiers, printers,
2 instructional software, security software, curriculum
3 management courseware, and other similar materials and
4 equipment.

5 "Core subject" means mathematics; science; reading,
6 English, writing, and language arts; history and social
7 studies; world languages; and subjects taught as Advanced
8 Placement in high schools.

9 "Core teacher" means a regular classroom teacher in
10 elementary schools and teachers of a core subject in middle
11 and high schools.

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

15 "CPPRT" means corporate personal property replacement
16 tax funds paid to an Organizational Unit during the
17 calendar year one year before the calendar year in which a
18 school year begins, pursuant to "An Act in relation to the
19 abolition of ad valorem personal property tax and the
20 replacement of revenues lost thereby, and amending and
21 repealing certain Acts and parts of Acts in connection
22 therewith", certified August 14, 1979, as amended (Public
23 Act 81-1st S.S.-1).

24 "EAV" means equalized assessed valuation as defined in
25 paragraph (2) of subsection (d) of this Section and
26 calculated in accordance with paragraph (3) of subsection

1 (d) of this Section.

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

7 "EIS Data" means the employment information system
8 data maintained by the State Board on educators within
9 Organizational Units.

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

16 "English learner" or "EL" means a child included in the
17 definition of "English learners" under Section 14C-2 of
18 this Code participating in a program of transitional
19 bilingual education or a transitional program of
20 instruction meeting the requirements and program
21 application procedures of Article 14C of this Code. For the
22 purposes of collecting the number of EL students enrolled,
23 the same collection and calculation methodology as defined
24 above for "ASE" shall apply to English learners.

25 "Essential Elements" means those elements, resources,
26 and educational programs that have been identified through

1 academic research as necessary to improve student success,
2 improve academic performance, close achievement gaps, and
3 provide for other per student costs related to the delivery
4 and leadership of the Organizational Unit, as well as the
5 maintenance and operations of the unit, and which are
6 specified in paragraph (2) of subsection (b) of this
7 Section.

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

10 "Extended day" means academic and enrichment programs
11 provided to students outside the regular school day before
12 and after school or during non-instructional times during
13 the school day.

14 "Extension Limitation Ratio" means a numerical ratio
15 in which the numerator is the Base Tax Year's Extension and
16 the denominator is the Preceding Tax Year's Extension.

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

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

21 "Full-time equivalent" or "FTE" means the full-time
22 equivalency compensation for staffing the relevant
23 position at an Organizational Unit.

24 "Funding Gap" is defined in paragraph (1) of subsection
25 (g).

26 "Guidance counselor" means a licensed guidance

1 counselor who provides guidance and counseling support for
2 students within an Organizational Unit.

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

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

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

22 "Instructional materials" means relevant instructional
23 materials for student instruction, including, but not
24 limited to, textbooks, consumable workbooks, laboratory
25 equipment, library books, and other similar materials.

26 "Laboratory School" means a public school that is

1 created and operated by a public university and approved by
2 the State Board.

3 "Librarian" means a teacher with an endorsement as a
4 library information specialist or another individual whose
5 primary responsibility is overseeing library resources
6 within an Organizational Unit.

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

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

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

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

15 "Low-Income Count" means, for an Organizational Unit
16 in a fiscal year, the higher of the average number of
17 students for the prior school year or the immediately
18 preceding 3 school years who, as of July 1 of the
19 immediately preceding fiscal year (as determined by the
20 Department of Human Services), are eligible for at least
21 one of the following low income programs: Medicaid, the
22 Children's Health Insurance Program, TANF, or the
23 Supplemental Nutrition Assistance Program, excluding
24 pupils who are eligible for services provided by the
25 Department of Children and Family Services. Until such time
26 that grade level low-income populations become available,

1 grade level low-income populations shall be determined by
2 applying the low-income percentage to total student
3 enrollments by grade level. The low-income percentage is
4 determined by dividing the Low-Income Count by the Average
5 Student Enrollment.

6 "Maintenance and operations" means custodial services,
7 facility and ground maintenance, facility operations,
8 facility security, routine facility repairs, and other
9 similar services and functions.

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

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

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

19 "Net State Contribution Target" means, for a given
20 school year, the amount of State funds that would be
21 necessary to fully meet the Adequacy Target of an
22 Operational Unit minus the Preliminary Resources available
23 to each unit.

24 "Nurse" means an individual licensed as a certified
25 school nurse, in accordance with the rules established for
26 nursing services by the State Board, who is an employee of

1 and is available to provide health care-related services
2 for students of an Organizational Unit.

3 "Operating Tax Rate" means the rate utilized in the
4 previous year to extend property taxes for all purposes,
5 except, Bond and Interest, Summer School, Rent, Capital
6 Improvement, and Vocational Education Building purposes.
7 For Hybrid Districts, the Operating Tax Rate shall be the
8 combined elementary and high school rates utilized in the
9 previous year to extend property taxes for all purposes,
10 except, Bond and Interest, Summer School, Rent, Capital
11 Improvement, and Vocational Education Building purposes.

12 "Organizational Unit" means a Laboratory School, an
13 Alternative School, or any public school district that is
14 recognized as such by the State Board and that contains
15 elementary schools typically serving kindergarten through
16 5th grades, middle schools typically serving 6th through
17 8th grades, or high schools typically serving 9th through
18 12th grades. The General Assembly acknowledges that the
19 actual grade levels served by a particular Organizational
20 Unit may vary slightly from what is typical.

21 "Organizational Unit CWI" is determined by calculating
22 the CWI in the region and original county in which an
23 Organizational Unit's primary administrative office is
24 located as set forth in this paragraph, provided that if
25 the Organizational Unit CWI as calculated in accordance
26 with this paragraph is less than 0.9, the Organizational

1 Unit CWI shall be increased to 0.9. Each county's current
2 CWI value shall be adjusted based on the CWI value of that
3 county's neighboring Illinois counties, to create a
4 "weighted adjusted index value". This shall be calculated
5 by summing the CWI values of all of a county's adjacent
6 Illinois counties and dividing by the number of adjacent
7 Illinois counties, then taking the weighted value of the
8 original county's CWI value and the adjacent Illinois
9 county average. To calculate this weighted value, if the
10 number of adjacent Illinois counties is greater than 2, the
11 original county's CWI value will be weighted at 0.25 and
12 the adjacent Illinois county average will be weighted at
13 0.75. If the number of adjacent Illinois counties is 2, the
14 original county's CWI value will be weighted at 0.33 and
15 the adjacent Illinois county average will be weighted at
16 0.66. The greater of the county's current CWI value and its
17 weighted adjusted index value shall be used as the
18 Organizational Unit CWI.

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

21 "Preceding Tax Year's Extension" means the product of
22 the equalized assessed valuation utilized by the county
23 clerk in the Preceding Tax Year multiplied by the Operating
24 Tax Rate.

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

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

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

5 "Professional development" means training programs for
6 licensed staff in schools, including, but not limited to,
7 programs that assist in implementing new curriculum
8 programs, provide data focused or academic assessment data
9 training to help staff identify a student's weaknesses and
10 strengths, target interventions, improve instruction,
11 encompass instructional strategies for English learner,
12 gifted, or at-risk students, address inclusivity, cultural
13 sensitivity, or implicit bias, or otherwise provide
14 professional support for licensed staff.

15 "Prototypical" means 450 special education
16 pre-kindergarten and kindergarten through grade 5 students
17 for an elementary school, 450 grade 6 through 8 students
18 for a middle school, and 600 grade 9 through 12 students
19 for a high school.

20 "PTELL" means the Property Tax Extension Limitation
21 Law.

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

24 "Pupil support staff" means a nurse, psychologist,
25 social worker, family liaison personnel, or other staff
26 member who provides support to at-risk or struggling

1 students.

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

4 "Regionalization Factor" means, for a particular
5 Organizational Unit, the figure derived by dividing the
6 Organizational Unit CWI by the Statewide Weighted CWI.

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

9 "Special education" means special educational
10 facilities and services, as defined in Section 14-1.08 of
11 this Code.

12 "Special Education Allocation" means the amount of an
13 Organizational Unit's final Adequacy Target attributable
14 to special education divided by the Organizational Unit's
15 final Adequacy Target, the product of which shall be
16 multiplied by the amount of new funding received pursuant
17 to this Section. An Organizational Unit's final Adequacy
18 Target attributable to special education shall include all
19 special education investment adequacy elements.

20 "Specialist teacher" means a teacher who provides
21 instruction in subject areas not included in core subjects,
22 including, but not limited to, art, music, physical
23 education, health, driver education, career-technical
24 education, and such other subject areas as may be mandated
25 by State law or provided by an Organizational Unit.

26 "Specially Funded Unit" means an Alternative School,

1 safe school, Department of Juvenile Justice school,
2 special education cooperative or entity recognized by the
3 State Board as a special education cooperative,
4 State-approved charter school, or alternative learning
5 opportunities program that received direct funding from
6 the State Board during the 2016-2017 school year through
7 any of the funding sources included within the calculation
8 of the Base Funding Minimum or Glenwood Academy.

9 "Supplemental Grant Funding" means supplemental
10 general State aid funding received by an Organization Unit
11 during the 2016-2017 school year pursuant to subsection (H)
12 of Section 18-8.05 of this Code.

13 "State Adequacy Level" is the sum of the Adequacy
14 Targets of all Organizational Units.

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

16 "State Superintendent" means the State Superintendent
17 of Education.

18 "Statewide Weighted CWI" means a figure determined by
19 multiplying each Organizational Unit CWI times the ASE for
20 that Organizational Unit creating a weighted value,
21 summing all Organizational Unit's weighted values, and
22 dividing by the total ASE of all Organizational Units,
23 thereby creating an average weighted index.

24 "Student activities" means non-credit producing
25 after-school programs, including, but not limited to,
26 clubs, bands, sports, and other activities authorized by

1 the school board of the Organizational Unit.

2 "Substitute teacher" means an individual teacher or
3 teaching assistant who is employed by an Organizational
4 Unit and is temporarily serving the Organizational Unit on
5 a per diem or per period-assignment basis replacing another
6 staff member.

7 "Summer school" means academic and enrichment programs
8 provided to students during the summer months outside of
9 the regular school year.

10 "Supervisory aide" means a non-licensed staff member
11 who helps in supervising students of an Organizational
12 Unit, but does so outside of the classroom, in situations
13 such as, but not limited to, monitoring hallways and
14 playgrounds, supervising lunchrooms, or supervising
15 students when being transported in buses serving the
16 Organizational Unit.

17 "Target Ratio" is defined in paragraph (4) of
18 subsection (g).

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

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

24 (b) Adequacy Target calculation.

25 (1) Each Organizational Unit's Adequacy Target is the
26 sum of the Organizational Unit's cost of providing

1 Essential Elements, as calculated in accordance with this
2 subsection (b), with the salary amounts in the Essential
3 Elements multiplied by a Regionalization Factor calculated
4 pursuant to paragraph (3) of this subsection (b).

5 (2) The Essential Elements are attributable on a pro
6 rata basis related to defined subgroups of the ASE of each
7 Organizational Unit as specified in this paragraph (2),
8 with investments and FTE positions pro rata funded based on
9 ASE counts in excess or less than the thresholds set forth
10 in this paragraph (2). The method for calculating
11 attributable pro rata costs and the defined subgroups
12 thereto are as follows:

13 (A) Core class size investments. Each
14 Organizational Unit shall receive the funding required
15 to support that number of FTE core teacher positions as
16 is needed to keep the respective class sizes of the
17 Organizational Unit to the following maximum numbers:

18 (i) For grades kindergarten through 3, the
19 Organizational Unit shall receive funding required
20 to support one FTE core teacher position for every
21 15 Low-Income Count students in those grades and
22 one FTE core teacher position for every 20
23 non-Low-Income Count students in those grades.

24 (ii) For grades 4 through 12, the
25 Organizational Unit shall receive funding required
26 to support one FTE core teacher position for every

1 20 Low-Income Count students in those grades and
2 one FTE core teacher position for every 25
3 non-Low-Income Count students in those grades.

4 The number of non-Low-Income Count students in a
5 grade shall be determined by subtracting the
6 Low-Income students in that grade from the ASE of the
7 Organizational Unit for that grade.

8 (B) Specialist teacher investments. Each
9 Organizational Unit shall receive the funding needed
10 to cover that number of FTE specialist teacher
11 positions that correspond to the following
12 percentages:

13 (i) if the Organizational Unit operates an
14 elementary or middle school, then 20.00% of the
15 number of the Organizational Unit's core teachers,
16 as determined under subparagraph (A) of this
17 paragraph (2); and

18 (ii) if such Organizational Unit operates a
19 high school, then 33.33% of the number of the
20 Organizational Unit's core teachers.

21 (C) Instructional facilitator investments. Each
22 Organizational Unit shall receive the funding needed
23 to cover one FTE instructional facilitator position
24 for every 200 combined ASE of pre-kindergarten
25 children with disabilities and all kindergarten
26 through grade 12 students of the Organizational Unit.

1 (D) Core intervention teacher (tutor) investments.
2 Each Organizational Unit shall receive the funding
3 needed to cover one FTE teacher position for each
4 prototypical elementary, middle, and high school.

5 (E) Substitute teacher investments. Each
6 Organizational Unit shall receive the funding needed
7 to cover substitute teacher costs that is equal to
8 5.70% of the minimum pupil attendance days required
9 under Section 10-19 of this Code for all full-time
10 equivalent core, specialist, and intervention
11 teachers, school nurses, special education teachers
12 and instructional assistants, instructional
13 facilitators, and summer school and extended-day
14 teacher positions, as determined under this paragraph
15 (2), at a salary rate of 33.33% of the average salary
16 for grade K through 12 teachers and 33.33% of the
17 average salary of each instructional assistant
18 position.

19 (F) Core guidance counselor investments. Each
20 Organizational Unit shall receive the funding needed
21 to cover one FTE guidance counselor for each 450
22 combined ASE of pre-kindergarten children with
23 disabilities and all kindergarten through grade 5
24 students, plus one FTE guidance counselor for each 250
25 grades 6 through 8 ASE middle school students, plus one
26 FTE guidance counselor for each 250 grades 9 through 12

1 ASE high school students.

2 (G) Nurse investments. Each Organizational Unit
3 shall receive the funding needed to cover one FTE nurse
4 for each 750 combined ASE of pre-kindergarten children
5 with disabilities and all kindergarten through grade
6 12 students across all grade levels it serves.

7 (H) Supervisory aide investments. Each
8 Organizational Unit shall receive the funding needed
9 to cover one FTE for each 225 combined ASE of
10 pre-kindergarten children with disabilities and all
11 kindergarten through grade 5 students, plus one FTE for
12 each 225 ASE middle school students, plus one FTE for
13 each 200 ASE high school students.

14 (I) Librarian investments. Each Organizational
15 Unit shall receive the funding needed to cover one FTE
16 librarian for each prototypical elementary school,
17 middle school, and high school and one FTE aide or
18 media technician for every 300 combined ASE of
19 pre-kindergarten children with disabilities and all
20 kindergarten through grade 12 students.

21 (J) Principal investments. Each Organizational
22 Unit shall receive the funding needed to cover one FTE
23 principal position for each prototypical elementary
24 school, plus one FTE principal position for each
25 prototypical middle school, plus one FTE principal
26 position for each prototypical high school.

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

8 (L) School site staff investments. Each
9 Organizational Unit shall receive the funding needed
10 for one FTE position for each 225 ASE of
11 pre-kindergarten children with disabilities and all
12 kindergarten through grade 5 students, plus one FTE
13 position for each 225 ASE middle school students, plus
14 one FTE position for each 200 ASE high school students.

15 (M) Gifted investments. Each Organizational Unit
16 shall receive \$40 per kindergarten through grade 12
17 ASE.

18 (N) Professional development investments. Each
19 Organizational Unit shall receive \$125 per student of
20 the combined ASE of pre-kindergarten children with
21 disabilities and all kindergarten through grade 12
22 students for trainers and other professional
23 development-related expenses for supplies and
24 materials.

25 (O) Instructional material investments. Each
26 Organizational Unit shall receive \$190 per student of

1 the combined ASE of pre-kindergarten children with
2 disabilities and all kindergarten through grade 12
3 students to cover instructional material costs.

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

9 (Q) Computer technology and equipment investments.
10 Each Organizational Unit shall receive \$285.50 per
11 student of the combined ASE of pre-kindergarten
12 children with disabilities and all kindergarten
13 through grade 12 students to cover computer technology
14 and equipment costs. For the 2018-2019 school year and
15 subsequent school years, Tier 1 and Tier 2
16 Organizational Units selected by the State Board
17 through a request for proposals process shall, upon the
18 State Board's approval of an Organizational Unit's
19 one-to-one computing technology plan, receive an
20 additional \$285.50 per student of the combined ASE of
21 pre-kindergarten children with disabilities and all
22 kindergarten through grade 12 students to cover
23 computer technology and equipment costs. The State
24 Board may establish additional requirements for
25 Organizational Unit expenditures of funds received
26 pursuant to this subparagraph (Q). It is the intent of

1 this amendatory Act of the 100th General Assembly that
2 all Tier 1 and Tier 2 districts that apply for the
3 technology grant receive the addition to their
4 Adequacy Target, subject to compliance with the
5 requirements of the State Board.

6 (R) Student activities investments. Each
7 Organizational Unit shall receive the following
8 funding amounts to cover student activities: \$100 per
9 kindergarten through grade 5 ASE student in elementary
10 school, plus \$200 per ASE student in middle school,
11 plus \$675 per ASE student in high school.

12 (S) Maintenance and operations investments. Each
13 Organizational Unit shall receive \$1,038 per student
14 of the combined ASE of pre-kindergarten children with
15 disabilities and all kindergarten through grade 12 for
16 day-to-day maintenance and operations expenditures,
17 including salary, supplies, and materials, as well as
18 purchased services, but excluding employee benefits.
19 The proportion of salary for the application of a
20 Regionalization Factor and the calculation of benefits
21 is equal to \$352.92.

22 (T) Central office investments. Each
23 Organizational Unit shall receive \$742 per student of
24 the combined ASE of pre-kindergarten children with
25 disabilities and all kindergarten through grade 12
26 students to cover central office operations, including

1 administrators and classified personnel charged with
2 managing the instructional programs, business and
3 operations of the school district, and security
4 personnel. The proportion of salary for the
5 application of a Regionalization Factor and the
6 calculation of benefits is equal to \$368.48.

7 (U) Employee benefit investments. Each
8 Organizational Unit shall receive 30% of the total of
9 all salary-calculated elements of the Adequacy Target,
10 excluding substitute teachers and student activities
11 investments, to cover benefit costs. For central
12 office and maintenance and operations investments, the
13 benefit calculation shall be based upon the salary
14 proportion of each investment. If at any time the
15 responsibility for funding the employer normal cost of
16 teacher pensions is assigned to school districts, then
17 that amount certified by the Teachers' Retirement
18 System of the State of Illinois to be paid by the
19 Organizational Unit for the preceding school year
20 shall be added to the benefit investment. For any
21 fiscal year in which a school district organized under
22 Article 34 of this Code is responsible for paying the
23 employer normal cost of teacher pensions, then that
24 amount of its employer normal cost plus the amount for
25 retiree health insurance as certified by the Public
26 School Teachers' Pension and Retirement Fund of

1 Chicago to be paid by the school district for the
2 preceding school year that is statutorily required to
3 cover employer normal costs and the amount for retiree
4 health insurance shall be added to the 30% specified in
5 this subparagraph (U). The Public School Teachers'
6 Pension and Retirement Fund of Chicago shall submit
7 such information as the State Superintendent may
8 require for the calculations set forth in this
9 subparagraph (U).

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

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

17 (ii) one FTE pupil support staff position for
18 every 125 Low-Income Count students;

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

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

23 (W) Additional investments in English learner
24 students. In addition to and not in lieu of all other
25 funding under this paragraph (2), each Organizational
26 Unit shall receive funding based on the average teacher

1 salary for grades K through 12 to cover the costs of:

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

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

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

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

10 (v) one FTE core teacher position for every 100
11 English learner students.

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

16 (i) one FTE teacher position for every 141
17 combined ASE of pre-kindergarten children with
18 disabilities and all kindergarten through grade 12
19 students;

20 (ii) one FTE instructional assistant for every
21 141 combined ASE of pre-kindergarten children with
22 disabilities and all kindergarten through grade 12
23 students; and

24 (iii) one FTE psychologist position for every
25 1,000 combined ASE of pre-kindergarten children
26 with disabilities and all kindergarten through

1 grade 12 students.

2 (3) For calculating the salaries included within the
3 Essential Elements, the State Superintendent shall
4 annually calculate average salaries to the nearest dollar
5 using the employment information system data maintained by
6 the State Board, limited to public schools only and
7 excluding special education and vocational cooperatives,
8 schools operated by the Department of Juvenile Justice, and
9 charter schools, for the following positions:

10 (A) Teacher for grades K through 8.

11 (B) Teacher for grades 9 through 12.

12 (C) Teacher for grades K through 12.

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

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

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

16 (G) Social worker.

17 (H) Psychologist.

18 (I) Librarian.

19 (J) Nurse.

20 (K) Principal.

21 (L) Assistant principal.

22 For the purposes of this paragraph (3), "teacher"
23 includes core teachers, specialist and elective teachers,
24 instructional facilitators, tutors, special education
25 teachers, pupil support staff teachers, English learner
26 teachers, extended-day teachers, and summer school

1 teachers. Where specific grade data is not required for the
2 Essential Elements, the average salary for corresponding
3 positions shall apply. For substitute teachers, the
4 average teacher salary for grades K through 12 shall apply.

5 For calculating the salaries included within the
6 Essential Elements for positions not included within EIS
7 Data, the following salaries shall be used in the first
8 year of implementation of Evidence-Based Funding:

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

10 (ii) non-instructional assistant, instructional
11 assistant, library aide, library media tech, or
12 supervisory aide: \$25,000.

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

16 The salary amounts for the Essential Elements
17 determined pursuant to subparagraphs (A) through (L), (S)
18 and (T), and (V) through (X) of paragraph (2) of subsection
19 (b) of this Section shall be multiplied by a
20 Regionalization Factor.

21 (c) Local capacity calculation.

22 (1) Each Organizational Unit's Local Capacity
23 represents an amount of funding it is assumed to contribute
24 toward its Adequacy Target for purposes of the
25 Evidence-Based Funding formula calculation. "Local
26 Capacity" means either (i) the Organizational Unit's Local

1 Capacity Target as calculated in accordance with paragraph
2 (2) of this subsection (c) if its Real Receipts are equal
3 to or less than its Local Capacity Target or (ii) the
4 Organizational Unit's Adjusted Local Capacity, as
5 calculated in accordance with paragraph (3) of this
6 subsection (c) if Real Receipts are more than its Local
7 Capacity Target.

8 (2) "Local Capacity Target" means, for an
9 Organizational Unit, that dollar amount that is obtained by
10 multiplying its Adequacy Target by its Local Capacity
11 Ratio.

12 (A) An Organizational Unit's Local Capacity
13 Percentage is the conversion of the Organizational
14 Unit's Local Capacity Ratio, as such ratio is
15 determined in accordance with subparagraph (B) of this
16 paragraph (2), into a normal curve equivalent score to
17 determine each Organizational Unit's relative position
18 to all other Organizational Units in this State. The
19 calculation of Local Capacity Percentage is described
20 in subparagraph (C) of this paragraph (2).

21 (B) An Organizational Unit's Local Capacity Ratio
22 in a given year is the percentage obtained by dividing
23 its Adjusted EAV or PTELL EAV, whichever is less, by
24 its Adequacy Target, with the resulting ratio further
25 adjusted as follows:

26 (i) for Organizational Units serving grades

1 kindergarten through 12 and Hybrid Districts, no
2 further adjustments shall be made;

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

6 (iii) for Organizational Units serving grades
7 9 through 12, the Local Capacity Ratio shall be
8 multiplied by 4/13; and

9 (iv) for an Organizational Unit with a
10 different grade configuration than those specified
11 in items (i) through (iii) of this subparagraph
12 (B), the State Superintendent shall determine a
13 comparable adjustment based on the grades served.

14 (C) Local Capacity Percentage converts each
15 Organizational Unit's Local Capacity Ratio to a normal
16 curve equivalent score to determine each
17 Organizational Unit's relative position to all other
18 Organizational Units in this State. The Local Capacity
19 Percentage normal curve equivalent score for each
20 Organizational Unit shall be calculated using the
21 standard normal distribution of the score in relation
22 to the weighted mean and weighted standard deviation
23 and Local Capacity Ratios of all Organizational Units.
24 If the value assigned to any Organizational Unit is in
25 excess of 90%, the value shall be adjusted to 90%. For
26 Laboratory Schools, the Local Capacity Percentage

1 shall be set at 10% in recognition of the absence of
2 EAV and resources from the public university that are
3 allocated to the Laboratory School. The weighted mean
4 for the Local Capacity Percentage shall be determined
5 by multiplying each Organizational Unit's Local
6 Capacity Ratio times the ASE for the unit creating a
7 weighted value, summing the weighted values of all
8 Organizational Units, and dividing by the total ASE of
9 all Organizational Units. The weighted standard
10 deviation shall be determined by taking the square root
11 of the weighted variance of all Organizational Units'
12 Local Capacity Ratio, where the variance is calculated
13 by squaring the difference between each unit's Local
14 Capacity Ratio and the weighted mean, then multiplying
15 the variance for each unit times the ASE for the unit
16 to create a weighted variance for each unit, then
17 summing all units' weighted variance and dividing by
18 the total ASE of all units.

19 (D) For any Organizational Unit, the
20 Organizational Unit's Adjusted Local Capacity Target
21 shall be reduced by either (i) the school board's
22 remaining contribution pursuant to paragraph (ii) of
23 subsection (b-4) of Section 16-158 of the Illinois
24 Pension Code in a given year, or (ii) the board of
25 education's remaining contribution pursuant to
26 paragraph (iv) of subsection (b) of Section 17-129 of

1 the Illinois Pension Code absent the employer normal
2 cost portion of the required contribution and amount
3 allowed pursuant to subdivision (3) of Section
4 17-142.1 of the Illinois Pension Code in a given year.
5 In the preceding sentence, item (i) shall be certified
6 to the State Board of Education by the Teachers'
7 Retirement System of the State of Illinois and item
8 (ii) shall be certified to the State Board of Education
9 by the Public School Teachers' Pension and Retirement
10 Fund of the City of Chicago.

11 (3) If an Organizational Unit's Real Receipts are more
12 than its Local Capacity Target, then its Local Capacity
13 shall equal an Adjusted Local Capacity Target as calculated
14 in accordance with this paragraph (3). The Adjusted Local
15 Capacity Target is calculated as the sum of the
16 Organizational Unit's Local Capacity Target and its Real
17 Receipts Adjustment. The Real Receipts Adjustment equals
18 the Organizational Unit's Real Receipts less its Local
19 Capacity Target, with the resulting figure multiplied by
20 the Local Capacity Percentage.

21 As used in this paragraph (3), "Real Percent of
22 Adequacy" means the sum of an Organizational Unit's Real
23 Receipts, CPPRT, and Base Funding Minimum, with the
24 resulting figure divided by the Organizational Unit's
25 Adequacy Target.

26 (d) Calculation of Real Receipts, EAV, and Adjusted EAV for

1 purposes of the Local Capacity calculation.

2 (1) An Organizational Unit's Real Receipts are the
3 product of its Applicable Tax Rate and its Adjusted EAV. An
4 Organizational Unit's Applicable Tax Rate is its Adjusted
5 Operating Tax Rate for property within the Organizational
6 Unit.

7 (2) The State Superintendent shall calculate the
8 Equalized Assessed Valuation, or EAV, of all taxable
9 property of each Organizational Unit as of September 30 of
10 the previous year in accordance with paragraph (3) of this
11 subsection (d). The State Superintendent shall then
12 determine the Adjusted EAV of each Organizational Unit in
13 accordance with paragraph (4) of this subsection (d), which
14 Adjusted EAV figure shall be used for the purposes of
15 calculating Local Capacity.

16 (3) To calculate Real Receipts and EAV, the Department
17 of Revenue shall supply to the State Superintendent the
18 value as equalized or assessed by the Department of Revenue
19 of all taxable property of every Organizational Unit,
20 together with (i) the applicable tax rate used in extending
21 taxes for the funds of the Organizational Unit as of
22 September 30 of the previous year and (ii) the limiting
23 rate for all Organizational Units subject to property tax
24 extension limitations as imposed under PTELL.

25 (A) The Department of Revenue shall add to the
26 equalized assessed value of all taxable property of

1 each Organizational Unit situated entirely or
2 partially within a county that is or was subject to the
3 provisions of Section 15-176 or 15-177 of the Property
4 Tax Code (i) an amount equal to the total amount by
5 which the homestead exemption allowed under Section
6 15-176 or 15-177 of the Property Tax Code for real
7 property situated in that Organizational Unit exceeds
8 the total amount that would have been allowed in that
9 Organizational Unit if the maximum reduction under
10 Section 15-176 was (I) \$4,500 in Cook County or \$3,500
11 in all other counties in tax year 2003 or (II) \$5,000
12 in all counties in tax year 2004 and thereafter and
13 (ii) an amount equal to the aggregate amount for the
14 taxable year of all additional exemptions under
15 Section 15-175 of the Property Tax Code for owners with
16 a household income of \$30,000 or less. The county clerk
17 of any county that is or was subject to the provisions
18 of Section 15-176 or 15-177 of the Property Tax Code
19 shall annually calculate and certify to the Department
20 of Revenue for each Organizational Unit all homestead
21 exemption amounts under Section 15-176 or 15-177 of the
22 Property Tax Code and all amounts of additional
23 exemptions under Section 15-175 of the Property Tax
24 Code for owners with a household income of \$30,000 or
25 less. It is the intent of this subparagraph (A) that if
26 the general homestead exemption for a parcel of

1 property is determined under Section 15-176 or 15-177
2 of the Property Tax Code rather than Section 15-175,
3 then the calculation of EAV shall not be affected by
4 the difference, if any, between the amount of the
5 general homestead exemption allowed for that parcel of
6 property under Section 15-176 or 15-177 of the Property
7 Tax Code and the amount that would have been allowed
8 had the general homestead exemption for that parcel of
9 property been determined under Section 15-175 of the
10 Property Tax Code. It is further the intent of this
11 subparagraph (A) that if additional exemptions are
12 allowed under Section 15-175 of the Property Tax Code
13 for owners with a household income of less than
14 \$30,000, then the calculation of EAV shall not be
15 affected by the difference, if any, because of those
16 additional exemptions.

17 (B) With respect to any part of an Organizational
18 Unit within a redevelopment project area in respect to
19 which a municipality has adopted tax increment
20 allocation financing pursuant to the Tax Increment
21 Allocation Redevelopment Act, Division 74.4 of the
22 Illinois Municipal Code, or the Industrial Jobs
23 Recovery Law, Division 74.6 of the Illinois Municipal
24 Code, no part of the current EAV of real property
25 located in any such project area which is attributable
26 to an increase above the total initial EAV of such

1 property shall be used as part of the EAV of the
2 Organizational Unit, until such time as all
3 redevelopment project costs have been paid, as
4 provided in Section 11-74.4-8 of the Tax Increment
5 Allocation Redevelopment Act or in Section 11-74.6-35
6 of the Industrial Jobs Recovery Law. For the purpose of
7 the EAV of the Organizational Unit, the total initial
8 EAV or the current EAV, whichever is lower, shall be
9 used until such time as all redevelopment project costs
10 have been paid.

11 (B-5) The real property equalized assessed
12 valuation for a school district shall be adjusted by
13 subtracting from the real property value, as equalized
14 or assessed by the Department of Revenue, for the
15 district an amount computed by dividing the amount of
16 any abatement of taxes under Section 18-170 of the
17 Property Tax Code by 3.00% for a district maintaining
18 grades kindergarten through 12, by 2.30% for a district
19 maintaining grades kindergarten through 8, or by 1.05%
20 for a district maintaining grades 9 through 12 and
21 adjusted by an amount computed by dividing the amount
22 of any abatement of taxes under subsection (a) of
23 Section 18-165 of the Property Tax Code by the same
24 percentage rates for district type as specified in this
25 subparagraph (B-5).

26 (C) For Organizational Units that are Hybrid

1 Districts, the State Superintendent shall use the
2 lesser of the equalized assessed valuation for
3 property within the partial elementary unit district
4 for elementary purposes, as defined in Article 11E of
5 this Code, or the equalized assessed valuation for
6 property within the partial elementary unit district
7 for high school purposes, as defined in Article 11E of
8 this Code.

9 (4) An Organizational Unit's Adjusted EAV shall be the
10 average of its EAV over the immediately preceding 3 years
11 or its EAV in the immediately preceding year if the EAV in
12 the immediately preceding year has declined by 10% or more
13 compared to the 3-year average. In the event of
14 Organizational Unit reorganization, consolidation, or
15 annexation, the Organizational Unit's Adjusted EAV for the
16 first 3 years after such change shall be as follows: the
17 most current EAV shall be used in the first year, the
18 average of a 2-year EAV or its EAV in the immediately
19 preceding year if the EAV declines by 10% or more compared
20 to the 2-year average for the second year, and a 3-year
21 average EAV or its EAV in the immediately preceding year if
22 the adjusted EAV declines by 10% or more compared to the
23 3-year average for the third year.

24 "PTELL EAV" means a figure calculated by the State
25 Board for Organizational Units subject to PTELL as
26 described in this paragraph (4) for the purposes of

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

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

26 (e) Base Funding Minimum calculation.

1 (1) For the 2017-2018 school year, the Base Funding
2 Minimum of an Organizational Unit, other than a Specially
3 Funded Unit, shall be the amount of State funds distributed
4 to the Organizational Unit during the 2016-2017 school year
5 prior to any adjustments and specified appropriation
6 amounts described in this paragraph (1) from the following
7 Sections, as calculated by the State Superintendent:
8 Section 18-8.05 of this Code (general State aid); Section 5
9 of Article 224 of Public Act 99-524 (equity grants);
10 Section 14-7.02b of this Code (funding for children
11 requiring special education services); Section 14-13.01 of
12 this Code (special education facilities and staffing),
13 except for reimbursement of the cost of transportation
14 pursuant to Section 14-13.01; Section 14C-12 of this Code
15 (English learners); and Section 18-4.3 of this Code (summer
16 school), based on an appropriation level of \$13,121,600.
17 For a school district organized under Article 34 of this
18 Code, the Base Funding Minimum also includes (i) the funds
19 allocated to the school district pursuant to Section 1D-1
20 of this Code attributable to funding programs authorized by
21 the Sections of this Code listed in the preceding sentence;
22 and (ii) the difference between (I) the funds allocated to
23 the school district pursuant to Section 1D-1 of this Code
24 attributable to the funding programs authorized by Section
25 14-7.02 (non-public special education reimbursement),
26 subsection (b) of Section 14-13.01 (special education

1 transportation), Section 29-5 (transportation), Section
2 2-3.80 (agricultural education), Section 2-3.66 (truants'
3 alternative education), Section 2-3.62 (educational
4 service centers), and Section 14-7.03 (special education -
5 orphanage) of this Code and Section 15 of the Childhood
6 Hunger Relief Act (free breakfast program) and (II) the
7 school district's actual expenditures for its non-public
8 special education, special education transportation,
9 transportation programs, agricultural education, truants'
10 alternative education, services that would otherwise be
11 performed by a regional office of education, special
12 education orphanage expenditures, and free breakfast, as
13 most recently calculated and reported pursuant to
14 subsection (f) of Section 1D-1 of this Code. For Specially
15 Funded Units, the Base Funding Minimum shall be the total
16 amount of State funds allotted to the Specially Funded Unit
17 during the 2016-2017 school year. The Base Funding Minimum
18 for Glenwood Academy shall be \$625,500.

19 (2) For the 2018-2019 and subsequent school years, the
20 Base Funding Minimum of Organizational Units and Specially
21 Funded Units shall be the sum of (i) the amount of
22 Evidence-Based Funding for the prior school year and (ii)
23 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

1 to place such units into tiers for the purposes of the
2 funding distribution system described in subsection (g) of
3 this Section. Initially, an Organizational Unit's
4 Preliminary Resources and Preliminary Percent of Adequacy
5 are calculated pursuant to paragraph (2) of this subsection
6 (f). Then, an Organizational Unit's Final Resources and
7 Final Percent of Adequacy are calculated to account for the
8 Organizational Unit's poverty concentration levels
9 pursuant to paragraphs (3) 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
12 Base Funding Minimum. An Organizational Unit's Preliminary
13 Percent of Adequacy is the lesser of (i) its Preliminary
14 Resources divided by its Adequacy Target or (ii) 100%.

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

24 (4) An Organizational Unit's Final Percent of Adequacy
25 is its Final Resources divided by its Adequacy Target. An
26 Organizational Unit's Adjusted Base Funding Minimum is

1 equal to its Base Funding Minimum less its Supplemental
2 Grant Funding, with the resulting figure added to the
3 product of its Supplemental Grant Funding and Preliminary
4 Percent of Adequacy.

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

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

1 (5) of this subsection (g), multiplied by the
2 Organizational Unit's Adequacy Target, with the resulting
3 amount reduced by the Organizational Unit's Final
4 Resources. For Tier 2, an Organizational Unit's Funding Gap
5 equals the tier's Target Ratio, as described in paragraph
6 (5) of this subsection (g), multiplied by the
7 Organizational Unit's Adequacy Target, with the resulting
8 amount reduced by the Organizational Unit's Final
9 Resources and its Tier 1 funding allocation. To determine
10 the Organizational Unit's Funding Gap, the resulting
11 amount is then multiplied by a factor equal to one minus
12 the Organizational Unit's Local Capacity Target
13 percentage. Each Organizational Unit within Tier 3 or Tier
14 4 receives an allocation of New State Funds equal to the
15 product of its Adequacy Target and the tier's Allocation
16 Rate, as specified in paragraph (4) of this subsection (g).

17 (2) To ensure equitable distribution of dollars for all
18 Tier 2 Organizational Units, no Tier 2 Organizational Unit
19 shall receive fewer dollars per ASE than any Tier 3
20 Organizational Unit. Each Tier 2 and Tier 3 Organizational
21 Unit shall have its funding allocation divided by its ASE.
22 Any Tier 2 Organizational Unit with a funding allocation
23 per ASE below the greatest Tier 3 allocation per ASE shall
24 get a funding allocation equal to the greatest Tier 3
25 funding allocation per ASE multiplied by the
26 Organizational Unit's ASE. Each Tier 2 Organizational

1 Unit's Tier 2 funding allocation shall be multiplied by the
2 percentage calculated by dividing the original Tier 2
3 Aggregate Funding by the sum of all Tier 2 Organizational
4 Unit's Tier 2 funding allocation after adjusting
5 districts' funding below Tier 3 levels.

6 (3) Organizational Units are placed into one of 4 tiers
7 as follows:

8 (A) Tier 1 consists of all Organizational Units,
9 except for Specially Funded Units, with a Percent of
10 Adequacy less than the Tier 1 Target Ratio. The Tier 1
11 Target Ratio is the ratio level that allows for Tier 1
12 Aggregate Funding to be distributed, with the Tier 1
13 Allocation Rate determined pursuant to paragraph (4)
14 of this subsection (g).

15 (B) Tier 2 consists of all Tier 1 Units and all
16 other Organizational Units, except for Specially
17 Funded Units, with a Percent of Adequacy of less than
18 0.90.

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

22 (D) Tier 4 consists of all Organizational Units
23 with a Percent of Adequacy of at least 1.0 and
24 Specially Funded Units, excluding Glenwood Academy.

25 (4) The Allocation Rates for Tiers 1 through 4 is
26 determined as follows:

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

2 (B) The Tier 2 Allocation Rate is the result of the
3 following equation: Tier 2 Aggregate Funding, divided
4 by the sum of the Funding Gaps for all Tier 2
5 Organizational Units, unless the result of such
6 equation is higher than 1.0. If the result of such
7 equation is higher than 1.0, then the Tier 2 Allocation
8 Rate is 1.0.

9 (C) The Tier 3 Allocation Rate is the result of the
10 following equation: Tier 3 Aggregate Funding, divided
11 by the sum of the Adequacy Targets of all Tier 3
12 Organizational Units.

13 (D) The Tier 4 Allocation Rate is the result of the
14 following equation: Tier 4 Aggregate Funding, divided
15 by the sum of the Adequacy Targets of all Tier 4
16 Organizational Units.

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

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

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

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

23 (6) If, at any point, the Tier 1 Target Ratio is
24 greater than 90%, then all Tier 1 funding shall be
25 allocated to Tier 2 and no Tier 1 Organizational Unit's
26 funding may be identified.

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

5 (8) If any Specially Funded Units, excluding Glenwood
6 Academy, recognized by the State Board do not qualify for
7 direct funding following the implementation of this
8 amendatory Act of the 100th General Assembly from any of
9 the funding sources included within the definition of Base
10 Funding Minimum, the unqualified portion of the Base
11 Funding Minimum shall be transferred to one or more
12 appropriate Organizational Units as determined by the
13 State Superintendent based on the prior year ASE of the
14 Organizational Units.

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

1 for tiers shall be reduced in the following manner:

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

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

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

15 (D) Finally, Tier 1 funding shall be reduced by an
16 amount equal to the difference between the Minimum
17 Funding level and New State Funds and the reduction in
18 Tier 2, 3, and 4 funding. In addition, the Allocation
19 Rate for Tier 1 shall be reduced to a percentage equal
20 to 50%, multiplied by the result of New State Funds
21 divided by the Minimum Funding Level.

22 (9.5) For State fiscal year 2019 and subsequent State
23 fiscal years, if New State Funds exceed \$300,000,000, then
24 any amount in excess of \$300,000,000 shall be dedicated for
25 purposes of Section 2-3.170 of this Code up to a maximum of
26 \$50,000,000.

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

25 (11) The State Superintendent shall make minor
26 adjustments to the distribution formula set forth in this

1 subsection (g) to account for the rounding of percentages
2 to the nearest tenth of a percentage and dollar amounts to
3 the nearest whole dollar.

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

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

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

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

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

7 (4) Annually, the State Superintendent shall calculate
8 and report to each Organizational Unit the amount the unit
9 must expend on special education and bilingual education
10 pursuant to the unit's Base Funding Minimum, Special
11 Education Allocation, and Bilingual Education Allocation.

12 (5) Moneys distributed under this Section shall be
13 calculated on a school year basis, but paid on a fiscal
14 year basis, with payments beginning in August and extending
15 through June. Unless otherwise provided, the moneys
16 appropriated for each fiscal year shall be distributed in
17 22 equal payments at least 2 times monthly to each
18 Organizational Unit. The State Board shall publish a yearly
19 distribution schedule at its meeting in June. If moneys
20 appropriated for any fiscal year are distributed other than
21 monthly, the distribution shall be on the same basis for
22 each Organizational Unit.

23 (6) Any school district that fails, for any given
24 school year, to maintain school as required by law or to
25 maintain a recognized school is not eligible to receive
26 Evidence-Based Funding. In case of non-recognition of one

1 or more attendance centers in a school district otherwise
2 operating recognized schools, the claim of the district
3 shall be reduced in the proportion that the enrollment in
4 the attendance center or centers bears to the enrollment of
5 the school district. "Recognized school" means any public
6 school that meets the standards for recognition by the
7 State Board. A school district or attendance center not
8 having recognition status at the end of a school term is
9 entitled to receive State aid payments due upon a legal
10 claim that was filed while it was recognized.

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

14 (8) Each fiscal year, the State Superintendent shall
15 calculate for each Organizational Unit an amount of its
16 Base Funding Minimum and Evidence-Based Funding that shall
17 be deemed attributable to the provision of special
18 educational facilities and services, as defined in Section
19 14-1.08 of this Code, in a manner that ensures compliance
20 with maintenance of State financial support requirements
21 under the federal Individuals with Disabilities Education
22 Act. An Organizational Unit must use such funds only for
23 the provision of special educational facilities and
24 services, as defined in Section 14-1.08 of this Code, and
25 must comply with any expenditure verification procedures
26 adopted by the State Board.

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

20 (10) No later than January 1, 2018, the State
21 Superintendent shall develop a 5-year strategic plan for
22 all Organizational Units to help in planning for adequacy
23 funding under this Section. The State Superintendent shall
24 submit the plan to the Governor and the General Assembly,
25 as provided in Section 3.1 of the General Assembly
26 Organization Act. The plan shall include recommendations

1 for:

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

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

7 (C) application and enhancement of the current
8 financial accountability measures, the approved State
9 plan to comply with the federal Every Student Succeeds
10 Act, and the Illinois Balanced Accountability Measures
11 in relation to student growth and elements of the
12 Evidence-Based Funding model; and

13 (D) implementation of an effective school adequacy
14 funding system based on projected and recommended
15 funding levels from the General Assembly.

16 (i) Professional Review Panel.

17 (1) A Professional Review Panel is created to study and
18 review the implementation and effect of the Evidence-Based
19 Funding model under this Section and to recommend continual
20 recalibration and future study topics and modifications to
21 the Evidence-Based Funding model. The Panel shall elect a
22 chairperson and vice chairperson by a majority vote of the
23 Panel and shall advance recommendations based on a majority
24 vote of the Panel. A minority opinion may also accompany
25 any recommendation of the majority of the Panel. The Panel
26 shall be appointed by the State Superintendent, except as

1 otherwise provided in paragraph (2) of this subsection (i)
2 and include the following members:

3 (A) Two appointees that represent district
4 superintendents, recommended by a statewide
5 organization that represents district superintendents.

6 (B) Two appointees that represent school boards,
7 recommended by a statewide organization that
8 represents school boards.

9 (C) Two appointees from districts that represent
10 school business officials, recommended by a statewide
11 organization that represents school business
12 officials.

13 (D) Two appointees that represent school
14 principals, recommended by a statewide organization
15 that represents school principals.

16 (E) Two appointees that represent teachers,
17 recommended by a statewide organization that
18 represents teachers.

19 (F) Two appointees that represent teachers,
20 recommended by another statewide organization that
21 represents teachers.

22 (G) Two appointees that represent regional
23 superintendents of schools, recommended by
24 organizations that represent regional superintendents.

25 (H) Two independent experts selected solely by the
26 State Superintendent.

1 (I) Two independent experts recommended by public
2 universities in this State.

3 (J) One member recommended by a statewide
4 organization that represents parents.

5 (K) Two representatives recommended by collective
6 impact organizations that represent major metropolitan
7 areas or geographic areas in Illinois.

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

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

14 The State Superintendent shall ensure that the
15 membership of the Panel includes representatives from
16 school districts and communities reflecting the
17 geographic, socio-economic, racial, and ethnic diversity
18 of this State. The State Superintendent shall additionally
19 ensure that the membership of the Panel includes
20 representatives with expertise in bilingual education and
21 special education. Staff from the State Board shall staff
22 the Panel.

23 (2) In addition to those Panel members appointed by the
24 State Superintendent, 4 members of the General Assembly
25 shall be appointed as follows: one member of the House of
26 Representatives appointed by the Speaker of the House of

1 Representatives, one member of the Senate appointed by the
2 President of the Senate, one member of the House of
3 Representatives appointed by the Minority Leader of the
4 House of Representatives, and one member of the Senate
5 appointed by the Minority Leader of the Senate. There shall
6 be one additional member appointed by the Governor. All
7 members appointed by legislative leaders or the Governor
8 shall be non-voting, ex officio members.

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

14 (A) gifted under subparagraph (M) of paragraph (2)
15 of subsection (b) of this Section;

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

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

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

22 (E) maintenance and operations under subparagraph
23 (S) of paragraph (2) of subsection (b) of this Section;
24 and

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

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

5 (A) The format and scope of annual spending plans
6 referenced in paragraph (9) of subsection (h) of this
7 Section.

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

11 (C) Maintenance and operations. Within 5 years
12 after the implementation of this Section, the Panel
13 shall make recommendations for the further study of
14 maintenance and operations costs, including capital
15 maintenance costs, and recommend any additional
16 reporting data required from Organizational Units.

17 (D) "At-risk student" definition. Within 5 years
18 after the implementation of this Section, the Panel
19 shall make recommendations for the further study and
20 determination of an "at-risk student" definition.
21 Within 5 years after the implementation of this
22 Section, the Panel shall evaluate and make
23 recommendations regarding adequate funding for poverty
24 concentration under the Evidence-Based Funding model.

25 (E) Benefits. Within 5 years after the
26 implementation of this Section, the Panel shall make

1 recommendations for further study of benefit costs.

2 (F) Technology. The per pupil target for
3 technology shall be reviewed every 3 years to determine
4 whether current allocations are sufficient to develop
5 21st century learning in all classrooms in this State
6 and supporting a one-to-one technological device
7 program in each school. Recommendations shall be made
8 no later than 3 years after the implementation of this
9 Section.

10 (G) Local Capacity Target. Within 3 years after the
11 implementation of this Section, the Panel shall make
12 recommendations for any additional data desired to
13 analyze possible modifications to the Local Capacity
14 Target, to be based on measures in addition to solely
15 EAV and to be completed within 5 years after
16 implementation of this Section.

17 (H) Funding for Alternative Schools, Laboratory
18 Schools, safe schools, and alternative learning
19 opportunities programs. By the beginning of the
20 2021-2022 school year, the Panel shall study and make
21 recommendations regarding the funding levels for
22 Alternative Schools, Laboratory Schools, safe schools,
23 and alternative learning opportunities programs in
24 this State.

25 (I) Funding for college and career acceleration
26 strategies. By the beginning of the 2021-2022 school

1 year, the Panel shall study and make recommendations
2 regarding funding levels to support college and career
3 acceleration strategies in high school that have been
4 demonstrated to result in improved secondary and
5 postsecondary outcomes, including Advanced Placement,
6 dual-credit opportunities, and college and career
7 pathway systems.

8 (J) Special education investments. By the
9 beginning of the 2021-2022 school year, the Panel shall
10 study and make recommendations on whether and how to
11 account for disability types within the special
12 education funding category.

13 (K) Early childhood investments. In collaboration
14 with the Illinois Early Learning Council, the Panel
15 shall include an analysis of what level of Preschool
16 for All Children funding would be necessary to serve
17 all children ages 0 through 5 years in the
18 highest-priority service tier, as specified in
19 paragraph (4.5) of subsection (a) of Section 2-3.71 of
20 this Code, and an analysis of the potential cost
21 savings that that level of Preschool for All Children
22 investment would have on the kindergarten through
23 grade 12 system.

24 (5) Within 5 years after the implementation of this
25 Section, the Panel shall complete an evaluative study of
26 the entire Evidence-Based Funding model, including an

1 assessment of whether or not the formula is achieving State
2 goals. The Panel shall report to the State Board, the
3 General Assembly, and the Governor on the findings of the
4 study.

5 (6) Within 3 years after the implementation of this
6 Section, the Panel shall evaluate and provide
7 recommendations to the Governor and the General Assembly on
8 the hold-harmless provisions of this Section found in the
9 Base Funding Minimum.

10 (j) References. Beginning July 1, 2017, references in other
11 laws to general State aid funds or calculations under Section
12 18-8.05 of this Code shall be deemed to be references to
13 evidence-based model formula funds or calculations under this
14 Section.

15 (Source: P.A. 100-465, eff. 8-31-17; 100-578, eff. 1-31-18.)

16 Section 90. The State Mandates Act is amended by adding
17 Section 8.42 as follows:

18 (30 ILCS 805/8.42 new)

19 Sec. 8.42. Exempt mandate. Notwithstanding Sections 6 and 8
20 of this Act, no reimbursement by the State is required for the
21 implementation of any mandate created by this amendatory Act of
22 the 100th General Assembly.

23 Section 99. Effective date. This Act takes effect upon
24 becoming law.